

Board Meeting Minutes
June 5 – 6, 2013
West End Theater
541 Main Street
Quincy, CA 95971



I. Call to Order

Board Vice-Chair Tom Wheeler called the meeting to order at 8:58 AM.

II. Oath of Office for New Boardmembers

Deputy Attorney General Christine Sproul administered the oath of office to the following incoming Boardmembers: Shasta County Supervisor Pam Giacomini (North Subregion), Mariposa County Supervisor Kevin Cann (South Central Subregion), and Jerry Bird, an alternate Boardmember from the U.S. Forest Service.

III. Roll Call

Present: Todd Ferrara, Este Stifel, Pam Giacomini, Bob Kirkwood, Byng Hunt, Tom Wheeler, Sharon Thrall, John Brissenden, Bob Johnston, Kevin Cann, and Jerry Bird

Absent: BJ Kirwan, Ron Briggs, and Don Neubacher

IV. Approval of March 7, 2013 Meeting Minutes (ACTION)

There were no changes to the meeting minutes.

Action: Boardmember Brissenden moved and Boardmember Johnston seconded a motion to approve the March 7, 2013 meeting minutes. Boardmembers Giacomini and Thrall abstained from voting. The motion passed.

V. Public Comments

There were no comments from the public.

VI. Board Chair's Report

Board Vice-Chair Wheeler thanked everyone involved with the previous day's field trip to the Feather River Community College fish hatchery and the Heart K Ranch, as well as the reception at the Heart K.

VII. Executive Officer's Report (INFORMATIONAL)

The Sierra Nevada Conservancy (SNC) Executive Officer Jim Branham updated the Board on a number of SNC initiatives and activities.

a. Outreach and Communications Update

Branham noted that Kerri Timmer had left the SNC for a job with the Sierra Business Council and that Angela Avery was promoted to fill Timmer's position as manager of the Regional Policy and Programs Division.

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Avery said she is excited to lead the team and to develop opportunities to help communicate the value of the Sierra. The recently released Proposition 84 Grant Program Report highlights some of the successes of the program, and demonstrates what the Conservancy can do with funding vehicles, such as a state water bond or revenues from “cap and trade” auctions, should that funding become available.

The report is available electronically on the SNC web site, and was mailed out to more than 100 people, including current and former SNC Boardmembers, California Natural Resources Agency Secretary John Laird, other California Conservancies, State legislators, key organizations and Tribes. In addition, the report will be presented in upcoming meetings with the boards of supervisors in the Sierra’s 22 counties.

The report includes an interactive story-telling map, which outlines the watersheds of the Sierra. Avery added that there is an upcoming field trip being planned for Sierra legislators and their staff. Two more legislative field trips are being planned.

Avery said the water bond is not faring well in public polls right now, but voter opinion might change if the state were to move into a drought.

On the issue of “Cap and Trade” auction revenue, Avery reported that in April the SNC provided comments to the California Air Resources Board about using these revenues for forest restoration in the Sierra. However, the Governor, in his May revision of the state budget, stated he is not ready to finalize the plan for spending those revenues. Avery said the Governor’s plan was to borrow \$500 million from these revenues to help with State General Fund issues.

Avery said next steps for the Regional Policy and Programs Division is to start working on the Annual Report and upgrades to the SNC web site.

Branham added that there is a lot of uncertainty about the upcoming water bond and the Governor’s plans for the Delta. He says the SNC and the Board need to keep delivering the message that any water bond that does not include the watersheds is incomplete by definition. He urged the Board to continue to help make the connection.

On the “Cap and Trade” auction revenue issue, Branham said he has met with Secretary Laird and his staff, and with Cal-EPA, with the assistance of Boardmember Bird. He added that forest management work has a very strong nexus to watershed health and carbon sequestration.

Board Vice-Chair Wheeler said he believed it is more effective to meet directly with the legislative members themselves, rather than staff.

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Branham added that legislative tours the SNC is planning are the best way to do that. He added that Assembly Member Brian Dahle has been a champion of Sierra issues and would be organizing the upcoming tour.

Boardmember Cann said a recent water bond presentation to the California State Association of Counties' Legislative Conference by a representative from the California Natural Resources Agency was not well received.

b. Administrative Update

SNC Administrative Chief Theresa Parsley reported that there were no changes to the SNC's budget in the May revise, and that it appears furloughs will end with the current fiscal year. Labor union talks are underway and results are expected by July 1.

Parsley reported that project #731 to the Sequoia River Lands Trust in Tulare County has been withdrawn due to declining land values. The project's grant award of \$347,000 was intended to support the acquisition of a conservation easement in the White River Watershed. She added that staff has not yet entered into grant agreements for the two additional projects awarded by the Board in March:

- Greenhorn Creek Restoration Project by the Plumas Corporation; and,
- Butte Creek Meadow Restoration Project, awarded to the Pit Resources Conservation District in Lassen County.

Parsley said these two projects represent \$636,000 in awards. If the SNC were ultimately unsuccessful in entering into grant agreements for these projects, those funds would be included in the next grant round. That would mean over \$3 million would be available for the Healthy Forests and Abandoned Mine Lands grant program.

c. Proposition 84 Report

Branham announced the release of an interactive report, "*Investing in California's Watershed*," on the successes of the SNC's Proposition 84 projects in the Sierra. The report features an interactive map and examples of a variety of projects. He said The Nature Conservancy is working with SNC to make more improvements on the map. Branham added that the issues surrounding the Delta are obscuring the needs of the upper watershed in the Sierra.

Branham said the report has been well distributed, both electronic and hard copy versions. He said it is important to celebrate the SNC's ability to disperse \$50 million in Proposition 84 funds thus far to valuable projects throughout the Sierra, and that it is a testament to SNC's Staff, the Board, and partners in the Sierra.

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Boardmember Kirkwood added that the SNC has distributed those funds a lot faster than some other agencies have.

Boardmember Brissenden asked for bullet points and contact information about each project to assist Boardmembers in their communications as they travel throughout the Region.

Branham said he is looking forward to developing some of these tools because there is a long list of successful projects.

Kirkwood asked if the videos can be placed on TV and what can be done to get major media outlets involved, like some larger agencies have.

Branham said the SNC has been trying to get larger market media involved in telling the story but have not been successful to date.

Boardmember Johnston suggested working with the environmental and outdoor sports reporters with the San Francisco Chronicle and the Los Angeles Times, as well as the development of a strong press strategy. He added that a packet should be put together for each member of the Legislature.

Branham said a packet has been developed for each Sierra legislator.

Boardmember Hunt said the county supervisors on the Board have access to their local press and should be helping to carry the message. He asked for some small public relations pieces for Boardmembers to share with their local reporters.

Branham said the SNC is beginning a tour to present to all 22 counties and will be looking for the supervisors' help.

Board Vice-Chair Wheeler said the SNC needs to educate the masses, noting that the U.S. Forest Service is using corporate advertising partners.

Branham said the SNC's focus is to educate the people who are making the decisions in the Legislature, something that is more manageable. He added that educating 30 million Californians would be more difficult, and that more help is needed from some of the SNC's larger partner agencies.

Branham acknowledged the attendance of former Plumas County Supervisor Robert Meacher, who has been a strong supporter of the issues of the upper watershed for many years. He indicated much of the work the SNC is undertaking builds upon Meacher's past efforts.

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- d. Federal Partner Presentation – U.S. Forest Service
Boardmember Bird introduced Earl Ford, Forest Supervisor, Plumas National Forest.

Ford welcomed the Board to Plumas County. He said he has been in the Forest Service for 40 years, and this is the most exciting job he has had. He said the Feather River watershed has 35,000 square miles, making it one of the largest in the State. He noted that there are 20,000 people in Plumas County, but the area provides water for 15 million users. He provided a general overview of key issues facing the Plumas National Forest.

Branham took the opportunity to thank the Quincy Chamber of Commerce for the packet of information. He also acknowledged the attendance of John Sheehan who he said is among many in Plumas County who have been working on these issues for a long time, citing his work with the Quincy Library Group and Plumas Corporation.

VIII. Deputy Attorney General's Report (INFORMATIONAL)

Deputy Attorney General Christine Sproul gave an update on proposed bills in the Legislature regarding California Environmental Quality Act (CEQA). The sweeping changes that were being proposed are going nowhere. One bill, SB731 (Steinberg) is moving forward. However, at this point there are few provisions moving forward that would have any significant impact on SNC.

Wheeler said that information garnered from his recent visit with the Legislature in Sacramento also indicated that nothing was going to happen with CEQA this year.

IX. Waiver of Conflict Of Interest – State Coastal Conservancy Legal Services (ACTION)

The Board considered a waiver of potential conflict of interest related to an interagency agreement with the State Coastal Conservancy's (SCC) for legal services.

Branham noted that the SNC does not have full-time legal counsel and intends to enter into an agreement with the SCC for legal services related to human resources, contracting, and other administrative matters. The Board action is a pro forma acknowledgment that the SNC is aware of a potential for a conflict of interest on any given matter in the future. While Branham noted that it is unlikely for such a conflict to occur, when an attorney wants to represent more than one client, current laws and rules require that both clients make such an acknowledgement. Branham said that the SCC Board had already taken such action.

Sproul said this waiver does not restrict either agency from working with their counsel in the Attorney General's office to resolve *actual* conflicts of interest that may arise, adding that the Board is not waiving its right to deal with such conflicts. She noted

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that the staff recommendation is to authorize Branham to resolve any actual conflicts of interest should they arise.

Boardmember Ferrara asked if the SCC represented other agencies.

Parsley noted that the SCC is providing other administrative services to other conservancies, but the SNC would be the first to enter into an agreement for legal services.

Boardmember Brissenden asked why we don't use Ms. Sproul to provide these services.

Sproul responded that she does not have as much expertise in administrative matters.

Action: Boardmember Kirkwood moved and Boardmember Hunt seconded a motion to approve the Waiver of Conflict of Interest with the State Coastal Conservancy Legal Services and direct staff to enter into a contract and authorize the Executive Officer to execute the contract. The motion passed unanimously.

X. **Proposition 84 Draft Grant Guidelines (ACTION)**

Branham reviewed the Board packet and the public outreach process that has taken place. The amount of dollars available for this grant round will likely grow, as projects cannot be completed or fulfilled.

Branham said this round would be a more ongoing, collaborative process, rather than a hard deadline for grant applications. He added the SNC would be more proactive in addressing the National Environmental Policy Act (NEPA) and California Environmental Quality Act (CEQA) issues on projects on federally managed lands. If the NEPA process has been completed, the SNC may undertake the additional analysis needed to meet CEQA requirements. Branham also reported that the SNC is developing a screening tool for staff use.

Boardmember Bird said that recently the Lahonton Regional Water Quality Control Board used this same NEPA/CEQA streamlining process.

Boardmember Johnston asked how the "no-deadline" approach would work in the new grant round.

Boardmember Kirkwood added that the new approach would reinforce the programmatic efforts of the SNC.

Branham said the SNC has enough known partners with good projects to enable the distribution of these limited funds, so a single hard deadline would not be needed for this small amount of money.

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Public Comment:

Izzy Martin, C.E.O. of The Sierra Fund, said this is a very creative grant program and applauded the inclusion of legacy mine cleanup. She said The Sierra Fund is working to bring attention to these issues, and is leading tours of the Yuba River Watershed, including one with Assembly Member Brian Dahle and other members of the Legislature in a few weeks.

Action: Boardmember Kirkwood moved and Boardmember Brissenden seconded a motion to approve the 2013-14 Proposition 84 Grant Guidelines and direct staff to take necessary actions to implement the program. The motion passed unanimously.

XI. End-of-Year Report on 2012-13 Action Plan (INFORMATIONAL)

SNC Assistant Executive Officer Joan Keegan reported the SNC has made significant progress on most of the deliverables from the Action Plan, despite some of the challenges faced due to staffing and other issues.

Keegan said the two initiatives where the SNC did not make significant progress in the past year are the Mt. Whitney Fish Hatchery and the Pacific Stewardship Council. The lack of progress was due to the constraints of our partners. She reviewed the highlights contained in the staff report.

Boardmembers Kirkwood and Wheeler complimented Keegan on a good report on a good year's work.

Boardmember Cann added his congratulations for setting short-term action plans and then following up on them, getting focused work done.

XII. 2013-14 Action Plan and Amendment to Strategic Plan (ACTION)

Keegan presented the proposed Action Plan for the 2013-14 fiscal year and recommended changes to the current Strategic Plan to incorporate Abandoned Mine Lands activities. Keegan reported that the SNC continues to pursue and receive input from throughout the Region. General feedback from the Region indicates people like what the SNC is doing.

Keegan noted that the new Action Plan is organized somewhat differently. For example, Biomass Utilization now is its own initiative owing to the new roles defined for the SNC by the 2012 California Bioenergy Plan. She also reported that funding efforts have been weaved into other activities. The major change recommended is the addition of the Abandoned Mine Lands initiative to the Strategic Plan, recommended per direction from the Board at the last meeting.

Keegan asked the Board to approve the Action Plan and amendment to the SNC Strategic Plan. She highlighted activities identified in the staff report

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Keegan said this is an aggressive plan, but that preliminary workload analysis indicates the SNC can take on this workload. She noted that if this turns out to be more work than expected the plan may be scaled back, but that the Board will be kept informed of significant changes.

Boardmember Kirkwood said he believes the original purpose of the Abandoned Mine Land initiative was to reinforce natural upstream storage of water, however he has concerns that as it is currently written, it seems to indicate that the SNC would be doing work to maintain man-made dams in the upper watershed. He suggested changes to ensure that the work is focused on treating meadows and forests to increase water capacity and improve forest health through fuels reduction. Kirkwood indicated he would like to see changes made to clarify the actual intent of the program.

Branham said the SNC understands Kirkwood's concerns and recommended approval of the item, while working with the Board on modifying the language.

Boardmember Wheeler noted that many reservoirs in the Sierra are full of sediment, which reduces storage, and that it is important for the SNC to work with agencies that own and operate reservoirs.

Kirkwood agreed, but added that where a dam operator benefits from sediment prevention or removal, there ought to be some payment for the restoration work being done upstream.

Boardmember Johnston suggested the language to read "reducing sedimentation in reservoirs and lakes."

Boardmember Cann said he strongly supports the SNC moving forward as soon as possible with working on this issue. He said this component of the Action Plan is an issue that is exploding in his county, and the SNC can be a good catalyst to make progress.

Branham said the SNC would work on language that would satisfy the Board's concerns that investment should be above the dams, while still allowing for the SNC to bring awareness of existing sedimentation in reservoirs.

Action: Boardmember Kirkwood moved and Boardmember Brissenden seconded a motion to approve the 2013-14 Action Plan and to amend the current Strategic Plan, with modifications as discussed. The modified Strategic Plan will be distributed to Boardmembers. The motion passed unanimously.

XIII. Change of Grantees (ACTION)

The Board was asked to modify two previously authorized SNC Grants for purposes of changing the grantees.

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- a. SNC 317 – Willow Creek Watershed Restoration Planning Project
Action: Boardmember Hunt moved and Boardmember Brissenden seconded a motion to approve the transfer of Grant SNC317 from Coarsegold Resource Conservation District to the Yosemite/Sequoia Resource Conservation and Development Council and direct staff to prepare appropriate documentation to the facilitate the transfer. The motion passed unanimously.
- b. SNC 079 – Yuba River Wildlife Area – Rice’s Crossing Priority Acquisition Project
Action: Boardmember Thrall moved and Boardmember Hunt seconded a motion to approve the transfer of Grant SNC079 from The Sierra Fund to the Bear Yuba Land Trust and direct staff to prepare appropriate documentation to the facilitate the transfer. The motion passed unanimously.

XIV. Updates on Various SNC Activities (INFORMATIONAL)

- a. Sierra Nevada Forest and Community Initiative (SNFCI)
Branham said that throughout the Sierra, this Initiative has proven to be very fruitful. The collaborative group work continues and the SNC is helping to keep the momentum going for them.

The SNC hopes to report at the next Board meeting in September about the different and more favorable pricing structure created through legislation last year. The Public Utilities Commission is working on this process now.

Branham reported that at a meeting last week U.S. Regional Forester Randy Moore indicated that there has not been a single project in the Sierra Nevada in the past two years that has been litigated. In contrast, Siskiyou County has seen nearly every forest project has been blocked by litigation. Branham credited the success with Sierra Nevada projects to collaborative efforts, like those involved in SNFCI, strong leadership in the conservation community from Craig Thomas and Susan Britting with Sierra Forest Legacy, and others. He added that the pace and scale of forest management work in the Sierra needs to increase, and as it does, there always exists the possibility for more litigation.

Boardmember Kirkwood asked about the progress on the California Department of Forestry and Fire Protection’s Environmental Impact Report on vegetative management. He added that it is unlikely that the process will be of any value to the upcoming SNC grant program.

- b. Mt. Whitney Fish Hatchery Update
Mt. Whitney Area Manager Julie Bear reminded the Board that this effort began as a desire on the part of the former Director of the California Department of Fish and Wildlife (DFW) for DFW to transfer ownership of this property to another entity since it can no longer be operated as a hatchery. Operated currently by the

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Friends of the Mt. Whitney Fish Hatchery, Bear said that the facility is a cherished site for Inyo County residents both because of its historic significance and as a community resource. The SNC continues to explore the potential to accept ownership of the property on a temporary basis in order to facilitate a transfer of the property to Inyo County, should such a transfer align with the SNC's mission and meet all DFW and other State requirements.

Bear said Inyo County has hired a new person who will be facilitating this process on behalf of the county. SNC will help to continue the flow of information and monitor and assist with the process.

Boardmember Hunt stated that this is another example of how the SNC has helped to facilitate important issues in the Region.

Boardmember Stifel asked if the property would come without strings attached.

Branham said that there would be constraints on future use as defined by the DFW and that the SNC would need to assure that future use would align with our mission before a transfer could occur.

XV. Boardmembers' Comments

Boardmember Bird thanked the Board for the opportunity to participate in the meeting. He noted that the tour and the events of the previous day were great. He said the U.S. Forest Service is still taking comments on its "Leadership Intent for Ecological Restoration" plan and expects it will be finalized next year. He invited comments from the public and the Board.

XVI. Public Comments

There were no comments from the public.

XVII. Adjournment

Board Vice-Chair Wheeler announced the next meeting will be in September in Tulare County and adjourned the meeting at 11:00 AM.