

September 6, 2016

Regular Meeting

Item #8a

Correspondence

Received

**Additional letter/comments
received in response to
correspondence from Conway
Ranch Homeowner's Association**

Shannon Kendall

From: Floyd Rathbun <rathbun@phonewave.net>
Sent: Monday, September 05, 2016 8:05 PM
To: Fred Stump; Larry Johnston; Tim Fesko; Tim Alpers; Stacy Corless; Shannon Kendall; Bob Musil
Cc: 'Fred Fulstone, Marianne Leinassar, and Kristofor Leinassar'; 'Kristofor Leinassar'; 'Marilyn Symonds'; Tony Dublino
Subject: Agenda Item 8(A) Correspondence from Conway Ranch Homeowners Association September 6, 2016
Attachments: Response to letter from Conway Ranch Homeowners Association 09-05-2016.doc

September 5, 2016

To: Mono County Board of Supervisors

I work for FIM Corporation and was asked to send the attached letter from Fred Fulstone and Marianne Leinassar to each of you because it concerns an item on the agenda for the September 6th meeting.

Agenda Item *(A) scheduled for the September 6, 2016 meeting involves a letter to the Supervisors from the Conway Ranch Homeowners Association that is very critical of the effort that FIM Corporation has put forth in irrigation and management of the Conway Ranch. FIM Corp won't be able to attend tomorrow's meeting but did want to take this opportunity reply to the Homeowners Association letter and more importantly ask you as Supervisors to encourage Tony Dublino to complete some needed repairs to the diversion ditch from Virginia Creek.

Please feel free to contact FIM Corp family members directly or if you wish feel free to contact me and I will provide any additional information you might need.

Thank you for your attention.

Floyd Rathbun
Certified Range Management Consultant
Fallon, NV
(775)423-4267
rathbun@phonewave.net

FRED FULSTONE, JR.
MARIANNE F. LEINASSAR
Phone: 775-465-2381
Fax: 775-465-1200

F.I.M. CORP.

Farming and Livestock

P.O. BOX 12
SMITH, NEVADA 89430



September 5, 2016

Mono County Board of Supervisors
P O Box 644
Bridgeport, CA 93517

re: FIM Corporation response to letter from Conway Ranch Homeowners Association to the Board of Supervisors dated August 15, 2016.

The Board of Supervisors agenda for September 6, 2016 includes correspondence dated August 15, 2016 from the Conway Ranch Homeowners Association as Agenda Item 8(A) and referred to as the "Association" below.

This Association letter accuses us (FIM Corporation) of failing to meet our responsibilities as the lessees of the Conway Ranch and Mattly Ranch and further accuses the County of making false statements in your "*Mono County Conway Ranch Strategic Plans 2014 through 2016*" when the County states that "*FIM Corporation has been successful in their irrigation duties.*"

This Association has not contacted FIM Corporation and we have no knowledge of who the Association represents or if the Association is comprised of several people or just one person using this name for purposes of anonymity. Please let whoever it is know that he/she is welcomed to contact us directly to discuss any problems that can be identified at the Conway Ranch.

Since this Association has made remarks that amount to personal attacks against the character of our family members we thought we should send a letter to the Supervisors too.

Immediately below are some comments in response to the Association statements and those are followed by topics that we believe would solve the Association's concern that not enough water is being applied to Conway:

RESPONSE TO ASSOCIATION LETTER

- A. Association is mistaken about when we started our summer's work at Conway Ranch. Association falsely accuses FIM of only being "...present on the ranch (Conway and/or Mattly) during late summer and fall." We started irrigating the

Mono County Board of Supervisors

re: FIM Corporation response to letter from Conway Ranch Homeowners Association to the Board of Supervisors dated August 15, 2016.

FIM Corp

September 5, 2016

Page 2

property on the first of March with two of our employees serving as irrigators and we have been irrigating all summer.

- B. Association makes a peculiar comment to the effect that FIM only irrigates areas “...of the property that financially benefit FIM”. We can’t understand what Association is trying to prove with this accusation but please explain to Association that the County can only apply irrigation water to the area where the County has a water right for beneficial use of agricultural irrigation. That is where FIM irrigates and cannot irrigate any other areas lawfully.
- C. Association makes a dramatic accusation that there has been “...destruction of miles of wildlife habitat on Conway Ranch.” FIM Corporation as lessee of Conway and Mattly has not destroyed any wildlife habitat.
- D. It would appear that the Association remarks are specific to “willows” they believe should be grown within the irrigation ditches but we can’t tell if there is some other form of wildlife habitat that the Association is concerned about. Please ask the Association to clarify their remarks and to be a little more specific about the extent of “destroyed” habitat. For example the Association apparently has concluded that willow areas can be measured in lengths of miles rather than square feet or acres. Association also implies that certain wildlife only inhabits the particular species of willows found on the Conway Ranch but fails to tell us what that species of willow is and what species of wildlife have been known to only occupy the willows.
- E. Association claims that many species of wildlife have “evacuated” from the property but fails to say what species and give any indication of past abundance. It is our observation that a number of wildlife species have increased since FIM began leasing the property. Sage grouse in particular are more commonly seen and that should indicate they have increased in numbers and in time spent within the property. So please ask the Association for more specific information about the accusation that wildlife has been harmed by management of the Conway.

MANAGEMENT AND CAPITAL IMPROVEMENT NEEDED FOR CONWAY RANCH

1. We are only able to get about 1.5 cubic feet per second of water for irrigation of 390 acres of pasture. Six (6) cubic feet per second of water is the permitted (decreed) diversion from Virginia Creek but due to lack of maintenance and repair the Virginia Creek diversion ditch cannot transport 6 cfs. Much of the restriction of water flow is within the Mono County easement across property that belongs to John Webb. He has stated he does not want FIM employees to enter the easement to clean the ditch and in the interest of county relations with Mr. Webb we have complied. Now, after several years that Conway has

Mono County Board of Supervisors

re: FIM Corporation response to letter from Conway Ranch Homeowners Association to the Board of Supervisors dated August 15, 2016.

FIM Corp

September 5, 2016

Page 3

been short of water we need the County to do that ditch maintenance work, hopefully very soon. Tony Dublino is well aware of the situation but apparently needs the support of the Supervisors to solve the problem.

2. That initial sections of irrigation diversion ditch from Virginia Creek needs to be made larger to handle the greater flow of water and in some portions needs to be cleaned so the gradient of the ditch can be restored and the water will flow properly. The section of ditch needing more "fall" or grade is about one mile up from the highway.
3. In 2014 the Virginia Creek ditch washed out during a cloud burst and in turn washed out the Chichester ditch. We paid \$2500 to repair the Chichester ditch and believe we should be reimbursed by the county since the problem was caused by a rain storm in the middle of the night.
4. Before FIM included the irrigation duties in our contract the previous water master (John) was paid \$14,000 per year for irrigation of the pastures.
5. Mr. Lyster put out a bid for water master and learned that the county would have to pay \$28,000 per year for irrigation services.
6. FIM Corp has agreed to do this irrigation/water master service for \$6,180 per year and we are clearly losing money because of the cost of employee pay and travel.
7. We have spent about \$5,000 of our own money to rebuild the lower Mattly Ditch. The ditch repair was nearly two miles in length and much of it was in solid rock. We need a big head of water to effectively irrigate and we need a bigger culvert on the Edison Road.

Please keep in mind that it is part of the nature of a working ranch such as the Conway Ranch that is irrigated by surface (gravity) flow of water to gradually have increased areas of willows and other water loving plant species. During dry (drought) years the willows and other species die off and during maintenance work some of the plants are removed but they always grow back. Over the long term we see Irrigation ditches produce dense stands of willows and the irrigated pastures take on the general appearance of "meadows" when soils remain wet or water logged. Those plant species that require wet soils are a product of inefficient forms of irrigation so the inefficiency provides a desirable outcome. Grazing that is applied to ranches such as this is very beneficial to the health and vigor of the plants. It has been agricultural irrigation and management that resulted in the Conway irrigated pastures taking on the appearance that so many people find attractive.

September 6, 2016

Regular Meeting

Item #9a

CAO/Finance

Power Point/

Additional Budget

Documents

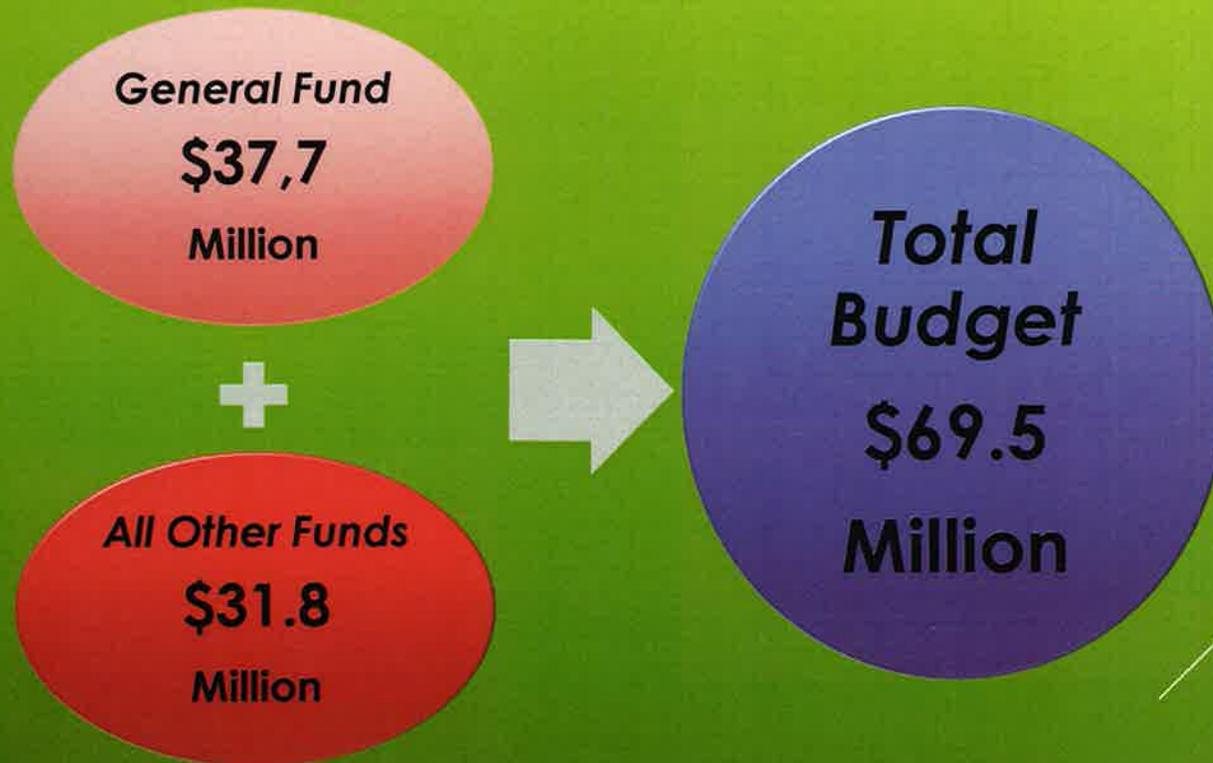
WELCOME
TO THE
2016-17 MONO COUNTY
BUDGET HEARINGS



AUGUST 11TH BUDGET WORKSHOP— WHERE WE LEFT OFF.....

- \$ Strategic plan refresher including one-year focus areas**
- \$ Departments presented their 2016-17 work plan and discussed how the 2016-17 goals relate to the 2016-17 strategic focus areas**
- \$ Discussed budget strategy and the importance of matching ongoing expenses and revenues and segregating one-time revenues for one-time expenditures such as capital projects**
- \$ Discusses balancing strategies for the \$513,000 gap between department requested budgets and the projected carryover general fund balance.**

MONO COUNTY FY 2016-2017 TOTAL BUDGET



NON-GENERAL FUND:

REVENUES \$ 30,832,995

EXPENDITURES \$ 31,813,612

CARRYOVER FUND BALANCE \$ 980,617

GENERAL FUND:

REVENUES	\$ 34,539,971
EXPENDITURES	<u>\$ 37,655,427</u>
CARRYOVER FUND BALANCE	<u>\$ 3,115,456</u>
AVAILABLE FOR POLICY ITEMS	<u>\$ 884,544</u>

HOW DID WE GET FROM A \$513,000 GAP TO A BALANCED BUDGET?

- ▶ Revenue Adjustments based on more accurate information - \$140,000
- ▶ Salary savings from unfilled positions and delayed departmental restructures- \$541,830
- ▶ Adjusted Fund Balance Carryover estimate from \$3.8 to \$4 million based on strong 4th quarter revenues so far..

THIS BUDGET IS SUFFICIENT TO:

- ▶ Continue providing core services and programs.
- ▶ Restore MCPEA salaries after two years of furloughs, include MCPEA 2 percent cost of living adjustment scheduled for January 1, 2017 and restore step increases.
- ▶ Partially fund the gap caused by a reduction in Highway User Tax for roads and provide minimal funding for road maintenance and repairs. This year's CAO Recommended Budget includes a general fund contribution to Roads of \$850,000 which includes additional funding for road maintenance and repairs of \$200,000.
- ▶ Continue funding the County Emergency Medical Services without decreasing service levels and potentially purchasing two cardiac monitors.

THIS BUDGET IS SUFFICIENT TO:

- ▶ **Maintain Mono County's commitment to the Senior Services Program**
- ▶ **Meet Mono County's administrative policy to budget 1 percent of general fund expenditures for contingencies.**
- ▶ **Transfer \$256,909 to General Fund Reserves meeting the policy minimum.**
- ▶ **Move up to \$541,830 of salary savings into an economic stabilization fund for future personnel actions and/or other unfunded projects.**

WHAT'S NOT INCLUDED IN THE BUDGET

- ▶ **Comprehensive salary survey and staffing analysis implementation costs, including proposed restructures**
- ▶ **Future fiscal impact resulting from negotiations with bargaining units as MOU's expire.**
- ▶ **Fund the jail construction project beyond the initial funding commitment of \$203,000. It is unknown at this time what the County's local investment will be in the project or when the full amount of the County's commitment needs to be appropriated.**
- ▶ **Provide funding to fully satisfy CARB Compliance. This budget uses carryover funding to purchase the two vehicles budgeted last year but delayed until this fiscal year.**

WHAT'S NOT INCLUDED IN THE BUDGET

- ▶ **Restore County Reserves beyond the policy minimum.**
- ▶ **Set aside funding for South County Facility solutions.**
- ▶ **Set aside funding for the radio network replacement. Capital expenditures of \$307,692 were included, but this is insufficient to complete the replacement of the radio network.**
- ▶ **Funding to replace phone systems with VoIP is not included. Only a token start-up amount of \$25,000 is requested as a policy item.**
- ▶ **Include a long-term solution for the Bridgeport Clinic and/or Inmate Medical Services. The Bridgeport Clinic was funded at last year's amount. The budget for Inmate Medical Services was increased by a modest \$26,500.**

WHAT'S NOT INCLUDED IN THE BUDGET

***Excess Educational Revenue
Augmentation Fund Refund
(ERAF)***

\$770,000

ECONOMIC STABILIZATION FUND

A savings account to be used for smoothing out the impacts of moderate fluctuations in the economy. It can also be used as a set-aside for salary adjustments due to equity study results or MOU negotiations and/or capital purchases or improvements.

ECONOMIC OUTLOOK

“Early indications of an anticipated economic downturn tempered some legislative requests and focused the final overall budget plan on greater long-term savings. The first month of state revenues under the new budget showed a dip in all of the “big three” revenue resources (personal income tax, corporate tax, and sales tax) compared to estimates.”

NEXT.....

- ▶ **CONDUCT BUDGET HEARING**
- ▶ **APPROVE BUDGET AS AMENDED AND ADOPT PROPOSED RESOLUTION**
- ▶ **APPROVE TRANSFERING UNANTICIPATED REVENUE TO ECONOMIC STABILIZATION FUND**
- ▶ **APPROVE THE COUNTY POSITION ALLOCAITON LIST AS PRESENTED OR AMENDED**
- ▶ **PROVIDE ADDITIONAL DIRECTION TO STAFF**



GENERAL FUND POLICY ITEMS
FOR THE 2016-17 BUDGET YEAR

County of Mono
General Fund Policy Items for 2016-17 Budget Year

	<u>Amt Requested</u>	<u>Comments</u>	<u>Prior Year Board Approved</u>	<u>Approved</u>
Board of Supervisors				
General Fund Reserve (Bring to 5% of Current Expenditures)	\$ 256,909	Brings balance up to policy min (\$1,920,000)	38,934	256,909
Economic Stabilization	541,830	Seed money for Salary Survey Adj & Reorg.	-	347,516
CIP Fund - Park Improvement Set-aside: Benton	2,500	Requested by Supervisor Stump	5,000	2,500
CIP Fund - Park Improvement Set-aside: Chalfant	2,500	Requested by Supervisor Stump	2,000	2,500
CIP Fund - Com Center Improvement Set-aside: June Lake	5,000	Requested by Supervisor Alpers	-	5,000
Memorial Bench for Kathy Delhay	2,500	Requested by Citizen Shaun Filson	-	-
Property Tax Admin Fee Refund (6 smallest fire districts)	20,000	Based on prior year amounts	20,000	20,000
Economic Development				
Economic Development - Tourism:				
Film Commission Marketing Support	5,000	Annual Request	5,000	5,000
California State Fair Exhibit and Interagency Visitors' Center	10,000	Annual Request	10,000	10,000
Tourism	100,000			
Community Event Marketing Fund	40,000	Annual Request	20,000	20,000
Contribution to Mono Historical Societies	6,000	Annual Request	6,000	6,000
Trail Maintenance Program	8,500	Annual Request	8,500	8,500
Airport Emergency Response Program				
Air Service Subsidy	100,000	Annual Request	50,000	50,000
Arts & Culture	40,000	Annual Request	5,000	10,000
Contribution to Youth Sports Program	12,000	Requested by Supervisor Corfess	6,000	8,000
Trails Development	10,000	Requested by Supervisor Corfess	-	7,500
Public Health - EMS Division				
Replacing of (2) Cardiac Monitors	75,000	Current equipment has hit end of life	-	75,000
Clerk-Recorder / Elections				
Software for Form 700 Statements for filming/processing	30,119	New software requested	-	30,119
Replace Elections processing hardware/software	66,393	\$41,198 partial grant funding may be available later this year	-	-
Information Technology				
Begin Replacement of Adtran VoIP/Avaya phone systems	25,000	Current equipment will hit end of life in 2018	-	-
Public Works				
Facilities: Mono Lake Improvements	20,000	On-going project	-	20,000
TOTAL GENERAL FUND POLICY ITEMS	1,379,251	TOTAL		884,544
TOTAL AVAILABLE TO ALLOCATE	884,544	BALANCE TO ALLOCATE		-