

**Board Meeting Minutes**  
**December 5 – 6, 2012**  
**Caltrans – District 3**  
**Sierra Nevada Conference Room**  
**703 B Street**  
**Marysville, CA 95901**



**I. Call to Order**

Board Chair BJ Kirwan called the meeting to order at 9:04 AM.

**II. Roll Call**

**Present:** Sherrie Thrall, BJ Kirwan, Bob Johnston, Bob Kirkwood, Lee Stetson, John Brissenden, Linda Arcularius, Ted Owens, Todd Ferrara, Tom Wheeler, Este Stifel, Karen Taylor-Goodrich, and Bernie Gyant

**Absent:** Brian Dahle and Pedro Reyes

**III. Approval of September 6, 2012 Meeting Minutes (ACTION)**

There were no changes to the meeting minutes.

**Action: Boardmember Arcularius moved and Boardmember Brissenden seconded a motion to approve the September 6, 2012 meeting minutes. The motion passed unanimously.**

**IV. Public Comments**

There were no public comments at this time.

**V. Board Chair's Report**

Board Chair Kirwan asked Deputy Attorney General Christine Sproul to administer the oath of office to incoming Boardmember Sherry Thrall of Plumas County.

**VI. Election of a Vice Chair for 2013 (ACTION)**

Board Chair Kirwan noted that former Boardmember and Lassen County Supervisor Brian Dahle has been elected to serve in the State Assembly. Dahle was one of the Sierra Nevada Conservancy's (SNC) inaugural Boardmembers.

Kirwan asked for nominations to replace Boardmember Arcularius as the Vice Chair on the Board for 2013.

**Action: Boardmember Arcularius moved and Boardmember Kirkwood seconded a motion to approve the nomination of Boardmember Wheeler as the Vice Chair for 2013. The motion passed unanimously.**

**VII. 2013 Board Meeting Schedule (ACTION)**

SNC Assistant Executive Officer Joan Keegan noted that with this meeting the Board has now met in all of the Sierra Nevada's 22 counties. She announced that Executive Officer Jim Branham was not able to attend due to the birth of his grandchild, Cecilia. Keegan presented the schedule for the Board's quarterly Board meetings, noting that the March meeting would be held in Sacramento. This location was chosen so that

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the SNC and its Board could meet with policy-makers in Sacramento and to continue to educate them as to the importance of the Sierra.

The following schedule was proposed for 2013:

- March 6 & 7, Sacramento
- June 5 & 6, North Subregion, Lassen County
- September 4 & 5, South Subregion Tulare County
- December 4 & 5, North Central Subregion, Plumas County (may be changed based on weather considerations)

Kirwan thanked SNC Staff and The Sierra Fund Director, Izzy Martin for their work in organizing a very worthwhile and educational Board tour the previous day.

Boardmember Kirkwood added his appreciation for those involved in the tour of the olive oil company and to those who treated the Board to a reception with all local food, prepared by Yuba College culinary arts students.

Boardmember Wheeler noted that both the Chair and Vice Chair would not be in attendance for the September Board meeting and asked if the date could be moved to the following week. Keegan said it could be looked at as an option.

**Action: Boardmember Wheeler moved and Boardmember Brissenden seconded a motion to approve staff recommendation for the 2013 Board meeting schedule and direct staff to research moving the September meeting for Chair or Vice Chair to attend. The motion passed unanimously.**

### VIII. Executive Officer's Report (INFORMATIONAL)

#### a. Administrative Update

SNC Administrative Chief Theresa Parsley said the SNC was notified that it was going to be subject to the State Personnel Board's (SPB) review, testing compliance with civil service exams, appointments, Equal Employment Opportunity and personal service contracts. Administrative staff is preparing the requested documentation, which is due December 20. The SPB will receive the information and will either accept, reject, or modify the report, but the process will provide valuable feedback to SNC Administration.

Parsley said the SNC is about to conduct its first set of promotional exams for its program class. It will eventually lead to an open exam to create a hiring list, to be used should vacancies occur.

The SNC's Mariposa staff will be moving to a safer and more accessible location on 11<sup>th</sup> Street in Mariposa. Tenant improvements are expected to be completed in April 2013.

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Parsley said the current round of Proposition 84 grants for ranch and agriculture lands is in the evaluation stage. Of the 62 applications received, only three did not pass completeness or eligibility review. The remaining 59 projects are being assessed for California Environmental Quality Act (CEQA) compliance: 34 have passed, while additional information is needed on 25. Parsley said the SNC is optimistic about CEQA compliance with this round of grants. Staff is well on the way to preparing recommendations for the Board's consideration in March.

Parsley then noted with mixed emotions that long time SNC contracts analyst Shelly Sanders has accepted a position with another State department. Shelly has been with the Conservancy for over five years. Parsley said Sanders would be greatly missed, as she was part of the fabric of the SNC.

Kirwan requested Keegan draft a letter of commendation for Sanders, to be signed by the Board Chair.

### b. Mt. Whitney Fish Hatchery Update

Danna Stroud, SNC Mt. Whitney Area Representative, summarized the staff report on this issue, reminding the Board of its visit to this site in June. She said the process for evaluating the possible jurisdictional transfer of the former Fish Hatchery from the Department of Fish and Game (DFG) to the SNC is moving forward. Several processes are underway since the June 2012 Board meeting and are close to being completed, including the following:

- The Wildlife Conservation Board (WCB), acting on behalf of DFG, is completing their due diligence including an appraisal, title report, and Phase 1 environmental report.
- DFG has finalized a draft document identifying areas of concern and restrictions for future use of the facility that will become conditions of a transfer.
- SNC is working with Inyo County on developing an assurance agreement to assure the county that all parties will continue to work on this possible transfer of ownership from SNC to the county (in the event SNC takes ownership). Inyo County is also developing and preparing for a planning process that will create a strategic plan for the facility that will identify possible long-term uses.

SNC Staff is monitoring all of these efforts and expediting discussions as needed among all of the parties involved in this effort.

Boardmember Arcularius thanked Stroud for her work on this project. She added that there would be some decision points next year for both the SNC and Inyo County as to whether the project will move forward.

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c. CA Bioenergy Action Plan – SNC's Role

Keegan said the SNC was pleased to be named in the state plan in an effort to move this issue forward, and introduced Kim Carr who is lead on this issue for the SNC.

Carr gave an outline from the staff report on how the SNC is engaged in biomass energy throughout the Sierra. She said the SNC is continuing to help figure out how to generate the resources, and how to develop new financial and market mechanisms that allow active management of the forests. Senate Bill 1122 (Rubio) adds support to SNC implementing its responsibilities under the Bioenergy Action Plan by requiring large utilities purchase 50 MW of forest biomass energy from from facilities 3 MW or smaller. Carr said it will take a concerted and coordinated effort and SNC is preparing to play a lead role in supporting the development of forest bioenergy facilities in the Sierra Nevada Region.

One of the challenges, according to Carr, is the scarcity of facilities to process the biomass, noting that one has recently closed in Oroville.

Carr presented a map of the Sierra, which indicated that much of the Region is in an area of high fire risk. She said the SNC is working collaboratively with groups in the Region on ways to prevent catastrophic fire through forest treatments, while generating local modest economic opportunity from forest byproduct.

For the past two years, Carr said, the SNC has been engaged in a Biomass Working group whose goal is to coordinate biomass issues among diverse groups. The group now includes other State agencies, universities, the US Forest Service, technical experts, non-governmental agencies, and environmental and industry representation.

Carr noted that SB 1122 (Rubio) was passed in September, requiring the Public Utilities Commission to direct the three large investor-owned utility companies- Pacific Gas and Electric, Southern California Edison, and San Diego Gas and Electric, to purchase at least 250 mega watts (MW) of power derived from bioenergy sources. Of the 250 MW, 50 MW is to come from byproducts of sustainable forest management.

Carr said another important piece of this plan is the involvement of the California Energy Commission, which has a proposal to set aside \$27 million from its EPIC funds to invest in grants for bioenergy projects, research, technology development and deployment. There is a lot of work ahead to address issues surrounding the pricing of the energy produced by these facilities.

Carr said two projects in the Sierra could be operational by 2014 or 2015. The first is the North Fork Mill Site in Madera County, and the other is the Placer County project along Highway 89 near Truckee.

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Boardmember Wheeler thanked Carr for her work on the issue and said the U.S. Forest Service (USFS) has also stepped up to guarantee a source for these biomass plants. He asked if the SNC might be able to tap some of the grant funding available. Carr noted that SNC's consultant Elissa Brown is preparing a grant application for about \$500,000 to submit to CEC for the North Fork mill site.

Boardmember Arcularius said she and Boardmember Dahle have made at least five trips back to Washington D.C. to lobby for biomass energy in the past 10 years. She said the economics must include the full costs of wildfire, including forest health and species lost, in addition to the cost of fighting the fire. She said that on the federal level, many do not realize the impacts of mill closures in the Sierra over the past few decades. She noted these impacts need to be factored in when determining how to spend tax dollars.

Boardmember Gyant echoed Arcularius' comments. He stated that the USFS had budgeted \$905 million for fighting fires, the actual costs turned out to be \$600 million higher than that. The extra \$600 million had to be pulled from their other programs designed to help treat the forest which prevent fires. Using the example of utility transmission lines in the forest, he said it is better to invest in fire prevention measures rather than the more expensive costs of fighting fires.

Boardmember Owens echoed the comments made about the importance of preventing large fires and avoiding the high cost of fighting them. Kirwan thanked Carr for applying her very considerable talents on this issue.

d. 2012-13 Grant Program Update

Theresa Parsley provided a brief update during the Agenda Item VIII a Administrative Update.

e. Central Subregion Report

Assistant Executive Officer Keegan introduced The Sierra Fund Director, Izzy Martin, and thanked her for organizing the previous day's tour on mining issues in the Sierra.

Martin said the Sierra Fund is looking to increase public and private investment in the Sierra to deal with abandoned mines. It has convened a panel of experts from various agencies to try to get a body of documentation about what occurred in the Sierra during the gold mining days.

As a result of this work, Martin said an estimated 47,000 abandoned mines have been identified in California, most of them owned by the U.S. Forest Service and the Bureau of Land Management. Some of these pose serious environmental and physical hazards.

Martin said that as a result of gold mining, there is mercury in the Delta, most of it carried downstream from the Sierra. The State Water Resources Control Board is

putting limits on how much mercury can be in the state's reservoirs, which means that local (city and county) sanitation systems and wastewater districts will likely bear the brunt of the expense to reduce the amount of mercury entering the reservoirs from upstream.

The SNC, Martin said, can play a role by working with local government and other state agencies to find a solution. For example, if the water bond is reopened, SNC could seek funding to reduce mercury discharges at the source. Another possibility might be to seek some of the money that the Department of Parks and Recreation has paid in fines for use in remediation and better management at Malakoff Diggings State Park and other source areas.

The Sierra Fund, according to Martin, believes the best way to prevent mercury from entering the reservoirs and the Delta is to address the issue with the owners of abandoned mines. The Sierra Fund is working with State Parks, via a grant from the SNC, to evaluate the contamination coming from Malakoff State Park.

Boardmember Kirkwood said he felt the SNC should get involved in this issue, and suggested that the next state water bond should include some funding for mercury cleanup. He said this should be appealing on a water quality basis as it affects downstream consumers.

Keegan said the SNC has already starting to pursue involvement and will be following up with Martin and other stakeholders prior to the March meeting in Sacramento.

Kirkwood asked Keegan to consider setting up a wider group, similar to the SNFCI Coordinating Council, to address this issue, and to seek additional funding in the SNC budget for this purpose. Kirwan said she also felt the SNC would be a good vehicle at the state level for dealing with abandoned mines in the Region.

Boardmember Gyant pointed out that water is the "connecting tissue" for all issues: forestry, mining and mercury.

Keegan added that from a staffing perspective, the chances of the SNC receiving additional resources during the State's current budget crisis are not good.

Arcularius said that this is the kind of project that highlights the importance of the makeup of the SNC Board; local government representatives for land use decisions, as well as federal partners and State partners.

**IX. Deputy Attorney General's Report (INFORMATIONAL)**

Deputy Attorney General Christine Sproul said that CEQA reform efforts in the Capitol have been of interest in the Legislature. There have been a number of workshops taking place, coordinated by the Senate Leadership Office. Senator Rubio is the Chair of the Senate Environmental Review Committee. Senator Rubio was the author of a

bill last year that would have made significant changes to CEQA, and Sproul expects another bill will be considered in the spring.

Sproul said there is also a case pending before the State Supreme Court regarding the use of CEQA exemptions which could be before the court by next summer.

**X. Forest System Indicators Report (ACTION)**

Chris Dallas introduced this, the fourth of six System Indicator reports, with an overview of the staff report. He pointed out that the overall Indicators project is developing useful information that will inform our programs and planning and also help partners understand current issues and conditions in the Region, which is something we can all use in justifying needed investment in the Sierra Nevada. The primary author of this report is Susie Kocher, a Natural Resources Advisor and a Registered Forester with U.C. Cooperative Extension. Steve Beckwitt provided GIS development and spatial analysis. Two of the 19 indicators approved by the SNC Governing Board are incorporated into this report: Forest Health and Carbon Storage.

Dallas provided an overview of key data from the report.

Boardmember Brissenden said the SNC should work with federal partners to ensure that money can be spent on public lands, and we should endeavor to be included among the agencies receiving revenue from the State's "cap-and-trade" auctions. He requested a presentation on the SNC's efforts on cap-and-trade at the March meeting.

Keegen said the SNC is advocating for forest health projects to be considered as worthy recipients of cap-and-trade funding because of the positive impact they can have on reducing "greenhouse gas" emissions.

Boardmember Gyant said that issues in the Sierra with respect to bioenergy and carbon storage are very complex, and that collaboration is crucial to meeting everyone's needs. He pointed out, for example, that 70 million board-feet of timber sales offered for bid received no bidders, likely due to the cost of required biomass removal. When timber harvest opportunities don't sell, local communities lose rural schools and roads funding, as well as having to bear the localized costs of wildfire impacts that might have been reduced. He hopes that the cap and trade and biomass efforts can help to address these issues.

Boardmember Johnston said that work on private land to reduce fire hazard and contribute to biomass energy is important, but given that the large percentage of Sierra forestland is publicly held, the federal landowners need to find a way to qualify for funding for treatment projects.

Boardmembers Taylor-Goodrich, Arcularius and Stifel further clarified that there are legal issues and Wilderness Act restraints which make it difficult to accomplish permanent easements on federal land for such purposes, especially those held by a third party. Future discussions will need to integrate the kinds of treatments that are appropriate on different landscapes to accommodate all values and regulations.

Boardmember Stifel asked what the SNC plans to do with the information provided in the Indicator Report.

Keegan said it will be used to inform SNC programs, and that stakeholders in the Region may find it useful. She said there is no advocacy in the report - it is just data - but that it could help others outside the Region to better understand conditions within the Region. The next system indicators report, which will be out in 2013, will focus on fire risk in the Region. The final report will cover agricultural and ranch lands.

Stifel added that as the SNC moves forward in analyzing its role with respect to cap and trade issues to be sure and contact BLM and USFS to help those agencies understand the complications involved in obtaining conservation easements on federal lands.

**Action: Boardmember Kirkwood moved and Boardmember Wheeler seconded a motion to approve the fourth System Indicators Report and approve the creation of an additional System Indicators Report on Forest Health. The motion passed unanimously.**

#### **XI. Discussion on Future Proposition 84 Expenditures (INFORMATIONAL)**

Keegan said SNC Staff has completed an analysis of several different ideas about how to effectively invest the remaining \$2.3 million of Proposition 84 funds the SNC anticipates being available due to a few awarded projects that can't ultimately be implemented or that come in under budget.

The analysis resulted in the following alternatives:

- Administer a very small competitive grant round to target underrepresented grantee types in the Region.
- Augment existing grant projects, should they need additional funding to help them get to completion.
- Augment the current grant round for ag and ranchlands.
- Assist partners in the Region with pre-project work to help them become eligible for future funding, whether it be from the SNC or other sources. Keegan said the staff is leaning toward this alternative.

Keegan asked the Board Chair to appoint a two-member committee to work with staff to develop a recommendation to bring back to the Board.

Boardmember Kirkwood suggested that given the low dollar amount, it would not make sense to go out for a full competitive grant round. He preferred making further investment in projects the SNC is working on in forestry and possibly the mercury/mining issue, given its strong tie to Proposition 84.



Boardmember Wheeler agreed, stating that he did not feel another competitive grant round would be warranted, and added that there are probably a number of great projects that would benefit from a little more help.

Boardmember Gyant said the staff's approach seemed solid, and that he would look for projects that had additional capability and could use the funding.

Boardmember Arcularius asked if the SNC could also consider funding underrepresented areas in the Region.

Boardmember Stetson added that the SNC should consider being flexible in its approach so that it can help any projects that are in need of additional dollars to get to completion.

Boardmember Owens added that the value of the SNC is that decision-making remains local rather than being made by entities far away from the areas impacted by those decisions.

Board Chair Kirwan appointed Boardmembers Kirkwood and Wheeler to serve on a subcommittee to assist the SNC Staff.

## **XII. Updates on Various SNC Activities (INFORMATIONAL)**

### **a. Sierra Nevada Forest and Community Initiative (SNFCI)**

Kim Carr provided a brief update on SNFCI activities:

- The U.S. Forest Service (USFS) is completing its Forest Plans, providing a significant opportunity to participate in setting the course for forest management for years to come. The SNFCI Regional Coordinating Council is participating by assisting the USFS with a socio-economic component to their plan.
- Several of the collaborative groups affiliated with SNFCI with have helped to identify projects that may qualify for SNC funding.
- Carr said that as she moves on to the bioenergy project, Mandy Vance, with the SNC's Mariposa office, would be taking over as lead for SNFCI.

### **b. Sierra Nevada Geotourism MapGuide Project**

Mt. Lassen Area Manager Bob Kingman said the Geotourism project continues to grow in importance. For the first time, California has surpassed the \$100 billion mark in travel-related spending, \$7 billion of that is attributed to the Sierra Nevada. The Geotourism project is an effective way for the SNC to support recreation and tourism in the Region.

Kingman reported that it is also a very successful project. The web statistics show about 119,000 page views of the Sierra Nevada Geotourism webpage per month, from over 103 countries. The free mobile phone app for iPhone and Droid mobile

phones continues to grow, and the next step might be the addition of “real time” traffic and safety alerts.

Kingman said the SNC and the Sierra Business Council have distributed 100,000 print maps, and will soon be distributing another 60,000 copies.

He noted that the North Yuba Grown organization that hosted the reception for the SNC the previous day is one of the Geotourism web points. In addition all of the “California Watchable Wildlife” locations within the Sierra are now included on the web site.

Board Chair Kirwan thanked Kingman for a terrific tour and asked that he pass that thanks along to the hosts and to SNC staff who supported the day.

- c. Recognition of SNC’s meeting in all 22 Counties of the Region  
Keegan introduced a slide show with pictures and a musical rendition featuring all of the Board meetings and tours to commemorate the Board’s meeting schedule in the past seven years, which has included stops in every county in the Sierra Region.

Keegan thanked IT Analyst David Madrigal and Board Liaison Theresa Burgess for their work in setting up all the meetings over the life of the SNC. She thanked Area Managers Bob Kingman and Julie Bear for their significant contributions to the Board meetings as well.

Keegan also gave special recognition to Boardmember Bob Kirkwood, who is the one Boardmember who has participated in every meeting.

Kirwan thanked the staff for its hard work in putting together the Board meetings and tours. She also noted the significant positive outcome of the tours, and noted that it is great that the SNC is now in a position to actually visit and see the outcome of projects it has funded. She also noted the importance of tours in meeting with the people who do this work, and developing worthwhile relationships throughout the Region.

### **XIII. Boardmembers’ Comments**

Board Chair Kirwan thanked the County Supervisors who are rotating off the Board for their service, Boardmembers Nunes, Arcularius, Owens, and Dahle.

Arcularius thanked the Board and said she was pleased to be at the meeting in the first county and now the last one, stating that the Board was one of the reasons why she decided to run for reelection.

Owens said it has been a pleasure because the Conservancy encompasses a region of the world in which he lives. He says the challenge remains to educate those in metropolitan areas about the importance of the rural areas of the State.

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Brissenden added his compliments to the North Yuba Grown organization for their work in the area and thanked them for the Board reception. Brissenden said he also enjoyed the creativity of the SNC staff over the past seven years. Finally, he thanked Boardmember Gyant for attending the tour and for being a “breath of fresh air.”

### **XIV. Public Comments**

Nick Spaulding from North Yuba Grown thanked those who attended the tour.

### **XV. Adjournment**

Board Chair Kirwan congratulated Keegan for a job well done as “acting” Executive Officer for the Board meeting and invited everyone to attend the next meeting March 6-7 in Sacramento. She adjourned the meeting at 12:23 PM.