

SONOMA COUNTY OPEN SPACE FISCAL OVERSIGHT COMMISSION

COMMISSIONERS

Mike Sangiacomo (Sonoma)
Todd Mendoza (Petaluma)
Dee Swanhuysen (Sebastopol)

Bob Anderson (Healdsburg)
Eric Koenigshofer (Occidental)
Jeff Owen (Alternate)

Regular Meeting
747 Mendocino Avenue – Suite 100, Santa Rosa, CA 95401
October 29, 2015 5:00 pm

AGENDA

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/Communication.**
6. **Approval of Commission Minutes.**
September 10, 2015 [Attachment 1]
7. **Ad Hoc Committee Reports.**
 - **Annual Report/Audit Report Review** (Anderson, Swanhuysen) [Attachment 2]
Meeting held on 9/23/2015 – Review of the Maze & Associates Report on Applying Agreed Upon Procedures for the District's FY 14/15 Operations and Maintenance Transactions.
 - **Investment** (Swanhuysen, Owen) – no scheduled meetings
 - **Review of County Services** (Mendoza, Koenigshofer)
Meeting held on 10/29/2015 – Review of Legal Services Inventory (rescheduled from 9/30/15)
 - **Stewardship** (Mendoza, Sangiacomo) – no scheduled meetings
 - **Operation and Maintenance Transaction Review** (Anderson, Koenigshofer) – no scheduled meetings
 - **Matching Grant Program** (Koenigshofer, Owen) – no scheduled meetings
 - **Management Review** Recommendations (Koenigshofer, Anderson) – no scheduled meetings
8. **Initial Public Access Operation and Maintenance Policy Discussion.** [Attachment 3]
9. **Suggested Next Meeting.** November 19, 2015
10. **Adjournment.**

In compliance with Government Code §54954.2(a), the Sonoma County Open Space Fiscal Oversight Commission will, on request, make this agenda available in appropriate alternative formats to persons with a disability, as required by Section 202 of the ADA of 1990 (42 U.S.C. §12132), and the Federal rules and regulations adopted in implementation thereof. Individuals who need this agenda in another format or need a disability-related modification or accommodation should contact Sue Jackson at 707.565.7346 at least 72 hours prior to the meeting to ensure arrangements for accommodation. Pursuant to Government Code § 54957.5, a copy of all documents related to an item on this agenda submitted to the Fiscal Oversight Commission may be obtained from the Fiscal Oversight Commission office, 747 Mendocino Avenue, Santa Rosa, CA 95401.

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UNAPPROVED

Minutes for Meeting of September 10, 2015

Commissioners Present: Koenigshofer (Chair), Anderson (Vice Chair), Mendoza (Chair Pro Tem), Swanhuysen, Owen (Alternate).

Staff Present: Bill Keene, General Manager; Sheri Emerson, Program Manager – Stewardship; Mary Dodge, Administrative and Fiscal Services Manager; Sue Gallagher, Counsel; Amber Shows, GIS Analyst; Christine Minkel, Administrative Aide to the Commission, Sue Jackson, Deputy Clerk/Recorder-Fiscal Oversight Commission.

1. **Call to Order.**
Commissioner Koenigshofer called the meeting to order at 5:01 pm.
2. **Agenda Items to be Held or Taken Out of Order; Off Agenda Items.**
There were none.
3. **General Announcements Not Requiring Deliberation or Decision.**
There were none.
4. **Public Comment.**
There was none.
5. **Correspondence/Communication.**
Referring to the financial reports distributed at the meeting's onset, the Commissioners requested clarification of certain account data, i.e., 11145-OSSTA, 51226=Consulting Services, 52162-Special Department Expense categories. Commissioner Koenigshofer requested that additional detail of the encumbrances for account 52162 be provided at the next regular meeting.
6. **Approval of Commission Minutes.**
On a motion by Commissioner Anderson and second by Commissioner Owen, the minutes of August 20, 2015 were approved as submitted.

7. **Ad Hoc Committee Reports.**

- **Annual Report/Audit Report Review** (Anderson, Swanhuysen)
Referring to the Maze & Associates' review of the District's FY 14/15 Operations and Maintenance Transactions, (see Approved Minutes - August 20, 2015) Commissioner Anderson reported that the firm completed a draft report or their review and the committee is in process of reviewing that report.
- **Investment** (Swanhuysen, Owen) – nothing to report.
- **Review of County Services** (Mendoza, Koenigshofer)
Commissioner Koenigshofer reported that the committee met on September 10, 2015; that it was continuing its research of County costs, and would report out at a later date.
- **Stewardship** (Mendoza, Sangiacomo) – nothing to report.
- **Operation and Maintenance Transaction Review** (Anderson, Koenigshofer) – nothing to report.
- **Matching Grant Program** (Koenigshofer, Owen) – nothing to report.
Commissioner Koenigshofer asked that staff update the committee on processes and procedures that will be used for recipient selection prior to the onset of the next matching grant application cycle (anticipated for January 2016).
- **Management Review Recommendations** (Koenigshofer, Anderson) – nothing to report.

8. **Initial Public Access Operation and Maintenance Policy Discussion (IPAOM).**

Ms. Emerson presented a redlined version of the revised IPAOM policy for Commission review. The discussion addressed several key points, including:

- The Commission recommended to District staff that the draft policy presented to the Board of Directors by the end of 2015 be comprehensive and supersedes the prior 2007 and 2013 policies. District staff agreed.
- Definition of activities that are eligible for IPAOM funding;
- The timeframe within which O & M funding is available;
- Interpretation of qualifying language, e.g., "minimal improvements"
- How recipients of transferred property could be incentivized to open lands to the public more quickly.

The review concluded with Ms. Emerson reporting that the District and transferee organizations that have reviewed the revised policy are "95% in agreement" with the terms of the policy. Further discussion will take place and the policy is expected to go before the Board of Directors within the next few months.

The policy will come before the Commission at its next regular meeting.

10. **Suggested Next Meeting.** October 1, 2015

Note: Mr. Keene introduced Amber Shows, newly hired by the District, and the District's Conservation GIS analyst. Ms. Shows described her background and role at the District. She was welcomed to the District by the Commission.

11. **Adjournment.**

Commissioner Koenigshofer adjourned the meeting at 6:28 pm.

Respectfully submitted,

Sue Jackson
Deputy Clerk

Memo

To: Sonoma County Agricultural Preservation and Open Space District Management Staff

From: Sonoma County Open Space Fiscal Oversight Commission-Annual Report and Audit Review Committee

Regarding: Committee's Review of the District's FY 14/15 Expenditures Applied to the Operations and Maintenance Category

Date: October 29, 2015

The committee has completed its review of the District's FY 14/15 expenditures that were applied to category "71", the District's internal cost accounting code for the expenses allowable to the Operations and Maintenance category. That review included an independent accountant's review of an expense sample recorded to that category, and a review of six executed agreements between the District and the park operation entities receiving the property (Transfer Agreements). Maze & Associates performed that review and their final report is attached. The review found the District to be in compliance with Measure F and with the two board-approved policies on the operations and maintenance category.

In addition to the Maze review, the Committee reviewed the District's protocols for cost coding of time cards and invoices. To follow are the Committee's recommendations:

1. At the next District staff meeting, management is to conduct a training on coding of both time cards and invoices stressing the importance of using the two internal tools to scrutinize for cost application to the O&M category (code #71). The tools are known as the "Recreational Land Properties List" and the "Instruction for using the new 8 digit codes for cost accounting."
2. It appears that much effort to review this category falls onto the Stewardship Manager and the Accounting Technician. The committee recommends that their effort continue, but also expand the effort to all District staff with an emphasis on supervisory staff.
3. For supervisory staff, the District Finance Manager or General Manager should send a semi-annual reminder e-mail regarding the importance of overall time card review with emphasis on the O&M category. Labor is the most expensive District cost and thus, a reminder for supervisory attention to time card review would preserve the integrity of the District's overall cost accounting.
4. As part of orienting a new employee, cost accounting training should be done by the new employee's supervisor. This supervisory task should be added to a checklist related to on-boarding new staff.
5. When a new property is added to the Recreational Land Properties List, staff should be notified via e-mail and during a staff meeting to remind staff of the importance of accurately coding time cards and invoices.
6. Again, because labor is the most expensive District cost, supervisors should include an evaluation of an employee's understanding of the District's cost coding when conducting an employee's biannual performance evaluation.
7. Once the Board of Directors reviews and approves the comprehensive O&M policy that the District is in process of drafting, the committee recommends that District management prepare a companion reference tool for District staff to use when preparing their time cards and coding invoices.

The committee understands that the District is in process of implementing a quarterly review process for the operations and maintenance expense category. The committee looks forward to hearing the outcome of that new

protocol. Additionally, District staff may have ideas of keeping this cost category topical for staff through other protocols or training and the committee request that the Commission is kept apprised of those additional actions.

Attachments:

1. Maze & Associates' Independent Accountant's Report on Applying Agreed Upon Procedures for Sonoma County Agricultural Preservation and Open Space District for the Year Ended June 30, 2015
2. District Board-approved policies; resolutions #07-0666 from August of 2007 and #13-0410 from October of 2013

Resources:

1. Board Resolution 10-0832 from December 7, 2010 – Fiscal Oversight Commission's founding charter.
2. FOC Agenda and Meeting Minutes: <http://www.sonomaopenspace.org/who-we-are/board-and-advisors/fiscal-oversight-commission/>
3. Measure F approved by 75.7% of the Sonoma County electorate on November 7, 2006
4. County of Sonoma's Auditor Controller's April 7, 2014 limited review of the District's reporting process for the period of July 1, 2007 thru June 30, 2013
5. District's Recreational Land Properties List for those properties eligible for expenses in the O&M category supplied by the District Finance Manager on 10/2/15
6. District's coding reference tool for cost accounting at the District - all costs; not just O&M (suffix #71 identifies a cost to the O&M category) supplied by the District Finance Manager on 10/2/15 and titled, "Instruction for using the new 8 digit codes for cost accounting"

**INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED UPON PROCEDURES FOR
SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT
FOR THE YEAR ENDED
JUNE 30, 2015**

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**INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED UPON PROCEDURES FOR
SONOMA COUNTY AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT
FOR THE YEAR ENDED
JUNE 30, 2015**

Commissioners of
Sonoma County Open Space Fiscal Oversight Commission
Santa Rosa, California

We have performed the procedures described below, which were agreed to by the Sonoma County Agricultural Preservation and Open Space District (District) and Sonoma County Open Space Fiscal Oversight Commission (Commission) solely to assist you with respect to verifying expenditures coded to the operations and maintenance category for the year ended June 30, 2015 were allowable, based on the Measure F Expenditure Plan and subsequent Board approved policies. Management is responsible for reviewing and approving the expenditures charged to the operations and maintenance expense account. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Commission. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures, results, findings, and recommendations are as follows:

Procedures 1: We selected all expenditures from the "Fiscal Year 2015 Transaction Detail" provided by the Administrative and Fiscal Services Manager that were coded to the operations and maintenance (cost coding account 71) category for the months of April, May and June 2015 for the following eleven properties, selected by the Commission:

1. Carrington Coast Ranch
2. Clover Springs
3. Wright Preservation Bank
4. Healdsburg Ridge Open Space Preserve
5. Jenner Headlands
6. Laguna Trails
7. Montini Open Space Preserve
8. Paulin Creek Preserve
9. Saddle Mountain
10. Tolay Lake Ranch
11. Ranchero Mark West

We traced the operating and maintenance expenditures to supporting back up documentation and invoices. We reviewed the description of the expenses on the backup to ensure that the expense were allowable and in compliance with the Measure F Expenditure Plan, the 2007 Policy (Resolution 07-0666) and the 2013 (Resolution 13-0410) Policy as it relates to initial public access.

Results: We tested a total of 345 lines of journal entries which totaled 58 expenditures that were charged to the operations and maintenance account for the months of April, May and June 2015. Tested expenditures appeared to be in compliance with the Measure F Expenditure Plan and the two Board policies based on the description of the expenditure. These expenditures appear to be consistent with the definition of the initial public access, operation and maintenance as described in the policies. Payroll that is charged to operations and maintenance is reviewed by the Supervisor and then reviewed again at year end by the Stewardship Program Manager. If the property is open to the public, they will not be allowed to charge time to operations and maintenance.

Findings: None Noted

Procedures 2: We requested Transfer Agreements for all of the above mentioned properties from the Administrative and Fiscal Services Manager. The 2007 and 2013 policies states that the expenditures should “support initial public access”. Also the policies state that the normal expense reimbursement period should not exceed three years. We reviewed the Agreements to determine if the timeline for the reimbursement period appears to be about three years. We also reviewed the descriptions of the projects to see if they appear to be related to initial public access. If the details of the project are not included in the agreement, we made sure that the agreement required District approval before the start of the project.

Results: We tested the available 6 finalized agreements focusing on the contract terms and the use of funds from the District. The policies state the projects for use of the District funds shall not exceed three years, but can be extended upon District approval. The project descriptions in the agreements were compared against the definitions of the initial public access, operation and maintenance as described in the policies. The timing and terms of uses of District funds in the tested agreements appear to be in compliance with the 2007 and 2013 policies.

Findings: The following properties did not have a finalized Transfer Agreement as of the date of our fieldwork, August 28, 2015:

1. Carrington Coast Ranch
2. Paulin Creek Preserve
3. Saddle Mountain
4. Ranchero Mark West
5. Wright Preservation Bank

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the expenditures charged to the operations and maintenance cost category. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management and Members of the Commission and is not intended to be and should not be used by anyone other than those specified parties.

Mazze + Associates

Pleasant Hill, California
August 28, 2015

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

ATTEST: August 8, 2007
ROBERT DEIS, Clerk of the Board of Directors
of the Sonoma County Agricultural Preservation
and Open Space District

BY [Signature]
DEPUTY CLERK

#43

Resolution No: 07-0666

Dated: August 7, 2007

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SONOMA COUNTY
AGRICULTURAL PRESERVATION AND OPEN SPACE DISTRICT
ESTABLISHING A POLICY FOR BUDGETING THE DISTRICT'S OPERATIONS
AND MAINTENANCE FUNDS

BE IT RESOLVED that this Board of Directors hereby finds, determines, declares
and orders as follows:

1. *Sales Tax Extension.* On November 7, 2006 the voters of the County of Sonoma
approved Measure F extending the sales tax for open space, currently being levied by the
Sonoma County Open Space Authority, from 2011 to 2031.

2. *Operations and Maintenance Funding.* Measure F also amended the Authority's
Expenditure Plan to allow expenditures by the District for operation and maintenance of
open space properties providing that the expenditures did not exceed ten percent of the sales
tax revenue received from November 8, 2006 through March 31, 2031.

3. *General Manager's Recommendation.* After consulting with the County's Auditor and
the County's Counsel, the General Manager has made certain recommendations to this
Board on a proposed policy for annually budgeting and accounting for maintenance and
operations appropriations expenditures. The proposed policy has been found by the
Sonoma County Open Space Authority to be consistent with the 2006 Expenditure Plan.
The General Manager's recommendation is contained in her letter dated July 2, 2007 and
attached hereto as Exhibit "A."

4. *Approval.* The General Manager's recommendation as set forth in Exhibit "A" is
approved and the General Manager is directed to periodically review the policy and
recommend any needed changes arising from changed circumstances.

Directors:

Kerns: _____ Smith: _____ Reilly: _____ Kelley: _____ Brown: _____

Ayes: 5 Noes: _____ Absent: _____ Abstain: _____

SO ORDERED

ATTEST: OCT 15 2013

VERONICA A. FERGUSON, Clerk/Secretary
BY *Woodson*
DEPUTY CLERK/ASST SECRETARY

Date: October 15, 2013

Item Number: 26
Resolution Number: 13-0410

☐ 4/5 Vote Required

Resolution Of The Board Of Directors Of The Sonoma County Agricultural Preservation and Open Space District, Updating the District's Initial Public Access, and Operations and Maintenance Policy

Whereas, In November of 2006, the voters of Sonoma County approved Measure F (*Sonoma County Open Space, Clean Water, and Farmland Protection Measure*) extending the District's funding for an additional twenty years. Measure F included an Expenditure Plan, which governs the District's expenditure of tax revenues, and which became effective upon voter approval ("2006 Expenditure Plan"); and

Whereas, Paragraph 6 of the 2006 Expenditure Plan authorizes expenditures for initial public access and operation and maintenance of recreational lands as follows:

"Operation and maintenance of land includes limited funding for initial public access, operation and maintenance of recreational lands purchased in accordance with this Plan. No more than 10 percent of total revenues generated over the life of the Measure shall be made available for operation and maintenance purposes."; and

Whereas, this Board finds that the plain language of Paragraph 6 of the 2006 Expenditure Plan authorizes the following expenditures of tax revenues: (1) Payments to entities receiving fee-title transfer of recreational properties, for the purposes of funding operation and maintenance costs that support initial public access; (2) Costs related to resource management and infrastructure maintenance on District lands intended for recreational use; (3) Costs to provide interim access or permit programs, public outings and educational programs on recreational lands protected by the District but not currently open to the general public; (4) Capital improvements to provide initial public access on lands intended for recreational use; and (5) related District staff and legal costs; and

Whereas, in 2007, the Board adopted Resolution No. 07-0666, which approved a policy proposed by the previous General Manager for budgeting funds under Paragraph 6 for operations and maintenance, directing the General Manager to periodically review the policy and recommend any needed changes arising from changed circumstances; and

Whereas, the General Manager has recommended that Resolution No. 07-0666 be updated in order to clarify Board direction and to ensure that funding is available to achieve a balanced program over the life of Measure F.

Now, Therefore, Be It Resolved that with respect to expenditures of tax revenues under Paragraph 6 of the 2006 Expenditure Plan, the policy of the District shall be as follows:

1: Capital Improvements

Expenditures related to capital improvements, including District staff and consultant time, materials and supplies, and legal costs, to support initial public access on District protected lands intended for recreational use shall be included within the 10% cap on operations and maintenance expenditures under Paragraph 6 of the 2006 Expenditure Plan.

2: Payments to Recreational Partners

Payments to entities receiving fee-title transfer of District recreational properties, for the purposes of funding operation and maintenance costs that support initial public access, shall continue and shall be included with the 10% cap on operations and maintenance expenditures under Paragraph 6 of the Expenditure Plan. These payments may be for a period not to exceed three years from the date of fee title transfer and shall be made on a reimbursement basis according to an approved work plan. The District may grant an extension of the three-year time frame in the case of extraordinary circumstances.

3: Recreational Lands Management Costs

Expenditures related to resource management and infrastructure maintenance on District lands intended for recreational use, including District staff and consultant time, materials and supplies, and legal costs, shall be included within the 10% cap on operation and maintenance expenditures under Paragraph 6 of the 2006 Expenditure Plan.

4: Interim Access, Permit, and Outings Costs

Expenditures to provide interim access or permit programs, public outings, and educational programs on recreational lands protected by the District but not currently open to the public, including District staff and consultant time, materials and supplies, and legal costs, shall be included within the 10% cap on operations and maintenance expenditures under Paragraph 6 of the 2006 Expenditure Plan.

5: Annual appropriations for Initial Public Access and O&M Expenditures and Reserve Fund contribution:

As part of the annual budgeting process, the General Manager shall recommend (a) allocations for qualifying initial public access and operations and maintenance expenditures for specific properties or projects, and (b) an annual contribution to the District's Operation and Maintenance Reserve. Total allocations shall not, cumulatively, exceed 10 % of the special tax revenues of the District to the date of the allocation. The Board of Directors will retain the flexibility to re-allocate funds, from the District's Operation and Maintenance Reserve for other purposes eligible under Measure F as it deems appropriate.

Be It Further Resolved that this Resolution clarifies Resolution No. 07-0666. In the event of any inconsistencies, this Resolution shall govern.

Directors:

Gorin: Aye	Zane: Aye	McGuire: Aye	Carrillo: Aye	Rabbitt: Aye
Ayes: 5	Noes: 0	Absent: 0	Abstain: 0	

So Ordered.

TUESDAY OCTOBER 15, 2013

ACTION SUMMARY

AGENDA BOARD OF SUPERVISORS

SONOMA COUNTY

575 ADMINISTRATION DRIVE, ROOM 102A

**SEE BELOW FOR BOARD OF SUPERVISORS MINUTES OF OCTOBER 15, 2013 WHICH
INCLUDE FINAL ACTION OTHER THAN RECOMMENDED**

**26. Hold a study session on lands acquired for recreation including: (1) Fiscal
Overview; (2) Initial Public Access, Operation and Maintenance Policy, (3)
Accounting Review, and (4) Fee Lands Strategy; and adopt a Resolution approving
an update to the District's 2007 Initial Public Access, Operations and Maintenance
Policy.**

2:24P.M.

**Present: Christine Williams, Administrative Analyst II, County Administrator's
Office; Bill Keene, General Manager, Agricultural Preservation and Open Space
District; Sheri Emerson, Program Manager, Agricultural Preservation and Open
Space District; and David Sundstrom, Auditor-Controller-Treasurer-Tax Collector**

Speakers:

**Ken Wells
Caitlin Cornwall
Craig Anderson
Laurie Gallian
Ted Eliot
Ralph Benson**

**Dennis Rosatti
Jeff Owen
Liza Prunuske
David Bannister
Dee Swanhuysen
Eric Koenigshofer
Bob Anderson**

**Board Action: Adopt a resolution updating the district's initial public access, and
operations and maintenance policy to include (I) costs of capital improvements, (2)
limited initial payments to recreational land transfer recipients, (3) costs for
recreational property management, and (4) costs to provide interim access, permit,
and public outings and education programs, and (5) continued annual
appropriations for initial public access and operation and maintenance expenditures
and District Operation and Maintenance Reserve Fund contribution.**

UNANIMOUS VOTE

Approved by Resolution No. 13-0410

**Board Action: Approve the General Manager's recommendation that the
Carrington, Occidental, and East Slope Sonoma Mountain properties owned by the
District be moved to Tier 1 in the Fee Lands Strategy, with the designated recipient
as Sonoma County Regional Parks, subject to action by the Sonoma County Board
of Supervisors. Each property transfer transaction would be brought to the District
Advisory Committee and Fiscal Oversight Commission for review, and then to the
District Board of Directors for approval at a later date.**

UNANIMOUS VOTE

SEE BOARD ACTION#26 [10-15-13] FOR THE BACKGROUND INFORMATION



DATE: October 22, 2015 (Meeting October 29, 2015)

TO: Fiscal Oversight Commissioners

FROM: Sheri J. Emerson, Stewardship Program Manager

SUBJECT: Draft Initial Public Access, Operation and Maintenance Policy

I have reworked the draft policy into a new draft Board resolution based on input from your meeting of September 10, 2015. As this draft resolution incorporates language from several source documents, as well as input provided by your Commission, staff, County Counsel, and stakeholders, I do not have a redline version available for your use.

Please review this draft resolution in anticipation of providing additional input at your October 29 meeting.

DRAFT IPAOM POLICY UPDATE FOR 2015

Date:	Item Number: _____
	Resolution Number: _____

☐ 4/5 Vote Required

Resolution of the Board of Directors of the Sonoma County Agricultural Preservation and Open Space District, Updating the District's Initial Public Access, and Operation and Maintenance Policy

Whereas, in November of 2006, the voters of Sonoma County approved Measure F (*Sonoma County Open Space, Clean Water, and Farmland Protection Measure*) extending the District's funding for an additional twenty years. Measure F included an Expenditure Plan, which governs the District's expenditure of tax revenues, and which became effective upon voter approval ("2006 Expenditure Plan"); and

Whereas, the Expenditure Plan authorized the use of sales tax revenues towards the protection of five listed open space designations:

1. Community separators and greenbelts;
2. Scenic landscape units and scenic corridors;
3. Agriculturally productive lands;
4. Biotic habitat areas, riparian corridors; and other areas of biotic significance, and
5. Other open space projects; and

Whereas, the Expenditure Plan provides that the protection of these agricultural lands and open space "will be accomplished primarily through the purchase of development rights from willing sellers" and may include the purchase of "fee interests for outdoor public recreation where the public use would not be inconsistent with the open space designations..."; and

Whereas, in its Paragraph 6, the Expenditure Plan also allows for funding towards "operation and maintenance of land":

"Operation and maintenance of land includes limited funding for initial public access, operation and maintenance of recreational lands purchased in accordance with this Plan. No more than 10 percent of total revenues generated over the life of the Measure shall be made available for operation and maintenance purposes."; and

Whereas, in 2007, the Board adopted Resolution No. 07-0666, which approved a policy proposed by the previous General Manager for budgeting funds under Paragraph 6 for

operation and maintenance; and

Whereas, pursuant to Resolution No. 07-0666, the District established an Initial Public Access, Operation and Maintenance Fund (IPAOM Fund), which continues to be maintained by the District and expended in accordance with the approved policy, as subsequently amended; and

Whereas, Resolution No. 07-0666 directed the General Manager to periodically review the policy and recommend any needed changes arising from changed circumstances; and

Whereas, in 2013, the General Manager reviewed the policy and recommended certain clarifications, which the Board approved through its adoption of Resolution 13-0410, thereby setting forth additional details regarding eligible expenditures under Paragraph 6 of the Expenditure Plan; and

Whereas, the General Manager has now recommended that Resolutions No. 07-0666 and 13-0410 be updated and replaced in order to consolidate and further clarify the District's policy on the expenditure of funds for initial public access and operations and maintenance (IPAOM Policy); and

Whereas, as it did in 2013, this Board finds that the plain language of Paragraph 6 of the 2006 Expenditure Plan authorizes the following expenditures of tax revenues:

1. Payments to entities acquiring District-protected recreational properties, for the purposes of funding operation and maintenance costs that support initial public access;
2. Costs related to resource management and infrastructure maintenance on District lands intended for recreational use;
3. Costs to provide interim access or permit programs, public outings and educational programs on recreational lands protected by the District but not currently open to the general public;
4. Capital improvements to provide initial public access on lands intended for recreational use; and

Whereas, as it did in 2013, this Board further finds that Paragraph 6 also authorizes expenditures for District staff and legal costs related to all of the above; and

Whereas, to preserve open space and ensure fiscal responsibility, the District supports a low-impact, low-cost approach to recreational improvements and operations, providing safe and high quality recreational opportunities on District-protected lands in a manner consistent with preservation of natural resources, scenic and agricultural values where identified for a particular property; and

Whereas, limiting District funding of recreational improvements to those that are necessary to provide initial public access (including the cost of preliminary planning for

and initial operation and maintenance of those improvements), will help to minimize the impact to the environment and reduce long term maintenance and operational costs. This approach also allows for prudent use of revenues over the life of the Measure F; and

Whereas, Paragraph 6 was intended to provide limited expenditures to assist in “jump starting” some level of initial public access and land maintenance on recreational properties purchased with Measure F funds, and was not intended to fund on-going park operations.

Now, therefore, be it resolved that with respect to expenditures of Measure F sales tax revenues under Paragraph 6 of the 2006 Expenditure Plan, the policy of the District shall be as follows:

A. Eligible Expenditures

The following expenditures shall be eligible for reimbursement under Paragraph 6 of the Expenditure Plan, in accordance with the provisions of this policy. All such expenditures shall be subject to and included within the 10 percent cap on operations and maintenance expenditures established by Paragraph 6. All such expenditures shall be subject to annual review and audit.

1. Payments to Recreational Partners

Payments to entities acquiring a District-protected recreational property, for the purposes of funding operation and maintenance costs that support initial public access. These payments may be for a period not to exceed three years from the date of acquisition by the receiving entity, unless extraordinary circumstances can be demonstrated. Payments shall be made on a reimbursement basis pursuant to a written agreement between the District and the owner of the recreational property and approved by District Counsel. The written agreement shall include an approved workplan and shall be consistent with the terms of a conservation easement held by the District, and to the provisions of a recreational covenant, if required.

2. Recreational Lands Management Costs

Expenditures related to resource management and infrastructure maintenance on District-owned lands intended for recreational use, including District staff and consultant time, materials and supplies, and legal costs.

3. Interim Access, Permit, and Outings Costs

Expenditures to provide interim access or permit programs, public outings, and educational programs on recreational lands protected by the District but not

currently open to the general public, including District staff and consultant time, materials and supplies, and legal costs.

4. Capital Improvements

Expenditures for capital improvements, including District staff and consultant time, materials and supplies, and legal costs, and/or payments to recreational entities acquiring District-protected land, where those improvements are necessary for initial public access. Where IPAOM funds are provided to another entity, the expenditure is subject to the same requirements outlined above for Payments to Recreational Partners.

B. Administration

1. Budget Process

As part of the annual budgeting process, the General Manager shall recommend an annual budget for the IPAOM Fund that equals no more than 10 percent of the revenue collected during the previous fiscal year, plus any unspent funds remaining in the Fund. Recreational partners and the District will be eligible for reimbursement from the IPAOM Fund for qualified expenses as defined below. IPAOM funding proposals from entities other than the District will be reviewed by the Fiscal Oversight Commission and approved by the Board of Directors prior to reimbursement. District expenditures of IPAOM funds will be reviewed by the Fiscal Oversight Commission on an annual basis, as described below.

2. Qualified Expenses

Qualified expenses include low-impact, low-cost improvements and programs, including necessary improvements that facilitate safe initial public access while protecting conservation values. Examples of necessary improvements include basic recreational amenities such as multiple-use natural surface trails and unpaved parking areas, fencing, gates, related signage, and portable or temporary restroom facilities. Costs of preliminary planning for, and operation and maintenance of, necessary improvements are included. Costs associated with obtaining necessary regulatory approvals and access agreements are also included. Costs of providing universal access opportunities may be included as part of initial public access where appropriate and in accordance with law.

Qualified expenses do not include off-site road work or major internal road work (turn lanes, ingress road upgrades or realignments), major water or sewer infrastructure improvements, overnight accommodations (huts, hotels, yurts, cabins, tent pads), or more developed recreational amenities (play structures, covered picnic areas). On occasion, there may be extraordinary circumstances that would justify a contribution towards improvements that are otherwise not included in this policy but are necessary to provide initial public access. These may be approved on a case by case basis by the

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Board of Directors after staff recommendation and Fiscal Oversight Commission review. The intent of this policy is for IPAOM funds to be used for qualified expenses.

3. Annual Review

Reimbursements from the IPAOM Fund to the District and to other entities will be reviewed at the end of each fiscal year by the Fiscal Oversight Commission, in accordance with Sonoma County Board of Supervisors Resolution 10-0832, confirming that expenditures are consistent with the Expenditure Plan.

4. Cap on Total Expenditures

Total allocations for initial public access, operation and maintenance shall not, cumulatively, exceed 10 percent of the special tax revenues of the District to the date of the allocation.

5. Reallocation of Funds

Funds deposited into the District's IPAOM Fund are not irrevocably committed. The Board of Directors retains the flexibility to re-allocate funds from that Fund for other purposes eligible under Measure F as it deems appropriate; and

Be it further resolved that, the General Manager is directed to periodically review this policy and recommend any changes arising from changed circumstances; and

Be it further resolved that this Resolution supersedes and replaces both Resolution No. 07-0666 and Resolution No. 13-041.

Directors:

Rabbitt:

Zane:

Gore:

Carrillo:

Gorin:

Ayes:

Noes:

Absent:

Abstain:

So Ordered.