



**June 5-6, 2013
Board Meeting**

West End Theatre
541 Main Street
Quincy CA 95971

June 5 & 6, 2013
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541 Main Street
Quincy, CA 95971



June 5, 2013

Board Tour

1:00 – 4:30 PM

Members of the Board and staff will participate in a field trip to explore issues and activities relevant to the Conservancy's mission in the North Central Subregion. Members of the public are invited to participate in the field tour but are responsible for their own transportation and lunch. The tour will start in the main parking lot of Feather River College, located at 570 Golden Eagle Avenue, Quincy 95971.

Reception

4:30 – 6:00 PM

Following the Board tour, Boardmembers and staff will attend a reception open to the public. The reception will be held at Heart K Ranch, 702 Beckwourth Genesee Road, Taylorsville, CA 95983.

June 6, 2013

Board Meeting

9:00 – 1:00 PM

(End time of the meeting is approximate)

- I. Call to Order**
- II. Oath of Office for New Boardmembers**
- III. Roll Call**
- IV. Approval of March 7, 2013 Meeting Minutes (ACTION)**
- V. Public Comments**
Provide an opportunity for the public to comment on non-agenda items.
- VI. Board Chair's Report**
- VII. Executive Officer's Report (INFORMATIONAL)**
 - a. Outreach and Communications Update
 - b. Administrative Update
 - c. Proposition 84 Report
 - d. Federal Partner Presentation – US Forest Service
- VIII. Deputy Attorney General's Report (INFORMATIONAL)**
- IX. Waiver of Conflict Of Interest – State Coastal Conservancy Legal Services (ACTION)**
The Board will consider a waiver of potential conflict of interest with the State Coastal Conservancy's legal representation of the SNC.

- X. Proposition 84 Draft Grant Guidelines (ACTION)**
The Board may act to approve Grant Guidelines for the Proposition 84 Grant Program FY 2013-14.
- XI. End-of-Year Report on 2012-13 Action Plan (INFORMATIONAL)**
Staff will report to the Board on progress and accomplishments relative to the 2012-13 Action Plan.
- XII. 2013-14 Action Plan and Amendment to Strategic Plan (ACTION)**
The Board may act to approve the Action Plan for the 2013-14 fiscal year and recommended changes to the current Strategic Plan to incorporate Abandoned Mine Lands activities.
- XIII. Change of Grantees (ACTION)**
The Board may act to modify two previously authorized SNC Grants for purposes of changing the grantees.
- a. SNC 317 – Willow Creek Watershed Restoration Planning Project
 - b. SNC 079 – Yuba River Wildlife Area – Rice’s Crossing Priority Acquisition Project
- XIV. Updates on Various SNC Activities (INFORMATIONAL)**
- a. Sierra Nevada Forest and Community Initiative
 - b. Mt. Whitney Fish Hatchery Update
- XV. Boardmembers’ Comments**
Provide an opportunity for members of the Board to make comments on items not on the agenda.
- XVI. Public Comments**
Provide an opportunity for the public to comment on non-agenda items.
- XVII. Adjournment**

Meeting Materials are available on the SNC Web site at www.sierranevada.ca.gov. For additional information or to submit written comment on any agenda item, please contact Mrs. Burgess at (530) 823-4672, toll free at (877) 257-1212; or via email at tburgess@sierranevada.ca.gov. 11521 Blocker Drive, Suite 205, Auburn CA 95603. If you need reasonable accommodations please contact Mrs. Burgess at least **five** working days in advance, including documents in alternative formats.

Closed Session: Following, or at any time during the meeting, the Conservancy may recess or adjourn to closed session to consider pending or potential litigation; property negotiations; or personnel-related matters. Authority: Government Code Section 11126(a), (c) (7), or (e).

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.

Background

Sierra Nevada Conservancy (SNC) Staff has been planning and developing outreach and communications tools and activities to gain support for the watershed, forest health and community sustainability work being conducted by SNC and our partners throughout the Region.

At its March 2013 meeting, the SNC Board directed staff to take appropriate actions to increase awareness about the importance of the Sierra Nevada Region to the State's health and well-being with the goal of achieving the following outcomes:

- Retaining existing levels of Sierra and SNC funding in the 2014 water bond;
- Applying revenue generated by greenhouse gas cap-and-trade auction program to forest sector projects in the Sierra;
- Ensuring that upper watershed projects in the Sierra Nevada are considered appropriately in the Department of Water Resources Integrated Regional Water Management Program;
- Improving water quality and public health by addressing legacy mining issues in Sierra watersheds; and,
- Obtaining funding for upper watershed water quality/supply/reliability work from Delta efforts in recognition of the importance of the Sierra as a major water source for the Delta.

Current Status

Following Board direction, staff is developing materials and creating opportunities to communicate the value of the Sierra Nevada Region to all of California.

SNC published the "Investing in California's Watershed: Sierra Nevada Conservancy's Proposition 84 Grant Program" report (Report) which highlights the success of the grant program and the achievements of our grantees, and demonstrates that investment in the Region's watersheds benefits water supply and reliability for all Californians. The Report makes the case for future investment in the Sierra and confirms the role the SNC can play when new funding vehicles such as water bond funding or cap-and-trade auction revenue become available.

Staff will utilize the release of the Report as an opportunity to conduct outreach activities including delivering the report to various Legislators, presenting the report to Boards of Supervisors in all 22 counties of the Region, and publishing an educational [interactive map](#) on the SNC Web site. The new online tool allows users to explore the relationship between Sierra Nevada watersheds, use of the water, and the investments made by the SNC to protect and improve the Region.

Staff continues to meet with legislators and key staff, with recent meetings occurring with Senator Monning's Legislative Director, Senator Hill's Legislative Director; Assembly Member Bigelow and Senator Berryhill. We have also made progress

towards scheduling one or two Regional tours including one with Assembly Member Dahle, Assembly Member Gordon, and others to tour Nevada County.

SNC provided comments to California Air Resources Board (ARB) on the Draft Cap-and-Trade Auction Proceeds Investment Plan ([Attachment A](#)). We encouraged the ARB to make substantial investment in the forest sector to achieve Greenhouse Gas emission reductions goals and create benefits of value to the State by urging the ARB to consider the following additions to the first three-year investment plan:

1. Add SNC to the list of State Agencies to provide oversight, develop program criteria, and distribute funds through our existing Healthy Forests Grant Program.
2. Invest approximately \$10 million in funding early phase development and deployment of community-scale forest bioenergy technologies that the SNC would administer through our grant program.
3. Provide a direct transportation incentive to woody biomass fuel providers who need to transport biomass outside a 20 mile circle to get to an existing bioenergy facility.
4. Allow a portion of cap-and-trade revenue to be spent on public federal forest land treatments to achieve critical air quality and renewable energy benefits.
5. Fund forest conservation easements through Wildlife Conservation Board, the SNC and other state conservancies, Cal FIRE and other entities with existing programs in place to begin achieving long-term carbon storage, emission reduction, climate change adaptation, water reliability, and local economic benefits.
6. Use the rural Community Focus Group to refine the definition of a Disadvantaged Community so it does not exclude rural forested communities.

Next Steps

Next steps will include continued meetings with key decision-makers with the goal of obtaining investment for the important watershed, forest health and community sustainability work needed in the Sierra Nevada Region. We will continue to engage partners and sister agencies by identifying and creating opportunities to communicate the need for and benefits of continued investment in Region. We will host additional tours that get Legislators and their staff into the Region to visit SNC and partner projects that highlight the importance of forest and watershed health and highlight the value of these investments to the state. And, we will continue to update the SNC Web site and develop new materials such as the SNC Annual Report to communicate the link between Sierra watersheds and water users.

Recommendation

This is an informational item only; no formal action is needed by the Board at this time, although Boardmembers are encouraged to share their thoughts and comments.



AUBURN OFFICE
11521 Blocker Drive, Ste. 205
Auburn, CA 95603
p (530)823-4670 f (530)823-4665

April 24, 2013

Ms. Mary Nichols, Chair
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Dear Chair Nichols:

RE: DRAFT CAP-AND-TRADE AUCTION PROCEEDS INVESTMENT PLAN: FY 2013-14 – 2015-16

Thank you for this opportunity to comment on the Air Resources Board's *Draft Cap-and-Trade Auction Proceeds Investment Plan: FY 2013-14 – 2015-16* (dated April 16, 2013).

The Sierra Nevada Conservancy (SNC) is a California state agency within the Natural Resources Agency. The SNC Region constitutes about 25 percent of California's land area, much of which is forested lands. The forests are storing approximately 420 million tons of carbon,¹ but through active forest restoration and a more efficient use of woody biomass we have the opportunity to store much larger amounts.

We were pleased that *Natural Resource & Waste Diversion* was included as one of the priority programmatic investment categories for the first 3-year plan. We encourage the Air Board to make substantial investment in the forest sector to achieve the Greenhouse Gas (GHG) emission reduction goals of the Global Warming Solutions Act of (AB 32 2005-06), while creating multiple benefits for rural economies, public health and natural resource protection. Investment in forest restoration provides the opportunity for renewable energy development through the use of forest waste, or "biomass," to produce energy. Converting forest waste to energy by burning it in a controlled biomass energy facility achieves air quality benefits on two levels: 1) it keeps that waste from being disposed of by open pile burning or decaying, and 2) the forest treatments that produce the biomass reduce the risk of large, damaging wildfires that

¹ It is estimated that the total above-ground biomass accumulation of productive forests in the Sierra Nevada is almost 840 million tons. Current estimates of forest biomass are based on the weight of above ground living tree matter (minus the half that is water) calculated by using forest inventory data. Stored carbon is then estimated by halving the amount of biomass per unit area, and is usually expressed in short tons per acre.



also emit substantial GHG. Use of biomass for energy also displaces the burning of fossil fuels, which add GHG to the atmosphere, and provides reliable power when other renewable sources, such as wind and solar, may be offline.

Excess forest biomass material removed as a byproduct of forest fuels reduction and forest restoration activities is typically piled and burned when there are no economically feasible means to use the biomass for other purposes, emitting large quantities of GHG in the process. Development of community-scale forest bioenergy projects will provide an alternative opportunity to utilize this excess forest biomass material using technologies that significantly reduce air emissions when compared to pile-and-burn disposal techniques.

It's estimated that when all 50 MW of SB 1122 community-scale forest bioenergy facilities are operational, **152,000 tons of GHG's emissions will be reduced annually.** At full build-out of 50 MW capacity, the community-based bioenergy facilities will be able to process approximately 400,000 bone dry tons (BDT) of forest biomass per year. Forest treatments (fuels reduction, thinning, etc.) produce about 13 BDT per acre. At capacity, these small bioenergy facilities will result in a market for woody biomass representing over 30,000 acres treated per year with annual benefits including a reduction in GHG emissions of about 152,000 tons CO₂e. Other annual benefits include reductions in: particulate matter (2,400 metric tons), NO_x (640 metric tons), NMOCs (1880 metric tons), and CO (23,200 metric tons) (Springsteen et al., 2011).

It would greatly benefit the environment, local economies and disadvantaged communities of rural California to provide funding for utilization of forest biomass generated by forest treatment activities for renewable energy production (electricity and thermal energy). This investment will directly support implementation of SB 1122 (2011-12) which includes a procurement requirement for large investor-owned utilities to buy 50 megawatts of biomass bioenergy derived from sustainable forest management practices in fire threat treatment areas.

This type of investment would also directly support implementation of the 2012 California Bioenergy Action Plan calls for the Resources Agency, Sierra Nevada Conservancy and other agencies to continue working with stakeholders to identify and promote small-scale forest biomass projects that reduce fire hazards, restore healthier, more resilient forests, provide renewable energy, and promote rural economic development (Section 1: 1.1).

The Action Plan states, in part, "Biomass energy facilities are essential to achieving forest restoration activities and rural economic development objectives in California's forested areas." The Sierra Nevada Conservancy is specifically responsible for promoting small-scale bioenergy projects that are consistent with forest restoration, economic development, and social equity objectives. This involves identifying candidate projects, seeking developers and sharing the cost of commercial and emerging community-scale bioenergy technologies. Furthermore the SNC is to identify and seek private, state (including public interest energy research and electricity production investment charge), and federal funding for feasibility



studies, pilot and demonstration projects, and research to support community-scale biomass utilization projects.

Based on the importance of this Region and other forested areas in meeting the state's GHG emission reduction goals under Assembly Bill (AB) 32, the procurement targets established by SB 1122 and the recommendations of the California Bioenergy Action Plan, we urge the Air Resources Board to consider the following additions to the first three-year investment plan for cap-and-trade auction revenue.

***Recommendation #1:** Add Sierra Nevada Conservancy (SNC) to the list of State Agencies to provide oversight, develop program criteria and to distribute funds through our existing Healthy Forests Grant Program grant program (in Appendix B - Forests and Ecosystem Management chart, p. B-13).*

***Recommendation #2:** Invest approximately \$10 million in funding early phase development and deployment of community-scale forest bioenergy technologies. The SNC could administer these funds through its grant program and consistent with its responsibilities under the California Bioenergy Action Plan.*

Currently, there is a limited amount of funding available to project proponents to conduct preliminary analysis, which includes project engineering, design, environmental analysis, and permitting. This work is required before utility company energy price negotiations can take place, which then establishes the income stream for the project. This preliminary analysis phase must therefore be completed before private financing can be obtained to implement the project. This investment is very difficult for communities that are already facing severe economic distress and commercial investment is not usually available until the preliminary steps have been taken.

The cost of completing the preliminary planning and analysis phase is an estimated \$350,000 (but can be as high as \$750,000). In order to achieve 50 MW from forest biomass, approximately \$10 million will be needed. Once these demonstration projects are operational, this industry can function like other small-scale renewable energy operations, obtaining working capital for the preliminary analysis costs through investors who have developed confidence in the new industry.

Fiscal Year	Funds Needed (based on \$350,000 per project)	Number of projects	Cumulative MW
1 (2013-14)	\$2.45 million	7	16
2 (2014-15)	\$2.8 million	8	20
3 (2015-16)	\$4.2 million	12	14
TOTAL	\$9.45 million	27	50



Recommendation #3: Temporarily provide a direct transportation incentive to woody biomass fuel providers who need to transport biomass outside a 20-mile circle to get to an existing bioenergy facility (\$6.8 million). The SNC and/or Cal Fire could administer these funds through its grants programs.

This incentive will help balance the relatively low price that energy producers can afford to pay for forest biomass and the relatively high cost of transporting that material from the forest to the energy plant. While full implementation of SB 1122 will help to address this issue for new community scale facilities (by creating a more competitive pricing structure), there remains a significant problem given the geographic distribution of existing facilities. These funds will incentivize moving the material to a plant where it can be utilized, rather than pile burning in the forest. We request \$10 per BDT for existing contracts for 680,000 BDT that are ready but have not been let due to prohibitive transportation costs. The total request for year one is \$6.8 million, with the potential for reductions as new plants come on line.

Recommendation #4: Allow a portion of cap-and-trade auction revenue to be spent on public federal forest land treatments to achieve critical air quality and renewable energy benefits. The SNC could administer these funds through its grant program and consistent with its responsibilities under the California Bioenergy Action Plan.

Investment must be directed to all forest lands, regardless of jurisdiction, in order to realize the full benefit from the sector. More than 60% of the total biomass and carbon stored in Sierra forests is managed by the US Forest Service. The national forest system lands represent a huge opportunity to reduce fire risk and protect and increase carbon stores in the state, as shown in the chart below.

Above ground biomass in the Sierra Nevada, by ownership

Ownership	Biomass tons	Percent of Total Biomass	Percent of Total Acres
USFS	519,427,710	62%	60%
Private	225,744,095	27%	28%
Other public	93,341,550	11%	11%
Total	838,513,355		



***Recommendation #5:** Fund forest conservation easements through the Wildlife Conservation Board, the SNC and other state conservancies with forested lands, Cal FIRE and other entities with existing programs in place to begin achieving long-term carbon storage, emission reduction, climate change adaptation, water reliability and local economic benefits.*

Conservation of forests threatened by conversion or degradation is a key action that prevents emissions associated with loss of forest stocks while also securing additional carbon sequestration into the future. Protecting and enhancing California's forest carbon banks can be achieved through either conservation easements or fee title purchase.

Conservation easements allow the state or qualified land trusts to collaborate with interested landowners to develop site-specific guidelines for enhancing forest resource values, including increased carbon storage, while keeping the property in private ownership and management. Fee title acquisition allows the state or non-profit partner to directly manage strategically important & threatened forests for the public good when such conservation cannot be achieved in a public-private partnership. Both approaches can facilitate increased public access and recreation.

Additional co-benefits of forest conservation include:

- Improved forest management for climate and habitat benefits, including site-specific conservation prescriptions and support for adaptation;
- Watershed conservation to maintain water quality and reliability at the source; and,
- Prevention of sprawling land use patterns that lead to auto-dependency, increased CO₂ emissions and resource inefficiencies.

***Recommendation #6:** Use the Rural Community Focus Group – a diverse group of experts who understand Disadvantaged Communities (DAC) of all types being convened by the Governor's Office of Planning and Research – or some other mechanism to refine the definition of DAC so it does not exclude rural forested communities.*

It is clear that the areas identified by the CalEnviroScreen tool are disadvantaged. However, the determination criteria fail to recognize any communities in the rural forested parts of the state – some of the areas hardest hit by the economic downturn. The criteria and formula should not exclude many rural communities that are disproportionately affected – the ones that are suffering from environmental pollution and socio-economic ills like declining personal income, accelerated unemployment, low educational attainment levels and growing numbers of children living in poverty.

The DAC definition, for purposes of investment of cap-and-trade auction revenue, should be further examined and amended so that vulnerable communities in the rural forested areas are also recognized and eligible for cap-and-trade funding. All Californians will bear the cost of



reaching the state's GHG emission reduction goals; therefore, the benefits that accrue from those efforts should apply more broadly.

Conclusion

Early investment of cap-and-trade auction revenue in forest sector projects, including on public lands and in disadvantaged communities in the rural forested areas, would fulfill the letter and the spirit of the AB 32 and related statutes that call for, a) reducing GHG emissions in both the short- and long-term, b) maximizing additional environmental, economic and public health benefits ("co-benefits") for California, and c) directing investment toward disadvantaged communities and households across the state.

Thank you for the opportunity to our comments on these important issues.


Jim Branham
Executive Officer



Background

Year-end is always a busy time in the administrative offices of the Sierra Nevada Conservancy (SNC). Things are even more hectic as we prepare to switch personnel support services from the Franchise Tax Board (FTB) to the Department of Forestry and Fire Protection (CalFIRE). FTB has provided excellent support to SNC as we have matured as a department. CalFIRE will take over in July 2013, providing more limited support, since staff has built internal capacity to take over some services that FTB had previously provided.

Current Status – Grants Administration

Unfortunately, SNC has received notice that project 731, awarded to Sequoia Riverlands Trust in the amount of \$347,061 for the “Acquisition of a Conservation Easement in the White River Watershed,” must be withdrawn. This project was a victim to declining land values, which made the overall project financially challenging for the owner. This project was approved by the Board in the 2012-13 Ranching and Agricultural Lands grant cycle. These funds will remain available for future award.

Current Status – Budget

As of July 1, 2013, the one day per month furlough will end, which will restore 4.62% to staff salaries. Staff awaits final determination as to whether the use of student assistants will be allowed to commence once again at the beginning of this new fiscal year. The restriction for using Retired Annuitants for mission critical functions only continues into 2013-14.

Current Status – Human Resources

Staff is excited to introduce Lisa Primeaux, SNC’s new Senior Budget and Contracts Analyst. Lisa comes to us with more than 13 years of experience working for the California Conservation Corps, the Department of Conservation, and the Department of Developmental Services. She is an experienced budget analyst and has significant additional administrative skills she brings to her new position. Lisa also has a BA degree in English from Sonoma State. She replaces Shelly Owens, who left the SNC late last year.

As we say hello to a new employee, we are saying goodbye to one of our managers. Kerri Timmer has departed for opportunities at the Sierra Business Council. Hiring of a new Regional Policy and Programs Manager should be complete by the end of the fiscal year.

Staff have continued to make progress in completing SNC’s first round of the Conservancy Project Development Analyst (CPDA) series of exams. As a reminder to the Board, the SNC converted to this classification last year. The series of exams provide potential promotional opportunities for employees and establish hiring lists to fill open positions as they arise.

Current Status – Facilities

Modifications to the downtown Mariposa office that will house SNC staff were stalled due to permitting delays. The move of the staff currently in the Fairgrounds office is now expected to occur in late summer.

Recommendation

This is an informational item only; no formal action is needed by the Board at this time, although Boardmembers are encouraged to share their thoughts and comments.

2012-13 SNC EXPENDITURES AND ENCUMBRANCES				
Through March 2013				
State Operations				
<i>Personal Services</i>	<i>Budgeted</i>	<i>Expended</i>	<i>Balance</i>	<i>% Spent</i>
SALARIES AND WAGES	1,959,717	1,330,850	628,867	68%
STAFF BENEFITS	583,430	515,050	68,380	88%
Personal Services, Totals	\$2,543,147	\$1,845,901	\$697,246	73%
Operating Expenses & Equipment				
	<i>Budgeted</i>	<i>Expended</i>	<i>Balance</i>	<i>% Spent</i>
GENERAL EXPENSE	208,479	185,752	22,727	89%
TRAVEL - IS	55,000	41,358	13,642	75%
TRAVEL - OS	2,791	-	2,791	0%
TRAINING	19,800	10,229	9,571	52%
FACILITIES	288,395	229,180	59,215	79%
UTILITIES	14,480	9,831	4,649	68%
CONTRACTS- INTERAGENCY AGREEMENT	1,017,870	712,360	305,510	70%
CONTRACTS- EXTERNAL	139,800	93,876	45,924	67%
INFORMATION TECHNOLOGY	118,047	16,907	101,140	14%
CONSOLIDATED DATA CENTER	-	-	-	0%
EQUIPMENT	-	-	-	0%
OTHER ITEMS OF EXPENSE	22,124	14,361	7,763	65%
PRO RATA (control agency costs)	161,517	40,379	121,138	25%
Operating Expenses & Equipment, Totals	\$2,048,303	\$1,354,233	\$694,071	66%
Local Assistance				
<i>Appropriation</i>	<i>Budgeted</i>	<i>Expended</i>	<i>Balance</i>	<i>% Spent</i>
2007 Original Appropriation (reapprop 11/12)	17,000,000	17,000,000	0	100%
2008 Original Appropriation (reapprop 11/12)	17,000,000	17,000,000	0	100%
2009 Original Appropriation (reapprop 12/13)	15,448,000	12,792,445	2,655,555	83%
	<i>Budgeted</i>	<i>Expended</i>	<i>Balance</i>	<i>% Spent</i>
State Operations	4,591,450	3,200,133	1,391,317	70%
Local Assistance *	49,448,000	46,792,445	2,655,555	95%
SNC EXPENDITURES, TOTALS	\$54,039,450	\$49,992,578	\$4,046,872	93%

* The balance includes encumbrances for March awards totaling \$5,155,865, minus \$347,061 to reflect the withdrawal of project 731. The remainder, \$2,655,555 remains available for future award.

Background

As you are aware, Proposition 84, the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act was approved by voters in 2006 – two years after the legislation creating the Sierra Nevada Conservancy (SNC) was signed into law. The SNC was allocated \$54 million in the measure for the protection and restoration of rivers, lakes and streams, their watersheds and associated land, water, and other natural resources. Just after the 2006 measure was passed, the SNC hit the ground running with our very first grant program and was able to award the full \$17 million appropriation from the 2007-08 state budget. The SNC has continued the grant program, awarding over \$50 million dollars for 294 projects within the Region. The Board is considering the grant guidelines for the last round of funding under Proposition 84 today.

“Investing in California’s Watershed: Sierra Nevada Conservancy’s Proposition 84 Grant Program” (Report) was published as a recognition of the success of the grant program and the achievements of the grantees, as well as, a demonstration that investing in the Region’s watersheds benefits water supply and reliability for Californians. The Report makes the case for future investment in the Sierra and provides testimony to the special aptitude the SNC has for playing an important role when investment vehicles such as the upcoming water bond or the greenhouse gas emission reduction cap-and-trade auction program become available.

The ten project profiles highlighted within the Report provide a sample of the types of projects funded in five categories illustrating specific needs within the Region and the benefits achieved from project implementation. Targeted audiences are encouraged to explore the characteristic projects by accessing individual videos through the SNC Web site. Additionally, in conjunction with the development of the Proposition 84 Report, staff is generating a stronger internet presence, introducing a new interactive map project for the Web site and providing a platform to access not only the select Report project videos, but more as they are developed.

Current Status

Distribution of the Report to a wide range of stakeholders and policy makers has occurred. The Report, along with a summary of key messages and links to the interactive map, videos, and other resources resides on the SNC Web site. Staff is in the process of making presentations, with the Report as the focal point, to all 22 counties served by the SNC. These presentations will include the various other activities that the SNC has carried out in each county.

The SNC appreciates the support of the Resource Legacy Fund Foundation, whose generous support partially funded production of the Report.

Next Steps

Staff will continue to distribute the Prop 84 Report hard copies to identified recipients and utilize its messages as a tool for outreach and education. The interactive map on

the SNC Web site is evolving and will be expanded to include more dynamic and informative applications. Individual project highlight videos will be developed as more projects begin to close.

Recommendation

This is an informational item only; no formal action is needed by the Board at this time, although Boardmembers are encouraged to share their thoughts and comments.

Background

In order to ensure that the operations of the Sierra Nevada Conservancy (SNC) are fully compliant with all applicable laws, rules and regulations and that activities are conducted in compliance with its own governing statutes, SNC Staff seeks advice from legal counsel on a variety of issues through several means. SNC Staff obtains legal counsel from the Attorney General's office and the Department of General Services Office of Legal Services on issues specific to their relative expertise. SNC also obtains legal advice and guidance through employment of a retired annuitant with expertise on grant-related issues and the organizational development of the SNC. SNC has taken this approach in order to ensure that legal expertise and knowledge specific to its operations remain available as needed. SNC Staff is now recommending that legal expertise on administrative issues be made available on a more consistent basis. These issues may include but are not limited to miscellaneous personnel topics such as equal employment opportunity, sexual harassment, adverse actions, state workers' compensation, return to work; state contracting topics including contracting requirements, amendments, awards, vendor eligibility, conflict of interest; and review of SNC policies and procedures. The State Coastal Conservancy (SCC) has been identified as having the capacity and needed expertise, and the SCC's Executive Officer has agreed and asked its legal staff to provide these services.

The staffs of the SCC and the SNC are now negotiating an agreement for legal services that the SCC's attorneys would provide. Under an interagency agreement to provide legal services, the SCC's attorneys would establish an attorney-client relationship with the SNC. SCC has informed SNC that attorneys with multiple clients must avoid representing adverse interests, potential and actual. An exception applies where the attorney makes full disclosure to the affected clients and obtains their informed consent. The Board of the SCC recently authorized their staff to enter into this agreement, acknowledging and waiving the potential conflicts of interest. The SCC Board further delegated to its Executive Officer the authority to waive future actual attorney conflicts of interest in connection with legal advice provided to the SNC and others. The SNC Board is now being asked for their informed consent to enter into this agreement as well.

Current Status

Several statutes and the Rules of Professional Conduct of the State Bar of California, including Rule 3-310(C), govern attorneys in the representation of potentially and actually adverse interests, and collectively require informed consent of both clients. Lawyers must also strictly maintain the confidences of their clients (Business & Professions Code § 6068(e) (1)). The interests of the SCC and the SNC in a matter could conflict, at least in theory. For example, the two agencies may have differing interests in their common contract, might both seek the same limited funds, or might have differing positions on pending legislation or litigation.

Under Rule 3-310(C), an attorney may not, without the written consent of both clients, 1) accept representation of more than one client in a matter in which the interests of the

clients potentially conflict; or 2) accept or continue representation of more than one client in a matter in which the interests of the clients actually conflict; or 3) represent an entity in a matter and at the same time accept as a client in a separate matter an entity that has an adverse interest in the first matter. The third type of adversity could arise (in the absence of consent), for example, if legal staff advised the SCC about obtaining grant funds from a limited source, the SNC then asked for legal representation regarding a personnel matter, and also sought grant funds from the same limited source (without asking for legal representation on the funding issue).

The chances of an actual legal conflict of interest are likely to be small, especially within the limited legal services that SNC would be seeking through SCC. However, under Rule 3-310(C), a problem could arise if the two agencies were in competition for funds, or took different positions on legislation or litigation. Even if legal staff were not asked by both entities to represent them on that adverse matter, they would possibly have a collective conflict in representing one of the entities on another matter, absent both clients' consent. By making full disclosure of potential conflicts to the SCC and to the SNC, and by obtaining the formal, informed written consent of both Boards, SCC attorneys can provide services to the SNC while complying with the Rules that require avoidance of representing adverse interests.

In the event of an actual conflict between the two agencies, the agencies would need to consult their assigned deputies in the Attorney General's Office, rather than staff attorneys, for legal advice on that matter, unless the agencies both waived the actual conflict of interest. Actual conflicts under the subject agreement will be referred to the SCC Executive Officer, as directed by their Board. The SNC Board would need to act on actual conflicts of interest unless that action is delegated to the SNC Executive Officer as well.

Recommendation

Staff recommends that the Sierra Nevada Conservancy adopt the following resolution pursuant to Division 23.3 of the Public Resources Code:

The Board of the Sierra Nevada Conservancy has been fully informed in writing about the potential for conflicts of interests with regard to the State Coastal Conservancy's provision of legal services for SNC as described, and hereby authorizes entry into an agreement between SCC and SNC for these services. The Board further authorizes the Executive Officer of SNC to act on its behalf in resolving any actual conflicts of interest that may arise as a result of providing these services.

Background

The Sierra Nevada Conservancy (SNC) was allocated \$54 million in bond funds through Proposition 84, passed by the voters in 2006. Approximately \$50 million of this amount was available for grant awards to eligible nonprofit organizations, public agencies and federally recognized tribal organizations. The SNC has conducted six grant rounds funding nearly 300 projects throughout the Sierra Nevada Region to date. All available funding has been awarded, however a number of projects have not gone forward leaving funds of approximately \$2.6 million available for future awards.

At its March 2013 meeting, the SNC Board directed staff to develop the Grant Guidelines for the FY 2013-14 grant round to address needs in the focus areas of Healthy Forests and Abandoned Mine Lands as identified in the Strategic Plan and 2013-14 Action Plan. The Board also directed that the remaining Proposition 84 funds be awarded through this final grant round, and appointed a Board committee of Bob Kirkwood and Tom Wheeler to assist staff in reviewing the final Draft Grant Guidelines and public comment. Staff released the Draft Grant Guidelines for public review and comment from April 5 through April 26, 2013. Staff has reviewed the Draft Grant Guidelines and all public comment received with the Board committee.

Current Status

The final Draft Proposition 84 FY 2013-14 Grant Guidelines are included as [Attachment A](#) to this staff report. These proposed Grant Guidelines include all revisions made as the result of additional staff analysis and Board and public input. If approved, the final grant round for 2013-14 will open with the release of the Grant Guidelines in June. A companion Grant Application Packet (GAP) with necessary forms and instructions will also be released at that time.

The final Draft Grant Guidelines include several changes compared to previous SNC Proposition 84 Grant Guidelines. Following is a list of the more substantive changes included in this year's final Draft Grant Guidelines:

- Eligible projects have been more narrowly defined to the areas of forest health and abandoned mine lands remediation.
- Conservation Easements and Fee Title Acquisition and related Pre-Project work are not eligible.
- The process of developing applications will be more collaborative between SNC Staff and project proponents.
- While all projects will be evaluated and scored they will not be directly compared to other projects being considered at that time.
- Deadlines have been removed from the process as the grant round will last until the available funds have been expended.

The SNC received five public comments and a number of non-substantive changes to the Grant Guidelines were made as a result. Staff is not recommending changes suggested to further expand the focus areas to include a broader range of projects,

given the direction provided to staff at previous meetings. A detailed list of all of the comments received during the public review period and their disposition is provided in [Attachment B](#).

Next Steps

Next steps include making any final revisions to the Draft Grant Guidelines based on any Board direction received at this meeting, completing the GAP, and initiating this final SNC Proposition 84 grant round through the public release of the final Grant Guidelines and GAP. Staff will bring recommended grant proposals to the Board on an ongoing basis as projects have been developed and evaluated.

Recommendation

Staff recommends the Board approve the Sierra Nevada Conservancy Proposition 84 FY 2013-14 Grant Guidelines, including any changes based on Board direction, and direct staff to take the necessary actions to implement the FY 2013-14 Sierra Nevada Conservancy Grant Program.



PROPOSITION 84 GRANT PROGRAM

FUNDED BY

**The Safe Drinking Water, Water Quality and Supply, Flood Control, River
and Coastal Protection Bond Act of 2006**

DRAFT GRANT GUIDELINES

Fiscal Year 2013-14

The Sierra Nevada Conservancy initiates, encourages, and supports efforts that improve the environmental, economic, and social well-being of the Sierra Nevada Region, its communities, and the citizens of California.

www.sierranevada.ca.gov

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I. Introduction

A. Background

The Sierra Nevada Conservancy (SNC) is a California state agency that initiates, encourages, and supports efforts that improve the environmental, economic, and social well-being of the Sierra Nevada Region, its communities, and the citizens of California. The SNC provides state funding through its Proposition 84 Grant Program for local projects in partnership with eligible nonprofits, tribes, and public agencies.

California voters passed Proposition 84, The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (the Act) on November 7, 2006. Proposition 84 added Section 75050 to the Public Resources Code (PRC), authorizing the State to issue bonds, and the Legislature to appropriate the proceeds, for the protection and restoration of rivers, lakes and streams, their watersheds, and associated land, water, and other natural resources. Section 75050 (j) of the PRC allocates \$54 million of these funds for SNC.

The Laird-Leslie Sierra Nevada Conservancy Act (Act), enacted in 2004 and commencing with PRC Section 33300, established the SNC, and Sections 33343 and 33346 set forth the authority for SNC to award grants of funds in order to carry out the purposes of the Act. The SNC adopted Program Guidelines and adopted its Strategic Plan in accordance with the Act; these documents provide general direction for SNC's activities and serve as the basis for these Grant Guidelines.

B. Purpose of Grant Guidelines and Grant Application Packet

The Grant Guidelines establish the process used by the SNC to solicit applications, evaluate proposals, and authorize grants under the SNC Proposition 84 Grant Program. They also explain the scope of, and the requirements for, grant applications. A Glossary of Terms is provided in [Appendix A](#).

A Grant Application Packet (GAP) accompanies the Grant Guidelines, and includes information and forms needed for each category of grant application. For applicants who want more information about the administrative requirements once a grant is authorized, sample grant agreements for each of the Proposition 84 project types are provided at:

www.sierranevada.ca.gov/other-assistance/applying-for-a-grant

II. Grant Program Information

A. Funding and Eligibility

Grants up to \$350,000 for Category 1 (on-the-ground projects) and up to \$75,000 for Category 2 (necessary activities that will lead to on-the-ground projects) will be made by the SNC to eligible federal, state, and local governments, 501(c)3 nonprofit organizations, and federally recognized Tribal Organizations, for projects meeting the criteria described below. Projects that result in direct on-the-ground outcomes will be given preference.

In order to be eligible to receive a grant award from the SNC under this program, projects must meet **all** of the following criteria:

- Be located within the Sierra Nevada Region or have a direct impact on lands or waters within the Region.
- Meet the Public Resources Code 75050 (Proposition 84) mandate that awards go to projects that protect and restore rivers, lakes and streams, their watersheds and associated land, water, and other natural resources.
- Be consistent with the SNC mission and program areas.
- Projects that result in:
 1. on-the-ground outcomes; or,
 2. necessary activities that will lead to on-the-ground projects that have identified a clear implementation funding strategy, for example completing environmental documentation for projects.

-- AND EITHER --

Projects that improve the health of the forest, including reducing the risk of large damaging fires and improving forest stand and habitat conditions, or result in the utilization of forest biomass removed as a part of restoration activities.

-- OR --

Projects that contribute to improved water quality and reliability by removing toxins associated with historic abandoned mine lands from waters and waterways and/or preventing them from entering waters and waterways.

Note: In addition, projects proposed on private land must demonstrate a clear public benefit in order to be eligible for funding, and any revenue generated as a direct result of a grant-funded project must be tracked and subsequently re-invested into the project (e.g. the sale of forest products, recovery of precious metals, etc.).

Based on the limited funding that is available, the following project types will not be eligible for funding under this program:

- Fee title acquisitions or activities leading to fee title acquisitions.
- Conservation easements or activities leading to conservation easements.

B. Project Development and Selection Process

The following steps will be followed in this grant cycle:

- Potential applicant contacts the SNC Area Representative assigned to their county to determine whether a potential project is eligible for consideration.
- Potential applicant works with SNC Staff to complete a project proposal to initiate discussion and analysis of a potential future grant (see GAP).
- The project proposal will be reviewed by the SNC Management team and technical experts to confirm project eligibility and to evaluate benefits, project design and readiness and other factors (see criteria below). Additional information may be requested from potential applicants during this process to ensure adequate understanding of the proposed project.
- If the proposed project demonstrates a high probability of success and is deemed to have significant benefits consistent with the criteria described below, the applicant may be invited to work with SNC Staff to develop a full application.
- SNC Staff will continue to work closely with the applicant to ensure that the project is consistent with the information provided in the project proposal and that necessary documentation is available (land tenure, permits, California Environmental Quality Act (CEQA), public agency consultation and cooperation requirements, etc.).
- Funding recommendation(s) will be placed on the Board meeting agenda as an action item at the direction of the Executive Officer, upon consultation with the appropriate Board committee, after all application requirements are completed (or acted upon under the Executive Officer's delegated authority).

Executive Officer Authorization: The Executive Officer of the SNC has the authority to award up to three Category 2 grants between scheduled Board meetings, not to exceed \$50,000 each. Executive Officer awards will only be made for projects that have a legitimate time sensitive nature (where waiting for Board approval would render the project unfeasible). The SNC Governing Board will be notified of any Executive Officer awards at the next SNC Board meeting.

C. Evaluation Criteria

Prior to a decision to develop a full application, the SNC will use the following evaluation criteria in determining a project score of up to 100 points:

- Tangible results from the project that will further the purposes of Proposition 84 and the SNC program areas. (35)

- The design and readiness of the project, including the proposed budget and funding sources. The plan for long term management will also be assessed for Category 1 projects. (25)
- The degree to which a forest health project builds on existing partnerships where SNC has a history of involvement, including grant awards and other activities or the degree to which an abandoned mine land project aligns with the purposes of the Abandoned Mine Initiative included in the SNC's 2013-14 Action Plan. (15)
- Likelihood of successful implementation based on the applicant's capacity and experience in implementing similar projects. (10)
- The degree, to which the project has community support, is consistent with similar efforts on nearby or surrounding lands and is a part of larger plans or identified partnerships. (5)
- The degree to which the project leverages resources of other agencies and funding sources, to maximize benefits and outcomes. (5)
- Category 1 projects (resulting in on-the-ground outcomes) will be given priority. (5)

The SNC will also consider the geographic distribution of projects (taking into account Regional distribution from previous SNC grants).

D. Grant Categories

Category 1 grants include site improvement/restoration projects. Examples of potential Category 1 grant projects include, but are not limited to:

1. Vegetation treatments, prescribed fire, or other fuel reduction activities to reduce the risk and harmful impacts of large damaging fires.
2. Forest management to increase forest resilience, enhance water supply and quality, and/or improve habitat conditions and biodiversity.
3. Reforestation and implementation of suitable stand maintenance activities after wildfire, when appropriate.
4. Forest treatments to prevent or treat forest pests and invasive species.
5. Utilization of biomass resulting from sustainable activities associated with improving forest health.
6. Toxic remediation projects that mitigate legacy mining impacts.
7. Treatment measures used to prevent sediment or runoff from Abandoned Mine Lands from entering a watercourse and subsurface water sources.

Category 2 grants are limited to pre-project activities that are necessary for a specific future on-the-ground project that meets the requirements in these Guidelines for Category 1 projects, including the Healthy Forest and Abandoned Mine Lands definitions.

Examples of Category 2 grant projects include work such as:

1. Acquiring permits.

2. Completing California Environmental Quality Act (CEQA) and or National Environmental Policy Act (NEPA) compliance.
3. Performing necessary studies and assessments, and developing necessary project designs related to a specific site or physical project, located on publicly and/or privately owned or managed lands.
4. Preparing plans or supplementing existing plans that will result in a specific project or a set of projects.

E. Ineligible Projects

Examples of ineligible projects include:

1. Fee title or conservation easement acquisitions and associated planning activities.
2. Grants to service or repay bridge-loans.
3. Purchase of mechanical equipment solely for purposes of implementing a single project.
4. Projects dictated by a legal settlement or mandated to address a violation of, or an order (citation) to comply with, a law or regulation.
5. Operations and maintenance of existing structures, including roads.
6. Education, outreach, or event-related projects, although these types of activities may be included as a small part of the overall implementation of a project eligible for SNC grant funds.
7. Projects to implement required mitigation measures unless they are included as a part of the overall implementation of a project eligible for SNC grant funds.
8. Abandoned Mine Land projects where a viable responsible party has been identified for the historic mining activities.

This list is not exhaustive and is offered only as guidance to potential applicants. The SNC will make determinations of eligibility on a project-by-project basis during the evaluation phase of the application process. If you have questions about the eligibility of your project, please consult with SNC Staff.

F. Eligible Applicants

Grant funds may be authorized for:

1. Public agencies (any city, county, district, or joint powers authority; state agency; public university; or federal agency).
2. Qualifying 501(c)(3) nonprofit organizations. "Nonprofit Organization" means a private, nonprofit organization that qualifies for exempt status under Section 501(c)(3) of Title 26 of the United States Code, and whose charitable purposes are consistent with the purposes of the SNC.
3. Eligible Tribal Organizations (includes any Indian Tribe, band, nation, or other organized group or community, or a tribal agency authorized by a tribe, which is recognized as eligible for special programs and services provided by the United States to Indians because of their status as Indians and is identified on pages 47868 to 47872, inclusive, of Number 155 of Volume 77 (August 10, 2012) of

the Federal Register, as that list may be updated or amended from time to time).

NOTE: As a general rule, organizations or individuals performing non-grant-related work for the Sierra Nevada Conservancy (SNC) under contract are ineligible to apply for a grant from the SNC during the life of the contract. This policy applies to organizations that:

1. Contract directly with the SNC.
2. Are providing services as a subcontractor to an individual or organization contracting directly with the SNC.
3. Employ an individual, on an ongoing basis, who is performing work for the SNC under a contract whether as the contractor or as a subcontractor.

If you have a contract with the SNC and are contemplating applying for a grant, please consult with SNC Staff to determine eligibility.

G. Consultation and Cooperation with Local Agencies

In compliance with the SNC's governing statute, we notify local government agencies, such as counties, cities, and local water districts, of eligible grant projects being considered for funding in their area.

For all applications under consideration, SNC Staff will notify the county and/or city affected and public water agency (when appropriate), and request comments within 15 business days following notification. The SNC will make all reasonable efforts to address concerns raised by local governments. The individual SNC Boardmembers representing each geographic Subregion within the SNC boundary will also be notified at this time and may wish to communicate with the affected entities as well.

If an applicant has a project-specific resolution of support from the affected city and/or county and water agency, it should be included in the application package in order to facilitate the overall assessment process.

H. Grant Provisions

For each awarded grant the SNC develops an individual grant agreement with detailed provisions and requirements specific to that project. Please be aware that if you are authorized to receive a grant from the SNC, the provisions listed below will also apply:

1. Actual awards are conditional upon funds being available from the State.
2. Grant-eligible costs may be incurred by the grantee only after the grantee has entered into a fully executed agreement with the SNC; only these costs will be eligible for reimbursement.
3. Grantees may be required to reimburse SNC for some or all of the funds provided if the project is not completed.

The SNC will provide assistance to the grantee to ensure the grantee's clear understanding and interpretation of the terms and conditions of the grant.

I. Environmental Documents

The SNC is required to comply with the California Environmental Quality Act (CEQA) at the time the Board authorizes any grants. Since CEQA compliance will vary depending on the proposed project activities and the type of applicant, it is very important that applicants consult with SNC Staff as early as possible. Status of CEQA compliance must be addressed in the initial project proposal.

J. Eligible Costs

Only direct project costs for items within the scope of the project and within the time frame of the project agreement are eligible for payment. Costs related to project-specific performance measures and reporting are required to be addressed in the project budget.

Eligible administrative costs must be directly related to the project and may not exceed 15 percent of the project implementation cost. To determine the amount of eligible administrative costs, the applicant must first determine the cost of implementing the project, not including any administrative costs. Once the project implementation cost has been determined, the applicant may calculate administrative costs and include them in the total grant request.

K. Ineligible Costs

Indirect expenditures billed as a percentage of implementation costs are not eligible for reimbursement. These are expenses that involve ongoing operations, or repair or maintenance costs, regardless of whether the repair or maintenance may last more than one year.

In addition, grant funding may not be used to establish or increase a legal defense fund or endowment, make a monetary donation to other organizations, or pay for food or refreshments.

If ineligible costs are included in the project budget, it could result in the project being deemed ineligible in total. In some cases, the project may be approved for funding with the total amount of the award reduced by the amount of the ineligible costs. In that event, SNC will contact the applicant to confirm that the project is still viable. Applicants should avoid including ineligible costs in the application and should contact SNC Staff with questions.

L. Performance Measures and Reporting

Performance measures are used to track progress toward project goals and desired outcomes. They provide a means of reliably measuring and reporting the outcomes and effectiveness of a project and how it contributes to the SNC

achieving its programmatic goals.

Applicants must propose project-specific performance measures at the time of full application submittal. Detailed information and recommended performance measures can be found in the Grant Application Package (GAP) to be released with this Grant Guidelines document. Applicants may also propose alternative performance measures, which will be subject to the approval of SNC Staff if the grant is authorized. The proposed measure(s) will be finalized in consultation with SNC Staff prior to grant agreement approval. Please refer to the GAP for further description of how performance measures will be considered as part of the application.

All grantees will be required to provide periodic progress reports and a final report. The final report must include data related to the project performance measures. See www.sierranevada.ca.gov/other-assistance/managing-your-grant for additional information on the required content of these reports.

APPENDIX A

Glossary of Terms

Unless otherwise stated, the terms used in the SNC Proposition 84 Grant Guidelines and Grant Application Packet shall have the following meanings:

Abandoned Mine Lands – An excavation, either open, caved, or sealed, that is deserted or in which further mining is not currently intended and where no viable responsible party can be identified for the historic mining activities.

Acquisition – To obtain ownership of permanent interest in real property through conservation easements. Leaseholds and rentals do not constitute Acquisition.

Administrative Costs – Administrative costs include any expense which does not relate directly to project implementation. Similar to the traditional definition of ‘overhead,’ administrative costs include rent, utilities, travel, per diem, office equipment and supplies, services such as internet and phone, etc.

Applicant – The entity applying for a SNC grant pursuant to these Guidelines.

Application – The individual application form and its required attachments for grants pursuant to the SNC Program.

Authorized Representative – The officer authorized in the Resolution to sign all required grant documents including, but not limited to, the grant agreement, the application form, and payment requests. The authorized representative may designate an alternate by informing SNC in writing.

Biological /Other Survey – An evaluation or collection of data regarding the conditions in an area using surveys and other direct measurements.

Board – The governing body of the SNC as established by PRC Section 33321.

Bond or Bond Act – Proposition 84, Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coast Protection Bond Act of 2006 (Public Resources Code Section 75001 et seq.).

Capital Improvement Projects – Projects that utilize grant funds for acquisition of conservation easements or site improvement/restoration.

CEQA – The California Environmental Quality Act as set forth in the Public Resources Code Section 21000 et seq. CEQA is a law establishing policies and procedures that require agencies to identify, disclose to decision makers and the public, and attempt to lessen significant impacts to environmental and historical resources that may occur as a

result of a proposed project to be undertaken, funded, or approved by a local or state agency. For more information, refer to: <http://ceres.ca.gov/ceqa/>

CEQA/NEPA Compliance – Activities an entity performs to meet the requirements of CEQA or NEPA.

Collaborative Process – Willing cooperation between stakeholders with different interests to solve a problem or make decisions that cut across jurisdictional or other boundaries; often used when information is widely dispersed and no single individual, agency or group has sufficient resources to address the issue alone.

Condition Assessment – Characterization of the current state or condition of a particular resource.

Conservancy – The Sierra Nevada Conservancy as defined in Public Resources Code Section 33302 (b).

Conservation Easement – Any limitation in a deed, will or other instrument in the form of an easement, restriction, covenant or condition which is or has been executed by or on behalf of the owner of the land subject to such limitation and is binding upon the successive owners of such land, and the purpose of which is to retain land predominantly in its natural, scenic, historical, agricultural, forested or open-space condition (Civil Code Section 815.1).

Data – A body or collection of facts, statistics, or other items of information from which conclusions can be drawn.

Design/Permit – Preliminary project planning or identification of methodologies or processes to achieve project goals, and the process of obtaining any regulatory approvals or permits necessary from appropriate governmental agencies in order to conduct the work of the project.

Easement – An interest in land entitling the holder thereof to a limited use or enjoyment of the land in which the interest exists, or to restrict the use or enjoyment of the land by the owner of the fee title.

Eligible Costs – Expenses incurred by the grantee during the agreement performance period of an approved agreement, which may be reimbursed by the SNC.

Enhancement – Modification of a site to increase/improve the condition of streams, forests, habitat, and other resources.

Environmental Site Assessment – Phase I, Phase II or other reports which identify potential or existing contamination liabilities on the underlying land or physical improvements of a real estate holding.

Executive Officer – Executive Officer of the SNC appointed by the Governing Board, pursuant to Public Resources Code Section 33328, to manage the SNC.

Fee Title – The primary interest in land ownership that entitles the owner to use the property subject to any lesser interests in the land and consistent with applicable laws and ordinances.

Fiscal Sponsor – An organization that is eligible to receive SNC Proposition 84 grants and is willing to assume fiscal responsibility for a grant project, although another entity would carry out the grant scope of work.

Forest – Areas of the Sierra Nevada Region that are characterized by tree cover including oak woodlands and conifer forests.

Grant – Funds made available to a grantee for eligible costs during an agreement performance period.

Grant Agreement – An agreement between the SNC and the grantee specifying the payment of funds by the SNC for the performance of the project scope within the agreement performance period by the grantee.

Grant Agreement Performance Period – The period of time during which the eligible costs may be incurred under the grant, and in which the work described in the grant scope must be completed.

Grant Agreement Term – The period of time that includes the agreement performance period, plus time for all work to be billed and paid by the state. This period is the same as the beginning and ending dates of the agreement.

Grantee – An entity that has an agreement with the SNC for grant funds.

Grant Scope – Description of the items of work to be completed with grant funds as described in the application form and cost estimate.

Infrastructure Development/Improvement – The physical improvement of real property, including the construction of facilities or structures (such as bridges, trails, culverts, buildings, etc.).

In-kind Contributions – Non-monetary donations that are utilized on the project, including materials and services. These donations shall be eligible as “other sources of funds” when providing budgetary information for application purposes.

Land Tenure – Legal ownership or other rights in land, sufficient to allow a grantee to conduct activities that are necessary for completion of the project consistent with the terms and conditions of the grant agreement. Examples include: fee title ownership; an

easement for completion of the project consistent with the terms and conditions of the grant agreement; or agreements or a clearly defined process where the applicant has adequate site control for the purposes of the project.

Model/Map – Representations to visually show the organization, appearance, or features of an area or subject.

Monitoring/Research – To search, observe or record an operation or condition with tools that have no effect upon the operation or condition.

Natural Resource Protection – Those actions necessary to prevent harm or damage to rivers, lakes, and streams, their watersheds and associated land, water, and other natural resources, or those actions necessary to allow the continued use and enjoyment of property or natural resources and includes acquisition, restoration, preservation and education.

NEPA – The National Environmental Policy Act of 1969, as amended. NEPA is a federal law requiring consideration of the potential environmental effects of proposed project whenever a federal agency has discretionary jurisdiction over some aspect of that project. For more information, refer to: <http://ceq.hss.doe.gov/index.html>

Nonprofit Organization – A private, nonprofit organization that qualifies for exempt status under Section 501(c)(3) of Title 26 of the United States Code, and whose charitable purposes are consistent with the purposes of the SNC as set forth in Public Resources Code Section 33300 et seq.

Other Sources of Funds – Cash or in-kind contributions necessary or used to complete the acquisition or site improvement/restoration project beyond the grant funds provided by this program.

Outreach Materials – Audio, visual and written materials developed to help explain a particular topic or subject.

Performance Measure – A quantitative measure used by the SNC to track progress toward project goals and desired outcomes.

Plan – A document or process describing a set of actions to address specific needs or issues or create specific benefits.

Planning – The act or process of creating a plan.

Pre-Project Due Diligence – The analysis necessary to identify all aspects influencing a project and determine the risks associated with a project.

Preservation – Protection, rehabilitation, stabilization, restoration, development, and reconstruction, or any combination of those activities.

Project – The work to be accomplished with grant funds.

Project Coordinator – An employee of the SNC who acts as a liaison with the applicants or grantees and administers grant funds, ensuring compliance with guidelines and the grant agreement.

Proposition 84 – See Bond.

Public Agencies – Any city, county, district, or joint powers authority; State Agency; public university; or federal agency.

Region – The Sierra Nevada Region as defined in Public Resources Code Section 33302 (f).

Resilience – The ability of an ecosystem to regain structural and functional attributes that have suffered harm from stress or disturbance.

Region-wide – Providing benefits that affect the overall breadth of the SNC Region or multiple Subregions within the Region.

Resource Protection – Those actions necessary to prevent harm or damage to natural, cultural, historical or archaeological resources, or those actions necessary to allow the continued use and enjoyment of property or resources, such as acquisition of conservation easements, development, restoration, preservation or interpretation.

Restoration – Activities that initiate, accelerate or return the components and processes of a damaged site to a previous historical state, a contemporary standard or a desired future condition including, but not limited to, projects for the control of erosion, the control and elimination of exotic species, fencing out threats to existing or restored natural resources, road elimination, and other plant and wildlife habitat improvement.

Site Improvements – Project activities involving the physical improvement or restoration of land.

SNC – Sierra Nevada Conservancy.

Stewardship Plan – A plan to provide ongoing implementation and management associated with the acquisition of a conservation easement or site improvement/restoration project.

Study/Report – Research or the detailed examination and analysis of a subject.

Total Cost – The amount of the Other Sources of Funds combined with the SNC Grant request amount that is designated and necessary for the completion of a project.

Tribal Organization – An Indian Tribe, band, nation, or other organized group or community, or a tribal agency authorized by a tribe, which is recognized as eligible for special programs and services provided by the United States to Indians because of their status as Indians and is identified on pages 47868 to 47872, inclusive, of Number 155 of Volume 77 (August 10, 2012) of the Federal Register, as that list may be updated or amended from time to time.

Organization	Commenter	Section	Comment/s	Resolution
Placer Land Trust	Jeff Darlington	Page 4, Section II.A.	Consider revising first bullet to read: "Be located within the Sierra Nevada Region or have a direct impact on lands or waters within the Region."	This recommended change was a useful clarification and was included in the Grant Guidelines.
Placer Land Trust	Jeff Darlington	Page 4, Section II.A.	Consider revising sentence to read: "Projects that contribute to improved water quality and reliability by removing toxins associated with historic mine-lands and hazardous materials from waters and waterways and/or preventing them from entering waters and waterways."	The original language reflects the Board's focus on Healthy Forests and Abandoned Mine Lands for this grant round. The recommended changes sought to broaden this focus and were therefore declined.
N/A	David Burns	Page 4, Section II.A.	I recommend the grant guideline wording be changed to " including, but not limited to " or just drop the "either/or" conditions to allow for more open participation of equally worthy project ideas for restoring ecosystem health and vitality to the Sierra Nevada.	The original language reflects the Board's focus on Healthy Forests and Abandoned Mine Lands for this grant round. The recommended changes sought to broaden this focus and were therefore declined.
Placer Land Trust	Jeff Darlington	Page 6, Section II.C.	Consider revising second bullet on this page (or separate into two bullets) to read: "The degree to which a forest health project builds on existing partnerships where SNC has a history of involvement including grant awards and other activities, and, in the case of an abandoned mine land project only, or the degree to which an abandoned mine-land the project aligns with the purposes of the Abandoned Mine Initiative included in the SNC's 2013-14 Action Plan."	These recommended changes were not considered necessary and were therefore declined.
Placer Land Trust	Jeff Darlington	Page 6, Section II.D.	Consider revising bullet #6 to read: "Ero- R emediation projects that mitigate legacy mining impacts from mining and other environmentally harmful activities.	The original language reflects the Board's focus on Healthy Forests and Abandoned Mine Lands for this grant round. The recommended changes sought to broaden this focus and were therefore declined.

Organization	Commenter	Section	Comment/s	Resolution
EI Dorado County Water Agency	Dave Eggerton	Page 6, Section II.D.	Revise item #2 to read: Forest management to increase forest resilience, <u>enhance water supply and quality</u> , <u>enhance the long-term sequestration of carbon</u> , and/or improve habitat conditions and biodiversity.	The Grant Guidelines were modified to include the first part, "enhance water supply and quality...". Additional changes were declined as unnecessary.
EI Dorado County Water Agency	Dave Eggerton	Page 6, Section II.D.	Add New item: <u>Forest management activities resulting in ecologically healthy forests and watersheds, which reduce the potential for catastrophic wildfires while protecting and enhancing water supply, water quality, and air quality.</u>	These changes appeared to be repetitive of information included earlier in this list and were therefore declined.
Mariposa County Planning Department	Damon Golubics	Page 6, Section II.D.	Add additional language to Number 7 of Section D: "Treatment measures used to prevent sediment or runoff from Abandoned Mine Lands from entering a watercourse <u>and subsurface water sources.</u> "	This recommended change was a useful clarification and was included in the Grant Guidelines.
EI Dorado County Water Agency	Dave Eggerton	Page 6, Section II.D. Category Two Projects	Clarify Item #3: Performing necessary studies and assessments, and developing necessary project designs related to a specific site or physical project, <u>located on publicly and/or privately owned or managed lands.</u>	This recommended change was a useful clarification and was included in the Grant Guidelines.
Mariposa County Planning Department	Damon Golubics	Page 7, Section E	Delete Number 8 under Ineligible Projects: "Abandoned Mine Land project where a viable responsible party has been identified for the historic mining activities"	This item raises a variety of policy and legal questions, and therefore the request to remove it was declined.
Placer Land Trust	Jeff Darlington	Page 13, Appendix A	Consider adding a definition of Forest that included foothill woodlands. Such as: <u>Forest -- Areas of the Sierra Nevada Region that are characterized by tree cover - as opposed to grasslands, meadows, urban areas, etc. - ranging from oak woodlands in the foothills up through conifer forests at the crest of the Sierra Nevada range.</u>	A similar definition of Forest has been added to the final Draft Grant Guidelines.

Organization	Commenter	Section	Comment/s	Resolution
Mono Lake Committee	Lisa Cutting		"Mono Lake Committee supports the two program areas proposed for the grant funding cycle" ... they are "Two high profile areas in need of improvement in the Sierra Nevada Region".	No changes recommended.

Background

In September 2011, the Board adopted a new Strategic Plan, which establishes objectives for the Sierra Nevada Conservancy (SNC) within five areas of focus and lays out the strategies the organization will employ in meeting those objectives. The five areas of focus are:

- Healthy Forests
- Preservation of Ranches and Agricultural Lands
- Watershed Protection and Restoration
- Promotion of Sustainable Tourism and Recreation
- Long-term Effectiveness of the SNC

Meeting Plan objectives requires the organization to take a number of specific actions each year in support of the strategies included in the Plan. These actions are included in an annual Action Plan. In March 2012, the Board approved the first Action Plan to implement the new Strategic Plan. This 2012-13 Action Plan covers the period from March 2012 through June 2013, while subsequent Action Plans will be twelve months and will align with the State fiscal year—from July through June.

Current Status

As shown in the End-of-Year Report on the 2012-13 Action Plan (Attachment A), staff has successfully implemented most of the actions included in the 2012-13 Action Plan. In some cases, however, planned actions will continue into next year as noted, generally because the action is underway, but not yet completed or is ongoing in nature.

Overall, the End-of-Year report reflects significant achievement on the part of the SNC in 2012-13 on a number of efforts important to the Region. Highlights of the accomplishments for each project or initiative are listed below. It should be noted, however, that the SNC did not make significant progress on two projects, which are not included here: The Mount Whitney Fish Hatchery Project and the Stewardship Council Project. In both cases, progress was slowed due to the needs and constraints of our partners on the projects.

- Grant Program
 - All Fiscal Year 2007-08 and 2008-09 grant projects were closed or extended (18 projects were extended for various reasons beyond the control of the grantee).
 - Fifty (50) grants, worth \$7 million, were awarded and executed under the 2011-12 Healthy Forests Grant Program
 - Twenty-nine (29) grants, worth \$5.1 million, were awarded and executed under the 2012-13 Preservation of Ranches and Agricultural Lands Grant Program

- Sierra Nevada Forest and Community Initiative (SNFCI)
 - The SNC continued to support a number of local collaborative efforts through a variety of mechanisms, including funding of facilitation, technical assistance and other services, and SNC Staff time.
 - SNC Staff engaged the SNFCI Regional Coordinating Council and the Forest Service in the completion of a draft Leadership Intent for Ecological Restoration Implementation Plan.
 - The SNC began implementing its responsibilities in the 2012 California Bioenergy Action Plan by providing several communities with technical assistance and help to secure funding to design and construct community-scaled forest bioenergy facilities. In addition, SNC worked with key state agencies including the Public Utilities Commission, California Energy Commission and CalFIRE to ensure that energy policies and procedures will support the development of community scale Bioenergy facilities.
 - The SNC began providing staff and other support to the US Forest Service in the development of a conservation strategy for the Pacific Fisher in the southern Sierra Nevada, a species which is up for listing as an endangered species in 2014 and is at the center of much of the controversy around forest management in the southern Sierra Nevada.

- Regional Water
 - Staff coordinated efforts with the Department of Water Resources and others to draft the Mountain Counties Overlay Regional Report for the California Water Plan Update 2013. A public review draft of the document should be available in June, 2013.
 - The SNC met with key regional, statewide and national partners, developed outreach and communications materials and updated the SNC website to advance understanding of the Sierra-Delta connection and identify the Sierra as the primary source of California's water. (Also see related accomplishments under "Education and Communications".)

- Regional Agriculture and Ranching
 - Twenty-nine projects were awarded \$5.1 million in grant funds by the SNC Board at their March 2013 meeting. Types of projects included Ranch and Farm Infrastructure Development, Conservation Easement Acquisitions, Invasive Species Removal, Stream Restoration and Meadow Restoration. Two of the projects will bring together diverse interests to address forest service grazing allotments in Alpine and Tuolumne Counties.

- Geotourism
 - The SNC organized and facilitated the distribution of 100,000 printed MapGuides within and outside the Region. These MapGuides have helped to direct more than 1.5 million visitors to the Geotourism website.
 - The SNC completed procurement of, and made available for free download, mobile phone applications for iPhone and Droid Smartphone users,

- connecting them to information about 1,500 destinations highlighted on the Geotourism website while traveling in the Region.
- The SNC provided funding for and implemented a marketing plan aimed at increasing the amount of web traffic visiting the site on a monthly basis.
- Ecosystem Services
 - The SNC coordinated the completion of Phase 1 of the Mokelumne Watershed Avoided Cost Analysis, which analyzes how upper watershed restoration treatments, primarily fuel hazard reduction and forest health management, will benefit downstream beneficiaries and reduce operational costs of energy and water delivery agencies.
 - The SNC funded the Sagehen water yield study, which began in 2012 -13 and will continue through 2014–15. Pre-forest treatment monitoring data has been collected in this fiscal year and post-treatment data will be collected the next two years with the final report expected in the winter of 2015.
 - The meadow hydrology assessment by the University of Nevada, Reno, is nearing completion, with its draft report and an assessment of subsequent work underway.
- Education and Communications
 - A field tour for legislative staff was held in December, 2012, which focused on the impact catastrophic fires can have on the watershed, as well as, the benefits accrued from investing in healthy forest projects to reduce negative impacts to water quality, air quality, and habitat.
 - Staff held meetings with seven freshmen legislators in February, 2013 and staff, Boardmembers and allies met with fifteen veteran legislators/staff and two additional freshman legislators in conjunction with the March Board meeting.
 - Staff developed key messages, supporting print materials and associated web pages to advance understanding of the Sierra-Delta connection, identify the Sierra as the primary source of California's water, explain forest and Bioenergy benefits, strengthen the link between healthy forests and communities, and begin discussions about the need to remediate legacy mining impacts.
 - A Proposition 84 Investment Report was developed to inform policy makers and the public about the investment that has occurred through the Sierra Nevada Conservancy's Proposition 84 Grant Program.
 - The SNC initiated collaboration with the US Forest Service, Bureau of Land Management and California Department of Forestry and Fire Protection to create a Sierra Nevada Fire Season Summary Report to tell the story of the 2012 fire season, with the goal of quantifying and communicating the effects of catastrophic fire. Unfortunately data availability proved to be a significant barrier, and the SNC is now working to ensure that key data are available for the 2013 fire season.

- Sierra Nevada System Indicators
 - Staff completed and the Board approved the third and fourth System Indicator reports: Water and Air Quality and Climate (September 2012) and Forest Health and Carbon Storage (December 2012).
- The Great Sierra River Cleanup
 - More than 3,400 volunteers joined together to remove over 63,000 pounds of trash and recyclables from waterways throughout the Sierra Nevada.
- Funding Development
 - Staff began targeted outreach with key audiences related to two primary funding goals: inclusion in the 2014 water bond and access to Cap and Trade Auction Revenue disbursements for forest sector projects in the Sierra.
 - The SNC provided grant writing assistance for several projects we are involved with under the SNFCI/Bioenergy Initiative.
- Internal Operations
 - The SNC has developed and implemented its training plan and training request procedures that together will identify training needs and track staff training assignment and completion.
 - Staff have implemented and improved intranet-based services and content to improve effectiveness and efficiency of internal processes and communications.
 - SNC IT staff have completed implementation of IT system improvements, have further developed IT disaster recovery procedures and have completed SNC's IT security risk assessment.

Next Steps

Work related to all of these efforts will continue into 2013-14 as reflected under Agenda Item XII. The draft 2013-14 Action Plan includes new actions, as well as, actions carried over from 2012-13, which were begun, but have not yet been completed.

Recommendation

This is an informational item only. No formal action is needed by the Board at this time, although board members are encouraged to share their thoughts and comments.

**Agenda Item XI
Attachment A
End-of-Year Report on
2012-13 Action Plan**

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The following represent the major initiatives and activities the Sierra Nevada Conservancy (SNC) planned to undertake between March 2012 and June 2013 and our progress and accomplishments relative to the Plan. Progress and accomplishments are shown in italics below each of the actions approved by the SNC Governing Board in March 2012.

This report on progress, along with a new 2013-14 Action Plan will be presented to the Board in June 2013.

Grant Program

Several important actions were planned under the SNC Grant Program before June 2013, including:

- Closing-out Fiscal Year (FY) 2007-08 grant projects.
 - *All Fiscal Year (FY) 2007-08 and 2008-09 grant projects were closed or extended—18 projects were extended for various reasons beyond the control of the grantee.*
- Awarding the remaining Proposition 84 bond funds by completing the FY 2011-12 and 2012-13 grant awards from solicitation through the execution of grant agreements.
 - *50 grants, worth \$7 million, were awarded under the 2011-12 Healthy Forests Grant Program.*
 - *29 grants, worth \$5.1 million, were awarded under the 2012-13 Preservation of Ranches and Agricultural Lands Grant Program.*
- Developing the operational policies and procedures necessary to improve the efficiency of the program.
 - *Staff developed internal procedures regarding audits and identified another seven topic areas for review and possible development of additional policies and procedures.*
 - *Staff completed the “Managing Your Grant” booklet and made it available to current and future grantees as part of the resource materials available on the SNC Web site.*
 - *Staff started review of the SNC Grants Operations Manual and began updating it to ensure SNC’s grant program is in full compliance with Executive Order S-02-07 and the California Natural Resources Agency and Department of Finance (DOF) Bond Accountability and Audits Guide (released in 2012).*
- Continuing to effectively and efficiently meet reporting requirements related to bond expenditures and future bond sales.
 - *Staff responded timely to all 15 bond reports and cash flow drills conducted during this timeframe.*

In addition to these activities that were planned to be accomplished by June 2013 under this program, the SNC also accomplished the following:

- *Staff completed planning for the FY 2013-14 grant round, including development of the draft and final draft grant guidelines and the grant round schedule for awarding the remaining Proposition 84 funds.*

- *Staff responded to five DOF Grantee Audits and reported the internal actions SNC took to address the audit observations made by DOF related to various grantees. SNC also worked with grantees to improve their processes in response to various audit findings. Staff also worked with grantees for reimbursement of funds, as appropriate.*

Sierra Nevada Forest and Community Initiative (SNFCI)

The SNC continued to coordinate implementation of the SNFCI, working closely with a wide range of stakeholders and agencies. Specific actions planned under SNFCI included:

- Continuing to support local collaborative efforts to develop projects consistent with SNFCI objectives.
 - *Local collaborative efforts were supported through a variety of mechanisms, including funding of facilitation, technical assistance and other services and SNC Staff time. These local collaborations include:*
 - *Sustainable Forests and Communities Collaborative;*
 - *Amador-Calaveras Consensus Group*
 - *Sierra Cascades All Lands Enhancement (SCALE)*
 - *Yosemite-Stanislaus Solutions*
 - *Wilseyville Woody Biomass Product Yard and Calaveras Healthy Impact Solutions (CHIPS)*
 - *Cornerstone Collaborative Forest Landscape Restoration (CFLR) Project on the Eldorado and Stanislaus National Forests*
 - *Giant Sequoia Work Group*
 - *Staff monitored and participated in meetings for a number of local collaborative efforts in order to track emerging needs or opportunities. These efforts included:*
 - *Dinkey and Burney-Hat Creek CLFR's*
 - *Klamath Cascades Collaborative*
 - *Treasured Landscapes Project*
 - *Collaboration in the Sequoia National Forest area*
- Working with the SNFCI Regional Coordinating Council, the US Forest Service, other state agencies and key stakeholders in identifying and supporting up to four demonstration projects showcasing ecological restoration in forested areas with strong collaboration and a focus on improving the local economies and social well-being.
 - *After further discussion, the Council determined not to take action on identifying particular demonstration projects. In the absence of this action, the SNC has identified the three CLFRA projects in the SNC Region (Cornerstone, Dinkey and Burney-Hat Creek) and the North Fork biomass utilization project as four demonstration projects that the SNC is supporting to various degrees, from monitoring and attending meetings to more intensive levels of support.*
- Working with the Coordinating Council and the Forest Service to complete the Leadership Intent for Ecological Restoration Implementation Plan.

- *SNC Staff engaged the Coordinating Council and the Forest Service in the completion of a draft Leadership Intent for Ecological Restoration Implementation Plan, including developing socio-economic indicators for the plan.*
- *The Coordinating Council's Policy Work Group is currently working to develop a proposed list of ideas, points of agreement and Coordinating Council actions that will increase pace and scale of restoration, per the goals of the Leadership Intent for Ecological Restoration.*
- *The Implementation Plan will be finalized in 2013-14, at which time the Coordinating Council will direct their attention according to highest prioritized and most strategic efforts for moving SNFCI objectives forward.*
- *Participating in various efforts to promote policy changes and investment in support of SNFCI objectives, including the Biomass Working Group, Sierra Cascade Dialogue, and the Interagency Forest Working Group.*
 - *SNC Staff has participated in all of the above groups, with the exception of the Interagency Forest Working Group. The Interagency Forest Working Group was created to help with various tasks resulting from AB 32 implementation, and SNC involvement has been usurped to some degree by the Bioenergy Action Team. Involvement will most likely be minimal in the future for this group.*
 - *An SNC Staff member serves on the steering committee for the Sierra Cascade Dialogue Group, which has most recently taken the lead on the early adopters of the new Forest Plan Revision Process (Sierra, Sequoia and Inyo National Forests), which will have strong ramifications for the Sierra Nevada Region.*
 - *The SNC began implementing its responsibilities in the 2012 California Bioenergy Action Plan by providing several communities with technical assistance and help to secure funding to design and construct community-scaled forest bioenergy facilities. The SNC participates as a member of the CA Bioenergy Action Plan. In addition, SNC worked with key state agencies including the Public Utilities Commission, California Energy Commission and Calfire to ensure that energy policies and procedures will support the development of community scale bioenergy facilities.*

An additional effort launched this year by the SNC is providing staff and other support to the US Forest Service in the development of a conservation strategy for the Pacific Fisher in the southern Sierra Nevada, a species which is up for listing as an endangered species in 2014 and is at the center of much of the controversy around forest management in the southern Sierra Nevada.

Regional Water

This project continued relationship-building activities to establish the SNC as an accepted and trusted resource among local/state/federal agencies, decision-makers and stakeholders. Several actions were planned to be undertaken as part of this project:

- Coordinating Regional input and engagement in the Department of Water Resources' (DWR) Water Plan Update 2013 (including serving as lead author for the Mountain Counties Overlay Regional Report).
 - *The SNC worked with the DWR and others to draft the Mountain Counties Overlay Regional Report (MCO RR) for the California Water Plan Update 2013. A public review draft of the document should be available in June, 2013.*
 - *Activities including working with DWR to finalize the document and staying abreast of developments for the Water Plan Update 2018 and the Delta Plan will continue into FY 2013-14.*
- Providing input on Sierra issues and interests in the draft Delta Plan.
 - *The Conservancy reviewed and provided comments on early drafts of the Delta Plan and tracked partners' comments on later drafts, ensuring upper watershed interests and needs were sufficiently communicated in the Delta Plan process.*
- Coordinating efforts to retain Regional funding in the 2012 water bond and/or other funding mechanisms.
 - *SNC conducted informational and strategy meetings with key regional, statewide and national partners, including: the USDA Forest Service; state agencies such as California Natural Resources Agency, CalFIRE, Department of Water Resources, Department of Conservation, Department of Fish and Wildlife, and Department of Parks and Recreation; and non-profit partners including Trust for Public Land, California Rangeland Trust, The Nature Conservancy, California Forestry Association, Pacific Forest Trust, Northern Sierra Partnership, and others.*
 - *SNC staff developed outreach and communications materials and updated the SNC website to advance understanding of the Sierra-Delta connection and identify the Sierra as the primary source of California's water.*
 - *A number of coordinating efforts, including follow-up activities and meetings with Legislators, improvement of outreach tools and materials, and ongoing engagement with sister agencies and allies who can speak to the importance of our Region in their own outreach efforts, will continue into FY 2013-14.*
 - *See additional related accomplishments under Education and Communications*
- Supporting Sierra-based Integrated Regional Water Management (IRWM) groups to enable them to compete more successfully for Department of Water Resources (DWR) planning and implementation funds.
 - *SNC recommitted to participation in the Sierra Water Work Group (SWWG) which actively supports Sierra IRWM groups in a variety of ways.*
 - *SNC sponsored a portion of the 2012 and 2013 Sierra Summits organized by SWWG to bring regional IRWM groups together for three days of education, discussion and information sessions on topics that may lead to regionally favorable policy changes at a state level.*
 - *SNC was selected to sit on the DWR IRWM Strategic Plan Focus Group which will guide development of the IRWM Strategic Plan and shape the future of IRWM.*

Regional Agricultural and Ranching

Under this new initiative, the SNC began assessing the needs of farmers and ranchers in the Region and initiated action to address some of these needs. Specific actions planned included:

- Implementing the 2012-13 Grant program, which will focus on high benefit projects that help to preserve ranches and agricultural lands in the Region.
 - *Twenty-nine projects were awarded \$5.1 million in grant funds by the SNC Board at their March 2013 meeting. Types of projects included Ranch and Farm Infrastructure Development, Conservation Easement Acquisitions, Invasive Species Removal, Stream Restoration and Meadow Restoration.*
- Assessing the gaps in research and information and determining how to work collaboratively with other organizations to address these needs and gaps.
 - *Staff began the development of a Sierra Nevada Agricultural and Ranching System Indicators report, which will be presented to the SNC Board in September 2013.*
 - *Staff began participating on the California Rangeland Conservation Coalition Steering Committee and are actively participating in regional and statewide meetings of partner agencies working on related issues in the Region, including Resource Conservation Districts, Natural Resource Conservation Services, Resource Conservation & Development Councils, and Integrated Regional Water Management groups.*
 - *Staff attended the California Rangeland Conservation Coalition Summit, California Council of Land Trusts Conference and the California Small Farms Conference.*
- Facilitating discussions on key issues in an effort to reach consensus, for example, livestock grazing on federal lands.
 - *SNC funded the Center for Collaborative Policy to facilitate a public involvement effort in partnership with Inyo National Forest related to grazing on public land on the Kern Plateau.*
 - *Listening and learning sessions on grazing on public lands were held individually with representatives from: UC Davis, UC Cooperative Extension, Defenders of Wildlife, The Nature Conservancy, California Farm Bureau, California Cattleman's Association, Sierra Forest Legacy, Bureau of Land Management, US Forest Service, Central Sierra Environmental Resource Center, Natural Resource Conservation Services, California Resource Conservation Districts, National Forest Foundation and Environmental Defense Fund.*
 - *Two grants awarded under the 2012-13 Preservation of Ranches and Agricultural Lands Grant Program will bring together diverse interests to address forest service grazing allotments in Alpine and Tuolumne Counties.*

Geotourism

The SNC continued to coordinate with the Sierra Business Council, National Geographic and numerous local partners to add authentic content to the Sierra Nevada Geotourism MapGuide Project website and to draw more visitors to the site. Actions planned to be undertaken by June 2013 included:

- Completing California Historical Landmark and Watchable Wildlife destination pages.
 - *Destination pages were completed and published on the website for all of the California Watchable locations in the Sierra Nevada Region.*
 - *Destination pages were completed and published for 157 California Historical Landmarks in the Sierra Nevada Region. There are still several remaining landmarks to be added to the website and staff will continue to seek volunteers to complete these nominations in the future.*
- Distributing 100,000 printed MapGuides.
 - *SNC organized and facilitated the distribution of 100,000 printed Mapguides. Of the total, 44,000 were distributed outside the Sierra via California Welcome Centers, corporate locations in San Jose/Santa Clara and LA, sporting good locations in Southern and Northern California and the Nevada Commission on Tourism. The remaining 56,000 were distributed within the Sierra at high-traffic locations (businesses and events) throughout the Region; California Welcome Centers in Auburn and Truckee, and SBC & SNC events, conferences and media.*
- Making a free down-loadable mobile phone application available to the public through existing application stores.
 - *The SNC completed procurement of, and made available for free download, mobile phone applications for Iphone and Droid smartphone users.*
- Implementing a marketing plan aimed at increasing the amount of web traffic visiting the site on a monthly basis.
 - *The SNC completed a number of marketing activities to increase awareness of SNGT travel planning website, including purchasing advertisements in the Visit CA 2013 Travel Planner, Sunset Magazine, VIA Magazine. And Sierra Heritage Magazine.*
 - *Leads generated from returned reader interest postcards will be added to the project's GeoExplorer e-newsletter database and provided with copies of the printed MapGuide.*
- Completing a study to assess website impact and response in communities.
 - *SNGT partners worked with graduate students from Duke University to complete a study evaluating National Geographic's Geotourism Program. Interviews and data were gathered from several Geotourism projects in the country. Information specific to the Sierra Nevada project was gathered early in the development of the SNGT and a subsequent study is recommended to accurately assess the effectiveness of the program.*
 - *Each month the SNC tracked statistical data compiled using Google Analytics to track activity on the website. Data has revealed consistent increases in website traffic. The website currently averages more than 35,000 pageviews each month.*
- Continuing to participate in the National Geocouncil with seven other U.S. Geotourism projects to leverage marketing and advertising opportunities across the country.
 - *The SNC and SBC continued to participate on the National Geocouncil, which has now grown to include ten projects in north America. Last year, SBC sent*

project manager, Nicole DeJonghe to National Geographic Headquarters in Washington DC to meet with the National Geocouncil. Participation on the Geocouncil has provided good opportunities to leverage marketing opportunities on all the Geotourism websites and in national efforts to market the United States as a tourist destination.

Ecosystem Services

The SNC worked with partners to undertake a number of actions under this initiative which will quantify environmental benefits in upper watersheds. Planned actions included:

- Coordinating the completion of Phase 1 of the Mokelumne Watershed Avoided Cost Analysis, which will analyze how upper watershed restoration treatments, primarily fuel hazard reduction and forest health management, will benefit downstream beneficiaries and reduce operational costs of energy and water delivery agencies.
 - *Consultants were retained to assist an intensive and Mokelumne-specific modeling process for both fire movement and sediment flow through the watershed. The SNC led the team that selected the winning consultants and the SNC continues to act as the primary point of contact for the consultants for matters concerning budgets, workloads, draft comments, and objectives.*
 - *Current conditions data and modeling completed in October and December, 2012 as part of this analysis highlight the high quality ecosystem services the Mokelumne watershed produces but it also demonstrates the vulnerability of those services if catastrophic wildfire occurs in the watershed. Determining which models and the teams to operate the models, as well as vetting and groundtruthing both inputs and outputs from the models, required an intensive collaborative process that SNC led. This effort not only improved the reliability of the outputs but gave the collaborative partners the opportunity to understand the process, improving the acceptance of the results.*
 - *Forest management treatments in the highly vulnerable areas were modeled to determine their effectiveness at reducing the burn severity of the forests in the watershed.*
 - *SNC and stakeholders are evaluating the analysis of the costs and benefits based on the model results of proactive fuel treatments compared to reactive fire suppression.*
- Assisting in convening key parties to discuss findings and conclusions from this analysis and determining next steps.
 - *SNC Staff led the development of a region-wide and diverse stakeholder group that participates in bi-monthly meetings. This includes leading both an Advisory Committee and Technical Committee.*
 - *Co-lead the Demand Analysis effort to identify and reach out to numerous corporations that are high water volume users in the East Bay Municipal Water District Water. Purpose is to help these downstream beneficiaries understand the importance of secure supply and high water quality for their bottom line. Also, to entice them to consider investing resources in headwaters protection and restoration.*

- *Co-lead the Mokelumne Environmental Benefits Program to develop the protocol and tools to support an investment platform for potential funders to support restoration efforts throughout the Mokelumne watershed.*
- Supporting at least one other effort in the Sierra to quantify the water yield and movement benefits of restoring the forests and watersheds to ecological health.
 - *The SNC funded the Sagehen water yield study, which began in FY 2012-13 and will continue through FY 2014-15. Pre-forest treatment monitoring data has been collected in this FY and post-treatment data will be collected the next two years with the final report expected in the winter of 2015.*
 - *The SNC funded the meadow hydrology assessment by the University of Nevada, Reno, which should be complete by the end of the fiscal year.*

Education and Communications

The SNC developed a new Education and Communications plan to increase awareness among decision-makers about the importance of the Sierra Nevada to the State's long-term health and well-being and to gain support for the watershed, forest health and community sustainability work being conducted by the SNC and our partners. Outreach was designed to focus primarily on the links between clean and reliable water, healthy forests and sustainable rural communities. Planned actions included:

- Meeting with key legislators/staff and key stakeholder groups regarding SNC initiatives.
 - *SNC Staff revised our Education and Communications Plan work plan to identify audiences (Allies, Legislators, and Agencies) and actions to focus SNC efforts to retain Regional funding in the 2014 water bond and/or other funding mechanisms.*
 - *SNC completed a field tour for legislative staff in December, 2012.*
 - *SNC held meetings with seven freshmen legislators in February, 2013.*
 - *SNC Staff, Boardmembers and allies met with 15 veteran legislators/staff and two additional freshman legislators in a March, 2013, Legislative Outreach Day.*
- Developing targeted messages and outreach materials geared specifically for the water bond, SNFCI, Geotourism and Regional Agriculture and Ranching initiatives.
 - *Staff developed key messages, supporting print materials and associated web pages to advance understanding of the Sierra-Delta connection, identify the Sierra as the primary source of California's water, explain forest and Bioenergy benefits, strengthen the link between healthy forests and communities, and begin discussions about the need to remediate legacy mining impacts.*
 - *SNC created and distributed a Proposition 84 Investment Report to inform policy makers and the public about the investment that has occurred through the Sierra Nevada Conservancy's Proposition 84 Grant Program.*
- Creating and distributing the FY 2011-12 Annual Report.
 - *FY 2011-12 Annual Report was completed and distributed in December, 2012.*

- Completing a plan for making more effective use of the SNC Web site as a communications vehicle.
 - *SNC created a series of initiative-based web pages to focus attention and provide information about the primary initiative work we are undertaking (Sierra-Delta Connection, Healthy Forests, Bioenergy, Cap and Trade and Abandoned Mine Lands). Regional Policy and Program Staff will continue to refresh and update these pages to keep them interesting, relevant and current.*
 - *SNC is working develop a comprehensive plan for making better, more effective use of the SNC Web site and social media outlets as communications vehicles into FY 2013-14.*

Funding Development

The SNC planned to focus its fund development efforts on three primary actions by June 2013:

- Continuing to track and publicize funding opportunities for the SNC and Regional stakeholders through the Current Funding Opportunities (CFO) newsletter.
 - *Due to changing organizational priorities and budget constraints that led to a loss of staffing resources, the SNC suspended our monthly funding updates in November, 2012. At the time of that announcement, we provided subscribers with information on other sources where they could find similar information and stated that we would revisit the CFO service again in the 2013-14 fiscal year, as staffing resources for that year were determined.*
- Implementing portions of the funding plan being developed for the SNC by consultants under contract.
 - *Consultants suggested that the SNC develop a Region-wide funding plan to attract investment and work with key agencies to expand action plans for implementation and “asks” for state and/or federal funding or policy advocacy. In response, the SNC updated our Education and Communications actions, as described above, with goals of 1) increasing awareness among decision-makers about the importance of the Sierra Nevada to the State’s long-term health and well-being and 2) obtaining investment in the Region to protect the resources that provide those services. Staff has begun targeted outreach with key audiences related to two primary funding goals identified in the plan: inclusion in the 2014 water bond and access to Cap-and-Trade Auction Revenue disbursements for forest sector projects in the Sierra.*
- Providing grant writing assistance for projects developed by partners as part of a major initiative, such as SNFCI, Regional Water, Great Sierra River Cleanup, etc.
 - *SNC took major responsibility for the preparation of a California Energy Commission Grant application for a 12-503 - Renewable Energy Deployment, Development, and Integration grant for bioenergy project research at the North Fork site.*
 - *SNC worked with applicants to include technical assistance to woody bioenergy projects in their Department of Energy (DOE) Clean Energy Technical Assistance Partnerships application.*

- *SNC drafted a request to Clearinghouse Community Development Financial Institutions (CDFI) for working capital funding for a North Fork project Northern California Community Loan Fund (NCCLF) and worked with Agency to create client relationships whereby the NCCLF would put together a New Market Tax Credit deal, providing up to \$1 million of capital funding.*
- *SNC helped develop a United States Department of Agriculture Rural Business Opportunity Grants (USDA RBOG) grant application to obtain biomass technical assistance for Plumas, Calaveras and Madera County projects.*

Great Sierra River Cleanup

The SNC coordinated the 4th Annual Great Sierra River Cleanup (GSRC) on September 15, 2012 with more than 3,400 volunteers joining together to remove over 63,000 pounds of trash and recyclables from waterways throughout the Sierra Nevada. Specific planned actions included:

- Continuing to work with existing river cleanups throughout the Sierra to unite and expand them.
 - *SNC Staff maintained regular communication with existing river cleanups and hosted cleanup coordinator training, both in Auburn and via webinar. The Auburn training in particular provided a good opportunity for coordinators to see their individual cleanups as part of a larger, unifying event.*
 - *New sites for existing cleanup organizations included Pardee Reservoir, hosted by East Bay Municipal Utility District; Clavey River, hosted by Tuolumne River Trust; and Westwood, hosted by the Sierra Institute for Community and Environment.*
- Recruiting organizations in areas with no river cleanup programs to host cleanups in their areas.
 - *New cleanups included Bridgeport Elementary School on the Walker River, and the San Joaquin Office of Education/Manteca GOALS on the San Joaquin River.*
 - *The Bureau of Reclamation became a new partner by working with the Tuolumne Resource Conservation District and providing a new cleanup site at New Melones Lake.*

Pacific Forest and Watershed Lands Stewardship Council (Stewardship Council)

The SNC planned to work with the Stewardship Council to take the actions necessary to carry out duties outlined in the Memorandum of Understanding (MOU) (including amendments mutually agreed upon). Specific actions planned included the following:

- Executing agreements to accept covenants on lands donated to the U.S. Forest Service.
 - *Conservation Covenant Language was developed and submitted to the US Forest Service National Office for their approval and acceptance, but action is still pending. This action is planned to be completed as part of the 2013-14 Action Plan.*

- Finalizing agreements for SNC to carry out certain duties upon the dissolution of the Stewardship Council, including selection of replacement conservation easement holders and performing monitoring activities.
 - *An amendment to the MOU was approved by the SNC Board and signed by the Executive Office on June 12, 2012. The amendment included tasks that the SNC could complete on lands that were retained by the PG&E.*
- Establishing a funding mechanism to compensate the SNC for tasks performed as described in MOU and subsequent agreements.
 - *These funding agreements are continuing to be developed with the Stewardship Council. This action is planned to be completed as part of the 2013-14 Action Plan.*

Mt. Whitney Fish Hatchery

The SNC continued to coordinate and facilitate discussions and planning with the California Department of Fish and Game (now CA Department of Fish and Wildlife), Inyo County, the Friends of the Mt. Whitney Fish Hatchery and other stakeholders to develop a long term master plan for the Mt. Whitney Fish Hatchery and surrounding property. Several specific actions were planned to be undertaken under the project, including:

- Convening a workgroup to develop a process for exploring potential uses, ownership and management of the property.
 - *A group of identified stakeholders including the Wildlife Conservation Board (WCB), California Department of Fish and Wildlife (DFW), Inyo County, SNC and Friends of Mt. Whitney Fish Hatchery have convened in person and via phone to identify the necessary authorities and steps to be taken if a transfer of ownership were to be pursued. Legal advisors from all agencies above have provided direction and review of proposed steps.*
- Developing a master plan for the property to guide decision-making.
 - *Inyo County is developing a long-term use plan for the property, which should be completed in 2013. Other documents completed during 2012-13 included an appraisal of the property and facilities (WCB), a Phase I Environmental Conditions Report (Inyo County) that identified the need for a Phase II Report to be completed (Inyo County has begun this process). DFW developed a future-use document that defined acceptable uses for future use of the facility in the context of the original intent of the building.*
- Identifying additional stakeholders to engage in the process.
 - *At this time there haven't been any additional jurisdictional stakeholders to add to the process.*
- Effectuating the transfer of property, if deemed necessary and appropriate.
 - *If a transfer is pursued, SNC could serve as a temporary owner while a long-term third party owner is established. It is anticipated that all final needed information will be in place by Fall 2013 in order for WCB, DFW, SNC, and Inyo County to make decisions about a transfer.*
- Determining what, if any, role is appropriate for the SNC in the ultimate disposition of the property and ongoing management.

- *An analysis of SNC's future role is to be considered in conjunction with development of the master plan.*

Sierra Nevada System Indicators

The SNC continued the development of social, economic, and environmental indicators that will be used by the SNC staff and Board, and externally by SNC partners and other interested parties to promote Regional understanding, make sound investments, guide strategic decision-making, and help us to gauge the results of our efforts. Specific actions as called out in the 2012/13 Action Plan for the project included:

- Publishing, following Board approval, the last three in a series of five indicator reports that present the data and analysis associated with nineteen Sierra Nevada System Indicators.
 - *SNC completed and published the third and fourth reports:*
 - *September, 2012: Water and Air Quality and Climate*
 - *December, 2012: Forest Health and Carbon Storage*
 - *The completion of the fifth report, on Agriculture and Ranch Land, was pushed out into the 2013-14 fiscal year*
 - *During the development of the Forest Health report, a staff recommendation was made for the need to add a sixth indicator report specific to Fire Threat in order to adequately address fire in the Region comprehensively. The Board approved the creation of this additional report at the December, 2012 Board meeting.*
 - *Development work on the final two Indicators reports is ongoing in 2012-13 for completion and publication in September, 2013.*

Internal Operations

The SNC continued to improve its internal operations in a number of areas, including taking the following planned actions:

- Developing a department-wide training plan that will identify training needs and include mechanisms that will track staff training assignment and completion.
 - *The SNC has developed and implemented its training plan and training request procedures that together will identify training needs and track staff training assignment and completion.*
 - *SNC Administrative Staff have also implemented and improved its SharePoint-based Training Services Site, in order to provide easily accessible information on available training courses and their schedules, policies, procedures, forms and reimbursement information.*
- Continuing implementation of IT system improvements including conversion to the State website template, full deployment of SNC's content management software (Plone), web maintenance server upgrades, improved field office service, and improved IT policies and procedures.
 - *SNC IT Staff have completed implementation of IT system improvements including conversion of the SNC Web site to the State website template, deployment of SNC's content management software (Plone) and beta-training of select SNC staff, implementation of web maintenance server upgrades and*

- server performance monitoring, and server virtualization for improved system performance and disaster recovery capabilities.*
- Assessing and strengthening the development and use of its SharePoint-based intranet sites and tools.
 - *In addition to the development and implementation of multiple individual tracking lists and libraries, SNC Staff have improved and/or created the following Sharepoint-based intranet sites:*
 - *Training Services*
 - *Website Revision Services*
 - *Emergency Preparation, Safety, Security and Disaster Preparedness*
 - *Professional (Career Development) Services*
 - *Messaging (External Outreach) Services*
 - *Healthy Forests Team Site*
 - *Grants and Proposition 84 Team Site*
 - Improving emergency preparedness and safety through additional training, table top exercises and drills.
 - *SNC Administrative Staff have completed its Injury and Illness Prevention Plan and have created the plan to provide staff training on workplace safety practices and processes.*
 - *IT staff have further developed IT disaster recovery procedures and have completed SNC's IT security risk assessment.*
 - *As noted above, additional actions that have been taken that contribute to emergency preparedness include the virtualization of SNC's data and application servers and the development and distribution of planning and awareness materials through the Emergency Preparation, Safety, Security and Disaster Preparedness SharePoint site.*

Background

As discussed under Agenda Item XI, the Board adopted a new Strategic Plan in September 2011, which establishes objectives for the Sierra Nevada Conservancy (SNC) and lays out the strategies the organization will employ in meeting those objectives. In March 2012, the Board approved the first Action Plan, which described specific actions the SNC would undertake between March 2012 and July 2013 to meet Strategic Plan objectives with the understanding that future Action Plans would coincide with the State fiscal year from July 1st through June 30th. Under Agenda Item XI, staff reported progress on completing the actions included in the 2012-13 Action Plan.

Current Status

Staff has completed the development of the Draft 2013-14 Action Plan ([Attachment A](#)). Input received from the Board, stakeholders and staff in strategic planning workshops throughout the Region and in ongoing meetings since the adoption of the Strategic Plan serve as the basis for the draft Action Plan (Plan).

The primary challenge faced in developing the draft Action Plan continues to be developing a realistic scope in terms of what we can accomplish over the next twelve months. The breadth of the SNC's mission, the varied needs of the Region, and the enthusiasm of stakeholders and staff in terms of all the ways the SNC can contribute to meeting those needs, continues to require some discipline on the part of staff in setting forth a set of activities we can reasonably accomplish. In addition, this draft Action Plan puts a tremendous emphasis on the importance of working with partners to accomplish all of the objectives that are so important to the Sierra Nevada.

The draft 2013-14 Action Plan is substantially similar to the prior Action Plan in terms of the specific projects and initiatives included in the Plan. New actions have been identified under existing projects and initiatives, as well as the continuation of actions from the prior Plan, either because the actions were begun, but have not yet been completed, or because the actions are more ongoing in nature.

Two initiatives have been added to this Plan that did not appear in the 2012-13 Action Plan: Biomass Utilization and Abandoned Mine Lands. While biomass utilization activities did occur in 2012-13 under the auspices of the Sierra Nevada Forest and Community Initiative (SNFCI), the role identified for the SNC in the State Bioenergy Action Plan and the increasing importance of these activities to the Region, led staff to develop a separate initiative to encompass activities related to biomass utilization. Abandoned Mine Lands was added as a new initiative in response to Board interest in this issue, as well as an increasing awareness of the importance of addressing the legacy impacts of Abandoned Mine Lands in the Region—particularly in terms of the impact on water quality and supply. Because SNC involvement in issues related to Abandoned Mine Lands was not contemplated at the time the Strategic Plan was adopted by the Board in September 2012, the addition of this initiative to the 2013-14 Action Plan requires an amendment to the SNC's Strategic Plan. The specific changes proposed by staff to the Strategic Plan are shown in [Attachment B](#).

In addition to adding two new initiatives to the Draft 2013-14 Action Plan, staff is also recommending that Funding Development and Regional Water no longer appear as separate initiatives in the new plan. This in no way reflects any intention to decrease the level of activity devoted to funding development given the clear direction from the Board and the interest of stakeholders and staff in making this a high priority. Rather, it reflects a realization that funding development activities are integral to a number of other projects and initiatives. Activities previously included under Regional Water are proposed for inclusion under Education and Communications since the role of the Sierra Nevada in the California's water picture is a primary focus of this initiative.

Next Steps

Staff has developed a high level workload and resource analysis related to the thirteen (13) projects and initiatives described in the Draft Action Plan. It should be noted, however, that as staff develops more detailed project plans, the specific activities associated with some projects may change. This may occur not only as a result of resource constraints, but as new opportunities present themselves (as well as, external requirements that are not currently anticipated). Staff will update the Board at future Board meetings on the progress of, or significant changes in, the projects included in the Action Plan.

Recommendation

Staff recommends the Board approve the proposed Sierra Nevada Conservancy 2013-14 Action Plan and the proposed changes to the Strategic Plan after reviewing and providing any comments.

Agenda Item XII
2013-14 Action Plan and
Amendment to Strategic Plan
Attachment A

2013-14

Action Plan



SIERRA NEVADA
CONSERVANCY

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The following represent the major initiatives and activities to be undertaken by the Sierra Nevada Conservancy (SNC) between July 2013 and June 2014, consistent with the SNC's Strategic Plan (Plan). Upon approval by the SNC Governing Board, staff will use this Plan to guide activities for the period. In the event that circumstances lead to other initiatives or activities being undertaken, staff will provide the Board with updated information at a subsequent Board meeting.

Grant Program

The SNC Grant Program will complete the following actions through June 2014:

- Implement the 2013-14 Proposition 84 grant round including reaching out to stakeholders and responding to inquiries to the request for proposal, project identification, evaluation and approval, agreement development and project implementation.
- Close out 35 current grant projects.
- Provide timely and accurate response to any bond reporting and audit requests received and update the California Strategic Growth Plan Bond Accountability website and the State Conservation Easement Database as required in Executive Order S-02-07.
- In the event new funding comes forward, planning efforts will be undertaken to implement a new grant round during this fiscal year.

Sierra Nevada Forest and Community Initiative (SNFCI)

The SNC will continue to coordinate implementation of the SNFCI, working closely with a wide range of stakeholders and agencies. Specific actions to be accomplished under SNFCI include:

- Providing funding for projects that meet SNC criteria for healthy forests in the 2013-14 grant round.
- Continuing to support local collaborative efforts to develop projects consistent with SNFCI objectives. In the case of collaboratives initiated or heavily supported by the SNC, this will include building in measures to ensure long-term sustainability of the group as SNC's support lessens.
- Working with the SNFCI Regional Coordinating Council, the US Forest Service, Tribal Entities, other state agencies, and key stakeholders in embracing opportunities and reducing barriers to increased ecological restoration in forested areas, with a focus on strong collaboration and improving the local economies and social well-being.
- Working with the Coordinating Council and the Forest Service to develop the Leadership Intent for Ecological Restoration Implementation Plan, as well as continuing to identify and implement ideas, actions and opportunities to increase the pace and scale of ecological restoration on our forests.
- Providing facilitation and participation in the Southern Sierra Fisher Conservation Strategy development effort.

- Participating in various efforts to promote policy changes and investment in support of SNFCI objectives, including but not limited to the Biomass Working Group, Sierra Cascade Dialogue and the US Forest Plan Revision process.

Biomass Utilization

The SNC will continue to work with a broad range of community, agency, and industry stakeholders to find economic uses for the excess biomass removed in forest restoration activities. SNC is identified in the California 2012 Bioenergy Action Plan as the state agency responsible to pursue funding for forest Bioenergy research and implementation and to assist communities with the development of community scale projects. To fulfill these goals and responsibilities SNC will take the following actions:

- Providing funding for projects that meet SNC criteria for healthy forests in the 2013-14 grant round.
- Continuing to provide technical assistance and funding support, as well as identify additional funding sources, for projects in various stages of development within the Region. Under the Bioenergy Action Plan, the SNC will provide a limited level of assistance to projects outside the Region.
- Continuing to work with other agencies (such as the US Forest Service, CalFIRE, the California Public Utilities Commission, and the California Energy Commission) to help craft policies and programs to assist forest biomass infrastructure.
- Continuing to provide outreach to help educate policy makers and the public on the issues associated with woody biomass utilization.
- Helping to compile information and tools to help diverse interests resolve issues and concerns.

Abandoned Mine Lands

The SNC will venture into this new initiative focusing on three primary goals: 1) funding projects that meet SNC criteria for Abandoned Mine Land (AML) remediation in the 2013-14 grant round, 2) identifying and carrying out appropriate roles for the SNC in the development of programs, policies, and efforts that will address AML issues in the Region; and, 3) securing long-term funding and resources for the SNC and the Region to address AML issues. Specific actions will include:

- Working with partners to develop projects that will meet the funding criteria in the 2013-14 grant round.
- Continuing to work with the Natural Resources Agency, other State agencies and partners to determine how best to address due diligence issues associated with the potential for AML to exist on properties that may be acquired using State funds.
- Assessing existing programs working to address AML issues and seeking opportunities to leverage these efforts on behalf of the Sierra; investigating the potential for new collaborative efforts; and, encouraging inclusion of Tribal

Ecological Knowledge and Traditional Resource and Environmental Management systems.

- Exploring the availability of federal, state, and private funding sources and considering SNC's capacity to provide assistance to local governments and others in securing funds.
- Sponsoring and/or partnering in AML symposia and other events.
- Building on the continuing efforts of The Sierra Fund to educate policy makers and the public about the importance of remediation work to the reliability and sustainability of the State's water supply

Regional Agriculture and Ranching

In the second year of this initiative, the SNC will continue to reach out to the agricultural and ranching communities to learn more about the needs of farmers and ranchers in the Sierra and how the SNC can help to address those needs. In addition, the SNC will continue to identify opportunities to increase the presence of the SNC and Sierra stakeholders in policy and funding discussions. Specific actions will include:

- Increasing agritourism on the Sierra Nevada Geotourism website and companion materials as a way of marketing these opportunities on behalf of farmers and ranchers in the Region.
- Capitalizing on opportunities to increase understanding and work towards building a consensus about grazing on public lands in the Sierra, including managing and participating in grant projects to foster a collaborative approach in Alpine and Tuolumne Counties and continuing to provide assistance to increase public participation in discussions regarding grazing on the Inyo National Forest.
- Staying abreast of and supporting relevant research and monitoring activities, including projects to quantify the ecosystem services provided by preservation and stewardship of ranches and agricultural lands in the Sierra.
- Coordinating with partner organizations and sponsoring efforts to educate members of the Legislature, their staff, and other decision-makers regarding the importance of ranches and agricultural lands in the Region.
- Publishing a system indicators report on agricultural lands in the Sierra Nevada.

Regional Tourism and Recreation

The SNC will focus on three primary elements to make substantial progress in promoting and developing regional tourism and recreation. These elements include: 1) continuing build-out for the Sierra Nevada Geotourism (SNGT) MapGuide Project, 2) assisting in the development of tourism and recreation attractions that have, or are part of a larger project that has, regional significance, and 3) exploring the value of and opportunities to partner in the development of a Sierra Nevada "brand". SNC staff will implement the following actions by June 2014:

- Soliciting and developing new content and destinations for display on the SNGT website.

- Distributing 60,000 printed MapGuides (second printing).
- Implementing a marketing plan aimed at increasing downloads of mobile phone applications and the amount of web traffic visiting the SNGT site on a monthly basis.
- Assisting in the development of a water trail in the Lower Owens River as a step toward a potential region-wide water trail; developing criteria to evaluate and prioritize similar potential future projects as well as defining the types of support the SNC could provide.
- Initiating dialogue with partners to “frame the opportunity” and assess interest in developing a regional brand
- Convening and formalizing a regional partner working group

Ecosystem Services

The SNC will work with partners to continue actions under this initiative which help to quantify environmental benefits in the upper watershed and initiate new investment strategies and identify new investors. The primary action in 2013-14 will be:

- Leading the completion of the Mokelumne Watershed Avoided Cost Analysis, which analyzes how upper watershed restoration treatments, primarily fuel hazard reduction and forest health management could benefit downstream beneficiaries by reducing their operational costs.
- Working with project partners to evaluate new opportunities to implement actions based on the outcomes of the avoided cost analysis.
- Collaborating on the Demand Analysis effort to identify and reach out to corporations that are high water volume users in the East Bay Municipal Utilities District service area. Purpose is to help these downstream beneficiaries understand the importance of secure supply and high water quality for their bottom line and discuss opportunities for them to invest resources in headwaters protection and restoration.
- Partnering on the Mokelumne Environmental Benefits Program to develop the protocol and tools to support an investment framework for potential funders to support restoration efforts throughout the Mokelumne Watershed.
- Evaluating the initial findings and future potential of two previously funded projects to quantify any potential water yield increase and change to the hydrograph that may result from forest and meadow restoration activities: 1) the Sagehen water yield study and 2) the meadow hydrology assessment by the University of Nevada, Reno.

Education and Communications

The SNC will educate policy-makers, key decision-makers, and stakeholders about the value of the Sierra to the state’s long-term health and well-being. Outreach will focus primarily on the links between clean and reliable water, healthy forests, and sustainable rural communities and will leverage the work being done under other projects and initiatives, as well as the results of SNC grant projects. The overall goal is to gain long-

term financial support and steady investment in projects in the Region. Actions will include:

- Elevating the profile of the SNC as an accepted, trusted resource for information regarding the link between upper watersheds, forest health, climate change, clean water, clean air, and sustainable communities.
- Continuing relationship-building activities and conducting regular meetings with local/state/federal agencies, legislators and other decision-makers to establish the SNC's role in protecting and enhancing the Region where more than 60% of the State's developed water supply originates.
- Partnering with allies to complete Regional tours that demonstrate the value of SNC Initiatives and investment in watershed and forest health projects.
- Exploring opportunities and coordinating efforts to retain regional funding in the 2014 water bond, regional investment from Cap-and-Trade auction revenue, and researching opportunities for other funding mechanisms to benefit the Region.
- Developing compelling messages, outreach materials, and appropriate distribution channels and making more effective use of communication vehicles including the SNC Web site, social media outlets, and other tools.
- Creating and distributing the FY 2013-14 Annual Report.
- Partnering with Sierra-based Integrated Regional Water Management (IRWM) groups via the Sierra Water Work Group to stay abreast of developments in regional funding and to support them in competing more successfully for funding.
- Completing activities related to the Mountain Counties Overlay Regional Report piece of the California Water Plan 2013 Update and staying abreast of developments for Water Plan Update 2018 and the Delta Plan.

Great Sierra River Cleanup

The SNC will coordinate the 5th Annual Great Sierra River Cleanup on September 21, 2013. In 2012, more than 3,400 volunteers joined together to remove over 63,000 pounds of trash and recyclables from rivers throughout the Sierra Nevada. Specific actions will include:

- Continuing to work with existing river cleanups throughout the Sierra to unite and expand them.
- Recruiting organizations in areas with no river cleanup programs to host cleanups in their areas.

Pacific Forest and Watershed Lands Stewardship Council (Stewardship Council)

The SNC will work with the Stewardship Council to take the actions necessary to carry out duties outlined in the Memorandum of Understanding (MOU) (including amendments mutually agreed upon). Specific actions will include the following:

- Executing agreements to accept covenants on lands donated to the US Forest Service.

- Finalizing agreements for SNC to carry out certain duties upon the dissolution of the Stewardship Council, including selection of replacement conservation easement holders, and performing monitoring activities.
- Establishing a funding mechanism to compensate the SNC for tasks performed as described in MOU and subsequent agreements.

Mt. Whitney Fish Hatchery

The SNC will continue to coordinate and facilitate discussions and planning with the California Department of Fish and Wildlife, Inyo County, the Friends of the Mt. Whitney Fish Hatchery and other stakeholders to develop a long term master plan for the Mt. Whitney Fish Hatchery and surrounding property. Several specific actions will be undertaken under the project, including:

- Participating in a workgroup to develop a process for exploring potential uses, ownership, and management of the property.
- Participating in development a master plan for the property to guide decision-making.
- Identifying additional stakeholders to engage in the process.
- Effectuating the transfer of property, if deemed necessary and appropriate, from CDFW to the SNC and the SNC to another appropriate entity.
- Determining what, if any, role is appropriate for the SNC in the ultimate disposition of the property and ongoing management.

Sierra Nevada System Indicators

The SNC will continue the development of indicators that will be used by the SNC Staff and Board and externally by SNC partners and other interested parties to promote regional understanding, make sound investments, guide strategic decision-making, and help us to gauge the results of our efforts. Specific actions under the project will involve:

- Publishing, following Board approval, the last two in the series of six reports that present the data and analysis associated with nineteen Sierra Nevada System Indicators.
- Coordinating System Indicator data and analysis with other internal reports and program efforts to help ensure accurate and consistent assessment of the Region's conditions.
- Increasing website presence of System Indicators and supporting data, with outreach efforts to identify agencies, stakeholders, and other partners who might utilize and benefit from the reports.
- Developing specific strategies and timing for future periodic updating of indicator data to enable assessment of changes over time within the SNC Region.

Internal Operations

The SNC will improve its internal operations in a number of areas, including taking the following actions:

- Identifying and providing additional training opportunities to ensure staff continue to hone skills and are prepared to effectively implement the SNC mission.
- Implementing SNC's safety program, including the development of a department-wide safety committee.
- Implementing SNC's Equal Employment Opportunity Program, including the development of a department-wide Disability Advisory Committee.
- Improving SNC network and information technology tools and services including continuous hardware assessment and modifications, continuation of web content management (Plone) training, tracking and reporting on service call frequency and trends, and upgrading SharePoint including development and implementation of a migration plan.
- Improving the SNC Web site navigability, regularly refreshing content and ensuring that content reflects organizational priorities and Region-wide accomplishments.
- Improving emergency preparedness and safety through regular staff training and the implementation of table-top exercises and drills. Completing and distributing of SNC's Facility Emergency Evacuation Plan for each SNC facility.

Agenda Item XII

Attachment B

Watershed Protection, ~~and~~ Restoration, and Water Supply

Discussion

The Sierra Nevada has hundreds of lakes and reservoirs, and thousands of miles of streams that together form the 31 major watersheds. These rivers, ~~and~~ lakes and reservoirs, and the watershed areas around them are the lifeblood of California, as they contribute over 60% of California's water needs (primarily to areas outside of the Sierra).

The importance of Sierra watersheds to the State's overall water picture cannot be overstated. The precipitation stored and captured in the upper elevations flows to fill rivers, lakes and reservoirs, and recharge groundwater basins, while natural and man-made upstream storage reduces spring flows and regulates summer flows to the valley.

Approximately 23 million Californians have all or some of their drinking water beginning its journey in the Sierra Nevada. The controlled release of snowmelt throughout the spring and summer helps to control winter flooding in the valleys and provides irrigation for food crops and water to keep recreation and other businesses and industries thriving throughout the summer. Sierra water also provides hydropower to light homes, and quality drinking water to meet the needs of residents throughout California, while the watersheds themselves serve as important habitat for all species of plants and animals. Investing in the Sierra – the state's primary watershed – is a long-term solution to challenges such as increasing water demands, threatened water quality, and for buffering anticipated climate change impacts over time.

One of the biggest challenges the SNC and other organizations face in working to protect and restore the watersheds of the Sierra Nevada is the lack of awareness of the importance of these watersheds to the entire State and a more comprehensive and quantifiable understanding of the benefits they provide to downstream users. In addition, these watersheds face significant threats including fire, poorly planned development, and unauthorized recreation, impacts from Abandoned Mine Lands, and a reduction in water storage capacity. Helping decision-makers outside the Region understand the relationship of investing in the Sierra Nevada watersheds to reliable supplies of clean water is essential.

Protecting and restoring watersheds and improving water storage capacity within the Region helps us meet a number of our statutorily established program goals as listed below:

Primary

- Protect, conserve, and restore the Region's physical, cultural, archaeological, historical, and living resources; and
- Protect and improve water and air quality.

Secondary

- Increase opportunities for tourism and recreation in the Region;
- Assisting the regional economy through the operation of the Conservancy's program; and
- Enhance public use and enjoyment of lands owned by the public.

Objectives

A. Increase understanding among decision-makers, downstream users and others about the services healthy Sierra watersheds provide to the entire State and the actions needed to maintain and enhance those benefits.

- Develop information and other tools to educate decision-makers, downstream users, and others about the importance of Sierra watersheds and the risks they face so that they understand the need to support relevant policies and increase funding streams directed at upper watersheds.
- Increase the presence of the SNC and Sierra stakeholders in decision-making forums so that Sierra interests are taken into account when policy and funding decisions are being made.

B. Increase funding and provide targeted support for watershed protection and restoration and abandoned mine land remediation in order to maintain and enhance the beneficial uses of Sierra watersheds and water storage facilities, both within and outside the Region.

- Partner with federal and state agencies to increase the amount of existing funding directed towards watershed health in the Sierra.
- Ensure funding in future bond issues for watershed protection, restoration and abandoned mine lands remediation in the Sierra.
- Investigate and develop potential new funding streams in order to support upstream watershed protection, and restoration, and Abandoned Mine Lands remediation.
- Help to build bridges between available funding and local governments and organizations in the Sierra.

C. Better quantify the benefits provided by Sierra Nevada ~~W~~watersheds and improve understanding of those benefits by staff and key stakeholders to generate long-term investment in watershed protection and restoration.

- Gain a greater understanding of the gaps in scientific research relevant to benefits of watershed management and determine how to work collaboratively with others to address those gaps.
- Monitor and support efforts to determine and quantify the ecosystem services provided by healthy watersheds in the Region.

D. Assist in the identification and implementation of approaches for Abandoned Mine Lands remediation that may be widely applied to improve the quality and reliability of the water and waterways and water storage facilities within and outside the Region.

- Assess existing programs and policies addressing remediation of Abandoned Mine Lands and work with partners to strengthen potential areas of shortcomings.
- Work with partners to identify projects that address abandoned mine lands issues and may be replicated throughout the Region.

Background

Since 2007, the Sierra Nevada Conservancy (SNC) has authorized 296 grants to eligible organizations throughout the Region. Approximately 160 of the projects funded by those grants have been fully implemented by grantees. A very small percentage have been returned or terminated for various reasons. The remaining projects are currently active. Two previously authorized active grants need to be modified to ensure successful completion. The modifications proposed in both cases involve transferring the grant from the original grantee to a different grantee. This action requires that the intended recipient of the grant meet all of the eligibility requirements of the SNC grant program and have authority from their respective governing bodies to accept the grants.

The SNC Executive Officer has been delegated authority to execute and make minor modifications to grants authorized by the Board. However, the changing of grantees requires Board authorization.

Current Status

Detailed descriptions of each proposed grant transfer are included as Attachment A and Attachment B to this report. All eligibility requirements have been satisfied by intended recipients of the grants and project partners have been consulted and are supportive of the proposed transfers.

Next Steps

Upon consideration and action by the Board to authorize each of the following recommendations, staff will prepare and execute the necessary grant agreements and required California Environmental Quality Act (CEQA) documentation to complete the transfers.

Recommendation

Each proposed transfer has a separate recommendation included in attachments to this staff report.

Background

The Willow Creek Watershed Restoration Planning Project (Project) is a Proposition 84, Category II grant funded project which was awarded to the Coarsegold Resource Conservation District (CRCD) in FY 2010-11 in the amount of \$60,764. The CRCD went into an extended period of inactivity for a variety of reasons including the resignation of several of its board members. No alternates were immediately identified but eventually the project manager and remaining board members were successful in recruiting and appointing new members.

The newly reconstituted board is determining the direction of the organization and does not believe they are currently equipped to implement the Project. The CRCD has been in discussions with SNC Project Lead, Bobby Kamansky and Steve Haze, Director for the Yosemite/Sequoia Resource Conservation and Development Council (YSRC&DC) and is now seeking approval from the Board to transfer this project to the YSRC&DC. The YSRC&DC is familiar with the scope of work, has experience in conducting outreach and planning projects, and is eager and willing to take on the implementation of the project. They are also planning to take this opportunity to work with the new CRCD board to inform and train them on administering a planning project with multiple partners such as this one.

Current Status

This is an active grant and although no invoices have been submitted, the project manager has provided regular updates on the status of the project and the CRCD. No work is taking place on the project at this time. The request, if approved, will make the project feasible and give YSRC&DC time to execute the deliverables and complete the project. It will also ensure that the CRCD board members receive information and training on implementing similar projects in the future which will increase the capacity of this local community-based organization. Both funding agencies have been consulted on this proposed action and the Boards of both organizations have each passed resolutions to support this action.

When the Board authorized the original grant in March 2011, the SNC completed and filed a Notice of Exemption to satisfy its requirement to comply with the California Environmental Quality Act (CEQA). The project was found to be Categorical Exempt per CEQA Guidelines [Article 19, Section 15306](#). If the Board authorizes the proposed transfer, staff will file another Notice of Exemption with the State Clearinghouse citing the same Exemption.

Next Steps

If this request to change grantees is approved, staff will work with the CRCD and YSRC&DC to complete the transfer process.

Recommendation

Staff recommends that the Board approve the transfer of grant SNC 317 from the Coarsegold Resource Conservation District to the Yosemite/Sequoia Resource Conservation and Development Council and direct staff to prepare the appropriate documents to facilitate the transfer process.

Background

At the Sierra Nevada Conservancy's (SNC) March 2008 meeting, the Board authorized a \$1,000,000 grant to The Sierra Fund for the fee-title acquisition of 2,706-acres in Nevada and Yuba Counties along the Yuba River. The property is commonly referred to as the Rice's Crossing Property and spans approximately 9.5 miles of the Yuba River. The grant was authorized with the understanding that additional funds were being sought by project partners (Yuba County Water Agency, The Trust for Public Land and the Bear Yuba Land Trust) to complete the acquisition, and that The Sierra Fund would contribute the entire SNC grant amount towards the purchase. The Sierra Fund did not and still does not intend to hold title to the property after acquisition. The Yuba County Water Agency had agreed to own and manage the property for purposes consistent with the grant.

Since the SNC grant was awarded, the project partners have all agreed that the Bear Yuba Land Trust would be the most appropriate entity to own and manage the property based on their management of other nearby properties and alignment with their primary mission. Transfer of SNC grant to the Bear Yuba Land Trust will result in a more efficient sales transaction and ensure that long term management responsibilities for the property rest with the grantee.

The project partners have been successful in securing additional grants from The Caltrans Environmental Enhancement and Mitigation Grant Program and the California Natural Resources Agency River Parkways Grant Program. The partners now have all of the funds necessary to complete the transaction and are proposing to close escrow as soon as possible.

Current Status

All funding agencies have been consulted on this proposed action and the Boards of The Sierra Fund and the Bear Yuba Land Trust have each passed resolutions to support this action. The Bear Yuba Land Trust is eligible to receive grants from the SNC and has successfully managed two SNC grants. The California Department of General Services Real Estate Services Division has reviewed and approved a certified appraisal of the property and supports the value of the proposed purchase.

When the Board authorized the original grant in 2008, the SNC completed and filed a Notice of Exemption to satisfy its requirement to comply with the California Environmental Quality Act (CEQA). The project was found to be Categorically Exempt per CEQA Guidelines [Article 19, Sections 15313, 15316, and 15325](#). If the Board authorizes the proposed transfer, staff will file another Notice of Exemption with the State Clearinghouse citing the same exemptions.

The Bear Yuba Land Trust would accept all of the grant terms and requirements included in the original grant agreement.

Next Steps

If this request to change grantees is approved, staff will work with The Sierra Fund and the Bear Yuba Land Trust to complete the transfer process.

Recommendation

Staff recommends that the Board approve the transfer of grant SNC 079 from The Sierra Fund to the Bear Yuba Land Trust and direct staff to prepare the appropriate documents to facilitate the transfer process.

Background

The Sierra Nevada Conservancy (SNC) launched the Sierra Nevada Forest and Community Initiative (SNFCI) over two years ago. The SNFCI 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. SNC Staff work closely with the diverse participants of regional, statewide, and local collaboratives, including local governments, environmentalists, communities, and economic development representatives, industry, and Tribal entities to help achieve these goals.

Current Status

The SNC recently celebrated an important event in the life of one of its local forest collaborative efforts, the Sustainable Forests and Communities Collaborative (SFCC). This group is comprised of a diverse range of stakeholders from throughout Madera, Mariposa, Fresno, and Tulare Counties with a common interest in the ecological, economic, and cultural health of the Sierra Nevada. Up to this point, the SNC has played the lead coordination role for this group. In the interest of ensuring long-term sustainability for the group, the SNC has transferred its organizational responsibilities to an SFCC member organization through an inter-agency agreement with the Sierra Resource Conservation District (RCD). SNC is providing financial support during this transition, building on our support which has been integral to building the foundation for this group, and now we are building a bridge into the future, ensuring the SFCC will be serving this region for many years to come. This leadership transition will inform the SNC's approach to ensuring the long-term viability of other SNC-initiated efforts.

Achievements to date for the SFCC include a year-long leadership training program for a dozen core SFCC leaders, as well as, a watershed-specific collaboration effort on the Sierra National Forest which has resulted in an update to the Willow Creek Watershed Analysis and two highly attended scoping field trips for the Whiskey Ridge Project within that watershed, which at 18,000-acres is the largest project proposed in this particular forest region. The first phase of implementation for this project is due to start this summer. The strong reputation of the SFCC for representing community interests prompted the Dinkey Collaborative to request SFCC assistance with the planning of upcoming field trips designed to better engage and inform the public, which underlines the success of the SFCC in fulfilling this objective. Additionally, the SFCC has played a critical role in building support for the bioenergy plant currently in development on the North Fork mill site, as this project has been supported by the SFCC since the inception of the group. The project area is located on the old North Fork mill site and within the Bass Lake Ranger District, in which the SFCC efforts in Willow Creek and Whiskey Ridge will play an important role in assuring supply to the plant as this project moves forward.

In the realm of biomass utilization, the SNC provided letters of support and technical assistance for three communities seeking funding from the USDA Rural Development's Rural Business Enterprise Grants (RBEG) to pursue feasibility studies for biomass

utilization projects. These communities include Burney (Fall River RCD), Bieber (Pit River RCD) and Auberry (Yosemite-Sequoia RC&D). In addition to the letters of support, each of these communities has also received an average of \$5,000 of in-kind services and technical support from SNC Staff to support their biomass utilization efforts. In Nevada County, the SNC also submitted a letter of support to the Nevada County Board of Supervisors, who unanimously decided to include a biomass feasibility study for the Northern Sierra Biomass Task Force to be included into their 2013 Community Development Block Grant application, as well as, providing five thousand dollars to serve as a match for the block grant or to meet other technical support needs of the group. SNC Staff has also lent technical support to representatives from Camptonville and Foresthill to help them explore the potential for bringing biomass utilization projects into their communities.

On a regional level, the SNFCI Regional Coordinating Council Policy Workgroup is identifying ideas, tools and Coordinating Council actions that could increase pace and scale while keeping benefit in local communities, as well as, opportunities to redirect resources more effectively to increase pace and scale. They will be presenting these to the Regional Coordinating Council at their July meeting, which will be coupled with a field trip in the northern Sierra hosted by the Collins Pine Company. The April meeting was cancelled due to numerous scheduling conflicts.

In another issue of regional significance, SNC recently assumed an active role in an effort to produce an "all lands" conservation strategy for the Pacific Fisher in the southern Sierra Nevada. In April, Mandy Vance facilitated the first meeting of the Fisher Inter-Agency Leadership Team (FIALT), which consists of representatives from the US Forest Service (USFS), the California Department of Fish and Wildlife, US Fish and Wildlife Service, the Sierra Nevada Conservancy and the National Park Service. The FIALT directs the overall process and provides guidance for the development of the conservation strategy. In this kick-off meeting, the FIALT came to agreement on the geographic focus, general process and timeline, and structure and members of the Fisher Technical Team (FTT), which will provide the foundation for the effort moving forward. FTT work is underway and the first of several public meetings relating to this effort is anticipated this summer.

Next Steps

The Regional Coordinating Council will continue to work with the USFS to identify ways to increase the pace and scale of forest treatment within the Region, including providing input on the Leadership Intent for Ecological Restoration Implementation Plan. SNC Staff will continue to work with ongoing collaborative efforts, including the SFCC, biomass utilization efforts and the development of the Southern Sierra Fisher Conservation Strategy. They will also continue to focus on the development of tools to increase the efficacy of external communications about SNFCI, including new Web site content and formatting.

Recommendation

This is an informational item only; no formal action is needed by the Board at this time, although Boardmembers are encouraged to share their thoughts and comments.

Background

At the December 2012 Board meeting, Staff provided an update on the discussions with the California Department of Fish and Wildlife (DFW – formerly Department of Fish and Game) and Inyo County regarding the potential transfer of temporary ownership of the Mt. Whitney Fish Hatchery from DFW to the Sierra Nevada Conservancy (SNC). The potential transfer of ownership is being considered due to the fact DFW no longer operates the facility as a hatchery due to several constraints and would like to dispose of the site. SNC was identified as a possible interim party for the transfer, given that our statutory authority provides greater flexibility to work with the local community in developing a long term plan for the future ownership and use of the facility.

Current Status

Several tasks have been completed since the December 2012 Board meeting including the following:

- The Wildlife Conservation Board (WCB), acting on behalf of DFW has acquired the appraisal and title report for the facility.
- Inyo County authorized a Phase 1 environmental report for the facility that was completed in January 2013. Based on the findings of the Phase 1 report, Inyo County has authorized a Phase II environmental report, scheduled to be completed and delivered by the end of May 2013.
- DFW submitted a final document outlining areas of concern and restrictions for future use of the facility. No significant issues were raised that might affect the eventual transfer.
- Inyo County has hired a new Deputy Chief Administrator who will be overseeing the planning process that will create a strategic plan for the facility which is intended to identify possible long term uses and potential third party ownership.

SNC Staff is monitoring these efforts and expediting discussions as needed among the parties involved in this effort.

Next Steps

SNC staff is working with DFW, WCB and Inyo County to draft a Memorandum of Agreement (MOA) that will clearly outline the steps for development of master plan, possible transfer of ownership and definition of roles and responsibilities for each entity in this effort. SNC Staff will participate in the planning process being undertaken by Inyo County for the future use of the facility. SNC Staff will also work with the Attorney General's office to further identify all of the required steps in a transfer process and any implications of accepting the property. As these final discovery processes become complete, SNC Staff will develop a recommendation about SNC's potential role, if any, in the transfer of ownership process for the SNC Board's consideration and action.

Recommendation

This is an informational item only; no formal action is required by the Board at this time, although Boardmembers are encouraged to share their thoughts and comments.

