

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 the initial submittal totaling \$2,428,498.

For the second round March 1, 2016, deadline, the SNC received 29 applications requesting a total of \$9,027,618.26. The applications received included 20 Category 1 (site improvement) projects and nine Category 2 (planning projects). Prior to evaluation, one application was withdrawn by the applicant and two projects were determined to be incomplete or ineligible. Of the 26 projects evaluated, ten applications representing \$2,937,838 were declined and will have the opportunity to consult with SNC staff regarding possible reapplication, eight grants totaling \$2,269,782 were authorized at the June Board Meeting, three remain under evaluation and may be recommended for authorization at the December Board Meeting pending completion of CEQA, and five grants totaling \$2,028,722 are being recommended for funding at this meeting.

Three of the projects authorized for funding at the June 2016 Board Meeting were determined to have directly addressed needs identified in the Governor's Emergency Proclamation about Tree Mortality and were awarded \$568,444 out of the \$1 million Tree Mortality apportionment that was approved by the SNC Board at the March 2016 Board Meeting.

To date, the SNC Board has authorized 17 Proposition 1 projects totaling \$4,698,280.

The third application deadline is September 1, 2016. Applications submitted by this deadline will be processed by SNC staff and reviewed by the evaluation team. Those applications meeting the scoring threshold for recommendation will be presented to the SNC Board for consideration at future Board meetings.

Current Status

Staff will continue to evaluate and conduct CEQA analysis for all remaining March 2016 applications with the intent to bring additional recommendations in December.

Staff is recommending that the Board make the necessary CEQA findings and authorize five grants totaling \$2,028,722 for applications received in March 2016.

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

March 2016 Applications Recommended for Funding

- [Project #851](#) proposed by the Upper Mokelumne River Watershed Authority – Pumpkin Hollow Restoration Project, with Notice of Determination as a Responsible Agency, based on review of the Negative Declaration approved by the Upper Mokelumne River Watershed Authority. Located on the Calaveras Ranger District of the Stanislaus National Forest in Calaveras County, this project proposes to treat 971 acres that are part of the 14,075 acre Hemlock Landscape Restoration Project and the even larger 390,904 acre Cornerstone Collaborative Forest Landscape Restoration project. Proposed treatments include hand thinning of small conifers, aspen and meadow restoration, forest restoration following GTR 220 guidelines, plantation thinning, and the construction of 300' wide shaded fuel breaks along ridge tops, private property, and Highway 4. The restoration treatments are designed to promote ecosystem stability and improve landscape resilience and watershed conditions within the upper headwaters of Blue Creek (that flows into the Mokelumne River) and near Big Meadow Creek (that flows into the North Fork Stanislaus River).
To access the complete application package, [click here](#)
Category 1 Implementation Project - \$500,000
- [Project #852](#) proposed by the Truckee Donner Land Trust – Webber Lake Little Truckee River Headwaters Timber Management Plan, with Notice of Exemption from CEQA. Acquired by the Truckee Donner Land Trust in 2012 with financial assistance from a SNC grant, the project site includes 3,000 acres of lake, meadow, and conifer forest habitat, including Webber Lake - the headwater lake of the Little Truckee River. The proposed project will complete a Non-Industrial Timber Management Plan (NTMP) that will guide long term management of the overstocked and diseased forest conditions within this watershed and serve as the functional equivalent to CEQA for future activities.
To access the complete application package, [click here](#)
Category 2 Planning Project - \$70,000
- [Project #857](#) proposed by the Plumas County Fire Safe Council – Bucks Lake Project, with Notice of Exemption from CEQA. The project will treat 342.5 acres

located in the Plumas National Forest approximately 15 miles west of Quincy in order to protect and enhance the North Fork Feather Watershed that includes Bucks Lake, Haskins Creek, Mill Creek, Lakeshore, and Pat Maloy Ravine. The North Fork Feather Watershed includes multiple hydropower facilities and is a major supplier of water to Lake Oroville and the California State Water Project. Treatments will include thinning overstocked conditions and represent the last phase of the 1,511 acre Bucks Lake Hazardous Fuels Reduction Project. Additionally, this project will contribute to a large scale effort by the Plumas National Forest to create landscape level defensible fuel profile zones that have increased resiliency to high intensity wildfires.

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

Category 1 Site Improvement Project - \$464,025

(Recommended amount reflects a \$23,000 reduction from requested amount due to the removal of an ineligible budget item and corresponding reduction in administrative expenses)

- [Project #882](#) proposed by the Sacramento River Watershed Program – Butte Forest Thin – Doe Mill Ridge Watershed Project, with Notice of Exemption from CEQA. Located on 227.5 acres of public land managed by the BLM within the Sacramento River watershed, the project will use forest thinning and low intensity prescribed fire to minimize long term risks of catastrophic fire, control and eradicate invasive species, restore habitat, and demonstrate the linkages between management of upstream areas and the impacts on downstream water availability and quality. Doe Mill Ridge is located between Little Chico Creek and Butte Creek, important suppliers of surface water for municipal and agricultural users via a complex diversion system.

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

Category 1 Site Improvement Project - \$494,697

- [Project #884](#) proposed by Save the Redwoods League – Beaver Creek Watershed Improvement Project, with Notice of Exemption from CEQA. Surrounded on three sides by Calaveras Big Trees State Park (CBTSP) in Tuolumne County, the project proposes to treat 320 acres owned by the applicant in order to protect the Beaver Creek subwatershed, which drains to the North Fork Stanislaus River and eventually to New Melones Lake. The treatment approach includes non-industrial understory thinning to 200 trees per acre, removal of slash through chipping/mastication, pile and burn, or lop and scatter, and the creation of two fuel breaks that will link open fields and buffer the South Grove of the CBTSP. Long term plans include restoring watershed function, reducing water quality threats posed by wildfires, using prescribed fire for ongoing maintenance, minimizing the risk of high-intensity wildfire, promoting the forest's carbon storage potential, and eventually transferring ownership of the parcel to CBTSP.

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

Category 1 Site Improvement Project - \$500,000

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. Staff will also update the Board on the number and total amount requested for all new applications submitted on September 1.

Recommendation

Staff recommends the Board (a) authorize the Executive Officer to file Notices of Exemption for the Webber Lake Little Truckee River Headwaters Timber Management Plan (SNC #852), the Bucks Lake Project (SNC #857), Butte Forest Thin – Doe Mill Ridge Watershed Project (SNC #882), and the Beaver Creek Watershed Improvement Project (SNC #884); and (b) approve findings in the Negative Declaration, and authorize the Executive Officer to file a Notice of Determination as a Responsible Agency for the Pumpkin Hollow Restoration Project (SNC #851); 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 for the recommended projects.