

I. Call to Order

Vice Chair McQuiston called the meeting to order at 1:04 PM

II. Oath of Office for New Boardmembers

Deputy Attorney General Christine Sproul administered the oath of office to new Boardmembers Bill Nunes, Sierra County Supervisor, and Paolo Maffei Tuolumne County Supervisor.

III. Roll Call

Present: John Brissenden, Todd Ferrara, Brian Dahle, David Graber, Nancy Haug (alternate for Kathy Hardy), Bob Johnston, Bob Kirkwood, B.J. Kirwan, Jon McQuiston, Bill Nunes Mike Chapel, and Paolo Maffei.

Absent: Hal Stocker, Don Jardine and Tom Sheehy.

IV. Approval of December 3, 2009 Meeting Minutes

There were no changes to the meeting minutes.

Action: Boardmember Dahle moved and Boardmember Kirkwood seconded a motion to approve the December 3 meeting minutes. The motion passed unanimously.

V. Public Comments

There were no public comments at this time.

VI. Chairman's Report (INFORMATIONAL)

A. Welcome new Boardmembers

Vice Chair McQuiston welcomed the new Boardmembers.

B. Discuss Board Chair status (This item was tabled until after item X)

C. Board meeting and field trip format discussion

SNC Executive Officer Jim Branham pointed out that during the last two meetings the traditional format of having the field tour the day before the Board meeting was reversed. He said staff would appreciate any comments on the change. After some board discussion it was agreed that the field tours were a valuable experience for the board members to learn more about the area they are visiting by conferring with staff and local participants. The consensus of the board was that the field tour come the day before the board meeting, but exceptions could be made if need be.

VII. Executive Officer's Report (INFORMATIONAL)

A. Budget and Staffing

Branham said that the SNC is on track to reduce its salary and wage budget by 5 percent for Fiscal Year 2009-10 as directed by the Governor. Staff continues to be on furlough the first three Fridays of each month through the end of June. Aside from this, the Governor's Budget is essentially the same for SNC's base operating funds for the coming fiscal year.

B. Grants Update

SNC Program Manager Kerri Timmer gave a brief background on the status of the grant program and the state's bond freeze. All previously approved projects are now fully funded. With no "new" money in sight, the Board acted in December 2009 to "conditionally" authorize 14 competitive projects from FY 08-09 – for a total of \$10.4 million. The Board's conditional authorization of projects allows them to be eligible for private placement bond sales, or reimbursement with future bond money, if the grantee can conduct project work now with other funds.

Responding to a question from Boardmember Graber, Timmer explained that a private placement bond sale would use Proposition 84 funds, but that instead of an open market sale, the sale would be negotiated directly between a single investor and the State Treasurer's Office (STO). In so doing, the investor has the ability to specify which projects would get funded by the funds generated from the sale.

In addition to information submitted in the staff report, Timmer reported that the STO has scheduled a regular General Obligation (GO) Bond sale for March 11, for up to \$2 billion, but it isn't known if any of the funds generated from the sale will be allocated to the SNC until after the sale.

Timmer also indicated that STO agreed to consider private placement bond sales for projects that have been conditionally authorized but that aren't going to receive funding any time soon from the regular GO bond sales. Timmer noted that there is hope that either the March bond sale or a successful private placement sale can generate the funds needed to fully fund the 14 conditionally authorized projects to allow good work to continue in the Sierra.

In response to a question from Boardmember Nunes, Timmer stated that we don't know with any certainty whether the March bond sale or a private placement sale will generate funds for the 14 projects, but that the SNC will notify the Board and stakeholders when information becomes available.

Timmer noted that since the last Board meeting in December, the SNC has paid another 87 invoices totaling almost \$1 million. This brings the total so far to 358 invoices for \$6.6 million "out the door." Timmer reported that 18 projects have been completed since the freeze lifted.

Timmer also reported that staff is working with individual organizations and funding sources to try to attract additional non-State funding to the Region.

In response to a question from Boardmember Kirkwood, Timmer stated that approximately \$22 million in Proposition 84 funds remain available for future grant awards once SNC gets the green light and the awarding of these dollars would likely be spread out over two years.

C. *North Subregion Report*

Branham announced that the Subregional Report submitted to the Board is a new regular feature of the Executive Officer's report, where the Area Manager for that meeting site will provide an overview of the Subregion.

Mt. Lassen Area Manager Bob Kingman reported the North Subregion, which includes parts of Shasta and Modoc counties, and all of Lassen County, was awarded 22 grants, approaching \$3 million, noting that the North Subregion has done relatively well in the grants program. Projects include three recreation and cultural resource revitalization projects. He stated that these projects contribute to preserving historic and natural resources, and help educational, interpretative and tourism-related opportunities in the Subregion. Kingman reminded the Board that one of the earliest projects the SNC participated in was the Modoc Line, an acquisition project in partnership with the Lassen and Modoc counties, Lassen Land and Trails trust and the Wildlife Conservation Board to acquire an 86-mile abandoned rail line in Lassen and Modoc counties. He said the SNC is looking forward to future improvements on the line to provide an attraction to these areas.

Kingman informed the Board that the SNC has worked on five other acquisitions to local land trusts or local resource conservations districts, primarily to acquire conservation easements and help keep local working landscapes in operation and viable. He pointed out that while there are no new grants being awarded currently, work continues on these existing projects.

A high priority in this Subregion, Kingman said, is the issue of fuels and vegetation management projects, as they have broad benefits including water quality, water supply, wildlife conservation, and fire safety. The SNC has also helped to fund eight riparian restoration projects.

Kingman added that five organizations in the North Subregion participated in the Great Sierra River Cleanup, including the Modoc River Center, Shasta Land Trust, Western Shasta Resource Conservation District, Shasta Roots and Shoots, and the Tehama County Resource Conservation District all participated in the event, as did Assemblyman Jim Nielsen.

D. *Friends of the Sierra*

Branham reported the creation of the "Friends of the Sierra" account, housed with the non-profit Resources Legacy Fund. The intent is to keep it a fairly modest fund, so as not to compete with partner organizations in the Sierra. The account is only used for those activities where the use of state funds is not appropriate.

E. Stewardship Council Update

Branham updated the Board on the possible third-party role that the SNC might play with the Pacific Forest & Watersheds Lands Stewardship Council (Council) in land transfer agreements for PG&E property in the Sierra Nevada Region. Issues persist relative to enforcement of easement disputes, Branham said, but added he feels the conversations should continue, and suggested using the Council's first project in Tuolumne County (Kennedy Meadows planning unit) as a discussion piece to further define the role.

Branham asked Boardmembers Brissenden and McQuiston, who were appointed by the Board to work with the SNC and the Council at the last Board meeting, to comment.

Brissenden and McQuiston said they would be interested in seeing SNC go forward with the draft easement language that was presented to the Board on a trial basis. Brissenden asked Deputy Attorney General Christine Sproul for her thoughts on SNC's role.

Sproul said she had some concerns over liability and the responsibilities the SNC would be stepping into. She added she expects to be working with SNC staff on this issue to clarify.

Boardmember Kirkwood said there were two areas of concern with the draft easement language: The first was the SNC trying to compel the holder of the easement to enforce the easement, and the second is the lack of discussion about compensation to the SNC for both its initial and ongoing role.

Branham responded by saying he has made it clear in conversations with the Council that a "passive enforcer" role was problematic for the SNC and that any role for the SNC must come with full and complete compensation.

Boardmember Maffei echoed the concerns about liability issues and said that was why the local land trust opted out of the third party role in the Council's Kennedy Meadows planning unit project in Tuolumne County. He added the Tuolumne County Board of Supervisors is supportive of the overall project.

Boardmember McQuiston said he feels the SNC is the logical organization if the compensation and enforcement issues can be worked out. He added he likes

the approach of using the Kennedy Meadows project as a way to evaluate what, if any, role the SNC can play.

Public Comment:

Allene Zanger, Executive Director of Pacific Forest & Watersheds Lands Stewardship Council explained that her board acts by consensus and will examine each project on its merits. She feels that by moving forward with the Kennedy Meadows planning unit, in the context of a recommended transactions, is a good idea. She added that she feels the SNC staff has been very diligent in looking at this issue and that she thinks the SNC is the right agency to take on this role.

McQuiston asked Sproul to create a “primer 101” on what the roles and responsibilities of a third party beneficiary arrangement would be for each party involved. Sproul responded that she would be happy to do so.

Branham thanked SNC staffer Linda Hansen for her work on this issue, and said the SNC would be working with the Council and will report back to the Board at the next meeting in June.

F. License Plate Update

Branham reported very little success to date in bringing in pledges to sign up for SNC license plates, as a means of diversifying its funding base. Despite the good efforts of SNC Manager Bob Kingman and others, Branham said, Board direction is needed as to whether or not the campaign should continue.

Kingman said he is having discussions with the California Ski Industry to add incentives.

Boardmember Brissenden said that a combination of paid signature gatherers and incentives is needed to make the effort successful.

Public Comment:

Elizabeth “Izzy” Martin, CEO of The Sierra Fund, said she feels it is vital to the Region that the SNC has its own funding source. Martin said the Sierra Nevada Alliance and The Sierra Fund had articulated an approach that there should be a paid solicitation strategy. Martin added that the economy has hurt many non-profits in the Sierra and that if this is to move forward, it needs to be the top priority of the SNC. Martin urged the Board to support The Sierra Fund staff to go forward with a paid application solicitation campaign.

Branham said that a paid solicitation strategy is a very different process than collecting signatures for an initiative, versus collecting personal financial information for a license plate fund-raising drive. With an incentive package in

place and a good list of interested buyers, Branham said he felt it could be successful, however, the response from the names on The Sierra Fund's list of interested purchasers turned out to be "dismal."

Boardmember Kirkwood said this is the first time he has heard of paid solicitations and feels it's a very difficult sell, especially with the mandated small logo design. He pointed out that the Bay Area plate—even with the Golden Gate Bridge on it—has not been successful, and so he is not enthusiastic about going forward at this time. Kirkwood would rather see the effort regroup at a later date and start it when the timing is better.

Boardmember Johnston said that given other organizations' difficulties selling their license plates, that he did not believe the Sierra plate would be successful at this time.

After further discussion, Chairman McQuiston noted the consensus of the Board was to suspend the current license plate campaign and work with The Sierra Fund to refund the money to the paid registrants, while keeping open the option of bringing in the ski industry (and possibly others) to see what incentives can be developed for a new initiative at some future date.

G. *Sierra Day in the Capitol April 14th.*

Assistant Executive Officer Joan Keegan reported on the organizational efforts to date for the Sierra Day in the Capitol, April 14. Keegan said this has been an annual event for many years, since before the SNC was created.

Keegan thanked The Sierra Fund and Sierra Nevada Alliance for organizing the event for many years in the past and for continuing to be involved. During recent years, the event has evolved away from lobbying on pending bills and budgets, and has instead become more focused on educating legislators about the Sierra and the importance of the Region to the state.

The SNC now plays a bigger role with greater staff participation, according to Keegan, who said a broader array of organizations are now involved as sponsors. These include the following: The Sierra Fund, Sierra Nevada Alliance, Sierra Business Council, Sierra Cascade Land Trust Council, California Cattlemen's Association, California Forestry Association, Trust for Public Land, Northern Sierra Partnership, Bear-Yuba Partnership, and (pending) the Regional Council of Rural Counties, with additional supporters are being sought.

Keegan said that in addition to lending their support to the event, some of these groups will be sending representatives who will be part of teams that spend most of the day in meetings with legislators and their staff.

In addition to meetings with individual legislators and staff, Keegan said the SNC is creating a display of photos and messages covering the 40-foot long wall outside the Governor's office, using large, original photos by some of the very talented photographers in the Region.

An evening reception will be held at the Stanford Mansion near the Capitol. The Sierra Day in Capitol Reception will be followed by the Sierra Business Council's annual Vision 2020 Awards event.

Boardmembers suggested including the California Ski Association, the Sierra Club and Cal Trout.

Boardmember Maffei asked what the message was that was being conveyed to the members. Keegan responded that the message was about the importance of the Sierra, including the fact that it is the source of most of California's water. She added that the SNC will have an exhibit across the hall from the Governor's Office, with a message about Sierra water.

Public Comment:

Izzy Martin, CEO of The Sierra Fund, echoed Keegan's remarks about the importance of connecting with the members, pointing out that as the recent water bond initiative was being developed in the Legislature, the SNC was not initially included for funding.

H. Sierra Nevada Geotourism

Nicole DeJonghe, with the Sierra Business Council (SBC), announced an important milestone in the Sierra Nevada Geotourism Project with the Yosemite Gateway portion of the Web site has now gone live. DeJonghe gave an overview of the nomination process, where 900 nominations submitted were submitted by 749 individuals via online registry. After a vigorous review process by the SBC and National Geographic, more than 300 sites were posted and more are being added all the time. The Web site address is: www.SierraNevadaGeotourism.org

VIII. Deputy Attorney General's Report (INFORMATIONAL)

Deputy Attorney General Christine Sproul reported that adoption of the SNC's Conflict of Interest (COI) regulations has been delayed, because the Fair Political Practices Commission has developed new language that they want incorporated into the COI regulations of all State conservancies. Sproul said she believes the package will be ready for Boardmembers at the June meeting.

IX. Sustainable Sierra Nevada Initiative (ACTION) [3/3 PowerPoint Presentation](#)

Branham mentioned that the Board had in its packet the final draft of the Sustainable Sierra Nevada Initiative and resolution, adding that the SNC has been working with a broad array of stakeholder groups and has recently received more input.

The main concept behind the initiative is how do to make Sierra Nevada forests ecologically healthy, protecting habitat, keeping carbon stored, producing the clean water and air that comes from these forests, reduce the risk of catastrophic fire, and to do all this in a way that creates sustainable economical activity. Branham said that following the SNC's Symposium, "Connecting the Dots," on the subject, there has been a lot of interest among partner groups and others. The intent is not to dictate to the interested parties, but to create a process that will assist with appropriate actions throughout the Sierra, community by community, watershed by watershed, and to assist in identifying funding opportunities.

Branham said the SNC wished to propose an alternative to the proposal in the Board packet, but first asked Mt. Whitney Area Manager Kim Carr to give an overview of SNC activities in that Area, where there has been more "traction" on some of the issues contained in the Initiative.

Carr said some of the barriers to solutions have historically been disagreement between the groups involved over exactly what is best for the Sierra forests. One positive aspect of the downturn in the economy has been that these groups are beginning to come together to discuss how the forest can be thinned to achieve fuels management, create energy from biomass, protect historic and archeological sites, and assist in supporting the local economy. She outlined some of the efforts currently underway in the Mt. Whitney area where such projects are in development.

Carr said the SNC's role over the past year in working with groups has been to convene, facilitate, and mediate, including the Symposium held last year. Carr informed the Board of efforts in assist in funding and learning from other areas where similar efforts have been undertaken. Carr said the SNC is tracking policy that impacts community forestry and monitoring the research and science to be able to track the best management practices. Branham added that while there is broad consensus, that not everybody will be comfortable with all aspects of the initiative.

Boardmember Dahle said biomass plants cannot get enough fuel out of the forests fast enough. He added that there needs to be an examination of the pace and scale at which the forest is actually growing right now, and said that the ability to thin the forest using mechanical means, is a real problem. He said one of his fellow Lassen County Supervisors asked him to communicate that there needs to be a "ramping up" of the forest's thinning. Dahle also said that the private business side of the equation requires a consistent supply of fuel and the market rates for selling the products.

Boardmember Chapel said the US Forest Service is very much in support of the SNC's efforts and feels there is a good working relationship already in place. Chapel

said that while many agree that there should be an increase in biomass removal, that some groups are not in favor of increasing the pace and scale of biomass removal on public lands.

Boardmember Maffei said he is very impressed with the initiative. He suggested that the SNC appeal to "higher authority" to fast track biomass co-generation plants. He also said an artificial market should be created by forcing the power distributors to purchase a certain percentage from these products and said that an effort must be made to "marginalize the extreme" points of view and move toward consensus.

Boardmember Kirkwood said the issues contained in the Initiative have gone "viral, in a positive way," pointing out that Dr. Roger Bales, UC Merced hydrologist, has stated that water quality and yield need to be taken seriously as a primary management aim for forests.

Boardmember Nunes said Sierra County Supervisors asked if the resolution could be held over until they would have a chance to comment.

Branham said the SNC is modifying its recommendation and will ask the Board to approve the resolution as a draft document, allowing the SNC to submit it for more public comment.

Nunes said the SNC should involve the Sustainable Forest Action Coalition, fire safe councils in the Sierra Nevada and the Quincy Library Group.

Boardmember Graber complimented the staff of "getting it right," saying he is enormously enthusiastic.

There was no formal action taken. The Board directed staff to continue work on the Initiative and incorporate the suggestions to reach out to more groups.

X. Subregional Assessments (INFORMATIONAL)

Branham discussed the key findings and recommendations, which were provided in the Boardmembers' packets, and pointed out the different challenges faced by different Subregions.

Area Managers Bob Kingman and Kim Carr each gave an overview of their Subregions.

Based on finding and conclusions of the Subregional Assessments, the following actions were proposed to the Board for consideration:

- Attract funding for all program areas and funds to support planning, capacity building and education.
- Work to ensure flexibility in future bond funds to meet the Region's needs.

- Broaden outreach efforts to valley-based organizations and develop better partnerships with local governments in counties that are not wholly included in the Region.
- Work to establish stronger relationships with private landowner groups and working landscape interests.
- Identify opportunities for communities and organizations to partner with organizations outside of the Region.
- Consider playing a stronger role in project development where local capacity is limited, including training and technical assistance.
- Consider opportunities to directly fund SNC projects to meet needs, in particular in areas with limited capacity (geographically and programmatically).
- Monitor and communicate more aggressively with policy makers to ensure the needs of the Region are understood and addressed in future legislation and state policy. (Example given, Sierra Day in the Capitol.)

Boardmember Kirkwood said he was pleased with the analysis. He asked Branham what was meant by the SNC directly funding projects. Branham said that the SNC is looking at models that other agencies are using in taking on projects where the SNC would be the lead in areas where capacity is lacking. This could include the use of bond or non-bond funding.

Boardmember Brissenden commented on the assessments and proposed a Board workshop in the near future to discuss progress to date and the upcoming review of the SNC Strategic Plan.

Boardmember Johnston asked the SNC to seek out foundation grants for capacity building. He suggested a map of the Sierra showing where the foundation grants have been implemented. Branham agreed, saying the SNC is increasing its efforts to reach out to foundations.

Boardmember McQuiston thanked Kingman and Carr for their work. The Board took no action, but the consensus was that the assessments were valuable and could inform future planning efforts.

VI. B Discussion of Board Chair

Vice Chair McQuiston informed the Board that Secretary Chrisman's departure from his position had created a vacancy in the Board Chair position. He indicated that nominations for a new Board Chair were in order.

ACTION: Boardmember Brissenden moved and Boardmember Dahle seconded the motion to nominate Boardmember B. J. Kirwan as the new Chair of the Board. The motion passed unanimously. Board Chair Kirwan assumed the role of Chair at this time.

XI. Acknowledgement of Former Chair Mike Chrisman

Board Chair Kirwan asked Branham to say a few words in honor of Chrisman, who has stepped down as Secretary of the Natural Resources Agency and Chair of the SNC Governing Board.

Branham, on behalf of the SNC, thanked Chrisman for his support and service to the SNC and presented a short video highlighting his accomplishments as Chair of the Board.

Chrisman said that the SNC was constructed in a unique way, and acknowledged the camaraderie that has developed among the Boardmembers. He thanked the SNC for the nice tribute and thanked Branham for his leadership. The Board reviewed and adopted Resolution 2010-001 commending Chrisman for his leadership and role in the creation of the SNC.

ACTION: Boardmember Brissenden moved and Boardmember Kirkwood seconded the motion to adopt Resolution 2010-001. The motion passed unanimously.

Board Chair Kirwan thanked Chrisman for shepherding the Conservancy into being, and for creating an amazing outline and foundation for the organization. She pledged to continue to build on that fantastic start to the organization.

Boardmember Kirkwood said that the SNC would not have happened without Chrisman's leadership and that he had a positive impact on the Board during his service as Chairman.

Boardmember Dahle thanked Chrisman on behalf of all the County Supervisors for the voice that they've had on the Board and Boardmember Brissenden also expressed his appreciation to Chrisman.

Chrisman recalled the contributions of the late Dennis Machida, Executive Officer of the Tahoe Conservancy, saying his behind the scenes, focused leadership in the effort to create the SNC was very instrumental. He thanked the Board for their efforts and friendship and said he enjoyed making good public policy on behalf of the Sierra Nevada.

Boardmember Ferreira said he appreciated the opportunity to work directly for Chrisman at the Natural Resources Agency.

Boardmember Graber said he appreciated Chrisman's support in Tulare County for the Kings Canyon National Park and looks forward to continuing to work with Chrisman in his new role with the National Fish and Wildlife Foundation.

Boardmember Chapel said the US Forest Service was very pleased when Chrisman became Secretary of the Natural Resources Agency and thanked him for including the Forest Service on the SNC Board.

XII. Boardmember Comments

There were no comments from the Board.

XIII. Public Comments Frank Stewart, County Forester with the Quincy Library Group and member of the Board of Directors for the State Fire Safe Council. Stewart urged the Board to find a way to provide continued support of the county level Fire Safe Council coordinators throughout the Sierra as part of the Sustainable Sierra Nevada Initiative.

XIII. Adjournment

Board Chair Kirwan adjourned the meeting at 5:11PM.