



**SPECIAL AND REGULAR MEETING**

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

Administrative Office  
330 Distel Circle  
Los Altos, CA 94022

**October 26, 2016**

**DRAFT MINUTES**

**SPECIAL MEETING – STUDY SESSION**

President Kishimoto called the special meeting to order at 5:35 p.m.

**ROLL CALL**

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

Members Absent: Cecily Harris, Curt Riffle, and Pete Siemens

Staff Present: General Manager Steve Abbors, Assistant General Manager Ana Ruiz, Assistant General Manager Kevin Woodhouse, Chief Financial Officer/Administrative Services Director Stefan Jaskulak, General Counsel Sheryl Schaffner, District Clerk/Assistant to the General Manager Jennifer Woodworth, Land and Facilities Manager Brian Malone, Visitor Services Manager Michael Newburn, District Controller Mike Foster, Real Property Manager Mike Williams, Planning Manager Jane Mark, Public Affairs Manager Shelly Lewis, Engineering and Construction Manager Jason Lin, Natural Resources Manager Kirk Lenington

**1. Project Delivery Process Overview (R-16-135)**

Director Harris arrived at 5:35 p.m.

Director Siemens arrived at 5:43 p.m.

Director Riffle arrived at 5:57 p.m.

Assistant General Manager Ana Ruiz provided the staff report explaining the Project Delivery Process (PDP) was created based on one of the recommendations of the Financial and Operational Sustainability Model Study (FOSM). The PDP helps position the District to better anticipate change, continue sustainable growth, maintain long-term momentum, achieve Measure AA and Vision Plan goals, etc. The PDP was developed by staff from six departments through

collaborative workshops and incorporates all departments' perspectives. The PDP retains organizational collaboration, promotes communication, and provides clear roles and responsibilities for all levels of the organization. Ms. Ruiz outlined the steps of the PDP, including priority setting by the Board of Directors, property acquisition, restoration, planning, trail construction, etc. Since its implementation in January 2016, staff is already benefiting from lessons learned, such as an increased focus on resource loading and early project scoping/programming. Ms. Ruiz provided examples of projects that are following the new PDP process and how they are coordinated by District staff. In addition to implementation of the PDP, other activities to support project delivery are underway at the District, including hiring a new procurement and contracting agent, creation of three new departments, and new computer software and associated training for staff members.

Director Siemens requested more information regarding the District's project tracking system.

Chief Financial Officer/Administrative Services Director Stefan Jaskulak explained the District has updated several other project pieces including capital improvement project budgeting, implementation of Sharepoint software, etc. with the goal of a cloud-based tracking system to be used throughout the District.

Director Riffle inquired how staff is measuring success of the PDP.

Ms. Ruiz explained staff seeks to meet the targets set by Measure AA, complete projects on time, and keep department managers informed regarding ongoing departmental projects.

Director Harris requested additional information regarding the budgeting and funding process related to outside funding because these funding sources may not follow the same timeline as the project.

Ms. Ruiz explained projects may be postponed if the project is dependent on outside funding, such as grants.

Director Cyr requested additional information regarding the project handoffs among the departments.

Ms. Ruiz explained there will be a formal handoff of duties as the project moves through the various phases, but the members of the project team will not change as project progresses. The project team as a whole helps scope the project and remains involved.

Director Siemens suggested creation of a project summary sheet that shows the progress of the project without a large amount of detail. The project summary would be helpful for the Board and members of the public.

Public comments opened at 6:47 p.m.

No speakers.

Public comments closed at 6:47 p.m.

No Board action required.

President Kishimoto adjourned the special meeting at 6:47 p.m.

**REGULAR MEETING**

President Kishimoto called the regular meeting of the Midpeninsula Regional Open Space District to order at 7:02 p.m.

**ROLL CALL**

Members Present: Jed Cyr, Nonette Hanco, Cecily Harris, Larry Hassett, Yoriko Kishimoto, Curt Riffle, and Pete Siemens

Members Absent: None

Staff Present: General Manager Steve Abbors, Assistant General Manager Ana Ruiz, Assistant General Manager Kevin Woodhouse, Chief Financial Officer/Administrative Services Director Stefan Jaskulak, General Counsel Sheryl Schaffner, District Clerk/Assistant to the General Manager Jennifer Woodworth, Land and Facilities Manager Brian Malone, Visitor Services Manager Michael Newburn, District Controller Mike Foster, Real Property Manager Mike Williams. Planning Manager Jane Mark, Public Affairs Manager Shelly Lewis, Engineering and Construction Manager Jason Lin, Natural Resources Manager Kirk Lenington

**ORAL COMMUNICATIONS**

No speakers.

**ADOPTION OF AGENDA**

**Motion:** Director Cyr moved, and Director Hanco seconded the motion to adopt the agenda.

**VOTE: 7-0-0**

**CONSENT CALENDAR**

Public comment opened at 7:08 p.m.

No speakers.

Public comment closed at 7:08 p.m.

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

**VOTE: 7-0-0**

- 1. Approve October 12, 2016 Minutes**

**2. Approve Claims Report****3. Award of Contract to Randazzo Enterprises, Inc. to Complete the Driscoll Ranch Remediation and Demolition Project (Project) at La Honda Creek Open Space Preserve for a Base Amount Not-to-Exceed \$231,742 and a Separate 10% Contingency (R-16-136)**General Manager's Recommendation:

1. Authorize the General Manager to enter into a contract with Randazzo Enterprises, Inc. of Castroville, CA, for a not-to-exceed base amount of \$231,742 to complete the Project.
2. Authorize a 10% construction contract contingency in the amount of \$23,174 to be reserved for unanticipated issues, thus allowing the total contract amount not-to-exceed \$254,916.

Director Hassett inquired regarding the notification for the request for bids.

Water Resources Specialist Aaron Hebert reported nine contractors attended the walk through and was surprised more bids were not received.

**4. Contract Authorization for Integrated Pest Management Implementation along the Roads and Trails at Bear Creek Redwoods OSP (R-16-121)**General Manager's Recommendation:

1. Authorize the General Manager to enter into a contract with Ecological Concerns, Inc. of Santa Cruz, California in the amount not to exceed \$37,000 to provide services to implement the Integrated Pest Management Plan for vegetation restoration along the Roads and Trails at Bear Creek Redwoods Open Space Preserve in Fiscal Year 2016-17.
2. Authorize the General Manager to extend the above contract in the amount not to exceed \$37,000 per year in Fiscal Years 2017-18 through 2019-20 to provide services to implement the Integrated Pest Management Plan for vegetation restoration along the Roads and Trails at Bear Creek Redwoods Open Space Preserve if the Board approves this funding in the future budgets.
3. Adopt a Resolution approving a budget adjustment/increase in the amount \$37,000 to the Fiscal Year 2016-17 District budget to fund the project.

**5. Contract Amendment for Water Engineering and Consulting Services (R-16-131)**General Manager's Recommendation:

1. Authorize the General Manager to execute a contract amendment with Wagner & Bonsignore Engineers for additional services related to water systems and water rights in the amount of \$45,000 in Fiscal Year 2016-17.
2. Authorize the General Manager to extend the above contract in the amount not to exceed \$40,000 in Fiscal Year 2017-18 to provide additional services related to water systems and water rights if the Board approves this funding in the FY2017-18 budget.

**6. Award of Contract to Butano Geotechnical Engineers, Inc., for Geotechnical Engineering Quality Control Observation and Testing Services in support of the Mount Umunhum Road Rehabilitation Project (R-16-137)**General Manager's Recommendation:

1. Authorize the General Manager to enter into a professional services contract with Butano Geotechnical Engineers, Inc., in the amount of \$79,890 to perform third party quality control geotechnical observation and testing in support of the Mount Umunhum Road Rehabilitation Project at Sierra Azul Open Space Preserve.
2. Authorize a 10% contract contingency in the amount of \$7,989 to be reserved for additional investigation, observation, and testing due to changes in construction scope or unforeseen conditions, for a not-to-exceed total contract amount of \$87,879.

**7. Update to the Annual Review of Restricted, Committed, Assigned, and Unassigned Reserves and Reserve Amounts (R-16-138)**

General Manager's Recommendation: Adopt a resolution amending the Fund Balance Policy to authorize (1) a \$5 million increase in the Infrastructure Fund for the Administrative and Field Offices, and (2) adjust the minimum Unassigned Fund Balance to 30% of Budgeted General Fund Tax Revenue, instead of a fixed dollar amount and (3) provide flexibility to repay unassigned reserve fund spending to a cap of 5% of Budgeted General Fund Tax Revenue.

**8. Revise a Resolution to Accurately Reflect Board Appointee Compensation in Response to California Public Employees' Retirement System Public Agency Review (R-16-139)**

General Manager's Recommendation: Adopt a resolution to supersede resolutions which did not include language required by CalPERS to accurately reflect Employer Paid Member Contributions as special compensation for Board Appointees.

**9. Contract to Provide Fence Installation Work at the Skyline Ridge Open Space Preserve (R-16-133)**

General Manager's Recommendation:

1. Authorize the General Manager to enter into an agreement with Hammer Fence, for a total contract amount not to exceed \$73,122.75 to provide fence installation work at the Skyline Ridge Open Space Preserve for riparian resource protection from the cattle grazing operation.
2. Determine that the recommended action is exempt from the California Environmental Quality Act.

Director Hassett inquired regarding the notification for the request for bids and the price of the contract.

Land and Facilities Services Manager reported on the process used to solicit bids, but there was limited availability among the contractors to complete the work. Also, the fence location is along very rough terrain, which may require additional fence length and cause a price increase.

**BOARD BUSINESS**

**10. Consideration of San Mateo County Farm Bureau Request for Indemnification of Grazing Tenants and Request for Meeting with Board Members (R-16-140)**

General Manager Steve Abbors provided introductory comments summarizing the recent history of the issue and the San Mateo County Farm Bureau's request to meet with the Board of Directors.

Assistant General Manager Kevin Woodhouse described the District's history in the coastal area including the District's mission statement and memorandum of understanding (MOU) for the Coastal Annexation Area. Mr. Woodhouse discussed the District's history of working with the Farm Bureau and discussion related to the insurance indemnity issue raised by the Farm Bureau.

Land and Facilities Services Manager Brian Malone provided the staff report describing the insurance indemnification issue included in the District's standard grazing lease requiring the tenant to indemnify the District, which is also included by other comparable public agencies in the Bay Area surveyed and is a best management practice recommended by the District's Joint Powers Insurance Authority. Mr. Malone reported on issues raised and suggestions made at the October 3, 2016 Farm Bureau meeting, including the MOU with the San Mateo Coastal area, a dual indemnification clause and discounted grazing lease.

Director Hassett inquired if staff is aware of any issues arising among the comparable agencies where the indemnification clause was used.

Mr. Malone reported anecdotal evidence was found, but District staff was unable to find any legal cases or lawsuits where the indemnification clause was used.

Director Kishimoto requested information related to how the current status must change to help accommodate public access alongside grazing operations.

Mr. Malone reported the largest issue raised has been security, which has led the District to install self-closing gates. Additionally, District staff has increased trail maintenance and installed signs to educate visitors.

Public comment opened at 7:43 p.m.

BJ Burns president of the San Mateo County Farm Bureau spoke regarding the liability to the ranchers when public access is introduced to the grazing property and requested the District add the ranchers as the additional insured on the insurance policy. Even if the tenants paid nothing in rent, the rancher may be put out of business if he/she was sued in the future. Mr. Burns stated he did not believe signs would work to prevent the public from accessing closed areas.

Vince Fontana spoke regarding the District's discounted fees for grazing stating the grazing land is limited on the San Mateo Coast. Mr. Fontana spoke regarding public access to grazing land stating accidents may happen and his apprehension related to public access due to possible lost revenue. Mr. Fontana spoke regarding sharing responsibility with the District for public access.

Tom Pacheco spoke regarding his past relationship with the Peninsula Open Space Trust who added Mr. Pacheco as an additional insured when the Square Pegs foundation operated on his property.

Ron Sturgeon stated the rancher should not have to insure the District because the District is already insured. Mr. Sturgeon stated the District is limiting the potential for the grazing land by

requiring the indemnification clause for tenants. Mr. Sturgeon stated introducing the public and grazing creates risk and liability. Mr. Sturgeon provided copies of an Environmental Impact Report from the County of San Mateo.

Doug Edwards lessee for the Tunitas Creek and October Farms properties spoke regarding lawsuits ranchers in the East Bay have been involved in.

Peter Markey spoke in favor of building fences between the cattle and the public. Mr. Markey stated signs are often removed by members of the public.

Public comment closed at 8:21 p.m.

President Kishimoto spoke regarding the importance of agricultural land on the San Mateo Coast.

Director Hassett spoke regarding his history with the District related to the road to his property becoming accessible to the public. Director Hassett spoke regarding the accommodations made by the District to ensure the safety of the public and his family.

Director Riffle suggested the District may want to reexamine its policies in working with tenants and partners and help these small businesses survive.

General Counsel Sheryl Schaffner stated the District has offered and continues to offer to have discussions with the tenants and/or their insurers related to public access on grazing properties.

Director Hanko spoke in favor of separating the public from grazing operations.

Director Siemens spoke in favor of researching the possibility of including a dual indemnification clause in the grazing lease.

Ms. Schaffner explained staff has spoken with its insurance pool authority, and the rule of thumb is that the party responsible for managing the property carries the greater level of risk. However, in practice public agencies often pay a much larger share of defending against lawsuits and any damages awarded.

Mr. Abbors spoke in favor of working with the District's tenants, other grazers, and members of the public to identify best practices for public access on grazing property.

Director Kishimoto spoke in favor of continuing to work with grazers to maximize cooperation and learning among the groups.

Director Harris spoke in favor of her constituents who want to access the trails and continue to support the District and supported Measure AA.

**Motion:** Director Cyr moved, and Director Harris seconded the motion to:

1. Affirm continued use of standard grazing lease language that requires District grazing tenants to indemnify the District.
2. Approve the draft Board response letter to the Farm Bureau, as amended, and direct the General Manager to send.

**VOTE: 6-0-1**

The Board recessed at 9:04 p.m. and reconvened at 9:15 p.m. with all directors present.

**11. Fiscal Year 2016-17 Quarter 1 District Budget Amendments (R-16-134)**

Item 11 was heard after Item 15.

Chief Financial Officer/Administrative Services Director Stefan Jaskulak provided the staff recommendation explaining the forecasting and budget adjustment process, which is done on a quarterly basis. Budget adjustments are also done as need for individual contracts. Mr. Jaskulak provided a breakdown of the proposed budget amendment to Measure AA fund and general fund expenditures and explained the adjustments are due to project carryovers, project savings and overages.

Directors Cyr and Riffle spoke in favor of the new budget adjustment process.

Public comment opened at 9:28 p.m.

No speakers.

Public comment closed at 9:28 p.m.

**Motion:** Director Riffle moved, and Director Cyr seconded the motion to:

1. Adopt a resolution approving the proposed FY2016-17 Quarter 1 District Budget amendments.
2. Adopt a resolution approving the administrative budget cleanup for the previously approved Petersen property purchase.

**VOTE: 7-0-0**

Director Harris left at 9:30 p.m.

Agenda items 12, 13, and 14, were presented together.

**12. Approval of Salary Adjustments and Revised Employment Agreement for Board Appointee Controller (R-16-141)**

**13. Approval of Salary Adjustments and Revised Employment Agreement for Board Appointee General Counsel (R-16-142)**

**14. Approval of Salary Adjustments and Revised Employment Agreement for Board Appointee General Manager (R-16-143)**

Human Resources Supervisor Candice Basnight summarized the annual evaluation process for the Board appointees, including meetings of the Board Appointee Evaluation Committee and Board of Directors. The Human Resources department also completed a salary survey at the request of the Board Appointee Evaluation Committee.



Board Appointee Evaluation Committee Chair Director Siemens stated that as a result of the Board's evaluation of the performance of the District's Board Appointees for Fiscal Year 2015-16, the Board Appointee Evaluation Committee recommends the following compensation adjustments for the Controller for Fiscal Year 2016-17:

Adjust the Controller's annual salary to \$42,900 plus a one-time merit pay bonus of \$2,300.

Adjust the General Counsel's base salary upward to \$222,760 plus a one-time merit pay bonus of \$10,600.

Adjust the General Manager's base salary upward to \$247,600, plus a one-time merit pay bonus of \$12,000.

Public comment opened at 9:32 p.m.

No speakers.

Public comment closed at 9:32 p.m.

**Motion:** Director Siemens moved, and Director Hassett seconded the motion to adopt resolutions approving an amended employment agreements and one-time merit pay bonuses for the District Controller, General Counsel, and General Manager and authorize the Board President to execute revised Board Appointee Employment Agreements.

**VOTE: 6-0-0** (Director Harris absent.)

**15. Appointment of Unopposed Candidates in Wards 3, 4, and 7 (R-16-144)**

Item 15 was heard before Item 11.

District Clerk/Assistant to the General Manager Jennifer Woodworth explained the candidates for Wards 3, 4, and 7 were unopposed in the election, which was subsequently cancelled as a result. The unopposed candidates may be appointed and serve a four-year term as if they were elected.

Public comment opened at 9:32 p.m.

No speakers.

Public comment closed at 9:32 p.m.

**Motion:** Director Kishimoto moved, and Director Siemens seconded the motion to adopt resolutions appointing the following unopposed candidates: J. Edmond (Jed) Cyr, Jr. as Ward 3 Director to a four-year term; Curtis R. Riffle as Ward 4 Director to a four-year term, and Cecily Harris as Ward 7 Director to a four-year term.

**VOTE: 7-0-0**

Ms. Woodworth administered the Oath of Office to Directors Cyr, Riffle, and Harris.

**INFORMATIONAL MEMORANDUM**

- Proposed Changes to the Process for Appointing District Peace Officers and Redesign of the District Rangers' Badge

**INFORMATIONAL REPORTS**

A. Committee Reports

President Kishimoto reported on meetings of the Facilities and Board Retreat ad hoc committees.

B. Staff Reports

Assistant General Manager Kevin Woodhouse reported on the Highway 17 crossing project related to a fifth crossing alternative for staff and its consultant to evaluate.

Ms. Schaffner reported she is attending the Land Trust Alliance Rally in Minneapolis, MN.

General Manager Steve Abbors reported he attended the 80<sup>th</sup> Anniversary Event for Tilden Regional Park.

C. Director Reports

The Board members submitted their compensatory reports.

Director Siemens reported he will be attending an event for Assemblyman Evan Low tomorrow.

President Kishimoto reported she attended a meeting of the Santa Clara Valley Water District's Water Commission.

**ADJOURNMENT**

President Kishimoto adjourned the regular meeting of the Board of Directors of the Midpeninsula Regional Open Space District at 9:50 p.m.

---

Jennifer Woodworth, MMC  
District Clerk