



Midpeninsula Regional
Open Space District

R-23-67
Meeting 23-15
June 14, 2023

AGENDA ITEM 10

AGENDA ITEM

Closure of Completed Measure AA Portfolios #18 *South Bay Foothills: Saratoga-to-the-Sea Trail and Wildlife Corridor* and #23 *Sierra Azul: Mt. Umunhum Public Access and Interpretation Projects* and Reallocation of Remaining Portfolio Funds to Portfolio #03 *Purisima Creek Redwoods: Purisima-to-Sea Trail, Watershed Protection and Conservation Grazing*

GENERAL MANAGER'S RECOMMENDATION

By 2/3 Majority Vote of the Board of Directors, adopt a Resolution amending the Expenditure Plan for Measure AA as follows:

- Reduce the funding allocation of Portfolio #18 *South Bay Foothills: Saratoga-to-the-Sea Trail and Wildlife Corridor* from \$1,365,000 to \$1,164,189;
- Reduce the funding allocation of Portfolio #23 *Sierra Azul: Mt. Umunhum Public Access and Interpretation Projects* from \$27,972,000 to \$21,814,891; and
- Reallocate the remaining funds totaling \$6,357,920 in Portfolios #18 and #23 to increase the funding allocation of Portfolio #03 *Purisima Creek Redwoods: Purisima-to-Sea Trail, Watershed Protection and Conservation Grazing* from \$7,608,000 to \$13,965,920.

SUMMARY

On December 6, 2022, the Board of Directors (Board) approved a new policy to establish the procedures for closing a completed Measure AA (MAA) portfolio and reallocating any remaining portfolio funds. Pursuant to the MAA Ordinance (Attachment 2) and Board Policy 3.11 (Attachment 3), staff has reviewed the accomplishments made for every MAA portfolio and has identified Portfolios #18 and #23 as complete and recommends that the remaining funds be reallocated to support projects in Portfolio #03. Per the Board-approved policy, the proposed MAA Expenditure Plan Amendments were first presented to the Action Plan & Budget Committee (ABC) on May 16, 2023 for concurrence and then to the Bond Oversight Committee (BOC) on June 6, 2023 for its review and opinion. Both committees have reviewed and provided their advisory opinion supporting the Expenditure Plan Amendments, which are now forwarded to the full Board for its consideration (refer to both Attachment 1 – Resolution, and Attachment 4 – breakdown of the proposed Expenditure Plan Amendments).

DISCUSSION

The 2014 voter-approved Measure AA bond measure allocates a total of \$1,365,000 to Portfolio #18 to fund capital improvements necessary for implementing the following priority actions: *Protect wildlife corridor along Highway 9 and Connect trails to Saratoga-to-the-Sea Trail and*

Skyline-to-the-Sea Trail. In collaboration with the City of Saratoga, both priority actions have been completed with the construction and opening of a new trail that extends from Saratoga's Quarry Park to Sanborn-Skyline County Park via a trail easement through San Jose Water Company lands.

A total of \$27,972,000 is allocated to Portfolio #23 for implementing the following priority actions: *Open Mt. Umunhum for multi-use public access to summit via road and trail, open Bay Area Ridge Trail and nearby trail connections, and preserve additional open space and complete wildlife corridor.* Since 2014 and with MAA funding from Portfolio #23, a total of 262.32 acres have been purchased and incorporated into Sierra Azul Open Space Preserve. These acquisitions have protected additional open space lands and wildlife corridors. In addition, the District has completed the construction of the Mount Umunhum Summit Public Access and Environmental Restoration Project, including the construction of a new 50-car parking lot, summit shelters with interpretive materials and sitting areas, a vehicle turnaround with ADA parking at the highest point, ceremonial circle, ADA pathways and trail steps/stairs leading to numerous vista points, repairs and upgrades to a 5.5-mile access roadway, and other amenities. Moreover, nearly 4 new miles of the Mt. Umunhum Trail now connect people to the summit from the lower reaches of the mountain. The new Mt. Umunhum Trail also serves as a spur trail of the Bay Area Ridge Trail, bringing trail users to the highest elevation point along the broader regional trail corridor. The environmental restoration portion of the project included extensive onsite revegetation with the installation of more than 1,080 native plants and the removal of nonnative vegetation.

Measure AA allows for the District to review and propose amendments to the Expenditure Plan on an annual basis. With Board approval of Policy 3.11, the District established a process for proposing amendments to the Expenditure Plan. Presenting the proposed amendments to the ABC was the first step in the process. The amendments were then taken to the BOC for their opinion and are now presented to the full Board for consideration of approval.

There are no outstanding or future planned actions or projects needed for Portfolios #18 and #23. All priority actions for both portfolios have been completed and a total of \$6,357,920 remains. Below is a summary of the total spending for Portfolios #18 and #23 as of the end of Fiscal Year 2021-22 (FY22) as reported in the [Measure AA Bond Annual Accountability Report](#).

Project	Expenditure Plan	Total through end of FY21 (6/30/21)	Current Period 7/1/21 - 6/30/22	Total Life-to-Date through 6/30/22	Expenditure Plan Remaining	% Expended
Total Portfolio Allocation	\$1,365,000					
18-001 - San Jose Water Land Purchase		\$3,850		\$3,850		
18-002 - Saratoga-to-the-Sea Regional Trail Connection		\$1,160,339		\$1,160,339		
Grand Total	\$1,365,000	\$1,164,189	\$0	\$1,164,189	\$200,811	85.29%

Project	Expenditure Plan	Total through end of FY21 (6/30/21)	Current Period 7/1/21-6/30/22	Total Life-to-Date through 6/30/22	Expenditure Plan Remaining	Percent Expended
Total Portfolio Allocation	\$27,972,000					
23-001—Mt. Um Road and Trail Property Rights		\$1,271,318	\$0	\$1,271,318		
23-002—Mt. Um Trail		\$959,548	\$0	\$959,548		
23-004—Mt. Um Summit Restoration, Parking and Landing Zone		\$10,458,358	\$0	\$10,458,358		
23-005—Mt. Um Guadalupe Creek Overlook and Bridges		\$259,311	\$0	\$259,311		
23-006—Mt. Um Road Design/Permitting/Construction		\$6,282,378	\$0	\$6,282,378		
23-007—Twin Creeks Land Conservation		\$3,735,925	\$0	\$3,735,925		
23-009 Vielbaum Property Acquisition		\$0	\$168,053	\$168,053		
Subtotal	\$27,972,000	\$22,966,838	\$168,053	\$23,134,891	\$4,837,109	82.71%
23-004—Mt. Um Summit Restoration, Parking and Landing Zone Grant Income		(\$570,000)		(\$570,000)		
23-007—Twin Creeks Land Conservation Grant Income		(\$750,000)		(\$750,000)		
Grand Total	\$27,972,000	\$21,646,838	\$168,053	\$21,814,891	\$6,157,109	77.99%

The proposed Expenditure Plan amendment reallocates the remaining \$6,357,920 in Measure AA funds from Portfolios #18 and #23 to Portfolio #03 *Purisima Creek Redwoods: Purisima-to-Sea Trail, Watershed Protection and Conservation Grazing*. A total of \$7,608,000 is currently allocated to Portfolio #03 for addressing the following priority actions:

- *Complete and open multi-use Purisima-to-Sea trail connection between Ridge Trail and Coastal Trail and new parking areas.* (In Progress)
- *Preserve additional open space as available.* (Completed)
- *Remove fish barriers and restore Lobitos Creek.* (In Progress)
- *Restore ponds for endangered species.* (In Progress)

Significant progress has been made to pursue the Portfolio #03 priority actions. The District has also been proactive in securing outside grants to leverage Measure AA funds. As of FY22, \$154,063 has been received in grants for Portfolio #03. Outside funding is continuously sought out as opportunities arise. Remaining expenditure plan funds for Portfolio #03 as of the end of FY22 was \$986,705 (see chart below). The estimated expenditures for FY23 are approximately \$978,000, exhausting the remaining balance. The need for additional funding for Portfolio #03 became apparent with the recent purchase of the remaining 33% of undivided interest in the 611.7-acre South Cowell property. In order to fund this land acquisition using MAA funds, the Board approved the allocation of \$450,000 of available interest income from Measure AA Bond Proceeds to Portfolio #03 at the time of purchase.

Project	Expenditure Plan	Total through end of FY21 (6/30/21)	Current Period 7/1/21 - 6/30/22	Total Life-to- Date through 6/30/22	Expenditure Plan Remaining	Percent Expended
Total Portfolio Allocation	\$7,608,000					
03-001—Purisima Uplands Lot Line Adjustment and Property Transfer		\$425,113	\$0	\$425,113		
03-002—Purisima Upland Site Clean Up and Soil Remediation		\$248,649	\$19,408	\$268,057		
03-003—Purisima Creek Fence Construction		\$169,190	\$0	\$169,190		
03-004—Harkins Bridge Replacement		\$516,917	\$0	\$516,917		
03-005—Purisima-to-the-Sea Trail and Parking Area - Feasibility Study		\$260,425	\$182,234	\$442,659		
03-006—South Cowell Upland Land Conservation		\$4,842,967	\$93,740	\$4,936,707		
03-008—Rieser-Nelson Land Purchase		\$16,715	\$0	\$16,715		
Subtotal	\$7,608,000	\$6,479,976	\$295,382	\$6,775,358	\$832,642	89.06%
03-005—Purisima-to-the-Sea Trail and Parking Area - Feasibility Study Grant Income		(\$75,237)	(\$78,826)	(\$154,063)		
Grand Total	\$7,608,000	\$6,404,739	\$216,556	\$6,621,295	\$986,705	87.03%

There are numerous projects underway as part of Portfolio #03 that will incur future costs beyond the available remaining funds. The table below lists the projects under Portfolio #03 that would be funded with the reallocation of funds from Portfolios #18 and #23 (additional project details are included in Attachment 5). These projects, which are also listed in the FY24 Budget and Capital Improvement and Action Plan, have an estimated remaining cost of \$7.7 million. The proposed reallocation of \$6.4 million would reduce the funding gap to \$1.3 million. Staff will continue to seek outside grant funds to fill the remaining funding gap.

Project Number	Project Name	Remaining Estimated Cost
MAA03-002	Purisima Upland Site Cleanup and Soil Remediation	\$636,211
MAA03-006	South Cowell Upland Land Conservation	\$15,354
MAA03-007	Purisima-to-the-Sea Habitat Enhancement and Water Supply Improvement Plan	\$460,000
MAA03-009	Purisima-to-the-Sea Parking	\$4,631,850
MAA03-010	Purisima-to-the-Sea Trail	\$1,278,436
MAA03-011	Lobitos Creek Fisheries Restoration	\$654,000
MAA03-012	Purisima Preserve Comprehensive Use and Management Plan	\$60,000
	Total	\$7,735,851

FISCAL IMPACT

No net fiscal impact. The recommendation would reallocate remaining funds from two Measure AA Portfolios (\$200,811 from Portfolio #18 and \$6,157,109 from Portfolio #23) that are deemed complete into a third Portfolio that is in need of funds to meet the Measure AA commitments. The new allocation total for Portfolio #03 would increase the portfolio funds to \$13,965,920.

PRIOR BOARD AND COMMITTEE REVIEW

- **December 6, 2022:** Board adoption of Board Policy 3.11, Closing MAA Portfolios and Amending the Expenditure Plan ([R-22-138](#), [minutes](#))
- **May 16, 2023:** Action Plan and Budget Committee review of the proposed Closure of Completed Measure AA Portfolios #18 *South Bay Foothills: Saratoga-to-the-Sea Trail and Wildlife Corridor* and #23 *Sierra Azul: Mt. Umunhum Public Access and Interpretation Projects* and Reallocation of Remaining Portfolio Funds to Portfolio #03 *Purisima Creek Redwoods: Purisima-to-Sea Trail, Watershed Protection and Conservation Grazing* ([R-23-52](#), draft minutes [Attachment 6])
- **June 6, 2023:** Bond Oversight Committee review and opinion of the proposed Closure of Completed Measure AA Portfolios #18 *South Bay Foothills: Saratoga-to-the-Sea Trail and Wildlife Corridor* and #23 *Sierra Azul: Mt. Umunhum Public Access and Interpretation Projects* and Reallocation of Remaining Portfolio Funds to Portfolio #03 *Purisima Creek Redwoods: Purisima-to-Sea Trail, Watershed Protection and Conservation Grazing* ([BOC](#), draft minutes [Attachment 7])

PUBLIC NOTICE

Public notice was provided as required by the Brown Act. No additional notice is required.

CEQA COMPLIANCE

This proposed action is not a project under the California Environmental Quality Act and no environmental review is required.

NEXT STEPS

If approved by the full Board, these changes would be reflected in the FY24 Budget and the FY23 Measure AA Bond Annual Accountability Report.

Attachments:

1. Resolution Amending the Measure AA Expenditure Plan estimates for Portfolios #18, #23, and #03
2. Ordinance NO. 2014-02
3. Board Policy 3.11 Closing of MAA Portfolios and Amending the Expenditure Plan
4. Expenditure Plan Amendments
5. Portfolio #03 Projects
6. Draft Budget and Action Plan meeting minutes for May 16, 2023
7. Draft Bond Oversight Committee meeting minutes for June 6, 2023

Responsible Department Manager:
Rafaela Ocegüera, Budget & Analysis Manager

Prepared by:
Rafaela Ocegüera, Budget & Analysis Manager
Elissa Martinez, Management Analyst II
Lupe Hernandez, Management Analyst II
Jordan McDaniel, Management Analyst I

RESOLUTION NO. 23-__**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
MIDPENINSULA REGIONAL OPEN SPACE DISTRICT AMENDING
THE MEASURE AA EXPENDITURE PLAN ESTIMATES FOR
PORTFOLIOS #18, #23, AND #03**

WHEREAS, on February 26, 2014, the Board of Directors (Board) of the Midpeninsula Regional Open Space District (District) adopted an Ordinance (“Ordinance”) calling for voter approval of a bond measure along with a proposed Expenditure Plan, which was subsequently approved by the voters as Measure AA; and

WHEREAS, the Expenditure Plan provides dollar estimates proposing how the bond proceeds would be allocated to fund the capital improvements necessary to implement the priority actions, recognizing that the dollar amounts were estimates only and that actual costs may change in implementation; and

WHEREAS, as prescribed in the Ordinance, the District has annually reviewed the Expenditure Plan; and

WHEREAS, the Board of Directors has identified certain amendments to the Expenditure Plan to “provide for the use of additional federal, state and local funds, to account for unexpected revenues, or to take into consideration unforeseen circumstances” as specified in the Ordinance; and

WHEREAS, the Board of Directors, pursuant to a process established in order to consider Expenditure Plan amendments, which ensures that the Bond Oversight Committee is included in the development of any amendments to the Expenditure Plan, hereby approves certain amendments to said plan.

NOW, THEREFORE, the Board of Directors of the Midpeninsula Regional Open Space District does resolve as follows:

SECTION ONE. Expenditure Plan Portfolios #18 and #23 are deemed complete with the associated amended expenditures set forth below.

South Bay Foothills (Los Gatos, Monte Sereno, Saratoga, and Santa Cruz Mountains)	
18 South Bay Foothills: Saratoga-to-Sea Trail and Wildlife Corridor	
Protect wildlife corridor along Highway 9. Connect trail to Saratoga-to-Sea Trail and Skyline-to-Sea Trail. \$1,365,000 <u>\$1,164,189</u>	
23 Sierra Azul: Mt. Umunhum Public Access and Interpretation Projects	
Open Mt. Umunhum for multi-use public access to summit via road and trail. Open Bay Area Ridge Trail and nearby trail connections. Preserve additional open space and complete wildlife corridor. \$27,972,000 <u>\$21,814,891</u>	

SECTION TWO. Unspent funds from Portfolios #18 and #23 in the cumulative amount of \$6,357,920 will be applied to Portfolio #03 as set forth below as an amendment to the Expenditure Plan:

Coast (Half Moon Bay, San Gregorio, Pescadero, La Honda,)	
3	Purisima Creek Redwoods: Purisima-to-Sea Trail, Watershed Protection and Conservation Grazing Complete and open multi-use Purisima-to-Sea trail connection between Ridge Trail and Coastal Trail, and new parking areas. Preserve additional open space as available. Remove fish barriers and restore Lobitos Creek. Restore ponds for endangered species. \$7,608,000 \$13,965,920

SECTION THREE. The Board of Directors finds that adoption of this Resolution regarding a government funding mechanism or other government fiscal activity does not constitute a project under the California Environmental Quality Act (CEQA) (14 Cal. Code. Regs., section 15378(b)(4)). The final design of and alternatives considered for any particular project shall be subject to CEQA as required by law, and all environmental review required by CEQA shall be completed before any specific project is commenced.

SECTION FOUR. Except as herein modified, the Expenditure Plan shall remain unmodified.

* * * * *

PASSED AND ADOPTED by the Board of Directors of the Midpeninsula Regional Open Space District on _____, 2023, at a regular meeting thereof, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

Craig Gleason, Secretary
Board of Directors

Yoriko Kishimoto, President
Board of Directors

APPROVED AS TO FORM:

Hilary Stevenson, General Counsel

I, the District Clerk of the Midpeninsula Regional Open Space District, hereby certify that the above is a true and correct copy of a resolution duly adopted by the Board of Directors of the Midpeninsula Regional Open Space District by the above vote at a meeting thereof duly held and called on the above day.

Maria Soria, District Clerk

ORDINANCE NO. 2014-02

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT CALLING AN ELECTION AND ORDERING THE SUBMISSION OF A PROPOSITION FOR INCURRING BONDED INDEBTEDNESS NOT TO EXCEED \$300 MILLION FOR THE PURPOSE OF PROVIDING PUBLIC ACCESS AND ACQUIRING, RESTORING AND PRESERVING OPEN SPACE THROUGHOUT THE DISTRICT, TO THE QUALIFIED VOTERS OF THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT AT THE GENERAL MUNICIPAL ELECTION TO BE HELD ON JUNE 3, 2014

WHEREAS, on February 12, 2014, the Board of Directors of the Midpeninsula Regional Open Space District (the "District") adopted, by a unanimous vote of all five members of said Board of Directors present (two absent), a Resolution entitled "Determination that the Public Interest and Necessity Demand Providing Public Access, and Acquiring, Restoring and Preserving Open Space Throughout the District, with Financing Through the Issuance of General Obligation Bonds" (the "Resolution"); and

WHEREAS, in order to provide for the issuance by the District of its general obligation bonds to finance the costs of providing public access and acquiring, restoring and preserving open space throughout the District, it is necessary for this Board of Directors to pass an ordinance ordering the submission of the proposition of incurring bonded indebtedness for such purpose to the qualified voters of the District at an election; and

WHEREAS, a General Election for the District is to be held on Tuesday, June 3, 2014; and

WHEREAS, the Board of Directors desires to submit to the voters at said election the proposition of incurring bonded indebtedness as hereinafter set forth; and

WHEREAS, the Board of Directors desires to consolidate the District election with the General Election to be held in the District on June 3, 2014.

Now therefore, the Board of Directors of the Midpeninsula Regional Open Space District does ordain as follows:

SECTION 1. That a district election is hereby called and ordered to be held in the District on June 3, 2014, at which election there shall be submitted to the qualified voters the proposition set forth below:

SECTION 2. That said proposition shall appear on the ballot for said district election in the following form:

YES	To improve access to hiking and biking opportunities, protect and preserve redwood forests, natural open spaces, the scenic beauty of our region and coastline, critical wildlife habitat, restore creeks to protect water quality, and reduce forest fire risk; shall Midpeninsula Regional Open Space District be authorized to issue up to \$300 million in bonds, at a tax rate not to exceed \$3.18 per \$100,000 of assessed value of property owned, with expenditures verified by an independent citizen oversight committee?
NO	

The Board does hereby submit to the qualified voters of the District, at said district election, this Ordinance and the proposition set forth above.

SECTION 3. The indebtedness to be incurred by the District shall be for the object and purpose set forth in the Resolution, namely, to provide public access and acquire, restore and preserve open space throughout the District and to implement a set of priority actions as described in Exhibit A. The object and purpose of the priority actions shall be to improve access to hiking and biking opportunities, protect and preserve redwood forests, natural open spaces, the scenic beauty of the region and coastline, critical wildlife habitat, restore creeks to protect water quality, and reduce forest fire risk. Priority actions will be distributed throughout the District.

All of the foregoing described objects and purposes are referred to herein as the “Expenditure Plan” (Exhibit A) for purposes of this Ordinance.

The indebtedness incurred under this Ordinance shall include the cost of legal and other fees incidental to or connected with the authorization, issuance and sale of the general obligation bonds.

SECTION 4. The District projects that property tax rates will not exceed an additional \$3.18 per year per \$100,000 of assessed valuation, as described more completely in the Tax Rate Statement that is attached hereto as Exhibit “B.” The repayment projections are based on reasonable growth assumptions, taking into account Article XIII A of the California Constitution. The foregoing provision shall not be construed to limit the power and duty of the Board of Directors to cause to be levied and collected a tax sufficient to fulfill its obligations to pay debt service on bonds in any fiscal year.

SECTION 5. The estimated cost of providing public access and acquiring, restoring and preserving open space throughout the District as outlined in the Expenditure Plan is not to exceed Three Hundred Million Dollars (\$300,000,000). The estimated cost includes the bond issuance fees.

SECTION 6. The principal amount of the general obligation bonds to be issued for the Expenditure Plan is Three Hundred Million Dollars (\$300,000,000).

SECTION 7. The rate of interest to be paid on the bonds to be issued for the Expenditure Plan shall not exceed the State of California (the ‘State’) maximum allowed rate of twelve percent (12%) per annum (unless the maximum interest rate for general obligation bonds of the District shall hereafter be increased by the Legislature of the State, in which event said maximum fixed by said Legislature shall apply).

SECTION 8. Under sections 53410 and 53411 of the California Government Code, the bonds shall be for the specific purposes authorized in this Ordinance and the proceeds of such bonds will be applied only to the Expenditure Plan. The District will comply with the requirements of section 53410 of the California Government Code.

An annual report will be prepared by the District consistent with the accountability measures as required in California Government Code section 53411. An Independent Citizen Oversight Committee will be formed to verify annual expenditures of bond proceeds. The Citizen Oversight Committee will consist of seven at-large members, all of whom shall be District residents.

SECTION 9. The Board of Directors finds that adoption of this Ordinance creating a government funding mechanism or other government fiscal activity does not constitute a project under the California Environmental Quality Act (CEQA) (14 Cal. Code. Regs., section 15378(b)(4)). The final design of and alternatives considered for any particular project shall be subject to CEQA as required by law, and all environmental review required by CEQA shall be completed before any specific project is commenced.

SECTION 10. The District proposes to issue and sell General Obligation Bonds of the District pursuant to section 5568 of the California Public Resources Code, Article 9, commencing with section 43600 of Chapter 4 of Division 4 of Title 4 of the California Government Code and/or Article 4.5, commencing with section 53506, of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, in one or more series, in the maximum amount and for the objects and purposes set forth above, if two-thirds of all qualified voters voting on the proposition set forth above vote in favor thereof. The bonds are to be general obligations of the District, payable from and secured by taxes levied and collected in the manner prescribed by laws of the State of California. All of said bonds are to be equally and ratably secured, without priority, by the taxing power of the District.

SECTION 11. The polls for said election shall be open the day of said election in accordance with the California Elections Code.

SECTION 12. The election hereby called for the date hereinbefore specified shall be and is hereby, ordered consolidated with the Statewide General Election to be held within the District on said date, and within the territory affected by the consolidation, the election shall be held and conducted, election officials appointed, voting precincts designated, ballots printed, polls opened and closed, ballots counted and returned, returns canvassed, results declared, and all other proceedings incidental to and connected with the election shall be regulated and done in accordance with the provisions of law regulating the Statewide general election and specified herein. The Board of Supervisors of the County of San Mateo, the Board of Supervisors of the County of Santa Clara and the Board of Supervisors of the County of Santa Cruz are hereby requested to order the consolidation of the election hereby called with said Statewide general election, and the Board of Supervisors of the County of San Mateo, the Board of Supervisors of the County of Santa Clara and the Board of Supervisors of the County of Santa Cruz are hereby authorized to canvass the returns of said election, and said election shall be held in all respects as if there were only one election and only one form of ballot shall be used in each of the affected counties. Each of said Board of Supervisors shall certify the results of the canvass of the returns of said district election in each of the respective counties to the Board of Directors of this District, which shall thereafter declare the results thereof. The proposition submitted by this Ordinance shall be designated on each ballot by a letter printed on the left margin of the square containing the description of the proposition, as provided in the California Elections Code.

SECTION 13. All persons qualified to vote at general district elections in the District upon the date of the election herein provided for shall be qualified to vote upon the proposition submitted at said election.

SECTION 14. Ballots for the election shall be in form and in the number as required by law. On said ballots, in addition to any other printed matter which may be required by law, two (2) voting squares shall be set off to the right of the proposition submitted at the election, in the manner provided by law, one having the word "YES" printed before it, and the other having the word "NO" printed before it.

SECTION 15. Each voter to vote for the proposition and for the incurring of said indebtedness shall stamp or write a cross, or indicate by hold punch or other means, in the blank space opposite the word "YES" on the ballot to the right of the proposition; and each voter to vote against the proposition and against the incurring of said indebtedness shall stamp or write a cross, or indicate by hold punch or other means, in the blank space opposite the word "NO" on the ballot to the right of the proposition.

SECTION 16. The District hereby requests and directs that San Mateo, Santa Clara and Santa Cruz Counties print the full text of this Ordinance, inclusive of attachments in each County's respective Voter Information Pamphlet. The Clerk of the Board of the District is hereby authorized and directed to take such

actions and fill out such forms as is necessary to accomplish this direction for publication of the full text of the proposition in the Voter Information Pamphlets.

SECTION 17. The District hereby requests and directs that San Mateo, Santa Clara and Santa Cruz Counties allow arguments for and against this measure to be filed pursuant to Elections Code section 9282 *et seq.* The Board adopts the provisions of Elections Code section 9285 to allow rebuttal arguments for the ballot measure.

SECTION 18. The District will reimburse separately San Mateo, Santa Clara and Santa Cruz Counties for the actual costs incurred by each of the county's elections officials in conducting the election upon receipt of a bill stating the amount due as determined by the elections officials pursuant to State law.


SECTION 19. This Ordinance shall be published once a day for at least seven days in a newspaper printed, published and circulated at least six (6) days a week in the District, or once a week for two weeks in a newspaper printed, published and circulated less than six (6) days a week in the District. The first of said publications shall, in either event, be within thirty (30) days after the adoption of this ordinance. The Clerk of the Board of the District is hereby authorized and directed to make said publications and to transmit, for receipt no later than March 7, 2014, a certified copy of this Ordinance to the appropriate officials of San Mateo County, Santa Clara County and Santa Cruz County responsible for preparing the ballots for said election.

SECTION 20. This Ordinance shall become effective immediately as an ordinance relating to an election pursuant to Government Code section 36937(a) upon its adoption by two-thirds vote of all the members of this Board of Directors.

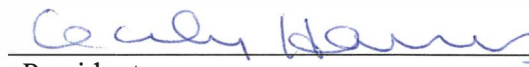
Introduced at a regular meeting of the Board of Directors held on February 12, 2014 and adopted as an ordinance of the Midpeninsula Regional Open Space District at a regular meeting of the Board of Directors on February 26, 2014, by the following vote:

AYES: CYR, HANKO, HARRIS, HASSETT KISHIMOTO, RIFFLE, SIEMENS
NOES: NONE
ABSTAIN: NONE
ABSENT: NONE

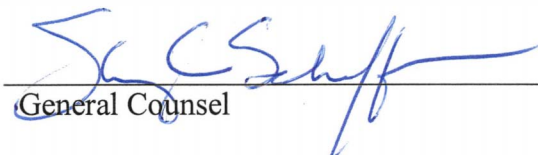
ATTEST:


 Secretary
 Board of Directors

APPROVED:


 President
 Board of Directors

APPROVED AS TO FORM:


 General Counsel

I, the District Clerk of the Midpeninsula Regional Open Space District, hereby certify that the above is a true and correct copy of an ordinance duly adopted by the Board of Directors of the Midpeninsula Regional Open Space District by the above vote at a meeting thereof duly held and called on the above day.

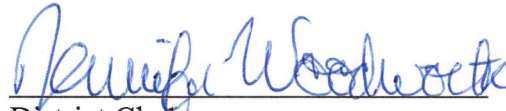

District Clerk

EXHIBIT A
Expenditure Plan

TITLE: To improve access to hiking and biking opportunities, protect and preserve redwood forests, natural open spaces, the scenic beauty of the region and coastline, critical wildlife habitat, restore creeks to protect water quality, and reduce forest fire risk.

1. SUMMARY

Founded by voters in 1972, the Midpeninsula Regional Open Space District ("District") has protected, in perpetuity, 62,000 acres of open space containing 26 preserves and more than 220 miles of trails that serve Santa Clara, San Mateo, and a portion of Santa Cruz counties. The District's preserves provide a scenic backdrop to the region offering residents places for hiking, biking, horseback riding, or simply connecting with nature, close to home. Throughout its 41-year history the District has used taxpayer dollars wisely, leveraging funds to bring in state, federal, and private grant money, and providing annual audits in a transparent public process. The District is governed by a publicly elected board of directors.

Over the years, the number of acres and miles of trails the District owns and maintains have steadily increased, as have the number of visitors and the cost of land. Expanding public access, restoring sensitive environments and purchasing land are costly, yet are high priorities for the public.

To reinforce and expand these types of services and resources, the Board of Directors is placing this funding measure on the June 3, 2014 ballot.

\$300 million in General Obligation Bonds will be sold. The bond repayment would be financed by an annual property tax override based on a tax rate not to exceed \$3.18 per \$100,000 of assessed value of property owned per year.

This Expenditure Plan outlines priority actions identified by the public and proposed by the District to be funded with bond proceeds. Part B describes each priority action and describes what goals it will achieve. Part C of the Expenditure Plan describes the establishment of an independent Citizen Oversight Committee.

2. PRIORITY ACTIONS

The priority actions listed below are the result of a process that combined scientific analysis with broad public engagement to create a shared vision for the future of the District and the region's open space. Each priority action may address one or more of the following as more specifically described in the table **Priority Actions, By Region** attached to this Expenditure Plan:

- Improved hiking, biking, and equestrian opportunities
- Protection and preservation of redwoods, natural open spaces, the scenic beauty of the region and coastline, critical habitats
- Restoration of creeks to protect water quality
- Reduction of forest fire risk

Priority actions are distributed throughout the District as depicted on the map attached to this Expenditure Plan.

If approved, the bond proceeds would be allocated to fund the capital improvements necessary to implement the priority actions listed below. Note: the number associated with each priority action does not denote its priority level, but is only used for identification purposes to correlate with the locations depicted on the map.

The estimates associated with each priority action are in 2014 dollars. These are estimates only, and the actual costs may change in implementation.

The District may annually review and propose amendments to the Expenditure Plan to provide for the use of additional federal, state and local funds, to account for unexpected revenues, or to take into consideration unforeseen circumstances. The District shall act on no more than one package of amendments each fiscal year. The District shall establish a process for proposed Expenditure Plan amendment(s) which ensures that the Citizen Oversight Committee is included in the development. Upon completion of this process, amendments(s) to the Expenditure Plan must be passed by a two-thirds majority of the District Board in a publicly noticed meeting.

PRIORITY ACTIONS, BY REGION

South Bay Foothills (Los Gatos, Monte Sereno, Saratoga, and Santa Cruz Mountains)	
18	South Bay Foothills: Saratoga-to-Sea Trail and Wildlife Corridor Protect wildlife corridor along Highway 9. Connect trail to Saratoga-to-Sea Trail and Skyline-to-Sea Trail. \$1,365,000
19	El Sereno: Dog Trails and Connections Provide infrastructure to open trails to dogs. Develop connections to Skyline, Sanborn County Park, & Lexington Reservoir. \$2,254,000
20	South Bay Foothills: Wildlife Passage and Ridge Trail Improvements Establish safe corridors for mountain lions across Highway 17. Establish Bay Area Ridge Trail crossing. \$13,966,000
21	Bear Creek Redwoods: Public Recreation and Interpretive Projects Open for hiking, equestrian activities. Provide parking areas, trails; upgrade stables. Restore & protect habitats for various species. Repair roads & trails to reduce sediment. Rehabilitate Alma College site. \$17,478,000
22	Sierra Azul: Cathedral Oaks Public Access and Conservation Projects Develop multi-use trail & plan future trails as land is available. Develop parking. Restore plant communities and soils. Install trailside amenities. Preserve additional open space and complete wildlife corridor in upper Los Gatos Creek watershed. \$6,714,000
23	Sierra Azul: Mt. Umunhum Public Access and Interpretation Projects Open Mt. Umunhum for multi-use public access to summit via road and trail. Open Bay Area Ridge Trail and nearby trail connections. Preserve additional open space and complete wildlife corridor. \$27,972,000
24	Sierra Azul: Rancho de Guadalupe Family Recreation Open Rancho de Guadalupe to public access. Develop accessible multi-use trails with amenities such as parking and family recreation. Restore habitat for rare species. Protect cultural and natural resources. \$10,078,000
25	Sierra Azul: Loma Prieta Area Public Access, Regional Trails and Habitat Projects Provide public access and recreation, including small campground. Develop, improve, connect regional multi-use trails to Forest of Nisene Marks State Park, to protected land to east, and to Mt. Umunhum. Protect Steelhead habitat, rare plants and grasslands, restore Knobcone Pine stands. \$7,986,000

Peninsula Foothills and Bay

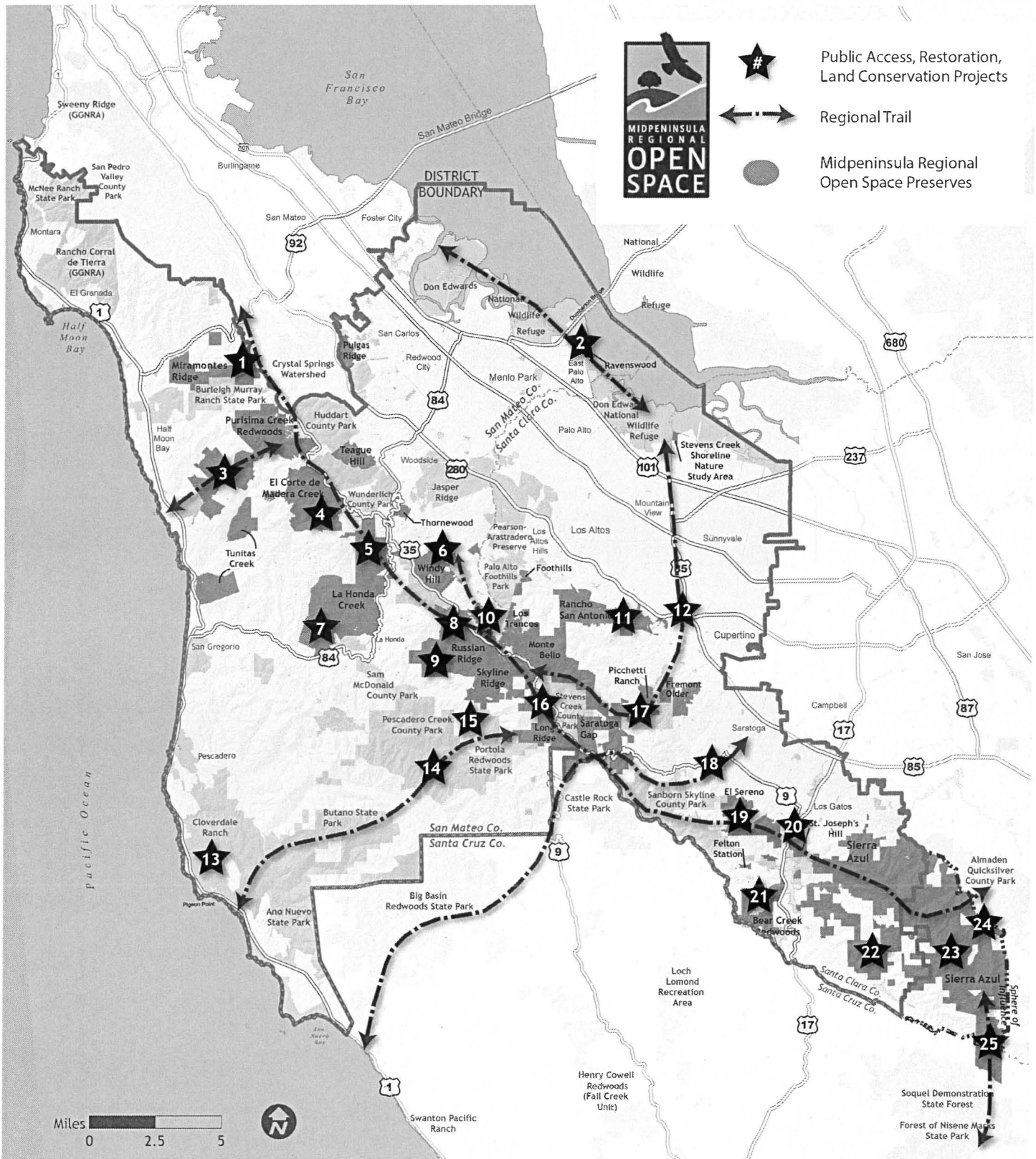
(Cupertino, Los Altos, Los Altos Hills, Sunnyvale, Mountain View, Palo Alto, East Palo Alto, Menlo Park, Atherton, Redwood City, San Carlos, Woodside, Portola Valley, Skyline)

2	Regional: Bayfront Habitat Protection and Public Access Partnerships Partner to complete gaps in Bay Trail and develop city-to-bay trails. Support wetland restoration and associated interpretive facilities. Preserve additional bayfront open space. \$5,052,000
4	El Corte de Madera Creek: Bike Trail and Water Quality Projects Develop single-use biking/hiking trails, complete Ridge Trail gaps, and develop trail system leading to parking area. Restore damaged trails to improve water quality. Preserve additional open space as available. \$8,376,000
5	La Honda Creek: Upper Area Recreation, Habitat Restoration and Conservation Grazing Projects Open upper half of the preserve to public; provide biking/hiking/equestrian trails, dog access, and staging areas. Provide loop & connector trails. Restore habitat for rare species. Improve fencing, corrals, and water systems to reintroduce conservation grazing. \$11,733,000
6	Windy Hill: Trail Improvements, Preservation and Hawthorns Area Historic Partnership Improve trails, complete pond facilities. Increase multi-use trails, study possible improvements to increase dog use. Open Hawthorns Area; develop trails connecting to Portola Valley and Palo Alto trails. Partner to protect, restore, and interpret historic buildings. Improve habitat conditions in Los Trancos Creek. Preserve additional scenic open space as available. \$12,740,000
8	La Honda Creek/Russian Ridge: Preservation of Upper San Gregorio Watershed & Ridge Trail Completion Preserve upper San Gregorio watershed; restore endangered species habitats. Support opportunities to provide additional water for fisheries. Complete Bay Area Ridge Trail multi-use connections and gaps. Provide additional public use facilities. \$15,347,000
9	Russian Ridge: Public Recreation, Grazing and Wildlife Protection Projects Open currently closed areas of preserve. Construct and extend trails. Improve fencing, corrals, and water systems to reintroduce conservation grazing. Improve habitat for sensitive species, implement pond enhancement projects for garter snakes and red-legged frogs. \$5,560,000
10	Coal Creek: Reopen Alpine Road for Trail Use Reopen Alpine Road as trail connection between Portola Valley & Skyline Blvd. Reroute trails to reduce erosion and improve visitor experience. \$8,017,000
11	Rancho San Antonio: Interpretive Improvements, Refurbishing, and Transit Solutions Add welcome center, refurbish and add interpretive exhibits to Deer Hollow Farm. Support of transit improvement options such as bike trails, bikeshare station, bus service, or additional parking. \$10,811,000
12	Peninsula/South Bay Cities: Partner to Complete Middle Stevens Creek Trail Support work by cities to develop the middle section of the Stevens Creek Trail and enhance neighborhood connections. Support work by partners to complete stream corridor restoration and steelhead habitat enhancement below dam. Develop and install interpretive signage. \$1,038,000
16	Long Ridge: Trail, Conservation and Habitat Restoration Projects (Saratoga) Improve roadside parking and provide restrooms. Develop new trail connections to Eagle Rock and Devils Canyon. Repair trails for year-round multi-use access. Protect watersheds for steelhead. Preserve additional open space as available. Implement pond and habitat enhancement restoration projects to benefit rare species. \$5,140,000
17	Regional: Complete Upper Stevens Creek Trail Complete multi-use connection between the Bay Trail & Bay Area Ridge Trail above the reservoir through Picchetti Ranch Open Space Preserve & Lower/Upper Stevens Creek County Parks. Improve Preserve trails and neighborhood connections. Preserve additional open space as available. \$7,760,000

Coast**(Half Moon Bay, San Gregorio, Pescadero, La Honda,)**

1	Miramontes Ridge: Gateway to the Coast Public Access, Stream Restoration and Agriculture Enhancement Preserve scenic open space land as available, and establish wildlife corridor. Restore fish and red-legged frog habitats in Madonna Creek watershed. Partner to enhance water availability for agriculture and fish. Develop trail loop system, including Ridge Trail and neighborhood access points. Develop staging area, repair bridges. \$27,774,000
3	Purisima Creek Redwoods: Purisima-to-Sea Trail, Watershed Protection and Conservation Grazing Complete and open multi-use Purisima-to-Sea trail connection between Ridge Trail and Coastal Trail, and new parking areas. Preserve additional open space as available. Remove fish barriers and restore Lobitos Creek. Restore ponds for endangered species. \$7,608,000
7	La Honda Creek: Driscoll Ranch Public Access, Endangered Wildlife Protection and Conservation Grazing Open Driscoll Ranch Area; provide biking/hiking/equestrian trails, limited dog access, parking areas, and interpretive displays. Develop loop & connector trails. Restore habitat for endangered species. Restore La Honda Creek; remove fish migration barriers. \$14,825,000
13	Cloverdale Ranch: Wildlife Protection, Grazing and Trail Connections Improve fencing, corrals, and water systems to increase conservation grazing and sustain large contiguous grasslands. Restore habitat for endangered species. Provide trail connections to nearby State parks. \$15,712,000
14	Regional: Trail Connections and Campgrounds Develop trails between Butano, Pescadero County Park, Pescadero, Russian Ridge, and between Skyline and Portola Redwoods, Big Basin State Park. Partner with County and State Parks to improve existing campgrounds. \$3,966,000
15	Regional: Redwood Protection and Salmon Fishery Conservation Preserve additional open space as available. Protect and enhance redwood stands, mountain scenery, various habitats and steelhead salmon. \$50,728,000

ATTACHMENT 2



3. INDEPENDENT CITIZEN OVERSIGHT COMMITTEE

An Independent Citizen Oversight Committee will be formed to verify expenditures of bond proceeds. The Independent Citizen Oversight Committee will consist of seven at-large members, all of whom shall be District residents. The Citizen Oversight Committee will be selected by the Board and interviewed and approved in open session, and will be subject to the conflict of interest constraints of the California Political Reform Act.

The responsibilities of the Committee include:

- Review Plan expenditures on an annual basis to verify conformity with the Expenditure Plan.
- Review District's Annual Audit and Annual Accountability report and present the Committee's findings to the Board at a public meeting.
- Review any proposed amendments to the Expenditure Plan.

**EXHIBIT B
TAX RATE STATEMENT**

An election will be held in the Midpeninsula Regional Open Space District (the "District") on June 3, 2014, to authorize the sale of up to \$300 million in bonds of the District to provide public access and acquire, restore, and preserve open space throughout the District as described in the ballot measure. If the bonds are approved, the District expects to sell the bonds in several series over time. Principal and interest on the bonds will be payable from the proceeds of tax levies made upon the taxable property in the District. The information contained in numbered paragraphs 1 - 3 below is provided in compliance with sections 9400-9404 of the Elections Code of the State of California.

1. The best estimate of the tax which would be required to be levied to fund this bond issue during the *first* fiscal year after the sale of the first series of bonds, based on estimated assessed valuations available at the time of filing of this statement, is \$1.00 per \$100,000 of assessed valuation in fiscal year 2015-16.

2. The best estimate of the tax rate which would be required to be levied to fund this bond issue during the first fiscal year after the sale of the *last* series of bonds, based on estimated assessed valuations available at the time of filing of this statement, is \$2.90 per \$100,000 of assessed valuation in fiscal year 2044-45.

3. The best estimate of the *highest* tax rate which would be required to be levied to fund this bond issue, based on estimated assessed valuations available at the time of filing of this statement, is \$3.18 per \$100,000 of assessed valuation in fiscal year 2034-35.

Voters should note that the estimated tax rates are based on the estimated *ASSESSED VALUE* of taxable property on the respective County's official tax rolls, not on a property's market value. Property owners should consult their own property tax bills to determine their property's assessed value and any applicable tax exemptions.

Attention of all voters is directed to the fact that the foregoing information is based upon the District's projections and estimates only, which are not binding upon the District. The actual tax rates and the years in which they will apply may vary from those presently estimated, due to variations from these estimates in the timing of bond sales, the amount of bonds sold and market interest rates at the time of each sale, and actual assessed valuations over the term of repayment of the bonds. The dates of sale and the amount of bonds sold at any given time will be determined by the District based on its needs for funds and other factors. The actual interest rates at which the bonds will be sold will depend on the bond market at the time of each sale. Actual future assessed valuation will depend upon the amount and value of taxable property within the District as determined by the respective County Assessor in the annual property value assessment process.

Dated: _____, 2014.

General Manager
Midpeninsula Regional Open Space District

Midpeninsula Regional Open Space District

Board Policy Manual

Closing Measure AA Portfolios and Amending the Expenditure Plan Policy	Policy 3.11 Chapter 3 – Fiscal Management
Effective Date: 12/06/2022	Revised Date: N/A
Prior Versions: N/A	Attachments: Ordinance NO. 2014-02

Purpose

This policy explains how the Midpeninsula Regional Open Space District (District) will close a completed Measure AA (MAA) portfolio and reallocate any remaining portfolio funds. This policy is consistent with the MAA Ordinance, which provides as follows:

The District may annually review and propose amendments to the Expenditure Plan to provide for the use of additional federal, state, and local funds, to account for unexpected revenues, or to take into consideration unforeseen circumstances. The District shall act on no more than one package of amendments each fiscal year. The District shall establish a process for proposed Expenditure Plan amendment(s) which ensures that the Citizen Oversight Committee is included in the development. Upon completion of this process, amendment(s) to the Expenditure Plan must be passed by a two-thirds majority of the District Board in a publicly noticed meeting.

Policy

- I. Staff shall review the accomplishments made for every MAA Portfolio annually. If all the Priority Actions of an MAA Portfolio have been addressed, yet the District has identified a new project(s) that expands upon the intent of that portfolio, then the MAA Portfolio will be deemed as **substantially complete**. If all Priority Actions are addressed and no future project is anticipated to be undertaken to further the intent of the MAA Portfolio, then the MAA Portfolio will be deemed **complete**.
- II. MAA Expenditure Plan Amendments reallocate remaining MAA funds from completed and/or substantially completed MAA Portfolios to other MAA Portfolios that are in need of additional funding. Under unique circumstances, the Board may also consider Expenditure Plan Amendments that shift funds away from an incomplete MAA Portfolio to another underfunded MAA Portfolio.
- III. Before the General Manager proposes MAA Expenditure Plan Amendments to the Board, the proposed amendments will be presented to the Action Plan & Budget Committee (ABC) for confirmation. Upon ABC review, the Plan Amendments will be presented to the Bond Oversight Committee (BOC) for an advisory opinion. ABC

confirmation, along with the BOC opinion, will be presented to the full Board of Directors for consideration of approval.

- IV. Amendment(s) to the Expenditure Plan must be passed by a two-thirds majority of the Board of Directors in a publicly noticed meeting.

###

ORDINANCE NO. 2014-02

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT CALLING AN ELECTION AND ORDERING THE SUBMISSION OF A PROPOSITION FOR INCURRING BONDED INDEBTEDNESS NOT TO EXCEED \$300 MILLION FOR THE PURPOSE OF PROVIDING PUBLIC ACCESS AND ACQUIRING, RESTORING AND PRESERVING OPEN SPACE THROUGHOUT THE DISTRICT, TO THE QUALIFIED VOTERS OF THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT AT THE GENERAL MUNICIPAL ELECTION TO BE HELD ON JUNE 3, 2014

WHEREAS, on February 12, 2014, the Board of Directors of the Midpeninsula Regional Open Space District (the "District") adopted, by a unanimous vote of all five members of said Board of Directors present (two absent), a Resolution entitled "Determination that the Public Interest and Necessity Demand Providing Public Access, and Acquiring, Restoring and Preserving Open Space Throughout the District, with Financing Through the Issuance of General Obligation Bonds" (the "Resolution"); and

WHEREAS, in order to provide for the issuance by the District of its general obligation bonds to finance the costs of providing public access and acquiring, restoring and preserving open space throughout the District, it is necessary for this Board of Directors to pass an ordinance ordering the submission of the proposition of incurring bonded indebtedness for such purpose to the qualified voters of the District at an election; and

WHEREAS, a General Election for the District is to be held on Tuesday, June 3, 2014; and

WHEREAS, the Board of Directors desires to submit to the voters at said election the proposition of incurring bonded indebtedness as hereinafter set forth; and

WHEREAS, the Board of Directors desires to consolidate the District election with the General Election to be held in the District on June 3, 2014.

Now therefore, the Board of Directors of the Midpeninsula Regional Open Space District does ordain as follows:

SECTION 1. That a district election is hereby called and ordered to be held in the District on June 3, 2014, at which election there shall be submitted to the qualified voters the proposition set forth below:

SECTION 2. That said proposition shall appear on the ballot for said district election in the following form:

YES	To improve access to hiking and biking opportunities, protect and preserve redwood forests, natural open spaces, the scenic beauty of our region and coastline, critical wildlife habitat, restore creeks to protect water quality, and reduce forest fire risk; shall Midpeninsula Regional Open Space District be authorized to issue up to \$300 million in bonds, at a tax rate not to exceed \$3.18 per \$100,000 of assessed value of property owned, with expenditures verified by an independent citizen oversight committee?
NO	

The Board does hereby submit to the qualified voters of the District, at said district election, this Ordinance and the proposition set forth above.

SECTION 3. The indebtedness to be incurred by the District shall be for the object and purpose set forth in the Resolution, namely, to provide public access and acquire, restore and preserve open space throughout the District and to implement a set of priority actions as described in Exhibit A. The object and purpose of the priority actions shall be to improve access to hiking and biking opportunities, protect and preserve redwood forests, natural open spaces, the scenic beauty of the region and coastline, critical wildlife habitat, restore creeks to protect water quality, and reduce forest fire risk. Priority actions will be distributed throughout the District.

All of the foregoing described objects and purposes are referred to herein as the “Expenditure Plan” (Exhibit A) for purposes of this Ordinance.

The indebtedness incurred under this Ordinance shall include the cost of legal and other fees incidental to or connected with the authorization, issuance and sale of the general obligation bonds.

SECTION 4. The District projects that property tax rates will not exceed an additional \$3.18 per year per \$100,000 of assessed valuation, as described more completely in the Tax Rate Statement that is attached hereto as Exhibit “B.” The repayment projections are based on reasonable growth assumptions, taking into account Article XIII A of the California Constitution. The foregoing provision shall not be construed to limit the power and duty of the Board of Directors to cause to be levied and collected a tax sufficient to fulfill its obligations to pay debt service on bonds in any fiscal year.

SECTION 5. The estimated cost of providing public access and acquiring, restoring and preserving open space throughout the District as outlined in the Expenditure Plan is not to exceed Three Hundred Million Dollars (\$300,000,000). The estimated cost includes the bond issuance fees.

SECTION 6. The principal amount of the general obligation bonds to be issued for the Expenditure Plan is Three Hundred Million Dollars (\$300,000,000).

SECTION 7. The rate of interest to be paid on the bonds to be issued for the Expenditure Plan shall not exceed the State of California (the ‘State’) maximum allowed rate of twelve percent (12%) per annum (unless the maximum interest rate for general obligation bonds of the District shall hereafter be increased by the Legislature of the State, in which event said maximum fixed by said Legislature shall apply).

SECTION 8. Under sections 53410 and 53411 of the California Government Code, the bonds shall be for the specific purposes authorized in this Ordinance and the proceeds of such bonds will be applied only to the Expenditure Plan. The District will comply with the requirements of section 53410 of the California Government Code.

An annual report will be prepared by the District consistent with the accountability measures as required in California Government Code section 53411. An Independent Citizen Oversight Committee will be formed to verify annual expenditures of bond proceeds. The Citizen Oversight Committee will consist of seven at-large members, all of whom shall be District residents.

SECTION 9. The Board of Directors finds that adoption of this Ordinance creating a government funding mechanism or other government fiscal activity does not constitute a project under the California Environmental Quality Act (CEQA) (14 Cal. Code. Regs., section 15378(b)(4)). The final design of and alternatives considered for any particular project shall be subject to CEQA as required by law, and all environmental review required by CEQA shall be completed before any specific project is commenced.

SECTION 10. The District proposes to issue and sell General Obligation Bonds of the District pursuant to section 5568 of the California Public Resources Code, Article 9, commencing with section 43600 of Chapter 4 of Division 4 of Title 4 of the California Government Code and/or Article 4.5, commencing with section 53506, of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, in one or more series, in the maximum amount and for the objects and purposes set forth above, if two-thirds of all qualified voters voting on the proposition set forth above vote in favor thereof. The bonds are to be general obligations of the District, payable from and secured by taxes levied and collected in the manner prescribed by laws of the State of California. All of said bonds are to be equally and ratably secured, without priority, by the taxing power of the District.

SECTION 11. The polls for said election shall be open the day of said election in accordance with the California Elections Code.

SECTION 12. The election hereby called for the date hereinbefore specified shall be and is hereby, ordered consolidated with the Statewide General Election to be held within the District on said date, and within the territory affected by the consolidation, the election shall be held and conducted, election officials appointed, voting precincts designated, ballots printed, polls opened and closed, ballots counted and returned, returns canvassed, results declared, and all other proceedings incidental to and connected with the election shall be regulated and done in accordance with the provisions of law regulating the Statewide general election and specified herein. The Board of Supervisors of the County of San Mateo, the Board of Supervisors of the County of Santa Clara and the Board of Supervisors of the County of Santa Cruz are hereby requested to order the consolidation of the election hereby called with said Statewide general election, and the Board of Supervisors of the County of San Mateo, the Board of Supervisors of the County of Santa Clara and the Board of Supervisors of the County of Santa Cruz are hereby authorized to canvass the returns of said election, and said election shall be held in all respects as if there were only one election and only one form of ballot shall be used in each of the affected counties. Each of said Board of Supervisors shall certify the results of the canvass of the returns of said district election in each of the respective counties to the Board of Directors of this District, which shall thereafter declare the results thereof. The proposition submitted by this Ordinance shall be designated on each ballot by a letter printed on the left margin of the square containing the description of the proposition, as provided in the California Elections Code.

SECTION 13. All persons qualified to vote at general district elections in the District upon the date of the election herein provided for shall be qualified to vote upon the proposition submitted at said election.

SECTION 14. Ballots for the election shall be in form and in the number as required by law. On said ballots, in addition to any other printed matter which may be required by law, two (2) voting squares shall be set off to the right of the proposition submitted at the election, in the manner provided by law, one having the word "YES" printed before it, and the other having the word "NO" printed before it.

SECTION 15. Each voter to vote for the proposition and for the incurring of said indebtedness shall stamp or write a cross, or indicate by hold punch or other means, in the blank space opposite the word "YES" on the ballot to the right of the proposition; and each voter to vote against the proposition and against the incurring of said indebtedness shall stamp or write a cross, or indicate by hold punch or other means, in the blank space opposite the word "NO" on the ballot to the right of the proposition.

SECTION 16. The District hereby requests and directs that San Mateo, Santa Clara and Santa Cruz Counties print the full text of this Ordinance, inclusive of attachments in each County's respective Voter Information Pamphlet. The Clerk of the Board of the District is hereby authorized and directed to take such

actions and fill out such forms as is necessary to accomplish this direction for publication of the full text of the proposition in the Voter Information Pamphlets.

SECTION 17. The District hereby requests and directs that San Mateo, Santa Clara and Santa Cruz Counties allow arguments for and against this measure to be filed pursuant to Elections Code section 9282 *et seq.* The Board adopts the provisions of Elections Code section 9285 to allow rebuttal arguments for the ballot measure.

SECTION 18. The District will reimburse separately San Mateo, Santa Clara and Santa Cruz Counties for the actual costs incurred by each of the county's elections officials in conducting the election upon receipt of a bill stating the amount due as determined by the elections officials pursuant to State law.

SECTION 19. This Ordinance shall be published once a day for at least seven days in a newspaper printed, published and circulated at least six (6) days a week in the District, or once a week for two weeks in a newspaper printed, published and circulated less than six (6) days a week in the District. The first of said publications shall, in either event, be within thirty (30) days after the adoption of this ordinance. The Clerk of the Board of the District is hereby authorized and directed to make said publications and to transmit, for receipt no later than March 7, 2014, a certified copy of this Ordinance to the appropriate officials of San Mateo County, Santa Clara County and Santa Cruz County responsible for preparing the ballots for said election.

SECTION 20. This Ordinance shall become effective immediately as an ordinance relating to an election pursuant to Government Code section 36937(a) upon its adoption by two-thirds vote of all the members of this Board of Directors.

Introduced at a regular meeting of the Board of Directors held on February 12, 2014 and adopted as an ordinance of the Midpeninsula Regional Open Space District at a regular meeting of the Board of Directors on February 26, 2014, by the following vote:

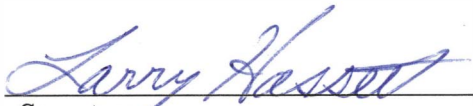
AYES: CYR, HANKO, HARRIS, HASSETT KISHIMOTO, RIFFLE, SIEMENS

NOES: NONE

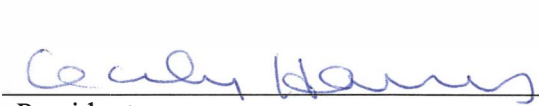
ABSTAIN: NONE

ABSENT: NONE

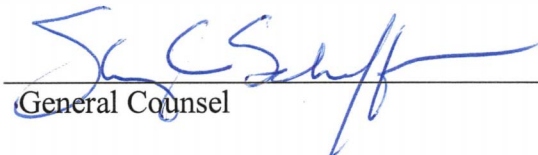
ATTEST:


Secretary
Board of Directors

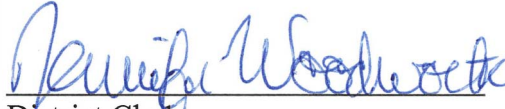
APPROVED:


President
Board of Directors

APPROVED AS TO FORM:


General Counsel

I, the District Clerk of the Midpeninsula Regional Open Space District, hereby certify that the above is a true and correct copy of an ordinance duly adopted by the Board of Directors of the Midpeninsula Regional Open Space District by the above vote at a meeting thereof duly held and called on the above day.


District Clerk

**EXHIBIT A
Expenditure Plan**

TITLE: To improve access to hiking and biking opportunities, protect and preserve redwood forests, natural open spaces, the scenic beauty of the region and coastline, critical wildlife habitat, restore creeks to protect water quality, and reduce forest fire risk.

1. SUMMARY

Founded by voters in 1972, the Midpeninsula Regional Open Space District ("District") has protected, in perpetuity, 62,000 acres of open space containing 26 preserves and more than 220 miles of trails that serve Santa Clara, San Mateo, and a portion of Santa Cruz counties. The District's preserves provide a scenic backdrop to the region offering residents places for hiking, biking, horseback riding, or simply connecting with nature, close to home. Throughout its 41-year history the District has used taxpayer dollars wisely, leveraging funds to bring in state, federal, and private grant money, and providing annual audits in a transparent public process. The District is governed by a publicly elected board of directors.

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- Protection and preservation of redwoods, natural open spaces, the scenic beauty of the region and coastline, critical habitats
- Restoration of creeks to protect water quality
- Reduction of forest fire risk

Priority actions are distributed throughout the District as depicted on the map attached to this Expenditure Plan.

If approved, the bond proceeds would be allocated to fund the capital improvements necessary to implement the priority actions listed below. Note: the number associated with each priority action does not denote its priority level, but is only used for identification purposes to correlate with the locations depicted on the map.

The estimates associated with each priority action are in 2014 dollars. These are estimates only, and the actual costs may change in implementation.

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PRIORITY ACTIONS, BY REGION

South Bay Foothills (Los Gatos, Monte Sereno, Saratoga, and Santa Cruz Mountains)	
18	South Bay Foothills: Saratoga-to-Sea Trail and Wildlife Corridor Protect wildlife corridor along Highway 9. Connect trail to Saratoga-to-Sea Trail and Skyline-to-Sea Trail. \$1,365,000
19	El Sereno: Dog Trails and Connections Provide infrastructure to open trails to dogs. Develop connections to Skyline, Sanborn County Park, & Lexington Reservoir. \$2,254,000
20	South Bay Foothills: Wildlife Passage and Ridge Trail Improvements Establish safe corridors for mountain lions across Highway 17. Establish Bay Area Ridge Trail crossing. \$13,966,000
21	Bear Creek Redwoods: Public Recreation and Interpretive Projects Open for hiking, equestrian activities. Provide parking areas, trails; upgrade stables. Restore & protect habitats for various species. Repair roads & trails to reduce sediment. Rehabilitate Alma College site. \$17,478,000
22	Sierra Azul: Cathedral Oaks Public Access and Conservation Projects Develop multi-use trail & plan future trails as land is available. Develop parking. Restore plant communities and soils. Install trailside amenities. Preserve additional open space and complete wildlife corridor in upper Los Gatos Creek watershed. \$6,714,000
23	Sierra Azul: Mt. Umunhum Public Access and Interpretation Projects Open Mt. Umunhum for multi-use public access to summit via road and trail. Open Bay Area Ridge Trail and nearby trail connections. Preserve additional open space and complete wildlife corridor. \$27,972,000
24	Sierra Azul: Rancho de Guadalupe Family Recreation Open Rancho de Guadalupe to public access. Develop accessible multi-use trails with amenities such as parking and family recreation. Restore habitat for rare species. Protect cultural and natural resources. \$10,078,000
25	Sierra Azul: Loma Prieta Area Public Access, Regional Trails and Habitat Projects Provide public access and recreation, including small campground. Develop, improve, connect regional multi-use trails to Forest of Nisene Marks State Park, to protected land to east, and to Mt. Umunhum. Protect Steelhead habitat, rare plants and grasslands, restore Knobcone Pine stands. \$7,986,000

Peninsula Foothills and Bay

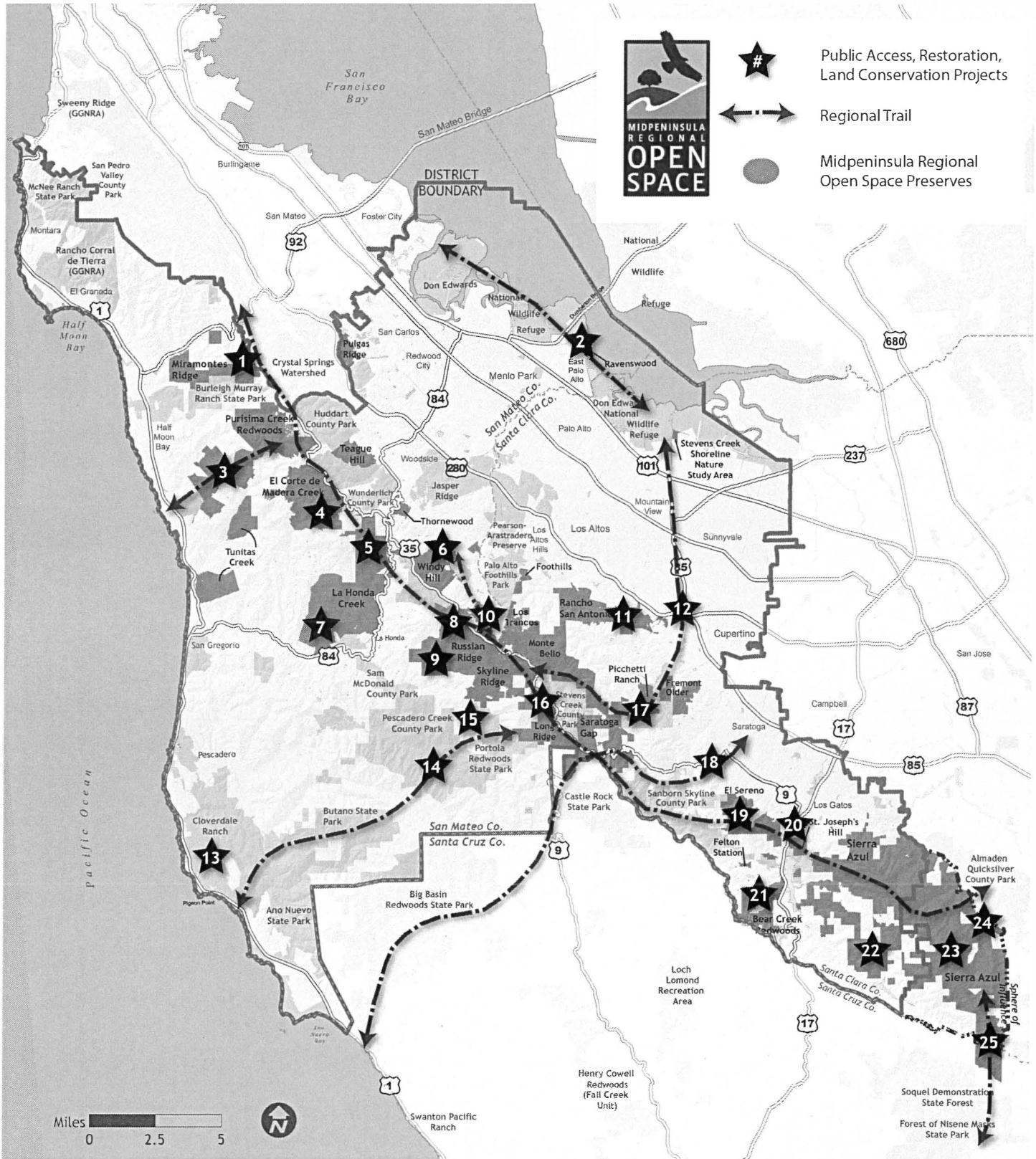
(Cupertino, Los Altos, Los Altos Hills, Sunnyvale, Mountain View, Palo Alto, East Palo Alto, Menlo Park, Atherton, Redwood City, San Carlos, Woodside, Portola Valley, Skyline)

2	Regional: Bayfront Habitat Protection and Public Access Partnerships Partner to complete gaps in Bay Trail and develop city-to-bay trails. Support wetland restoration and associated interpretive facilities. Preserve additional bayfront open space. \$5,052,000
4	El Corte de Madera Creek: Bike Trail and Water Quality Projects Develop single-use biking/hiking trails, complete Ridge Trail gaps, and develop trail system leading to parking area. Restore damaged trails to improve water quality. Preserve additional open space as available. \$8,376,000
5	La Honda Creek: Upper Area Recreation, Habitat Restoration and Conservation Grazing Projects Open upper half of the preserve to public; provide biking/hiking/equestrian trails, dog access, and staging areas. Provide loop & connector trails. Restore habitat for rare species. Improve fencing, corrals, and water systems to reintroduce conservation grazing. \$11,733,000
6	Windy Hill: Trail Improvements, Preservation and Hawthorns Area Historic Partnership Improve trails, complete pond facilities. Increase multi-use trails, study possible improvements to increase dog use. Open Hawthorns Area; develop trails connecting to Portola Valley and Palo Alto trails. Partner to protect, restore, and interpret historic buildings. Improve habitat conditions in Los Trancos Creek. Preserve additional scenic open space as available. \$12,740,000
8	La Honda Creek/Russian Ridge: Preservation of Upper San Gregorio Watershed & Ridge Trail Completion Preserve upper San Gregorio watershed; restore endangered species habitats. Support opportunities to provide additional water for fisheries. Complete Bay Area Ridge Trail multi-use connections and gaps. Provide additional public use facilities. \$15,347,000
9	Russian Ridge: Public Recreation, Grazing and Wildlife Protection Projects Open currently closed areas of preserve. Construct and extend trails. Improve fencing, corrals, and water systems to reintroduce conservation grazing. Improve habitat for sensitive species, implement pond enhancement projects for garter snakes and red-legged frogs. \$5,560,000
10	Coal Creek: Reopen Alpine Road for Trail Use Reopen Alpine Road as trail connection between Portola Valley & Skyline Blvd. Reroute trails to reduce erosion and improve visitor experience. \$8,017,000
11	Rancho San Antonio: Interpretive Improvements, Refurbishing, and Transit Solutions Add welcome center, refurbish and add interpretive exhibits to Deer Hollow Farm. Support of transit improvement options such as bike trails, bikeshare station, bus service, or additional parking. \$10,811,000
12	Peninsula/South Bay Cities: Partner to Complete Middle Stevens Creek Trail Support work by cities to develop the middle section of the Stevens Creek Trail and enhance neighborhood connections. Support work by partners to complete stream corridor restoration and steelhead habitat enhancement below dam. Develop and install interpretive signage. \$1,038,000
16	Long Ridge: Trail, Conservation and Habitat Restoration Projects (Saratoga) Improve roadside parking and provide restrooms. Develop new trail connections to Eagle Rock and Devils Canyon. Repair trails for year-round multi-use access. Protect watersheds for steelhead. Preserve additional open space as available. Implement pond and habitat enhancement restoration projects to benefit rare species. \$5,140,000
17	Regional: Complete Upper Stevens Creek Trail Complete multi-use connection between the Bay Trail & Bay Area Ridge Trail above the reservoir through Picchetti Ranch Open Space Preserve & Lower/Upper Stevens Creek County Parks. Improve Preserve trails and neighborhood connections. Preserve additional open space as available. \$7,760,000

Coast**(Half Moon Bay, San Gregorio, Pescadero, La Honda,)**

1	Miramontes Ridge: Gateway to the Coast Public Access, Stream Restoration and Agriculture Enhancement Preserve scenic open space land as available, and establish wildlife corridor. Restore fish and red-legged frog habitats in Madonna Creek watershed. Partner to enhance water availability for agriculture and fish. Develop trail loop system, including Ridge Trail and neighborhood access points. Develop staging area, repair bridges. \$27,774,000
3	Purisima Creek Redwoods: Purisima-to-Sea Trail, Watershed Protection and Conservation Grazing Complete and open multi-use Purisima-to-Sea trail connection between Ridge Trail and Coastal Trail, and new parking areas. Preserve additional open space as available. Remove fish barriers and restore Lobitos Creek. Restore ponds for endangered species. \$7,608,000
7	La Honda Creek: Driscoll Ranch Public Access, Endangered Wildlife Protection and Conservation Grazing Open Driscoll Ranch Area; provide biking/hiking/equestrian trails, limited dog access, parking areas, and interpretive displays. Develop loop & connector trails. Restore habitat for endangered species. Restore La Honda Creek; remove fish migration barriers. \$14,825,000
13	Cloverdale Ranch: Wildlife Protection, Grazing and Trail Connections Improve fencing, corrals, and water systems to increase conservation grazing and sustain large contiguous grasslands. Restore habitat for endangered species. Provide trail connections to nearby State parks. \$15,712,000
14	Regional: Trail Connections and Campgrounds Develop trails between Butano, Pescadero County Park, Pescadero, Russian Ridge, and between Skyline and Portola Redwoods, Big Basin State Park. Partner with County and State Parks to improve existing campgrounds. \$3,966,000
15	Regional: Redwood Protection and Salmon Fishery Conservation Preserve additional open space as available. Protect and enhance redwood stands, mountain scenery, various habitats and steelhead salmon. \$50,728,000

EXHIBIT A



3. INDEPENDENT CITIZEN OVERSIGHT COMMITTEE

An Independent Citizen Oversight Committee will be formed to verify expenditures of bond proceeds. The Independent Citizen Oversight Committee will consist of seven at-large members, all of whom shall be District residents. The Citizen Oversight Committee will be selected by the Board and interviewed and approved in open session, and will be subject to the conflict of interest constraints of the California Political Reform Act.

The responsibilities of the Committee include:

- Review Plan expenditures on an annual basis to verify conformity with the Expenditure Plan.
- Review District's Annual Audit and Annual Accountability report and present the Committee's findings to the Board at a public meeting.
- Review any proposed amendments to the Expenditure Plan.

**EXHIBIT B
TAX RATE STATEMENT**

An election will be held in the Midpeninsula Regional Open Space District (the "District") on June 3, 2014, to authorize the sale of up to \$300 million in bonds of the District to provide public access and acquire, restore, and preserve open space throughout the District as described in the ballot measure. If the bonds are approved, the District expects to sell the bonds in several series over time. Principal and interest on the bonds will be payable from the proceeds of tax levies made upon the taxable property in the District. The information contained in numbered paragraphs 1 - 3 below is provided in compliance with sections 9400-9404 of the Elections Code of the State of California.

1. The best estimate of the tax which would be required to be levied to fund this bond issue during the *first* fiscal year after the sale of the first series of bonds, based on estimated assessed valuations available at the time of filing of this statement, is \$1.00 per \$100,000 of assessed valuation in fiscal year 2015-16.

2. The best estimate of the tax rate which would be required to be levied to fund this bond issue during the first fiscal year after the sale of the *last* series of bonds, based on estimated assessed valuations available at the time of filing of this statement, is \$2.90 per \$100,000 of assessed valuation in fiscal year 2044-45.

3. The best estimate of the *highest* tax rate which would be required to be levied to fund this bond issue, based on estimated assessed valuations available at the time of filing of this statement, is \$3.18 per \$100,000 of assessed valuation in fiscal year 2034-35.

Voters should note that the estimated tax rates are based on the estimated *ASSESSED VALUE* of taxable property on the respective County's official tax rolls, not on a property's market value. Property owners should consult their own property tax bills to determine their property's assessed value and any applicable tax exemptions.

Attention of all voters is directed to the fact that the foregoing information is based upon the District's projections and estimates only, which are not binding upon the District. The actual tax rates and the years in which they will apply may vary from those presently estimated, due to variations from these estimates in the timing of bond sales, the amount of bonds sold and market interest rates at the time of each sale, and actual assessed valuations over the term of repayment of the bonds. The dates of sale and the amount of bonds sold at any given time will be determined by the District based on its needs for funds and other factors. The actual interest rates at which the bonds will be sold will depend on the bond market at the time of each sale. Actual future assessed valuation will depend upon the amount and value of taxable property within the District as determined by the respective County Assessor in the annual property value assessment process.

Dated: _____, 2014.

General Manager
Midpeninsula Regional Open Space District

	Original Expenditure Plan	Proposed Expenditure Plan Changes	Amended Expenditure Plan as of (6/14/2023)
Measure AA Portfolios			
Portfolio 1: Miramontes Ridge — Gateway to the Coast Public Access, Stream Restoration and Agriculture Enhancement	\$ 27,774,000		\$ 27,774,000
Portfolio 2: Regional — Bayfront Habitat Protection and Public Access Partnerships	\$ 5,052,000		\$ 5,052,000
Portfolio 3: Purisima Creek Redwoods — Purisima-to-the-Sea Trail, Watershed Protection and Conservation Grazing	\$ 7,608,000	\$ 6,357,920	\$ 13,965,920
Portfolio 4: El Corte de Madera Creek — Bike Trail and Water Quality Projects	\$ 8,376,000		\$ 8,376,000
Portfolio 5: La Honda Creek—Upper Area Recreation, Habitat Restoration and Conservation Grazing Projects	\$ 11,733,000		\$ 11,733,000
Portfolio 6: Windy Hill—Trail Improvements, Preservation and Hawthorns Area Historic Partnership	\$ 12,740,000		\$ 12,740,000
Portfolio 7: La Honda Creek — Driscoll Ranch Public Access, Endangered Wildlife Protection and Conservation Grazing	\$ 14,825,000		\$ 14,825,000
Portfolio 8: La Honda Creek/Russian Ridge — Preservation of Upper San Gregorio Watershed and Ridge Trail Completion	\$ 15,347,000		\$ 15,347,000
Portfolio 9: Russian Ridge — Public Recreation, Grazing and Wildlife Protection Projects	\$ 5,560,000		\$ 5,560,000
Portfolio 10: Coal Creek — Reopen Alpine Road for Trail Use	\$ 8,017,000		\$ 8,017,000
Portfolio 11: Rancho San Antonio — Interpretive Improvements, Refurbishing and Transit Solutions	\$ 10,811,000		\$ 10,811,000
Portfolio 12: Peninsula/South Bay Cities — Partner to Complete Middle Stevens Creek Trail	\$ 1,038,000		\$ 1,038,000
Portfolio 13: Cloverdale Ranch — Wildlife Protection, Grazing and Trail Connections	\$ 15,712,000		\$ 15,712,000
Portfolio 14: Regional — Trail Connections and Campgrounds	\$ 3,966,000		\$ 3,966,000
Portfolio 15: Regional — Redwood Protection and Salmon Fishery Conservation	\$ 50,728,000		\$ 50,728,000
Portfolio 16: Long Ridge — Trail, Conservation and Habitat Restoration Projects (Saratoga)	\$ 5,140,000		\$ 5,140,000
Portfolio 17: Regional — Complete Upper Stevens Creek Trail	\$ 7,760,000		\$ 7,760,000
Portfolio 18: South Bay Foothills — Saratoga-to-the-Sea Trail and Wildlife Corridor	\$ 1,365,000	\$ (200,811)	\$ 1,164,189
Portfolio 19: El Sereno — Dog Trails and Connections	\$ 2,254,000		\$ 2,254,000
Portfolio 20: South Bay Foothills — Wildlife Passage and Ridge Trail Improvements	\$ 13,966,000		\$ 13,966,000
Portfolio 21: Bear Creek Redwoods — Public Recreation and Interpretive Projects	\$ 17,478,000		\$ 17,478,000
Portfolio 22: Sierra Azul—Cathedral Oaks Public Access and Conservation Projects	\$ 6,714,000		\$ 6,714,000
Portfolio 23: Sierra Azul — Mount Umunhum Public Access and Interpretation Projects	\$ 27,972,000	\$ (6,157,109)	\$ 21,814,891
Portfolio 24: Sierra Azul — Rancho de Guadalupe Family Recreation	\$ 10,078,000		\$ 10,078,000
Portfolio 25: Sierra Azul — Loma Prieta Area Public Access, Regional Trails and Habitat Projects	\$ 7,986,000		\$ 7,986,000
Grand Total	\$ 300,000,000	\$ -	\$ 300,000,000

[illegible]

Total

\$ 7,735,851



Midpeninsula Regional
Open Space District

MIDPENINSULA REGIONAL OPEN SPACE DISTRICT

ACTION PLAN AND BUDGET COMMITTEE

Administrative Office
5050 El Camino Real
Los Altos, CA 94022

Tuesday, May 16, 2023

DRAFT MINUTES

CALL TO ORDER

Chair Riffle called the meeting of the Action Plan and Budget Committee to order at 1:02 p.m.

ROLL CALL

Members present: Craig Gleason, Karen Holman, Curt Riffle

Members absent: None

Staff present: General Manager Ana M. 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 Maria Soria, Acting Deputy District Clerk Loana Lumina-Hsu, Budget & Analysis Manager Rafaela Ocegüera, Visitor Services Manager Matt Anderson, Planning Manager Jane Mark, Engineering & Construction Manager Jay Lin, Information Systems & Technology Manager Casey Hiatt, Human Resources Manager Candice Basnight, Real Property Manager Mike Williams, Management Analyst II Lupe Hernandez, Management Analyst II Elissa Martinez, Management Analyst I Jordan McDaniel, Acting Natural Resource Manager/Senior Resource Management Specialist Coty Sifuentes-Winter, Information Technology Program Administrator Owen Sterzl, Senior Planner Gretchen Laustsen, Senior Planner Tina Hugg, Management Analyst II Marion Shaw, Ranger Ryan Augustine, Administrative Assistant Marie Lanka

ADOPTION OF AGENDA

Motion: Director Gleason moved, and Director Holman seconded the motion to adopt the agenda.

ROLL CALL VOTE: 3-0-0

ORAL COMMUNICATIONS

District Clerk Maria Soria reported there were no public speakers for this item.

COMMITTEE BUSINESS

1. Approve the May 3, 2023 Action Plan and Budget Committee Meeting Minutes

Public comment opened at 1:04 p.m.

Ms. Soria reported there were no public speakers for this item.

Public comment closed at 1:04 p.m.

Motion: Director Gleason moved, and Director Holman seconded the motion to approve the May 3, 2023 Action Plan and Budget Committee meeting minutes.

ROLL CALL VOTE: 3-0-0

2. Continued Overview of the Proposed Fiscal Year 2023-24 Budget and Three-Year Capital Improvement and Action Plan (R-23-45)

Assistant General Manager Susanna Chan continued the staff presentation with an overview of the projects within the Public Access, Education and Outreach program. Of the program's forty-one projects, thirty-four are ongoing initiatives and seven are new projects related to storm damage repairs. Ms. Chan stated staff has reorganized the presentation information such that the projects are listed alphabetically within each preserve and asked the Committee, at the end of the presentation, to comment on whether or not the new informational arrangement is beneficial. Ms. Chan continued to highlight the projects within the program.

Chair Riffle requested and received additional information on the Federal Emergency Management Agency (FEMA) funding process.

Chair Riffle suggested adding a PowerPoint slide to the presentation when it is presented to the full Board of Directors (Board) so the Board and public have the background information on the FEMA projects along with any implications.

Director Gleason requested and received additional information on the culvert repairs at Bear Creek Redwoods Open Space Preserve.

Director Holman inquired why some of the projects do not have a project number listed.

Ms. Chan explained the projects are new for the upcoming fiscal year and a project number is not yet assigned, but the project numbers will be added when the proposed FY23-24 Budget and Three-Year Capital Improvement and Action Plan (CIAP) is presented to the full Board.

**Action Plan and Budget Committee
May 16, 2023**

Director Holman commented that the White Barn Structural Rehabilitation project has been on the work plan for a couple of years and inquired about the timing of the project.

Engineering and Construction Manager Jay Lin stated the project has been delayed due to a staff vacancy. Mr. Lin reported that bids were just recently opened on May 16, 2023, with three bids were received under the engineers estimate, and the project is moving forward.

Director Holman requested and received additional information on how projects are prioritized and stated that she appreciated how the presentation was organized by preserves.

Chair Riffle expressed his concerns about delaying work on the Fremont Older Parking Area Improvement project as it is one of the top four most heavily visited preserves and inquired how long the work would be delayed.

Ms. Chan stated that the project was delayed in order to free up resources to address the storm damage projects and that the project will only be deferred for one year to FY25.

Director Holman expressed support of the Fremont Older Parking Area Improvement project and inquired if the project could be accelerated.

Mr. Malone clarified that the parking improvements to the Fremont Older Parking area are not intended to add parking capacity and will most likely result in less parking capacity. The project aims to manage the existing use, so that parking is orderly to improve flow.

Director Holman commented that the project will help reduce frustrations and result in an orderly utilization of the parking spaces.

Mr. Malone provided an overview of the projects within the Assets and Organizational Support program.

Director Holman inquired and received information on the potential partners for the Hawthorns Historic Complex Partnership project.

Director Riffle suggested only efficiency improvements should be made to the Preserve Use Permit System and that the new system continue to be easy and straight forward for the public to attain a permit.

Director Riffle stated that on page 138 for the Thornwood Residence Evaluation, the scope of work states that “the content will be populated by the Budget Department” and inquired about the details of the project.

Mr. Malone stated that the language is a placeholder and will be updated for the May 24 Board meeting, and that the purpose of the project is to make repairs to the residence, so it is habitable and ready for leasing.

Director Holman inquired about how the Board can track items such as trails completed, building maintenance, and parking improvements to better understand how the District is progressing in these particular areas.

**Action Plan and Budget Committee
May 16, 2023**

Mr. Malone stated that the Measure AA Annual Accountability report and the Annual Achievements report are both great resources to attain this type of information.

Public comment opened at 2:33 p.m.

Ms. Soria reported there were no public speakers for this item.

Public comment closed at 2:33p.m.

Director Gleason thanked staff for their work on the presentation and also acknowledged this winter was especially hard for staff and thanked staff for the remarkable job of pivoting and reprioritizing projects due to the storm damage.

Director Gleason commented on the Trails Memo that was presented to the Board at the May 10, 2023 meeting. He expressed his gratitude to staff for taking the time to compile the information and clarifying the 200 miles as a vision for the 25 Vision Plan projects. Director Gleason stated it provides a framework to discuss trail projects and a possibility to consider looking at the current trajectories with maybe 31 miles of trail in 9 years, and maybe 10 more coming over the next 3 years. Furthermore, he noted that there are numerous trail projects in the upcoming fiscal year and recognizes that staff is working very hard on these projects. Director Gleason stated that he was not looking to change any plans at this time but is interested in considering whether value could be added to existing trail projects by focusing more on purpose-built trails, and whether there are any locations where the District can creatively employ road retirements and road-to-trail conversions that may be better for the environment and for the public. He also suggested looking at the trajectory of purpose-built trails, which have the greatest public value. Lastly, Director Gleason made a distinction on how trail projects are discussed and provided an example from a recent Planning and Natural Resources Committee meeting where the item did not include a discussion on what more can/should be done to add value as part of the proposed new trails. He suggested that staff add more content to future trail discussions and provide additional options for the Board to consider as part of the decision-making process.

Director Gleason commented that organizing the presentation by preserve was very helpful.

Director Holman expressed her appreciation for Director Gleason's remarks on trails, noting that the quality of the trails, their contribution to the visitor experience, and their cost-effectiveness are just as important as the number of miles of trails that have been constructed.

Director Holman expressed her appreciation on how the presentation was organized by preserve and suggested including an explanation of how project priorities were set when the item is presented to the Board.

Director Holman voiced her appreciation for staff's ability to shift focus on addressing the storm damage. She then suggested that it may be beneficial to have the project numbers relate to the preserve for the next year's budget review.

Mr. Malone stated that it would be a major overhaul on how the information is organized and suggested that staff review the programs and organize the information by preserve in the presentation. It would take significant effort for staff to revamp the project numbering system.

**Action Plan and Budget Committee
May 16, 2023**

Director Holman stated that most of the projects do not have an icon associated with the project and inquired if those would be added before the budget book is presented to the Board of Directors.

Director Holman commented that two icons that could be considered in the future is the addition of a wildlife and habitat icon and a facilities and structures icon.

Mr. Malone stated that if the majority of the Board is interested in adding these icons, then staff would further look into these new icons.

Chair Riffle expressed appreciation for staff's organization, great overview, and level of details on the attachments. After 17 years reviewing the budget and providing feedback over the years, the current Budget book is exactly what he was looking for in a budget document.

Chair Riffle expressed his gratitude to staff and his amazement at how fast staff integrated the storm repair projects into the CIAP, filed for FEMA funding, and deferred some projects in order to add the additional projects.

Chair Riffle requested that a PowerPoint slide regarding the FEMA funding and project lists be added to the Board presentation.

Chair Riffle commented he was impressed with staff on how almost all the Measure AA projects have been worked on in some capacity, and staff's ability to develop such a comprehensive, inclusive, and thorough CIAP.

Director Gleason stated it would be ideal if projects were listed by preserve but would leave it at the discretion of staff to think of how best to provide the information for the next year's budget.

Director Holman supported the idea of having an index that shows all the projects by preserve for tracking ongoing work.

General Manager Ana Ruiz suggested allowing staff to consider a method that provides the desired by-preserve information using current systems to create a reference sheet for understanding what projects are occurring at each preserve. Using indexes, numbers, or a numbering system may be problematic with the District's ERP system.

Director Holman suggested presenting options on how to provide the desired information at the year-end Board Retreat so the full Board can have a discussion.

Chair Riffle clarified with the Committee if it was acceptable for staff to report back at the December Board Retreat. The Committee confirmed.

Motion: Director Gleason moved, and Director Holman seconded the motion that the Proposed Fiscal Year 2023-24 Budget and three-year (Fiscal Year 2023-24 to 2025-26) Capital Improvement and Action Plan be presented for consideration by the full Board of Directors.

ROLL CALL VOTE: 3-0-0

3. Annual Review of Fiscal Management Policies for Fiscal Year 2023 (R-23-51)

**Action Plan and Budget Committee
May 16, 2023**

Chief Financial Officer/Director of Administrative Services Stefan Jaskulak provided the staff presentation and reviewed the two proposed amendments to Board Policy 3.07 – *Fund Balance Policy*, and Board Policy 3.08 – *Investment Policy*. Mr. Jaskulak stated there were no changes to Board Policy 3.09 – *Debt Management Policy*, which does need to be affirmed annually.

There were no questions from the Committee.

Public comment opened at 3:19 p.m.

Ms. Soria reported there were no public speakers for this item.

Public comment closed at 3:19 p.m.

Motion: Director Holman moved, and Director Gleason seconded the motion to forward the policies and the proposed amendments to the full Board of Directors for consideration of their approval and affirmation.

ROLL CALL VOTE: 3-0-0

4. Closure of Completed Measure AA Portfolios #18 South Bay Foothills: Saratoga-to-the-Sea Trail and Wildlife Corridor and #23 Sierra Azul: Mt. Umunhum Public Access and Interpretation Projects and Reallocation of Remaining Portfolio Funds to Portfolio #03 Purisima Creek Redwoods: Purisima-to-Sea Trail, Watershed Protection and Conservation Grazing (R-23-52)

Mr. Jaskulak provided the staff presentation on closing two Measure AA Portfolios: #18 *South Bay Foothills: Saratoga-to-the-Sea Trail and Wildlife Corridor* and #23 *Sierra Azul: Mt. Umunhum Public Access and Interpretation Projects* and shifting the funds to Portfolio #03 *Purisima Creek Redwoods: Purisima-to-Sea Trail, Watershed Protection and Conservation Grazing*. Mr. Jaskulak stated there are no outstanding or future planned actions or projects needed for MAA Portfolios #18 and #23. All priority actions for both portfolios are complete and a total of \$6,357,920 remains that can be reallocated to Portfolio #03. Portfolio #03 currently has about \$7.6M allocated for projects under the portfolio. The additional funding needs for Portfolio #03 became apparent with the recent purchase of the South Cowell property. The projects being proposed in the FY24 Budget and CIAP have an estimated remaining cost of \$7.7M. The proposed reallocation of \$6.4M would reduce the funding gap to about \$1.3M. Staff would continue to seek outside grant funds to fill the remaining funding gap.

Chair Riffle inquired about the timing for Board consideration of portfolios that may be overspent and whether to pursue additional funding to fill the gap or reconsider costs.

Mr. Jaskulak stated that the first priority is to achieve the goal set within each portfolio, which are tracked in the Measure AA Annual Accountability report. The Board also has an opportunity to provide input when the 5-year Measure AA list is established. In addition, a discussion can be included at the December Board Retreat to provide a portfolio update of what has been completed, what is upcoming, and if funding is needed.

**Action Plan and Budget Committee
May 16, 2023**

Chair Riffle suggested that he would like to have the visibility and weigh-in if funds need to be shifted at the annual December Retreat.

Public comment opened at 3:34 p.m.

Ms. Soria reported there were no public speakers for this item.

Public comment closed at 3:34 p.m.

Motion: Director Holman moved, and Director Gleason seconded the motion to confirm, with any changes requested by the Action Plan and Budget Committee, that Measure AA Portfolios #18 South Bay Foothills: Saratoga-to-the-Sea Trail and Wildlife Corridor and #23 Sierra Azul: Mt. Umunhum Public Access and Interpretation Projects are deemed complete and reallocate remaining funds of \$6,357,920 to Portfolio #03 Purisima Creek Redwoods: Purisima-to-Sea Trail, Watershed Protection and Conservation Grazing.

ROLL CALL VOTE: 3-0-0

5. Amend the Midpeninsula Regional Open Space District's Classification and Compensation Plan for Compensation Study Adjustments for Unrepresented Office, Supervisor, and Management Employees (R-23-53)

Mr. Jaskulak provided the staff presentation, explaining the recent classification study and findings with the recommendation to reassign the Human Resources Manager and Information Systems & Technology Manager from a current salary range of 48 to a new salary range of 51, bringing the salary range for the two department manager positions to be equivalent to that of other department manager positions. Findings also suggest reassigning the Information Technology Technician I from a current salary range of 22 to a new salary range of 24 and reassign the Information Technology Technician II from a current salary range of 27 to a new salary range of 29. Mr. Jaskulak went into detail on how the process was conducted.

Chair Riffle inquired and received information on how to ensure that the District staff is being paid adequately.

Chair Riffle expressed his concerns that when the classification and compensation study was last conducted ten-years ago, the Board expected that similar studies would be conducted periodically every two to three years.

Chair Riffle requested that the Board be updated on the progress of the study through an FYI or presentation.

General Manager Ruiz stated that there are a few more cycles to be done on the study and afterwards, staff may go to the Board with findings on whether the District needs to look at other considerations to remain competitive, and to retain and fill positions.

Director Gleason inquired and received information about the comparators being chosen in 2013 and if the comparators are up to date.

Public comment opened at 3:53 p.m.

Ms. Soria reported there were no public speakers for this item.

Public comment closed at 3:53 p.m.

Motion: Director Gleason moved, and Director Holman seconded the motion to forward a recommendation to the full Board of Directors to adopt a resolution amending the Classification and Compensation Plan based on the findings of a recent Compensation Study to:

1. Reassign the Human Resources Manager and Information Systems & Technology Manager from a current salary range of 48 to a new salary range of 51, which also results in bringing the salary range for the two department manager positions to be equivalent to that of other department manager positions.
2. Reassign the Information Technology Technician I from a current salary range of 22 to a new salary range of 24.
3. Reassign the Information Technology Technician II from a current salary range of 27 to a new salary range of 29.

ROLL CALL VOTE: 3-0-0

ADJOURNMENT

Chair Riffle adjourned the meeting of the Action Plan and Budget Committee of the Midpeninsula Regional Open Space District at 3:54 p.m.

Maria Soria, MMC
District Clerk



Midpeninsula Regional
Open Space District

FUNDLED BY

MEASURE AA

2014 OPEN SPACE BOND

MEASURE AA BOND OVERSIGHT COMMITTEE OF THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT

Tuesday, June 6, 2023

DRAFT MINUTES

The Board of Directors conducted this meeting in accordance with California Government Code section 54953 and Midpeninsula Regional Open Space District Resolution 21-33.

ROLL CALL

Committee Chair Cilker called the meeting to order at 5:30 p.m.

Members present: Paul Betlem, Brian Cilker, Curtis Cole, David Emery, Kit Gordon, Bruce Tolley, and Steven Permut

Members absent: None

Staff present: Chief Financial Officer/Director of Administrative Services Stefan Jaskulak, General Counsel Hilary Stevenson, Assistant General Manager Susanna Chan, District Clerk Maria Soria, Rafaela Ocegueda, Budget & Finance Manager, Real Property Manager Mike Williams, Natural Resources Manager Kirk Lenington

Chair Cilker announced this meeting is being held in accordance with Government Code section 54953. 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.

ORAL COMMUNICATIONS

District Clerk Maria Soria reported there were no public speakers for this item.

Chair Cilker noted there was a written comment submitted to the Committee.

Ms. Soria reported that staff responded to the commenter and the response was also made available to the Committee.

COMMITTEE BUSINESS

1. Approve March 14 2023, Measure AA Bond Oversight Committee Minutes

Motion: Committee Member Tolley moved, and Committee Member Cole second the motion to approve the March 14, 2023 Measure AA Bond Oversight Committee minutes.

ROLL CALL VOTE 7-0-0

2. Advisory Opinion on the Closure of Completed Measure AA Portfolios #18 South Bay Foothills: Saratoga-to-the-Sea Trail and Wildlife Corridor and #23 Sierra Azul: Mt. Umunhum Public Access and Interpretation Projects and Reallocation of Remaining Portfolio Funds to Portfolio #03 Purisima Creek Redwoods: Purisima-to-Sea Trail, Watershed Protection and Conservation Grazing

Chief Financial Officer/Director of Administrative Services Stefan Jaskulak provided the staff presentation on closing two Measure AA Portfolios: #18 South Bay Foothills: Saratoga-to-the-Sea Trail and Wildlife Corridor and #23 Sierra Azul: Mt. Umunhum Public Access and Interpretation Projects and shifting the remaining funds to Portfolio #03 Purisima Creek Redwoods: Purisima-to-Sea Trail, Watershed Protection and Conservation Grazing. Mr. Jaskulak provided a map and identified where the three portfolios are located and stated there are no outstanding or future planned actions or projects needed for MAA Portfolios #18 and #23. All priority actions for both portfolios are complete and a combined total of almost \$6.4M remains that can be reallocated to Portfolio #03. Staff is proposing, per Board Policy 3.11, to reallocate the funds to Portfolio #03. Mr. Jaskulak reported that this proposal was presented to the Action Plan and Budget Committee on May 16, 2023 for their concurrence and voted unanimously in favor of reallocating the funds.

Mr. Jaskulak reviewed the priority actions for Portfolio #18 and #23, including the total portfolio allocation and funds expended. He continued to review Portfolio #03 and stated that currently there is about \$7.6M allocated for projects under the portfolio and \$6.6M of the funds have been expended. The projects in the upcoming FY24 Budget and CIAP have an estimated cost of \$7.7M. The proposed reallocation of \$6.4M would reduce the funding gap to about \$1.3M. With the proposed allocation, the combined total for Portfolio #03 would be almost \$14M. Staff would continue to seek outside grant funds to fill the remaining funding gap.

Committee member Cole inquired and received information on whether the \$4.6M cost was unusual for a parking lot.

Committee member Cole commented that Portfolio's #02 and #09 look like they may be complete and inquired if the Board of Directors or a Committee has deemed any other portfolios complete.

Mr. Jaskulak stated no other portfolio has been deemed complete, and staff is currently determining whether any additional work has to be done in those particular portfolios.

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Committee member Cole inquired if the Board has determined if any other portfolio is in dire need of additional funds.

Mr. Jaskulak stated that the Board has not made a determination, but staff is monitoring the Bear Creek Portfolio #21, this portfolio will be augmented with grants and interest income from the bond proceeds.

Committee member Emery inquired about the reasons for the need to increase funds in Portfolio #03.

Mr. Jaskulak stated there is no one factor, and that the allocations to the portfolios were made ten years ago with different requirements, knowledge, and high-level estimates. There was anticipation that there would be a need to reallocate funds even when Measure AA was planned and written. Furthermore, the projects under the portfolio are much more involved than anticipated.

General Manager Ana Ruiz stated that when staff prepared the expenditure plan, staff had envisioned having the parking area and the trail in a different location, but since then, some additional new properties became available that provide a much better location for access and can extend the regional trail further to the west to connect with the coastal trail. As a result, the project description was adjusted and with that the cost.

Committee member Gordon inquired and received information on the internal process for how staff decides when a project is complete.

Committee member Gordon inquired about the type of community outreach done for the parking lot design.

Assistant General Manager Susanna Chan stated that there have been well over 20 different public meetings in-person and virtually. The meetings included workshops, stakeholder meetings, and focus group meetings. There has been a robust public engagement process for the project, including for the proposed parking area. Staff also held a larger scale community meeting for the general public to review the proposed options and provide feedback, both for the trail alignment and the parking area.

Committee member Betlem inquired and received information on what factors were taken into account when estimating parking capacity and general usage.

Committee member Tolley inquired when staff became aware that Portfolio # 03 was underfunded.

Mr. Jaskulak stated it became clear at the start of this fiscal year, with the acquisition of the South Cowell purchase, and as additional details about the parking lot and trail came into focus as the project's design and development moved forward.

Committee member Permut inquired and received information on the number of parking spaces, how staff determined the equestrian parking versus automobile parking, and if there were going to be any rules on who might use the parking lot.

Committee member Betlem requested that the PowerPoint presentation be shared with the Committee.

Public comments opened at 6:08 p.m.

Ms. Soria reported there were no public speakers for this item.

Public comments closed at 6:08 p.m.

MOTION: Committee member Emery moved, and Committee member Betlem seconded the motion to approve the General Manager's recommendation and deemed that Portfolio #18 and #23 are complete and reallocate remaining funds of \$6,357,920 to Portfolio #03.

ROLL CALL VOTE 7-0-0

Committee member Tolley inquired if the written public comment that was submitted to the Committee would be forwarded to the Board of Directors.

General Manager Ruiz stated that the written comment was forwarded to the Committee because it was specifically addressed to them. Both the written comment and staff's response were forwarded to the Committee.

Committee member Emery stated that staff's response was good, and the commenter had questions concerning species mitigation and biological surveys that were not specifically addressed, and suggested that by addressing such issues, some of the commenter's concerns may be further addressed.

Committee member Cole concurred with Committee member Emery. He also added there may be constituents interested in knowing how much land has been purchased, how many new preserves have been opened, how many acres are newly opened, how many parking spaces have been added. Although the data is available, it is dispersed.

General Manager Ruiz reported that she is working with the Public Affairs department on a Measure AA webpage that will be much more comprehensive and include such information as well as major milestones and accomplishments. The website is getting finalized, and once it is ready, the Committee will receive a website link for their review.

Committee member Permut suggested including information in a bullet point format in the newspaper that lists the top five- or ten-line items that people are interested in, such as number of trail miles, number of acres acquired, etc., and a link to the Measure AA website homepage so that the public is aware that the Measure AA funds are being well spent. He also suggested adding a one-page list of the Measure AA accomplishments to the preserve sign boards.

General Manager Ruiz reported that next year will be Measure AA's 10-year anniversary and staff is planning to publicizing it widely in the newspaper, social media, etc., and include the major accomplishments of the last 10 years.

Committee member Cole suggested adding an agenda item to the next Committee meeting so that the Committee has an opportunity to discuss the District's measurable progress in community outreach.

Mr. Jaskulak stated that adding a separate agenda item may not be within the purview of the Committee, however the Committee's suggestion of creating infographics, which can be added to the Annual Accountability report and leveraged on the Measure AA website, could be discussed at a high-level. Mr. Jaskulak expressed his appreciation for the Committee's feedback, ideas, and suggestions, and how staff can improve their efforts to communicate the success of Measure AA, and that could start with the inclusion of additional information in the Annual Accountability report.

ADJOURNMENT

Committee Chair Cilker adjourned the meeting of the Measure AA Bond Oversight Committee at 6:22 p.m.

Maria Soria, MMC
District Clerk