

Board Meeting MINUTES

June 8, 2017

Shaver Lake Community Center

41344 Tollhouse Road

Shaver Lake, CA 93664



I. Call to Order

Board Chair John Brissenden called the meeting to order at 9:02 a.m.

II. Oath of Office for New Boardmembers

Board Chair John Brissenden administered the oath of office to new Boardmember Supervisor Randy Fletcher, Central Subregion, Yuba County.

III. Roll Call

Present: John Brissenden, Todd Ferrara, Jacqueline Wong-Hernandez, Terrence O'Brien, Bob Kirkwood, Bob Johnston, Jeff Griffiths, Doug Teeter, Tom Wheeler, Jack Garamendi, Danny Wan, Bernie Gyant, Tim Keldsen, Randy Fletcher, and Woody Smeck

Absent: Elizabeth Cavasso

IV. Approval of March 2, 2017, Meeting Minutes (ACTION)

ACTION: Boardmember Jack Garamendi moved, and Boardmember Tom Wheeler seconded, a motion to approve the March 2, 2017, meeting minutes. The motion passed unanimously.

V. Public Comments

No public comment at this time.

VI. Board Chair's Report

Board Chair John Brissenden complimented Boardmember Jacqueline Wong-Hernandez for helping staff make progress with Contracted Fiscal Services (CFS) and the Department of General Services. Brissenden also stated that he has met with Secretary John Laird who agrees that SNC's staff is the most efficient and effective state agency to put projects on the ground effectively and quickly. Brissenden stated that Secretary Laird will reach out to CAL FIRE and State Water Resources Control Board Chair Felicia Marcus regarding additional opportunities to work with the SNC.

VII. Executive Officer's Report (INFORMATIONAL)

Executive Officer Jim Branham thanked Boardmember Jacqueline Hernandez-Wong for her support with CFS. Hernandez-Wong stated Administrative Services Division Chief Amy Lussier has been doing the heavy lifting, but it is nice to hold her up. Branham also thanked all the Admin staff that has been dealing with a tough situation for a while, but there is vision of a brighter future. Branham acknowledged and commended Lussier for her efforts.

a. Administrative Update

Administrative Services Division Chief Amy Lussier provided the Board with an update on SNC's recent administrative activities. Lussier noted that since the last time the Board was convened, SNC has had some success remedying the issues that SNC had been having with Contracted Fiscal Services (CFS). Lussier thanked Boardmember Jacqueline Wong-Hernandez for supporting SNC by attending meetings with the control agencies, and indicated that SNC will continue to look into taking on accounting internally as a cost-saving option. Lussier shared with the Board that SNC will be hiring a Retired Annuitant (RA) that has strong accounting experience and has worked at the Department of Finance. The RA will help identify what SNC needs to do to take on its own accounting. Branham noted that SNC has had conversations with the California Natural Resources Agency about SNC's desire to take on accounting internally, and indicated that they are aware of the obstacles that SNC faces.

Lussier shared a current update on the SNC's budget and outlined how new funding sources are being incorporated into the Conservancy's budget.

Lussier also introduced SNC's newest hire, Shannon Ciotti, who will replace Patrick Eidman as the SNC Grant Program Coordinator.

b. Policy and Outreach Update

Branham provided the Board with a brief update on policy and outreach efforts, directing Boardmembers to the information presented in the Board packet. Branham let the Board know a Parks Bond could be a viable opportunity for future SNC funding. There are two Parks Bond bills moving through the Legislature, SB 5 and AB 18, but Branham stated the Governor's Office is expressing strong concerns about incurring more bond debt. Since the writing of the staff report, SB 5 has been amended to include line item allocation for the Conservancies, and SNC would receive \$30 million. Branham stated that AB 18 proposes \$50 million for the SNC, including an allocation for forest health projects specifically.

Boardmember Tom Wheeler asked if is there anything the county supervisors can do to help with the bills that were mentioned. Branham said SNC will follow up with Boardmembers on key message points for letters of support. SNC has also been working with RCRC and they have been very supportive.

Boardmember Terrence O'Brien asked that if the Governor is concerned about bond indebtedness, and whether an argument could be made about the downstream negative fiscal impacts resulting from more catastrophic fires. O'Brien continued by saying we are incurring debt now, and we may be able to save money in the long run, and letters of support from county supervisors could

help persuade the Governor's office that these bond measures might be in the best financial interest of the state.

Boardmember Todd Ferrara stated that the Governor's current proposal is a hybrid of what O'Brien discussed: the creation of a Natural Resources Parks and Restoration fund that the Secretary of California Natural Resources Agency would administer. It would not be a bond program but a general fund appropriation, and that the administration may see merit in not incurring new debt by addressing emerging threats immediately on the front line to save on future costs. Ferrara offered to provide a status update on the fund at the September Board meeting.

Branham responded to O'Brien that the message of investing to avoid disaster is part of the SNC's communications efforts. He also noted as it relates to the general fund appropriation described by Ferrara that the Region has not fared well when funds are in a statewide pot.

Wong-Hernandez stated that tree mortality issue is an opportunity to help explain investments for the future, but these bills are much bigger than that and the bond indebtedness creates "sticker shock."

Brissenden stated that SNC Board appointees should communicate with their appointing authorities as to the importance of SNC funding. Branham responded that there is a process that staff go through regarding pending legislation, and SNC's role has been to communicate and share information with partners if there is a bond going forward and that Boardmembers are, in fact, able to communicate directly with those that appointed them.

Boardmember Doug Teeter said to add perspective on what is being paid for out of the general fund, the Williamson Act is not getting funding and the funding is coming from the counties and other programs. Since the counties are footing the bill, it is hard for him to support something coming out of the general fund when it seems the counties are the piggy bank for the state when it has budget problems.

Communications and Outreach Manager Brittany Covich shared an example of how SNC's communications efforts are supporting new policies. Covich provided an overview of how the communications team has been supporting the Fire Memorandum of Understanding (MOU), an agreement that SNC became a signatory on in the fall of 2015, which is designed to increase the use of resource-beneficial fire to meet ecological and management objectives across California. Covich indicated that SNC sees the fire MOU as a key tool for increasing the pace and scale of restoration, and as an effort that is complementary to the Sierra Nevada Watershed Improvement Program (WIP). Boardmembers and Covich had a discussion about communications hurdles and opportunities associated with the Fire MOU, and Branham highlighted a

Proposition 1 grant project that the Board recently approved in the Caples Creek watershed on the Eldorado National Forest that will provide opportunities to conduct outreach in support of the goals of the MOU.

c. Tribal Forum Discussion Report

Branham reported that it was the fourth Tribal Forum meeting in a series of meetings with tribes that are local to the area of the Board meeting.

Tribal Coordinator Julie Griffith-Flatter updated the Board on the tribal meeting that took place on June 7, 2017. Griffith-Flatter reported that there has been progress made on draft watershed assessments and they have been distributed to the tribes for review. The draft Prop 1 grant guidelines contain language that encourages more tribal participation with the grant development process and encourages applicants to interact with tribes early in the process. SNC is working with the governor's Tribal Advisor on consultant communication policies that would be consistent through many state funding agencies. SNC now has contacts with each tribal chairman's association in California.

Griffith-Flatter reported that there was an excellent discussion with the two tribes represented, with a note that hazard-tree removal is a key issue on tribal lands and that it is a priority for tribes and the tribal communities throughout the southern region. There also was discussion about abandoned mine land issues and the cultural monitoring aspect and safety training for cultural monitoring. A key point is the need for communication during the planning phase for all the programs and processes for federal land managers and state land managers.

Participants also discussed the lack of administrative capacity for tribes to administer grant projects. There is also an issue about federally recognized versus the non-federally recognized status and how that can hinder some tribes' abilities to access funds. A suggestion to use cultural education as part of an effort to minimize impacts to tribal resources resulting from recreation and tourism was also discussed. SNC is researching a possible change in the definition of tribes in SNC enabling legislation to what is generally accepted statewide as the California Native American tribe which recognizes the non-federally recognized tribes. Griffith-Flatter said there will be continued communications and outreach with the tribes.

O'Brien confirmed his belief that these meetings are valuable to the tribes and SNC. He has attended all the meetings, and found them all to be worthwhile and informative. It is important to continue the meetings and have a positive working relationship with all the tribes and that tribes' input will enhance the work that SNC does.

Ferrara asked if SNC staff anticipates putting forward a legislative proposal that would change eligibility of the tribes. Branham replied that staff hasn't submitted it as a legislative idea but is seriously contemplating it.

Boardmember Jeff Griffiths asked if staff is anticipating a tribal meeting in Inyo or Mono counties on the eastside, and when will it be? Griffith-Flatter replied that SNC has not determined when that will be and the next board meeting on the eastside is in Inyo County scheduled for late 2018.

d. Sustainable Funding Committee Report

Policy Coordinator Elizabeth Betancourt provided an update on the items in the Board report. The Sierra Consortium held a Sierra Day at the Capitol in May, and the SNC participated as an ex-officio member of the group. Boardmember Jack Garamendi was there. Participants heard presentations from a number of legislative and administrative leaders, including Assembly Member Eduardo Garcia (who is carrying AB 18), Catherine Freeman (chief consultant to the Assembly Committee on Water, Parks, and Wildlife), and Tina Canon-Leahy (legal counsel for the State Water Resources Control Board).

Betancourt also reported on SNC staff participation in the California Forest and Watershed Alliance (CAFWA). At CAFWA's May meeting, there was some support for a state parks bond. While there was not a consensus amongst that group to support the parks bond collectively, individual organizational supporting has already happened. The Nature Conservancy has started working with Placer County Water Agency (PCWA) on the French Meadows project, looking at legislation to give the United States Forest Service (USFS) environmental programmatic planning up to 1,000,000 acres at a time.

Branham described the first (and only) call had with the Board Committee on Sustainable Funding. Staff, with the committee, will continue the calls as needs dictate and will continue to track opportunities as they present, engaging the committee in conversations regarding the SNC's goal of long-term, sustainable organizational funding.

e. Sierra Nevada Watershed Improvement Program (WIP) Update

WIP Coordinator Mandy Vance reported to the Board that there is momentum with the Tahoe-Central Sierra Resilient Forest Initiative (TCSI) and there is cohesion with that group. The TCSI team developed a grant proposal for Greenhouse Gas Reduction Funds (GGRF) from CAL FIRE for \$12 million and were invited back to submit a grant application for \$5 million. Vance stated that TCSI is developing resource conservation assessments under AB 2087, exploring the linkages between fish and wildlife habitat, carbon storage, greenhouse gas reduction, water, and fire to develop a holistic approach. In preliminary conversations with California Fish and Wildlife, they have shown a lot of enthusiasm.

Vance let the Board know that staff is working with key scientists from the research community in the Sierra Nevada region to design a forum to explore what resilience looks like on the Tahoe-Central Sierra Landscape. They want to identify desired conditions and the best path forward utilizing the tools that we have in place.

Vance updated the Board on the WIP assessments. Staff has been working on them for a while and the Board report is still current for Bureau of Land Management and National Parks Services assessments, but since the report, all the private land assessments from Sierra Coordinated Resources Management Council (SCRMC) have been received. Staff is reviewing those and determining how to include them in the Watershed Information Network (WIN). The USFS has completed its forest assessments under the WIP and Boardmember Bernie Gyant will share more information about that.

Vance wanted to recognize the efforts of Liz Berger, who is our WIP Liaison for the USFS. She has been helpful to get these assessments out to the forest level. Vance thanked Berger and the region for getting the assessments completed.

Vance informed the Board that SNC staff met with Eli Ilano of the USFS and identified seven watersheds in the Region, looking at ten-year planning for trying to identify CEQA treatments to get them to resilience. Staff will continue to talk to them about those watersheds, specifically the North Yuba and the Upper Middle Fork of the American, and will keep the Board updated on those efforts.

Boardmember Bernie Gyant updated the Board that ten National Forest assessments are done. Gyant liked the process and had assessments completed across the whole region. He wanted to thank Vance, Branham, and the SNC staff. The assessments serve as a platform to tell the story of the restoration needs in the western region. The USFS Region 5 staff looked at NEPA decisions that were made and unable to implement. The assessments included vegetation treatment, meadows, aquatic organism passages, roads, and abandoned mines. There are \$1.4 billion in projects within the assessments. Gyant referenced a map that was pulled out the Sierra National Forest and different activities that need to be completed in the region. The USFS is going to make a map for all of the units. The USFS Region 5 would need about \$300 million more per year to continue on with restoration efforts. The assessments are going to be a great tool for USFS.

Boardmember Bob Johnston asked if the assessments are organized by forest or watershed. Gyant replied they are organized by both.

Ferrara commented that the CAL FIRE GGRF that Vance referenced had \$25 million to allocate and the concept proposal package had 49 proposals received totaling \$115 million. CAL FIRE only invited back 13 applications for full

proposals totaling \$58 million. Full applications are due at the end of June and CAL FIRE will probably make awards in mid-summer.

Gyant reported that he and USFS Pacific South West Regional Forester Randy Moore met with Branham and Assistant Executive Officer Bob Kingman on June 5 to discuss TCSI. They are excited to provide focus and resources on a larger landscape. Gyant also updated the Board on storm damage from this winter. Gyant continued, USFS is trying to tell the story and hopefully get the funding needed to fix these issues.

Boardmember Woody Smeck appreciated the graphic and said it was a great way to communicate the complexity.

Wheeler asked if he could get the maps. Gyant will check into it, and will get them to Branham in a couple of weeks and he can distribute. There was further discussion regarding the funding needed to deal with road repairs and the challenge of securing such funding.

Branham assured the Board that the SNC will continue to serve the entire Region but the TCSI area provides a unique opportunity for doing business differently in terms of forest restoration. Branham also wanted to thank Gyant, Randy Moore, and Liz Berger for their continued support to move the WIP forward.

f. Miscellaneous Updates

Branham gave a thank you to everyone that participated in the field trip the day before, in particular the work that Sarah Campe did in organizing it. Kirkwood stated that it was one of the best board tours that has been offered in terms of content and debriefings that were kept online.

VIII. 2017-18/18-19 Proposition 1 Grant Guidelines (ACTION)

Assistant Executive Officer Bob Kingman provided a PowerPoint presentation reviewing the Final Draft Proposition 1 Grant Guidelines. Kingman reported that staff hosted three public workshops, and the thirty-day public review period is complete. SNC will administer \$8 million for this round. Kingman highlighted guideline changes from the last round, including no special appropriation for tree mortality projects, tree mortality projects should include restoration efforts, meadow restoration will be considered as part of a larger forest health project, and pre-acquisition planning grants that support forest health will be considered.

Kingman also stated there will be new additional scoring criteria that includes demonstrable support and involvement by downstream beneficiaries and whether a project supports larger landscape-level restoration. He noted a minimum score of 80 out of 100 will be required for Board consideration.

Kingman noted pre-applications will be mandatory and must be submitted online. He complimented staff for building the online process. Kingman also noted staff will conduct a site visit for every Category 1 project after a pre-application is received.

Boardmember Bob Kirkwood suggested to include in any cover material that SNC programs must be carried out and be mindful of their positive implication for Regional and local economies. That is important to SNC and it was important when the legislation was passed.

No public comment.

ACTION: Boardmember Bob Kirkwood moved, Boardmember Tom Wheeler seconded, a motion for approval of the Sierra Nevada Conservancy Proposition 1 FY 2017-18 / 2018-19 Grant Guidelines, and authorizes staff to implement the FY 2017-18 / 2018-19 Sierra Nevada Conservancy Grant Program. The motion passed unanimously.

IX. Strategic Assessment and Plan (ACTION)

Policy and Outreach Division Chief Angela Avery began the update by reviewing the recommendations that staff were making to the Board and asking for a Board Committee to provide guidance throughout the new process.

Avery reminded the Board that the existing Strategic Action Plan (SAP) was developed in a two-phase process that first identified strategies to be implemented between 2016-2019, with an initial Action Plan identifying actions to be taken to achieve those strategies between January 2016 and June 2017.

Avery reported there have been significant changes in the Region since the SAP was approved in 2015. She highlighted massive tree mortality; years of drought followed by a recent, severe winter; and recognized the Tahoe-Central Sierra initiative area as a new focus under Watershed Improvement Program.

Boardmember Terry O'Brien recommended a text edit to one of the proposed actions in the 2017-2018 SAP and expressed concern about the SNC supporting the issue of Community Choice Aggregation (CCA) programs in the Region. O'Brien shared that CCAs were once contentious issues for utilities like PG&E, Southern California Edison, and local communities, though he also acknowledged that he was unaware of where the issue stands today.

The Board engaged in brief discussion regarding the CCA concept noting other locales which had utilized and approved the concept such that including the words in an SNC Action plan would not create a problem for our relationships with the utilities.

Avery suggested staff modify the language to make it clear that SNC is not advocating that communities adopt this as a model, but rather that SNC would support Sierra communities that make the choice to pursue CCAs in the future.

Boardmembers engaged in further discussion regarding investor-owned utilities not buying power from biomass facilities, therefore supporting the idea that biomass facilities be included in community choice selections – especially considering difficulty in getting contract extensions on biomass facilities and the need to move smaller biomass material to help the bigger problem. The Board also discussed the need for emphasis on the local and regional economic implications of all SNC programs.

Avery then presented a three-phase proposal to create a more current and thorough Strategic Plan. The first phase would develop a strategic assessment that incorporates out-of-region input and tries to forge new connections with urban leaders and businesses outside of the Sierra Nevada to obtain support for, and new perspective on, Sierra issues. SNC will utilize a new tool called WindTunneling – a web-based application designed to pull together collective intelligence and create the opportunity for collaborative, transparent discussion. SNC is considering using this tool with the California Water Action Collaborative (CWAC), a group of business leaders, environmentalists, and agriculture folks in California that advocate for watershed stewardship.

Avery explained that phase two would take place within the Region via meetings with a wide range of local stakeholders. The goal of phase two would be to understand what SNC is doing well, identify opportunities for improvement, and to better understand regional needs. Avery identified potential secondary goals of identifying new roles, activities, and divisions of labor within the Sierra Nevada and those working to protect the Region that complement each other and successfully move the Region toward resilience.

Avery explained that phase three would utilize the WindTunneling tool with the Board and staff to look at the results of our in- and extra-Regional outreach efforts in phase one and phase two with the goal of developing a new Strategic Plan and Action Plan for Board consideration in June 2018.

The Board supported the idea of creating a committee to provide guidance during the Strategic Assessment and Plan process and supported reaching out to the CWAC as a sample of business and urban thought leaders in phase one. They asked questions about the CWAC membership and made recommendations about businesses that staff might also reach out to in phase one. The Board also explored the WindTunneling tool itself, including getting clarification about costs and understanding how the tool is used.

ACTION: Boardmember Randy Fletcher moved, and Boardmember Bob Kirkwood seconded, a motion to approve the proposed revisions to the Sierra Nevada Conservancy Strategic Action Plan, direct staff to implement approved actions through June 2018, and initiate a new strategic assessment and planning process as described in the staff report, culminating in a new Strategic Plan and Action Plan anticipated to be presented for Board review and approval in June 2018. The motion passed unanimously. Board Chair John Brissenden appointed a committee of Boardmembers Terry O'Brien and Doug Teeter to provide guidance to staff throughout the strategic planning process.

X. Tree Mortality and Forest Health and Resilience Discussion (INFORMATIONAL)

Executive Officer Jim Branham introduced staff members Nic Enstice and Sarah Campe for presentations on tree mortality, forest health and resilience, and an effort organizing in the Southern Sierra to address these and other issues.

Enstice began his presentation by highlighting the unprecedented, significant change going on in California forests. This decade, poor forest health across the region first resulted in a significant raise in larger and hotter fires. When combined with severe drought conditions, it resulted in optimal conditions for bark beetle activity. The end result is a significant change in the region's forests, with no past precedent to inform management decisions. Enstice noted that the USFS Region 2 in Colorado and Wyoming has been dealing with bark beetle infestation for 20 years. As a result, there has been a lot of research completed on those forests that California might use as guidance, though he cautioned that those studies have to be put into appropriate context considering that the Region 2 ecosystem is composed of different forest types and the mortality there was occurring at a different elevation than what's occurring in California.

Enstice described the various phases a tree goes through once beetles get into them and the fire risk associated with each phase. Enstice concluded that the science is not yet clear on the situation faced in southern Sierra forests and that a cautious approach is advised. He described anecdotal information on the implications of tree mortality on future fire behavior by highlighting two recent fires. These two fires suggest that there is an ongoing, and potential long-term, threat from drought- and beetle-impacted forests that the research has not caught up with due to the unprecedented and rapid changes in those forests.

Enstice stated that the science and research relevant to stopping the advance of the bark beetle in order to reduce forest impacts is clear and well understood. Enstice highlighted an SNC funded project – the Lily Gap project in the

Mokelumne watershed – as an example of how treatments can increase resilience to fire and insects.

Enstice emphasized that we need more information and research to understand the long-term impacts of such significant tree loss in Sierra Nevada forests, but that programs like the WIP can make a difference reducing additional loss. Enstice noted that prescribed fire is a key tool moving forward in high drought and bark beetle tree mortality areas as it reduces the fuel loads on the ground and may help restart the forest processes necessary for healthy regeneration.

Southern Sierra Area Representative Sarah Campe then presented an effort specific to the south Sierra – an area unlike the northern and central in that it is primarily managed by federal land management agencies.

The Southern Sierra Conservation Cooperative (SSCC) is primarily composed of federal land agencies: Yosemite and Sequoia/Kings Canyon national parks, and the Sierra, Sequoia, and Inyo national forests. The intent of the SSCC is to identify those questions that transcend jurisdictional boundaries and transcend the different mandates of those respective agencies. Additionally, the SSCC is trying to address questions in a way that both provides a strategy that managers can begin to work with immediately to help them grapple with what's happening on the ground and to start the ground work for what could potentially be a longer-term shift in how we think about managing our lands under what are unprecedented conditions and more novel climate.

Campe described the first formal workshop in May 2017, funded by the USFS Regional Office. Participants updated a memorandum of understanding and started to identify the initiatives the group wanted to tackle. Campe briefly described each of the initiatives, as discussed in the staff report.

Campe concluded that the conversations during the SSCC workshop showed that the participants agreed that in order for any of these efforts to move forward we need to have a better understanding of the tree mortality event. There is so much that we don't understand and because more than 100 million trees have died, the nuances of such an event are really important for managers to understand. The USDA Climate Hub in partnership with the USFS Region 5 office, with support of the Sierra Nevada Conservancy, National Forest Foundation, and CAL FIRE, will be holding a science and management workshop in late July. The workshop will pull together the scientists and kick off a state of knowledge assessment to ask questions of the scientists. The information that comes from that symposium will inform the efforts of the SSCC moving forward.

XI. Boardmembers' Comments

Board Chair John Brissenden had a couple of announcements and invitations. Executive Officer Jim Branham and CA Tahoe Conservancy Executive Officer Patrick Wright have had conversations about the Tahoe Summit with Sean Elsbernd, the state director for Senator Dianne Feinstein, who will be hosting the Tahoe Summit on August 22. Sean has asked for agenda ideas and Branham and Wright are focusing on the Tahoe-Central for perhaps expanding the overview of the Tahoe Summit to include more of the Sierra. He asked Boardmembers, if they have thoughts on it to please pass those along to Branham. Brissenden commented that this has been a very engaged Board and commended the Board for their commitment.

XII. Public Comments

No public comments.

XIII. Adjournment

The Board meeting was adjourned at 12:04 p.m.