



I. Call to Order

Board Vice-Chair Tom Wheeler called the meeting to order at 9:00 a.m. He thanked those involved in setting up the meeting and the previous day's tour to Halstead Meadow and the Giant Forest.

II. Roll Call

Present: Tom Wheeler, Kevin Cann, Este Stifel, Bob Kirkwood, John Brissenden, Todd Ferrara, Byng Hunt, Pam Giacomini, Woody Smeck (alternate for Don Neubacher, National Parks Service), and Jerry Bird (alternate for Bernie Gyant, U.S. Forest Service)

Absent: BJ Kirwan, Ron Briggs, Sherrie Thrall, and Bob Johnston

III. Approval of June 6, 2013 Meeting Minutes (ACTION)

There were no changes to the meeting minutes.

ACTION: Boardmember Kirkwood moved and Boardmember Giacomini seconded a motion to approve the June 6, 2013 Meeting Minutes. The motion passed unanimously.

IV. Public Comments

Scott Spear, Sequoia Riverlands Trust, expressed his thanks to the Sierra Nevada Conservancy (SNC) for the grants his organization was awarded. He also thanked SNC for its good work.

V. Board Chair's Report

There was no report.

VI. Executive Officer's Report (INFORMATIONAL)

SNC Executive Officer Jim Branham commented on the Sierra Nevada fire season and, in particular, the Rim Fire near Yosemite. He introduced U.S. Forest Service Representative and Boardmember Bird for an update on the recent fires.

Bird said about 4,000,000-acres have burned nationally. There are seven large fires burning in California, and reported one fatality in the Clover Fire northwest of Redding. The 257,000-acre Rim Fire is still burning in the Stanislaus National Forest and Yosemite, but is mostly contained.

Burned Area Emergency Rehabilitation (BAER) teams are being deployed to 13 fire zones to protect communities from the anticipated erosion from ash and sediment left behind after the fires. The American Fire on the Tahoe National Forest near

Board Meeting Minutes
September 11 – 12, 2013
Page 2 of 10

Foresthill burned 27,000-acres. Bird said the U.S. Forest Service is trying to secure funding from the State's "Cap and Trade" auction revenues to achieve a dollar per-dollar match between federal and state dollars to double the fuels reduction/fire prevention work being done.

Bird said treatment on federal lands needs to increase from 200,000-acres a year to 500,000, pointing out that the Rim Fire would not have been nearly as large if it had been treated.

Branham said the SNC has efforts underway to quantify the impacts that forest treatments can have on wildfires.

The Board was shown a slide show put together by the Board Liaison Theresa Burgess featuring a number of news clippings, fire facts, and video footage taken from various sources.

Branham said he had discussions with the City of San Francisco Public Utilities Commission staff regarding their efforts to quantify impacts of the Rim Fire. Information such as this can be used to emphasize the relationship of Sierra watersheds and urban communities and the need to invest in this Region.

Boardmember Cann asked if, given the fires this season, is there any expectation that the Legislature will now look at investing more Cap and Trade auction revenue on forest issues.

Branham said the fires would definitely strengthen the case for investment in the forest sector.

Boardmember Ferrara said the Cap and Trade auctions will continue and the expenditure plan is the next step in the process.

Board Vice-Chair Wheeler said the awareness among the Bay Area cities is growing, especially as it affects their water supply.

Boardmember Kirkwood said the City of San Francisco had to spend some \$900,000 to purchase power on a temporary basis due to the Rim Fire, and Branham added that the overall cost to the City was estimated at \$30 million for power infrastructure replacement and repair alone.

Boardmember Brissenden asked when the next Cap and Trade auction would be. Branham said they would be held twice a year, and an estimated \$500 million is expected to be generated.

Board Meeting Minutes
September 11 – 12, 2013
Page 3 of 10

Wheeler commented that the fire suppression costs of the Rim Fire were estimated at \$104 million thus far, and noted that that dollar amount could produce many good forest treatments.

Brissenden noted that the other impacts from the fire are being felt by local businesses, which have suffered greatly from reduced tourism during the summer.

Branham acknowledged that there has been a multitude of negative impacts from the fires, and that SNC is in the process of gathering those points to help tell the story. He noted that included in the Board packet was an opinion piece printed in the San Jose Mercury News, co-authored by Assembly Member Brian Dahle, a former Boardmember, and Assembly Member Rich Gordon. Branham said that having bi-partisan legislative support from both urban and Sierra Nevada areas advocating for action would be very helpful.

Boardmember Stifel said that the damage to air quality needs to be included in the discussion as well.

On an administrative note, Branham noted that SNC's Public Information Officer Pete Dufour retiring in October. He thanked Dufour for his service to the SNC and the State.

a. Administrative Update

SNC Administrative Services Chief Theresa Parsley updated the Board on the following items:

- A two-year State labor contract is now in place for most employee unions.
- The SNC expects to fill a vacant position in Mariposa in early October.
- 25 general operational SNC policies are being reviewed to ensure relevance and possible updates.
- 5 new implementation procedures are being developed in the areas of grants admin, human resources and emergency response.
- The SNC has received feedback from the State Personnel Board regarding their compliance review audit of SNC's appointments and Equal Employment Opportunity program, saying they found no deficiencies. Next compliance review is in 2016.
- Auditors with the Department of Finance (DOF) have initiated another new grantee audit in addition to the Sierra Nevada Alliance audit mentioned in the staff report. DOF auditors met with SNC Staff in August regarding two Proposition 84 projects with the Alpine Watershed Group. A total of seven SNC grantees have now been audited. Preliminary comments indicate the auditor was very pleased with the SNC's record keeping and forms, and would recommend them to other State Departments.
- Greenhorn Creek Project Grant from last round was executed.
- Issues concerning Butte Creek project are still unresolved.

- Parsley reported that the Mariposa office move would be taking place soon.

Cann said he applauded the location of the new Mariposa office, which will provide the SNC more visibility in the community, as well as more interaction with the county, which will be co-located in the same building, and across the street from the county government center.

Branham said the Legislature is looking to scale back the proposed water bond, and that conversations with legislators and staff have positive regarding the need for investment in the Region. The bond still has a heavy commitment to the Bay Delta, but if a bond moves forward next year, the SNC will be positioned well for an appropriate share. Branham said it is also possible that the bond will be put off until 2016.

Boardmember Giacomini said there would be a large pushback from the northern part of the state if there were no assurances given on the protection of origin of water rights.

Branham said there is an understanding that as well as discussions about more water storage. He said that those who are doing the polling on the ballot measure indicate that any organized opposition to the water bond would hurt its chances of passing. He added that it is a very complex issue, especially with the Governor's Bay Delta Plan calling for tunnels in the Delta.

b. Policy and Outreach Update

Branham informed the Board that staff continues to engage policymakers and partners on the importance of including investment in the Sierra as part of the water bond. Giacomini commented on the importance of addressing area of origin rights as well. Branham responded that acknowledgement of that is increasing, but the projected effects of climate change may call for increased fresh water flows into the Delta. He said there will be opportunities for local Boardmembers to engage on these issues.

SNC Regional Policy and Program Manager Angela Avery said the team is working on a number of legislative outreach efforts, including two legislative tours that occurred over the summer and two additional tours in the near future. She said an effort to get Los Angeles area members out into the watershed has been postponed until spring.

Avery said the next big effort would be a legislative briefing, October 31, linking the impacts of the summer's fires to the SNC's study of the Mokelumne River Watershed, using that opportunity to create an understanding what investment is needed. She added there would be a display on the Governor's wall in the corridor outside the Governor's Office in the month of January.

Avery said that 13 legislators had signed on as honorary cosponsors of the 5th Annual Great Sierra River Cleanup, and invited Boardmembers to participate on September 21st.

Ongoing activities will include more legislative outreach, including opportunities for the SNC Board to engage.

Branham said the SNC is trying to engage statewide, national, and local, partners, with varying success. He said The Sierra Fund and the Sierra Business Council in particular have been supportive.

Boardmember Kirkwood said he appreciated the improvement to the new format and update of the Policy and Outreach Update, and congratulated Avery on her presentation.

c. 2013-14 Grant Program Update

Parsley noted there is a total of \$2.8 million remaining in Proposition 84 funding for grants. Currently four “Healthy Forest” projects have been invited to develop full proposals. All four are on federal lands. One is likely to be a categorical exemption under the California Environmental Quality Act (CEQA), and three others may qualify the SNC to act as the lead agency using completed National Environmental Policy Act (NEPA) documents as a basis to address CEQA requirements. If successful, these projects, with a combined request for \$866,000, would likely be before the Board in March.

There are two additional Healthy Forest projects and one Abandoned Mine project that the SNC anticipates will be invited to submit full proposals. These three projects total \$345,000, and could be before the Board at the December meeting. There are many more proposed projects competing for the remaining funds.

Parsley said the SNC will share all recommended projects with all Boardmembers, and will include more detail in the staff recommendations prior to the Board meetings.

d. National Parks Service (NPS) Presentation

Woody Smeck from the NPS talked about two important anniversaries coming up:

1. In 2014 the 50th anniversary of the Wilderness Act. He noted the Sierra Nevada has one of the largest concentrations of protected areas under the Act, adding there will be many opportunities to celebrate the values of the Act. A number of state and national planning efforts are underway.

2. In 2015 the 125th anniversary of the Act that established the Yosemite and Sequoia National Parks.

Smeck provided an overview on a number of key issues including budget challenges, the organization of the Yosemite/Sierra Executive Council, the Merced River Plan and ongoing challenges with bears in the parks.

VII. Deputy Attorney General's Report (INFORMATIONAL)

Deputy Attorney General Christine Sproul said she continues to work on a number of California Environmental Quality Act (CEQA) National Environmental Protection Act (NEPA) "crosswalk" issues, and that she expects to have some interesting presentations at the December and March Board meetings.

She added that efforts in the Legislature to amend CEQA to assist with ecological restoration in the forest have not been successful this session. However, she said a limited reform bill directed at infill and transit development and a bill by Senator Steinberg to assist in streamlining CEQA for the Sacramento Kings new arena may open the door for streamlining in the future.

VIII. 2012-13 Annual Report (ACTION)

The 2012-13 Annual Report was presented by Board Liaison Theresa Burgess who said the report will focus on making the Sierra-Delta connection, as well as providing updated budget and fiscal information. The report will be distributed to the Legislature and the Secretary of the California National Resources Agency, and will be sent electronically to Boardmembers, stakeholders and the public as well, with hard copies available at the December meeting. Burgess noted that the SNC would produce and publish the report in-house.

ACTION: Boardmember Kirkwood moved and Boardmember Brissenden seconded a motion to approve the completion and distribution of the 2012-13 Annual Report. The motion passed unanimously.

IX. Fire Threat Systems Indicators Report (ACTION)

Assistant Executive Officer Joan Keegan noted the Fire Threat Indicators Report is the fifth in a series of six such reports. The sixth report, on agricultural lands, will be presented to the Board in December.

Keegan said SNC consultant Mark Stanley produced the report. She recognized the assistance of consultant Steve Beckwitt and Mt. Lassen Area Representative Chris Dallas, crediting the team for creating such a high quality report. Keegan summarized key elements of the report.

Kirkwood said this is the most abstract of the SNC System Indicators reports published to date, and that he did not see any indicators on how SNC work is having an impact. Kirkwood also requested that the information be broken down by county to make it more useful/relevant to county boards of supervisors.

Keegan explained that the performance measures placed on SNC projects report out on some specifics, but that the System Indicators are more relevant at higher policy level. She said the hope is that this information can be used by the SNC and its partners over time to help explain conditions in the Sierra. Keegan agreed to provide fire information by county.

Boardmember Smeck said he appreciated the information in the report, and asked if it could be determined how many acres were burned as “managed” fire to reduce fuel and hazard, verses those burned as wildfires. He said that in the Sequoia/Kings Canyon National Park, two-thirds of the acreage burned was from managed fires.

Smeck also asked if it is possible to attach standards or benchmarks to the indicators to give a sense of understanding of the current conditions.

Wheeler said CalFire is documenting treatment areas and is using overlay maps to show how fuel reduction efforts have made an impact of fire.

Boardmember Stifel said it would also be good to know how many of the fires are “mega fires,” as an indication of how fires are behaving.

Wheeler said the report indicates to him that CalFire should not be charging homeowners the \$150 State Responsibility Area Fee because most of the fires are outside that area on federal lands. Wheeler also noted that SNC is a leader in compiling this information, and commented that he felt this is a great report.

ACTION: Boardmember Kirkwood moved and Boardmember Hunt seconded a motion to approve the Fire Threat System Indicators Report. The motion passed unanimously.

X. 2013-14 Budget/SNC Programs Discussion (INFORMATIONAL)

Keegan presented information on the status of the 2013-14 budget and its alignment of expenditures with statute and Board direction. The total SNC support budget, funded by the Environmental License Plate Fund is as follows:

Personal Services (salaries & wages):	\$2.9 million (61%)
Operating Expenses & Equipment:	\$1.8 million (39%)
Total Support:	\$4.7 million

Keegan said the SNC would also report annually, at each September Board meeting, on how it is allocating funds and resources across the following program areas:

- Policy Development (State and Federal) -- \$75,000

- Education and Advocacy -- \$60,000
- Region-Wide Projects -- \$212,000
- Grants -- \$235,000
- Collaborative Planning -- \$100,000
- Technical and Other Assistance -- \$90,000
- Research and Monitoring -- \$75,000

Kirkwood said it is very helpful to see the budget broken down in this fashion. He said it would be more illuminating and would help inform the Board's decisions if the personal costs associated with the various program areas could be estimated.

Stifel congratulated the SNC for its ratio of 60 percent labor to 40 percent operational costs, saying that ratio is very impressive. She asked if there was a way to mesh the Action Plan and the program budgets to show where the SNC prioritizes its funding. Keegan said a lot of that prioritization occurs not along program lines but on action plan lines, as part of the SNC Strategic Plan.

XI. Updates on Various SNC Activities (INFORMATIONAL)

a. Bioenergy Action Plan Implementation

Branham said a lot of activity is underway on this issue. He said while it is critical to utilize forest biomass, the infrastructure is not in place or is in disrepair. Placer County is set up the best for this, but there are still a lot of issues to be resolved, including power purchase agreements. He said the future of the proposed small plant at North Fork is uncertain. The SNC will continue to work with communities who have an interest in utilizing biomass utilization.

Branham said that due to the lack of bioenergy facilities in the Sierra, some fuel reduction and forest restoration projects are not going forward.

SB 1122 (Rubio Chapter 612 Stats. 2012) calls for the Public Utilities Commission (PUC) to develop a process for investor-owned utilities to include woody biomass as part of their renewable energy sources. He said the SNC has provided comments as part of this process, and is anxious to see what action the PUC will take at an upcoming meeting.

Branham said the SNC helped to convene a bioenergy meeting in Foresthill, while smoke from the nearby American Fire was still in the air. He said the community's desire for a facility was significant.

On a bright note, Branham said the biomass working group that Boardmember Bird has been working on with the SNC and other partner groups has just learned it has received a \$240,000 grant from the U.S. Department of Agriculture (USDA). These are funds can be put to work "on the ground."

- b. Sierra Nevada Geotourism MapGuide Project
SNC Mt. Lassen Area Manager Bob Kingman said the SNC, Sierra Business Council and the National Geographic continue to partner successfully on the project. The project's web site has been active since 2009, with over 1,600 destination pages that have all been nominated and submitted by local residents throughout the Region. He said the web site continues to grow in popularity with over 180 videos, and 179,000 page views during the month of July from 113 countries around the world.

Approximately 160,000 copies of the print map have been distributed, according to Kingman, who stated the map is a tool to drive people to the web site. Kingman added that advertising in Sunset, Via, and Sierra Heritage magazines have resulted in a 55 percent increase in "hits" on the web site.

According to the State Travel and Tourism Commission, California received more than 200 million visitors in 2011. Kingman said this equates to about \$7.35 billion coming to the Sierra Nevada, providing 85,000 jobs in the Sierra tied to tourism. He said the impacts forest fires is widely felt among the tourist industry in the Sierra, as well as the rest of the state.

Kingman said the next steps for the project include opportunities for tourists to upload their favorite videos and trips to the web site. He added that the ongoing marketing and business management aspects of the project would soon be changing. A memorandum of understanding is being developed which will give SBC the lead responsibility for day-to-day management of the project and that will be coming to the Board at their December meeting.

Conservation Easement Workshop

Branham asked the Board if it wanted to postpone the planned December workshop discussion regarding conservation easements, in light of the fact that there are no such projects in the near future. Vice-Chair Wheeler and Boardmember Kirkwood concurred with the recommendation to postpone the workshop.

XII. Boardmembers' Comments

Bird thanked SNC Sustainability Specialist Kim Carr and consultant Elissa Brown for their tremendous work in obtaining a \$240,000 grant for the Biomass Working Group. He said only five states received funding, and that through this grant California received 23 percent of the funding. He also thanked the National Park Service representative Smeck and Sequoia National Park Ranger Athena Demetry for the tour and the tremendous program history provided the previous day at Halstead Meadow and the Giant Forest.

XIII. Public Comments

There were no public comments.

XIV. Adjournment

The meeting was adjourned at 11:48 AM. The next meeting is in December in Amador County.