

March 12, 2014

Joint Meeting of the Sierra Nevada Conservancy
and the Sacramento-San Joaquin Delta Conservancy
Convention Center, Room 202
1400 J Street
Sacramento, CA 95814



Meeting Purpose/Desired Outcomes: The Sierra Nevada Conservancy (SNC) and the Sacramento-San Joaquin Delta Conservancy (DC) understand the benefits of working collaboratively to build greater understanding of (1) the interconnections between our two regions and (2) the resulting need for integrated approaches to addressing water and climate issues from the Sierra to the Sea. Our Governing Boards have come together today to build understanding regarding the issues facing our two regions and their linkages, to increase awareness of the need to invest in integrated approaches that account for the inter-connections from the Sierra to the Sea, and to increase awareness of the role our Conservancies play in achieving conservation outcomes across our linked ecosystems.

The Governing Boards of the Sierra Nevada and Delta Conservancies received presentations relating to key issues that affect both regions represented by the Conservancies and adopted a Joint Resolution regarding the working relationship between the two organizations.

Convene Joint Meeting

Board Chair BJ Kirwan (SNC) called the meeting to order at 1:15 and welcomed everyone to the joint meeting between the Sierra Nevada Conservancy (SNC) and the Sacramento -San Joaquin Delta Conservancy (DC).

Board Chair Kirwan welcomed Boardmember Allen Ishida back to the SNC Board.

Roll Call

Sierra Nevada Conservancy

Present: BJ Kirwan, Todd Ferrara, Bob Kirkwood, Eraina Ortega, Bob Johnston, John Brissenden, Pam Giacomini, Sherrie Thrall, Ron Briggs, Byng Hunt, Allen Ishida, Jerry Bird (alternate for Bernie Gyant, U.S. Forest Service), and Reuben Leal (alternate for Este Stifel, Bureau of Land Management)

Absent: Don Neubacher

Delta Conservancy

Present: Mike Eaton, Karen Finn, Todd Ferrara, Darla Guenzler, Mike Hoover, Amy Hutzler, Don Nottoli, Mary Piepho, Ken Vogel, Jim Waters, Lois Wolk, Eddie Woodruff, and Marge Colar (for Robin Kulakow, Yolo Basin Foundation)

Sierra Nevada Conservancy Agenda

March 12, 2014

Page 2

Absent: Joe LaClair, David Murillo, Jim Provenza, Maria Rea, Dan Taylor, Stu Townsley, Michael Villines, and Mark Wilson

Welcome

Boar Chair Kirwan introduced Secretary John Laird of the California Natural Resources Agency. Kirwan thanked Secretary Laird for establishing the Sierra Nevada Conservancy through legislation.

Secretary Laird thanked the two Boards and acknowledged his role in both Conservancies. He said that Conservancies have served a valuable role, and that prior to the establishment of the SNC, decisions for the Sierra were being made without the Sierra having a seat at the table. He recognized that the Delta Conservancy serves the same role and holds the same importance and stated that both organizations provide voices for economic development and environmental sustainability. Secretary Laird acknowledged the importance of reminding policy makers and decision makers of the importance of Conservancies and the importance of local representatives having a seat at the table. He also encouraged the Conservancies to continually communicate the important role that they play in ensuring that funding is delivered to the appropriate projects in their representative areas.

Laird noted that eight years have passed since last resources bond was approved that supports the Conservancies' missions. Laird said that in this year's proposed budget, for first time, Cap and Trade money has been proposed that can be used for fire prevention, forest work, and habitat and wetland restoration. Laird said that Conservancies are well positioned and hold a unique capacity to successfully apply and use these funds well. Laird noted that water used throughout the state, originating in the Sierra and flowing through the Delta, highlights the importance of bonds and Conservancies.

Laird noted that the two Conservancies have common missions and share a bond, and he encouraged both Boards to recognize that bond. He praised the two Boards for meeting and wished the Boards success moving forward.

Sierra to the Sea Overview

Jim Branham, Executive Officer for the Sierra Nevada Conservancy (SNC), opened by discussing the various relationships between the two Conservancies and regions. He noted that water is one of the key relationships, starting in the Sierra Nevada and making its way to the Delta.

Branham provide an overview of the SNC mission and role in the Region, including the Proposition 84 Grant Program.

He furthered discussed the important role the Region plays in meeting California's water needs and the variety of challenges faced in the upper watersheds. Branham also

Sierra Nevada Conservancy Agenda

March 12, 2014

Page 3

discussed climate change implications as it relates to the Sierra Nevada, fire, snowpack and water supply.

Branham concluded that the SNC is working to address all of the before mentioned concerns in the Region. He said that SNC is working to restore watershed health, reduce the risk of wildfires, improve water quality, and protect critical landscapes in the Sierra from conversion to other uses.

Campbell Ingram, Executive Officer for the Sacramento-San Joaquin Delta Conservancy (DC), provided an overview of the DC and the role that the DC plays. He said that ecosystem restoration, protection of agricultural land, and increased opportunities for tourism and recreation within the Delta region are of primary concern. Ingram said that over the years the DC has been working to establish relationships and that a proposed state water bond is of significant importance to offer continued support of DC's mission.

Ingram noted that the Delta is the hub of the California water system and provides flood control. Ingram also said that Delta water supports millions of acres of farmland, water for 25 million people, and critical salmon habitat. He discussed the changes that have occurred in the Delta and the potential impacts of climate change on the system. Boardmember Hutzel (DC), representative of the State Coastal Conservancy, thanked both of the presenters and recognized the importance of the connection between the Sierra and the Sea.

Branham noted that while a meeting of all three Boards would have been ideal, a facility to hold all three Boards (SNC, DC, and the California Coastal Conservancy) would have been challenging. Branham also mentioned that working with the DC to plan this meeting had been wonderful.

Sierra to the Sea in a Statewide Context

Board Chair Vogel (DC) introduced Assembly Member Brian Dahle. Dahle mentioned that both Senator Pavley and Senator Wolk have been great to work with, and that he has enjoyed working with Senator Pavley on bills that are important to him. Dahle said that most people think of dams as the water source, but miss the importance of watersheds above the dam. Dahle also mentioned that severely overgrown forests cause catastrophic fires due to the suppression of historically beneficial small fires and that there is a need to look for ways to put watershed back into good health.

Dahle said that he has worked closely with Senator Pavley on AB 32 implementation. However, he said that AB 32 does not account for forest and carbon management. Dahle encouraged that proposed carbon tax funds should link back to the Sierras. Dahle highlighted four big areas that he felt should be addressed in a water bond:

1. Investment in watersheds
2. Investment in ground water storage

Sierra Nevada Conservancy Agenda

March 12, 2014

Page 4

3. The need for wet water (building more reservoir and storage sites for readily available water)
4. Conservation

Dahle also noted the need to educate about the importance of watersheds. He stated that he is a strong supporter of the Conservancies and will respond to the needs they present.

Chair Vogel introduced Senator Wolk. Wolk said that it has been a pleasure to work with Assembly Member Dahle. Said she is a strong supporter of state Conservancies that focus on conservation investments and yield significant protection to the state's resources. Wolk said that Conservancies uniquely connect to the local community where work needs to be done. She said that both the Sierra Nevada Region and the Delta are ground zero for one of the biggest water problems in the state - a receding snowpack that is the source for Sierra watersheds and the Delta.

Wolk mentioned critical water problems, including species loss, water degradation, and increasing water exports within an inept system. She did not support the water bond of 2009 but did support the formation of the Delta Conservancy. She said that she believed that the current 2014 water bond would not pass and instead decided to write her own water bond (SB 848) that would focus on regional and community projects. Wolk said that the focus of SB 848 is on regional water supply development, addressing critical drinking water needs, community supported ecosystem restoration and enhancement, replenishing dwindling funds for ecosystem projects, and the development of surface and groundwater storage. Wolk said that parts of SB 848 would supply funds to the SNC and the DC and that the current drought has given us an opportunity to focus on water issues.

Board Chair Vogel introduced Senator Fran Pavley. Senator Pavley discussed various tours and experiences that she has had with both the Sierra and the Delta, and applauded the Sierra to the Sea focus of the meeting. Senator Pavley addressed current water bonds in California and noted her concern with some legislators suggesting that allocations to Conservancies in water bonds are "earmarks" and Conservancies don't contribute to water supply and water quality. She encouraged both Conservancies to continue to communicate with decision makers about the importance of Conservancies and how they improve California's water quality and supply. Pavley also reminded the Boards to support parts of the water bond that pertain to Southern California's conservation and regional sustainability so that there is less demand from the Sierra and the Delta. Pavley noted that it is important to address existing reservoir capacity in the areas where removal of sedimentation to increase capacity is feasible.

Senator Pavley also discussed AB 32 Cap and Trade auction revenue projects. She said that those revenues will go towards projects that reduce greenhouse gas emissions, and noted that there is growing interest to incorporate the consideration of forest projects, as well as the water-energy nexus. Twenty percent (20%) of California's

Sierra Nevada Conservancy Agenda

March 12, 2014

Page 5

energy is used for moving, treating and heating water. Pavley noted there are opportunities for those projects, and for Conservancies.

Boardmember Kirkwood (SNC) said that you can point to the SNC as a grantor that has distributed funds that improve both forests and watersheds. He commended Senator Pavley for her comments on sediment in reservoirs and also pointed out SNC's record as a successful grant distributor.

Senator Wolk agreed and said that she would bring this message back to her working groups – the speed and transparency of SNC grant dispersals, in addition to the relationship with local communities, make it an asset.

Boardmember Hunt (SNC) said that we need to educate the constituents on current bond measures and that education should possibly be a role for the Conservancies.

Assembly Member Dahle stated that cost seems to be the driving factor for why the water bond has not moved forward. Dahle noted that drought has risen to the top of the conversation but that it will take time for any changes to take place. Dahle said we need to be wise on how we allocate money so that 10-years from now we can stand on our decisions.

Boardmember Piepho (DC) thanked both Assembly Member Dahle and Senator Wolk for their presentations. She said that labeling Conservancies as an earmark is wrong and encouraged SNC and the California State Coastal Conservancy to band together to address that concern.

Senator Wolk stated that Conservancies are state agencies, and labeling them as an earmark is the same as labeling Department of Water Resources (DWR) as an earmark, which would never be done. She said that we need to put an end to that and she encouraged the Executive Officers to address the issue in a conference call.

Boardmember Woodruff (DC) mentioned that in California we are very good at building things, but not at maintaining them. He said that he found the sedimentation issues in reservoirs very interesting and noted that sedimentation in the Delta is also an issue. He asked if there was a collaborative project that both Conservancies could work on to address this issue and thanked the presenters for bringing up the issue.

Panel Discussion:

Threats and Opportunities—a system-wide view

A. Climate change and its impacts on the Sierra and the Delta.

Dr. Daniel R. Cayan from the Scripps Institution and US Geological Survey provided an overview of the likely implications of changes in the climate as it relates to the Sierra Nevada and the Delta, noting increasing temperatures in the Sierra and rising sea levels affecting the Delta.

Sierra Nevada Conservancy Agenda

March 12, 2014

Page 6

B. A policy perspective on the link between the Sierra and the Delta.

Felicia Marcus from the State Water Resources Control Board (SWRCB) introduced some of the key policy issues that decision makers will have to make over the coming years, and stated that it will be key for agencies like the Conservancies to work together for future changes. Marcus said that California's hydrology is highly variable and presents one of the most difficult issues for the state. She said that every region has a different mix in their sources of water and that every region is affected differently by climate change. She noted that there are also a mix of solutions, and not just one answer to California's water issues.

Marcus discussed the California Water Action Plan (Plan) that was recently released by the Governor's office. She said that the Plan established a list of priorities for California water over the next five (5) years. Marcus listed issues that Conservancies can address including ecosystem improvements ahead of regulatory requirements, stabilizing the Delta, and forest health. Marcus also mentioned a variety of key decisions, drivers and opportunities coming up that the Conservancies can participate in. She said that the SWRCB's job isn't to pick one side or the other; it is to maximize the opportunities for all sides.

C. How ecosystem services tie the Sierra and the Delta regions together.

David Edelson from The Nature Conservancy (TNC) discussed the Sierra Nevada as the primary source of California's water supply, and noted that investing in Sierra watersheds is beneficial to all of California. Edelson said that the Sierra Nevada has been financially short-changed historically as higher emphasis has been placed on the Delta. He mentioned that much of the land in the Sierra Nevada is unprotected or unmanaged and highlighted the impacts of the Rim Fire on San Francisco's water and power supply as an example.

Edelson addressed the unnatural state of many Sierra Nevada forests and the need for ecologically sound thinning. He suggested such actions could increase water yield and improve snowpack.

Edelson said that post-fire erosion causes large sediment events that are very costly. Edelson also stated that forest thinning and management can significantly prevent such events.

Edelson also highlighted the importance of meadows for both wildlife and water reliability. Edelson introduced the Mokelumne Watershed Environmental Benefits Project that TNC has been working on with SNC, the US Forest Service, and others. He said that the study looks at the economic benefit of investing in forest thinning.

Boardmember Briggs (SNC) asked whether the number of trees in forest thinning in the power point was accurate. Edelson responded that the graphics are representative and are a work in progress.

Sierra Nevada Conservancy Agenda

March 12, 2014

Page 7

Boardmember Briggs (SNC) asked that the presentations be available online. He also stated that El Dorado County recognizes a substantial need to thin the forest, both ecologically and socially.

Briggs asked Marcus if a council of governments is what she was suggesting for addressing regional water needs. Marcus stated that the approach should be to respect the regional, on-the-ground knowledge, and to only step in if needed.

Briggs asked Dr. Cayan what he would have the Conservancies do to address the issues that he highlighted in his presentation. Cayan noted that we all share the same atmosphere so we can't solve climate change alone, but that policies can be addressed at the state level. Cayan said that there are ways to make small changes on an individual level, that California should provide a model on how to deal with climate change, and that it takes a variety of efforts based on location to address the issues.

Boardmember Guenzler (DC) thanked the panel and asked Edelson to explain the high and low referred to in the Mokelumne Avoided Cost Analysis. Edelson replied it was a range based on the modeling.

Guenzler asked Marcus what she had in mind when she mentioned the suite of tools Conservancies have to address water problems. Marcus stated that protecting forests and meadows have shown to have direct effect on water quality.

Boardmember Johnston (SNC) thanked Cayan and Edelson for their presentations, and mentioned that we will never solve California's problems by exporting half of the water the way that we have been. He also suggested better market-like pricing on water in the state, and said that more coordinated ground and surface water management are important parts of the water solution.

Boardmember Kirkwood (SNC) noted that forest floors will hold water later in the year just like meadows do, and that a thinned forest supports this timed release on a greater geographic area than meadows.

Joint Resolution

Jim Branham recognized SNC Boardmembers Giacomini and Briggs for their effort in planning the joint Board meeting.

Branham and Ingram talked about the interconnections between the two Conservancies and encouraged the Boards to consider collaborative approaches to solving these issues.

Board Chair Kirwan asked for a motion from the SNC Boardmembers:

Sierra Nevada Conservancy Agenda

March 12, 2014

Page 8

ACTION: Boardmember Kirkwood moved and Boardmember Briggs seconded a motion to approve Joint Resolution No. 03-14-01 "*Sierra to the Sea*". The motion passed unanimously.

Board Chair Vogel asked for a motion from the DC Boardmembers:

ACTION: Boardmember Darla Guenzler moved and it was seconded a motion to approve Joint Resolution No. 03-14-01 "*Sierra to the Sea*". The motion passed unanimously.

The joint resolution was passed unanimously by both Boards.

Public Comment, Meeting Wrap-up and Adjournment

Public Comment:

Lisa Starling with Life Science commented that she has worked mostly in the San Francisco Bay with the Department of Fish and Wildlife, and that she wanted to recommend the support for the creation of endowed trusts to support Conservancy projects. She said that getting long term buy in for maintenance of conserved lands is important.

Wrap-up:

Board Chair Vogel noted a reception will take place at the Leland Stanford Mansion and asked that everyone join them.

Adjournment:

Board Chair Kirwan adjourned the meeting at 4:34PM.