



SPECIAL MEETING

**BOARD OF DIRECTORS
MIDPENINSULA REGIONAL OPEN SPACE DISTRICT**

Tuesday, May 14, 2024

*The Board of Directors conducted this meeting in accordance with
California Government Code section 54953.*

DRAFT MINUTES

**SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE MIDPENINSULA
REGIONAL OPEN SPACE DISTRICT**

President MacNiven called the special meeting of the Midpeninsula Regional Open Space District to order at 5:00 p.m.

ROLL CALL

Members Present: Jed Cyr, Craig Gleason, Zoe Kersteen-Tucker, Yoriko Kishimoto, Margaret MacNiven, and Curt Riffle

Members Absent: Karen Holman

Staff Present: General Manager Ana Ruiz, General Counsel Hilary Stevenson, Assistant General Manager Susanna Chan, Assistant General Manager Brian Malone, Chief Financial Officer/Director of Administrative Services Stefan Jaskulak, District Clerk/Assistant to the General Manager Maria Soria, Executive Assistant/Deputy District Clerk Loana Lumina-Hsu, Engineering & Construction Manager Jay Lin, Land & Facilities Manager Brandon Stewart, Senior Property Management Specialist Omar Smith, Planning Manager Jane Mark, and Senior Planner Gretchen Laustsen

President MacNiven announced this meeting the public has the opportunity to comment on the agenda, and the opportunity to listen to this meeting through the internet or via telephone. This information can be found on the meeting agenda, which was physically posted at the District's Administrative Office, and on the District website.

Director Karen Holman joined the meeting at 5:01 p.m.

- 1. Bear Creek Stables Capital Maintenance and Repair Project Update and Confirmation on Next Steps (R-24-58)**

General Manager Ana Ruiz provided opening remarks regarding capital and operational costs to successfully retain public programs at Bear Creek Stables (BCS) over the long term. She noted the original project cost estimate was approximately \$4.4M compared to the current \$10M cost. She provided a brief history of the stables under the District's ownership and noted the poor stable conditions would require major capital repairs to retain a safe and functional operation. The repairs needed require quick action to avoid structural and functional failing. She explained that the District can no longer function under the permit constraints of the existing legal, nonconforming use. The necessary repairs require a use permit which triggers building and fire code requirements, thereby increasing costs. She cited the Financial and Operational Sustainability Model (FOSM) which cautioned against overextension of resources and advised maintaining focus on the District's core mission to deliver on promises of Measure AA. Ms. Ruiz stated that the Board has the difficult decision of determining whether the stables are in alignment with the District's mission and of such a high priority that it merits the high expenditure and staff resources, which are also needed for other high-priority projects.

Engineering & Construction Manager Jason Lin, Land & Facilities Manager Brandon Stewart, and Assistant General Manager Brian Malone presented on the Bear Creek Stables Capital Maintenance and Repair Project. Mr. Lin provided the stables site overview and reviewed the location map. He explained 60 to 70% of the paddocks require significant repairs. He then reviewed the project history and planning process timeline that began in 2017 to present. Mr. Lin provided an update of staff efforts to coordinate with Santa Clara County (SCC) to attain the Use Permit Status from 2021 to present. A consensus with the County has not been reached. He then reviewed the Capital Maintenance and Repair Projects that were approved in 2019 by the Board and explained the difference between the 2019 approved scope of work with the scope of work required in 2024. A major contributor to the cost increase is the requirement to widen the driveway to a 24' fire department access road, along with a retaining wall. Additionally, the District would need to install a fire hydrant, a 35,000-gallon water tank and improve the boarder area.

Mr. Lin stated the Land & Facilities department is currently diverting funds into the Stables for continued operations, significant repairs to make the site stable and safe. Removal of riparian trees, installation of retaining walls, and significant grading work would also be needed. SCC Fire Department unofficially proposed an alternative to a 24' access road by expanding the current road to 12'-14' and including mitigating factors such as road pull outs and a 550' retaining wall at 4-5' high for entire length. Mr. Lin reviewed the project cost estimate, which is approximately \$9.5 to \$10.5 million to complete the BCS repair project.

Director Riffle asked what developments to the water system have been completed and what remains to be done.

Mr. Lin provided an update of the work completed and stated that the future water project is the water tank, installation of a pad for a water tank, a pipe distribution system and pump with enough pressure for fire hydrant and sprinkler system.

Mr. Stewart added that in addition to the fire sprinkler system, staff also needs to connect the new water line down to the boarder area. While water currently feeds into all the paddocks, the system is not sustainable long-term.

Director Holman inquired if there are any onsite measures that have been considered which could mitigate the need to have a large fire engine in the area.

Mr. Lin explained that staff has been pursuing the Application for Use of Alternate Materials, Methods of Construction, or Modification of Code (AMMR). This includes proposing increased firewater storage, removal of buildings which could easily catch on fire, sprinklers, and other enhancements which would reduce fire risk. However, the SCC Fire Department ultimately is looking for enhancements of fire access. Although staff suggested 10' wide pullouts, the County rejected this proposal. The County requires a 20' wide road with two-foot shoulders on either side for a total of 24'.

Ms. Ruiz added that the County considers both fire and medical response when reviewing the fire code and the access way needed to make a speedy arrival and exit without being impeded by other vehicles.

Mr. Stewart continued the presentation, providing an overview of the stable's operation status. This includes work on waterline repairs, the new waterline installation including new water troughs, debris removal that has accumulated over the years, vegetation management for fire defense, paddock demolition based on feedback from an independent veterinarian regarding the safety of the paddocks which resulted in the removal of 18 paddocks with 3 additional paddocks needing to be rebuilt and further paddocks needing to be replaced in the future. However, rebuilding the paddocks have been delayed due to limited staff and other projects. He stated that a total of \$420,626 has been spent by the Land & Facilities department in the past 13 months on staffing, materials, and equipment costs. Mr. Stewart also outlined the long-term maintenance and administration needs that staff will need to assume responsibility for if the District maintains the site moving forward. He proposed modifications to the concessionaire agreement, including amending the lease to modify and reduce insurance requirements, shifting capital and facility maintenance and repairs to the District, reducing the age of camp participants, increasing the number of participants per day, allowing leasing of individual horses, and allowing a notable increase in boarding rates, upwards of 100% of boarding costs, as well as setting market trailer parking rates.

Ms. Ruiz clarified that the proposed changes to the concessionaire agreement apply regardless of the operator of the site.

Mr. Stewart then spoke of the operational tradeoffs if the Board proceeds with an option which requires staff to maintain the stables, including impacts to Bear Creek Redwoods Phase II, Wildland Fire Resiliency Program, Open Space Maintenance and Restoration Program, Kangaroo Rat Habitat Enhancement Project, Invasive Species Management Projects, Property Management Projects, and FOSM implementation. He expressed concern about not meeting infrastructure maintenance needs and the resulting impact on FEMA funds in the event of continued catastrophic storms. He also shared his concern regarding the availability of Property Management staff to respond to other accounts, as BCS is a significant account requiring attention. Furthermore, he explained that the Land & Facilities department will transition to the Central Services Department in approximately one year which will be a significant departure from current operations.

Director Gleason inquired about the boarding rates increasing by potentially 100%, expressing concern that members of the public have commented that other stables provide more services for the boarding rate.

Mr. Stewart responded that the potential 100% increase in boarding rates is based on the full build-out cost and the entire maintenance burden placed on the Land & Facility department. He emphasized that it is ultimately the Board's discretion to approve rate increase. Staff considered both cost recovery and subsidization of rates. He noted that rates have not been adjusted yet due to the current conditions of the stables, but as conditions improve, the rates would be adjusted.

Director Riffle asked for further explanation on the ongoing maintenance effort required after BCS is brought up to par.

Mr. Stewart explained the estimated cost if the District staff maintains the stables is approximately \$350,000 annually.

Director Kersteen-Tucker inquired how many members of the public who are not boarders visit the stables given that programming is suspended.

Mr. Stewart responded he was unsure but noted that friends and family of boarders visit. Few people walk through the stables since there is no access and there will not be access until the multi-use trail is built. He emphasized that the site is primarily used by the boarders.

Mr. Malone explained that during the permit process and while attempting alternate methods to keep costs down, the District discovered the estimated cost range of \$4M had more than doubled. He also noted that public comment has been elicited throughout the years at various meetings. Furthermore, increased capital costs and unanticipated ongoing operational costs led to the need for presenting new information to the Board regarding tradeoffs with the rest of the District's work and proposed alternative options. He stated that Option A, to close the stables, and Option B, to offer lower intensity horse experiential opportunity for the public, both fit within the District's Measure AA funds budget. However, Option C, which involves reducing operation to either boarding or programming only, or the repair plan would exceed the budget and impact other programs.

Mr. Malone addressed a few Written Public Comments (WPC) received. One comment asked why there was not an offset shown for either the concessionaire fee or boarding fees. He explained that the concessionaire fee is 5% and would be a minor offset at \$30,000 a year compared to operating costs which are \$350,000 per year. If the District assumed boarding operations, the Board would need to decide whether to set a boarding fee to offset the District's costs. Another WPC commented that many agencies are no longer providing stables. Mr. Malone stated many public agencies are facing similar challenges with costs. For example, Marin County Open Space Horse Hill is a low intensity operation with pasture grazing, which the District does not have a grazing area near the stables. Sonoma County recently purchased the Chanslor Ranch but will not take possession until November. San Juan Capistrano is selling their stables.

Mr. Malone then proceeded to review the considerations and operational impacts for Alternative Option A: Close the Stables, Alternative Option B: Lower Intensity Horse Experiential Opportunity for the Public, and Alternative Option C: Reduce Operation to either Boarding or

Programming Only. He concluded the presentation with a cost comparison between the alternative options.

Director Kersteen-Tucker asked about public access to the stables with Alternative Option B.

Mr. Malone explained that vehicular public access would be limited to reduce costs. The programming would be via hike in access with vehicle ADA access. He suggested there could be additional programming such as a docent hike or ride into the site to be able to access the horses.

Director Kersteen-Tucker asked if there is another agency willing to partner with the District similar to the District's partners with Deer Hollow Farm.

Mr. Malone responded that staff had discussions with Santa Clara County Parks whether they would be interested since they removed their stables, but the answer was no. The District has also conducted informal outreach with the Town of Los Gatos and other government agency to formally create a partnership, but there has been no interest.

Mr. Malone stated that for Option B to deliver on the reduced cost it has to be limited access. The restroom and buildings would be removed with the possible exception of the Tevis Barn. If the Board requested public access and parking onsite it would raise the costs closer to the repair plan.

Director Gleason referenced the 2021 report, which indicated the Board of Supervisors had expressed an interest in maintaining boarding facilities and would work with the District to develop permit conditions that would meet District goals with a stable site plan.

Mr. Malone explained the permitting conditions being presented as public safety measures, would place the Board of Supervisors in the difficult position of lessening safety measures and therefore it was not a path the County could provide assistance.

Director Gleason inquired if a discussion with the County is warranted now to explore further explore any flexibility.

Mr. Malone stated staff has already had numerous discussions with the County, which have not led to the desired results. While the easy option is to direct staff to keep trying, it will likely result with the same answer and in the meantime, project costs will rise due to inflation. Initially, staff was directed to explore a use permit, which the Board determined to be too expensive, and opted for a lesser repair plan. The County responded that a use permit was required for a restroom and to repair existing buildings.

Director Holman commented that type 1 and type 2 fire response vehicles are more suited for urban settings. She was confused as to why a type 3 engine, which seems more appropriate for this location, would not be adequate, and questioned why the Fire Marshal insisted on access for type 1 and type 2 engines.

Mr. Malone explained that the Fire Marshal's discussion was not focused on the type of engine used. Although staff proposed alternatives, such as replacing two dilapidated wooden barns with a metal barn for better fire safety, these suggestions were dismissed because they did not comply with the fire code.

Ms. Ruiz stated that staff toured the site with the Fire Marshal, they were able see the conditions, location, and the surrounding area. They understand the area well and are maintaining the requirement, mostly likely because it is a commercial site with multiple buildings.

Mr. Malone reported that Area Superintendent Brad Pennington mentioned that fire agencies are typically the first responders for a medical response and the advance life support is typically dispatched on a type 1 engine for that area.

Director Holman commented that usually the Fire Marshall is under the supervision of a City Manager and inquired if there is an appeal process, and if the decision has been appealed.

Mr. Lin stated that staff has not discussed appealing their decision.

President MacNiven noted that a public comment mentioned that the RFP requires a concessionaire to have a \$10K bond which limits the people who can respond, she asked if this was correct.

Mr. Malone confirmed that a \$10K bond is needed for a concessionaire agreement.

President MacNiven called for a recess at 7:16 p.m. and reconvened the special meeting at 7:26 p.m., with all Board members present.

Public comment opened at 7:26 p.m.

Heather Shupe spoke on the lack of oversight and deferred maintenance at BCS. She offered a different perspective and commented that staff's financial discussion overlooked external funding opportunities and suggested considering grants from Bay Area Barns and Trails and the California State Horseman's Association.

Nancy Cole, with the Friends of Bear Creek Stables, asked the Board to forward a motion suggesting alternatives to the staff's recommendations and to have staff explore additional community resources mentioned in their recent conversations. She emphasized that tonight is not the time to make a final decision and highlighted the importance of the BCS aligning to the District's mission with fostering opportunities for people to explore nature.

Tracy Powers, spoke about the strong community connection fostered by previous operators. She noted that while the District has made efforts to restore the stables after Pam left, the transition has been challenging, and community participation has gone down due to ongoing issues with the current concessionaire. She commented that BCS provides affordable and local boarding, and closing the stables would impose an economic hardship on boarders who cannot find alternative accommodations.

Aria McLeod, with Friends of Bear Creek Stables, spoke about her experiences at BCS from a preschooler through mountain school, making friends who enjoy nature, and walking at the Tevis Barn feeling nostalgic and curious about its history. She pointed out it is a special place for many people not just equestrian.

Caitlin Morais referenced the District and coastal missions, questioning why the coastal mission is not applied to all District lands, especially considering the numerous cultural legacies such as

BCS, which is 100-years old. She also commented on the District's time and money spent in Alma College and its connection to BCS through the Tevis Barn.

Lisa McLeod shared her children's positive experiences at BCS, highlighting their connection with nature and the boarding community. She personally leased two horses and emphasized the importance of retaining the stables to provide children with entertainment in a historic environment and hands-on real-life experiences. She urged the Board to extend these opportunities to other families who may not have access to such experiences.

Audrey Palmer commented she attended a meeting with District staff on November 19, 2022, meeting the new operator, and where plans and milestones were introduced. She noted that the boarders have endured a lot over the last two years and have stuck with it knowing there was a finish line. She noted that one of the unfortunate consequences has been the community fallen apart. She expressed her dissatisfaction with the proposal to close the stables with no boarding and urged the Board to keep the stables open.

Robert Filkowski shared how horses have positively impacted his life, mentioning that he recently celebrated one year at BCS where he has met great people and found a supportive community. He urged the Board to keep the stables open.

Rick Parfitt, with Friends of Bear Creek Stables, encouraged the Board to have staff take a more active role in the day-to-day running of the stables. He emphasized that the experience of children, parents, and others being close to horses is priceless. He highlighted that the stables have long been part of the community vision and have been strongly supported by both current and past board members. He praised the District's hardworking staff, expressing confidence that they can find solutions if directed to do so, and stressed the importance of preserving this legacy. Lastly, he shared a personal story on how horses helped his childhood friend.

Erfert Jenton believes that under Glenda Smith, the stables were run economically while maintaining safety, good horse management, and a thriving community. She expressed her concern of the District's high-cost estimates for various options and requested a more detailed itemized list for deferred maintenance, questioning the \$7.5M for repairs and improvements. She pointed out that the District should be accountable for some of the deferred maintenance within the last 25 years. She suggested that a community-minded concessionaire could save the District money and staff hours. She also expressed concern that high boarding fees, ranging from \$1,000 to \$1,500 a month, would deter potential boarders.

Bob Rosenberg, one of the District Ombudsman, commented that he and staff met with Chaparral in February and with the boarders a couple of weeks ago. He was pleased to see that the list of problems seemed manageable and feels confident that he can help resolve the issues. However, the focus shifted with concerns about costs. He urged the Board not to remove the boarders, sharing from personal experience that moving a horse is a terrible ordeal and highlighting how excited kids get when they see a horse on the trails. He suggested there are options to keep the boarders but, believes the option where people could walk in for lessons and trail rides will not work, it would not be financially viable for the operator.

Pam Ashford commented that the list of requirements for the RPF was long, and she believes she proved that she met them all. She spoke about the differences between her and Chaparral, and that Chaparral does not have the required insurance. She spoke of false allegations and that she

and her family felt terrorized by boarders and the Friends of Bear Creek. She felt that letters of complaint were taken at face value and never investigated. Furthermore, she commented the District had \$55M to build the administrative building but not \$10M for the stables. She urged the Board to spend the money on the public and not on a private building.

Robert Cornelius commented that the BCS provides families with valuable experiences in both natural and rural environments, which fosters a love and care for open spaces. This benefit extends beyond the boarders to their friends and family members. He highlighted the impact of the Pony Co-Op. He believes the cost to board a horse can be under \$200 a month and suggested he could run the stables and pay the District 30%, but at a rate of \$700 per boarder a month. He expressed confusion about why there are financial issues with the stables, implying that they could be profitable.

Jenny Whitman spoke on her dismay that after 25 years she is still asking the Board to save the community outreach program. She commented that in 2014 the community passed Measure AA that included \$5M to upgrade stables. She suggested a fourth option is to consider the environmental site plan that Nancy Cole and friends commissioned from a company that specializes in site plans for stables in open space, noting that the cost of the site plan was only \$1,000.

Audrey Stuermer shared that her family has been boarding horses since 2016 and emphasized the profound impact horses have had on her family, especially her older sister who faced mental health challenges. She highlighted how having a horse has also helped her personally with anxiety.

Suzanne Suwanda suggested to put in place the proposed program for an interim professional and insured barn manager to immediately take over daily management of the stables and relieve the immediate pressure on the boarders. She proposed that a citizens group, including equestrians, could help monitor the stables and the equestrians can demonstrate a new paradigm for BCS, one that serves the community, and maintains economic viability. She inquired how much funding is needed and will the Board give the equestrians a six-month timeframe. She hopes the BCS are not torn down and that the District doesn't become an agency that puts a fence up and locks the gate.

Anita Enander began her comments about former Congressman Pete McCloskey who recently departed and mentioned his lifetime dedication to the environment. As a former Mayor and Councilmember from Los Altos, she acknowledged the dedication and commitment of the equestrian community. She mentioned that she did not personally know any of the equestrians who spoke and offered her expertise as a former management consultant facilitator to bring the group together and find a solution.

Manal Zayed a boarder at BCS highlighted that the stables are a rare jewel to have in Silicon Valley and that it a great opportunity to connect with the outdoors both for children and adults. She urged the Board to find a solution to be able to keep the community and boarding aspect.

Jonathan Zhang spoke about his introduction and experience at the BCS and nature since he was 5 years old and the impactful experiences he had. He urged the Board to listen to the community and keep the stables.

Zoya Girshfeld spoke on how horses have helped her son become a decent man and he now volunteers with horses. She mentioned that the responsibilities of maintaining the stables should not only be the operator's responsibility but also of the District, nor should it be corrected at the at the expense of the stables.

Patricia Wengler spoke about the initial meeting regarding the next steps for managing BCS, goals and improvements, but now has learned that those goals will not be met. Despite the obstacles the boarders have remained dedicated due to BCS for the location, trails and the community. She clarified that their intention is not to complain but to ask for what was initially promised and to have the basic needs that a horse facility should provide.

Allison Meek Pierce shared her story on how horses helped her during her childhood and how during her teenage years she learned how to ride a horse at BCS. In December of 2023 she moved her horse due to poor management. She spoke about the importance of keeping the stables open as many other stables are closing in the Bay Area. She highlighted that BCS offers a valuable space for people to learn about and connect with horses and urged the Board to listen to the community and keep BCS open.

Helen Midgard spoke about the uniqueness of BCS and stated that while there are numerous places for the public to hike and ride bikes, there are very few places where people can experience horses. She expressed surprise at the focus on financial concerns during the discussions, noting that substantial funds are spent on maintaining trails and facilities for hikers and bikers, who do not pay use them. In contrast, those who use the stables do pay. She suggested that BCS could become the crown jewel of the District with the right vision and community support.

Pamela Warren expressed concern about the significant amounts of money already spent on preparing design packages for the BCS. She suggested sending the design package out to bid to obtain accurate, real numbers. She recommended partnering with contractors for value engineering and hiring a construction manager to determine the true costs. She emphasized the importance of fire access on any property. She urged the Board to utilize the existing drawings, specifications, and documents, which have already been paid for.

Marie Imai, a former teacher and director at the Mountain School, shared her experiences of taking young students to the BCS. She noted that the stables were a favorite field trip destination for both parents and children. She spoke about the beauty of the site and the added value of horses brought to the experience. She noted the importance of outdoor experiences for children, such as hiking, playing in the creek, and being around large animals, as these experiences leave lasting positive impacts into adulthood. She expressed her discouragement upon hearing about the financial issues but is encouraged by the enthusiasm of the community and believes a solution can be found to keep the stables open.

Cristin Reicmich spoke about the extensive open spaces she used to ride in and stressed that the District is here to preserve, and now the BCS can potentially be lost. She listed her credentials and spoke about the significant benefits of nature for well-being, which she has experience and seen firsthand. She spoke about other boarding facilities high boarding fees and noting that BCS should not become a high-cost facility. She mentioned that removing boarding would go against Measure AA's mission.

Annie Back spoke on behalf of the Lions Club District 4-C6. She criticized the awarding of the contract to Chaparral, and noted that Chaparral eliminated independent trainers, lesson programs, school schedules, meet-and-greets, and other commitments, forcing many to take their business elsewhere. While she has her own ranch and was unaffected, her daughter's business at the stables was disrupted. She mentioned that Chaparral had reduced the number of horses from 76 to 33 and eliminating 18 spaces. On behalf of the Lions Club, she urged the Board to table the current recommendations, suggesting they revisit the situation and explore grants, donation campaigns, and support from service organizations.

Mary Hufty, spoke on behalf of Bay Area Barns and Trails noted the passion of the public attending the meeting and attributed it to biophilia. She mentioned that this connection inspired the creation of the District and the funding of Measure AA, with the goal of making animals accessible to people. She suggested that the District needs a new paradigm focused on making animals accessible to the general public. This approach, she believes, will significantly enrich the open spaces, making them vibrant and beneficial for the entire community.

Michael Roberts spoke about how the BCS is a community resource that has been there for generations. He commended the District for taking on and clean the site to meet modern permit standards. He suggested to put in a board that includes both District staff and community members to oversee the stables, potentially transforming it into an amazing facility. He shared his love for horses and their healing impact on him. He hopes that the Board will save the stables and once it is done there will be a great community of equestrians.

Michelle Bacon, owner and founder of the Pony Co-op, shared her concerns about the current management of BCS. She questioned why the District is supporting Chaparral and offering to handle repairs, noting that there are other qualified operators available in the area. Although she has left BCS, she expressed her willingness to return if conditions improved. She urged that the staff and Board reevaluate the situation, scrutinize the budget, and identify where the funds have been spent. She commented on the need to restore the barn to its former glory, a place filled with children and laughter, contrasting it with the desolate state she observed. She suggested hiring a capable operator with proper insurance and have another go at it.

Lisa Baca, owner of Monteverde Ranch Equestrian Center in Sylmar noted the importance of fire suppression measures and other recommended improvements, referencing her own experience as a survivor of the 2017 Creek Fire, which resulted in the loss of 42 horses. She suggested staff look into the City of Los Angeles concessions model for the Los Angeles Equestrian Center, which has a new concessionaire, ASM Global Equestrians. She spoke about grants being available and contacting Senator Padilla to attain grants from the Veterans Administration for veteran equine therapy. Additionally, grants are available for mental health and equine therapy for teens. She shared her own experience with offering trail rides at her ranch, charging \$1 per minute, which has proven profitable. Lastly, she commented that the highest boarding fee at her ranch is \$750 for a 12 X 24 stall, with horses fed three times daily and providing shavings twice a week. She stressed that running a financially viable equestrian center is possible with proper management and support.

Robert Eichstaedt, owner of the Alto Bowl Horse Owners Association in Marin County, and operator of Horse Hill which is a horse operation on county land. They have a boarding pasture and free-range horses, and the land is open to the public. Their facilities include sheds, shelters, pens, water system, etc. They have a successful 30-year history with Marin County. He

mentioned that he provided a tour to the Friends of Bear Creek Stables of his facility as a model. He expressed his admiration for the strong community support for BCS. He urged the Board to revisit their vision for the stables, and to reach out to those who have offered suggestions and help and perhaps reset the whole program.

Mike Bushue, a member of the Equestrian Trail Riders' Action Committee, commented that the District might have lost \$5 million on engineering attempts to create a two-lane road into the property. He noted that the horse facility remains largely unchanged and spoke about the community's strong support. He agrees with the importance of fire resiliency and access, advocating for the construction of a two-lane road to ensure proper emergency vehicle access. He urged the Board to maintain the BCS as a viable facility.

Public comment closed at 8:30 p.m.

Director Riffle invited staff if they had any follow-up or comments to the public comments heard.

Mr. Malone clarified that funding opportunities were discussed in 2019, the Board directed staff to explore funding opportunities for the full project of Bear Creek Stables. Despite extensive outreach and hiring a consultant, neither internal nor external fundraising efforts could meet the necessary funding level need for the full project. There was potential for additional funding and support but not the level needed, or for the current funding gap. This led to the Board's decision not to pursue those avenues further, as detailed in the October 9, 2019 report, linked in the current board report. Additionally, the Friends of Bear Creek Stables also looked into funding. He commented that on Option B there was a comment that it would not be feasible for trail rides or lessons with a hike in option. He confirmed the proposal is not to have large-scale trail riding or lessons, but it would be more of a docent-led types of activities to experience the horses on site. He clarified that while Chaparral has insurance, it does not meet the full requirements of their agreement. This issue is under District review, as it impacts the operation's financial viability and would likely need adjustments for any operator given current insurance costs. Additionally, trainers are allowed at BCS but must sign an agreement with Chaparral. Lastly, Chaparral was selected after a competitive RFP process, and staff is working with them to ensure the operation functions effectively and will continuing to do so based on the Board's direction.

Chief Financial Officer/Director of Administrative Services Stefan Jaskulak reiterated that at the October 9, 2019, Board meeting, staff presented an independent study on fundraising opportunities. Four options were discussed to raise around \$6M, requiring an investment of \$1 to \$1.5M, with high risk and a significant time commitment of about 100 hours a week from staff and fundraisers. He noted this would be a significant lift, especially since staff is not set up for this type of work or have the expertise. Additionally, the Bay Area Barnes and Trail Grant program was mentioned, but its grants of \$500 to \$2,500 are insufficient for the fund's needed.

Director Gleason commented he reviewed the October 2019 report and noted that the selected no-fundraising option states "The Friends of Bear Creek Stables has demonstrated a high interest in the future operations of the stables. This option, which is the no fundraising option, will likely require additional engagement with its members to ensure they remain an integral voice in future repairs and actively engaged in future stables activities". However, he believes that over the past few years, Friends of Bear Creek has been largely excluded, initially due to COVID-19 and continuing through the transition period. He said, there has been a lack of engagement from the

operator to foster community value. He believes that community value has always been crucial for the stables' success. While there has been public input, the potential closure of the stables demands a different kind of public engagement. He believes the public is eager to help find solutions and that the current proposals may not be the best ones. He feels that this meeting should have been a public FYI, outlining the District's options, followed by an engagement period for the community to provide input and to also understand the District's constraints and collaborate together in good faith to find the best options. He expressed hope that this engagement could yield better solutions, considering the community's willingness to help. He also noted that while costs have increased due to inflation, at the same time the District's ability to spend has also improved.

Director Kishimoto commented that the Board heard a comprehensive staff report and public input, noting that a \$10M investment is substantial. She emphasized the Board's role in weighing all factors and mentioned her experience with Hidden Villa, highlighting the importance of connections between animals and the community. She considered two major points: the severe fire danger at BCS, where horses had to be evacuated during the CZU fire, along with risks of earthquakes, landslides, and unstable soils near the creek. These issues would persist even with a \$10M investment, and there are no guarantees of obtaining the necessary conditional use permit. Secondly, the cost is significant, the District is accountable to 700,000 people and has 25 Measure AA projects to complete, plus other CIAP projects. She stated that she is open to Option B, and Option A. As for Option C, she is open to the public programs that offer the largest public benefit over boarding for only 20 people.

Director Holman stated that she is not in favor of Option A. While she appreciates the cost analysis provided by staff, her inclination aligns somewhat with Director Gleason. She feels that the boarders, horse enthusiasts, and those who value horses as therapy and the District have not come together as a community. She mentioned that she visited BCS recently and was moved by the experience of interacting with the horses, emphasizing the profound impact such experiences people have with horses, especially on children. She proposed forming an ad hoc committee and include members of the Board with different perspectives for a balanced view, and a group from the community. She suggested that the community would self-select, but should have expertise in stables management, architectural engineering, therapy, and fundraising including grants. Also, for staff to work with the Board to seek out support with the elected for the conditional use permit.

Director Kersteen-Tucker commented having grown up with horses, she understands their power and the need for people to be around them. She noted that since she joined the Board, the Board has consistently listened to the community and worked to move forward with BCS. She acknowledged staff's dedication and hard work in following the Board's directions and their willingness to work with the community. She expressed difficulty with the current situation, recalling past discussions about fundraising, including potential contributions from Friends of Bear Creek Stables, which did not materialize, possibly due to the pandemic or other reasons. She is concerned about escalating costs, which have significantly exceeded Measure AA allocations for BCS and believes they cannot keep delaying decisions. As a Board member, one of the duties is to safeguard public funds for maximum public benefit. Given the options, she is not in favor of Option A. She leans towards Option B and, like Director Kishimoto, supports the public programming for Option C. She emphasized that if more public dollars are to be invested, she would want to see a broader public use for the site.

Director Cyr commented that he is wrestling with the complexities of the situation. Every proposed change at BCS seems to encounter permit problems, and he has not seen a solution that addresses this issue. He is in favor of making the site more fire-safe, but it involves removing trees and widening roads, which presents additional challenges. He deeply appreciates the public's efforts to voice their concerns and engage with the Board. He believes there is a way to move forward, but there is not a clear path yet. He would like to keep the horses and ensure more of the public can benefit from interactions with them.

President MacNiven commented that the passionate response from the audience made her want to keep the stables open. However, she is concerned about the toll this process has taken on staff. She found tonight's public comments helpful but noted that the interactions have not always been positive. Despite being on the Board for only a year and a half, she has heard many vituperative remarks. Furthermore, she does not like seeing the staff feeling dejected and believes they have not been supported adequately at the stables, based on what she hears. She has visited the stables and loves it and the people there but feels something is missing. She expressed that while tonight the public showed a strong desire to help and save the stables, she has not seen this level of unity over the past year. Instead, she has seen disagreements and complaints about the concessionaire. Additionally, she finds it difficult to justify saving \$10M and redirecting staff efforts elsewhere, stating that there is something valuable at the stables but needs more time.

Director Riffle thanked the members of public for attending and providing valuable input. He expressed gratitude to staff, particularly Mr. Stewart, Senior Property Management Specialist Omar Smith, and Property Management Specialist II Susan Weidemann for their heroics in keeping the stables operational over the last 13 to 15 months. He also thanked Mr. Lin for providing the financial numbers. While acknowledging Director Kishimoto's concerns about the stables' location, he emphasized the historical value as a community asset, echoing Director Gleason's sentiment. Furthermore, he expressed discomfort with the sudden shift from doing everything possible to keep the stables open to now potentially closing them. He identified with Director Holman sentiments about thoroughly exploring all possibilities based on the feedback received tonight and if there any other option that could be considered based on this information and return to the Board with a couple more options to consider and then make a decision. He raised the question to Ms. Ruiz on how that will impact staff's time.

Ms. Ruiz stated that the reasons that staff forwarded the different gradations of operation for the site along with the associated costs is to allow the Board to understand the implications of each. She emphasized that while there are other iterations, the costs will not change dramatically, due to substantial improvements to the site. Any repair exceeding 25% of a structure's valuation triggers the need for a use permit, which in turn mandates code compliance, leading to high costs. Additionally, inflation since 2019 has significantly increased project costs, and these will likely continue to rise with further delays. Furthermore, she acknowledged that while community programs could be improved, the ongoing costs remain, and fundraising opportunities may yield funds but would be very minimal. She stressed the importance of being transparent about the cost and the substantial investment needed to make the site operational.

Director Kishimoto moved the General Manager's recommendation #2 Option B, and to stay within the grandfathered use permit clause.

- b. Replace the horse boarding and public programming with a lower intensity horse experiential opportunity for the public; option *substantially* reduces the scale of the repairs; includes six-month relocation period for existing boarded horses.

Director Kersteen-Tucker stated that she was unsure between Options B and C, particularly emphasizing the importance of extending the public programming far beyond what it is right now so that more people can have access to the horses. Discussion ensued.

Director Kersteen-Tucker seconded the motion.

Director Kishimoto suggested amending the motion to add “in addition to direct staff to explore how the District could improve the equestrian facilities or programs”.

Director Gleason noted that the current motion is still intermediate and proposed modifying it by adding a cap on both funds and the timeframe for considering other options. He voiced concern about the lack of community engagement in the process.

Director Kersteen-Tucker emphasized the General Manager's point that the costs are the costs, regardless of the great ideas proposed from the community. She voiced her concern that any improvements to the site that brings people to the stable will cost \$10M and stressed that waiting would only escalate costs further.

Director Holman moved a substitute motion and seconded by Director Cyr to:

Direct the General Manager to bring back this item to the Board in approximately four months and form an Ad-Hoc Committee with members of the Board with different views as well as members of the community that will be self-selecting that have the following experience including the following:

- Stables or operations management
- Architectural and engineering experience
- Therapy programs
- Fundraising including grants

Staff will work with the Directors to seek out support with the elected for the CUP.

Director Kersteen-Tucker asks if the Board votes for the substitute motion would it be necessary to hire an interim barn manager and how would that play-out with the existing relationship with Chaparral.

Mr. Malone stated that the General Manager's Recommendation #3 authorizes the General Manager to return to the Board with an amended agreement.

Director Kersteen-Tucker asked for confirmation that it was with Chaparral.

Mr. Malone confirmed that the attempt would be to come back to the Board with an amended agreement if staff is able to reach an agreement with the current operator, Chaparral.

Director Kersteen-Tucker inquired if there will be some understanding of the insurance issues with Chaparral.

Mr. Malone stated that Chaparral are waiting for the outcome of this meeting and the evaluation of all the elements they requested, and if an agreement is reached on the insurance and other elements, then they could bring back programming to the site.

Director Kersteen-Tucker inquired how much impact would this have on staff.

Mr. Malone stated that there are two separate things, there needs to be an operator on site otherwise it would be a huge impact on staff just to take over the boarding management, which is the better option as far as impact on staff time. He commented that he was unsure if the ad hoc committee along with the public members participating could be done in the four months' timeframe, in addition it will defer other projects for whoever works on this project and there may be a potential to push out projects such as the opening of Bear Creek Phase II.

Ms. Ruiz stated that if the substitute motion is approved, it will postpone the decision on the stables for at least four months, possibly more. She mentioned that any evaluation of the current operator would need to be put on hold until the process concludes, and the future operations are defined. This definition will determine the type of operator needed and subsequent steps. In the meantime, staff could work with the current operator to amend their existing agreement, which would allow the stables to continue operating for the time being. This temporary solution would cover the operational period until a final decision is made. If this interim arrangement proves effective, it might be extended. If not, the amended agreement could serve as a template for a future RFP to find a new operator. However, she expressed concern about the staff's capacity to handle this additional task alongside existing responsibilities, as it is a significant undertaking. Furthermore, she noted she was holding staff accountable to open Bear Creek Phase II in October but may now not be able to do so.

Director Holman emphasized the long-term impact of the decision, describing it as a "forever decision" that will have lasting consequences and believes that taking approximately four months to seek out what might be a better or even the best opportunity or option is well worth it. She highlighted that once the stables are closed, it will likely not reopen, and if borders are removed, they are unlikely to return. She advocated for a reprieve to look for a more positive outcome.

President MacNiven asked if there are staff currently working at the stables.

Mr. Stewart commented that he needs clear direction for operations. His staff is currently on hold with reinstalling paddocks and improving the water supply system, awaiting a decision from the Board. He asked for guidance on allocating staff resources, indicating that he has panels and infrastructure ready to be installed but would need to redeploy staff currently engaged in trail brushing, maintenance, and construction. He would work with the General Manager's Office to determine which projects would need to be placed on hold, and reiterated he needs direction.

President MacNiven stated her preference would be to continue work on the Bear Creek Phase II Trail opening and brush maintenance. She believes that the borders can continue at BCS, and a new road is not need as of yet. She expressed her concern about road widening with retaining walls, which she opposes. She acknowledged that the current motion is a temporary solution, and that BCS can continue to operate for the next four months. She asked if the work could be temporarily placed on hold.

Mr. Stewart stated that work can be temporarily put on hold until the item is brought back to the Board. He mentioned this will impact the number of stalls available for additional boarders and is unsure if the 72 boarding capacity can be met. He expressed concerns about rebuilding the paddocks to maintain their original use.

Director Kersteen-Tucker asked if the Board is to vote on the substitute motion how much additional work will it be for staff, what projects would be postponed, and will any fire resiliency work, trail brushing, or vegetation management will be postponed.

Mr. Stewart stated if the Board approves the substitute motion none of the work will be deferred for the next four to five months and he would keep his staff working on their projects. He noted that it will affect the operator's ability to add more borders to the stables. It also impacts the needed repairs to the paddocks and the waterline connections.

Ms. Ruiz clarified that staff could proceed with the ad hoc committee but emphasized that the staff members involved already have a full list of projects. She expressed concern that taking on this additional task will require setting aside certain projects. Each staff member is responsible for various projects approved as part of the action plan, which will need to be rescheduled. She noted that project timelines will have to be adjusted to free up time, especially within the next four months. The ad hoc committee will involve substantial work, including meetings with community members, elected officials, county planning, and possibly the design team. While Mr. Stewart's crew can reserve their time, other supporting staff members will need to adjust their schedules.

Director Kishimoto commented that the Board has been through this process before, noting that the Board has explored these issues over the last 10 years. She emphasized that making tough decisions is part of their responsibility. Furthermore, she mentioned that they have considered various options, including exploring fundraising with the Friends of Bear Creek, requesting multiple layout drawings from staff, and going out for RFPs. She stressed that they have already done extensive work on this matter.

Director Holman commented that she has heard from many public speakers that the process has not reflected community input for quite some time. She recalled a meeting in Los Gatos where public ideas were presented but they have not explored further. She agreed with Director Gleason that the District has not fully utilized the community's expertise and experience, and hopes that better, enhanced ideas will emerge.

Motion: Director Holman moved, and Director Cyr seconded the substitute motion to: Direct the General Manager to bring back this item to the Board in approximately four months and form an Ad-Hoc Committee with members of the Board with different views as well as members of the community that will be self-selecting that have the following experience including the following:

- Stables or operations management
- Architectural and engineering experience
- Therapy programs
- Fundraising including grants

Staff will work with Directors to seek out support with the elected for the CUP.

ROLL CALL VOTE: 4-3-0 (Director Kersteen-Tucker, President MacNiven, and Director Kishimoto opposed.)

Ms. Ruiz asked for the Board's agreement that the ad hoc committee members could select the number of community members in order to maintain it manageable.

Director Holman suggested that the community self-select members for the ad hoc committee and forward their recommendations, along with their experience, to the ad hoc committee members. The Board President will be appointing the ad hoc committee members, so the community knows where to send the information.

Ms. Ruiz confirmed that the ad hoc committee will select and identify the number of committee members on the ad hoc committee.

Mr. Malone commented that since a decision has been delayed for the time being, the boarding and public programming will continue. He recommends that only part of the General Manager's Recommendation #3 is need: If horse boarding and/or public programming at the Stables site will continue, direct the General Manager to return with a revised concessionaire agreement.

Motion: Director Cyr moved, and President MacNiven seconded the motion to:

3. If horse boarding and/or public programming at the Stables site will continue, direct the General Manager to return with a revised concessionaire agreement.

ROLL CALL VOTE: 6-1-0 (Director Kishimoto opposed.)

ADJOURNMENT

President MacNiven adjourned the special meeting of the Board of Directors of the Midpeninsula Regional Open Space District meeting at 9:45 p.m. in honor of Pete McCloskey.

Shaylynn Nelson, Deputy District Clerk
Maria Soria, MMC, District Clerk