



I. Call to Order

Board Chair Kirwan called the meeting to order at 9:06 AM.

II. Roll Call

Present: Bob Kirkwood, BJ Kirwan, Brian Dahle, Bill Nunes, Ted Owens, Linda Arcularius, Dan Jiron, Bob Johnston, Tim Burke (Representative for Bureau of Land Management), Mark Stopher (Representative for Natural Resources Agency) and David Graber

Absent: Pedro Reyes, John Brissenden, Dick Pland and Tom Wheeler

III. Approval of June 2, 2011 Meeting Minutes (ACTION)

There were no changes to the meeting minutes.

Action: Boardmember Kirkwood moved and Boardmember Owens seconded a motion to approve the June 2, 2011 meeting minutes. The motion passed unanimously.

IV. Public Comments

There were no public comments at this time.

V. Board Chair's Report

Board Chair Kirwan asked Boardmember Dahle to summarize the previous day's Board tour. Dahle said the visits of the Flornoy meadow restoration project, the Lassen Rail to Trails Modoc Line project, and the National Wildlife Refuge were informative and showed the range of work being done in the area. He encouraged the Board to spend some time to visit and see the area.

VI. Executive Officer's Report (INFORMATIONAL)

A. Administrative Issues

SNC Executive Officer Jim Branham thanked everyone involved with putting on the previous day's Board tour. He then introduced Administrative Services Chief, Theresa Parsley, who gave the report.

Parsley reported SNC is about to launch a new web layout that will conform to statewide web standards and will provide a new "look and feel." She said she expects to have the new site launched before the next Board meeting.

On the media front, Parsley stated the SNC has begun to focus more on telling the stories of our Proposition 84 grant projects as part of an effort to attract media attention to our partners and their projects.

Parsley reported on the SNC grant program, noting that grantee audits are occurring and SNC is monitoring the results. She also noted the SNC has submitted plans to address an unallocated budget reduction and that once the plan has been accepted the SNC will be released from the current hiring freeze. Boardmember Owens asked if Parsley anticipated any problems with the travel budget, in particular with staff being able to conduct project site visits and attend Board meetings. Owens also asked about restrictions on staff trainings. Parsley replied the travel freeze continues, but expects that exemptions for necessary site visits to grant projects and Board meetings will continue to be granted. She included there are no restrictions on training. Branham added that the reason SNC would not be affected by the budget "triggers" is because SNC is a special fund agency, not funded out of the State General Fund.

B. Mt. Whitney Fish Hatchery Project

Branham said the California Department of Fish and Game (DFG) can no longer operate this facility as a fish hatchery and is interested in transferring ownership, potentially to the SNC. He added that SNC is working with Inyo County, which has expressed interest in having it be of benefit to the public as a community facility.

SNC Mt. Whitney Area Manager Julie Bear said she is continuing to meet with Inyo County representatives to determine what role the SNC might be able to play. She added the building is an iconic place in the eastern Sierra.

Boardmember Arcularius (Inyo County Supervisor) thanked Branham and Bear for participating in meetings with Inyo County and the Friends of the Hatchery group.

Boardmember Owens asked about assumption of liabilities and maintenance costs. Branham said that the SNC has made it clear, owning and operating the facility over the long term is probably not a good fit, but SNC might be able to serve as a "bridge" for transferring the hatchery to a new owner. Branham said the SNC has been clear to everyone that it does not have the resources to support ongoing operations and maintenance of the property, and added the discussions were very preliminary. Arcularius stated there is an existing relationship between the Friends of the Fish Hatchery and the State that covers liability and maintenance costs.

C. North Subregion Report

Linda Hansen, SNC's Mt. Lassen Area Senior Representative, gave the Board an overview of the North Subregion, which includes all of Lassen County and part of Modoc, and Shasta Counties, as well as the Pit, Fall, and Susan River Watersheds.

Hansen reported that SNC has funded 24 Proposition 84 projects in the Subregion for a total of \$3.6 million. The projects include forest and fuels work in Lassen County, the management plan for the Modoc Line, partial funding for the Modoc River Center, the Sage Steppe Ecosystem Project, and meadow restoration.

Hansen added that SNC does a lot of collaboration with groups working in the Subregion, including the Burney/Hat Creek forest collaborative, the Quincy Library Group, the Lassen County Community Wildfire Protection Plan, and the Sage Steppe Ecosystem Collaborative. All these groups include agency, local government, and local resource conservation group representatives.

Public Comment:

Kim Hunter, City of Alturas and Modoc County Planner, was asked by Hansen to comment on the County's activities.

Hunter said the SNC and the County met to discuss the utilizations of juniper trees, including biomass energy opportunities. She indicated that Modoc County is looking at possibilities for small-scale biomass plants and has formed a working group to consider all energy options that would put Modoc "on the map" and give them a greater voice. Hunter expressed her appreciation for the time and great ideas the SNC staff has given them.

VII. Deputy Attorney General's Report (INFORMATIONAL)

Christine Sproul, Deputy Attorney General, noted she was watching legislation regarding CEQA exemptions for alternative energy projects and would provide a more detailed report at the December meeting.

VIII. SNC Strategic Plan (ACTION)

Jim Branham acknowledged the hard work of Assistant Executive Officer Joan Keegan, Janet Cohen and all staff in producing the draft Strategic Plan and soliciting and incorporating input throughout the process from a wide range of stakeholders. Branham pointed out that there was not much input from the public during the last comment period. He believes this is due to the extent and variety of the SNC's outreach efforts and reflects a general feeling of comfort with the plan's direction.

Keegan briefly described the strategic planning process to date, which began with a Board and stakeholder brainstorm session in June 2010 to identify priority areas for future work. She also pointed out the changes that have been made to the Plan based on public and Board input, as summarized in the staff report. A Board committee consisting of Boardmembers Owens and Johnston reviewed public comments and worked with staff to determine how best to address them. She noted most of these changes were for clarification purposes and did not substantively change the direction or content of the Plan's proposed strategies.

Keegan further explained staff will be developing a more specific Action Plan laying out how staff will work to achieve the goals and strategies in the Plan. This Action Plan will be distributed for a 30-day public review this fall and then brought to the Board with any changes for review and approval at the December Board meeting.

The term of the first action plan will be 18 months, then will move to a fiscal-year schedule to better align activities with State budget considerations. Boardmember Owens thanked Boardmember Johnston for his considerable time and contributions to the effort, especially in this last round of development.

Action: Boardmember Owens moved and Boardmember Arcularius seconded a motion to approve the Strategic Plan without change. The motion passed unanimously.

IX. 2011-12 Proposition 84 Grant Guidelines (ACTION)

Jim Branham presented to the Board the final draft Fiscal Year 2011-12 Proposition 84 Grant Guideline. Branham introduced this item by pointing out that the SNC conducted a significant amount of outreach, particularly to those groups who historically had not been as successful in the SNC's grant process. The SNC targeted groups such as the Fire Safe Councils and has responded to their suggestions surrounding process issues. Branham introduced Mt. Lassen Area Manager Bob Kingman to present the full report.

Kingman pointed out that the draft guidelines and presentation were available for review in the Board packet. He noted that the guidelines reflect all the changes approved by the Board at their June meeting. Some of the more significant points include the following:

- The Board gave direction for the next round of grants for FY 2011-12 would focus on the area of Healthy Forests, and the FY 2012-13 round of grant solicitations would be focused on Ranching and Agricultural Lands.
- The implementation of required pre-application process to help verify the projects were eligible, and to ensure that projects brought forward to be Board would be the best possible.
- Prioritization of eligible project types: Fee title acquisitions and pre-project work related to fee title acquisitions were eliminated.
- Setting new limits for grant amounts.
- No guaranteed funding allocation per Subregion.

All revisions reflect input from both the Board and the public comment period. September 26 is the target deadline to release the guidelines to the public, as well as the Grant Application Packet (GAP), which will include all the necessary forms and instructions needed to apply for a grant under this program.

Exhibit B in the Board packet details the public comments and the SNC's response. The general topics included:

- Reinvestment of revenue generated from grant projects;
- Environmental Site assessments for toxics;
- Clarifying that the SNC is accepting the role of lead agency for CEQA certification of documents, in limited situations;
- Use of registered professional foresters;
- Preferences in the project category weighting; and,
- Preferences in grant amount limits.

Kingman called the Board's attention to the two items needing a Board decision. The first is suggested weighting criteria point values to be assigned for Project Category Types. Boardmember Kirkwood said the staff had gotten the Board's direction exactly right. Alternative one presented in Board materials was selected by the Board.

The second is for maximum grant award for Category One grants. Alternative Two presented in the Board materials was selected by the Board making the ceiling for Category One up to \$350,000.

The schedule for the grant program, from the pre-application process through the June 7, 2012 meeting, was also proposed.

Kingman asked the Board to approve the final SNC Proposition 84 Healthy Forest Grant Guidelines for the FY 2011-12, and for the Board to authorize SNC staff to implement the 2011-12 Sierra Nevada Conservancy Grant Program.

Boardmember Burke asked if juniper removal as part of the sage-steppe restoration efforts would meet the requirements for Healthy Forest grants. Kingman said, in short yes, because they fall within the definition of mixed conifer forests.

Action: Boardmember Kirkwood moved and Boardmember Dahle seconded a motion to approve Sierra Nevada Conservancy Proposition 84, Healthy Forests Grant Guidelines, Fiscal Year 2011-12 with minor modifications and direct staff to take the necessary actions to implement the 2011-12 Grant Program. The motion passed unanimously.

Following the Board's action, Branham reminded the Board the water bond is on the ballot in November 2012 and there has been discussion about possibly changing or shrinking the size of the bond measure. It currently includes \$75 million for SNC. The SNC will be tracking these developments.

Kirkwood said that on the previous day's tour he was struck by the multiple benefits of the meadow restoration project including the impacts on quality and quantity of water and it seems like it is extremely important to quantify and record those benefits for future water supply and bond discussions to remind people that water issues start in the Sierra

X. Demographic and Economic System Indicators Report (ACTION)

Joan Keegan updated the Board on continued staff efforts to complete the System Indicators project. She noted the biggest difficulty has been obtaining data for counties that are only partially within SNC's boundaries. She said all the data has been collected, and the report has been divided into five separate documents to make it more manageable and allow SNC to tie indicators together to tell a better story.

Five reports as follows:

- Demographics and the Economy
- Land Conserved and Habitat
- Air and Water Quality and Climate
- Forest Lands
- Agricultural Lands and Ranches

The SNC 2006 Strategic Plan identified the need to develop System Indicators to measure progress in improving the environmental, economic and social well-being of the Sierra Nevada Region. Keegan said this first report on "Demographics and the Economy" is a good place to start since it has some good baseline data.

Information relative to each indicator will be available on the SNC Web site and will be updated periodically, providing an opportunity to observe trends over time. Keegan acknowledged the work of Chris Dallas, Liz van Wagtendonk, and GIS Consultant Steve Beckwitt for their work on the report, and asked Dallas to give a short presentation with highlights.

Dallas noted the SNC Region, over the last decade, is similar to the rest of the State that most jobs are found in three sectors: health services, retail, and education.

In addition, Dallas pointed out that the biggest differences lie between the Subregions, with the Central Subregion being very different from the others.

- The Region overall grew in population by about 10 percent, same as the state as a whole.
- The Central Subregion now accounts for 48 percent of population of the SNC Region, and grew the most, 16 percent.
- The Central Subregion accounts for 72 percent of the growth of the Region during the period reviewed.

- The median household income is higher in the Central Subregion than California overall, but incomes are substantially lower than the state in all the other Subregions.
- The population of the SNC Region is older than the rest of the state by about 11 years, on average.
- Large-hydroelectric power in the Sierra Nevada (9,300 megawatts of total capacity) accounts for 73.5 percent of the State's hydroelectric output.

Boardmember Dahle said he would be interested in identifying how many people are leaving the state, who they are, and why they are leaving. He noted from 2007 to 2011 there has been a huge shift in the economy of the Region. Dallas responded that the SNC be updating that data over time. Boardmember Arcularius felt the information was very useful and requested that the report be emailed to the counties.

Keegan mentioned much of the information is at the Subregion or Region-wide level, but some of it is available by county as well. Dallas can provide more specific information upon request.

Boardmember Johnston said UC Davis is doing similar work statewide. He suggested going back to 1990 to capture more useful data. Johnston noted that there are more data sources, but they are very expensive. He said he would like to talk with SNC staff more about what UCD is doing with regards to projecting data out to 2050 for high-speed rail planning. He added that the data reminds us that the Sierra is really two different places; the center, which is struggling with the wildland/urban interface issues, and the rest of the Sierra, which is struggling with economic development issues.

Keegan concluded by saying that this report is just the beginning. Now that the methodology exists, it will be easier to capture data back to 1990. She said the intent is to have the data living on our web site to be enhanced as more data becomes available.

Action: Boardmember Kirkwood moved and Boardmember Nunes seconded a motion to approve the System Indicators report. The motion passed unanimously.

XI. 2010-11 Annual Report (ACTION)

Jim Branham said that due to the State budget and the variety of operational limitations faced by the SNC, he is proposing scaling back the scope of the Annual Report, while making sure all statutory reporting requirements are met. Board Chair Kirwan said it is an understandable approach, given the economy. Boardmember Owens said the new, more condensed approach might actually bring more readers.

Action: Boardmember Kirkwood moved and Boardmember Owens seconded a motion to approve a streamlined in-house 2010-11 Annual Report and directed staff to develop and distribute the completed report in October 2011. The motion passed unanimously.

XII. Updates on Various SNC Activities (Informational)

A. Sierra Nevada Geotourism Update

Jim Branham noted the Sierra Nevada Geotourism MapGuide Project display in the lobby, which allows potential visitors to plan a trip to the Sierra using information provided by locals. Selected destinations are placed as map points on a Web-based application. He said the project has exceeded expectations and added it was a way for SNC to fulfill one of its objectives of promoting tourism and recreation in the Region.

Bob Kingman said the project has just completed its fourth and final nomination phase, but more sites can be added at any time. This is the largest project of its type National Geographic has undertaken. To date, 1,200+ Sierra-specific destinations have been created by local residents, with another 800 pages in development. There have been 13,000 unique visitors to these pages, from 89 countries.

Kingman described upgrades to the Geotourism Web page, including the addition of twelve "Virtual Tours," and an introductory video to the Web site. He also discussed a free hand-held application for mobile phones has been developed that will use GPS to inform visitors of nearby Geotourism destination sites. Kingman said plans for the future include an annual marketing plan, outreach efforts to other areas of the country, ongoing support from the existing volunteer "geocouncils," and updates to Web site and related tools.

Boardmember Owens said the V-Tour of Nevada County has been very successful. Kingman said the Nevada County V-Tour and others have already been linked to the MapGuide.

Boardmember Jiron asked about the timeline for developing the cell phone applications and Kingman said he would hope to see it by next Board meeting in December.

B. Sierra Nevada Forest and Community Initiative (SNFCI) Update

Branham reported a high level of interest in this Initiative around the Region. Boardmembers Kirkwood and Nunes serve on the SNFCI Regional Coordinating Council.

SNFCI Coordinator Kim Carr said SNC continues to remain very involved with 10 collaboratives around the Sierra. The Coordinating Council is working primarily around U.S. Forest Service issues, including the new "All Lands" vision that

favors collaboration, and implementing the Forest Plan Rule and Leadership Intent for Ecological Restoration. She said the timing is good, as federal officials of the 10 forests around the Sierra are now putting their plans together.

Carr highlighted one particular effort, the Mokelumne Watershed Environmental Benefits Project, which is working to quantify the benefits of watershed restoration and identify those entities who gain from those benefits, with the goal of developing additional investment mechanisms to support upstream restoration. A Conservation Innovation Grant funding application submitted to the National Resources Conservation Service was successfully awarded \$374,000 for this project. Members of the core team and working group matched the award dollar-for-dollar, either cash or "in-kind," meaning available funds are closer to \$750,000.

Carr said the SNC has recently secured \$25,000 from the U.S. Forest Service to match SNC funding aimed at identifying and analyzing costs that can be avoided by reducing the risk of catastrophic wildfires and the damage they cause in the watersheds. This study will begin in the next few months.

Boardmember Arcularius pointed out that the term "restoration" is used differently with respect to forest roads, where it usually means decommissioning or closing off an area to public use, as opposed to watershed restoration. She wanted to be sure that the difference was made clear in future documents.

Boardmember Jiron expressed the U.S. Forest Service's gratitude to the SNC for the many opportunities to work together on this issue and with forest planning. He said SNFCI represents a great opportunity in a number of areas, in particular the use of biomass for energy and for product development. Branham noted that it was important that the SNC's federal partners were included on the SNC Board and thanked Jiron and Mike Chapel with the U.S. Forest Service for greatly improving the working relationship with the SNC.

C. Pacific Forest and Watershed Lands Stewardship Council Update

Branham said that the efforts have taken a few steps backwards in trying to find a solution in working with the Pacific Forest and Watershed Lands Stewardship Council (Council) to help Pacific Gas and Electric (PG&E) dispose of portions of its property as part of its bankruptcy settlement. Branham said the Council's issues are complex, but that the SNC is still willing to help.

In addition to possibly being a covenant holder for watershed lands donated to the U.S. Forest Service, which the Board discussed at a previous meeting, Branham said the SNC could work with the Council to consider assisting in a legacy project grant program.

Boardmember Burke said the BLM would like to be included with the U.S. Forest Service, with respect to land donation issues and services the SNC may provide related to the Stewardship Council's activities.

D. Great Sierra River Cleanup

Bob Kingman recognized the efforts of the Great Sierra River Cleanup coordinator Brittany Juergenson, who has worked hard to make the Cleanup better each year. Student Assistant Candice Heinz made a brief presentation. She stated that during the first two years 7,500 volunteers removed more than 270 tons of trash and recyclables. This year's event is to be held Sept. 17, and 50 organizations are now involved. She encouraged Boardmembers to sign up.

Heinz said the Cleanup location map on the Web site allows potential volunteers to search for a site near them by community, river, or county, and then register for the event. Sponsors include the California Ski Industry Association, PG&E, Cal Trans, the Sierra Pacific Foundation, and the Stewardship Council.

XIII. Boardmembers' Comments

Boardmember Mark Stopher said it was a privilege to join the Board and thanked everyone for the great work they do for the people of California.

Boardmember Dahle thanked everyone for coming to his area of the state, and invited them to come back.

XIV. Public Comments

Ken Brown, Modoc County resident, asked if the mechanical treatment and removal of 30,000 acres of juniper per year included both public and private lands, and how much water a juniper tree needs? Boardmember Burke said the plan is for a 47-year project, on U.S. Forest Service and BLM lands. He added that a general average of water used by a juniper tree is approximately 50 gallons per day.

Orvil Jones, resident of Modoc County, wanted to know why junipers grow in arid climates and don't do well in wetter areas. Burke explained that when junipers get a lot of water they die. He said that in arid areas, the juniper take the water away from other vegetation. He said the main issue with junipers is they thrive in areas where there is no consistent wildfire.

Jones asked if the goal is to reduce trees that take a lot of water, why not take pine trees in the higher mountain areas that use more water? Burke explained that the elevation at which junipers end is where the pine forests start in Alpine regions.

Jones then asked if people were aware that junipers provide cover and habitat for the wildlife, for instance, the deer like to eat the berries. He said he has a problem with eliminating a food source for a lot of animals and birds. Jones then asked if conservation easements were in force forever.

Boardmember Kirkwood asked the Chair if the questioning process could be directed to the member of the Board who is the expert in this area. Board Chair Kirwan asked Burke if he would be willing to answer Jones' questions after the meeting and Burke replied that he would, but that he was not an expert on easements.

Branham responded on the question of easements saying that those funded by the SNC were in effect in perpetuity, so long as the landowner agreed to the conditions of the easement at the time it was sold.

Diane Case, who described herself as a taxpayer said she did not know whether to support or oppose the SNC. She asked if the SNC was for clean water and air. Branham replied those were among the broad areas of responsibilities included in state law that authorized the formation of the SNC.

Case said she agrees with the efforts to create healthy forests, but does not understand how cutting down a lot of juniper trees would help create healthy forests. She said it seems the SNC is interested in allowing the sagebrush to proliferate, but not the juniper trees. She invited the Board to drive over to the Nevada desert to see what it looks like without juniper trees. Jones added that she thought juniper trees helped clean the air, but did not think sagebrush did.

Board Chair Kirwan asked Branham if he would provide someone to answer Jones' questions. Jones said she felt the Board should hear what she had to say, not just one person, and she thanked the Board for their time.

XV. Adjournment

Board Chair Kirwan adjourned the meeting at 11:52 AM.