

**Board Meeting Minutes**  
**June 2, 2011**  
**Dept. of Food and Ag Auditorium**  
**1220 N Street**  
**Sacramento, CA 95814**



**I. Call to Order**

Board Chair Kirwan called the meeting to order at 9:06 AM.

**II. Oath of Office of New Members**

There were no new Boardmembers at this meeting.

**III. Roll Call**

**Present:** Todd Ferrara, Bob Kirkwood, BJ Kirwan, John Brissenden, Brian Dahle, Bill Nunes, Ted Owens, Linda Arcularius, Dick Pland, Tom Wheeler, Dan Jiron, Bill Haigh (BLM Representative), and David Graber

**Absent:** Karen Finn and Bob Johnston

**IV. Approval of March 3, 2011 Meeting Minutes (ACTION)**

There were no changes to the meeting minutes.

**Action: Boardmember Brissenden moved and Boardmember Wheeler seconded a motion to approve the March 3, 2011 Meeting Minutes. The motion passed unanimously.**

**V. Public Comments**

Nita Vail, CEO of the California Range Land Trust and representing the Sierra-Cascade Land Trust Council, read a letter from Council President Jeff Darlington indicating the Council's support of the staff recommendations regarding the FY 2011-12 and 2012-13 grant program. On the question of conservation easements on agricultural lands, Vail said the Council recommended against reducing funding for easements, stating that easements can be more effective than fee title grants because they typically cost much less and therefore protect more acreage from development, providing greater public benefit.

Justin Oldfield, California Cattlemen's Association, pointed out that ranching is an important industry in the Sierra Nevada and that the Cattlemen's Association would prefer to see Williamson Act contracts and conservation easements rather than fee title acquisition.

Boardmember Arcularius stated that she has great concerns about the level of fee title acquisitions the SNC has approved in the past and will address those concerns during the Strategic Plan item on the agenda.

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### **VI. Board Chair's Report**

Board Chair Kirwan noted that the agenda before the Board was a full one, and she encouraged Boardmembers to actively participate with their questions and comments on the items.

### **VII. Executive Officer's Report (INFORMATIONAL)**

Jim Branham, Executive Officer, thanked the Natural Resources Agency for its support in approving exemptions from the travel restrictions, allowing participation in the Board meeting and said he anticipated these exemptions for Board meetings would continue. The next Board meeting is scheduled for Alturas, Modoc County, in September.

Branham also referenced a handout in front of the Boardmembers detailing proposed closing of numerous State parks due to budget cuts, noting that approximately one-third of the parks in the SNC Region are scheduled to be closed.

#### **a. Budget and Staffing**

Theresa Parsley, Chief of Administrative Services, reported on the SNC's compliance with recent Executive Orders from the Governor regarding vehicle and cell-phone reductions, the hiring freeze, travel restrictions and salary and travel advance balances. She said the SNC is not being asked to reduce its vehicle fleet further at this time, meaning that staff will continue using State vehicles for day trips or mission-critical exempt travel. Exemptions have been granted to the SNC for travel related to necessary grant project site visits in the coming year.

Parsley reported that combined efforts of the Governor and the Legislature have reduced the State General Fund deficit by more than \$13 billion, leaving a gap of approximately \$9.6 billion that still needs to be addressed. The SNC is waiting to see whether any other measures will affect the SNC or the Region. Parsley also mentioned that the Conservancy is now in the process of closing out its FY 2010-11 budget.

Parsley introduced new Information Technology student assistant Saleem Hekmatzada, who attended the Board meeting to provide support.

Branham pointed out that with a previous fleet reduction and the travel restrictions, the SNC staff will be somewhat limited in its ability to travel throughout the Region. He noted the staff is committed to doing its best to maintain a presence in the Region.

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

Kim Carr, SNFCI Coordinator, noted there has been an increase in the level of activity with every Board report. Staff continues to participate in the local forest

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and community collaboratives, and is helping the community gain a voice in that process. There are about 10 collaboratives around the Sierra which the SNC participates in, and, in some instances, provides further facilitation and communications assistance. Staff will link this activity to the 24-member SNFCI Regional Coordinating Council (CC).

The SNC has also been doing a lot of coordinating work with the US Forest Service (USFS), which is updating its Forest Planning Rule for the first time in 30 years. Carr said this document will guide the individual Forests to update their forest management plans, an important activity for Sierra forests. Carr said the next CC meeting will be held in Auburn in two weeks (June 22) to review the Forest Service Leadership Intent, trying to address sustainability as well as increasing the pace and scale of the forest thinning efforts. The Leadership Intent document will be the focal point for the CC's action plan, and she is looking forward to having some Region 5 people at that meeting to assist the discussion.

Boardmember Kirkwood said the comments on the Forest Rule coordinated by the Natural Resources Agency were very well-written, and thanked Boardmember Ferrara for coordinating that effort.

Kirkwood also remarked about his recent visit to the John Day Ranger District in Oregon where he learned that the areas affected by wild fires was exceeding the areas being logged or "treated" by a factor of seven or eight. A collaborative group in that area was able to assist in the environmental review through a "programmatic EIR" process to conduct salvage logging, so that a local saw mill could continue to operate. He suggested that we should consider looking into this kind of option.

Carr said the National Environmental Policy Act (NEPA) process continues to be challenge and will be addressed on the upcoming CC agenda.

Boardmember Dahle said he hoped the Coordinating Council would engage in the issue of how the fluctuating price of electricity has caused a bio-mass energy plant to be closed in Burney.

Boardmember Wheeler said the USDA has pulled funding from all the Resource Conservation and Development Districts but that his county (Madera) is going to keep that office going for at least a year with other funding. He said that Congressman Denham has submitted a bill which would allow projects that have received CEQA approval to be exempt from environmental review under the NEPA.

Boardmember Jiron said the US Forest Service (USFS) considers biomass to be part of the plan for creating the pilot projects to make it more economically viable and is working with the California Public Utilities Commission to see how it could

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be addressed. He indicated that he would look into the results of the John Day issue example, because salvage logs need to be removed within two years of a fire.

Board Chair Kirwan echoed support for the concept of a programmatic EIR/EIS to address a recurring set of issues which have a defined scope of environmental consequences, so that approval could be obtained more quickly.

Boardmember Arcularius said she participated on a subcommittee of the National Association of Counties which submitted comments on the Forest Service Planning Rule document. She added that the California Association of Counties and the Regional Council of Rural Counties are working on a memorandum of agreement with the Forest Service to establish better lines of communication as the Planning Rule moves forward.

### **c. Proposition 84 Grant Program Audit Report**

Branham said the Department of Finance (DOF) audit provided helpful comments and was a positive affirmation of the work that Grants Program Manager Kerri Timmer and her staff have been doing for the grant program. He said it was a good vote of confidence for the team.

Timmer thanked the SNC Area Staff who work with the grantees, as well as Grants Coordinator Angela Avery, Lisa Forma and Barbara Harriman in preparing for the audit. The auditors looked at compliance with legal requirements in association with awarding bond funds, and also interviewed 23 grantees to make sure they were also following the protocols that had been established. The audit report is on the SNC Web site. The recommendations centered on fiscal and project monitoring.

Boardmember Kirkwood congratulated Timmer and the SNC in general, saying the input he receives from constituents is that they are very happy with the program.

Timmer said that DOF is now starting to audit some individual grantees who have multiple projects, with at least one of them being an acquisition and who also have at least one of those projects closed. These include the Nevada County RCD, Sierra RC&D, the Pacific Forest Trust, Sierra Business Council, and the Truckee River Watershed Council.

## **VIII. Deputy Attorney General's Report (INFORMATIONAL)**

Christine Sproul, Deputy Attorney General, said new legislation would reduce the number of purchases required to create a new environmental license plate. She will continue to monitor that bill.

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Sproul commented on the previous discussion about programmatic environmental review. She said she has a great deal of CEQA and NEPA experience and that there exists a number of joint documents to satisfy both, as well as programs under which the federal government has delegated its NEPA authority to State agencies.

### **IX. SNC Strategic Plan (ACTION)**

Branham reported the SNC's first Strategic Plan (Plan) has served the SNC well, but now it's time for an update. In fact, Proposition 84 was yet to be passed at the time of the first plan. He noted that the SNC has awarded \$40 million, and that every county in the Region has now received a grant award.

Branham reviewed with the Board several other accomplishments of the SNC over the past five years including the Great Sierra River Cleanup, the National Geographic Geotourism MapGuide Project, and Sierra Day in the Capitol.

Newer projects underway include the Mokelumne Watershed Environmental Benefits Project, the Sierra Nevada System Indicators Project, the PG&E Stewardship Council Project, and the Sierra Nevada Water Report.

He indicated that the Draft Strategic Plan has served to engage a wide variety of stakeholders to better understand the lessons learned over the past five years and and to identify activities that are needed in the future, including non-funding assistance. The final Plan will be ready for Board action at the September Board meeting.

Boardmember Pland stated that from his perspective, the economics of a stand-alone biomass facility are on "shaky ground" and that strategies that rely solely on biomass to reach the objective of healthy forests will not be successful. He proposed a package of operations where merchantable logs can help "carry" the biomass out of the forest, and the use of longer-term stewardship contracts.

Branham agreed and noted some examples in the report are focused more on biomass, but the SNC is committed to assist in maintaining existing infrastructure and creating new opportunities for biomass utilization. He noted that most of the biomass used for energy today is generated at sawmills and that in the southern Sierra, there is not a lot of hope for new mills to open, so biomass operations might be most appropriate. Pland said he would like to see a bullet point calling out the need to provide merchantable timber to the few saw mills that are left in the Sierra.

Boardmember Arcularius said words like "yield," "production," "harvest" and "wood products" are good words to use in the report and should be encouraged. She said the forests, under the Sustained Yield Act, are there to provide a yield to sustain our country and produce viable products.

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Boardmember Nunes agreed with the two previous Boardmembers stating coming from a region where there are still operating mills, he suggested using the term “timber harvest” in the report.

Boardmember Wheeler said the North Fork mill used to average 130 million board feet, and is now surrounded by tons of dangerous, bad timber since the mill was shut down in 1993. Until the USFS can guarantee logs for two years, there will be no investors interested in spending millions of dollars to put in a mill or a biomass plant. Wheeler said forest biomass is the best renewable resource that America has and that it is being wasted.

Boardmember Graber said he felt the need to temper those remarks. He said the forests exist by law not only to provide resources, but also to protect watersheds, to provide for recreation, and to protect wildlife and native species. They do not exist just to provide commodities. He noted as the climate is warming and drying, larger trees are the ones that survive best. He agreed with the need to remove merchantable timber, but feels it will take decades of thinning work to assist the growth of large diameter trees.

Boardmember Kirkwood stated he was confused about the examples in the Plan. He said this particular strategy will sound a lot better when it doesn't have examples under it. He stated that the introduction to the discussions on healthy forests should place greater emphasis on environmental issues, and feels the quantification piece on forest benefits needs more work, noting that the watershed discussion lacked reference about natural upstream storage. He also stated there seemed to be a higher claim of threat of development than is real. He suggested adding a bullet point stating SNC will continuously maintain and improve other baseline SNC assets, skills and tools established in the first five years to assure they are up to date, and their contribution continues to be as strong as possible.

Boardmember Brissenden said he would second Graber's remarks and was also concerned about the impact of humans on the forest. As for easements, he said he feels we need to scrutinize the threat of development more carefully. In response to Kirkwood's comments about upstream water storage, he noted there are some projects just under way to help quantify the effect of upstream activities in attenuating stream flows.

Boardmember Dahle stated he has received feedback from constituents on the issue of acquisitions that occur a long way from water and that SNC needs to look more closely at this.

Branham indicated staff would continue to analyze the issue of how to best determine “threat” of development and the affect it would have on project recommendations.

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Boardmember Arcularius pointed out that one of the key benefits of funding an easement is to reach the goal of sustaining agriculture, as that is often times the only way an agricultural family can stay on the land. Regarding the section on agriculture, she said it might be a better strategy to join with the agriculture industry to take the lead on this. Branham said SNC would appreciate any and all help to provide more coordination with the agriculture community and would continue to reach out to them.

Boardmember Pland commented on the issue of conservation easements vs. development, saying the "first line of defense" is the county Board of Supervisors and the general plan in that county. All counties look real hard at potential rural development.

Branham said he appreciated the Board's comments, modifications would be made and the draft report made available for public comment.

### **Public comment:**

Kim Yamaguchi, Butte County Supervisor, said the threat of fire is the highest priority in his county, noting Butte County has lost over 200 homes in 2008 to fire. He agrees with the comments about the need to thin the forests and keep saw mills open.

Yamaguchi also said that the issue of public access is also a high priority when land is taken into public domain. He cited examples in his county where historical uses of fishing and hunting have been eliminated. He encouraged a focus on negotiations to create the opportunity for public access.

**Action: Boardmember Kirkwood moved and Boardmember Owens seconded a motion to direct the staff to move forward with the Draft Strategic Plan, solicit public comment and bring it back to the Board in September. The motion passed unanimously.**

### **X. 2011-12 and 2012-13 Grants Program (ACTION)**

Kerri Timmer, Grants Program Manager, said the intent of this agenda item was to solicit the necessary guidance and approval from the Board for staff to move forward with the Draft Grant Guidelines document that can go out for public review and then become the document to guide SNC's grant program over the next two years.

Timmer gave a review on the progress of the Proposition 84 grant program, stating that \$40 million has been awarded so far, with \$10 million left. She noted the staff proposal presented several policy-level questions relative to the types of projects to be funded with the remaining \$10 million.

Boardmember Kirkwood noted that the grants for pre-project due diligence for fee-title acquisition projects are relatively small, and yet are valuable to small agencies because they are very difficult to obtain elsewhere. He feels it is important for SNC

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to continue to fund these projects. He said his order of priority would be 1. site improvement, 2. pre-project environmental and appraisal work, 3. acquisition of easements, and 4. acquisition of fee title.

Boardmember Nunes noted some groups, like Fire Safe Councils, need the pre-project environmental work in order to do the site improvements. He asked if using a phased approach to fund both at the same time would be feasible. Timmer explained that the phased approach, while appealing, was quite difficult to do within legal and CEQA constraints due to the fact that projects might not move past the first phase.

Kirkwood noted that the decision to fund only forest related projects in the first year and agriculture projects the second year would limit the ability for applicants to fund both the work for pre-project environmental review, and then the implementation work. He suggested the SNC not make the sequential distinction.

Boardmember Arcularius agreed with Kirkwood's suggestion. She also asked if there could be any leeway in allowing for funding certain projects for both pre-project work and implementation to ensure that a project won't be stalled do to a lack of implementation funding. Timmer explained in the past the SNC has used dollars set aside through the Executive Officer's authorization for a small number of time-sensitive projects, but added that authorization for those projects is limited only to the pre-project work.

Branham said that some of the lessons learned relating to grant evaluation with previous grant rounds had led the SNC staff toward the recommendation of the single-focus approach in two consecutive areas, especially with limited remaining funds.

Boardmember Nunes said that he would be in favor of leaving this point up to the staff, so long as the Fire Safe Councils, forest projects and ranch easements can be funded over the next two years. Arcularius said that with respect to agriculture projects, she would be more in favor of finding other types of site improvement projects to fund instead of conservation easements. She suggested working on agriculture projects the first year, allowing them to be ready for funding in the second year.

Boardmember Graber spoke in favor of the single focus funding proposal from staff. He added he believed there are many agriculture projects that are ready for funding. He suggested consulting with the National Resource Conservation Service (NRCS), which has a list of site improvement projects on agricultural lands in the Sierra. Boardmember Pland agreed working with the NRCS would be beneficial for Sierra farmers.

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Branham agreed many of the NRCS projects would fit under Proposition 84 guidelines, and SNC plans to partner with NRCS. Unfortunately, very few applications from the Sierra agricultural community have come to SNC thus far.

The Board agreed with the staff proposal to divide the remaining \$10 million equally over the two years. Boardmembers Nunes, Arcularius, Pland and Owens indicated they are opposed to funding pre-project work for fee title acquisition. After querying the Board, Board Chair Kirwan said the sense of the Board was against funding pre-project work for fee title acquisitions.

Branham asked if it was the will of the Board that SNC not bring forward any projects which would result in fee title acquisition. The consensus from the Board was no such projects should come forward for authorization under the remaining Proposition 84 funds.

The Board concurred with the staff recommendation that there should not be specific subregional allocations, but rather a less stringent consideration of geographic distribution of grants.

On the issue of funding caps, Timmer noted that the staff proposal reduces the funding cap for site improvement, restoration, or acquisition of conservation easements to \$250,000. Boardmembers Arcularius and Kirkwood suggested raising the cap to \$350,000. After some discussion about the appropriate level of funding for these types of projects, Timmer was directed by the Board to provide more data from the SNC's history with these projects in the next draft. On the issue of a funding cap for pre-project grant awards, the Board agreed to increase the cap up from \$50,000 to \$75,000.

The Board indicated unanimous support for requiring grant applicants to submit a "pre-application." Timmer assured the Board staff would do everything it can to streamline this process and ensure the full application becomes additive and not redundant to the pre-application.

### **Public comment.**

Jessica Neff, Pacific Forest Trust; agreed with the pre-application requirement. She added that conservation easements are a great way of improving forest health and wanted assurance that conservation easements would be considered under the focus of "Forest Health". Neff suggested it would be good to have both agricultural and forest projects eligible in both years to ensure a higher number of quality projects would be brought forward.

Kim Yamaguchi, Butte County Supervisor; thanked the Board for bringing emphasis to the Fire Safe Councils. He said that while the Butte County Fire Safe Council has not been able to compete in the past, he looks forward to future cooperation with the SNC.

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Erik Vink, Trust for Public Land; echoed the comments that the Ms. Neff made and asked the Board to not divide forest and agricultural projects up by year because there may be great forest projects that miss the deadline. He spoke in favor of flexibility for "fee simple" acquisition projects because of concerns about providing public access. Responding the Board's discussion of appraisals, he suggested the Board ask Department of General Services to make a presentation at their next Board meeting.

Ron Warner, Tehama County Supervisor said Fire Safe Councils and some watershed groups in his county had submitted six projects in previous grant rounds, but none were approved. He said those groups were concerned that too much money was going to acquisitions, so he expressed his appreciation for the actions the Board had taken on this issue relative to those types of projects.

**Action: Boardmember Kirkwood moved and Boardmember Jiron seconded a motion to authorize staff to prepare a public review draft of the Guidelines based on guidance provided by the Board, and to bring the Guidelines forward to the Board in September following public comment. The motion passed unanimously.**

### **XI. Reauthorization of Federal Secure Rural Schools and Community Self-Determination Act (ACTION)**

Branham stated that this is a request brought forward by Supervisor Wheeler. He indicated this is an issue that is critically important to many Sierra Nevada counties and it aligns with a position taken by the SNFCI Coordinating Council. Branham noted that the staff recommendation was for the Board to go on record as being in support of the reauthorization of the Act.

**Action: Boardmember Nunes moved and Boardmember Dahle seconded a motion to direct the Executive Officer to convey the SNC's support of reauthorization of the Act to members of the California Congressional Delegation and other interested parties. The motion passed unanimously.**

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

#### **a. Sierra Day in the Capitol Report**

Kerri Timmer said the day was a success with 46 people attending, resulting in 63 legislative visits. She thanked SNC staff including Shana Knott and Julie Griffith-Flatter for the displays on the Governor's wall, adding that many people commented on how useful they were. Sponsorship grew from 19 to 25, including those who contributed financial assistance and photos for the wall display. She thanked Boardmembers Kirkwood and Brissenden for attending.

Brissenden encouraged the SNC to continue Sierra Day and to find ways to develop sponsorship opportunities and make this event a fundraiser.

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### **b. Sierra Nevada Water Report**

The Watersheds of the Sierra Nevada Report and Water Facts booklet were distributed to the Board. Branham noted that the documents were produced by the Water Education Foundation (WEF) with the SNC as a partial funder. He noted that WEF retained editorial control of document but received substantial input from the SNC and stakeholders. The report is being distributed by WEF and the SNC. He added that the report would be used by SNC as part of ongoing education of Sierra water issues.

### **c. SNC Involvement in the State Water Plan Update**

Kerri Timmer said the SNC has, for the first time, been included on the State Agency Steering Committee to update the California State Water Plan. The update is being headed by the Department of Water Resources (DWR), and is scheduled to be released in 2013. She said that other agencies on the Steering Committee feel the SNC can bring a much-needed focus to the Sierra as part of the process. The goal for the SNC is to raise awareness, particularly of those outside the Region, about the importance of the Sierra Nevada to the rest of California.

Timmer said there is an opportunity to be the “voice of the Sierra” in representing key issues.

Boardmember Kirkwood said Timmer could serve the Sierra well by reminding the DWR about the potential for, and the need to invest in, upstream water storage.

Boardmember Nunes expressed the need to reach out to groups involved in the irrigated lands regulatory program. Boardmembers Wheeler and Arcularius said they hoped the SNC could offer support to smaller county IRWMP programs which have not been successful in competitive grant programs.

In a unrelated note, Branham reported that he and Joan Keegan, Assistant Executive Officer, recently visited a decommissioned fish hatchery near Independence. He stated SNC is in the early stages of considering a potential role for the organization (including possible receipt of this property from the Department of Fish and Game) in determining the future use of the site. He indicated the SNC would work closely with Inyo County in determining what role, if any, the SNC would play. He noted the fish hatchery portion of the property is no longer operational.

## **XIII. Boardmembers' Comments**

Boardmember Arcularius suggested that if the Board calendar works out it would be nice to meet at the Mt. Whitney fish hatchery.

## **XIV. Public Comments**

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Charles Greenlaw, Alliance for Family Forest and past president of the Forest Landowners of California, said he was gratified to hear the so much support for fire safe work to make the forests healthy. Greenlaw noted there seems to be a push to restrict recreation to human powered recreation and to wall things off from motorized recreation. He said it seems inappropriate to use public money to support one form of recreation over another; i.e., motorboat vs. canoe, and snowmobile vs. skiing.

He added that he felt the “perpetual endurance” of conservation easements was worrisome, saying it can act as a never ending straightjacket to land use beyond the lifespan of the landowners.

### **XV. Adjournment**

Board Chair Kirwan adjourned the meeting at 12:52 PM.