

Background

California voters passed Proposition 1, The Water Quality, Supply, and Infrastructure Improvement Bond Act of 2014, on November 4, 2014. Proposition 1 added Section 79731 to the California Water Code, authorizing the state to issue bonds, and the legislature to appropriate the proceeds, for multi-benefit water quality, water supply, and watershed protection and restoration projects for the watersheds of the state. The bond measure included an allocation of \$25 million for the Sierra Nevada Conservancy (SNC).

The 2015-16 state budget included an appropriation of \$10 million, which is intended to be awarded over two fiscal years. At the June 2015 Board meeting, the Board approved the Sierra Nevada Conservancy Proposition 1 Fiscal Year (FY) 2015-16/16-17 Grant Guidelines. The SNC released a request for proposals on July 1, 2015, with the first application deadline of September 1, 2015. The SNC continues to consult with other Proposition 1 funding agencies to maximize the investment of bond funds in the Region.

For the September 1, 2015, deadline, the SNC received 20 applications requesting a total of \$5,516,649.87. To date, the Board has authorized nine grants from that application round totaling \$2,428,498.

For the March 1, 2016, deadline, the SNC received 29 applications requesting a total of \$9,027,618.26. To date, the Board has authorized 13 grants from that application round totaling \$4,298,504. Three additional Category 1 applications totaling \$1,324,867 scored above the 85-point threshold, have finished CEQA review, and are now being recommending for funding.

For the September 1, 2016, deadline, the SNC received 20 applications totaling \$4,741,704.20. The applications included ten Category 1 (site improvement) projects and ten Category 2 (planning) projects. Prior to scoring, three applications were determined to be ineligible/incomplete and ten applications scored below 85 points. Staff is recommending seven projects totaling \$1,829,961 for authorization at this meeting.

In summary, the total value of grant requests received was \$19,285,972.33 for the \$10,000,000 in available funding. If the Board authorizes the grants being recommended at this meeting, a total of 32 Proposition 1 grants for \$9,881,830 will have been authorized as follows:

- 21 projects are in the Mt Lassen Area
 - 9 are located in the North Central Subregion
 - 7 are located in the Central Subregion
 - 5 are located in the North Subregion
- 11 projects are in the Mt Whitney Area
 - 8 are located in the South Central Subregion
 - 2 are located in the East Subregion
 - 1 is located in the South Subregion
- 22 are Category 1 Implementation Projects, 10 are Category 2 Planning Projects

Current Status

Staff is recommending a total of ten grants worth \$3,154,828.00 for applications received in March 2016 and September 2016.

For the March 2016 applications, staff is recommending adoption of necessary CEQA findings and authorization of three grants worth \$1,324,867.00.

For the September 2016 applications, evaluation has been completed for all 17 applications that were determined to be complete and eligible. Ten projects scored below the 85-point threshold and will have the opportunity to consult with SNC staff regarding possible reapplication in a future round. Staff is recommending that the Board make the necessary CEQA findings and authorize seven grants worth \$1,829,961.00

Two of the projects recommended for funding (Lyons-South Fork Watershed Forest Resiliency Project (SNC897) and the Gentry Creek Watershed Restoration Project (SNC911) totaling \$994,985.00, directly address needs identified in the Governor's Emergency Proclamation about Tree Mortality and will be considered part of the \$1 million Tree Mortality apportionment that was approved by the SNC Board at the March 2016 Board Meeting. If approved, the total amount of grants authorized to address impacts from Tree Mortality will be \$1,563,429.00.

Please see [Table 1](#) for details on remaining March 2016 and all September 2016 applications, including links to the complete application packages and CEQA documentation.

Mt. Lassen Area Projects Recommended for Funding

- [Project #853](#) proposed by the El Dorado Irrigation District (EID) – Caples Creek Watershed Ecological Restoration Project, with Notice of Determination as a Responsible Agency, based on review of the Negative Declaration approved by the EID as Lead Agency. The project will be implemented in partnership with the USFS, Eldorado National Forest over a four-year period and includes forest management and restoration activities on 6,800 acres. Treatments include prescribed fire, meadow restoration, and aspen enhancement activities. The Caples Creek Watershed is part of the larger South Fork American River Watershed, which is the primary water supply for more than 110,000 people and businesses served by the EID.

To access the complete application package, [click here](#).

To access the Negative Declaration, [click here](#).

Category 1 Site Improvement Project - \$476,709

- [Project #879](#) proposed by the Placer County Resource Conservation District – Post-Fire Restoration in the Rubicon Watershed, with Notice of Exemption from CEQA. Located in Placer County within the boundary of the 2014 King Fire, the project will

restore key areas of the 13-mile length of the Rubicon River Drainage that runs southwest from the Hell Hole Reservoir. Treatments include mastication of submerchantable burned timber and brush on 125 acres of USFS-managed land; hand treatment of submerchantable burned timber and brush on 30 acres of steep, USFS-managed land designated as “watershed sensitive areas;” revegetation within a 100-foot buffer on both sides of two miles of stream on private and USFS-managed lands; and erosion control and revegetation on five acres of previously used timber operation landings. The Rubicon River drainage is a major tributary that stores and transports water through Placer County and to the American River, which drains into the Sacramento River, an important and significant water source for California.

To access the complete application package, [click here](#).

Category 1 Site Improvement Project - \$359,838

- [Project #899](#) proposed by the Plumas Audubon Society – Genesee Valley Watershed Improvement Project, with Notice of Exemption from CEQA. The Genesee Valley is located in the Upper Feather River watershed at the headwaters of the State Water Project. This project will complete wildlife and botanical surveys, a cultural resource inventory, and soils and hydrological analyses that will support the completion of CEQA and NEPA for 618 acres on the Plumas National Forest and CEQA for 221 acres on the privately-owned Heart K Ranch identified as priority project areas in the recently completed Genesee Valley Wildfire Restoration Plan. The next phase implementation project will include forest thinning and underburning, which will incorporate Traditional Ecological Knowledge recommendations from the local Maidu people.

To access the complete application package, [click here](#).

Category 2 Planning Project - \$74,576

- [Project #901](#) proposed by the Honey Lake Valley Resource Conservation District – Lassen Creek Watershed Restoration Project, with Notice of Determination as a Responsible Agency, based on review of the Hulsman Ranch and Nagel Family Nonindustrial Timber Management Plans that were approved by the California Department of Forestry and Fire Protection and treated as the functional equivalent to a Negative Declaration. Located just north of the Lassen National Forest and within the Wildland-Urban Interface zone for the City of Susanville, this project will treat 325 acres on two privately owned properties. The treatment approach includes mechanical harvesting of conifers under 12” in diameter, hand thinning, pruning, mastication, and slash disposal. This work is strategically located to increase the benefit of past Honey Lake Valley RCD projects and projects that are planned or underway by the Lassen National Forest and Lassen County Fire Safe Council. Lassen Creek, the main drainage within this watershed and located within the project boundary, is a tributary to the Susan River, an important supply of agricultural water that drains into the 7,667-acre Honey Lake Wildlife Area wetland.

To access the complete application package, [click here](#).

Category 1 Site Improvement Project - \$250,000

- [Project #903](#) proposed by the Bear Yuba Land Trust – Rice’s Crossing Preserve Nonindustrial Timber Management Planning Project, with Notice of Exemption from CEQA. Rice’s Crossing Preserve, acquired by the Bear Yuba Land Trust in 2014 with assistance from an SNC Prop 84 grant, comprises 2,706 acres along a six-mile span of the Yuba River in Yuba and Nevada Counties. This project will prepare a Nonindustrial Timber Management Plan that will serve as the functional equivalent to CEQA for a 2,000-acre portion of the Preserve, with the goals of guiding future management actions that will reduce the threat of high-intensity wildfires, promote resilient and growing stand structures, and reduce the threat of watershed damage from erosion and large-scale tree mortality. The Preserve is located within both the North and Middle Yuba River watersheds, which eventually feed into the Feather River and eventually the Sacramento River to the Delta. To access the complete application package, [click here](#).
Category 2 Planning Project - \$74,550
- [Project #908](#) proposed by Maidu Summit Consortium and Conservancy – Tásmam Kojóm Restoration Management Plan with Notice of Exemption from CEQA. Tásmam Kojóm, a 2,326-acre parcel that includes a meadow, streams, springs, and overstocked mixed conifer forest, is a culturally important place to the Mountain Maidu. Currently owned by PG&E, the property will be transferred to the Maidu Summit Conservancy and Consortium as part of the Stewardship Council’s Land Conservation and Conveyance Program. This project will entail environmental review work to support future implementation of the Tásmam Kojóm Land Management Plan. SNC funds will be focused on completing the portions of the Environmental Impact Report (EIR) related to forest and watershed health. To access the complete application package, [click here](#).
Category 2 Planning Project - \$73,312
- [Project #909](#) proposed by the Truckee River Watershed Council – Forest Health and Watershed Improvement through Noxious Weed Management, with Notice of Exemption from CEQA. This project will survey 18,000 acres, remove new and established infestations of high-priority noxious weeds on 1,500 acres, and revegetate native grasses, forbs, and shrubs on 450 acres on USFS- and CDFW-managed lands in Sierra and Nevada counties. The treatments are intended to improve forest and watershed health, with particular focus on high-risk growth areas in proximity to transportation corridors and recent burn areas. The project area was designated as high-priority due to the habitat values and threat from potential wildfire to the municipal water supply at Prosser, Boca, and Stampede Reservoirs. To access the complete application package, [click here](#).
Category 1 Site Improvement Project - \$362,538

Mt. Whitney Area Projects Recommended for Funding

- [Project #880](#) proposed by the Yosemite-Sequoia Resource Conservation and Development Council – Eastern Madera Wildfire Restoration Project, with Notice of Exemption from CEQA. The 2014 French Fire burned over 14,000 acres of public lands on the Sierra National Forest and within the headwaters for the Sacramento–San Joaquin River Delta. This project will complete 350 acres of high-priority conifer reforestation in Madera County, including removal of fire-killed trees, grapple piling or burning of slash, herbicide treatments, and replanting following USFS Region 5 guidelines. Reforestation will improve watershed conditions by restoring severely burned areas to forested conditions, thereby reducing sedimentation and turbidity and improving water quality for downstream users.

To access the complete application package, [click here](#).

Category 1 Site Improvement Project - \$488,320

- [Project #897](#) proposed by the Tuolumne Utilities District – The Lyons-South Fork Watershed Forest Resiliency Project, with Notice of Exemption from CEQA. Located on USFS-managed lands in Tuolumne County, this 202-acre project will increase forest health and resiliency by removing surface and ladder fuels and reducing upper crown cover to 50 percent. Additionally, drought- and beetle-killed trees will be removed. In addition to the forest health benefits, this project will protect the Tuolumne Main Canal, a historic wooden flume and connected canals that are the primary drinking water conveyance system for 90 percent of the residents of Tuolumne County, including the nearby communities of Twain Harte and Mi-Wuk. Watershed benefits include protection for critical sections of the South Fork Stanislaus River, which flows into the New Melones Reservoir and ultimately to the Sacramento Delta. To access the complete application package, [click here](#).

Category 1 Site Improvement Project - \$496,000

- [Project #911](#) proposed by the Yosemite-Sequoia Resource Conservation and Development Council – Gentry Creek Watershed Restoration Project, with Notice of Exemption from CEQA. This project will treat approximately 300 acres of mixed-conifer timberland that includes 23 separate property owners. The project area, which is completely surrounded by USFS and BLM-managed lands, has suffered 80 percent visible bark beetle mortality, a figure that is expected to rise to 90 percent by 2017. The project will fall and remove all dead trees in accordance with California Forest Practice Rules and recommendations from the Stanislaus National Forest. Remaining slash will be masticated and spread on the forest floor. Projects goals include returning the project area, which serves as the headwaters for Gentry Creek, a major tributary of the North Fork of the Merced River, to functional forest land that will aid in the protection of the downstream water supply.

To access the complete application package, [click here](#).

Category 1 Site Improvement Project - \$498,985

Attachments

[Table 1](#), [Project Maps](#), Project Descriptions, and CEQA Documentation

Next Steps

Staff will file all necessary adopted CEQA documentation and prepare agreements for each authorized grant. The remainder amount of \$118,170 of appropriated Proposition 1 funds will return to the fund and be available to the SNC for in future rounds.

Recommendation

Staff recommends the Board (a) authorize the Executive Officer to file Notices of Exemption for the Post-Fire Restoration in the Rubicon Watershed Project (SNC879), the Eastern Madera Wildfire Restoration Project (SNC880), the Lyons-South Fork Watershed Forest Resiliency Project (SNC897), the Genesee Valley Watershed Improvement Project (SNC899), the Rice's Crossing Preserve Forest Management Planning Project (SNC903), the Tásmam Kojóm Restoration Management Plan (SNC908), the Forest Health and Watershed Improvement through Noxious Weed Management Project (SNC909), and the Gentry Creek Watershed Restoration Project (SNC911); and (b) approve findings concurring in the Negative Declaration and Nonindustrial Timber Management Plans, and authorize the Executive Officer to file Notices of Determination as a Responsible Agency for the Caples Creek Watershed Ecological Restoration Project (SNC853), and the Lassen Creek Watershed Restoration Project (SNC901); and (c) authorize a grant award to each of the above listed projects for the amounts recommended by staff, and further authorize the staff to enter into the necessary agreements to move forward with these projects.