LAKE COUNTY
Resource Conservation District

Minutes of July 16, 2026 Board Meeting minutes

CALL MEETING TO ORDER
Kate Schmidt-Hopper of the LCRCD Board of Directors, called the meeting to order at ___1:05____ p.m. Jing Wang will take the Minutes.

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

Directors Absent: none.

Others Present:
In Person: Jing Wang (Bookkeeper), Julia Sullivan (Executive Director), Erica Lundquist (NRCS District Conservationist), Megan McCluer Lopez (Finance Manager), John Vandervort (Senior Program Manager, Forest Health), Margaux Kambara (Board of Directors Candidate)

Virtually: Randy Krag (Board President)

1. **INTRODUCTIONS** and consideration of extra items not appearing on the posted agenda
   - Board Director Kate Schmidt-Hopper introduced Margaux Kambara as a potential candidate for the vacant at-large Board seat.
   - Margaux provided a brief self-introduction, sharing that she is an active community volunteer involved with the General Plan Advisory Committee and local Municipal Advisory Council meetings. She noted that much of her work involves keeping the community informed about the County general plan, local area plans, environmental impact report process, conservation, nature, and open space issues.

2. **PUBLIC INPUT**
   Anyone may speak for three minutes on a subject not on the agenda; no action will be taken by the Board.
   - Margaux provided an update on the County General Plan process.
     - Margaux stated that the latest drafts are available on the County website, LakeCounty2050.org, and that public comments are being accepted.
     - She also noted that two Planning Commission meetings are scheduled in August: one workshop-style meeting during the second week of August, and another meeting on the fourth Thursday of August focused on review of the Environmental Impact Report.
     - Consideration by the Board of Supervisors is expected to occur after the Planning Commission process, likely sometime in September, 2026

3. **BOARD REVIEW AND UPDATES**
   3.1 UPDATE on staff activities - Julia Sullivan, Executive Director
   - Julia provided an update on current staff recruitment and interview efforts.
   - Julia gave an update on Tribal outreach related to the Clear Lake Oaks Restoration Initiative (CNRA-CLO-ph1) project, noting Robinson Rancheria and Elem Indian Colony as project partners. She stated that the RCD has been strengthening its partnership with Elem and is developing an

engagement process to gather historical and cultural perspectives from Tribal members regarding the project site.

- Julia reported that the County Board of Supervisors approved the RCD's hazard tree contract with the County. She explained that the nearly $1 million contract uses Cal OES (California Office of Emergency Services) funding routed through the County to complement the RCD's Community Wildfire Defense Grant work and support hazard tree removal related to public safety and evacuation routes.
- The RCD Board discussed the RCD acronym list and project glossary.
- Julia and Erica discussed the upcoming Local Working Group meeting co-led by the NRCS and the RCD scheduled for July 28, 2026. The Local Working Group meeting format largely mimics that of last year's, with forestland and agriculture/rangeland sessions. Julia noted that the latter session is planned for three hours, with approximately one hour focused on the recently funded SALC project (Sustainable Agricultural Lands) and its associated survey.

3.2 ROLL CALL on ongoing projects with Board hosts

- Randy Krag – No update.
- Harry Lyons – No update.
- Kate Schmidt-Hopper – No update.
- Shula Shoup – No update.
- Merry Jo Velasquez – No update.
- Joseph Sullivan – No update.

3.3 UPDATE on NRCS activities - Erica Lundquist, NRCS District Conservationist

- Erica reported that NRCS recently held a meeting in Eureka with staff from the broader regional group, which includes Mendocino/Lake, Humboldt, Trinity, and Del Norte counties. Erica explained that this is the same group used for ranking and selecting applications for funding, and that the meeting was useful in helping the counties get on the same page after seeing different ranking approaches being used across counties.
- Erica explained that additional project assessments and evaluations will be needed going forward in order to keep Lake County applications competitive in the NRCS ranking process. She noted that projects should not only be evaluated for the primary resource concern, such as forest health or fire hazard reduction, but should also consider additional considerations, including wildlife habitat, streams, water quality, aquatic habitat, and other resource concerns.
- Erica also further discussed the upcoming Local Working Group meeting scheduled for July 28, 2026.

3.4 UPDATE from President and Directors

- Randy Krag –
  - Randy reported that he had attempted to contact Evan Dills and had not yet heard back.
- Harry Lyons – No update.
- Kate Schmidt-Hopper – No update.
- Shula Shoup – No update.
- Merry Jo Velasquez –
  - Merry Jo provided an update from the Lake County Land Trust on the Kuhlanapo Wetland Preserve, reporting that the property had become approximately 8.2 acres larger through the purchase of an adjacent wetland area.The added acreage gives the Lake County Land Trust additional opportunities to pursue funding for cleanup and restoration.
- Joseph Sullivan – No update.

4. ACTION

Includes discussion.

4.1 VOTE on approval of June 2026 meeting minutes

Discussion:

- None.

Motion to Approve: Merry Jo Velasquez
Seconded: Joseph Sullivan
Ayes: Randy Krag, Kate Schmidt-Hopper, Shula Shoup, Merry Jo Velasquez, Joseph Sullivan
Nays: None.
Absent: None.
Abstained: Harry Lyons
Result: Passed.

4.2 VOTE on acceptance of May 2026 financial report

Discussion:

- Merry Jo inquired about grants that have a cap on indirect costs, and Finance Manager Megan McCluer Lopez clarified that capped indirect does not create an additional expense, but instead results in less profitability or less revenue recovery for those grants.
- Megan requested a correction to the financial report observations related to the projected net income for the fiscal year 25-26. She explained that the report observations should focus on the current financial report rather than future projections, and also noted that the projected number was not accurate because year-end accounting activity had not yet been completed.
- The Board discussed restricted and unrestricted reserves, including how the RCD is working to build both restricted reserves and unrestricted cash reserves for future stability.
- Merry Jo asked whether the RCD's funds are fully FDIC insured, noting the $250,000 federal deposit insurance limit. The finance team acknowledged the question and indicated they would look into it as a follow-up item.

Motion to Approve: Harry Lyons
Seconded: Merry Jo Velasquez
Ayes: Randy Krag, Kate Schmidt-Hopper, Shula Shoup, Merry Jo Velasquez, Joseph Sullivan
Nays: None.
Absent: None.
Abstained: None.
Result: Passed.

4.3 VOTE on approval of RESOLUTION 2026-05: DESIGNATING THE DISTRICT TO SERVE AS CEQA LEAD AGENCY FOR LOWER LAKE-HIDDEN VALLEY CALIFORNIA VEGETATION TREATMENT PROGRAM (CalVTP) PROJECT

Discussion:

- Forest Health Senior Program Manager John Vandervort gave a presentation regarding the California Vegetation Treatment Program (CalVTP) process.

- John provided an overview of the project, and stated that the project goal is to create a shaded fuel break, increase wildfire resilience, support forest health and oak woodland restoration, and conduct roadside clearing near Six Sigma Ranch.
- John explained that CalVTP is a statewide CEQA programmatic environmental impact report (EIR) intended to streamline CEQA processing for qualifying vegetation treatment projects.
- John explained the CEQA processing structure, including that a Project-Specific Analysis (PSA) must be developed and submitted to the Board of Forestry so the project can be added as an addendum under the CalVTP programmatic EIR. The PSA was developed in collaboration with Estelle Clifton, Registered Professional Forester (RPF), of Clifton Environmental LLC, whose team served as lead author. Board approval of the resolution is required in order to submit the final PSA and attachments to the Board of Forestry and CAL FIRE.
- If the associated CAL FIRE Forest Health Grant is awarded, the RCD expects to be under contract as early as January 1, 2027, with implementation anticipated around July 2027 and the grant term extending to 2030.
- Board members noted that serving as CEQA lead represents a step in the RCD's organizational maturity.

Motion to Approve: Harry Lyons
Seconded: Joseph Sullivan
Ayes: Randy Krag, Kate Schmidt-Hopper, Shula Shoup, Merry Jo Velasquez, Joseph Sullivan
Nays: None.
Absent: None.
Abstained: None.
Result: Passed.

5. DISCUSSION
Does not include action.

5.1 Flexible Benefits Plan introduction

- Julia introduced a Flexible Benefits Plan. She explained that the flexible benefits plan may be the mechanism that allows the RCD to establish an opt-out policy and provide a cash-in-lieu payment to eligible staff who decline the group health insurance coverage.
- Julia noted that she is still working with legal counsel to define the details and determine how the plan should be set up.

5.2 Budget Committee: Presentation of FY26-27 budget, version 2

- Finance Manager Megan McCluer introduced the FY26–27 budget, version 2, and explained how the budget summary shows the changes from version 1 to version 2. She explained that version 2 incorporates prior requested changes and is linked to the supporting budget spreadsheets.
- The Budget Committee and Board discussed the changes between budget versions.
- Megan invited Board members to review the version 2 budget and raise any questions, concerns, or suggested changes before the final version is brought back for approval in August.
- The Board discussed several areas of the draft budget, including project expenses, stipends, scholarships, communications, personnel costs, and how general operations costs are supported through project revenue.

- The Board also discussed a potential ATV/UTV-related (all-terrain vehicle/utility terrain vehicle) expense to support fieldwork on project sites with difficult access.
- The Board suggested increasing operational expenses in rental equipment and communications.

5.3 Report on completed FY23-24 audit

- LCRCD Full Charge Bookkeeper Jing Wang provided an overview of the completed FY23–24 audit, noting that the auditors issued an unmodified opinion, which was described as the best audit opinion the District could receive.
- Jing explained that the auditors did not identify material weaknesses, fraud, or misleading financial statements. He noted that the main issue identified was an accounting/cutoff issue related to transactions not being accrued correctly at fiscal year-end. He also noted that the auditors recommended accounting adjustments, which will be applied and are reflected in the final audit report.
- Jing discussed challenges during the audit process, including the transition from the prior auditor to the current auditor.
- The Board discussed past financial reporting issues during FY23–24.

5.4 Updates on recruitment process for vacant Board seat

- The Board discussed the recruitment process for the vacant Board seat, with Margaux Kambara present as a potential candidate.
- Margaux also asked whether Board policies and director roles/responsibilities are available for review. Staff explained that Board policies are not currently posted online but can be shared with a potential Board candidate. Julia stated that she would send Margaux the Board manual, director position description, LCRCD strategic plan, and related materials.
- The Board briefly discussed continued recruitment and whether other possible candidates had been identified for the vacant at-large seat.

6. AGENDA ITEM REQUESTS

- Discussion on FY24–25 audit report.
- Vacant Board seat recruitment update.

7. CLOSED SESSION

Personnel performance review

- Start: 3:08
- Finished: 3:42

8. ADJOURNMENT - The meeting was adjourned at ___3:42_______ p.m. in the closed session.