

2014-15 Annual Report



Edmund G. Brown Jr., Governor
State of California

John Laird, Secretary
California Natural Resources Agency

B.J. Kirwan, Board Chair

Sierra Nevada Conservancy

Jim Branham, Executive Officer

jim.branham@sierranevada.ca.gov

Bob Kingman, Assistant Executive Officer

bob.kingman@sierranevada.ca.gov



A WORD FROM THE EXECUTIVE OFFICER AND BOARD CHAIRPERSON

This past year we celebrated a major milestone - our first ten years as the first Conservancy dedicated to preserving and protecting the Sierra, for the benefit of the people who live in it and all Californians, and the accomplishments we have achieved during that time. Our celebratory state was soon challenged, however, in a variety of ways.

A number of key long-time staffers left the organization, leading to significant changes in personnel. We miss them and their major contributions. At the same time we welcome the new faces and new ideas that will help us in our efforts to continually improve as an organization.

We also saw the transition from our Proposition 84 grant program to the Proposition 1 grant program. We awarded over \$50 million through 321 grants under Proposition 84. We look forward to continuing the important work accomplished by our grantees for the environmental and economic well-being of our region and the state of California with the \$25 million we will be awarding through our Proposition 1 grant program.

The year also saw our launch of a comprehensive Watershed Improvement Program (WIP), an initiative aimed at increasing the pace and scale of badly needed watershed restoration activities. The WIP is co-led by the SNC and the U.S. Forest Service, with active participation by a variety of state, federal, and local agencies, as well as a wide array of stakeholders. The WIP is our highest priority, given the conditions we face in the Region and the threat that extreme wildfire, drought, and a changing climate pose to it. **Our region provides a major source of reliable clean water and air for Californians.** In addition, it contains massive amounts of stored carbon, critically important habitat, provides world-class recreation, and resources to produce energy, wood and agricultural products.

As always, we'd like to express our appreciation to the SNC Board, our highly dedicated and professional staff, and our many partners who continue to help us make a difference throughout the Sierra. It has been 10 years of significant accomplishments. We are confident that, with our partners, our accomplishments will continue to grow in our next 10 years.

BJ Kirwan, Chair of the Governing Board
Jim Branham, Executive Officer



GRANTS

Under the Proposition 84 grant program, the SNC continued to award grants that directly improve water quality, with a focus on forest health and abandoned mine lands projects. In 2014-15, the SNC Governing Board authorized nine new projects, totaling \$1,494,129. Additionally, grantees completed 28 projects representing \$3,865,121 in grant awards, leaving 75 projects in active status.

To date, of the \$54 million the SNC was allocated from the Proposition 84 bond funds, \$904,367 remains available for local assistance grants. Per SNC Board direction, those funds are dedicated to Rim Fire restoration efforts and are anticipated to be awarded in the coming fiscal year.

In November 2014, California voters approved Proposition 1, the Water Quality, Supply, and Infrastructure Improvement Act of 2014, which identified \$25 million for the SNC. By working with local communities via a robust public outreach process, SNC developed and adopted the Proposition 1 Grant Guidelines. In September 2015, the SNC began accepting applications and awarding grants for local projects that protect, promote, and restore watershed health, with emphasis on projects that also reduce wildfire risks, improve forest health, and reduce the impacts of climate change on California's communities and ecosystems. Over the next two years, SNC plans to award \$10 million in Proposition 1 grant funds.

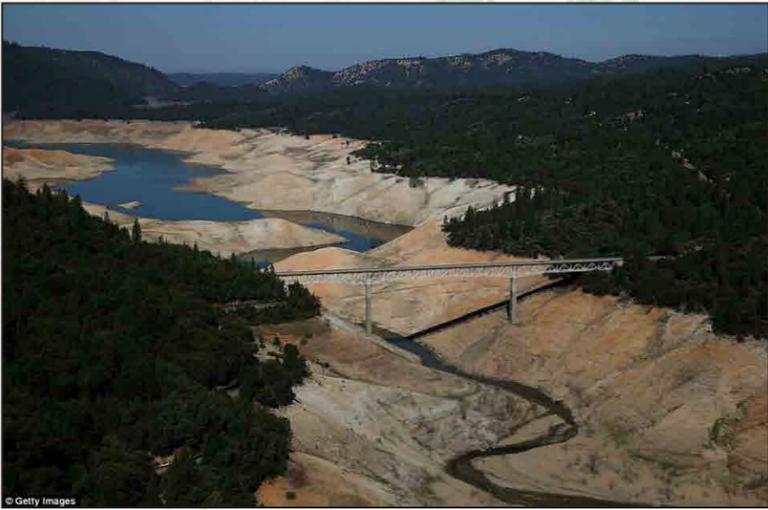
BUDGET AND FISCAL ACTIVITY 2014-15 Budgeted and Actual Expenditures

STATE OPERATIONS:	Budgeted	Actual
Total Personal Services	\$ 2,854,660	\$ 2,843,190
Total Operating Expenses & Equipment	<u>\$ 1,483,805</u>	<u>\$ 1,481,207</u>
Total State Operations	\$ 4,338,465	\$ 4,324,397

EXPENDITURES BY FUNDING SOURCE:		
Environmental License Plate Fund	\$ 4,386,847	\$ 4,071,847
less Cost Savings Drill	\$ (315,000)	\$ -
Revised Environmental License Plate Fund	\$ 4,071,847	\$ 4,071,847
Proposition 84	<u>\$ 266,618</u>	<u>\$ 252,550</u>
Total State Operations	\$ 4,338,465	\$ 4,324,397

TOTAL EXPENDITURES:	Budgeted	Actual
Total State Operations	\$ 4,338,465	\$ 4,324,397
Total Local Assistance Grants	<u>\$ 1,550,000</u>	<u>\$ 327,350</u>
Total Expenditures	\$ 5,888,465	\$ 4,651,747

“We need to be bold and focused in our approach if we are to seriously address the conditions we face in our Sierra forests and watersheds. The SNC is the right organization, in the right place, at the right time to be the catalyst for increasing the pace and scale of needed restoration.” **Bob Kirkwood, SNC Boardmember**



FACING A DIFFICULT SITUATION

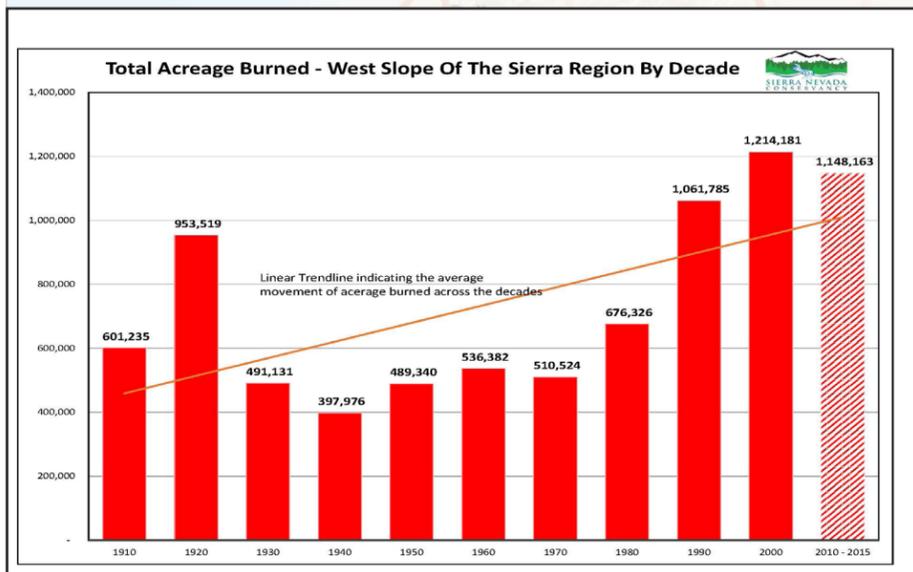
The Sierra Nevada Region is critically important to the environmental and economic well-being of California. It is the source for more than 60% of the state’s developed water supply. It is the headwaters of the State Water Project and federal Central Valley Project, and is the primary source of fresh water for the Delta. The Region’s forested watersheds store massive amounts of carbon, provide crucial habitat to hundreds of species, provide world-class recreational opportunities enjoyed by millions, and are major producers of wood products and hydro-electric power.

Today, all is not well in this critical region of California. Many Sierra Nevada watersheds are unhealthy with overgrown forests, suffering uncharacteristically large and intense fire and dramatic amounts of tree mortality. Degraded streams and meadows exist throughout the Region, some a result of decades old practices such as legacy gold mining. And many Sierra communities face extreme adverse economic conditions.

SOS – STATE OF THE SIERRA NEVADA’S FORESTS

As ongoing drought continued to exacerbate Sierra forest conditions, the SNC increased efforts to provide bold leadership related to healthy forests and watersheds in the Sierra Nevada. The State of Sierra Nevada’s Forests Report (Report) was developed as an SOS from the Region and released in fall 2014. The Report was designed to inform policy makers and the public of the dire state of Sierra Nevada forests, to identify the critical statewide benefits at risk in an extraordinary fire regime worsened by climate change and to identify key policy changes and investment opportunities to help return Sierra forests to a healthy resilient state and protect the environmental services – clean air and clean water – that California depends upon.

The WIP is designed to harmonize, leverage, and amplify on-going efforts and ensure the efficacy of existing and needed initiatives, programs and projects to increase the pace and scale of ecologically-based restoration in the upper watersheds. To gather and share data and resources, and provides a basis for exploring new models and joint funding opportunities to get work done.



The total acreage burned on the west slope of the Sierra has trended upward over the last century - the average size of the area burned in each decade has risen by almost 300,000 acres from 1910 to today.

RESPONDING TO THE CHALLENGE - WATERSHED IMPROVEMENT PROGRAM. HEALTHY FORESTS. HEALTHY WATER.

The SNC and the U.S. Forest Service (USFS) Region 5 partnered to launch the Sierra Nevada Watershed Improvement Program (WIP) - a coordinated, integrated, collaborative program to restore the health of California’s primary watershed through increased investment and needed policy changes.

On March 4, 2014, the Sierra Nevada Watershed Improvement Program (WIP) was launched at a summit at which representatives of federal, state and local agencies got together with stakeholders to discuss the issues facing California’s primary watershed and the urgent need for action. Following the summit, CA Natural Resources Secretary John Laird entered into an MOU with USFS Regional Forester Randy Moore committing to a partnership in implementing the WIP. The SNC was named as the lead State agency.

The WIP is a large-scale restoration program designed to address ecosystem health in the Sierra Nevada in a holistic manner and encompass concerns beyond wildfire and water, including plant and wildlife habitat, infrastructure, recreation, socio-economic and public safety issues. By restoring and protecting the health of Sierra forests, streams, meadows, and soils we can achieve the following objectives:

- Reduce the risk and consequences of large, damaging wildfires.
- Reduce greenhouse gas emissions and stabilize carbon storage.
- Improve and protect air quality.
- Improve and protect the quantity and quality of water available throughout the year.
- Improve and protect habitat for wildlife, fish, and plant species.
- Improve local socio-economic conditions and public safety.

The WIP is co-led and coordinated by the SNC and the USFS and includes numerous governmental and non-governmental partners. **The WIP provides an umbrella to allow diverse efforts to join together. It is designed to increase coordination and interaction at the Regional and watershed levels and provides an opportunity to explore new models and approaches in achieving large landscape restoration.** It is not intended to create a singular restoration priority, but rather to assist in harmonizing the multiple organizational restoration activities and objectives that already exist in the Region. Performance metrics that gauge the success of the WIP will be developed and regularly reported on in WIP communications.

WIP INTO THE FUTURE

In order to increase the pace and scale of watershed restoration, the WIP process will include the following key activities:

- Assess watershed restoration need across 16 Sierra Nevada watersheds.
- Increase investment in watershed restoration from a broad array of stakeholders.
- Address key policy issues affecting restoration utilizing best available science.
- Increase Sierra-based infrastructure needed for restoration.

The WIP will be the hub of a network connecting partners to data, funding, projects, and each other in order to more efficiently and effectively implement the projects needed to restore the health of Sierra watersheds. It likewise will provide the opportunity to explore and implement new models for delivering restoration at a landscape scale.

The WIP is the solution to addressing declining forest and watershed health in the Sierra Nevada.

Several high-profile statewide plans and programs identify the importance of the Sierra to the state’s well-being and recognize the critical state of its forests - the CA Water Action Plan and the AB 32 Scoping Plan, among others. Recently Governor Brown issued a Proclamation of Emergency addressing the substantial tree mortality occurring in California. The Governor identified a number of actions state government will be undertaking to address this issue, all consistent with the objectives of the WIP. The federal government has likewise recognized the importance of this Region by including a large portion of it in the “CA Headwaters Partnership” designation under the Resilient Lands and Waters Initiative.

SNC GOVERNING BOARD

GOVERNOR'S APPOINTEES:

John Laird, Secretary, CA Natural Resources Agency

Todd Ferrara, Designated Representative, Deputy Secretary for External Affairs

Eraina Ortega, Chief Deputy Director, Policy Department of Finance

BJ Kirwan, Board Chair

Bob Kirkwood, Public Member

Terrence O'Brien, Public Member



Inaugural Boardmembers BJ Kirwan, John Brissenden, and Bob Kirkwood honored at the 10 year celebration.

LEGISLATIVE APPOINTMENTS

John Brissenden, Speaker of the Assembly

Bob Johnston, Senate Rules Committee

SUBREGIONAL REPRESENTATION

North Subregion

Pam Giacomini, Shasta County

North Central Subregion

Burt Bundy, Tehama County

* Sherrie Thrall, Plumas County

Central Subregion

Jennifer Montgomery, Placer County

* Ron Briggs, El Dorado County

South Central Subregion

Louis Boitano, Amador County

South Subregion

Allen Ishida, Tulare County

East Subregion

Ronald Hames, Alpine County

* Byng Hunt, Mono County

NON-VOTING LIAISON ADVISORS

U.S. Secretary of Agriculture's Appointee

Barnie Gyant, U.S. Forest Service

U.S. Secretary of Interior's Appointments

Woody Smeck, Superintendent of Sequoia and Kings Canyon National Parks

* Don Neubacher, Superintendent of Yosemite National Park

A. Este Stifel, District Manager, Bureau of Land Management

**Previously seated member*

Sierra Nevada Conservancy (HQ)

11521 Blocker Drive, Suite 205

Auburn, CA 95603

(530) 823-4670 or Toll Free (877) 257-1212

www.sierranevada.ca.gov



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