



MINUTES OF THE FEBRUARY 11, 2009 BOARD OF DIRECTORS MEETING OF THE RESOURCE CONSERVATION DISTRICT OF SANTA CRUZ COUNTY

The regular Meeting of the Resource Conservation District of Santa Cruz (the District) Board of Directors was called to order at **6:47PM, February 11, 2009** at the Resource Conservation District, 820 Bay Avenue, Suite 136, Capitola, CA 95010.

Directors Present:	Margaret Kinda Tom Lukens Mike Manfre, Vice President John Ricker Roberta Smith
Directors Absent:	Howard Liebenberg Jim McKenna, President
Associate Directors Present:	Kathryn Tobisch
RCD Staff Present:	Tangi Chapman, Executive Assistant Karen Christensen, Executive Director Sharon Corkrean, Director of Finance

WELCOME - INTRODUCTIONS

The meeting opened at 6:47PM with a quorum present. Mike Manfre chaired the meeting as Jim McKenna was absent.

ORAL COMMUNICATIONS

No oral communications were given.

MINUTES

The Board reviewed the January 14, 2009 regular meeting minutes and the January 19, 2009 special meeting minutes. John Ricker moved to accept both the January 14, 2009 meeting minutes and the January 19, 2009 special meeting minutes as presented. Tom Lukens seconded the motion. All were in favor of the motion.

BUDGET & FINANCE

General Expenditures – The General Expenditures for January 2009 were circulated for review. John Ricker moved to accept the January 2009 General Expenditures as presented. Tom Lukens seconded the motion. All were in favor of the motion.

Transfers

There were no transfers.

ACTION ITEMS

Program Discussion Items

Reimbursement Status and action necessary – Karen began the conversation with an email she received from Teresa Rein, the District's legal consultant. Teresa explained that the current situation is a result of the state's inability to pass a budget, not from neglect on the part of the District. Karen and staff have been working closely with contractors to prevent any liens against the District. Karen also indicated that federal contracts have been having disbursement delays since the funds for federal contracts must pass through the state first. The Board discussed whether and how to pay something to contractors versus waiting until funds from the state are released. Karen pointed out that RCD reserve funds are limited and that the state contracts with the RCD have obligations for over \$3 million. She further explained that the District is investigating Chapter 9 Bankruptcy. During the bankruptcy process, the District would be required to set up payment plans to reimburse contractors. Karen told the Board that bankruptcy counsel has been identified. Margaret Kinda

encouraged Karen to contact the bankruptcy counsel immediately. Karen explained she is in constant contact with representatives at the state level to hasten the reimbursement process. In addition, staff have been exploring additional funding sources such as the Integrated Regional Waste Management grant. The Board then discussed strategies for addressing the budget crisis. Tom Lukens made a motion to create a committee composed of the existing finance committee plus one Director to address the pressing financial situation caused by the state's failure to pay outstanding invoices. John Ricker seconded the motion. Mike Manfre then volunteered to sit on the committee. All were in favor of the motion.

Recycled Content Policy – Karen circulated the Recycled Content Policy for adoption by the Board. John Ricker moved to approve the Recycled Content Policy as presented. Tom Lukens seconded the motion. All were in favor of the motion.

Resolution 2009-01– Karen presented the resolution approving the application for a Farm & Ranch Solid Waste Cleanup and Abatement Grant for several projects under the Santa Cruz County Ag Water Quality Program. She explained that there is \$50,000 available per site and that the District can apply for up to \$200,000 per quarter. Tom Lukens moved approval of Resolution 2009-01 as presented. Roberta Smith seconded the motion. All were in favor of the motion.

REPORTS

Staff Reports

Karen reported that since the budget crisis began, the District has laid off or reduced hours for 4 ½ full-time employees, with several more possible by the end of the month if the situation continues. The Board asked about morale and Karen responded that the District is fortunate to have a dedicated staff and that many have been volunteering hours, writing grants and generally staying positive. The Board directed Tangi Chapman to pursue the Work Share Program through the Employment Development Department (EDD). It was suggested that the Finance Committee and Mike could look into this program. Mike Manfre encouraged the District to come up with a time line and strategy for addressing the financial crisis.

Written Communications

Written communications were circulated for the Boards information.

Calendar Dates

February 18 Blue Circle, 1st Congregational Church, High St, Santa Cruz, 3:30-6:00PM

Directors/Associate Directors Reports

Roberta Smith shared that the AMGEN Tour of California would be coming to Santa Cruz on February 16 and that en route Highway 1 through Davenport would be closed at 11:00AM for up to two hours.

NRCS Reports

The September through December NRCS Activity Summary was circulated for review.

NEXT MEETING

Date/ Agenda Items

The next **Board Meeting will be on March 11, 2009 at 6:30PM at the RCD office 820 Bay Avenue, Suite 136, Capitola, CA 95010.** Tom Lukens moved to adjourn (7:50PM). John Ricker seconded. All were in favor of the motion.

Jim McKenna
Director, Board of Directors

(TC: JM)