




DATE: May 27, 2020

MEMO TO: MROSD Board of Directors

THROUGH: Ana Ruiz, General Manager 

FROM: Stefan Jaskulak, Chief Financial Officer

SUBJECT: April 8 and April 22, 2020 Multiple Structures Stabilization Reports
Clarification on the Fiscal Impact Tables Information

On April 8, 2020 an item was brought to the Board to *Select a design alternative for the La Honda Creek Redwood Cabin, La Honda Creek White Barn, and Sierra Azul Beatty House*. This item was continued on April 22, 2020 for La Honda Creek White Barn and Sierra Azul Beatty House. All projects were deemed eligible for Measure AA funding as follows:

1. Portfolio #5 La Honda Creek: Upper Area Recreation, Habitat Restoration and Conservation Grazing
 - a. La Honda Creek Redwood Cabin Stabilization and Assessment (MAA05-009)
 - b. La Honda Creek White Barn Structural Rehabilitation (MAA05-008)
2. Portfolio #22 Sierra Azul: Cathedral Oaks Public Access and Conservation Projects
 - a. Beatty Parking Area and Trail Connections (MAA22-004)

In the **April 8, 2020** report, the following two, very high-level portfolio tables were included, showing life-to-date expenditures and encumbrances, minus the potential impact of the three structure stabilization projects since design alternatives were not yet confirmed by the Board.

MAA05 La Honda Creek: Upper Area Recreation, Habitat Restoration and Conservation Grazing:	\$11,733,000
Life-to-Date Spent (as of 2/19/2020):	(\$2,545,299)
Encumbrances:	(\$32,287)
Portfolio Balance Remaining (Proposed):	\$9,155,414

MAA22 Sierra Azul: Cathedral Oaks Public Access and Conservation Projects:	\$6,717,000
Life-to-Date Spent (as of 2/19/2020):	(\$1,191,045)
Encumbrances:	(\$223,892)
Portfolio Balance Remaining (Proposed):	\$5,302,063

In the **April 22, 2020** report, portfolio tables were expanded to provide additional detail for MAA Portfolios #5 and #22, and to provide a comprehensive impact of all projects within each specific portfolio. This will be a standard component of the Fiscal Impact section going forward for board reports involving Measure AA projects. Specifically, in addition to life-to-date expenditures and encumbrances, staff provided the following information:

- Grant income (awarded with existing agreements)
- Remaining FY20 project budgets
- Future planned project costs to date within the portfolio
 - Future project costs are based on current fiscal year and FY21 proposed project budgets, and the amounts included in future years (FY22 and beyond) for projects currently on the pipeline. This list does not yet include projects that have yet to be scoped with estimated costs to complete all elements of the portfolio.

This additional information was presented in two formats:

1. The portfolio table as a summary level; and
2. The portfolio table with projects identified separately, showing the anticipated expenditures for the life of the project.

MAA05 La Honda Creek: Upper Area Recreation, Habitat Restoration and Conservation Grazing:	\$11,733,000
Grant Income (through FY23):	\$0
Total Portfolio Allocation:	\$11,733,000
Life-to-Date Spent (as of 04/09/2020):	(\$2,552,422)
FY20 Encumbrances:	(\$32,287)
Remaining FY20 project budgets:	(\$243,247)
Future MAA05 project costs (projected through FY23):	(\$3,638,704)
Total Portfolio Expenditures:	(\$6,466,660)
Portfolio Balance Remaining (Proposed):	\$5,266,340

MAA05 La Honda Creek: Upper Area Recreation, Habitat Restoration and Conservation Grazing:	\$11,733,000
Grant Income (through FY23):	\$0
Total Portfolio Allocation:	\$11,733,000
Projected Project Expenditures (life of project):	
MAA05-001 La Honda Creek Land Conservation Opportunities	(1,756,093)
MAA05-002 Upper La Honda Creek Grazing Infrastructure	(365,515)
MAA05-004 La Honda Creek Sears Ranch Interim Parking	(5,074)
MAA05-005 La Honda Creek Red Barn Parking Area and Easy Access Trail	(327,513)
MAA05-006 La Honda Creek Sears Ranch Road Repair	(98,560)
MAA05-008 La Honda Creek White Barn Structural Rehabilitation	(1,085,883)
MAA05-009 La Honda Creek Redwood Cabin Stabilization and Assessment	(1,065,590)
MAA05-XXX Lone Madrone Ranch Fence Installation	(87,075)
MAA05-010 Restoration Forestry Demonstration Project	(1,675,357)
Total Portfolio Expenditures:	(6,466,660)
Portfolio Balance Remaining (Proposed):	5,266,341

MAA22 Sierra Azul: Cathedral Oaks Public Access and Conservation Projects:	\$6,714,000
Grant Income (through FY23):	\$256,016
Total Portfolio Allocation:	\$6,970,016
Life-to-Date Spent (as of 04/09/2020):	(\$1,221,543)
FY20 Encumbrances:	(\$146,435)
Remaining FY20 project budgets:	(\$130,251)
Future MAA22 project costs (projected through FY23):	(\$4,021,559)
Total Portfolio Expenditures:	(\$5,519,788)
Portfolio Balance Remaining (Proposed):	\$1,450,228

MAA22 Sierra Azul: Cathedral Oaks Public Access and Conservation Projects:	\$6,714,000
Grant Income (through FY23):	\$256,016
Total Portfolio Allocation:	\$6,970,016
Projected Project Expenditures (life of project):	
22-001 Hendrys Creek Property Land Restoration	(\$523,773)
22-002 Sierra Azul Cathedral Oaks Land Conservation	--
22-003 Freudenburg Land Purchase	(\$540,587)
22-004 Beatty Parking Area and Trail Connections*	(\$3,955,427)
22-XXX Reserved for Land Acquisition	(\$500,000)
Total Portfolio Expenditures:	(\$5,519,787)
Portfolio Balance Remaining (Proposed):	\$1,450,229

This information is intended to share a comprehensive understanding of projects that have been encumbered under each MAA portfolio and the remaining funds to date. This additional information provides the Board with a more complete overview of all projects underway in a portfolio and to determine possible funding pressures. Regarding the recent Multiple Structures item for which the Board took action on April 8 and April 22, based on the information presented in the board reports and shown again above, the information contained in the earlier tables indicate more available funding than in the latter tables since these earlier tables only deducted life-to-date costs and current fiscal year encumbrances – these did not also deduct future encumbrances for known projects to date that will continue in the outer years. The latter tables from April 22, also deduct these outer anticipated and earmarked costs, reducing the total available funding that remains in each portfolio.

Note, however, that the list of projects shown on the updated tables are only those that have been programmed to date. Numerous portfolios still have other projects that will need to be programmed in the future to satisfactorily fulfill all the commitments identified under each portfolio. As the Board may remember, every four years staff returns to the Board to update the 5-year Measure AA project list. It is at this time when near-term projects are identified, preliminary scopes developed, and a sense of the potential cost estimated to be able to then incorporate these future projects and costs into the running list of future earmarked projects and associated costs for these more comprehensive tables. It is also worth noting that the District is actively pursuing certain Measure AA projects that will definitively need additional funding. Although staff is aggressively seeking outside grants for these projects, any savings in other portfolios can be potentially reallocated to portfolios/projects in need of funding. One notable project in need of funding, for example, is the Highway 17 wildlife and trail crossing.