

Background

California voters passed Proposition 1, The Water Quality, Supply, and Infrastructure Improvement Bond Act of 2014, on November 4, 2014. Proposition 1 added Section 79731 to the California Water Code, authorizing the state to issue bonds, and the legislature to appropriate the proceeds, for multi-benefit water quality, water supply, and watershed protection and restoration projects for the watersheds of the state. The bond measure included an allocation of \$25 million for the Sierra Nevada Conservancy (SNC).

The 2015-16 state budget included an appropriation of \$10 million, which is intended to be awarded over two fiscal years. At the June 2015 Board meeting, the Board approved the Sierra Nevada Conservancy Proposition 1 Fiscal Year (FY) 2015-16/16-17 Grant Guidelines, incorporating Acquisition Alternative #1 and all other Board recommendations. The SNC released a request for proposals on July 1, 2015, with the first application deadline of the FY 2015-16/16-17 Sierra Nevada Conservancy Grant Program on September 1, 2015. The SNC continues to consult with other Proposition 1 funding agencies to maximize the investment of bond funds in the Region.

Current Status

By the September 1, 2015, deadline, the SNC received 20 applications from 15 organizations requesting a total of \$5,516,649.87. The applications received included 13 Category 1 (site improvement) projects and seven Category 2 (planning) projects. Prior to evaluation, one application was deemed ineligible and one application was withdrawn by the applicant.

Of the remaining 18 applications, 14 have been evaluated and scored by staff and outside experts. Five applications, representing \$853,190.00, scored above the 85-point threshold and are being recommended for funding at this meeting. Four Category 1 applications are still undergoing environmental review, scoring, and site visits for possible recommendation at the March 2016 Board meeting.

Applicants who scored below the 85-point threshold were notified of their application's deficiencies and offered the opportunity to consult with SNC staff. Many of them may re-apply in future rounds after revising proposed projects to better meet Proposition 1 and SNC requirements. Please see [Table 1](#) for details on all applications.

Next Steps

Staff is recommending Board approval of these five projects totaling \$853,190.00. Project specific information including project descriptions, maps, and California Environmental Quality Act (CEQA) documentation is linked below for each project.

- [Project #828](#), Hirschman's Pond Forest Health Project, with Notice of Exemption from CEQA. Forest thinning and invasive species removal project on 85 acres of land owned and managed by the City of Nevada City for public use. This implementation grant follows a Category II planning grant funded by the SNC. Category I Site Improvement Project - \$156,069.00

- [Project #832](#), Diamond Mountain Watershed Restoration Project (USFS), with Notice of Exemption from CEQA. Work to complete CEQA and NEPA necessary to support the US Forest Service portion of watershed restoration and hazardous fuel treatments on up to 8,194 acres on the Lassen National Forest in the Diamond Mountain area.
Category II Planning Project - \$75,000.00
- [Project #835](#), Magalia Forest Health Management Project, with Notice of Exemption from CEQA. Work to complete CEQA for forest and watershed health, and wildfire safety projects on 800 acres near the town of Magalia in Butte County.
Category II Planning Project - \$75,000.00
- [Project #843](#), Oak Creek Watershed Restoration Project, with Notice of Exemption from CEQA. Work to complete CEQA and NEPA for post-fire restoration work on up to 800 acres on the Inyo National Forest in Inyo County.
Category II Planning Project - \$47,121.00
- [Project #845](#), Big Tree Creek Watershed Forest Restoration, with Notice of Exemption from CEQA. Reduction of fuel loads on 235 acres of forest at Calaveras Big Trees State Park in Calaveras County.
Category I Site Improvement Project - \$500,000.00

Attachments

[Table 1](#), Maps, Project Descriptions and CEQA Documentation

Recommendation

Staff recommends the Board (a) authorize the Executive Officer to file Notices of Exemption for the Hirschman's Pond Forest Health Project (SNC 828), the Diamond Mountain Watershed Restoration Project (SNC 832), the Magalia Forest Health Management Project (SNC 835), the Oak Creek Watershed Restoration Project (SNC 843), and the Big Tree Creek Watershed Forest Restoration (SNC 845); and (b) authorize a grant award to each of the above listed projects for the amounts recommended by staff, and further authorize staff to enter into the necessary agreements for the recommended projects.