

**San Bruno Mountain Habitat Conservation Plan (HCP) Trustees  
Meeting Minutes  
August 19, 2015**

The meeting convened at 2:14 p.m. in the County Manager's Conference Room, 400 County Center, Redwood City

**TRUSTEES PRESENT:** Mike Callagy, Clay Holstine (Arrived 2:17 p.m.), Mike Futrell (Departed 3:30 p.m.), and Pat Martel (Departed 3:15 p.m.)

**STAFF PRESENT:** Ramona Arechiga, Brenda Bennett, Eduardo Castillo, Marlene Finley, Sam Herzberg

**OTHERS PRESENT:** Joseph Arch, JJACPA, Inc., Lech Naumovich, Creekside Science

**1. Oral Communications**

There were none.

**2. Consideration of Minutes July 28, 2014 Meeting**

Action: M/S Martel/Futrell to approve the July 28, 2014 meeting minutes.

Motion carried 2-0 with Mr. Callagy abstaining and Mr. Holstine not yet in attendance.

**3. Review and Approve Audit of SBM HCP Trust Fund for FY 09-10, FY 10-11, FY 11-12, and FY 12-13**

Mr. Joseph Arch, JJACPA, Inc., reported on the audits referenced.

(Mr. Holstine arrived.)

Mr. Futrell asked whether audits were typically done every five years. Mr. Herzberg said audits were to be done annually. He said that prior year audits had been delayed for various reasons and the audits in this agenda item and the requested audits in the next item would bring the audits current.

Action: M/S Futrell/Martel to receive and approve the audits of the SBM HCP Trust Fund for FY 09-10, FY 10-11, FY 11-12, and FY 12-13.

Motion carried 4-0.

#### **4. Approve Audits of SBM HCP Trust Fund for FY 2013-14 and FY 2014-15 by Consultant JJACPA**

Mr. Herzberg reported on the proposed agreement terms with JJACPA, Inc. to conduct the audits of the SBM HCP Trust Fund for FY 2013-14 and FY 2014-15. Mr. Castillo said the item was included in the proposed budget for FY 2015-16.

Action: M/S Futrell/Callagy to execute agreement with JJACPA, Inc. for audits of the SBM HCP Trust Fund for FY 2013-14 and FY 2014-15.

Motion carried 4-0.

#### **5. Review Status of HCP Endowment Fund for FY 2015-16**

Mr. Castillo reviewed the five-year interest earnings projection for the San Bruno Mountain Endowment Fund, both with no withdrawals of interest earned and with withdrawals of interest annually. He reported interest earnings of \$27,765 as of June 30, 2015, and the proposal was to move those earnings to the Trust Fund for the FY 2015-16 budget.

Mr. Futrell noted that the amounts indicated as withdrawn annually matched the amounts shown in the proposed five-year budgets except for FY 2015-16 where the interest was shown as \$48,276 as opposed to the withdrawn amount of \$20,511. Mr. Castillo said that also included \$27,765 reported as of June 30, 2015 and the projected \$20,511 interest earnings. Mr. Futrell asked if an action was required. Ms. Finley indicated approval was requested to move the interest earnings of \$20,511 from the Endowment Fund to the Trust Fund for FY 2015-16.

Mr. Holstine asked about the agreement that established the Endowment Fund. He said he did not think the Trustees had discretion. Mr. Herzberg said he thought that was the intent. Mr. Holstine said since the County was the manager of this fund there should be a clear statement of intention from the Board of Supervisors that the interest would be spent down annually. Ms. Finley said that would be researched and reported back on at the next meeting.

Action: M/S Holstine/Futrell to approve transfer of \$20,511 representing projected interest earned in FY 2015-16 to the HCP Trust Fund for FY 2015-16.

Motion carried 4-0.

#### **6. Review Proposed Budget for FY 2015-16**

Mr. Castillo said that the FY 2014-15 figures on the budget report were actuals as of June 30, 2015 and not estimated actuals. He said in 2008-09 funds for the maintenance of three parcels within San Bruno Mountain in the amount of \$118,186 were deposited in the HCP Trust Fund and should not have been. He said for the

proposed FY 2015-16 SBM HCP Trust Fund budget, those funds would be moved to a separate trust fund for the management of the three SBM parcels. He said there was not enough money in the Trust Fund to move those funds right away and cover the projected expenses in FY 2015-16 for \$85,000 in contracts, and they would need to wait until sufficient revenue was received, probably around November when the bulk of revenue was received each year. He said Parks did not charge its administrative fees in FY 2014-15 and would not again in FY 2015-16 to support the habitat management needed. He noted that the intent was to grow the fund balance over the next five years as shown on the report.

Mr. Futrell noted the decrease in funding for contracts and asked if less maintenance was the result. Ms. Arechiga said that a different focused strategy for habitat conservation would be used moving forward noting adjustments to fund balances through the audit process.

Discussion ensued on fees for new homes within the SBM Conservation Plan, the process of the notification of occupancy and certainty of fund balances. Replying to a question from Mr. Holstine, Ms. Finley said Parks administrative fees for the HCP were not charged the prior fiscal year and would not be this fiscal year as proposed to build the fund.

Mr. Holstine said that a fund balance was not so important when revenues were certain. He said revenue impacts created the need for fund balance. He suggested discussing a fund balance policy and looking at interest volatility and revenue certainty. Ms. Finley said that could be done at a future meeting.

Action: M/S Futrell/Martel to approve the FY 2015-16 budget.

Motion carried 4-0.

#### **7. Review Assessment of the Past 30 Years of Habitat Management Covered Species Monitoring Efforts Associated with the SBM HCP: Alternative 30-year Assessment Drafted by Three Members of the TAC and One Interested Citizen and Parks Department's Response to the 30-year Assessment**

Ms. Arechiga introduced Lech Naumovich, Creekside Center for Earth Observation, to provide an overview of the Assessment.

Mr. Naumovich said this document looked at what will happen in the next five to 10 years in the Plan area and what had happened in the past 10 years. He said regarding the three covered butterfly species on the Mountain, that the San Bruno Elfin found on the cooler, northern facing slopes was doing well and had increased habitat. He said regarding the Mission Blue and Callipe Silverspot that there had been variability in the quantity of grassland habitat and a greater decrease of it in most recent years. He said core areas of this grassland habitat monitored from 1998 to 2012 were holding steady; he said in peripheral areas their habitat was decreasing. He said Calippe had a drop in

population and then an increase. He said they were known to repopulate as long as there's good quality habitat.

Mr. Naumovich said that monitoring species other than listed butterflies on the Mountain has been limited to date. He said they recommend a comprehensive review of all the other covered species and their habitat management, noting they were conducting rare plant surveys currently and the importance of continued gorse reduction.

Discussion ensued on gorse and invasive weed management model and effective strategy.

Mr. Nauvomich reported on grassland mapping and priority grassland management areas. He said one recommendation was to establish a post-fire action fund to provide for post-fire stewardship noting that fire with post-fire stewardship was a powerful grassland management tool. He said also managing scrub was very important and were recommending pilot grazing to limit scrub establishment.

Mr. Holstine asked about prescribed burns noting a prior issue with one on the Mountain. Ms. Arechiga said prescribed fires on the Mountain were problematic with the proximity to SFO and urban areas. She said using controlled burns or pile burns were feasible, but they needed to get much better control of the scrub first. Mr. Naumovich pointed out that only two things kept grasslands from devolving to scrub and that was fire and grazing animals.

Mr. Futrell confirmed with staff that the HCP TAC had reviewed the Assessment

Action: M/S Futrell/Martel to receive and approve the Assessment of the Past 30 Years of Habitat Management and Covered Species Monitoring Efforts Associated with the SMB HCP.

Motion carried 4-0

Ms. Finley said there would be a press release on the 30-Year Assessment.

Ms. Martel left the meeting.

## **8. Review Implementation Strategy for Habitat Management on San Bruno Mountain in Light of Assessment of the Past 30 Years of Habitat Management and Covered Species Monitoring Efforts Associated with the SBM HCP for FY 2015-16 and Beyond**

Ms. Arechiga said the focus for vegetation and habitat management would change to be more targeted to address scrub encroachment much more aggressively, and to shift toward plant monitoring rather than butterfly monitoring, if possible. She said staff and Creekside Science would review the requirements with the USFWS. She said the \$20,000 to \$40,000 spent annually to monitor butterflies might more effectively be used

on vegetation management to accomplish results more satisfactory for butterfly habitat. She said they want to manage for rare and endangered species and not just butterflies. She said also they needed to understand the impact of nitrogen and invasive species on the lower parts of the Mountain. She said they needed to look at other endangered species by supporting with appropriate habitat or possibly reintroducing with appropriate habitat. She said \$55,000 would be used for scrub eradication in a targeted area; \$12,000 in revegetation; \$6,300 for redesign of butterfly monitoring with Creekside Science; and \$12,000 for butterfly monitoring. She reviewed the target areas for scrub management. She said coordinating efforts with city agencies also doing vegetation management was important and grants would be pursued. She said the Priority Conservation Area designation for the Mountain would help.

Action: M/S Futrell/Holstine to receive the report.

Motion carried 3-0.

Mr. Futrell left the meeting.

#### **9. Receive Staff Update on Designation of San Bruno Mountain as a Priority Conservation Area for Grant Funding Opportunities**

Mr. Herzberg reported on city/county identified and approved Priority Conservation Areas that were now with the Association of Bay Area Government for recommended designation.

#### **10. Next Meeting Date and Potential Future Topics for Discussion**

##### **a. Role of Technical Advisory Committee**

Ms. Finley said Ms. Arechiga and she had discussed after the 30-year Assessment the need for some different expertise and scientific on the Technical Advisory Committee. She said also it would be good to have members on the Committee that were not consultants or potential consultants that do work on the Mountain.

Mr. Holstine asked about the question of the Committee meetings and Brown Act requirements. Ms. Arechiga will send County Counsel's finding that the Committee was not considered a public Brown Act meeting.

##### **b. San Bruno Mountain State and County Park Master Plan Update including a Fire and Range Management Plan**

Ms. Finley said they wanted to start the discussion with the Trustees on the Master Plan update.

c. Operating Agreement with California State Parks for County Parks to Manage California State Park Lands on San Bruno Mountain

Ms. Finley said this agreement was in negotiation and staff would provide a report at the next Trustees meeting.

Ms. Finley said for the next agenda from this meeting was a fund balance policy discussion and how to memorialize spending the Endowment Fund interest annually.

The meeting adjourned at 3:40 p.m.