

Board Meeting Minutes
June 3, 2010
Turtle Rock Park, Community Center
17300 State Route 89
Markleeville, CA 96120



I. Call to Order

The meeting was called to order by Board Chair Kirwan.

II. Roll Call

Present: John Brissenden, Todd Ferrara, Brian Dahle, David Graber, Kathy Hardy, Bob Johnston, Bob Kirkwood, B.J. Kirwan, Bill Nunes, Don Jardine, Rob Macwharter, and Paolo Maffei.

Absent: Jon McQuiston, Hal Stocker, and Tom Sheehy.

III. Approval of March 3, 2010 Meeting Minutes

There were no changes to the meeting minutes.

ACTION: Boardmember Kirkwood moved and Boardmember Dahle seconded a motion to approve the March 3, 2010 Meeting Minutes. The motion passed unanimously.

IV. Public Comments

Tony Taylor, Board Chair of the Eastern Sierra Land Trust and member of the Sierra Cascade Land Trust Council, thanked the SNC for the support and the two grants they have received. Taylor said the Land Trust's work protected about 7,000 acres of Sierra Nevada lands, comprised of ranches, farms, scenic and wildlife areas.

V. Chairman's Report

Board Chair Kirwan thanked Boardmembers Jardine and Brissenden for hosting the Board meeting in Alpine County and for the prior day's tour of the East Carson River Riparian Restoration Project in Markleeville and the Hope Valley, West Carson River ADA river access project.

The Board was advised that the next meeting would be September 1-2. On the suggestion of SNC Executive Officer Jim Branham, Kirwan asked the Board to approve changing the locations of the next two meetings due to winter weather concerns. The Board agreed to hold the September meeting in the North Central Subregion (Sierra County) and the December meeting in the South Central Subregion (Sonora area of Tuolumne County).

VI. Executive Officer's Report (INFORMATIONAL)

SNC Executive Officer Jim Branham referred Boardmembers to a sign-up sheet and urged them to participate in the SNC's "signature" event, the 2nd Annual Great Sierra River Cleanup, September 25, with events occurring in every watershed in the

Sierra. He noted that at this time, seven legislators have signed on as Honorary Co-Chairs.

A. Budget and Staffing

Branham said spending for the current year is on track with the exception of the funding held up by the bond freeze. He added that there are no surprises in the SNC's budget as proposed within the "Governor's Budget" for the coming 2010-11 Fiscal Year, with the SNC funded at a similar level to this year, while cautioning that there is a long way to go in the budget process.

Branham said that following the lift of the bond freeze, the SNC has about \$20 million remaining in appropriated Proposition 84 funds for grants.

Branham introduced Theresa Parsley as the new Administrative Chief, who recently worked with SNC to prepare the Sierra Nevada Climate Action Plan.

B. Recap of Strategic Planning Workshop and Next Steps

SNC Assistant Executive Officer Joan Keegan gave an overview of the strategic planning process. She said that as part of the SNC's five-year update of its Strategic Plan, it is doing a strategic assessment of how the organization has done in its first five years as reflected against its guiding principles and original program areas. The strategic assessment will also seek input from a broad group of stakeholders and partners to identify high priority "areas of focus" that cut across program areas and integrate activities across the region. Part of this effort will include considering what organizations in the Sierra Nevada Region are doing in order to leverage the collective efforts of others and to fill any identified gaps in Regional activity and support.

The strategic assessment process was kicked off the day before with the Strategic Planning Workshop, in which 12 Boardmembers, four past Boardmembers, 13 stakeholders and nine SNC staff participated. The mission, vision and guiding principles were discussed, but the main objective was to brainstorm initial ideas to be included as recommendations for Board consideration as potential areas of focus for the plan.

A list of potential areas of focus emerged covering a wide range of activities. Keegan said the next steps will be to refine this list through additional stakeholder meetings and to send out a survey from the SNC web site asking for feedback on the list and on how the SNC is doing with its guiding principles. Staff will begin researching funding opportunities and also what other organizations in the Region are doing in these areas of focus. In September the list of focus areas will be brought back to the Board for review,

followed by more stakeholder review, and a final list to be presented for the Board's decision in December.

Workshops will be held around the Region in the spring of 2011 to develop goals, strategies and actions for each approved area of focus. Keegan anticipates a draft Strategic Plan would be prepared for the June 2011 Board meeting. Following the June meeting, the plan would be open for public comment, and the final plan will be ready for Board review in September of 2011.

Kirwan announced that Boardmembers Johnston and Maffei offered to serve as a committee of the Board for the strategic planning efforts.

C. Grants Update

Referring to information in the Board's staff report, Program Manager Kerri Timmer reviewed the history of the grant program, the state bond freeze, recent "conditional" grant authorizations by the Board, and the eventual re-start process.

The Bond freeze was lifted April 27th, and the Department of Finance and the State Treasurer's Office have put a new process in place whereby the applicants and the SNC will need to estimate the need for funds in advance to cover the projects, so the cash flow situation that cause the bond freeze would be avoided. Also, a bond sale was held April 10 that generated all the funds needed for the 14 conditionally awarded projects from the December Board meeting. The bond sale provided enough "new" funding to allow the SNC to launch a new grant solicitation using the guidelines approved by the Board in September of 2009. Timmer said she anticipates the solicitation will go out in early July, with a deadline for applications of late August or early September, and bring projects back to the Board for authorization in March of 2011. Timmer said that the new process being put in place by the Department of Finance and the Treasurer's Office may require some minor changes to the Grant Guidelines.

Timmer said the SNC continues to work with re-started grant recipients, and has 23 that have come to conclusion. Invoices processed total 440 on previously frozen projects, resulting in \$7.5 million "out the door." The SNC has also expanded its funding team and continues to send information about funding and application opportunities to other organizations which have yielded some success stories.

Timmer also reported that a standard audit of the Proposition 84 program is being conducted, looking at the SNC's internal processes, projects awarded to date, and how the SNC is ensuring the proper expenditure of the funds.

Boardmember Graber noted that it would be difficult for the Grants team to estimate the amount of funds needed since it is for grants and not operational costs, and Timmer agreed.

Timmer asked if the Board would like to establish a committee to review the format used to present grant information to the Board at future meetings. Boardmembers Kirkwood and Dahle agreed to serve as a committee of the Board and review the format for materials provided to the Board.

Branham congratulated the Grants Administrative team of Angela Avery, Lisa Forma and Barbara Harriman for their hard work in staying up with all the requests for information coming from the State control agencies.

D. East Subregion Report

SNC Mt. Whitney Area Senior Representative Julie Bear gave an overview of the SNC's East Subregion, which includes Alpine County and portions of Mono and Inyo Counties. To date this Subregion has received 21 grants for a total of almost \$1,750,000. This Subregion is primarily rural and the sparse population of just under 32,000 residents is spread over approximately 7,300 square miles within the SNC boundary. Unemployment is approximately 19 percent, which is about seven percent above the state average.

About 96 percent of the land in this Subregion is under public ownership and management by the U.S. Forest Service, Bureau of Land Management (BLM), and the Los Angeles Department of Water and Power. Pine forests and alpine meadows surround 14 of the 15 highest peaks in the contiguous United States.

Bear noted that the scarcity of privately owned land in this Subregion has played a prominent role in the sparse populations, limited growth projections, and lack of affordable housing that characterizes this portion of the SNC Region. She indicated this factor also affects the number and type of projects coming from the Subregion, identifying the projects that have been funded, reporting on two in particular:

- The Alpine Watershed Group Water Monitoring Program which will monitor water quality and discharge in an area that encompasses the headwaters of three of the five major watersheds including the Carson, Mokelumne, and Stanislaus.
- The Inyo-Mono Integrated Regional Watershed Management Planning Project will provide a framework within which to address water issues such as supply, quality, habitat and environment, recreation, and land use by working collaboratively with over 30 stakeholders throughout the Subregion.

Dennis Cocking, Public and Legislative Affairs with the South Tahoe Public Utility District (STPUD), presented the district's history and activities. STPUD was created in 1950 and is responsible for providing drinking water, as well as environmentally responsible wastewater collection and treatment and export for the community of South Tahoe.

Cocking said the district is subject to the Porter-Cologne water quality control act, which controls waste water. Regardless of the level of treatment, all water treated in the Lake Tahoe Basin must be exported out of the basin area. Cocking said STPUD exports approximately four million gallons a day from the basin. The water is then stored in a system of tanks and reservoirs, providing recreation and irrigation in the summer months.

E. Sierra Day in the Capitol

Keegan noted that the SNC took over the coordination role of the Sierra Day in the Capitol this year after the Sierra Fund and Sierra Nevada Alliance had conducted the activities for a number of years.

On April 14th, 54 individuals from 28 diverse organizations assembled at the Capitol to raise awareness among legislators and their staff about the importance of the Sierra Nevada and the benefits the Region provides to the entire state.

Keegan reported that Sierra Day participants, including SNC Boardmember Maffei, began the day with presentations from Assemblyman Jim Nielsen and Senator Fran Pavley regarding the issues they believe are important to the Region and the state. Maffei reported that it was a hard day's work and was very successful.

Keegan said the teams reported that they received very positive reviews from the legislators and their staff who were impressed that such a diverse group of interests had come together to deliver a unified message about the importance of the Sierra Nevada.

The SNC also unveiled a Sierra Nevada water display and photo gallery outside the Governor's Office, which was lined with large photographs on loan from artists throughout the Sierra.

F. Geotourism Update

Mt. Lassen Area Manager Bob Kingman updated the Board on recent developments on the Sierra Nevada Geotourism Web site project, a partnership between the SNC, National Geographic's Sustainable Destinations program, and the Sierra Business Council. He said the

partnership was working to convene the Geo Councils. He referred the Board to the staff report for a full list of activities and background to date.

Kingman reported the three-month nomination period for the Tahoe/Emigrant Corridor phase of the site has been opened, and added that the U.S. Forest Service submitted a grant application to the Federal Highways Administration's Scenic Byways Program to translate the Yosemite Gateways phase of the project into Spanish.

The Web site metrics indicated that thus far persons from 61 countries have logged on to the site to learn about Geotourism and the Sierra Nevada. Kingman said these metrics and others will be continually reported to the partners in the project.

VII. Proposed Changes to the Conservancy's Conflict of Interest Code (ACTION)

Deputy Attorney General Christine Sproul reported that some additional changes needed to be made to the SNC's Conflict of Interest (COI) Code in order to get final approval of code amendments from the Fair Political Practices Commission (FPPC) by conforming the SNC's proposed amendments to statewide changes made by the FPPC in the last year. Sproul recommended that the Executive Officer be given the authority to approve the COI amendments once the public comment period closes, provided no substantive changes are recommended by the public.

ACTION: Boardmember Kirkwood moved and Boardmember Brissenden seconded the motion to adopt the staff recommended resolution authorizing the Executive Officer to approve and adopt amendments to the Conflict of Interest Code for SNC. Should substantive changes to the proposed amendments be recommended, the Executive Officer is directed to present the revised package to the Board for approval. The motion passed unanimously.

VIII. Sustainable Sierra Nevada Initiative (ACTION)

Executive Officer Branham indicated that this item represents a significant step for the SNC. He recalled for the Board that a draft resolution on this item was originally presented at the March Board meeting. Since that time, the SNC has opened the resolution for public comment and received more input on this issue than any other agenda item to date. He noted that the revised resolution before the Board reflected that input, and was ready for Board discussion and approval. The name of the initiative was also changed to the "Sierra Nevada Forest and Community Initiative" (SNFCI) to reflect the connection between the forests and communities in the Sierra.

As background, Branham said that as SNC staff had met with stakeholders and local collaborative groups throughout the Region, the themes of healthy forests, reducing fire risks, and creating sustainable economic activities in Sierra communities came up time and time again. He said the SNC could serve the Region more effectively with a more strategically coordinated initiative beyond its current grant program.

Mt. Whitney Area Manager Kim Carr said staff has been meeting with numerous stakeholders and local collaborative groups. Carr recapped the vision of the SNFCI based on the following needs:

- Reducing catastrophic fire,
- Creation of jobs and sustainable, viable local economies,
- Protection and development of the infrastructure needed to process and manufacture the material being pulled off the forest,
- Development of biomass energy,
- Maintaining a healthy water supply and natural storage of water,
- Overcoming a long history of conflict and controversy, and;
- Improving air quality impacts due to current under-management of forests.

Carr provided additional information regarding fire history and local collaborative efforts occurring in the Region. She noted that a successful effort on the Sierra National Forest could be used as a model in other areas.

SNFCI will be a good fit for the SNC, according to Carr, because it addresses all three areas of the SNC's mission and all seven of its program areas. The feedback received to date indicates the SNC is positioned perfectly to facilitate this issue as a third party convener role, not as a land owner or land manager.

Branham added that the Resolution and the Initiative are stronger because of the comments received. He said SNFCI is not intended to be the "end all" or supplant other initiatives, and that it will require working closely with public land managers, as well as private land owners. As a next step, SNC would pull together the key stakeholders from the various sectors to create a coordinating council to guide the effort.

Boardmember Kirkwood said he thought the document was a "great piece of work," and that it would be a perfect role for the SNC to play. He requested that the SNC replace the term "locally based family wage" with "locally based economically sustainable jobs" throughout the document.

Boardmember Brissenden added his support and recommended the SNC consider a suggestion raised at the previous day's workshop by Katherine Evatt with the Foothill Conservancy. Evatt suggested that the SNC develop a "Sierra collaborative best management practices program."

Boardmember Johnston asked why the Initiative was limited to public lands, given the rampant subdividing of private lands in high fire hazard areas in the Sierra, and the potential that that brings for loss of life and property. Branham responded that the Initiative focuses on public lands because the process for managing public lands is where the SNC can make the biggest impact. However, as it relates to appropriately-scaled infrastructure, he indicated that the SNC will be cognizant of

what is happening on the private lands, in partnership with local government and through the private landowners involved in the local collaborative groups. He also noted that the SNC is prohibited from being involved in local land use decisions.

Carr added within the local collaborative groups there is great interest with the private lands and they will be in the mix of projects and priorities. Groups like the Fire Safe Councils and the RCD's are moving projects forward.

Boardmember Nunes stated that he is looking forward to participating in the Initiative. He appreciated the SNC's outreach efforts, which he believes raised interest as well as the level of understanding about the issue in his Subregion.

Boardmember Ferrara asked what the near term milestones would be. Branham stated one measuring stick will be the degree to which the SNC can assist at the local level of in creating activity on the ground. He also pointed to finding common ground on policy issues such as stewardship contracts and the issue of whether to count biomass energy from materials removed from public lands should be counted as renewable energy.

Carr added another measure of progress comes from the number of cottage industries and entrepreneurial activity that leads to job creation.

Boardmember Graber said he very much supports the Initiative. He urged the SNC to retain the services of subject-matter experts, such as a sociologist and an economist, to help with fact-checking especially on the economic and social impacts.

Boardmember Kirkwood said that as part of the Initiative the SNC might consider working with counties to "retire" unbuildable lots that are present high fire hazards.

Public Comment:

Warren Alford, Sierra Forest Legacy, said that the 100 or so groups that make up Sierra Forest Legacy are "wildly enthusiastic" about the idea of managing the forest for ecological needs and addressing the material that comes off the forest as an opportunity. He said that the Sierra forests need the new infrastructure for "post and pole" production as well as for pellets for wood-burning stoves. These pellets are currently are not manufactured in California. He added that the Initiative creates a huge economic opportunity for local communities.

Calaveras County Supervisor and former SNC Boardmember Steve Wilensky spoke in favor of the resolution, saying that it is the best way to combine resources in a strategic way that allows parties to act together. He noted that there were once 22 mills in his supervisorial district alone, and that now there are none in the entire three-county area. The contractors in his area who are working on the CHIPS project are about a year away from going under and they will be needed to do the thinning of the forest, according to Wilensky.

Wilensky said the SNC will need good science and a collaborative approach to convince downstream water users, and those who never see the Sierra, that they should recognize the worth of the Sierra. He added the need to establish a relationship between the forest and the issues surrounding water, climate and safety in clear, unmistakable scientific terms.

Brett Storey, Placer County, spoke on behalf of Supervisor and former SNC Boardmember Robert Weygandt, urging the Board to pass the resolution and said the Placer County Board of Supervisors is looking forward to signing on in support.

Chuck Peck, The Sierra Foothill Conservancy Land Trust, spoke in favor of the resolution. He also asked the Board to provide recognition and thanks to private land owners, who, at tremendous personal sacrifice, have found ways to thin, clear and otherwise properly manage their properties in the Sierra to reduce the risk of large damaging fires. Peck said he would like to see the State of California make it easier for landowners to do good things on their land.

Megan Wargo, The Pacific Forest Trust (PFT), said her nonprofit land trust group is working to conserve private forest lands. She reported that the PFT has begun a similar initiative for private lands in the Cascade Range and the northern part of the Sierra, and that Bob Kingman will be sitting on the convening council for that effort as the SNC's liaison.

Responding to Boardmember Brissenden's earlier request, Branham said the Conservancy did not have a problem with replacing the term "management" with "stewardship" in the resolution, so long as it understood that "stewardship" will include forms of human intervention.

Action: Boardmember Kirkwood moved and Boardmember Brissenden seconded the motion to adopt the Sierra Nevada Forest and Community Resolution with the following changes: replacing the term "management" with "stewardship" and replacing the term "locally based family wage" with "locally based economically sustainable jobs". The Board also directed staff to take the necessary steps for the successful implementation of the resolution. The motion passed unanimously.

Board Chair Kirwan asked Boardmember Nunes to serve on the SNFCI Coordinating Council, and Boardmember Kirkwood volunteered as a second participant. Kirwan congratulated the SNC staff, presenters and those who added public comment to an "historic" resolution. She said it was an ambitious, but very appropriate initiative for the SNC to undertake and that she hopes that all Californians, including her fellow Southern Californians, will better appreciate the work of the SNC and the value of the Sierra.

IX. Pacific Forest and Watershed Lands Stewardship Council (ACTION)

Branham reported on the ongoing discussions between the SNC and the Stewardship Council over the role the SNC might play in relation to lands previously owned by Pacific Gas and Electric (PG&E), which are donated to eligible entities. So far the Stewardship Council has approved one property for donation. The Council is set to sunset in 2013.

Branham said it has been made clear to the Stewardship Council from the beginning that if there were a role for the SNC to play, it would not include seeking easements or ownership of these lands. Branham noted the Board's materials included a list of potential roles for the SNC put forward by the Stewardship Council. These include serving as a back-up and successor for holding easements if necessary, serving as a repository for land management plans and reports, serving as a covenant holder for lands donated to the federal entities, and serving as an approver of secondary fee title holders if necessary.

Mt. Lassen Area Senior Representative Linda Hansen reported that progress has been made in defining SNC's role since the last Board meeting. She added that she hopes a well-formulated plan will be available to the Board at its September meeting.

Sproul stated she has been working with the Stewardship Council and SNC staff, and has some concerns about potential roles for the SNC. She said that she would like to examine some specific property transfers as case studies to help the SNC consider this issue further. Sproul said she is looking forward to coming back to the Board in September with more definitive recommendations.

Boardmember Brissenden said he feels it is important to go forward more rapidly to enhance the SNC's profile within the Region. He expressed interest in members of the Board meeting with the Stewardship Council to help move things along. Brissenden suggested that if sufficient funds are not available, the issue might have to be brought back to the Courts or the Public Utilities Commission. He also suggested a donation envelope be placed in PG&E ratepayer's bills.

Boardmember Kirkwood expressed concern over relationships in the future between the SNC and the federal agencies, should the SNC agree to serve in a "covenant" role for lands held by federal agencies. In response, Boardmember Hardy said there would need to be fairly specific guidelines for the SNC should it take on the role of a covenant holder and monitor for any property where the Bureau of Land Management becomes a donee.

X. Boardmembers' Comments

Brissenden presented to the Board a book on Alpine County trails, signed by the authors. He also thanked SNC staff Brandon Sanders and Theresa Burgess as well as Sarah Green, Watershed Coordinator with the Alpine Watershed Group, historian

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Frank Torterich of Sorensen's Resort, and Debbie Waldear, President of Friends of Hope Valley, The Sierra Fund and the Sierra Nevada Alliance for assisting in the Board meeting, field tour and reception.

XI. Public Comments

There were not public comments.

XII. Adjournment

Board Chair Kirwan adjourned the meeting at 12:05PM.