



SPECIAL AND REGULAR MEETING

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

**SPECIAL MEETING
MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
FINANCING AUTHORITY**

Administrative Office
330 Distel Circle
Los Altos, CA 94022

Wednesday, November 14, 2018

DRAFT MINUTES

SPECIAL MEETING – CLOSED SESSION

President Cyr called the special meeting of the Midpeninsula Regional Open Space District to order at 5:10 p.m.

ROLL CALL

Members Present: Jed Cyr, Nonette Hanco, Larry Hassett, and Yoriko Kishimoto

Members Absent: Pete Siemens and Curt Riffle

Staff Present: General Manager Ana Ruiz, General Counsel Hilary Stevenson, Real Property Manager Mike Williams, Acting Assistant General Manager Kirk Lenington

Public comments opened at 5:10 p.m.

No speakers present.

Public comments closed at 5:10 p.m.

1. CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Government Code Section 54956.8)

Property: Verde Road, Half Moon Bay, CA, Portion of San Mateo County APN 066-270-030

Agency Negotiator: Michael Williams, Real Property Manager

Negotiating Party: John and Maureen Giusti, Property Owners

Under Negotiation: Terms and conditions of Property Transfer

Director Riffle recused himself from this item due to his employment at the Peninsula Open Space Trust.

ADJOURNMENT

President Cyr adjourned the special meeting of the Board of Directors of the Midpeninsula Regional Open Space District at 5:55 p.m.

SPECIAL MEETING – STUDY SESSION

President Cyr called the special meeting of the Midpeninsula Regional Open Space District to order at 6:02 p.m.

ROLL CALL

Members Present: Jed Cyr, Nonette Hanco, Larry Hassett, Yoriko Kishimoto, and Curt Riffle

Members Absent: Pete Siemens

Staff Present: General Manager Ana Ruiz, General Counsel Hilary Stevenson, Chief Financial Officer/Director of Administrative Services Stefan Jaskulak, Assistant General Manager Brian Malone, Acting Assistant General Manager Kirk Lenington, District Clerk/Assistant to the General Manager Jennifer Woodworth, Budget Manager Carmen Narayanan, Finance Manager Andrew Taylor

1. Annual Bond Disclosure Training for the Board of Directors, Members of the Disclosure Working Group, and Contributors (R-18-130)

Jacquelynn Jennings, partner with the District’s disclosure counsel Schiff Hardin, presented the annual training on Bond Disclosure obligations, responsibilities, and potential liabilities of members of District staff and members of the Board of Directors to the Board members of the Disclosure Working Group.

Public comment opened at 7:00 p.m.

No speakers present.

Public comment closed at 7:00 p.m.

No Board action required.

REGULAR MEETING

President Cyr called the regular meeting of the Midpeninsula Regional Open Space District to order at 7:00 p.m.

President Cyr reported the Board met in closed session, and no reportable action was taken.

ROLL CALL

Members Present: Jed Cyr, Nonette Hanko, Larry Hassett, Yoriko Kishimoto, and Curt Riffle

Members Absent: Pete Siemens

Staff Present: General Manager Ana Ruiz, General Counsel Hilary Stevenson, Chief Financial Officer/Director of Administrative Services Stefan Jaskulak, Assistant General Manager Brian Malone, Acting Assistant General Manager Kirk Lenington, District Clerk/Assistant to the General Manager Jennifer Woodworth, Budget Manager Carmen Narayanan, Finance Manager Andrew Taylor, Information and Systems Technology Manager Garrett Dunwoody, Human Resources Manager Candice Basnight, Acting Public Affairs Manager Cydney Bieber, Visitor Services Manager Matt Anderson, Planning Manager Jane Mark, Engineering & Construction Manager Jason Lin,

ORAL COMMUNICATIONS

No speakers present.

ADOPTION OF AGENDA

Motion: Director Kishimoto moved, and Director Hassett seconded the motion to adopt the agenda.

VOTE: 5-0-0 (Director Siemens absent)

CONSENT CALENDAR

Public comment opened at 7:05 p.m.

No speakers present.

Public comment closed at 7:05 p.m.

Motion: Director Riffle moved, and Director Hassett seconded the motion to approve the Consent Calendar.

VOTE: 5-0-0 (Director Siemens absent)

1. **Approve October 24, 2018 Minutes**
2. **Claims Report**

Director Riffle requested clarification regarding the percentage of payments made by electronic funds transfers.

Mr. Jaskulak reported the District has a goal of making 10% of transfers by electronic fund transfers, which are more secure and efficient, by the end of the current fiscal year.

3. Fiscal Year 2018-19 Quarter 1 Budget Amendments (R-18-128)

General Manager's Recommendation: Adopt a resolution approving the proposed Fiscal Year 2018-19 Quarter 1 Budget amendments (revenues and expenses)

4. Lease exchange between Communications & Control, Inc., and Midpeninsula Regional Open Space District to receive a Radio Equipment Lease near Sierra Azul Open Space Preserve in exchange for a Master Communication Lease at Rancho San Antonio Open Space Preserve. (R-18-133)

General Manager's Recommendation:

1. Determine that the recommended actions are categorically exempt from the California Environmental Quality Act, as set out in the report.
2. Adopt a Resolution authorizing the lease exchange with Communications & Control, Inc.

5. Amendment to the Classification and Compensation Plan (R-18-134)

General Manager's Recommendation: Adopt a resolution amending the Classification and Compensation Plan to reflect current market levels for the following four positions: Volunteer Program Manager, Docent Program Manager, Senior Real Property Specialist, and Senior Property Management Specialist.

BOARD BUSINESS

6. Update on Actions of Mutual Interest taken by the Midpeninsula Regional Open Space District and Lehigh Hanson Heidelberg Cement during the Past Year (R-18-127)

General Manager Ana Ruiz provided comments regarding District's work with Lehigh Hanson and the District's ongoing relationship with the company including continued monitoring of conditions to protect preserve visitors, District staff, and natural resources in the area.

Daniel Fritz, Region West President of Lehigh Hanson, described ongoing work with Santa Clara County and the District to help address water, air, and noise concerns. Mr. Fritz reported all water that runs through its property is now treated on site as of October 1, 2017. Since 2016, Lehigh Quarry has worked on the Permanente Creek restoration with relevant state, local, and federal agencies. As of February 2015, Lehigh Quarry installed a new stack to help address noise and air concerns, and additional equipment has been installed to further suppress noise emissions. Since taking those measures, noise complaints have ceased.

Director Kishimoto requested an update related to the scenic easement and whether material has been added in the western area or is encroaching on the scenic easement.

Erika Guerra, Environmental Director for Lehigh Hanson, reported that the added material is placed in an area that does not encroach on the scenic easement, which covers a ridgeline north of the quarry area, in front of the existing material storage area.

Director Kishimoto expressed concerns related to the steepness of the hills near the Permanente Ridge.

Ms. Guerra reported that there is some erosion, but there are monthly inspections by Santa Clara County that confirmed the stability of the quarry wall. Lehigh Hanson cannot access the area due to a separate easement that was agreed upon with the District following the collapse of the quarry walls in 2006.

Senior Resources Management Specialist Matt Baldzikowski reported the easement created setbacks to protect District lands from future erosion and that any subsequent erosion within the easement area would be subject to fines.

Director Riffle expressed his concern regarding the growing size of the West Material Storage Area.

Mr. Baldzikowski reported the growing pile of material is in front of the West Materials Storage Area, and additional material can be seen in the protected viewshed; however, the materials are not technically on the protected ridgeline.

Director Hassett requested clarification regarding the length of time the quarry will continue to be actively mined.

Mr. Fritz reported that based of the current vested rights, Lehigh Hanson will be mining the area for many years to come.

Public comments opened at 7:43 p.m.

Liang Chao requested District assistance to curb the pollution and traffic caused by the Lehigh Hanson Quarry. She has witnessed trucks driving unsafely along Foothill Expressway.

Linda Sell spoke in favor of matching the emission standards to those of Lehigh Quarry's European plants. Additionally, Ms. Sell suggested running the pollution reduction measures 24 hours a day.

Kit Gordon expressed concern regarding the Permanente Creek restoration and the long timeline of the CEQA process. Ms. Gordon also expressed concerns that the Permanente Creek will be dry on the Lehigh Quarry property stating the water should be treated and released to keep the creek flowing.

Rhoda Fry commented on an illegal road built to transport material to the Stevens Creek Quarry and expressed concern related to negative health and noise impacts on the neighbors and residents of the area. The East Materials Storage Area also was not capped as requested by Santa Clara County.

Public comments closed at 7:53 p.m.

Mr. Fritz reported truck traffic is done within the permit limits and stated he will address truck safety with the trucking companies that travel to and from Lehigh Quarry. Mr. Fritz reported the Cupertino plant is one of the most regulated plants he has seen and is often below the emission

standards. The pollution reduction equipment and emissions monitoring is constant 24 hours a day, seven days a week. The treated water from Permanente Creek is also released back into the Creek after treatment. Finally, Lehigh Hanson is looking into options for using waste material in a different product to help reduce the piles of waste material.

Director Riffle commented on the need for regular updates from Lehigh Hanson.

No formal Board action required.

The Board recessed at 8:06 p.m. and reconvened at 8:10 p.m. with Directors Cyr, Hanko, Hassett, Kishimoto, and Siemens present.

7. Review and acceptance of the Fiscal Year 2017-18 Annual Financial Report (R-18-132)

Chief Financial Officer Stefan Jaskulak provided the FY2017-18 Annual Financial Report, including a summary of the District's year-end revenues, a comparison of the Board-adopted budget and District expenditures, and fund balance. Finally, Mr. Jaskulak explained the purpose of creating a new Committed for Future Acquisitions and Capital Projects Fund and transferring a total of \$13 million from the General Fund Unassigned Fund for infrastructure, future acquisitions and capital projects, and capital maintenance.

Director Riffle inquired why the various funds were being created.

Mr. Jaskulak explained that committed funds are not the same as restricted funds, such as the Hawthorns or Measure AA funds. The committed funds represent savings for the future and can be accessed by the Board as needed.

Director Hanko left at 8:27 p.m.

Director Kishimoto requested clarification regarding pension adjustments and their impact on the budget.

Sheldon Chavan of Chavan and Associates, the District's auditor, explained how the numbers are calculated, and some are cumulative over the last several years.

Public comments opened at 8:38 p.m.

No speakers present.

Public comments closed at 8:38 p.m.

Motion: Director Riffle moved, and Director Hassett seconded the motion to:

1. Review and accept the Fiscal Year 2017-18 Annual Financial Report
2. Approve a resolution to create a new Committed for Future Acquisitions and Capital Projects Fund and to transfer a total of \$13 million from the General Fund Unassigned Fund balance as follows:
 - a. \$9 million to Committed for Infrastructure Fund;
 - b. \$3 million to Committed for Future Acquisitions and Capital Projects Fund; and

- c. \$1 million to Committed for Capital Maintenance Fund.

VOTE: 4-0-0 (Directors Hanko and Siemens absent)

SPECIAL MEETING OF THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT FINANCING AUTHORITY

President Cyr recessed the regular meeting of the Board of Directors of the Midpeninsula Regional Open Space District at 8:39 p.m. and called the meeting of the Midpeninsula Regional Open Space District Financing Authority to order at 7:35 p.m.

ROLL CALL

Members Present: Jed Cyr, Larry Hassett, ~~Yoriko Kishimoto~~, and Curt Riffle

Members Absent: Pete Siemens and Santa Clara County Supervisor Joe Simitian

Staff Present: Executive Director Ana Ruiz, General Counsel Hilary Stevenson, Financing Authority Secretary Jennifer Woodworth

1. Acceptance of the Annual Financial Report of the Midpeninsula Regional Open Space District Financing Authority for Fiscal Year Ending June 30, 2018 (R-18-131)

Finance Manager Andrew Taylor presented the Annual Financial Report of the Midpeninsula Regional Open Space District Financing Authority for Fiscal Year Ending June 30, 2018.

Motion: Director Riffle moved, and Director Hassett seconded the motion to accept the Annual Financial Report of the Midpeninsula Regional Open Space District Financing Authority for Fiscal Year Ending June 30, 2018.

VOTE: 3-0-0 (Director Siemens and Supervisor Simitian absent.)

President Cyr reconvened the regular meeting of the Board of Directors of the Midpeninsula Regional Open Space District at 7:40 p.m.

8. Fiscal Year 2017-18 Annual Year End Report (R-18-129)

Assistant General Manager Brian Malone provided the staff report highlighting major accomplishments for each of the District programs and summarized the deferred projects.

The Board members commented on the progress being made including a decrease in the number of deferred projects and expressed satisfaction in the number of projects being completed.

Director Kishimoto requested additional information regarding the potential purchase of the San Jose Water Company land.

Real Property Manager Mike Williams provided an update on the potential purchase including the timeline for the purchase.

Director Riffle requested an update related to public access near the radar tower at Mount Umunhum.

Engineering and Construction Manager Jason Lin described the proposed timeline for the assessment and potential repair of the Mount Umunhum Radar Tower.

Public comments opened at 9:25 p.m.

No speakers present.

Public comments closed at 9:25 p.m.

No Board action required.

9. Interview Process for Interviewing Applicants to Fill the Ward 7 Vacancy (R-18-135)

District Clerk/Assistant to the General Manager Jennifer Woodworth provided the staff presentation reviewing the options for the interview process for the first and second round of interviews, potential interview questions, and the number of applications received before and after the 5:00 pm November 9, 2018 application deadline.

Directors Cyr and Riffle commented on the need to stick to the application deadline set by the Board of Directors and included in the notice of vacancy

Public comments opened at 9:50 p.m.

No speakers present.

Public comments closed at 9:50 p.m.

INFORMATIONAL MEMORANDUM

- Continued Coordinated Monitoring in accordance with the Guadalupe River Watershed Total Maximum Daily Load for mercury
- Constituent Bench Policy – final revisions consistent with Board direction
- Permitting for Mt Umunhum

INFORMATIONAL REPORTS

A. Committee Reports

Director Kishimoto reported the Real Property Committee met on November 13, 2018 to discuss the potential transfer of the Purisima Uplands property.

Ms. Woodworth reported the Legislative, Funding, and Public Affairs Committee met on October 30, 2018 to review the potential trails names for the Bear Creek Redwoods Open Space Preserve and upcoming 2019 legislative program.

B. Staff Reports

Ms. Woodworth reported staff has drafted a letter congratulating Santa Clara County Supervisor-elect Susan Ellenberg on her recent election to the Santa Clara County Board of Supervisors. She also reported that District staff is preparing similar letters for other elected officials and asked the Board to let her know if Board members are interested in signing the letters.

C. Director Reports

The Board members submitted their compensatory reports.

Director Hassett invited the Board and staff to the South Skyline Association holiday party on December 2, 2018.

Directors Hassett, Cyr, and Siemens reported attending the Highway 17 crossing public meeting in Los Gatos.

Director Hassett suggested closing more preserves during red flag warning fire days.

Director Kishimoto commented on the results of the recent election and reaching out to newly elected officials.

ADJOURNMENT

President Cyr adjourned the regular meeting of the Board of Directors of the Midpeninsula Regional Open Space District at 10:00 p.m.

Jennifer Woodworth, MMC
District Clerk