



Midpeninsula Regional  
Open Space District

July 12, 2017  
Board Meeting 17-16

## SPECIAL AND REGULAR MEETING

### BOARD OF DIRECTORS MIDPENINSULA REGIONAL OPEN SPACE DISTRICT

Administrative Office  
330 Distel Circle  
Los Altos, CA 94022

Wednesday, July 12, 2017

#### DRAFT MINUTES

#### SPECIAL MEETING – CLOSED SESSION

President Hassett called the special meeting to order at 5:15 p.m.

#### ROLL CALL

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

Members Absent: Curt Riffle and Pete Siemens

Staff Present: General Counsel Sheryl Schaffner

Public comments opened at 5:15 p.m.

No speakers present.

Public comments closed at 5:15 p.m.

**1. PUBLIC EMPLOYEE PERFORMANCE EVALUATION. Government Code Section 54957(b)(1)**

Title of Employee: General Counsel

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

**Property:** San Mateo County APN(s): 079-080-090 and 079-080-080 (portions)

**Agency Negotiator:** Allen Ishibashi, Sr. Real Property Agent

**Negotiating Party:** Hawthorns Preservation Trust Foundation

**Under Negotiation:** Lease Terms

Director Riffle did not attend the closed session due to his recusal due to the possible perception conflict of interest related to his employment at Peninsula Open Space Trust.

Chief Financial Officer Stefan Jaskulak, Assistant General Manager Kevin Woodhouse, Planning Manager Jane Mark, Land & Facilities Manager Brian Malone, Real Property Manager Mike Williams, and Senior Real Property Agent Allen Ishibashi joined the closed session for item 2.

President Hassett adjourned the special meeting of the Board of Directors of the Midpeninsula Regional Open Space District at 7:00 p.m.

**REGULAR MEETING**

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

President Hassett reported the Board met in closed session, and no reportable action was taken. Item 1 on the closed session agenda has been continued, and the Board will reconvene into closed session after the adjournment of the regular meeting.

**ROLL CALL**

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

Members Absent: Pete Siemens

Staff Present: General Manager Steve Abbors, General Counsel Sheryl Schaffner, Assistant General Manager Kevin Woodhouse, Chief Financial Officer Stefan Jaskulak, District Controller Mike Foster, District Clerk/Assistant to the General Manager Jennifer Woodworth, Real Property Manager Mike Williams, Senior Real Property Agent Allen Ishibashi, Land & Facilities Manager Brian Malone, Planning Manager Jane Mark, Accountant Andrew Taylor, Engineering & Construction Manager Jay Lin

**ORAL COMMUNICATIONS**

No speakers present.

**ADOPTION OF AGENDA**

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

**VOTE:** 6-0-0 (Director Siemens absent)

**CONSENT CALENDAR**

Public comment opened at 7:02 p.m.

No speakers present.

Public comment closed at 7:02 p.m.

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

**VOTE: 6-0-0** (Director Siemens absent)

**1. Approve June 28, 2017 Minutes**

Director Riffle requested his comments related to a shortage of housing refer to a shortage of farm labor housing.

**2. Claims Report**

**3. Award of Contract to Top Line Engineers, Inc., for construction of the Harkins Bridge Replacement Project at Purisima Creek Redwoods Open Space Preserve for a Base Contract Amount Not-to-Exceed \$226,200 and a Separate 15% Contingency of \$33,930 (R-17-92)**

General Manager's Recommendation:

1. Authorize the General Manager to enter into a contract with Top Line Engineers, Inc., of Hayward, California for a not-to-exceed base contract amount of \$226,200.
2. Authorize a 15% contingency of \$33,930 to be reserved for unanticipated issues, thus allowing the total contract amount not-to-exceed \$260,130.

**4. Fiscal Year 2017-18 Annual Claims List (R-17-96)**

General Manager's Recommendation: Approve the Fiscal Year 2017-18 Annual Claims List, including debt service payments.

**5. Revise Resolutions to Accurately Reflect Board Appointee Compensation in Response to California Public Employees' Retirement System Public Agency Direction (R-17-95)**

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

Director Harris requested additional information regarding Employer Paid Member Contribution.

Human Resources Supervisor Candice Basnight provided clarifying information regarding the Employer Paid Member Contributions for Board appointees.

**BOARD BUSINESS**

**6. Proposed purchase of the Pearlman HIMY Los Altos LP Property as a potential new Administrative Office, located at 5050 El Camino Real, Los Altos in the County of Santa Clara (Assessor's Parcel Number 170-04-054) (R-17-90)**

Senior Real Property Agent Allen Ishibashi provided the staff report describing the history of the project, including Committee and Board decisions to date. Mr. Ishibashi described the location,

current tenant structure, and pros/cons of the proposed building purchase. Costs of the new building and required remodel would be partially offset by selling the current administrative office building. Mr. Ishibashi described the proposed terms and conditions for the purchase, the General Manager's recommendation, and next steps.

Director Cyr requested additional information regarding earthquake preparedness related to the underground parking area.

Mr. Ishibashi reported a structural engineer is inspecting the building, and additional information will be available in the coming weeks.

Director Riffle inquired regarding the value of the building, since it will be purchased using public funds.

Mr. Ishibashi reported the location, price, and condition of the building make it a good use of taxpayer dollars.

Director Riffle inquired if District staff has consulted with the City of Los Altos regarding the District's use of the building.

Mr. Ishibashi reported District Planning Department staff did speak with Los Altos city staff and confirmed the District's ability to operate in the new building.

Director Riffle inquired regarding the District's need and use of the full building square footage.

Mr. Ishibashi reported the prior MK Think studies have shown the District will eventually need approximately 30,000 to 40,000 square feet of office space.

Senior Planner Tina Hugg reported MK Think is also working to verify the District's space needs and confirm how much space the District's administrative operations will require in the immediate term.

Director Kishimoto requested additional information regarding earthquake standards and commented on the District's need to determine what risk standards it wants to meet.

Mr. Ishibashi reported the structural engineer is determining what, if any, retrofits are needed and their costs in order for the building to meet the District's needs.

Engineering & Construction Manager Jay Lin described MK Think's work regarding the structural engineering inspection, and the estimated cost to bring the building up to current building standards.

Director Harris inquired regarding how purchase of the building would affect the District's FY2017-18 Action Plan.

Planning Manager Jane Mark explained the Planning department's Action Plan has remained fluid to help accommodate the project.

Mr. Lin explained the District is in the process of hiring a Senior Capital Project Manager with architectural experience to help manager the project.

Director Siemens arrived at 7:53 p.m.

Director Siemens requested additional information regarding the potential pursuit of additional outside funding and inquired whether that funding is needed.

Mr. Jaskulak explained the additional funding would help replenish the District's reserve fund, which would allow the District to move forward without delay or jeopardize the District's AAA rating. The additional funding could be repaid once the current administrative office was sold.

President Hassett inquired regarding the HVAC system and its useful life.

Mr. Ishibashi explained that the HVAC units themselves are old and need replacement. Additionally, the system would be need to be redesigned to accommodate an open floor plan.

Public comment opened at 8:06 p.m.

No speakers present.

Public comment closed at 8:06 p.m.

Director Kishimoto commented on the goals of the project as reviewed by the Facilities Ad Hoc Committee and Board of Directors, commenting on how well the proposed building purchase meets those goals.

Directors Cyr, Siemens, and Hanko spoke in favor of the General Manager's recommendation.

President Hassett spoke in favor of the building purchase and staff's work on the project.

General Manager Steve Abbors provided comments in favor of the project and staff's efforts.

**Motion:** Director Siemens moved, and Director Hanko seconded the motion to:

1. Determine that the recommended actions are categorically exempt from the California Environmental Quality Act (CEQA), as set out in the staff report.
2. Adopt a Resolution authorizing the entry into a purchase and sale agreement for the Pearlman HIMY Los Altos LP Property at a cost of \$31,550,100.
3. Authorize the General Manager to have full authority to make all property management decisions for the property after the close of escrow consistent with Board direction and the attached Resolution relating to the management of existing leases and upkeep of the property.
4. Authorize use of the General Fund Committed Infrastructure Reserve in an amount of \$31,805,100, with a corresponding authorization to increase the Fiscal Year 2017-18 Real Property Budget, to cover the purchase price (\$31,550,100), due diligence (\$65,000), and escrow/commission costs (\$190,000).
5. Authorize pursuit of financing options for \$15 million for the property.

**VOTE: 7-0-0**

**7. New Board Policy 3.09 – Debt Management Policy (R-17-91)**

Chief Financial Officer Stefan Jaskulak explained the California Debt and Investment Advisory Commission requires the District to have a debt management policy in order to issue new debt. Benefits include establishing standard operating procedures, supporting transparent and consistent financial decisions, consistency and instruction for new staff, etc. The proposed policy outlines how District debt will be limited, structured, issued, and managed. Finally, the proposed policy describes various other debt-related controls, reporting requirements, etc.

Director Siemens requested clarification of 2.03 (iii) and suggested the language in the first sentence of Section 2.03 (iii) be modified to read: All long-term debt shall normally be issued as fixed rate debt.

Public comment opened at 8:28 p.m.

No speakers present.

Public comment closed at 8:28 p.m.

**Motion:** Director Siemens moved, and Director Harris seconded the motion to approve new Board Policy 3.09 - Debt Management Policy, as amended.

**VOTE: 7-0-0**

**INFORMATIONAL REPORTS****A. Committee Reports**

Directors Harris and Kishimoto reported on the July 10, 2017 Diversity ad hoc committee meeting.

**B. Staff Reports**

Assistant General Manager Ana Ruiz reported on the California Assembly Committee hearing on SB793 held in Sacramento reporting that it was approved by the Committee. The District has recently held several ADA trainings for District staff. Finally, Ms. Ruiz reported on the newly formed California Land Stewardship Network and its mission to create a collaborative statewide network of land stewardship agencies.

Assistant General Manager Kevin Woodhouse reported on recent hirings in the Land & Facilities Department.

District Clerk/Assistant to the General Manager Jennifer Woodworth provided information regarding upcoming Board meetings and iPad training.

Mr. Jaskulak reported Information Technology staff is currently attending the Environmental Systems Research Institute (ESRI) conference in San Diego, CA and is being considered for an award for its new District wall map.

Mr. Abbors reported on the California Assembly Committee hearing on SB492 held in Sacramento reporting that it was approved by the Committee and supported by numerous District partners and the public.

C. Director Reports

The Board members submitted their compensatory reports.

Director Riffle suggested including in future Board reports information regarding how the District will notify the public of Board action taken.

Director Siemens reported he attended a tour of the San Jose Water Company and with Senator Jim Beall.

Director Cyr commented on the potential value of District-operated drones on District land and notified staff of a fallen tree at the Purisima Creek Redwoods Preserve.

Director Kishimoto requested a future Board discussion regarding marijuana grows.

Director Harris commented on the need for two separate policies related to drone use on District preserves: public use and staff use.

**ADJOURNMENT**

President Hassett adjourned the regular meeting of the Board of Directors of the Midpeninsula Regional Open Space District into closed session at 9:00 p.m.

President Hassett adjourned the meeting of the Board of Directors of the Midpeninsula Regional Open Space District at 9:23 p.m.

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Jennifer Woodworth, MMC  
District Clerk