Board Meeting MINUTES
September 6, 2018
Faith Baptist Church
810 W. Carlos Street
Alturas, CA 96101

I. Call to Order
The meeting was called to order at 8:34 a.m.

II. Oath of Office for New Boardmembers
The Oath of Office was administered to Supervisor Ron Hames.

III. Roll Call
Present: Terry O’Brien, John Laird, Jacqueline Wong-Hernandez, Elizabeth Cavasso, Bob Johnston, Ron Hames (for Jeff Griffiths), Este Stifel, Tom Wheeler, Sherri Brennan, John Brissenden, Doug Teeter, Barnie Gyant, Randy Fletcher, and Danny Wan

Absent: Susana Reyes and Woody Smeck

IV. Closed Session (This portion of the meeting is not open to the public.)
Upon resuming open session, Board Chair Terry O’Brien announced the closed
session results. The Board decided to appoint a selection committee to review
and select the top candidates for the Executive Officer position. The most
qualified applicants will be interviewed by the entire Board and the Board hopes
to announce the new Executive Officer in December.

V. Approval of June 7, 2018, Meeting Minutes (ACTION)
ACTION: Boardmember Tom Wheeler moved, and Boardmember
Randy Fletcher seconded, a motion to approve the June 7, 2018,
meeting minutes. The motion passed unanimously.

See Agenda Item IX – Board Chair O’Brien requested to move this item up.

VI. Board Chair’s Report
Board Chair Terry O’Brien provided the Board with an update on some of the
more recent legislation directed at forest health as a result of the devastating
fires throughout the state. He summarized some of the meetings he has had with
several state agencies and the progress towards increased funding as well as
contract extensions to allow biomass work, capacity building, and infrastructure
to assist with these issues.

O’Brien said that contracts have been extended for some of the biomass energy
facilities in the Region. He was pleased to visit the mill yesterday on the tour and
listen to a mill owner talk about the issues before them. He stressed the importance
of building infrastructure in the forest that can handle small-diameter trees.
O’Brien also said that a CEQA exemption for projects that involve forest thinning or prescribed fire was passed for projects on federal land that comply with NEPA.

He added that a small timber land owner exemption was passed for parcels that are 100 acres or less in size which will allow private land owners greater ability to manage their parcels. This is important given that many of these parcels are overgrown and represent a fire hazard.

Also, legislation passed which requires the state to look for ways to support mass timber projects, wood innovation, and cross-laminated timber. This will provide more opportunities for timber owners and mill owners to market their products in the state.

Executive Officer Jim Branham acknowledged the role that the Chair played in the recent legislative changes and that his position with the Governor’s office can help move many of these issues forward.

There’s great optimism and SNC will be using the CEQA exemption as soon as it is state law. That will be hugely helpful in terms of less time and less cost associated with completing restoration projects on national forest lands.

Boardmember John Laird said that further legislation is necessary and it's going to take vigilance to make sure that that is done over time.

O'Brien then announced that the December Board meeting will be moving to Sacramento to facilitate the selection of an Executive Officer. He further proposed that the March 2019 meeting would then move to Placerville.

VII. Sierra Nevada Watershed Improvement Program Proposition 1 Grant Award Recommendations (ACTION)

Regional Manager Andy Fristensky provided an overview of the Upper North Yuba Forest Health and Resilience Project (SNC 1023) and directed the Board to the Board packet for additional project information. Chair Terry O’Brien expressed his strong support for the project and suggested staff work with CAL FIRE to determine if the project could utilize equipment under their control.

ACTION: Boardmember Doug Teeter moved, and Boardmember Randy Fletcher seconded, a motion to (a) approve findings concurring with the Mitigated Negative Declaration and authorize the Executive Officer to file a Notice of Determination as a Responsible Agency for the Upper North Yuba Forest Health and Resilience Project (SNC 1023); and (b) authorize a grant award to Sierra County Public Works for the Upper North Yuba Forest Health and Resilience Project (SNC 1023) as described in Exhibit A for $500,000 and further authorize staff to enter into
the necessary agreements to move forward with this project. The motion passed unanimously.

VIII. Funding Expenditure Discussion (INFORMATIONAL)

Executive Officer Jim Branham provided context and background for the Funding Expenditure discussion, noting that the influx of funding from Proposition 68 and some of the other opportunities that may be coming have caused staff to begin thinking about ways to align funding with the SNC’s new Strategic Plan and other activities that are a part of the SNC’s mission.

Branham set the stage for the discussion by asking how the SNC might take advantage of the flexibility provided in the language of Proposition 68. Emphasizing the need to explore new ways of doing business, Branham expressed staff support for expending Proposition 68 funds in creative and innovative ways. This includes using "directed" grant funding in addition to competitive grants.

Branham reminded the Board that Governor Brown’s May Revise fast-tracked much of SNC’s Prop 68 funding so that all of SNC’s forest health money was moved into this year's budget, as was just over $10 million of the more general pot of funding from that bond.

Assistant Executive Officer Bob Kingman presented slides to the Board showing a proposed expenditure plan for Proposition 68 (Prop 68) funds and the $1 million in Timber Regulation and Forest Restoration Funds (TRFRF) allocated to SNC in FY 2018-19.

Kingman reminded the Board that the Prop 68 Bond allocated a total of $55 million to the SNC in two different sections: $30 million for broad use in support of SNC programs and $25 million for specific use in support of forest health and the Watershed Improvement Program.

Kingman explained that all the $25 million from the forest health section was allocated for expenditure in the current budget and is being administered using existing SNC Forest Health Grant Guidelines, and that $10,675,000 was allocated from the $30 million section. He further described SNC’s proposal to break the $10,675,000 allocation into three pots aligned with the SNC Strategic Plan as follows: $8,175,000 for land conservation, $1,000,000 for resilient communities, and $1,500,000 for collaborative recreation and tourism.

In addition to Prop 68 bond funds being included in the budget, SNC also received $1 million from TRFRF to promote the use of mass timber, cross-laminated timber, and other advanced wood products. Kingman indicated that TRFRF grant recommendations would be developed and brought to the Board for future consideration.
Branham added thoughts on land conservation, noting that it is something the SNC did a lot of under Proposition 84. The SNC has established partnerships, relationships, and a good understanding of how to do land conservation. He shared that the SNC has been having positive discussions with the Wildlife Conservation Board, the Department of Conservation, and CAL FIRE about a coordinated, strategic approach to land conservation. He also commented on the opportunity for the SNC and partners to work together to look at land conservation from the perspective of shared goals and achievements across the Sierra Nevada landscape.

Staff and the Board engaged in detailed discussions about the amounts of funding proposed in each pot under Prop 68. Branham and Kingman provided additional clarification and background behind the reasoning for the fund breakdown recommendations and answered questions.

Boardmembers engaged in conversation about land acquisition and the proposed distribution of those funds. A number of Boardmembers expressed interest in requiring property tax neutrality on conserved lands to ensure that county budgets aren’t negatively impacted. The Board also expressed its desire for public access to be included as a requirement for easement acquisitions wherever feasible, as well as their desire for local land jurisdictions and counties to be included at the front end of discussions about what conservation easements should look like.

There was a robust discussion about adjusting the recommended amounts in each program, including the possibility of decreasing the funding amount for Strategically Conserved Lands and moving that amount to the tourism pot.

Branham told the Board that the SNC is hearing more and more about communities having a lack of capacity to take on work. He expressed an interest in helping identify opportunities to build capacity in these smaller communities.

Boardmember Jacqueline Wong-Hernandez stated that there is tremendous opportunity in supporting resilient communities and doing so supports most of the other Regional goals included in SNC’s draft Strategic Plan. She stressed the importance of building up Sierra Nevada Communities and building capacity via technical support, but also building economic capacity to continue to get local buy-in and support for SNC activities. She encouraged the Board to consider the long-term and to think about ways to build up rural communities, ultimately suggesting that the Board revisit these items more often to move beyond the original thinking to expand the scope of the funding and projects.

Boardmember Danny Wan asked how educating downstream beneficiaries about the value and benefits of upper watersheds could be achieved via the SNC’s funding plan. Branham reminded him that staff would have to show that bond funds
were spent for purposes consistent with Prop 68 and/or the general obligation bond authority which would limit the amount of funding that could be spent on items such as education or outreach. However, he noted the Strategic Plan has a number of strategies aimed at addressing this issue, using funding as appropriate.

Board Chair Terry O’Brien commented that the Sierra Nevada needs more infrastructure on the landscape to deal with forest health issues. He also acknowledged that the SNC, under Branham’s leadership, has been doing a good job of reaching out and working with other agencies to achieve this goal.

O’Brien also said that he would be more inclined to scale back a little bit in terms of the conservation easements and encouraged staff to think about putting a little more money on wood product innovation because of its connection to infrastructure. He emphasized the need for additional in-Region infrastructure as a key component in addressing the ecological issues in the forest which are overgrown and subject to catastrophic fires.

Kingman said that new guidelines will be drafted for the Prop 68 funds in alignment with the newly developed Strategic Plan, and SNC is being cautious moving forward, especially considering that a much larger amount of money might be coming into the Conservancy in the form of Proposition 3. The guidelines will be brought back to the Board for review and approval in December and he pointed out that these guidelines are proposed for funds that have already been allocated to the SNC and that the clock is ticking.

Branham summarized Boardmember discussion around property tax requirement for land acquisition grant applicants. The Board agreed that a property tax requirement will be clearly identified as a benefit but will not be a mandatory requirement for a grant award.

Branham also summarized the Board’s will on public access benefit; this will also be encouraged as a benefit but will not be a mandatory requirement for a grant award.

The Board also requested additional clarification on land use planning and county cooperation and encouraged staff to explore with the county representatives the ways land conservation fits into a longer-term vision in terms of where the development is occurring. They re-emphasized that this should be considered a benefit but not a requirement.

IX. Master Good Neighbor Authority Agreement with Regions 4 and 5 of the United States Forest Service (ACTION)
This agenda item was heard following Agenda Item V.

Executive Officer Jim Branham provided background on the development of staff’s request for Board authorization to enter into a Master Good Neighbor
Agreement (GNA) with United States Forest Service (USFS) Region 5. The GNA will cover ten national forests within SNC jurisdiction and the Lake Tahoe Basin Unit. Additionally, Region 5 has been working with their Washington office to add the Humboldt-Toiyabe National Forest from Region 4 to the agreement.

Branham expressed that the Good Neighbor Authority provides an opportunity for the state of California to partner with the USFS to increase the pace and scale of forest restoration. He said that this was an interesting opportunity because the state of California continues to commit funds to forest health and to watershed restoration resilience.

Branham further explained that, as staff thought about reframing the Sierra Nevada Watershed Improvement Program (WIP) consistent with the Strategic Plan, it became clear that the SNC needed to think about the partnership with the Forest Service differently. Branham met with Boardmember Barnie Gyant on April 19, and the two agreed to doing a GNA. He shared his enthusiasm, stating that the SNC views this agreement as a critical part of implementing the WIP going forward. He acknowledged the role Assistant Executive Officer Bob Kingman had played in developing the agreement.

Kingman shared that, in addition to working out the details of the GNA, he is exploring similar opportunities with the Bureau of Land Management (BLM). He has met with BLM representatives who have some interest in pursuing the concept and will be watching to see how this agreement works with the Forest Service. Kingman reiterated SNC’s view of this GNA as a critical way to expedite and open up pipelines of funding and resources to increase the pace and scale of work on federal lands. He recognized the constraints that federal partners are facing right now, the opportunities that SNC has, and the direction that the state of California is heading in terms of being able to bring resources to bear on those federal lands. Kingman shared that having this instrument in place is going to critically help SNC achieve those things.

Gyant, representing the Region 5 Forest Service, addressed the Board and expressed the USFS full support for the agreement. He stated there is a state and private side to the USFS, and, over the last four or five years, the USFS has invested about $16 million on private land. So, when the Good Neighbor Agreements came about, giving states the ability to work on national forests, the Forest Service was excited about that opportunity.

Gyant said the Forest Service continues to do work not only with the Sierra Nevada Conservancy and WIP projects, but with private landowners that are in the northwest forest plan footprint, and the Forest Service is looking at potentially doing an MOU outlining collaborative fuels work.
Additionally, Gyant said the USFS is also working with Sierra Pacific Industries in the Sierra, Stanislaus, Eldorado, Tahoe, Lake Tahoe Basin, Plumas, and Lassen national forests and have developed a program of work in which they work with CAL FIRE and the SNC across the landscape.

Boardmembers engaged in discussion about the Good Neighbor Authority, highlighting the various benefits to both SNC and the Forest Service that might come from the agreement. They also discussed possible points of contention or concern.

Boardmember Doug Teeter expressed concern regarding the duties of the Forest Service and the state surrounding NEPA requirements and asked about fundamental changes that the Forest Service is going to make to be able to have capacity under this Good Neighbor Authority.

Gyant addressed Teeter’s concern stating that the Good Neighbor Authority gives the state the ability to work and complete analyses on national forests; therefore, partners can perform and assist with that work. Gyant said that the CEQA exemption is going to be huge for the Forest Service because it will broaden the opportunities to get a lot of work done.

Boardmembers requested specific language be added to the agreement to clarify the CEQA and NEPA roles for the federal and state partners.

**ACTION:** Boardmember Randy Fletcher moved, and Boardmember Ron Hames seconded, a motion to authorize the Board Chair and Executive Officer to execute a Master Good Neighbor Authority Agreement with the USFS Regions 4 and 5, and staff to develop Supplemental Project Agreements with individual forests as needed and appropriate. The motion passed unanimously.

**X. Strategic Plan Update (INFORMATIONAL)**

Policy and Outreach Division Chief Angela Avery provided a brief presentation and overview summarizing the Strategic Plan background and development process. Copies of the Draft Strategic Plan and PPT presentation were provided in the Board materials.

Avery said at the June 2018 meeting, the Governing Board approved a set of strategies and agreed to the elevation of the Sierra Nevada Watershed Improvement Program across all goals. She stated this would create an opportunity for the SNC to look at watershed and community health and resilience in a holistic way. Such strategies would provide better strategic alignment and engagement with partners, allow SNC to play an active leadership role, and act as a catalyst for larger thinking. Avery went on to say the strategies do a good job of reflecting SNC's understanding of work priorities and needs in the Region in a meaningful way.
Avery pointed out that the draft plan is a good culmination of SNC’s outreach and assessment of Regional partners, indicating what is important for SNC to address. She also stated that the draft plan embraces O’Brien's directive to staff to be bold and address the issues and the needs in the Region.

Avery indicated that the plan sets a context for the work that SNC proposes to do in the coming years, addresses Regional needs, and includes issues that the state is grappling with on a larger scale.

The plan is designed to be action-oriented, and Avery pointed out that the next steps are to finalize the Strategic Plan and develop actions based on Board comments and input today. The plan is intended to be a clear pathway forward to identify activities that have true and meaningful impacts while addressing the needs and opportunities in the Region.

Avery addressed key questions for Board consideration which were found in the staff report and PowerPoint presentation. She acknowledged that most questions were addressed in the previous expenditure agenda item discussion. She said that she has heard quite a bit from the Board from the previous discussion and will work to incorporate that input into the final Strategic Plan.

Boardmember Bob Johnston requested that the draft language about connecting current and planned programs under needs assessments also apply in the first goal category of healthy watersheds and forests.

Avery also summarized the will of the Board and stated that staff will add workforce development language as a part of the community resilience component. She also stated that technical support will be broader than just training and development so that it includes workforce development and infrastructure implementation.

Boardmember Jacqueline Wong-Hernandez suggested succession planning for the Board, thinking about staffing, and really talking through plans based on the outcome of Proposition 3.

Boardmembers discussed a desire to fund projects that exhibit long-term greenhouse gas benefits.

Avery told the Board that Public Comment was open through September 19 and that staff would incorporate the Board comments and public comments and create a final draft which will be presented to the Board in December. A final 18-month Action Plan will also be presented to the Board in December.
XI. **2017-18 Sierra Nevada Conservancy Annual Report (INFORMATIONAL)**

Policy and Outreach Division Chief Angela Avery reported to the Board a proposed idea for the Annual Report. She directed Boardmembers to a draft outline for the SNC’s 2018 Annual Report contained in their Board materials.

Avery stated that the SNC is statutorily required to report financial and land-management activities for the fiscal year. She acknowledged a gap between the end of the fiscal year and when the report is produced in December. She also acknowledged that the SNC previously included required statutory budget expenditure reporting within a promotional-oriented document that told the SNC story.

Avery reminded the Board of their previous direction to use the annual report as a promotional opportunity and proposed separating the statutory reporting by submitting a letter to the legislature and using the annual report as more of a promotional or marketing tool.

Avery proposed an annual report outline for consideration and comment. She referred to the outline in the Board materials and highlighted three parts: an executive summary, accomplishments of the Sierra Nevada Watershed Improvement Program throughout 2018, and a section that sets up the launch of the Strategic Plan and the new action plan.

Boardmembers engaged in further conversation regarding the format and suggested ideas to engage and educate readers.

Board Chair Terry O’Brien introduced Mr. Chad Hanson for public comment on Agenda Item X.

**Public Comment:**
Chad Hanson – John Muir Project
Hanson addressed the Board to discuss the Strategic Plan and asked the Board to consider focus and prioritization be given to homes and the 100-to-200-foot area around the homes in danger of wildland fire. Hanson also spoke to some misconceptions about forest health and resilience, logging, snag forests, and “fire deficit.” Hanson urged the Board to research misconceptions about forest and fire ecology.

XII. **Executive Officer’s Report (INFORMATIONAL)**

a. **Executive Officer Update**

Executive Officer Jim Branham updated the Board on the efforts of the Sierra Nevada Strategic Investment Plan group which includes about half a dozen state agency partners. Board Chair Terry O’Brien and Boardmember Jacqueline Wong-Hernandez attended the last meeting which also included CAL FIRE, the Wildlife Conservation Board, State Parks, Department of
Conservation, and Fish and Wildlife. This group will identify how SNC can be more strategic as it carries out state programs in the Sierra Nevada. Branham assured the Board that staff will report back regularly regarding the progress of this important effort, but he is encouraged by the interest and willingness he has seen in the partners to really think differently and strategically about how to implement funding and other kinds of watershed restoration activities.

Branham also addressed previous public comments, stating that the SNC spends a lot of time looking at the best available science and is very confident that the programs put forward are supported by it. He went on to add that though there will always be those in society who argue the Earth is flat, we don't need to keep having that argument, because we know that that isn't true. The science is clear about what's happening in Sierra watersheds, how unnaturally the system is functioning, and how SNC’s response needs to be focused on the things that make a difference. Branham assured the Board that SNC’s programs, Strategic Plan, and grant programs are fundamentally based in the best available science that supports these efforts. The SNC will continue to review new science and is committed to using the best available science to guide its programs.

b. Administrative Update
Administrative Services Division Chief Amy Lussier provided an update on hiring, informing the Board that the Field Operations and Special Projects Division hired Andrea Williams to serve as reimbursements coordinator. Andrea will be helping SNC coordinate the activities associated with the SNC’s two CAL FIRE CCI grants and the SNC’s Good Neighbor Agreement with the Plumas National Forest.

Lussier showed two videos of the SNC office, one of which took the Board on a tour through the Auburn office and its recent remodel. The other introduced the Board to SNC’s newest addition to its vehicle fleet: a Chevy Volt.

c. Sierra Nevada Watershed Improvement Program Update
The WIP Coordinator, Mandy Vance, directed the Board to the meeting materials for a detailed update on the WIP. Vance shared that she is working with staff to ensure that SNC messaging and communications are fully encompassing the newly expanded WIP under the Strategic Plan. She is also developing strong partnership engagement strategies that will allow SNC to deepen and widen its relationships with partners so that SNC can take full advantage of new opportunities.

Vance provided an update on the Forest Resilience Bond (FRB) project and one of the recent milestones achieved. The Yuba Water Agency has agreed to support the Forest Resilience Bond pilot on the Yuba project in the amount of $1.5 million and a cost-share agreement over the next one to five years.
This additional funding commitment has enabled Blue Forest Conservation to secure funding commitments necessary to launch the pilot. Vance indicated that a detailed press release is coming in October but that commitments have been secured from major impact investors, foundations, and an insurance company. The Yuba project that SNC is funding, along with CCI funding secured from CAL FIRE, helped get this off the ground. Vance acknowledged that this has been a long time coming, expressed her excitement about the opportunities this pilot will yield, and recognized the instrumental role that Boardmember Randy Fletcher and his colleagues have played in making the FRB a reality.

Fletcher shared that he recently met with county officials from Arizona who wanted to talk about what was done to get the FRB off the ground and how it worked so they can replicate it. The word is spreading about this innovative effort, and they learned about the FRB all the way from Washington, D.C. Fletcher indicated his optimism about the momentum building behind the FRB and thanked the SNC for the role it has played in establishing this pilot effort in the Sierra Nevada Region.

d. Policy and Outreach Update
Policy and Outreach Division Chief Angela Avery encouraged Boardmembers to read through their Board materials to review recent legislation updates. She said that all of the bills, with the exception of one, are enrolled and awaiting the governor’s signature, so there should be some understanding of what happens with those by the end of the month.

Staff is working on a new administration briefing packet to highlight the needs and issues in the Region and to talk about the solutions that SNC feels are important.

Avery highlighted a couple of things for the Board. One is a new article that was recently released by author Jane Braxton Little. She interviewed Jim for this article for the Yale Environment 360 called "Fighting Fire with Fire: California Turns to Prescribed Burning." Avery told the Board that she would forward the article to them.

Avery announced the 10th Annual Great Sierra River Cleanup is scheduled to take place on Saturday, September 15, 2018, and encouraged Boardmembers to participate.

e. Proposition 84 Grant Award Report
Regional Manager Andy Fristensky reported to the Board on the remaining Proposition 84 funds. He highlighted two grants that have been authorized since the last Board meeting in June. The first project is grant SNC 919 to Feather River College in the amount of $73,000 for the Feather River
College Watershed Improvement Project. This grant will result in completion of CEQA for treatments that will protect the campus, maximize water yield functions, and improve the health of riparian vegetation and wildlife habitat along Spanish Creek in Plumas County.

The second is grant SNC 920, the Sierra Meadows Partnership Prioritization Tool, which will contribute to watershed health in a different way. This unique collaborative is working towards the goal of restoring and protecting 30,000 acres of Sierra Nevada meadows by 2030. This grant will help to achieve this goal as it will result in a prioritization tool that will offer a scalable, flexible framework for prioritization of meadow restoration and protection projects.

XIII. Boardmembers’ Comments
Boardmember John Brissenden commended Mono and Alpine counties for their endorsements of Prop 3.

XIV. Public Comments
The following public speakers addressed the Board:
Christy Sherr – John Muir Project
Douglas Bevington – Leonardo DiCaprio Foundation
These two public speakers requested that the Board review additional science when considering forest health projects. Christy Sherr also left public comment handouts for distribution to the Board if requested.

Marty Coleman-Hunt – Sierra Cascade Land Trust Council
Coleman-Hunt expressed her appreciation for the in-depth discussion concerning the land conservation issues. Coleman-Hunt addressed the Board to thank the Board for all the support and collaboration over the last 15 years. Coleman-Hunt summarized the work of the land trusts as individual and group organizations.

Barry Boulton – Central Sierra Audubon Society
Boulton addressed the Board with his concerns around habitat issues in the Sierra and habitat retention and quality. He specifically addressed the Rim Fire area and stated his concern for the snag forest area and the critical habitat. This was an urge for the Board to look at additional science.

XV. Adjournment
The meeting was adjourned at 1:26 p.m.
The Board will reconvene in December.