



SONOMA COUNTY OPEN SPACE FISCAL OVERSIGHT COMMISSION
COMMISSIONERS

Mike Sangiacomo (First District)
Todd Mendoza (Second District)
Gary Wysocky (Third District)

Ariel Kelley (Fourth District)
Jorge Inocencio (Fifth District)
Jeff Owen (Alternate)

REGULAR MEETING AGENDA

January 4, 2024 | 5:00 p.m.

MEMBERS OF THE PUBLIC MAY PARTICIPATE VIA ZOOM OR IN PERSON

The January 4, 2024 Fiscal Oversight Commission Meeting will be conducted in person at Ag + Open Space's office located at 747 Mendocino Avenue, Santa Rosa, CA. The public may also participate virtually through Zoom.

Members of the public can watch or listen to the meeting using one of the two following methods:

1. JOIN THE ZOOM MEETING

On your computer, tablet or smartphone by clicking

<https://sonomacounty.zoom.us/j/94827319733?pwd=S3Jja1JneVE0ZHhMbHliZTZsMVB3QT09> password: cows707

If you have a Zoom account, click Join Meeting by number: 948 2731 9733 password: cows707

Call-in and listen to the meeting: Dial (669) 900-9128 Enter meeting ID: 948 2731 9733

2. ATTEND IN PERSON:

Members of the public may attend in person at Ag + Open Space's office at 747 Mendocino Avenue, Santa Rosa, CA in the large conference room.

Public Comment During the Meeting: You may email public comment to Sara.Ortiz@sonoma-county.org. All emailed public comments will be forwarded to all Commissioners. Please include your name and the relevant agenda item number to which your comment refers. Public Comment may be made live during the Zoom meeting or live, in person, in the Ag + Open Space large conference room. Available time for comments is determined by the Commissioner Chair based on agenda scheduling demands and total number of speakers.

Disability Accommodation: If you have a disability which requires an accommodation or an alternative format to assist you in observing and submitting comments at this meeting, please contact Sara Ortiz by phone at (707) 565-7360 or by email to Sara.Ortiz@sonoma-county.org. by 12 p.m. Wednesday, January 3, 2024 to ensure arrangements for accommodation.

1. **Call to Order**
2. **Agenda Items to be Held or Taken Out of Order; Off- Agenda Items**
3. **General Announcements Not Requiring Deliberation or Decision**
4. **Public Comment**
The Brown Act requires that time be set aside for public comment on items not agendized.
5. **Correspondence/ Communications**
6. **General Manager’s Report**
Misti Arias | General Manager
7. **Financial Report Attachment 1**
Julie Mefferd | Administrative + Fiscal Manager
8. **Ad Hoc Committee Reports**
Annual Report/Audit Report Review (Owen, Sangiacomo)
Appraisal (Owen, Mendoza)
Matching Grant Program Application Evaluation (Sangiacomo, Wysocky)
Matching Grant Program Revision (Inocencio, Kelley)
Ag + Open Space Endowment (Wysocky, Owen)
9. **Creation of Ad Hoc Committees for 2024 and Assignment of Commissioners**
10. **Review of Resolution #10-0832 Attachment 2**
11. **Review of Brown Act**
12. **Review of Rules of Governance Attachment 3**
13. **Closed Session (Real Property Negotiations - Government Code Section 54956.8)**

Project Name: Spring Hill Ranch
Property Owners: Larry K. Peter, a single man, as to Tract One (APNs 07, -08, -09)
Andrew R. Martin (selling to Larry K. Peter), as to Tract Two (APNs -002)
Western Dairy Properties, LLC, as to Tract Three (APNs -03)
Property Address: 3925 , 4234, 4235 [missing] & 3803 Spring Hill Road, Petaluma
Property APN(s): 022-240-007 (138 acres)
022-240-008 (135.25 acres)
022-240-009 (40 acres)
022-260-002 (163.07 acres) (100 acres to be owned by Larry K. Peter)
022-260-003 (165.26 acres)

Negotiating Parties:
Ag + Open Space's Representative: Misti Arias, General Manager
Owner’s Representative: Bill Keene, Larry Peter

Under Negotiation:
Acquisition of Real Property by Ag + Open Space. The Commission will give instruction to its negotiator(s) on the price. (Government Code Section 54956.8)

14. Reconvene to Open Session and Report out of Closed Session

15. Election of Officers

16. Suggested Next Meeting

February 1, 2024

17. Adjournment

AGENDAS AND MATERIALS: Agendas and most supporting materials are available on Ag + Open Space's website at sonomaopenspace.org. Due to legal, copyright, privacy or policy considerations, not all materials are posted online. Materials that are not posted will be made available for public inspection between 8:00 a.m. and 5:00 p.m., Monday through Friday, at 747 Mendocino Avenue, Santa Rosa, CA.

SUPPLEMENTAL MATERIALS: Materials related to an item on this agenda submitted to the Commission after distribution of the agenda packet will be made available for public inspection at the Ag + Open Space office at 747 Mendocino Avenue, Santa Rosa, CA during normal business hours. You may also email Sara.Ortiz@sonoma-county.org for materials.

ATTACHMENT 1

Sonoma County Agricultural Preservation and Open Space District
 Consolidated Balance Sheet - District and OSSTA Funds
 November 30, 2023

Assets	
Cash and Investments	\$86,853,790
Accounts Receivable	0
Other Current Assets	40,873
Intergovernmental Receivables	<u>2,986</u>
Total Assets	<u><u>\$86,897,649</u></u>
Liabilities and Fund Balance	
Current Payables	\$127,508
Other Current Liabilities	3,551
Due to Other Governments	50
Deferred Revenue	0
Long-Term Liabilities	<u>0</u>
Total Liabilities	<u>131,109</u>
Fund Balance	
Nonspendable	33,373
Restricted - District Activities	<u>86,733,167</u>
Total Fund Balance	<u>86,766,540</u>
Total Liabilities and Fund Balance	<u><u>\$86,897,649</u></u>

Cash by Fund	
OSSTA - Measure F	\$68,664,505
Open Space District	3,094,780
Stewardship Reserve*	0
Cooley Reserve	155,594
Operations and Maintenance	<u>14,938,911</u>
Total Cash by Fund	<u>\$86,853,790</u>

*On July 1, 2015 the County of Sonoma Measure F Sales Tax Refunding Bonds, Series 2015 were issued. The transaction provided a savings of \$13.6 million, in part by following the Commission's recommendation of paying down \$30 million in principal, as well as obtaining a lower interest rate. The Commission recommended using the \$10 million in the Stewardship Reserve Fund as part of the \$30 million paydown. Additionally, the Commission directed use of the \$7.5 million annual savings resulting from the shortened term to fund the Stewardship Reserve beginning in the fiscal year 2024-2025. FOC Minute Order #13 dated May 14, 2015 reflects this direction.

ATTACHMENT 1

Sonoma County Agricultural Preservation and Open Space District
 Consolidated District and OSSTA Budget to Actual
 For the Five months ended November 30, 2023
 42% of Year Complete

	Budget Final	Actual Year to Date	Encumbrances Year to Date	Remaining Balance	% of Budget Remaining
Revenues					
Tax Revenue *	\$32,570,959	\$8,991,840		\$23,579,119	72.39%
Intergovernmental	2,845,000	0		2,845,000	100.00%
Use of Money & Prop	155,000	690,730		(535,730)	-345.63%
Miscellaneous Revenues	1,874,000	10,923		1,863,077	
Other Financing Sources	993,897	0		993,897	100.00%
Total Revenues	38,438,856	9,693,493		28,745,363	74.78%
Expenditures					
Salaries and Benefits	6,931,408	2,227,329	\$0	4,704,079	67.87%
Services and Supplies	12,926,151	1,174,193	9,201,248	2,550,709	19.73%
Other Charges	5,651,318	3,000	156,875	5,491,443	97.17%
Capital Expenditures**	32,621,989	21,385,943	136,989	11,099,057	34.02%
Other Financing Uses	7,209,060	893,354		6,315,706	87.61%
Total Expenditures	65,339,925	25,683,819	9,495,112	30,160,995	46.16%
Net Earnings (Cost)	(\$26,901,069)	(15,990,326)	(\$9,495,112)	(\$1,415,631)	
Beginning fund balance		102,756,866			
Ending Fund Balance		86,766,540			

Note: Sales tax collected as of November 30, 2022 was \$8,827,367. Current collections are 1.86% above the prior year. There continue to be collection and timing issues with CDTFA.

(California Department of Tax and Fee Administration)

**Capital expenditure breakdown

Soda Springs Ranch	\$ 2,103,352
Gillis Ranch Preserve	2,253,187
Denner Ranches	11,513,090
Chanslor Ranch	5,516,314
	<u><u>\$ 21,385,943</u></u>

ATTACHMENT 2

THE WITHIN INSTRUMENT IS A
CORRECT COPY OF THE ORIGINAL
ON FILE IN THIS OFFICE.

ATTEST: December 8, 2010

VERONICA FERGUSON, Clerk of the Board of Directors
of the Sonoma County Agricultural Preservation
and Open Space District

BY C Woodson
DEPUTY CLERK

1

Resolution No. 10-0832

County of Sonoma
Santa Rosa, CA 95403

Date: 12/7/2010

Resolution of the Board of Supervisors of the County of Sonoma, State of California, reorganizing the Sonoma County Open Space Authority, assigning new duties, providing for a transfer of the Authority's assets to the Sonoma County Agricultural Preservation and Open Space District in order to comply with Ordinance No. 5677R, and authorizing the Execution of contracts with the District and with the State Board of Equalization.

Whereas, on November 7, 2006 the County's voters approved Measure F ("The Sonoma County Open Space, Clean Water and Farmland Protection Measure" also identified as Ordinance No. 5677R); and

Whereas, Section 4 of Measure F provides that effective April 1, 2011 the quarter cent sales tax for open space will be levied by the County rather than the Sonoma County Open Space Authority ("the Authority") and that the Authority will thereafter "provide fiscal oversight as provided in an agreement between the County and the [Sonoma County Agricultural Preservation & Open Space] District"; and

Whereas, the County and the District have reached the agreement anticipated by Sections 2.D. and 4 of Measure F requiring the County to fund the District's annual budget and to reorganize the Authority in order to specify its oversight responsibilities.

Now, Therefore, Be It Resolved,

1. Reorganization of the Authority. Effective April 1, 2011, Resolution No. 90-1521 and all resolutions amendatory thereto are rescinded and, pursuant to the authority of Government Code Section 31000.1, the Authority is reorganized as a commission for the purpose of providing fiscal oversight of the operations of the District as those oversight duties are more specifically set forth herein. The official name of the Commission shall be the Sonoma County Open Space Fiscal Oversight Commission.

2. The Commission's Governing Body. The governing body of the Commission:

A. Shall be denominated as its Board of Commissioners;

B. Shall be composed of five members and one alternate member, each of

whom:

(1) Is a resident of Sonoma County;

(2) Shall have been appointed by and serve at the pleasure of the Board of Supervisors after having been nominated by a member of this Board;

(3) Shall serve staggered terms of four years. Members of the Authority in office on March 31, 2011, including the alternate, shall continue to serve as Commissioners for the balance of their terms and until reappointed or replaced by the appointment of a successor.

(4) Shall receive \$100 for attendance at each meeting of the Commission and for attendance at each meeting of each duly constituted committee or subcommittee of which the Commissioner is a member. Additionally, the Commissioners shall be reimbursed their actual, reasonable and necessary expenses incurred in the performance of their official duties.

3. The Commission's Fiscal Oversight Role.

A. In conjunction with the periodic audits of the District and effective April 1, 2011, the Commission shall serve as an audit committee in order to:

(1) Determine that no funds from the County's Open Space Special Tax Account are either directly or indirectly appropriated or transferred to the County's General Fund other than for the reasonable value of goods and services provided by the County and necessary for the administration of the 2006 Expenditure Plan appended to Measure F as Exhibit "A" and in accordance with contracts made therefore by the District's General Manager.

(2) Review the District's expenditures for operations and maintenance to assure compliance with Paragraph 6 of the 2006 Expenditure Plan and the District's Resolution No. 07-0666, dated August 7, 2007.

(3) Determine whether the District's procurement practices assure that the District is paying reasonable prices that are necessarily incurred for the purchases of goods and services pursuant to written contracts requiring invoices with sufficient detail to provide a usable audit trail.

B. From time to time respond to requests from the Board of Directors of the District or the District's General Manager for advice on matters within the context of this resolution.

C. Preview all proposed District bond sales, lease-purchase transactions and other borrowing transactions to assure compliance with the Sonoma County Open Space Authority's policy resolution no. 2003-028 dated November 20, 2003.

D. Review the District's annual audit, paying particular attention to matters pertaining to subparagraphs 3.A.(1); (2) and (3) as well as other matters deemed appropriate by the Commission.

E. Make an annual report to the District's Board of Directors. The report shall include:

(a) a review and comments on the District's annual audit required by Paragraph 3.D. and, when appropriate, recommendations to the District's General Manager and Board of Directors for corrective action.

(b) a review of, comments on and, when appropriate, an endorsement of the County Auditor's annual report for special taxes required by Government Code §50075.3.

(c) a review and comments on the District's administration of its Stewardship Fund.

(d) comments on other matters respecting the District's compliance with Measure F.

F. Review each proposed District acquisition or conveyance of interests in real property to determine whether the District would be paying more or receiving less than fair market value for the open space interests being acquired or conveyed. Following the review, the Commission shall report its determination and, when appropriate, make recommendations to the District's General Manager for further negotiations regarding the price to be paid for the interest being acquired or conveyed. The District's General Manager shall advise the District's Board of Directors of any and all of the Commission's recommendations. For the purpose of this subparagraph F. the Commission is a coordinate legislative body of the District's Board of Directors and its deliberations with respect to fair market value and the reporting and making of recommendations to the District's General Manager may be conducted in a closed session pursuant to Government Code §54956.8 and other provisions of the Ralph M. Brown Act.

4. Assets and Liabilities.

A. Not later than January 31, 2011, the Authority shall fully discharge or assign to the District any and all of its liabilities and transfer its remaining non-cash assets to the District with an operative date of March 31, 2011. The timing and manner of the funding, discharge, assignment, and transfer shall be specified by the County Auditor.

B. Effective on March 31, 2011, all of the Authority's cash balances shall be deposited in the Open Space Special Tax Account and thereafter transferred to the District by the County Auditor in accordance with the District's 2010-11 budget. The Authority's cash balance allocated to the Sonoma County Open Space Reserve Fund shall be transferred by the Auditor to a District reserve fund in the District's 2010-11 budget denominated the Sonoma County Agricultural Preservation and Open Space Stewardship Reserve. The Authority's cash balance allocated to the Cooley Open Space Education Fund shall be transferred by the Auditor to a District reserve fund in the District's 2010-11 budget denominated as the Sonoma County Agricultural Preservation and Open Space Cooley Education Reserve.

5. The Commission's Budget. The Commission shall annually submit its proposed budget to the District's General Manager who shall review it and present it with his comments to the District's Board of Directors as part of the District's preliminary budget. From and after April 1, 2011 and in order to perform the duties imposed on it by this resolution and

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Resolution #10-0832

Date: 12/7/2010

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other provisions of law, the Commission may expend its budgeted funds as it deems reasonable and necessary.

6. Execution of Contract with the District. The Chair of the Board of Supervisors is authorized and directed to execute the contract between the County and the District as required by Measure F.

7. Execution of Contracts with the State Board of Equalization. The Chair of the Board of Supervisors is authorized to execute the following contracts with the State Board of Equalization:

A. Agreement for Preparation to Administer and Operate District's Transactions and Use Tax Ordinance; and

B. Agreement for State Administration of District Transaction and Use Taxes.

8. Delivery of Documents. The Clerk is directed to deliver the State Board of Equalization:

A. Five signed duplicate originals each of the two contracts listed above; and

B. Five certified copies of Ordinance No. 5677R; and

C. One copies of the election results for Ordinance No. 5677R; and

D. Five certified copies of this resolution; and

E. Five copy of the address information document.

Supervisors:

Kerns: Zane: Kelley: Carrillo: Brown:

Ayes: 5 Noes: Absent: Abstain:

So Ordered.

ATTACHMENT 3

RULES FOR GOVERNANCE OF THE BOARD OF COMMISSIONERS OF THE SONOMA COUNTY OPEN SPACE FISCAL OVERSIGHT COMMISSION

RULE 1: The Clerk, in consultation with the chair, shall prepare an agenda for each meeting of the Board. The agenda shall contain a brief general description of each item of business to be discussed at the meeting. At least 72 hours before a regular meeting, the Clerk shall post the agenda in a location that is freely accessible to members of the public during regular business hours.

RULE 2: When the agenda for any regular meeting has been prepared, the Clerk shall forthwith deliver a copy to each member of the Board.

RULE 3: Unless otherwise prohibited by law, the Board may make any disposition of a matter properly before it that it deems advisable.

RULE 4: The Chair shall preserve order and decorum and shall decide questions of order subject to an appeal to the Board.

RULE 5: All questions of law shall be referred to the Commission's Counsel for an opinion.

RULE 6: Each agenda shall provide an opportunity for members of the public to address the Board directly on items of interest to the public that are within the subject matter jurisdiction of the Board. The total time allocated for public testimony on any particular issue shall be 10 minutes unless the Chair deems that more time is necessary. Any person desiring to address the Board shall, when recognized by the Chair, speak from the rostrum, and give his or her name and address to the Clerk and limit his or her statement to 5 minutes. In order to facilitate the business of the Board, the Chair may further limit the time of each such address.

RULE 7: A majority of the members of the Board constitute a quorum for the transaction of business. No act of the Board shall be valid or binding unless a majority of all members concur therein.

RULE 8: A member may initiate voting on a matter by requesting the Chair to call for the question.

RULE 9: Members may vote "aye," "no," or "abstain."

RULE 10: A vote of "abstain" does not constitute concurrence and does not constitute a "no" vote.

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RULE 11: Emergency meetings and special meetings shall be called as provided in Sections 54956 and 54956.5 of the Government Code. Closed sessions shall not be scheduled nor conducted without prior consultation with the Commission's Counsel.

RULE 12: At the first meeting in each calendar year the Board shall elect a Chair and a Vice-Chair and a Chair Pro Tempore. When the Chair is absent, his or her duties shall be assumed by the Vice-Chair. If both the Chair and the Vice-Chair are absent, the Chair Pro Tempore shall perform the duties of the Chair. In lieu of an annual election, the Board may provide by resolution for the selection of Board officers on a rotational basis.

RULE 13: The Vice Chair shall serve, ex officio, as the Clerk of the Board and shall keep a minute book in which the proceedings of the Board shall be recorded and maintained. The Board may appoint a Deputy Clerk to assist the Vice Chair.

RULE 14: The Chair may, from time to time, appoint such standing or *ad hoc* committees of the Board as are necessary and convenient.

RULE 15: The Chair shall preserve order and decorum and shall decide all questions of order and procedure subject to an appeal to the Board. The nature of any appeal shall be briefly stated and the Chair shall have the right to state the reason for his or her decision.

A Board member wishing to speak shall refrain until he or she has been recognized by the Chair. While a member is speaking, members shall be respectful and shall not engage in or entertain private discussions.

Consistent with the purpose of the Rules, members are encouraged to use a formal style, including appropriate titles, in addressing the public, staff, and each other. All members shall refrain from the use of profanity, emotional outbursts, personal attacks, or any speech or conduct which tends to bring the organization into disrepute.

RULE 16: To assure civility in its public meetings, staff and the public are also encouraged to engage in respectful dialog that supports freedom of speech and values diversity of opinion. To achieve compliance with these rules, members, staff, and the public are encouraged to:

- Create an atmosphere of respect and civility where elected officials, members, District staff, and the public are free to express their ideas;
- Establish and maintain a cordial and respectful atmosphere during discussions;
- Foster meaningful dialogue free of personal attacks;
- Listen with an open mind to all information, including dissenting points of view, regarding issues presented to the Board;

ATTACHMENT 3

- Recognize it is sometimes difficult to speak at Board meetings, and out of respect for each person's feelings, allow them to have their say without comment, including booing, whistling, or clapping;
- Adhere to speaking time limit.

RULE 17: The Board shall refrain from emailing, texting, using social media, or otherwise engaging in electronic communications during Board meetings on matters that are listed on the Board's agenda.

RULE 18: Any member with a disqualifying conflict of interest must, in compliance with the Political Reform Act:

- a) Publically state the nature of the conflict in sufficient detail to be understood by the public;
- b) Recuse himself/herself from discussing and voting on item; and
- c) Leave the room until after the discussion, vote, and other disposition of the matter is concluded, unless the matter has been placed on the Consent Calendar.

The member may be allowed to address the Board as a member of the public. Disclosure of a conflict shall be noted in the official Board minutes. The member must also comply with all other applicable conflicts of interest laws.

Members may not have a financial interest in a contract approved or considered by the Board. In these cases, disclosure and recusal does not remove the conflict and such a contract is considered void (Government Code §1090). The member is encouraged to discuss possible conflicts with County Counsel prior to the meeting.

RULE 19: These rules shall be reviewed by the Board at the first meeting in each calendar year.

RULE 20: The Chair, Vice-Chair, and Chair Pro Tempore shall serve at the will and pleasure of the Board of Directors.

RULE 21: The members of the Board shall be allowed their actual and necessary expenses when attending to the business of the Commission. All claims for reimbursement shall be submitted by the Commission's Bookkeeper to the Board for its approval or rejection.