

Board Meeting Minutes
March 6 – 7, 2013
Department of Food and Agriculture Auditorium
1220 N Street
Sacramento, CA

I. Call to Order

Board Chair BJ Kirwan called the meeting to order at 9:09 AM.

II. Oath of Office for New Boardmembers

Deputy Attorney General Christine Sproul administered the oath to the following incoming Boardmembers: El Dorado County Supervisor Ron Briggs; Mono County Supervisor Byng Hunt; Amador County Supervisor Brian Oneto (alternate for South Central Subregion); Tehama County Supervisor Burt Bundy (alternate for North Central Subregion); and, Jennifer Rockwell, Chief Counsel Representative for the Department of Finance .

III. Roll Call

Present: BJ Kirwan, Bob Johnston; Bob Kirkwood; Byng Hunt, John Brissenden, Brian Oneto, Jennifer Rockwell; Ron Briggs, Burt Bundy; Todd Ferrara; Tom Wheeler; Este Stifel; and Bernie Gyant.

Absent: None

IV. Approval of December 6, 2012 Meeting Minutes (ACTION)

There were no changes to the meeting minutes.

Action: Boardmember Ferrara moved and Boardmember Wheeler seconded a motion to approve the December 6, 2012 meeting minutes. Boardmembers Hunt, Bundy, and Oneto abstained. The motion passed.

V. Public Comments

There were no public comments at this time.

VI. Board Chair's Report

Board Chair Kirwan said the meetings with the legislative members and staff the previous day was productive and educational for the Sierra Nevada Conservancy (SNC), Regional partners, and the Legislature. She added that the SNC intends to meet in Sacramento once every year and will make the visits with the Legislature part of that meeting to keep informing legislators about the impact of the Sierra on the rest of the State. Kirwan volunteered to return to Sacramento for additional meetings throughout the year and encouraged other Boardmembers to let SNC Executive Officer Jim Branham know if they were interested in doing the same.

Boardmember Wheeler asked if it would be possible to meet with more members instead of legislative staff.

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Boardmember Kirkwood responded by saying meetings with staff are very important because staff members are very knowledgeable and are good listeners, and they share what they learn with their members.

Boardmembers Briggs and Oneto said that most of the members are from urban areas, so it was an opportunity to educate them, and hopefully get them interested in making a visit up to the watershed. They added that SNC Staff did a good job in preparing the meetings.

Branham said meeting with members is always desirable but sometimes not possible. He added that the SNC will be following up with partners to host additional legislative tours in the Sierra, including working with Assembly Member Dahle, who is making it a top priority to get colleagues out on the ground in the Sierra, and that many good ideas came from the meetings.

Boardmember Hunt agreed that meeting with legislative representatives is invaluable. He took the opportunity to meet with his representative, Assembly Member Bigelow, to talk about water issues in their district.

Boardmember Johnston reported that legislative staff he met with said they would appreciate periodic reminders about the origin of our water and the danger of fires. They are so bombarded by information, we need to keep our key topics in front of them more than once a year.

Wheeler suggested that for future Board meetings and tours we invite the legislators from that district to join us. Kirkwood thought it might stimulate attendance by our own Boardmembers if they knew legislators would be present. Oneto suggested inviting federal congressional representatives on tours also, since they are often working on funding or other issues that can affect work in the Sierra.

Boardmember Gyant said the SNC should invest in ways to get its story out in urban areas, suggesting public service announcements as one vehicle.

Boardmember Bundy suggested the SNC avoid “preaching to the choir” within the Region and work on getting its message out to others outside the Sierra.

Kirwan said another approach that was suggested during the meetings was to work with legislative members, county supervisors and other elected officials from the Sierra Nevada Region, to help them spread the word about the SNC to their colleagues in the Legislature.

Boardmember Briggs said the El Dorado County Water Agency is producing an educational video about water. He suggested the SNC work with the water agency to make this a cooperative effort with a broader message.

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Kirkwood and Gyant suggested the SNC tap into those resources and work with the water agency and other partners, such as the Mountain Counties Water Resources Association, to broaden the message and increase the outreach around the effort.

Branham pointed out that the SNC does not have the resources to impact direct public outreach the way corporations do; but SNC is working with partners like the US Forest Service and others on ways to conduct outreach to the Legislature, as well as to the public. He also took the opportunity to again thank the breadth of partners who worked with the SNC to set meetings and make the legislative outreach day a success.

VII. Executive Officer's Report (INFORMATIONAL)

a. Administrative Services

Administrative Services Division Chief Theresa Parsley reported on a number of items in her area.

- SNC exams are being scheduled.
- Progress has been made in filling the budget and contract analyst position, and an offer is expected to be made very soon.
- The Mariposa staff will be moving to an office in town this spring.
- IT has increased its disaster recovery preparedness.

Parsley said the SNC is ready to respond to any request for information as the Governor's Fiscal Year 2013-14 State Budget process moves forward. To date there have been no requests for information and no surprises on the budget.

The SNC continues to await the draft findings from the State Personnel Board's compliance review of the SNC's practices and procedures in the areas of examinations, appointments, equal employment opportunities, and personal services contracts.

Parsley said she was happy to report on the completion another group of grant projects. Forty-four of these had an end date of March 1, five were amended, and the successful close out of the remainder of the projects is anticipated.

Boardmembers Wheeler and Oneto asked how staff will be paid once the Proposition 84 funding has been exhausted.

Branham and Parsley said there would be another round of grants awarded, and funding for grant management will continue through FY 2016-17. The Environmental License Plate Fund will continue to be the main funding source for staff.

b. Proposition 84 Investment Report Review

Branham introduced the concept of the report, due out in April, entitled "Investing in California's Watershed." It will be released in both a hard copy form, as well

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as an online multi-media format (with links to video clips) that would be used in conversations and meetings with the legislative staff, and the media, outlining the grant process and the benefits of the investment of Proposition 84 funding.

The report is intended, Branham said, to also help to make the case for future investment in the Sierra through vehicles such as the upcoming water bond or the greenhouse gas emission reduction Cap-and-Trade auction program. Branham then played a short video clip from the report of the Hulsman Ranch in Susanville, which received Proposition 84 funding from the SNC for a conservation easement.

Kirkwood suggested the videos be made into a TV vignettes.

Boardmember Johnston suggested interviewing people in urban areas to help make the connection between those areas and the Sierra watersheds.

Branham thanked SNC Public Information Officer Pete Dufour for his work on the videos. He added that staff will provide copies of the final report to the Board.

c. Potential Activities Related to Abandoned Mines

Assistant Executive Officer Joan Keegan said the SNC has been following up on the Board's direction to look into this issue of abandoned mines. She noted that Boardmember Ferrara is convening a meeting in a few weeks to look at the unforeseen impacts on those lands. The intent is to be more thoughtful on how to include what others are doing before the SNC engages. The SNC hopes to indentify funding sources and programs, and bring forward some concrete programs.

Keegan said the SNC will continue to build the case for action with the Legislature and would be working to get members and their staff up to the Sierra to see SNC projects.

Bundy pointed out that mercury pollution in some areas is naturally occurring, not from abandoned mines.

Keegan then played a video clip of The Sierra Fund's water assessment and management plan project at Malakoff Diggins State Park Project.

Keegan then introduced Izzy Martin, Chief Executive Officer of The Sierra Fund, who said that by far, the largest contributor of mercury to Sierra rivers is from abandoned mines. Initial results from the testing at Malakoff Diggins indicate that when it rains, tons of sediment and pounds of mercury flow into the Yuba River.

Martin said the US Geological Survey estimated that about half the operational capacity behind our dams is filled with sediment. She said that

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dredging/treatment projects can create new storage in the reservoirs, which is why The Sierra Fund is requesting \$50 million from the Legislature be allocated to the SNC to work on this issue.

Wheeler thanked Martin and said that mercury contamination is a real problem, but asked how much of this is naturally occurring.

Martin said it is estimated that 13 million pounds of liquid quicksilver mercury were released to the environment through mining efforts.

There was a discussion by various Boardmembers and Martin as to the danger of mercury, in particular its presence in the food chain.

Kirkwood said it seems to be a logical thing to have a water fund that could be administered by the SNC to make loans or grants to water districts to do this work, and under the banner of enhancing the capacity of existing reservoirs. Not just for removal of mercury, but sustainable forest work too.

Boardmember Stifel said the drawing Martin presented is excellent, but needs to extend to the Bay. She also noted that while the snowpack is low this year, the reservoirs are very high, due to sediment.

Boardmember Gyant said the average person outside the Sierra Region would not understand how this affects them. He said messaging needs to speak to those in urban environments.

Boardmember Ferrara said that Senator Dianne Feinstein has been engaged in this issue and is looking for funding sources.

On a personal note, Branham noted the passing of Steve Robinson, Executive Director of the Mountain Meadow Conservancy, volunteer to the Sierra and a good partner of the SNC.

Branham noted that Kerri Timmer will be leaving the SNC for a new position with a nonprofit agency. Timmer helped to build the grant program, has been a major force within the SNC, and will be deeply missed.

Branham then presented Boardmember Kirkwood an award for his perfect attendance at all Board field trips.

VIII. Deputy Attorney General's Report (INFORMATIONAL)

Deputy Attorney General Christine Sproul noted that it is time for the Board to file the Statement of Economic Interest.

Sproul said there are a number of spot bills in each house of the Legislature, with the intent to do California Environmental Quality Act (CEQA) reform. These bills are

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mostly unformed but will take shape as the session progresses. These bills center on procedural changes to CEQA, such as providing more public notice.

The California Department of Forestry and Fire Protection has issued a final draft “Programatic” Environmental Impact Report (EIR) on its vegetation management program, which could be helpful in assisting future SNC projects meet CEQA requirements.

Kirkwood said the bill lumps coastal vegetation management in with forest fuel reduction, and there is some opposition to the EIR coming from coastal chaparral protection groups.

IX. 2012-13 Proposition 84 Grant Award (ACTION)

The Board considered authorization of grant awards for the 2012-13 Proposition 84 Preservation of Ranches and Agricultural Lands Grant Program.

Branham said the SNC has done its best to find projects that will do the most for our watersheds. He said he is pleased to present the 29 projects before the Board.

Branham said the 29 projects include five conservation easements that provide natural resource protection. He noted that some Boardmembers have expressed concerns about funding conservation easements, but that easements were included as eligible projects in the Grant Guidelines adopted by the Board for this round. He said that staff followed an evaluation process that addressed prior Board direction related to evaluating easements, including having someone with land use planning experience provide an assessment of the risk of development for each property. He also suggested that it would be good to have a workshop at a future Board meeting to discuss concerns and share information regarding conservation easements.

Parsley outlined the process for the review and scoring of the applications, and summarized the grant awards.

Wheeler said he had concerns about the conservation easements, including concerns related to lack of public access and job creation. He moved that those five projects be removed from the list of recommended projects for purposes of a Board vote, so that they could be voted on separately.

Kirkwood said the margin between the top projects and ones that were not approved was minimal, and added that he appreciated the transparency of the process.

Boardmembers Brissenden, Kirkwood, and Gyant, Stifel, and Johnston all indicated the time to question whether conservation easements would be awarded in this round was at the time the Grant Guidelines were approved by the Board. Kirwan, Brissenden, Kirkwood, Stifel, Johnston, and Briggs expressed support for additional

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discussion in the future about the value of easement projects and the criteria that should be used in evaluating them.

Johnston commented on his experience with the Marin Agricultural Land Trust (MALT) and the critical role easements have played in protecting natural resources and enabling new generations to continue to work the land. Kirkwood said MALT had saved agriculture in that region.

Action: Boardmember Wheeler moved and Boardmember Oneto seconded a motion to separate Board consideration of the conservation easement projects #724, 703, 726, 674, and 731 from the rest of the projects included in the staff recommendation of approval. The roll-call vote on this motion was 5 ayes and 6 nays; the motion failed.

Public Comment:

Sopac Mulholland, Executive Director of the Sequoia Riverlands Trust and a member of the Southern Sierra Partnership, explained the value of the easement for which they were seeking a grant award in terms of the importance of the resources being protected and the potential fragmentation of the land, which she said ultimately costs taxpayers more.

Paul Hardy, Executive Director of the Feather River Land Trust, provided additional information on their two conservation easement projects being recommended for funding. He said that public access would be allowed for educational purposes in both cases.

Darrell Wood, rancher and Boardmember of the California Rangeland Trust, said the benefits to the public of easement projects included protecting the public investments that had already been made in many of these landscapes and the importance of these landscapes as a major source of clean air and clean water that the public enjoys.

Louise Jensen, Executive Director of the Lassen Land and Trails Trust, commented on the Hulsman Ranch conservation easement supported by the SNC, saying that it was visited by public school children. She also said working landscapes employ many people beyond those working the land, describing the jobs that support the ranches and farms. She said conservation easements are a way of keeping the agricultural way of life intact.

Todd Sloat, Watershed Coordinator with the Pit River Resource Conservation District, said the staff does an excellent job in structuring the grant process and with the evaluations. He said there are challenges with restoration projects as well and that it is important to stay abreast of emerging science. Sloat added that there is a lot of educational work to be done, but that it is happening at the local level. Oneto said he believes it is important that land under an easement be kept "in production."

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Branham replied that the project's contribution to maintaining a working landscape was one of the evaluation criteria in this grant round and this is consistent with the SNC's statutory charge to protect working landscapes.

Oneto also said that he is also concerned that conservation easements may take the land out of the county tax base.

Stifel responded that the intent when writing a conservation easement is not to disallow activity that is currently taking place on the land.

Bundy said there is a need for education on conservation easements and how to make them work. He also stated that the current state of the Williamson Act makes conservation easements more needed.

Action: Boardmember Bundy moved and Boardmember Oneto seconded a motion to consider project 740 apart from the whole group of projects recommended for approval. The motion passed unanimously.

Action: Boardmember Brissenden moved and Boardmember Bundy seconded a motion to consider project 684 apart from the whole group of projects recommended for approval. The motion passed unanimously.

Action: Boardmember Briggs moved and Boardmember Hunt seconded a motion to approve the staff recommendation on Agenda item IX as to all projects recommended for approval except project 740 and project 684; that is (a) to adopt the proposed California Environmental Quality Act findings in the Notice of Determination for project SNC 694, the Greenhorn Creek Integrated Restoration Project; (b) to adopt the proposed California Environmental Quality Act findings in the Notice of Determination for project SNC 685, the Butte Creek Meadow Restoration Project; (c) to adopt the proposed Notices of Exemption for all other recommended projects; and (d) to authorize the grants listed for approval in Agenda Item IX, Exhibit A, as well as to authorize staff to enter into the necessary agreements for the approved projects and to direct staff to file the CEQA Notices of Determination and Notices of Exemption for the approved projects with the State Clearinghouse. The motion passed unanimously.

Action: Boardmember Wheeler moved and Boardmember Briggs seconded a motion to approve the Notice of Exemption for project 740 and to approve project 740. Boardmember Bundy recused himself from the vote. The motion passed.

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Action: Boardmember Wheeler moved and Boardmember Briggs seconded a motion to approve the Notice of Exemption for project 684 and to approve project 684. Boardmember Brissenden recused himself from the vote. The motion passed.

The Board then welcomed former Boardmember and new State Assembly Member Brian Dahle to the podium. Dahle said he enjoyed meeting with Boardmembers and staff on the previous day's legislative visits, and would work to fill the vacancy on the SNC Board that was created with his election to the Assembly.

X. Policy and Outreach (ACTION)

Senior Regional Policy and Program Analyst, Angela Avery presented the staff report, outlining plans for policy and outreach activities during the coming year and the messages intended to be used. She explained SNC has been working to increase awareness among decision-makers (legislators, legislative staff, sister agencies and other partners with statewide influence) about the importance of the Sierra Nevada to the State's long-term health and well-being. The intent is to gain support for the watershed, forest health and community sustainability work being conducted by the SNC and its partners throughout the Region, which is especially important in light of the imminent conclusion of the local assistance SNC Proposition 84 Grant Program.

In a summary of recent legislative outreach efforts, Avery said SNC Staff have met with eight freshman legislators in recent weeks, and 17 more legislators and staff the day before the Board meeting. The reactions have been positive, with interest in getting on-the-ground to see with work the SNC is doing.

Avery said staff will continue to participate in working groups, such as the Forest Sector Cap-and-Trade working group and the Bioenergy working group, and to participate in interagency efforts, such as updating the California Water Plan and the Integrated Regional Watershed Management Strategic Plan Focus Group, as a means of raising awareness about the Sierra's role in these critical issues.

Action: Boardmember Kirkwood moved and Boardmember Wheeler seconded a motion to direct staff to take appropriate actions to achieve desired outcomes for Policy and Outreach activities. The motion passed unanimously.

XI. Future Proposition 84 Expenditures (ACTION)

Branham presented the staff report on proposed grant funding criteria, which included the following:

- \$2.3 million in Proposition 84 funds remains.
- Draft Grant Guidelines will go out to the public and will be back to Board for approval in June of 2013.

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- Proposing a different process, that will continue to have a competitive aspect, but will provide for greater interaction with potential grantees.
- Criteria consistent with Proposition 84, continue to show preference for “on-the-ground projects,” focusing on the areas of forest health and mercury contamination.
- After direction from the Board today, criteria will be flushed out further.

Wheeler asked if funding would be available to projects already in the process which may want to expand.

Branham said they would qualify for additional funding if they meet the criteria.

Izzy Martin, Chief Executive Officer of The Sierra Fund, spoke in favor of the new approach to the guidelines.

Action: Boardmember Kirkwood moved and Boardmember Briggs seconded a motion to approve the staff recommendation without change and directs staff to take appropriate action to achieve the goals identified. The motion passed unanimously.

XII. September 2013 Board Date (ACTION)

The Board considered moving the quarterly September Board tour and meeting dates from September 4-5, to September 11-12, and to change the June meeting site to Plumas County, and the December meeting to the South Central Subregion.

Action: Boardmember Kirkwood moved and Boardmember Hunt seconded a motion to change the September meeting to the 11-12th; move the June meeting to Plumas County and the December meeting to the South Central Subregion. The motion passed unanimously.

XIII. Updates on Various SNC Activities (INFORMATIONAL).

a. Sierra Nevada Forest and Community Initiative (SNFCI)

Mt. Whitney Project Consultant Mandy Vance presented the staff report on this item. SNFCI was launched over two years ago. This Initiative fosters local and Regional collaboration to support a cohesive, economically viable, and sustainable approach to reducing fire risk, creating jobs, and protecting our valuable forest and watershed resources. Vance said SNC Staff works closely with the diverse participants of regional, statewide, and local collaborative efforts, including local governments, environmentalists, community, and economic development representatives, industry, and Tribal entities to help achieve these goals.

The SNFCI Regional Coordinating Council continues to meet quarterly. Vance said the primary focus of recent meetings has been identifying major barriers to forest treatment project implementation and addressing these as a group. The

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Coordinating Council also devoted significant time to identifying additional ideas, tools and actions it could take to help increase pace and scale of forest treatment efforts, while keeping the benefit of such work in the local Sierra communities.

SNC Staff is also playing an active role in an effort to aggregate key pieces of information in terms of biology and policy to create a conservation strategy for Pacific Fisher in the Southern Sierra. Vance noted that the Pacific Fisher is a species that is proposed for a protective listing under the federal Endangered Species Act.

Kirkwood said he did not want this report to pass without acknowledging the importance and significance of the valuable work and sharing in common interests that has been accomplished under SNFCI.

XIV. Boardmembers' Comments

Briggs noted that the historic Wakamatsu Tea and Silk Company site near Coloma, which previously received a grant from the SNC, is hosting an annual Farm Festival on May 18. He said the property has been very nicely restored and encouraged everyone to come and take a look.

XV. Public Comments

Steve Haze, Executive Director of the Yosemite Sequoia Resource Conservation and Development Council in North Fork California. He said he appreciates the efforts of Jim Branham, Julie Bear, Mandy Vance, Kim Carr, Ellisa Brown and other SNC Staff for the work they have done. "Every time the SNC has supported us, we have been able to invest in the community". The Council has been able to gain public support and private investment support for a bioenergy facility in North Fork.

Ben Miles, Shasta Land Trust, thanked the Board for approving the land trust's grant application and thanked the staff for their hard work.

XVI. Adjournment

Board Chair Kirwan adjourned the meeting at 12:21 PM.