

**SAN DIEGUITO RIVER PARK
JOINT POWERS AUTHORITY
Minutes of January 20, 2017**

MEMBERS PRESENT

Dave Grosch – Chair
Dwight Worden
Olga Diaz
Barbara Bry
Kristin Gaspar
Judy Hegenauer
Jeff Barnouw
Dustin Fuller

REPRESENTING

City of Poway
City of Del Mar
City of Escondido
City of San Diego
County of San Diego
City of Solana Beach
Citizens Advisory Committee
22 District Agricultural Association

VISITORS/STAFF PRESENT

Wayne Brechtel
Kevin McKernan
Shawna Anderson
Brenda Miller
Dave Roberts
Terry Kopanski
Jacqueline Winterer
Hilary Mills
JJ Paetow
Jason Lopez
Christy Wilson
Mark Holmlund
Bill Michalsky
Trish Boaz
Keith Greer
John Barone
Deborah Mosley
Ed Greene

JPA Counsel
San Dieguito River Park JPA
San Dieguito River Park JPA
San Dieguito River Park JPA

San Dieguito Lagoon Committee
Friends of the San Dieguito River Valley
San Dieguito River Park Ranger
San Dieguito River Park Ranger
San Dieguito River Park Trails Manager
Rancho Santa Fe Foundation
Rancho Santa Fe Foundation
Sierra Club
San Dieguito River Valley Conservancy
SANDAG
City of San Diego
County of San Diego
Friends of the San Dieguito River Valley

MEMBERS ABSENT

Dianne Jacob- Chair
Mark Kersey

County of San Diego
City of San Diego

Introduction and Announcements

Vice-Chair Grosch convened the meeting at 11:02 a.m. in the County Administration Building, 1600 Pacific Highway, Room 302/303, San Diego, CA 92101.

Approval of Minutes of November 18, 2016

Boardmember Gaspar made a motion to approve the minutes of November 18, 2016. Boardmember Diaz seconded the motion.

Yes votes: Grosch, Gaspar, Barnouw, Diaz, Hegenauer

No votes:

Abstain: Worden, Bry

Absent: Jacob, Kersey

Public Comment- None

ACTION AGENDA

1. Election of Officers and Committee Appointments

Recommend Board motion and vote on Nominating Committee recommendations

Executive Director McKernan stated that each year the chair and vice-chair are elected. A nominating committee was appointed at the November 18, 2016 meeting consisting of Board Members Grosch, Diaz, and Zito. Staff suggests that only the Budget/Administration/Policy Committee be appointed, eliminating the Land Use Committee, Acquisition and Financing Strategies Committee, and Wetlands Advisory Committee. Ad-hoc committees will be established if needed.

Boardmember Worden made the motion to elect Boardmember Gaspar to the position of Vice-Chair. Boardmember Diaz seconded the motion.

Yes votes: Grosch, Gaspar, Worden, Barnouw, Diaz, Bry, Hegenauer

No votes:

Abstain:

Absent: Jacob, Kersey

Boardmember Diaz made the motion to elect Vice-Chair Grosch to the Chair position. Boardmember Worden seconded the motion.

Yes votes: Grosch, Gaspar, Worden, Barnouw, Diaz, Bry, Hegenauer

No votes:

Abstain:

Absent: Jacob, Kersey

The Board discussed the need for and duties of the Land Use Committee, Acquisition and Financing Strategies Committee and the Wetlands Advisory Committee and the duties of the Budget/Administration/Policy Committee.

Boardmember Worden made the motion to decommission the Land Use Committee, the Wetlands Advisory Committee, and the Acquisition and Financing Strategies Committee as formal standing committees and reactivate on an ad-hoc basis as needed. Boardmember Diaz seconded the motion.

Vice-Chair Gaspar made the motion to appoint the Budget/Administration/Policy Committee with Boardmembers Gaspar, Worden, Diaz and Bry as committee members and Chair Grosch as the 1st alternate and removing duty #2 Executive Director Performance Review from committee duties. Boardmember Worden seconded the motion.

Yes votes: Grosch, Gaspar, Worden, Barnouw, Diaz, Bry, Hegenauer

No votes:

Abstain:

Absent: Jacob, Kersey

2. Recognition of Outgoing Board Members

Executive Director McKernan presented outgoing Boardmember Roberts with a framed proclamation and picture of the San Dieguito Lagoon from the JPA Board and thanked him for all of his support of and service to the San Dieguito River Park JPA. Mr. Roberts said he enjoyed serving on the board representing the City of Solana Beach and the County of San Diego. Dave Roberts stated that the San Dieguito River Park is tremendously important and that he is very happy to see Boardmember Bry representing the City of San Diego. He pledged his support and assistance to the board members as a volunteer in the future. Chair Grosch shared that he has known Dave Roberts for a long time and said that Dave Roberts has always enjoyed being on the JPA board. Chair Grosch thanked Dave Roberts for his service. Executive Director McKernan stated outgoing Boardmembers Mosier and Lightner will also receive proclamations. Boardmember Worden added that outgoing Boardmember Mosier has been elected to the San Dieguito River Valley Conservancy Board.

3. Proposed Transition of Mitigation and Reserve Funds from Fidelity Investments to Rancho Santa Fe Foundation

Recommend Board motion to authorize the Executive Director to withdraw funds and close out accounts at Fidelity and transfer the final balances to newly established accounts with RSFF and authorize Executive Director to enter into fund agreements with the Rancho Santa Fe Foundation.

Executive Director McKernan introduced this item, providing the history of investing at Fidelity Investments stating that there have been hurdles with the JPA being a government entity with investments in the retail firm of Fidelity Investments. Executive Director McKernan has met with all the existing investing partners to discuss the background, accounts, performance and relationships. Executive Director McKernan invited Christy Wilson, Executive Director and Mark Holmlund, Board Chair of the Rancho Santa Fe Foundation to offer a presentation and propose the transfer of the Fidelity Investment funds to Rancho Santa Fe Foundation. Christy Wilson thanked the board for the opportunity to speak at this meeting and thanked the JPA for the many years of partnership. The Rancho Santa Fe Foundation was established in 1981. Currently the JPA is paying a 1% administrative fee. If more funds are added there could be an aggregate fee reduction to 75 basis points. In the future, if more money is added to the funds increasing the fund amounts to \$2,000,000, the administrative fee would be 50 basis points. Donors to the Rancho Santa Fe Foundation may also want to add to the San Dieguito River Park funds, endowment and non-endowment. The Rancho Santa Fe Foundation would commit to use social media to highlight nonprofit members and communicate opportunities to donor members. Ms. Wilson passed out the 4th quarter 2016 report. Mark Holmlund spoke about the passive investing strategy and that all investments are in Vanguard funds with a 60/40 investment mix. The investment committee is made up of current and retired investment managers. Mr. Holmlund spoke about the difference in active and passive investing. Rancho Santa Fe Foundation wants to provide good returns with low costs. Christy Wilson explained what irrevocable endowment gifts and the difference of endowment funds and non-endowment funds. Payouts are 5% over the 12 trailing quarters. Endowments are made in perpetuity. Executive Director McKernan specified the difference between the reserve, growth, non-endowment fund and the income, endowment fund. Distributions from endowment funds must be made in writing and the purpose should be specific to the endowment. Dave Roberts stated that in the past years, member agencies paid two assessments each year. The second assessment was deposited into the endowment fund. Mr. Roberts also mentioned that possibly the 22nd District Agricultural Association could become a voting board member and pay an assessment, also that the City of Encinitas

had approached the JPA about becoming a member. Executive Director McKernan explained the current Fidelity fund balances, what they are being used for, and that the withdrawal from the funds is included in the annual budget. The audit process was explained.

Vice-Chair Gaspar made the motion to approve staff recommendation to authorize Executive Director McKernan to withdraw funds and close out accounts at Fidelity and transfer the final balances to newly established accounts with Rancho Santa Fe Foundation and authorize Executive Director McKernan to enter into fund agreements with the Rancho Santa Fe Foundation. Boardmember Bry seconded the motion.

Yes votes: Grosch, Gaspar, Worden, Barnouw, Diaz, Bry, Hegenauer

No votes:

Abstain:

Absent: Jacob, Kersey

4. Update on SDRP Coast Ranger Station

Authorize JPA staff to phase the project construction in two phases and to rebid the construction for phase one.

Principal Planner Shawna Anderson shared a power point presentation status update on the Coast Ranger Station to introduce the new board members to this project. The location is prominent and high profile being visible from Via de la Valle and the Coast to Crest Trail. It is also near the new open air classroom referred to as the birdwing. The project was first identified in the 1994 San Dieguito River Park Concept Plan. The S.C.E. agreement to manage the wetlands provides funding for 2.5 rangers at this location. The rangers currently use a small rental office trailer at the site. The location will be used by volunteers, school groups, students, scientists, and the public. The facility will serve as an interim nature center. Rinehart-Herbst was hired as the architect firm to draw plans in 2013. Ms. Anderson explained the floor plan and site layout of the facility. An interesting aspect of the design is that rolled asphalt will be used on the outside of the building with a neutral colored perforated metal mesh in front of the asphalt creating a natural look and dimension. In July 2016 two construction bids were received. A cost estimator / value engineer was hired to look at the actual cost of the project. Ms. Anderson also presented the current funding available for the project in the amount of \$750,000. The value engineer identified three areas that could be changed to bring the cost down; change outside material to stucco, change concrete slab, and modify a portion of the front porch material. These changes would save approximately \$150,000. The Ranger Station building is modest and small at 1,400' plus the garage. The concept of phasing the project, originally not considered is now being looked at. Phase one would include site preparation, bring utilities to the site, grading, build garage and work yard. There are no permit restrictions to build in two phases. Phase one will be a functional space for the rangers. Boardmembers Gaspar and Worden stated that they would prefer to not compromise the exterior appearance of the project during phase one. Boardmember Diaz expressed concerns about roof issues at the headquarters office in Escondido and wants to make sure that any contract stipulates that there will not be any failures within ten years. There was discussion regarding providing a restroom for the rangers in phase one. Ms. Anderson stated that it may be easier to raise funds to build phase two after phase one is built. Executive Director McKernan stated that staff will get construction bids and bring the bids back to the board. The board agreed with this strategy.

CONSENT

5. Approve Founders Tribute NRP Grant Resolution
6. Approve Rancho Paseana Easement

Boardmember Worden made the motion to approve agenda items 5 & 6 per staff recommendation. Boardmember Diaz seconded the motion.

Yes votes: Grosch, Gaspar, Worden, Barnouw, Diaz, Bry, Hegenauer

No votes:

Abstain:

Absent: Jacob, Kersey

INFORMATION

7. Project Status Updates

SANDAG W19 Wetland Restoration Project

Executive Director McKernan introduced Keith Greer from SANDAG. Principal Planner Shawna Anderson stated that Keith Greer is the wetland restoration project manager for W19 project. The JPA entered into an agreement in 2009 and this project is a compliment to the Southern California Edison wetland restoration project. The JPA is the lead agency on the EIR and JPA staff has been working with the consultants. The draft EIR will go for public review and then staff will bring the draft EIR to the JPA board for certification. Public meetings will be held during the public review period. Principal Planner Anderson showed the restoration project area on a large photo of the area. W19 is fifty acres of tidal wetlands that will be restored and fifteen acres of brackish fresh water marsh. The project includes a trail. The proposed trail will connect the Dust Devil Nature Trail and eventually will connect, using the proposed bridge on El Camino Real, to the Coast to Crest Trail. Ms. Anderson introduced Keith Greer from SANDAG who stated that the purpose for the W19 project is mitigation for the Interstate 5 Widening from the Genesee exit to Oceanside, the double track railroad project, and for the new bike path. The W19 project will help not harm the S.C.E. project. SANDAG will endow the JPA for perpetual long term management of the project area. It will be the same scenario as the JPA has with the S.C.E. management agreement. JPA management will happen after construction is completed and after plants are established. The W19 project is planned to begin construction in the fall of 2018.

Pamo Trail

Executive Director McKernan postponed this status report for a future meeting.

8. Executive Director's Report

Executive Director McKernan introduced Hilary Mills, the newest park ranger, hired as JPA staff January 9. Hilary moved from Orange County where she worked at the Environmental Nature Center for 2 ½ years and is excited to be a part of the San Dieguito River Park staff. Director McKernan also introduced JJ Paetow as another new ranger. JJ has been with the JPA for 1 ½ years. Before JJ was hired by the JPA he volunteered for 2 years at Mission Trails Park. JJ has a degree from Cal State San Marcos in biology and ecology. He enjoys working at the San Dieguito River Park. Executive Director McKernan shared that the budget is on track, half way through the year. Executive Director McKernan asked Dustin Fuller to report on the Horsepark Trail. Mr. Fuller stated that the 22nd D.A.A. has reached out to Coastal Commission staff to find out if the trail can be rebuilt as it was. Army Corps responded that an emergency permit could be provided. The California Fish & Wildlife Department was also contacted and has not replied. The 22nd D.A.A. is optimistic that the Coastal Commission will approve the rebuild plan of using willow root and dirt. The 22nd D.A.A. will pay the cost of the project working with the JPA staff.

Jason Lopez, Resources Manager of the San Dieguito River Park introduced a trail project just completed on Bernardo Mountain. Mr. Lopez showed a power point presentation to describe the location and efforts of this project. Due to an undersized culvert, during the storm in 2016, rain water flowed heavily over the trail and undermined the stressed-out bank. The project was to rebuild the bank, adding more capacity to the culvert, elevating the trail and adding other drainage structures. A vertical drop hazard was identified with a 12' drop and another 20' drop. Twelve loads of material were brought in. The trail was open to trail users every day. The result of the work is: erosion control, native plants installed, seed installed to stabilize bank, and the drainage is holding up. The San Diego Banded Gecko, a threatened species that lives on Bernardo Mountain.

9. Coordination Reports

a. San Dieguito River Valley Conservancy

Trish Boaz congratulated and welcomed new Boardmembers Gaspar, Hegenauer, Bry and Worden. The Paseana Easement is a major accomplishment and is an important segment of the trail at the west end of the River Park. Ms. Boaz also announced the Wax and Wine event at Knorr Candle Factory March 26.

b. Friends of the San Dieguito River Valley – No report

c. Volcan Mountain Preserve Foundation – No report

d. San Dieguito Lagoon Committee

Terry Kopanski reported on the planned roundabout at the intersection of Jimmy Durante and San Dieguito Drive. The construction plan was approved and includes finishing the River Path Del Mar. The goal is for the roundabout to be completed before the San Diego Fair begins.

10. Jurisdictional Status Reports

Dustin Fuller reported that good progress is being made on phase two of the restoration project. There has been some delay from the rain however the planned completion of the project is March. Judy Hegenauer stated she was happy to be at the meeting and learn more about the River Park.

11. Communications – No communications

Chair Grosch stated that the next meeting is February 17, 2017.

Chair Grosch adjourned the meeting at 12:55 p.m.

These minutes approved by Board Action

3/22/2017
Date


Executive Director