

**Circulation Draft
LAFCo Municipal Service Review
and Sphere of Influence Update
San Mateo Resource Conservation District
July 8, 2020**

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EXECUTIVE SUMMARY

This section will contain an Executive Summary of recommended determinations in the Final Draft of this report following receipt of comments on this Circulation Draft. Comments from interested agencies and individuals are requested by August 21, 2020.

Section 1: Overview

This report is a municipal service review (MSR) and sphere of influence (SOI) update for the San Mateo County Resource Conservation District (SMRCD). California Government Code Section 56430 requires that the Local Agency Formation Commissions (LAFCo) complete MSRs and SOI reviews on all cities and special districts. LAFCo is an independent entity with jurisdiction over the boundaries of cities and special districts. An SOI is a plan for the boundaries of a city or special district. The MSR and SOI update do not represent a proposal¹ for reorganization of agencies, but rather a State-mandated study of service provision in regard to the following seven areas of determination as set forth in Section 56430:

1. Growth and population projections for the affected area
2. The location and characteristics of any disadvantaged unincorporated communities² within or contiguous to the SOI.
3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the SOI.
4. Financial ability of agencies to provide services
5. Status of, and opportunities for, shared facilities
6. Accountability for community service needs, including governmental structure and operational efficiencies
7. Any other matter related to effective or efficient service delivery, as required by LAFCo policy including the following:

- i. Water Resiliency and Climate Change

Safe, adequate, reliable, and resilient water supplies are fundamental to the County. The Commission supports governance models that enhance and provide a more robust water supply capacity (including, but not limited to, recycling, desalination, and storm water recapture) in the County. The Commission will consider how water-

¹ An application for annexation may be submitted by 5 percent of the voters or landowners of territory proposed for annexation or by resolution of the District.

² “Disadvantaged community” means a community with an annual median household income that is less than 80 percent of the statewide annual median household income. This area of determination does not apply to the study area.

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related requests for sphere of influence, boundary, or service modification affect the Commission's interests.

Resiliency to climate change is important to the health, safety, and economic prosperity of the County. The Commission supports multi-agency collaboration and governance models that provide risk reduction solutions that address sea level rise and other measures to adapt to climate change. The Commission will consider the extent to which the agency under study is planning for sea level rise, climate change, and water resiliency.

ii. Impact of Natural Hazards and Mitigation Planning

Analysis will include a review of natural hazards that may impact the jurisdiction, including wildfire, earthquakes, and flooding. Source data such as a general plan, hazard mitigation plan, land use maps, FEMA maps, and CAL Fire maps will be used to as part of this analysis.

Once adopted, the service review determinations are considered in reviewing and updating the SOI pursuant to Section 56425. The SOI, which serves as the plan for boundaries of a special district, is discussed in the second part of this report. This State-mandated study is intended to identify municipal service delivery challenges and opportunities and provides an opportunity for the public and affected agencies to comment on city, county, or special district services and finance; and opportunities to share resources prior to LAFCo adoption of required determinations.

San Mateo Local Agency Formation Commission

San Mateo Local Agency Formation Commission (LAFCo or “the Commission”) is a State-mandated, independent commission with Countywide jurisdiction over the boundaries and organization of cities and special districts including annexations, detachments, incorporations, formations, and dissolutions. Among the purposes of the Commission are discouraging urban sprawl, preserving open space and prime agricultural lands, efficiently providing government services, and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances.

The Commission includes two members of the County Board of Supervisors, two members of city councils from 20 cities, two board members of 21³ of the 22 independent special districts, a public member, and four alternate members (county, city, special district, and public). LAFCo adopts a budget and contracts with the County of San Mateo for services. The Executive Officer serves as LAFCo staff, reviewing boundary change applications and preparing MSRs and SOI

³ Midpeninsula Regional Open Space (MROSD) is not an appointing district because the majority of its territory is in Santa Clara County.

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studies. LAFCo’s net operating budget is apportioned in thirds to the County of San Mateo, the 20 cities, and the 22 independent special districts.

LAFCo prepared comprehensive SOI studies and adopted SOIs for cities and special districts in 1985 and has subsequently reviewed and updated spheres on a three-year cycle. Updates focused on changes in service demand within the boundaries of cities and special districts. After enactment of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) and the new requirement to prepare MSRs in conjunction with or prior to SOI updates, LAFCo began the process of preparing MSRs and SOI updates in late 2003. Studies were first prepared on sub-regional and county-wide independent special districts, followed by South County cities and special districts. The most recent MSR for RCD was completed in 2006.

Local Government in San Mateo County

Municipal service providers in San Mateo County include the County, 20 cities, 22 independent special districts, five subsidiary districts governed by city councils, and 33 County-governed special districts. It merits emphasis that the County plays a dual role that differs from cities or districts. Districts provide a limited set of services based on enabling legislation, while cities generally provide basic services such as police and fire protection, sanitation, recreation programs, planning, street repair, and building inspection. The County, as a subdivision of the State, provides a vast array of services for all residents, including social services, public health protection, housing programs, property tax assessments, tax collection, elections, and public safety. Along with independent water, sewer, and fire districts, the County also provides basic municipal services for residents who live in unincorporated areas. According to Census 2010 data, 61,222 of the County’s total 718,451 residents live in unincorporated areas.

Purpose of a Municipal Service Review/Sphere of Influence Update

This Circulation Draft MSR/SOI Update examines the San Mateo Resource Conservation District.

LAFCo prepares the MSR and SOI update based on source documents that include Adopted Budgets, Basic Financial Reports and Audits, Capital Plans, Urban Water Management Plans, and Planning Documents, including the General Plan. Draft MSRs and SOI Updates are then circulated to the agencies under study and interested individuals and groups. The Final MSR and SOI update will include comments on the circulation draft and recommended determinations for Commission consideration. MSR determinations must be adopted before the Commission updates or amends an SOI.

LAFCo is required to make five written determinations when establishing, amending, or updating an SOI for any local agency that address the following (§56425(e)):

- 1) The present and planned land uses in the area, including agricultural and open-space lands.
- 2) The present and probable need for public facilities and services in the area.

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- 3) The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
- 4) The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency.
- 5) For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to Section 56425(g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

This SOI update incorporates information and determinations in the MSR as well as changes that have taken place since the SOI was originally adopted and provides for public input on the four areas of determination listed above. Comments to LAFCo by affected agencies, organizations, or individuals are requested in order to be included in the Executive Officer’s report to the Commission.

The SOI designation for SMRCD includes areas of unincorporated San Mateo County and portions of San Mateo County watersheds that drain into the Monterey Bay National Marine Sanctuary and the James V. Fitzgerald Area of Special Biological Significance.

Disadvantaged Unincorporated Communities

SB 244 (Chapter 513, Statutes of 2011) made changes to the CKH Act related to “disadvantaged unincorporated communities,” including the addition of SOI determination #5 listed above. Disadvantaged unincorporated communities, or “DUCs,” are inhabited territories (containing 12 or more registered voters) where the annual median household income is less than 80 percent of the statewide annual median household income.

CKH Act Section 56375(a)(8)(A) prohibits LAFCo from approving a city annexation of more than 10 acres if a DUC is contiguous to the annexation territory but not included in the proposal, unless an application to annex the DUC has been filed with LAFCo. The legislative intent is to prohibit “cherry picking” by cities of tax-generating land uses while leaving out under-served, inhabited areas with infrastructure deficiencies and lack of access to reliable potable water and wastewater services. DUCs are recognized as social and economic communities of interest for purposes of recommending SOI determinations pursuant to Section 56425(c).

Section 2. Summary of Key Issues

Key issues identified in compiling information on SMRCD include the following:

- 1) SMRCD, relies heavily on grant funding sources and contracts for projects with government agencies, which can lead to a budget that can have a great degree of variance from year to year. Grants and contracts generally come with very specific requirements regarding how the funds can be utilized.

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- 1) Grants and contracts generally come with very specific restrictions on how the funds can be utilized.
- 2) As the majority of funding is project and work product dependent, an increase in grant funding always results an increase in workload. So, if there is an increase in staff to meet demand, the new positions are contingent on specific, limited funding sources.
- 3) SMRCD is unique from other special districts in the County, and in some cases the State, because the District operates with minimal property tax revenue due to the fact that much of the lands included in the district are undeveloped and of low assessed value, under Williamson Act, or owned by public or non-profit entities. Current boundaries result from district detachments of lands in Daly City, Broadmoor, South San Francisco, the unincorporated San Mateo County Midcoast, and Pacifica that were subdivided and developed. The District also receives approximately 4.75% of the 1% property tax for parcels within its boundaries, a low overall percentage compared to other agencies.
- 4) Due to the limited amount of non-grant funding received by the District, RCD is constrained in its ability to adequately fund general administration and build a reserve. Potential opportunities for shared services (human resources, finance) with other agencies to create savings/efficiencies and ways to augment general fund revenues (annexation accompanied by property tax transfer) should be explored.
- 5) Practices to balance the budget include leveraging resources with the National Resources Conservation Service and limited revenue enhancement and in-kind contribution from the County.

Section 3: San Mateo Resource Conservation District

Background

As the first soil conservation district in California, San Mateo Resource Conservation District (SMRCD) was formed in 1939 to provide local soil conservation functions in partnership with the newly established Federal Soil Conservation Service. While the district’s original purpose was to manage soil and water resources for conservation, these powers were expanded in the early 1970s to include “related resources,” including fish and wildlife habitat. This expansion of powers resulted from legislation in 1971 that changed the name from “Soil” Conservation Districts to “Resource” Conservation Districts. The District was renamed the San Mateo Resource Conservation District in 2020.

As stated by the State Association of Resource Conservation Districts, RCDs work to be relevant, excellent, and visible go-to hubs for natural resource conservation and agriculture on public and private lands at local, regional, state, tribal, and federal levels. RCDs were designed to evolve with the changing needs of people and the land, to ensure that California is home to thriving and resilient communities, landscapes, and economies.

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Boundaries

The original SMRCD boundaries encompassed agricultural lands in northern San Mateo County. Coastal areas (less publicly owned lands and developed areas) were added to district boundaries in two subsequent annexations in 1942 and 1946. In 1954 several subdivisions including Broadmoor, Westlake, and areas in South San Francisco and Pacifica were detached from the District. Current District boundaries therefore have several “excluded pockets” but generally include western (primarily unincorporated)⁴ San Mateo County from the San Francisco-San Mateo County boundary to the Santa Cruz-San Mateo County boundary. The LAFCo adopted sphere of influence for the District is conterminous with District boundaries (Attachment A).

Enabling Legislation

SMRCD operates according to Public Resources Code Sections 9000 et seq. and is authorized to: conduct surveys and research relating to conservation of resources, prevention and control measures and improvements needed; development and distribution of water; make improvements or conduct operations on public or private lands in furtherance of erosion control, water conservation and distribution, agricultural and wildlife enhancement, erosion stabilization, including but not limited to terraces, ditches, levees, and dams or other structures and the planting of trees, shrubs, grasses or other vegetation; and provide public education and technical assistance. As a public resource agency the District does not have regulatory power, but is designated by the County Grading Ordinance adopted by the Board of Supervisors to review certain applications for grading permit exemptions related to development in unincorporated areas.

Mission Statement

The adopted mission statement of SMRCD is to help people protect, conserve, and restore natural resources through information, education, and technical assistance programs.

Structure and Governance

SMRCD is governed by a five-member Board of Directors appointed by the San Mateo County Board of Supervisors. The District derives its powers and purpose from State law and functions independently of County government. Its service area includes portions of Daly City, Colma, South San Francisco, Pacifica, San Bruno, Montara, Moss Beach, and Half Moon Bay, plus areas of unincorporated San Mateo County and San Mateo County watersheds that drain into the Monterey Bay National Marine Sanctuary.

The SMRCD Board may consist of five, seven, or nine directors. The 2006 MSR noted that because the Board is traditionally an active volunteer board participating on committees related to programs and projects, expansion of the board from five to seven members would

⁴ RCD boundaries exclude most of the urbanized areas including much of the City of Half Moon Bay and the urban Midcoast.

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supplement staff resources without increases in expenditures. Since that time, the District is on sounder financial ground and has been able to increase staffing levels from 1.5 employees to 16 employees.

The Board of Directors meets regularly the third Thursday of every month at 4:00 pm at the District Office 80 Stone Pine Road, Suite 100 Half Moon Bay, California 94019.

Agendas, staff reports, and minutes are available on the District's website. The District publishes a newsletter that is available on their website and by email subscription.

Services and Projects

The District collaborates with landowners and land managers, technical advisors, local jurisdictions, government agencies, and others to protect, conserve and restore natural resources in coastal San Mateo County. The District includes over 157,000 acres of mostly rural, agricultural, and open space lands in the western half of the County and includes significant portions of all watersheds in San Mateo County draining into the Monterey Bay National Marine Sanctuary (Attachment B - Watershed Map).

Resource conservation districts have a close working relationship with the US Department of Agriculture (USDA) Natural Resource Service (NRCS). Through the local RCD an NRCS conservationist and other specialists provide technical assistance to local landowners and land managers. The RCD acts as a liaison between local property owners and land management organizations and the NRCS federal program administration. The California Association of Resource Conservation Districts describes the relationships of local conservation districts and the NRCS as: a unique partnership to work with private landowners and operators to deliver the technical and financial assistance needed to help them apply complex conservation treatments to control erosion and improve the quality of our soil resources; protect and improve water and air quality; enhance fish and wildlife habitat; and manage woodlands, pasture lands and range lands.

The San Mateo Resource Conservation District provides comprehensive, integrated services addressing wildlife, water, climate, and agriculture.. The District operates similar to a non-profit organization, in that it is primarily funded through grants and contracts. Many of its services and projects are driven by the availability of funding. Currently, the District has a wide variety of active projects, as listed below:

Projects and Programs

SMRCD works in voluntary partnership with public and private landowners to implement conservation and restoration projects that primarily address resiliency to climate change, wildlife habitat improvement, enhanced ecosystem function, water conservation, soil erosion control, forest health and fire resilience, and agricultural viability. Since the last MSR in 2006, SMRCD has greatly expanded their staff and project portfolio. Landowners receive technical assistance provided both inhouse by RCD and by NRCS, through a longstanding partnership formalized through a memorandum of understanding (MOU). SMRCD's role is to identify

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community and natural resource priorities; bring the various stakeholders to the table; coordinate the design and implementation of conservation projects; help find and manage funds for projects; and provide technical assistance, outreach and education.

RCD has categorized their projects and programs into the following areas:

Water supply and conservation -

RCD ensures that there is water for fish, farms, and people through technical assistance and implementation of projects that conserve water, strategically manage water, and store water to balance competing demands on limited local water supplies. To accomplish these goals the District works with local utilities, small local mutual water companies, County and State parks and campgrounds, farmers and ranchers and greenhouse operations, cemeteries, and more.

Water quality –

RCD is engaged in programs that support clean creeks, beaches, and the ocean for humans and wildlife by working with property owners, land managers, and other stakeholders such as marinas, farms, ranches, parks, homeowners, cities, equestrians, pet owners and advocates to protect water quality. Work includes water quality monitoring, technical assistance, education and outreach, and identifying, planning, and implementing best management practices. Many of these efforts assist agencies and landowners with meeting State or Federal required sampling.

Wildlife –

As stated by staff, the District is focused on threatened, endangered, and other special status species as well as pollinators and general ecosystem health. RCD provides technical assistance to land owners and land managers, including developing and implementing conservation plans for their properties, to enhance biological diversity and habitat value. The District also implements habitat restoration projects at different scales, from a small native plant hedgerow to invasive species eradication at different scales to a 100-acre floodplain restoration project to a nearly 2-mile dredge through Pescadero Marsh. RCD's water program enhances streamflow for endangered Coho salmon and threatened Steelhead trout as well as other aquatic species.

Climate –

The District works to build resilience to climate change and mitigates climate change. In terms of resilience and adaptation, RCD has projects that enhance refuge habitat for species to survive extreme conditions, reduced the impacts of flooding in the community of Pescadero, and help diverse landowners address catastrophic erosion and survive drought.

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In the area of mitigation, the District has developed and implemented integrated conservation and carbon farm plans to assist agricultural and range lands reduce emissions and sequester carbon while enhancing other conservation values and continue as a viable agricultural operation. RCD also helps reduce green waste and scale composting and utilization of local compost.

Agriculture –

The RCD is host to the Agricultural Ombudsman for San Mateo County. This position provides technical assistance for farmers, ranchers, agricultural landowners, and other agricultural stakeholders to navigate and comply with regulatory requirements and to help the County be supportive of agriculture. This role includes economic development, urban farming, state policy, and serving on the steering committee of the local Food System Alliance.

Many of the District’s conservation programs are delivered on agricultural lands, where the RCD seeks solutions for the environment and the production of food, fiber, and flowers.

The District is also the local host for the USDA Natural Resources Conservation Service, which brings free conservation technical assistance to our local constituents as well as cost-share for conservation from the US Farm Bill.

Forest Health and Fire Resilience -

The RCD coordinates San Mateo County’s Fire Safe Council and fuel load reduction projects such as a community chipper program targeting priority neighborhoods in the County to help homeowners create and manage defensible space around homes and roads. The RCD also provides technical assistance to landowners to design, permit, and implement forest health and fuel load reduction projects; is developing programmatic permits and streamlined permitting tools for these types of projects; is coordinating implementation of fuel breaks along emergency access and evacuation routes; and is improving bridges and roads that are key emergency access and evacuation routes and in need of repairs. In January 2020, the San Mateo and Santa Cruz RCDs, in partnership with several public, private, and non-profit organizations, received a \$5.3 million grant from CAL Fire to reduce potential wildfire fuel loads over 968 acres of forest and to reforest 80 acres of private and public lands across the Santa Cruz Mountains.

Education

SMRCD coordinates and collaborates to provide various adult and youth educational opportunities with the goal of natural resources management and stewardship.

Permitting

Regulations intended to protect natural resources often have the unintended consequence of providing disincentives for landowners to undertake conservation projects because the permit

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process is cumbersome, confusing, and costly with uncertain outcomes. In order to repair a stream bank to help habitat, for example, a landowner must acquire a minimum of eight separate permits from various Federal, State, and local regulatory agencies. SMRCD works with these agencies and other stakeholders to streamline the permit process.

Public Resources Code Section 9413 provides for adoption of annual and long-range work plans that address the full range of soil and related resource problems found within District boundaries. RCD is currently operating pursuant to a work schedule that is based on the length of time for each certain project. At the time of the writing of this report there is not a long-range work plan on the District website. Attachment C includes the project list for the District as of July 1, 2019.

Section 4: Affected Agencies

Per Government Code Section 56427, a public hearing is required to adopt, amend, or revise a sphere of influence. Notice shall be provided at least 21 days in advance and mailed notice shall be provided to each affected local agency or affected County, and to any interested party who has filed a written request for notice with the LAFCo Executive Officer. Per Government Code Section 56014, an affected local agency means any local agency that overlaps with any portion of the subject agency boundary or SOI (included proposed changes to the SOI).

The affected local agencies for this MSR/SOI are alphabetically listed below by category:

County/Cities	School Districts	County Service Areas	Independent Special Districts
County of San Mateo	Cabrillo Unified School District	County Service Area No. 7 (Sam McDonald Park)	Coastside County Water District
City of Daly City	Jefferson Elementary School District	County Service Area No. 11 (Pescadero)	Coastside Fire Protection District
City of Half Moon Bay	Jefferson High School District		Granada Community Services District
City of Pacifica	La Honda-Pescadero Unified School District		Coastside County Water District Montara Water and Sanitary District
Town of Portola Valley	Pacifica School District		North Coast County Water District

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City of San Bruno	Portola Valley Elementary School District		San Mateo County Harbor District
City of South San Francisco	San Bruno Park Elementary School District		San Mateo County Mosquito and Vector Control District
Town of Woodside	San Mateo High School District		West Bay Sanitary District
	Sequoia High School District		Westborough Water District
	South San Francisco Unified School District		Woodside Fire Protection District

Section 5: Potentially Significant MSR Determinations

The MSR determinations checked below are potentially significant, as indicated by “yes” or “maybe” answers to the key policy questions in the checklist and corresponding discussion on the following pages. If most or all of the determinations are not significant, as indicated by “no” answers, the Commission may find that a MSR update is not warranted.

	Growth and Population		Disadvantaged Unincorporated Communities
	Capacity, Adequacy & Infrastructure to Provide Services	X	Financial Ability
X	Shared Services	X	Accountability
X	Other		

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1) Growth and Population

Growth and population projections for the affected area.	<i>Yes</i>	<i>Maybe</i>	<i>No</i>
a) Is the agency’s territory or surrounding area expected to experience any significant population change or development over the next 5-10 years?			X
b) Will population changes have an impact on the subject agency’s service needs and demands?			X
c) Will projected growth require a change in the agency’s service boundary?			X

Discussion:

a-c) The SMRCD territory includes rural, sparsely populated unincorporated areas of Coastal San Mateo County, small portions of the urbanized unincorporated Midcoast, portions of unincorporated Los Trancos Woods and portions of the Cities of Daly City, Pacifica, South San Francisco, San Bruno, Half Moon Bay, and portions of the Town of Portola Valley. The population of areas within District boundaries is estimated at 100,000 residents. Because the County and City urban rural boundary in the majority of the study area limits water and sewer service to areas designated as urban, the majority of the population growth will be located within existing urban areas.

Specific population projections are not maintained for the area within District boundaries. The majority of demand for District services occurs in the rural, coastal zone consisting of the County’s agricultural district, including significant crop and grazing lands as well as watersheds. While population growth in these areas is limited, changes in land use in the region in general, including recreational uses, will continue to impact the need for watershed and soil conservation.

RCD also conducts activities outside of their district boundaries, including areas in the Town of Colma, the City of Half Moon Bay, and the urbanized areas of Moss Beach, El Granada, and Montara as well as County-wide initiatives.

Growth and Population MSR Determination

At this time the RCD’s territory, which includes most of the unincorporated areas of San Mateo County along with portions of six cities, is not projected to experience any significant

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development or population growth that might impact the District’s ability to deliver resource conservation services, as the majority of services are in the rural unincorporated areas of the County, where projected growth is low.

2) Disadvantaged Unincorporated Communities

The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.	<i>Yes</i>	<i>Maybe</i>	<i>No</i>
a) Does the subject agency provide public services related to sewers, municipal and industrial water, or structural fire protection?			X
b) Are there any “inhabited unincorporated communities” within or adjacent to the subject agency’s sphere of influence that are considered “disadvantaged” (80% or less of the statewide median household income)?			X
c) If “yes” to both a) and b), it is feasible for the agency to be reorganized such that it can extend service to the disadvantaged unincorporated community (if “no” to either a) or b), this question may be skipped)?			X

Discussion:

a-c) RCD does not provide water, sewer or structural fire protection services, therefore the provisions of SB 244 do not apply, and Disadvantaged Unincorporated Communities are not an issue. In addition, there are no identified Disadvantaged Unincorporated Communities within the boundaries of the SMRCD.

However, several activities that SMRCD undertakes do have direct impacts on a number of communities in the County, some of which may have lower socioeconomic status and the District has specific project and programs focused on underserved, low income and non-English speaking communities. RCD actions related to stormwater, water quality, and watershed management are programs that protect and enhance water resources for residents of the community, as well as native wildlife. The programs related to habitat enhancement and fire

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and forestry have positive impacts on the natural environment where these lower socioeconomic residents live.

Disadvantaged Unincorporated Communities MSR Determination

The RCD does not provide water, sewer or structural fire protection services; therefore, the provisions of SB 244 do not apply, and Disadvantaged Unincorporated Communities are not an issue.

Recommendations:

LAFCo recommends that the District continue to undertake projects that improve the natural environment for all residents, including those of lower socioeconomic status, that are located within the service area of the District.

3) Capacity and Adequacy of Public Facilities and Services

Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.	<i>Yes</i>	<i>Maybe</i>	<i>No</i>
a) Are there any deficiencies in agency capacity to meet service needs of existing development within its existing territory?			X
b) Are there any issues regarding the agency’s capacity to meet the service demand of reasonably foreseeable future growth?			X
c) Are there any concerns regarding public services provided by the agency being considered adequate?			X
d) Are there any significant infrastructure needs or deficiencies to be addressed?			X
e) Are there changes in state regulations on the horizon that will require			X

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significant facility and/or infrastructure upgrades?			
f) Are there any service needs or deficiencies for disadvantaged unincorporated communities related to sewers, municipal and industrial water, and structural fire protection within or contiguous to the agency’s sphere of influence?			X

Discussion:

a-b) LAFCo staff is not aware of any issues with RCD’s existing or future capacity to provide services. District staff reports that its current staffing level is adequate to keep up with its current projects, and the District is not experiencing a backlog of projects. The District operates much like a non-profit because it relies heavily on grant funding from local, state and federal agencies. This allows the District to adjust its staffing capacity to reflect its current funding level and needs. However, this can also be a burden, as a grant funded project may require the reallocation of work between staff or that a new position be recruited for.

c) LAFCo staff is not aware of any adequacy issues with the services provided by SMRCD. The RCD does not have any violations or compliance issues with regulatory agencies. Additionally, the majority of the District’s services are funded through grants or contracts, which generally include standards of service and reporting requirements. Grantors and contractors would have the option of terminating their relationship with the District if they were unhappy with the services provided.

d) The District does not maintain any property, machinery or infrastructure, and does not have any needs related to these items. The District does not own any vehicles.

e) Staff is not aware of any state legislation on the horizon that will impact the District’s ability to provide services.

f) As discussed in the Disadvantaged Unincorporated Communities section (Determination #2), the RCD provides resource conservation services to the majority of unincorporated San Mateo County. There are no Disadvantaged Unincorporated Communities in San Mateo County or within the service area of the RCD. SMRCD does not provide sewer, water or fire protection services, and is not involved in providing these municipal services for communities.

Capacity and Adequacy of Public Facilities and Services MSR Determination

The RCD provides natural resource conservation services throughout San Mateo County. LAFCo staff has no concerns regarding the District’s capacity to provide services, or the adequacy of its services. The SMRCD has been recognized as a statewide leader in providing resource

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conservation services. Additionally, the District has no near-term infrastructure or equipment needs that may impact its ability to provide services.

However, as there are a number of efforts that RCD is involved in, an annual report and related documents could allow interested parties a better understanding of what type of projects and work the District undertakes. Per District staff, these types of reports have not been produced due to inadequate funding for this work and according to the District 2020 is the first year there will be funds budgeted to do so. SMRCD was able to hire an Administrative Officer in 2018. This staff person is the District’s business manager, office manager, contract manager, bookkeeper, HR manager, web master, and clerk to the Board of Directors.

Recommendations:

The District should create annual reports that capture the achievements of efforts that the District has undertaken. The District has stated that it is currently working to create a multi-year impact report.

The County and the District could consider annexation of areas already served by the District accompanied by a property tax transfer that would result in a permanent revenue augmentation in lieu of annual grants. These areas could include communities that receive RCS services or contribute to runoff are with district boundaries and generate property tax revenue for the District.

4) Financial Ability

Financial ability of agencies to provide service	<i>Yes</i>	<i>Maybe</i>	<i>No</i>
a) Does the organization routinely engage in budgeting practices that may indicate poor financial management, such as overspending its revenues, failing to commission independent audits, or adopting its budget late?		X	
b) Is the organization lacking adequate reserve to protect against unexpected events or upcoming significant costs?		X	
c) Is the organization’s rate/fee schedule insufficient to fund an adequate level of service, and/or is the fee inconsistent with the schedules of similar service organizations?			X
d) Is the organization unable to fund necessary infrastructure maintenance,			X

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replacement and/or any needed expansion?			
e) Is the organization lacking financial policies that ensure its continued financial accountability and stability?		X	
f) Is the organization’s debt at an unmanageable level?			X

a) The RCD routinely adopts and operates on an annual budget with a budget cycle of July 1 through June 30. The annual budget is prepared by the Executive Director and the Finance Committee of the Board of Directors, and then presented to the full Board of Directors for adoption. Mid-year adjustments to the budget or spending in excess of the budgeted amount must be approved by the Board of Directors. Since the 2006 MSR, the District has made progress in the area of budgeting and finance. While the District has notes that there are footnotes that describe various aspects of the budget, the budget documents found on the District’s website, including the 2021 budget, does not include a staff report or a budget narrative. The resolution adopting the budget is also not found on their website. The District receives annual independent audits, with the most recent audit being completed in September 2019 for the governmental activities and the major funds of the District as of June 30, 2018. The audit revealed no instances of non-compliance or material weakness in internal controls.

The District’s revenue comes primarily from grants or contracts with public agencies, however this is not explicitly clear in the budget documents available on the District’s website, as revenue is shown by program type, such as habitat enchantment or climate mitigation and adaptation, without stating where the program revenue is from. In the expenses portion of the budget, it is unclear if personnel salaries and fringe benefits are allocated to RCD’s general fund or to specific programs. In the 2016 version of the budget, there were footnotes that explained each line item, but these footnotes were not utilized in subsequent budget documents that are available online.

SMRCD does have a policy regarding how costs are allocated to various programs, grants, contracts, and agreements. However, in the current format of the District’s budget available on the District’s website, the linkage between direct program costs and the funding allocated to a program is not clear. For example, program revenue for the Agricultural Ombudsman in 2019 was \$41,657, while the program expense allocated was only \$800.

The RCD is funded by a small share of the 1% property tax, limited fees for grading permit exemptions and intergovernmental revenue such as grants and NRCS contributions. The District notes that grants typically include limited or no funding for District administration and overhead related to grant implementation. The District received approximately 0.0475 of the 1% property tax or approximately \$67,000 in the 2017-2018 fiscal year.

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Property tax revenues are limited because a significant portion of the lands within the District are undeveloped and of relatively low assessed value, and/or subject to Williamson Act (Land Conservation Act of 1965) and eligible for lowered property taxes if maintained in agricultural and certain open space uses, or is zoned Timberland Preserve Zone. A number of properties are also under the ownership of public agencies or non-profit land trusts, such as the County of San Mateo, Midpeninsula Regional Open Space District, California State Parks, National Parks, or the Peninsula Open Space Trust, the latter of which are either eligible for lowered property taxes or are exempt from property taxes due to non-profit status (Attachment D). The District also cites a loss of property tax revenues from excluded urbanized areas of the unincorporated Midcoast and Half Moon Bay that benefit from services of the district in upstream areas.

Resource Conservation District Budget Summary 2015-2020						
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Revenues						
Programs	\$1,930,312	\$3,419,881	\$3,843,339	\$3,124,038	\$7,224,289	\$12,925,301
Taxes	\$55,000	\$57,000	\$55,000	\$60,000	\$60,000	\$65,000
County Contribution	\$100,000	\$100,000	\$100,000	\$125,000	\$125,000	\$200,000
Other	\$7,500	\$6,500	\$20,500	\$20,500	\$20,500	\$10,500
Total Revenues	\$2,092,812	\$3,583,381	\$4,018,839	\$3,329,538	\$7,429,789	\$13,200,801
Expenditures						
Salaries and Benefits	\$527,397	\$669,510	\$877,880	\$982,896	\$1,076,009	\$1,977,251
Services and Supplies	\$93,200	\$100,650	\$102,000	\$120,810	\$191,750	\$323,000
Programs	\$1,366,830	\$2,674,610	\$2,963,939	\$2,178,871	\$6,159,043	\$11,124,672
Total Expenditures	\$1,987,427	\$3,444,770	\$3,943,819	\$3,282,577	\$7,426,802	\$13,101,923
Revenue Less Expenditures	\$105,385	\$138,611	\$75,019	\$46,961	\$2,987	\$98,878

The District's revenue comes primarily from grants or contracts with public agencies for specific services, which are awarded under as program revenues in the budget summary above. Grants and contracts are generally not very stable and reliable, which leaves the District with budgets

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that may fluctuate significantly from year to year. Additionally, grants and contracts generally come with very specific requirements regarding how the money can be spent, which means that the District has little flexibility in how and when it allocates funds in its budget. The District's only stable and general purpose funding source is property taxes, of which it receives approximately \$60,000 annually.

Having a lack of stable funding, combined with significant delays in payments on State bond-funded grants, may cause difficulty in allowing for the District to create long-term financial plans, and may cause fluctuations in the District's ability to pay for staffing and administrative functions that are not associated with grant funding. Per staff, this has also impacted the District's ability to allocate funds to their reserve.

As currently presented, the District's budget document available on their website is categorized into high-level program classifications such as Habitat Enhancement and Water Resources & Conservation. It is not clear what grants or specific programs are included in these high-level categories. While RCD does have a policy regarding a methodology that costs are allocated to personnel, operating, or program categories, the annual budget documents available to the public do not break expenses and revenue into these categories. In the Balance Sheet document, the liabilities, which are projects that RCD is undertaking, do not clearly align with the high-level program classifications.

b) In the approved 2020 and 2021 budget, allocations are made to a reserve fund for the District. However, additional information about what funds are allocated for this reserve would be useful for transparency. RCD has an approved Operating Reserve Policy that was adopted on May 18, 2017, but the document is not available on the District's website at the time of the writing of this report. The policy does not set a certain amount or percentage of funds that will be allocated to the reserve, but instead states how the reserve is funded and used.

District staff stated that the efforts to create a reserve fund are relatively recent. Per staff, the reason that the Reserve Policy does not have a specific percentage or amount set to allocate towards a reserve is that the District relies heavily on grant funding, which must be used on specific purposes and projects. These grant requirements restrict the District's abilities to use funds to place in the reserve account or allocate towards administrative functions.

c) The District does have targeted billing rates, but does not have a set fee schedule for projects. Per District staff, each of the various grants and contracts allows for different rates and types of overhead. When projects occur on private property, the cost of this work is covered by the specific grant funding allocated to the project and not from fees from the property owner.

d) The District does not maintain any property, machinery, vehicles, or infrastructure

e) The District has adopted nine financial policies, including:

- Financial Policy (2017)
- Bidding, Vendor, and Professional Consultant Selection and Purchasing (2014)

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- Cost Allocation Methodology (2016)
- District Investment Policy (unknown date)
- Policy and Procedures for Reimbursement of Director and Employee Expenses (2015)
- Operating Reserve Policy (2017)
- Conflict of Interest Policy (2015)
- Fee for Service Policy (2015)
- Mileage Reimbursement Policy (2015)

Several of these policies are not currently on the District’s website. In the course of preparing the administrative and circulation drafts, it became apparent several documents cited by the District were not on the RCD website and the District staff has stated that they are working to address this.

It may be helpful for the District to expand its financial polices to cover additional topics, such as budget preparation process, credit card policy, and employee compensation. Setting a specific reserve amount by amending the existing reserve policy may also lead to greater fiscal stability. Financial policies help to ensure the financial stability of an organization, and the District should work towards documenting all of its financial management practices.

f) According to District staff, the RCD does not have debt.

Financial Ability MSR Determination

Overall, the San Mateo Resource Conservation District appears to engage in sound financial management practices, including adopting an annual budget, commissioning independent audits, maintaining an appropriate level of debt, and charging rates for its services. The majority of revenue for SMRCD is grant funding that has specific requirements about how it is allocated, fluctuates from year to year, and delayed payments can affect cash flow and ability to support RCD operations. The issue with unstable revenues is unlikely to change given the nature of its services, and the District can better equip itself to deal with fluctuations in revenue by implementing some of the recommendations below.

Recommendations:

The District should consider creating defined billable rates and fees for RCD staff for non-grant funded projects.

The District should consider utilizing footnotes or other budget narrative that could be posted along with each fiscal year’s budget. These notes should help explain what specific programs make up each budget category. A narrative or notes could also increase transparency by identifying who the grant funders are. The narrative should also include information about the number and types of staff currently employed by the District and the types of costs that are allocated to program categories compared to personnel categories. These notes or narrative should be shown on the budget document available to the public on the District’s website.

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The District should consider expanding its financial polices to cover additional topics, such as budget preparation process, audit requirements, and debt management practices, and employee compensation (including the allocation of District funds to employee 401ks).

While the District does currently have a reserve policy and has allocated funds to it, the District may wish to adopt a reserve amount or percentage of the administrative operating budget that could be allocated every year as part of the budget process. The 2020 and 2021 fiscal year budget shows the amount of the reserve fund. The District could provide footnotes or narrative about how the reserve is funded to increase transparency with the public.

The 2006 MSR recommended that the District consider resource sharing with other special districts, the county or other RCDs to compensate for limited staffing. The District indicates they have repeatedly attempted to do so and with the exception of communications they have not found other opportunities to be feasible and that a new revenue source is necessary. Due to the economic impacts to all local agencies due to COVID-19 and the shelter in place requirements, LAFCo suggests that the District seek ways to allocate additional funding for administrative staff and tasks or to explore opportunities to share a position with another local agency or district to share services. This could include the annexation of territory with a property tax transfer to permanently augment revenue.

5) Shared Service and Facilities

Status of, and opportunities for, shared facilities	Yes	Maybe	No
a) Is the agency currently sharing services or facilities with other organizations? If so, describe the status of such efforts.	X		
b) Are there any opportunities for the organization to share services or facilities with neighboring or overlapping organizations that are not currently being utilized?		X	
c) Are there any governance options that may produce economies of scale and/or improve buying power in order to reduce costs?			X
d) Are there governance options to allow appropriate facilities and/or resources to be shared, or making		X	

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<p>excess capacity available to others, and avoid construction of extra or unnecessary infrastructure or eliminate duplicative resources?</p>			
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a) The District maintains strong partnerships with a variety of private individuals, businesses, farmers, ranchers, non-profits and special districts. The District also works with public partners, including Federal, State, County and city governments. In particular, the District maintains a strong partnership with the local service center of the USDA Natural Resource Conservation Service (NRCS), including a shared office space, partnerships on projects, and shared staff expertise. In September 2018, SMRCD and NRCS staff moved to a new office location at 80 Stone Pine Road, Suite 100 Half Moon Bay, California 94019. NRCS has a similar mission to the RCD, providing farmers and ranchers with financial and technical assistance to voluntarily engage in conservation practices.

The California Association of RCDs, NRCS, and individual RCDs have state level agreements in place regarding how the staff of both agencies work together in local field offices. In addition, RCD and NRCS in San Mateo County have a local agreement. NRCS provides a copy machine, office supplies, vehicles, a District Conservationist, an engineer, and a soil scientist. RCD provides office space and compatible staffing. RCD staff and Board of Directors are very supportive of the relationship of the District with NRCS.

The District contracts with the County of San Mateo Office of the County Counsel for legal representation and with Paragon Accounting LLC for accounting and payroll support.

b) The District maintains strong partnerships with many local organizations, and is always pursuing new partnerships. The District might benefit from expanding the use of shared staff positions, such as administrative staff, with partner agencies when appropriate to build additional capacity. Neighboring RCDs might be able to collaborate in areas of HR, web master, and other administrative duties that allow for economies of scale. While the District notes that these shared services have been explored previously, as all local governments are impacted by COVID-19 and the shelter in place orders, there now may be additional opportunities for shared services.

c) For the purposes of this study, LAFCo cannot identify options for governmental structure and reorganization of service providers.

Expanding District boundaries accompanied by a property tax transfer would provide the District with added operating revenue and offers the opportunity to adjust district boundaries to include developed areas that contribute to erosion and run-off the District is chartered to mitigate. This could also provide additional revenue for non-project-based staff to augment the existing Administrative Officer.

d) The District states that it relies heavily on collaboration with NRCS and local agencies to implement the District’s work program. Cost avoidance practices include sharing office space

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and resources in administration and management with NRCS and an appointed rather than elected board. Other cost avoidance practices and opportunities include solicitation of in-kind and volunteer services from various professionals.

Shared Services MSR Determination

SMRCD currently maintains a multitude of partnerships (with private individuals, businesses, farmers, ranchers, non-profit organizations, special districts, and government agencies) in order to share services, facilities, resources and expertise as appropriate. LAFCo staff is not aware of any governance restructure options that will increase efficiencies, but has identified an opportunity for shared services.

Recommendations:

As noted in the Financial Ability discussion, in response to the potential financial impact that all government agencies may face due to COVID-19 and shelter in place, the District may wish to consider opportunities for additional shared services, when appropriate, for administrative functions. In circumstances where additional staff capacity is necessary, but the District cannot afford to fund a full-time position, the District may wish to explore opportunities to share a position with another local agency or district.

6) Accountability, Structure, and Efficiencies

Accountability for community service needs, including governmental structure and operational efficiencies	<i>Yes</i>	<i>Maybe</i>	<i>No</i>
a) Are there any issues with meetings being accessible and well publicized? Any failures to comply with disclosure laws and the Brown Act?			X
b) Are there any issues with filling board vacancies and maintaining board members?		X	
c) Are there any issues with staff turnover or operational efficiencies?		X	
d) Is there a lack of regular audits, adopted budgets and public access to these documents?		X	

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e) Are there any recommended changes to the organization’s governance structure that will increase accountability and efficiency?			X
f) Are there any governance restructure options to enhance services and/or eliminate deficiencies or redundancies?			X
g) Are there any opportunities to eliminate overlapping boundaries that confuse the public, cause service inefficiencies, unnecessarily increase the cost of infrastructure, exacerbate rate issues and/or undermine good planning practices?			X

a) SMRCD is governed by a five-member Board of Directors composed of local growers, conservationists, and landowners. The Board members are selected based in part on their experience as active conservation partners in the community, and are appointed to four-year terms by the San Mateo County Board of Supervisors. Board composition is intended to represent a broad spectrum of conservation interests and expertise.

The Board meets on the third Thursday of each month at 4:00 pm at the Resource Conservation District Office, and virtually during the COVID-19 pandemic. The District complies with all Brown Act requirements in publicly noticing its meetings.

The District has recently updated their website to include an agenda packet and meeting minutes archive that goes back to meetings from 2007. However, there are no audio or video recordings of the meetings published on the District’s website.

b) The District has stated that while there are difficulties with recruiting new members to the volunteer Board of Directors, the District does not have issues with retaining the current members. TJ Glauthier, Neal Kramer, and Jim Reynolds, have been on the Board since at least 2009. Barbara Kossy has been on the Board since 2013 and had served in years previously. Adrienne Etherton was appointed in 2019 to complete the term of Kevin Watt. The majority of the Directors reside outside of the District’s boundaries, which is permitted under Public Resources Code Section 9352. These Directors are designated as an agent of a landowner within the boundaries of the District and thus are eligible to be appointed to the Board.

c) Staffing has been consistently between 10-15 full-time employees. Per the District, there has not been high levels of turnover among these positions. However, due to the dependence on grant funding for most positions, fluctuations in staffing levels in the future is always a

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possibility. Staffing needs for non-grant funded work can also be difficult to fill due to limited fiscal resources.

d) The District works to maintain transparency by receiving annual independent audits, and producing annual adopted budgets. Many of the District’s work products are made available on its website and more information on the District can be requested through email, post, or in-person at the office. The District also produces 3 to 4 newsletters per year for interested parties, which provides additional information on District activities. However, the District no longer compiles annual reports nor is there a narrative to the annual budget. Per the District, they are currently compiling a multi-year report summarizing the District’s actions.

In addition, the majority of agreements with other government agencies, such as the County of San Mateo, and other grantee agencies do not go to the SMRCD Board of Directors for approval. This would allow for greater transparency and allow the public to participate in the review of these agreements.

e-f) LAFCo staff is not aware of any possible changes to the RCD’s governance structure that will increase accountability, enhance services or eliminate deficiencies. The RCD is the only special district providing resource conservation services within its boundaries and within the County.

g) The RCD boundaries do not overlap with any other districts providing resource conservation services. However, there are a number of public and private open space entities that operate within the service boundary of the District.

Accountability, Structure, and Efficiencies MSR Determination

SMRCD has frequent and publicly accessible meetings that are publicized in accordance with the Brown Act. The District adopts annual budgets, completes annual independent audits, and currently has a full and tenured Board of Directors. LAFCo staff is not aware of any potential changes to the District’s governance structure or boundaries that will increase accountability, enhance services or eliminate deficiencies. However, LAFCo staff did identify opportunities for the RCD to increase transparency, efficiency and organizational stability, as discussed in the recommendations below.

Recommendations:

The District should complete independent audits for 2019 and produce annual reports and a narrative for the annual budget and display them on the District’s website to increase the district’s financial transparency and raise public awareness of the projects that the District undertakes.

The District should prioritize update of the long-range work program and annual plan to provide for better program and fiscal planning and accountability to the public.

LAFCo encourages the District to have the SMRCD Board review all contracts and grant funding opportunities prior to the acceptance of the funds.

LAFCo suggests posting the audio or video of the Board meetings on the District’s website.

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7) Other

Any other matter related to effective or efficient service delivery, as required by commission policy.	<i>Yes</i>	<i>Maybe</i>	<i>No</i>
a) Are there any other service delivery issues that can be resolved by the MSR/SOI process?		X	
b) Water Resiliency and Climate Change			
i) Does the organization support a governance model that enhance and provide a more robust water supply capacity?	X		
ii) Does the organization support multi-agency collaboration and a governance model that provide risk reduction solutions that address sea level rise and other measures to adapt to climate change?	X		
c) Natural Hazards and Mitigation Planning			
i) Has the agency planned for how natural hazards may impact service delivery?	X		
ii) Does the organization support multi-agency collaboration and a governance model that provides risk reduction for all-natural hazards?	X		

a) Several RCD projects are countywide and located outside of the existing boundaries of the District. As previously stated, areas were detached from the District in South San Francisco, Pacifica, Daly City, Half Moon Bay, and unincorporated San Mateo County. As the District continues to provide these services, RCD and LAFCo may want to explore expanding the District’s SOI to allow for the potential annexation of additional territory. Within the boundaries of RCD, about 3% of the total parcels are owned either by a public agency, non-profit organization, or are under a Williamson Act contract. The District receives approximately 0.0475 of the 1 percent property tax or approximately \$67,000 in the 2017-2018 fiscal year.

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This may provide for additional property that can be used for general administrative functions and provide revenue for the Districts newly created reserve fund. This could allow for greater stability for the District's on-going needs.

b.i) While the District is not a water supply agency, RCD is engaged in a number of projects that focus on water supply. The RCD supports water quality efforts focused on clean creeks, beaches and the ocean for humans and wildlife. The District also undertakes water projects that assists farmers and property owners, particularly in southern coastal area of the County, to conserve, manage, and store water and improve local water infrastructure. To complete these projects, the District has built upon existing partnerships with the local, state, federal, and non-governmental organizations for both funding opportunities and project delivery.

b.ii) SMRCD is heavily involved in preparing for both sea level rise and climate change in San Mateo County. SMRCD is exploring carbon farming which enable agricultural operations to increase carbon sequestration and reduce greenhouse gas emissions. These practices can benefit farms and ranches by improving soil health as well as increasing the resilience of these operations. The District is also undertaken creek and habitat restorations projects, biochar field trials, and manage vegetation in the County. All these efforts are coordinated with numerous partner agencies and with the cooperation of local land owners.

c.i-c.ii) The District does not own any infrastructure or territory that would be impacted by natural hazards, however, SMRCD has entered into partnerships with numerous agencies that would be directly affected by natural disasters. SMRCD led an effort to reduce flooding events in Pescadero through a multipronged approach that included restoring historic floodplains and dredging Butano Creek Channel. While also lessening the risk of flooding in the community, the project also improved the habitat for endangered and the threatened species.

RCD is also assisting the County of San Mateo Office of Sustainability in outreach and engagement regarding a sea level rise vulnerability assessment for the south coast region. As climate change alters the magnitude and frequency of natural hazards, these efforts will also allow agencies to become more resilient to these changes.

In addition to these activities, RCD also undertakes a number of actions related fire resilience such as coordinating San Mateo County's Fire Safe Council and fuel load reduction projects such as a community chipper program targeting priority neighborhoods in the County for fuel load reduction to help homeowners create and manage defensible space around homes and roads

Other Issues MSR Determination

RCD often provides services within territory where they do not receive any property tax to fund this work. This, in conjunction with the low amount of non-grant funding the District receives, has led to difficulties in allocating funding to the District reserve and to non-project administrative tasks and staff.

The RCD is engaged in a number of projects that support water resilience, climate change, and natural hazards mitigation. The majority of projects that RCD undertakes have multiple benefits within both the natural and built environments.

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Recommendations:

LAFCo encourages RCD to explore revenue sources to fund on-going administrative costs and place funds into the Districts reserve. Potential options may include future SOI amendments and annexations to the District that would include a property tax transfer.

LAFCo encourages the District to continue its work in the areas of water resilience, climate change, and natural hazards mitigation.

Section 6. Sphere of Influence Review and Update

Determinations

Section 56425 requires the Commission to make determinations concerning land use, present and probable need for public facilities and services in the area, capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide, and existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency. These include the following determinations:

1. The present and planned land uses in the area, including agricultural and open space lands.
2. The present and probable need for public facilities and services in the area.

The majority of demand for district services occurs in the rural, coastal zone consisting of the County’s agricultural district including significant crop and grazing lands as well as watersheds. While population growth in these areas is limited, changes in land use in the region in general, including recreational uses, will continue to impact the need for watershed and soil conservation.

3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
4. The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency.

On the basis of the Municipal Service Review:

Staff has reviewed the agency’s Sphere of Influence and recommends that a SOI Update is NOT NECESSARY in accordance with Government Code Section 56425(g). Therefore, NO CHANGE to the agency’s SOI is recommended and SOI determinations HAVE NOT been made.

Staff has reviewed the agency’s Sphere of Influence and recommends that a SOI Update IS NECESSARY in accordance with Government Code Section 56425(g). Therefore, A CHANGE to the agency’s SOI is recommended and SOI determinations HAVE been made and are included in this MSR/SOI study.

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Appendix A. San Mateo Resource Conservation District Fact Sheet

80 Stone Pine Road, Suite 100
Half Moon Bay, CA 94019

Kellyx Nelson
Executive Director
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www.sanmateorcd.org

Date of Incorporation: October 2, 1939 as San Mateo County Soil Conservation District. Reformed on as San Mateo County Resource Conservation District on 1971. Renamed San Mateo Resource Conservation District in 2020.

Board of Directors: Five-member board of directors elected to four-year terms

Membership and Term Expiration Date: T.J. Glauthier, President (December 2020), Jim Reynolds, Board Member (December 2020), Neal Kramer, Board Member (December 2022), Adrienne Etherton, Board Member (December 2019), and Barbara Kossy, Board Member (December 2022)

Compensation: None

Public Meetings: Third Thursday of every month at 4:00 pm, District Office, 80 Stone Pine Road, Suite 100, Half Moon Bay

Services Provided: Comprehensive, integrated services addressing wildlife, water, climate, and agriculture. They provide resources for local conservation efforts and collaborate with private and public land owners, land managers, public agencies, interest groups, and others.

Area Served: 245 square miles

Population: Estimated at 100,000

Number of Personnel: 16 Full-time Equivalent Employees (FTEs)

1 Executive Director, 1 Administrative Officer, 1 Climate and Agriculture Programs Manager & Agricultural Ombudsman, 4 Conservation Project Manager, 2 Conservation Program Manager, 1 Senior Conservation Program Coordinator, 3 Conservation Project Coordinator, 1 Natural Resource Specialist, 1 Biologist, and 1 Network Manager for the Santa Cruz Mountains Stewardship Network

Sphere of Influence: Status quo (boundaries of 1987)

Budget: See the SMRCD Accountability page (www.sanmateorcd.org/reports-and-maps/accountability)

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Appendix B. References

California Public Resources Code. Division 9, Chapter 3

https://leginfo.legislature.ca.gov/faces/codes_displayexpandedbranch.xhtml?tocCode=PRC&division=9.&title=&part=&chapter=&article=

California Resource Conservation District Director’s Handbook

<https://www.conservation.ca.gov/>

Nelson, K. (2019) Executive Director, San Mateo Resource Conservation District. *Personal Communication*

San Mateo LAFCo (2006), Municipal Service Review & Sphere of Influence Review San Mateo Resource Conservation District <https://lafco.smcgov.org/>

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Attachments

- A. Adopted Sphere of Influence for San Mateo Resource Conservation District
- B. San Mateo County Watershed Map
- C. San Mateo Resource Conservation District Project List Dated July 2019
- D. Map of Public Owned Land and Williamson Act Contracted Parcels Within the San Mateo Resource Conservation District