

**Minutes of
August 21, 2025 LCRCO Board Meeting**

CALL MEETING TO ORDER

Randy Krag of the LCRCO Board of Directors, called the meeting to order at 1:04 p.m., Jing Wang will take the Minutes.

Directors Present: Randy Krag, Harry Lyons, Kate Schmidt-Hopper, Shula Shoup, Merry Jo Velasquez, Joseph Sullivan

Directors Absent: Steve Campbell

Others Present:

In Person: Jing Wang (Bookkeeper), Megan McCluer-Lopez (Finance Manager), Estefania Laines (Forestry and Fire Coordinator), Erica Lundquist (NRCS District Conservationist)

Virtually: Julia Sullivan (Executive Director), John Vandervort (Conservation Program Manager)

1. **INTRODUCTIONS** and consideration of extra items not appearing on the posted agenda.
 - Executive Director Julia Sullivan informed the Board that Board director Steve Campbell will not be attending the meeting.
2. **PUBLIC INPUT** - Anyone may speak for three minutes on a subject not on the agenda; no action will be taken by the Board.
 - Kate informed the Board that public comments are currently being accepted on the EPA website regarding proposed changes to environmental policy. The comment period is open until September 22.

3. BOARD REVIEW AND UPDATES

3.1 UPDATE on staff activities by Executive Director - Julia Sullivan

- The RCD's Conservation Program Manager, John Vandervort, introduced Estefania Laines as the LCRCO's new Forestry and Fire Coordinator. Estefania previously served as a GrizzlyCorps Fellow. Julia highlighted her broad skill set and welcomed her back to the team.
- Julia gave a comprehensive staff report, including:
 - The Local Working Group Meeting in partnership with NRCS, which the LCRCO co-hosted and facilitated, was held on Thursday, August 7th, 2025.

- Noah Cornell led the morning Agriculture & Rangeland session, with participants from the Lake County Land Trust, Farm Bureau, Shannon Ranch, and others.
- John and Nicole led the afternoon Forest health and wildfire resilience session, with a great turn out from the Lake County community.
- The RCD is in the process of compiling a report which will be submitted to Erica Lundquist (NRCS District Conservationist), who will pass the report to the NRCS State Office.
- o Wildfire Prevention Grant Submission
 - The LCRCDD submitted a CALFIRE WP grant application in early August and included a \$80,000 match commitment from CLERC.
 - Board president Randy Krag praised Julia and the team for securing matching funds and building effective partnerships.
 - The proposal aligns with the presentation given by John and Nicole at the previous board meeting.
- o Julia confirmed that there are no current updates on the SALC (Sustainable Agricultural Lands Conservation) Program, to which the LCRCDD applied, still awaiting response. Julia noted strong turnout at the Local Working Group due to prior engagement during the SALC proposal process.
- o Julia gave an update on the Goatsrue project:
 - Harry Lyons inquired, and Julia confirmed that the budget for the goatsrue project has been increased.
 - Merry Jo Velasquez inquired whether the project involved collaboration with the Scotts Valley Band of Pomo Indians. Julia and Megan agreed to follow up.

3.2 ROLL CALL on ongoing projects with Board Hosts

- Randy Krag
 - o Randy referenced a recent interview with strategic planning consultant Amy Stork, where he emphasized the importance of education and outreach.
- Harry Lyons - none
- Kate Schmidt-Hopper
 - o Kate followed up on the Field Day on the Creek event held in April. She recently reached out to presenters who participated in the Field Day on the Creek event and sent photos of thank-you letters written by 4th-grade students from Coyote Valley to about half the presenters who expressed interest.
 - o Megan inquired whether any student thank-you notes were suitable for inclusion in the RCD Annual Report.
 - o Megan thanked board members who assisted providing input and photos for the annual report.
- Shula Shoup - none
- Merry Jo Velasquez -none
- Steve Campbell - absent
- Joseph Sullivan - none

3.3 UPDATE on NRCS activities - Erica Lundquist

- Erica thanked RCD staff and partners for their support in making the Local Working Group (LWG) meeting a success. She explained that the LWG serves as the annual opportunity for local input on NRCS program priorities.
- The top local resource concern identified was wildfire hazard, noted consistently in both agriculture and forestry sessions. Erica will use this input to support Lake County's position during regional and state-level negotiations.
- The higher funding in FY24 was due to the Inflation Reduction Act and backlogged applications.
- Erica suggested a funding cap to new EQIP applications. This prevents a few large-acreage projects from consuming the majority of available funds and allows for a more equitable distribution of staff time and monetary resources.
- Erica is collaborating with Nicole, John, and other forestry staff on next year's EQIP and CSP planning.
- Erica shared that the Lake County Board of Supervisors has agreed to assist with RCD office space expansion.
- Erica also answered Kate's inquiry to clarify the status of Wren's ESJAA (Ecological Science Job Approval Authority) application, and discussed Wren's qualifications and ability to support prescribed burning practices by pursuing NRCS Job Approval Authority (JAA).

3.4 UPDATE from President and Directors

- Randy Krag
 - Randy noted that he agreed to speak at the Lake County Land Trust annual meeting on October 11, 2025 as the President of the RCD Board.
- Harry Lyons
 - Shared that he enjoyed his interview with Amy Stork regarding strategic planning.
- Kate Schmidt-Hopper
 - Discussed her involvement in advocating for mitigating the loss of ag land from the Guenoc Valley development project.
- Shula Shoup - none
- Merry Jo Velasquez
 - Shared that LCRCRD Board President Randy Krag will be guest speaker at the Lake County Land Trust annual meeting.
- Steve Campbell - absent
- Joseph Sullivan - none

3.4 UPDATE from Strategic Planning Committee

- No formal updates. Amy Stork, the strategic planning consultant, is currently conducting interviews with all board members, staff, and partners.
- The next Strategic Planning Committee meeting is scheduled for later in September, where the committee will review Amy's preliminary report.

3.5 FINAL UPDATE from Executive Director Review Committee

- Executive Director Review Committee shared that outcomes from the closed session of the July Board meeting have been incorporated into the new fiscal year budget,

3.6 FINAL UPDATE from Finance Committee

- Harry reported that the current proposed budget is in its third iteration, shaped by multiple Finance Committee meetings, and the Finance Committee recommended Board approval of the budget.
 - Harry emphasized the unprecedented level of detail in this budget, and encouraged all board members to carefully review and thoroughly understand it.
- Julia thanked the Finance Committee for their work and guidance, while Randy and Harry iterated their likewise appreciation for the RCD staff.

4. ACTION – Includes discussion.

4.1 VOTE on approval of July 17, 2025 meeting minutes

Discussion Highlights: None.

Motion to Approve: Merry Jo Velasquez

Seconded: Kate Schmidt-Hopper

Ayes: Randy Krag, Harry Lyons, Shula Shoup, Joseph Sullivan

Nays: none

Absent: Steve Campbell

Abstained: none

Result: Passed

4.2 VOTE on acceptance of June financial report

Discussion Highlights:

- Finance Manager Megan McCluer Lopez presented the June 2025 financial report:
 - Bonus pay was disbursed in July and accounted for in June.
 - No major financial issues were identified.
 - Megan emphasized diligence in reconciling reports and ensuring accuracy.
 - This financial report includes documentation on four fraudulent checks that went through the bank in July, but for which the RCD was issued credit.

Motion to Approve: Harry Lyons

Seconded: Merry Jo Velasquez

Ayes: Randy Krag, Kate Schmidt-Hopper, Shula Shoup, Joseph Sullivan

Nays: none

Absent: Steve Campbell

Abstained: none

Result: Passed

4.3 VOTE on acceptance of end-of-year FY24-25 financial report

Discussion Highlights:

- Finance Manager Megan McCluer Lopez presented the end-of-year FY24-25 financial report:
 - FY24-25 showed a net profit of over \$400,000.
 - Contributing factors to surplus include strong billing rates, higher staff capacity, and effective use of capacity-building grants that offset general operations costs.
 - Despite strong profits, there is less cash on hand compared to the beginning of the fiscal year.
 - Megan noted tighter internal controls procedures for the fiscal year.
 - The County will require submission of a final audit of both FY24-25 and FY25-26

Motion to Approve: Kate Schmidt-Hopper

Seconded: Joseph Sullivan

Ayes: Randy Krag, Harry Lyons, Shula Shoup, Merry Jo Velasquez

Nays: none

Absent: Steve Campbell

Abstained: none

Result: Passed

4.4 VOTE on acceptance of FY25-26 annual budget

Discussion Highlights:

- Executive Director Julia Sullivan presented the FY25-26 annual budget:
 - Julia broke down funding sources by program.
 - Julia also highlighted key Revenue and Expense categories in the FY25-26 budget year.
 - Total projected Revenue: ~\$3.3 million, a majority of which represents state funding.
 - Total projected Expense: ~\$3.2 million, major categories include LCRCO Payroll and Professional and Specialized Services (Contractors).
 - A budget surplus (net income) of \$85,000 is projected, of which the first \$80,000 is expected to go into restricted reserves.

Motion to Approve: Joseph Sullivan

Seconded: Merry Jo Velasquez

Ayes: Randy Krag, Harry Lyons, Kate Schmidt-Hopper, Shula Shoup

Nays: none

Absent: Steve Campbell

Abstained: none

Result: Passed

4.5 VOTE to approve enrollment in Positive Pay

Discussion Highlights:

- Megan presented Positive Pay, a fraud prevention service offered by WestAmerica Bank which enhances security for paper check transactions, introduced in response to a recent fraud attempt involving forged checks.
- Operational impact includes a slight increase in workload for finance staff, and an additional bank fee.
- Credit was given by the Board to the County for recommending Positive Pay.

Motion to Approve: Harry Lyons

Seconded: Kate Schmidt-Hopper

Ayes: Randy Krag, Shula Shoup, Merry Jo Velasquez, Joseph Sullivan

Nays: none

Absent: Steve Campbell

Abstained: none

Result: Passed

5. DISCUSSION – Does not include action.

5.1 Annual report development

- The discussion focused on the development and near-finalization of the LCRCRD's first-ever Annual Report.
 - Julia praised Nicole Lau for leading the development process, analyzing peer RCDs' (Sonoma, Trinity, Napa, Gold Ridge) reports for structure and content inspiration, and working closely with staff to gather and format project data, metrics, and narratives.
 - Megan has contracted a local Graphic Designer to assist with finalizing the Annual Report.
 - The goal of the Annual Report is to serve as a communication tool with partners, potential funders, and the Lake County Board of Supervisors.
 - The LCRCRD Annual Report will be the focus of an upcoming launch event, with plans for printed physical copies and publication on the LCRCRD website.
- Board feedback included:
 - Harry praised the content and supported including historical projects.
 - Merry Jo supported emphasizing Lake County benefits not reflected directly in the budget.
 - Kate recommended distributing printed copies during the Board of Supervisors meeting.
 - Randy expressed strong appreciation, calling the report a sign of organizational progress.

5.2 REMINDER: Submit photos and brief bios for LCRCRD website

- A reminder was issued regarding the submission of updated biographies and photographs for the organization's website. The goal is to refresh the staff and board member pages, which are increasingly being viewed by external stakeholders.

5.3 LCRCD participation in Hitch Task Force meetings

- Merry Jo gave an overview of the Clear Lake Hitch Task Force which includes representatives from tribes, county, and state agencies to address watershed issues impacting the endangered Clear Lake Hitch.
- Merry Jo volunteered to represent the RCD in these government-to-government meetings on this topic.
- The Board informally endorsed Merry Jo's participation, and she was asked to explore further, attend upcoming meetings, and report back. The Hitch Task Force Report will be a standing item on future agendas.

6. AGENDA ITEM REQUESTS

- See 5.3 LCRCD participation in Hitch Task Force meetings
- Possible Future Agenda Item: Cannabis Moratorium
 - Kate noted that the Lake County Board of Supervisors is considering a temporary moratorium on cannabis permits, and that it has possible relevance to the RCD's agricultural framework.
 - Suggested tracking the policy development and possibly inviting a speaker or adding it to a future meeting if appropriate.

7. ADJOURNMENT

- Prior to adjournment
 - Julia announced she will be out of office for the first two weeks of September due to her wedding.
 - Kate informed the group of the Valley Fire 10-Year Anniversary Commemoration to be held:
 - Date: Friday, September 12 at 1:00 PM
 - Location: Mandala Springs - Wellness Retreat Center, Cobb

Motion to Adjourn: Merry Jo Velasquez

Seconded: Joseph Sullivan

Ayes: Randy Krag, Harry Lyons, Kate Schmidt-Hopper, Shula Shoup

Nays: None

Absent: Steve Campbell

Abstained: None

Result: Adjourned

The meeting was adjourned at 3:00 p.m.