

# Board Meeting MINUTES

March 2, 2017

California Department of Food & Agriculture

Auditorium

1220 N Street

Sacramento, CA 95814



## I. Call to Order

Board Chair John Brissenden called the meeting to order at 9:03 a.m.

## II. Oath of Office for New Boardmembers

Deputy Attorney General Jeannie Lee administered the oath of office to the following new Boardmembers:

Jacqueline Wong-Hernandez, Department of Finance

Danny Wan, Governor's Appointee

Supervisor Tom Wheeler, South Subregion, Madera County

Supervisor Doug Teeter, North Central Subregion, Butte County

Supervisor Jack Garamendi, South Central Subregion, Calaveras County

Supervisor Jeff Griffiths, East Subregion, Inyo County

## III. Roll Call

**Present:** John Brissenden, Todd Ferrara, Jacqueline Wong-Hernandez, Terrence O'Brien, Bob Kirkwood, Bob Johnston, Jeff Griffiths, Doug Teeter, Tom Wheeler, Jack Garamendi, Danny Wan, Bernie Gyant, Coreen Francis, and Woody Smeck

**Absent:** Randy Fletcher

California Natural Resources Secretary and Sierra Nevada Conservancy (SNC) Boardmember, John Laird, joined the Board meeting to provide some brief comments. Secretary Laird welcomed Boardmember John Brissenden as the new Chair to the Board. Secretary Laird discussed the current situation with the Oroville Dam and his related testimony to the state legislature. He indicated that the situation at Oroville has opened the door to conversation about the Sierra Nevada as the state's primary watershed and an opportunity to educate legislators.

Boardmembers engaged in brief conversation with Secretary Laird. Boardmember Doug Teeter and Secretary Laird discussed the Oroville Dam incident in detail including an invitation to Secretary Laird to come meet with Butte County staff to discuss the relicensing issues that have been ongoing with the Oroville Dam.

## IV. Approval of December 8, 2016, Meeting Minutes (ACTION)

**ACTION:** Boardmember Bob Kirkwood moved, and Boardmember Terrence O'Brien seconded, a motion to approve the December 8, 2016, meeting minutes. Boardmember Jeff Griffiths and Boardmember Doug Teeter abstained. The motion passed unanimously.

## V. Public Comments

No public comment at this time.

**VI. Board Chair's Report**

Board Chair John Brissenden provided a brief update acknowledging the staff and panelists that participated in the Sierra Nevada Watershed Improvement Program (WIP) Summit which took place the previous day.

**VII. Executive Officer's Report (INFORMATIONAL)**

a. Administrative Update

Administrative Services Division Chief Amy Lussier provided the Board with a brief overview and summary of the Administrative Division staff report. Lussier said since the last time the Board was convened, the new budget has been released and allocations were made to SNC as expected. SNC will continue to wait for the May revise to confirm the final budget numbers. Lussier also said the 2015-16 accounting books have yet to be closed due to ongoing issues with Contracted Fiscal Services (CFS). In regards to the 2016-17 budget, SNC is on track for spending virtually all of the funds as expected. Lussier also noted that the revised budget may reflect pay raises if the legislature approves the proposed collective bargaining agreements.

Lussier announced to the Board that SNC Grants Administrator Patrick Eidman will be leaving SNC. The vacant position has been advertised and an update on his replacement will be provided at the June Board meeting.

Boardmember Bob Kirkwood asked Lussier about the current situation with CFS and the ongoing issues with getting SNC's bills paid. Kirkwood asked if there is opportunity to bill DGS for the additional staff time it has taken to deal with the issues. Lussier replied saying while SNC cannot bill CFS for these services, staff is tracking the additional time it does take to deal with the issues. Board Chair John Brissenden requested that the Board be updated on the amount of time and resources expended by staff on this issue. Lussier committed to maintain accurate records of the services received from CFS. Boardmember Terrence O'Brien asked why the SNC was not being allowed to quit services being provided by CFS. Boardmember Jacqueline Wong-Hernandez responded on behalf of DOF, saying that the state needed to be on one accounting system to ensure appropriate expenditure of state funds. She also indicated that although she appreciated the idea of billing back, but at the end of the day that would be state funds withheld from other state funds and was not feasible. Board Chair Brissenden said it's a huge draw down of our resources and urged that something more be done to address this problem.

b. Policy and Outreach Update

Executive Officer Jim Branham provided the Board with a brief update on the recent quantification methodology released by Air Resources Board and agreed upon by CAL FIRE, which will allow the use of Greenhouse Gas Reduction Funds (GGRF) on forest health projects. The SNC has had numerous conversations with CAL FIRE Chief Ken Pimlott and his staff about

GGRF funding that will soon be available. Branham is hopeful that these funds will be much more accessible for use in the Sierra Nevada.

Branham also directed the Board to the staff report which contains information about the two active Park Bonds that are currently being developed, indicating they represent the best opportunity for increased funding for the SNC in the immediate future.

Policy and Outreach Division Chief Angela Avery acknowledged her staff for all the work that went into the summit including the development of innovative outreach materials developed by Communications Manager Brittany Covich and her staff.

Avery provided the Board with a legislative update highlighting the tracking of key legislation:

- AB 151 (Burke) – Authorizes ARB to utilize a market-based compliant mechanism after December 31, 2020. SNC believes that this is a place holder for the Cap and Trade conversation.
- AB 378 (C. Garcia) – Reauthorizes the Cap and Trade program with an emphasis on air quality and public health with a special mention of low income communities and communities of color.
- AB 262 (Bonta) – Addresses the question of incentivizing California produced timber.
- AB 362 (Wood) – Rewords the Public Resources Code allowing for cost share of nonindustrial timber management plans for private landowners.
- AB 907 (Garcia) – Provides guidelines for state park fee structures. In addition, there is potential for this bill to establish an administration-level Office of Outdoor Recreation.

Avery provided an update to the Board regarding the legislative outreach plan and the targeted legislature members based on their interest in resource issues and the committees that they serve on. Avery said that SNC's goal in terms of outreach is to bridge the gap between urban and rural legislatures, to educate them on the importance of healthy watersheds and to make the urban connection.

Avery discussed planned outreach to urban legislators via spring and summer tours. SNC is currently looking at reaching out to the Bay Area caucus and plans to bring them to the upper Mokelumne watershed to show them on-the-ground work. Additionally, SNC is considering a tour of the Upper Yuba River Watershed to discuss policy impediments to forest management. The SNC has also been asked by the Little Hoover Commission and the Water Education Foundation to assist in identifying sites for potential tour stops that these agencies are sponsoring. Finally, Avery said that SNC would like to focus these tours on policy questions that have yet to be addressed

Avery updated the Board on the current status of the Forest Carbon Plan development and advised the Board that they will continue to keep them updated on the development of the final Plan.

Avery said that another way the staff is working to connect the upland and lowland issues is through a series of organized workgroups. These meetings bring together Sacramento water agencies with the Placer County Water Agency to provide the opportunity for project discussions, and hopefully these discussions will lead to a better understanding of water quality, quantity, and other factors with an end result of increased funding for water-related projects.

Avery reported to the Board that the Natural Disaster Resilience Competition (NDRC) Grant being administered by the SNC, is progressing. A master agreement between National Department of Housing and Urban Development and the CA Department of Housing and Community Development has been signed. Avery concluded that although there are several more grant agreements that will need to be signed at a local state level, this is a positive step in the right direction.

Avery provided background on the current SNC Strategic Action Plan (SAP) summarizing the two components, the Strategic Plan portion and the Action Plan portion. The Action Plan portion will expire in June of this year and staff is developing a revised scope that will include focus on the Watershed Improvement Program, the Grant Program, Abandoned Mine Lands, and Regional Tourism but also take into account the significant changes our Region has experienced such as tree mortality. Staff will present more information at the next Board meeting in June.

Kirkwood commended the staff of the Advocacy and Outreach team for the development of the Little Hoover Commission Testimony. Boardmember Bob Johnston added that in his opinion, "the report was a great success."

Board Chair Brissenden questioned Avery regarding the tracking of the hours being spent on the NDRC Grant. Avery responded that the hours are being tracked for reimbursement from the grant.

Communications and Outreach Manager Brittany Covich provided the Board with a communications update and acknowledged members of her team who have worked to develop the materials being presenting. Covich provided a presentation highlighting the various outreach tools SNC has been developing, primarily for use on social media platforms.

Covich highlighted some of the graphics that have drawn interest and "likes" or followers to the SNC social media accounts. Covich also said that the use of video is a trend that SNC is trying to incorporate often and displayed a

recent video that was developed to send a message about tree mortality and risk of wildfire.

Boardmembers engaged in brief conversation with suggestions and comments related to the outreach materials presented by Covich. Discussions continued with the Board regarding the effectiveness of carbon graphics and the benefit and additional interest it may generate in SNC.

c. Tree Mortality Task Force Update

Branham told the Board that SNC has worked with CAL FIRE to identify a tree mortality pilot area from Bass Lake to Shaver Lake but there has not been much movement on the project to date. However, he indicated that CAL FIRE Chief Ken Pimlott has recently identified this pilot area as one of the areas of focus in the roll out of the Greenhouse Gas Reduction Fund.

Mt. Whitney Area Manager Randi Jorgensen provided the Board with a summary of her staff report and a recent update of the actions of the Tree Mortality Task Force (TMTF). Jorgensen provided recent numbers released by USFS: 102 million trees dead since 2010 with 62 million of the trees dying this last year alone. Jorgensen went on to provide highlights of efforts by the various TMTF Workgroups on which SNC staff participates.

Jorgensen discussed the current snowpack and the drought conditions stating that we have no way to predict the current cycles. She closed emphasizing that what is critical is maintaining forest health and improving conditions where the beetle is headed.

Boardmembers Bernie Gyant and Kirkwood engaged in a conversation regarding the impacts of combined factors of drought, tree mortality, bark beetle, and severe fire and storm damage. Gyant said that the ongoing forest assessments are a key component in the WIP and will also assist USFS to improve and increase pace and scale in addressing the multiple high-priority issues.

Branham wrapped up this presentation by stating that the reality is the majority of these dead trees will remain on the landscape and we currently have no ideas of what the real impact will be.

Boardmembers engaged in a brief conversation discussing the need for education and alternative grant opportunities which can assist providing funding at the local level. Boardmembers also discussed the status of current use of managed and prescribed fire for forest treatment.

d. AB 32 Scoping Plan/Forest Carbon Plan Update

Branham provided an update regarding the current status of the AB 32 Scoping Plan/Forest Carbon Plan. He stated that SNC staff is active in the development

of the Plan which is currently in public review. Branham expressed that the Plan must tell the story that these are “California Forests,” that the plan has not captured the sheer magnitude of the issue, and that only a tiny fraction of the dead trees will be removed. Branham also stated that the plan must clearly articulate an urgent call for action to address greenhouse gas emissions. The SNC is working to ensure that necessary revisions are made.

Boardmembers engaged in brief discussion regarding federal spending limitations and offered suggested wording for the Forest Carbon Plan.

e. Miscellaneous Updates

Branham identified how two recent Category II grant awards, #852-Weber Lake/Little Truckee River Headwaters Timber Management Plan, and #888-Long Gulch Watershed Enhancement Plan, were approved to develop Nonindustrial Timber Management Plans (NTMP). Since then, SNC has received clarification from CAL FIRE regarding acreage limits for use of NTMPs and made minor modifications to the grant agreements, changing project deliverables to a Timber Harvest Plan for #852 and an Emergency Exemption for #888.

**VIII. Discussion Regarding Sierra Nevada Watershed Improvement Program (WIP) Investment Summit (ACTION)**

Executive Officer Jim Branham highlighted a couple of key points taken from the Summit the previous day. Branham said that the opportunities and efforts will need to be made by government, private, and public entities to accomplish the desired goal of increasing investment in watershed restoration.

Policy Analyst Elizabeth Betancourt provided the Board with some highlights from the WIP Summit panels, suggesting that themes that surfaced were dealing with social/cultural issues, economic issues, environmental issues, and a lack of understanding/agreement on what restoration should look like. Because of the interest exhibited at the previous day’s event, Betancourt specifically addressed the public goods charge and presented the Board various examples of other funding models in use in California. Betancourt pointed out that the Sustainable Groundwater Management Act (SGMA) is a state-mandated program, however it provides authority for local fee assessment and program administration, empowering the regions to best address their priority issues. Betancourt identified some of the obstacles that were discussed during the Summit, and proposed the question to the Board, “What do you see as the SNC’s role moving forward with the question of long-term funding?”

Boardmembers engaged in conversation discussing various ideas for application of the public goods charge. Conversation also included thoughts and questions relating to the panels and information discussed at the WIP Summit.

Boardmember Doug Teeter suggested that in addition to the public goods charge concept, he would like to see consideration of other approaches including a fee applied through the Federal Energy Regulatory Commission (FERC) relicensing process and the development of better policy which would impact our watershed health. Teeter also suggested an outdoor “hiking boot fee” for those that use the trails rather than the cost falling on the shoulders of hunters and Off Highway Vehicle (OHV) users exclusively. Teeter further suggested a mitigation fee for acres of use on marijuana growers.

Boardmember Tom Wheeler discussed the per user tax suggested by Lester Snow at the WIP Summit with an emphasis on education of the urban water user, and encouraged staff to continue dialogue around that fee.

Betancourt and Boardmember Danny Wan discussed the level of understanding by decision makers on the link between water quality and quantity, and forest and watershed management. Wan noted the need for strong evidence of this connection.

Boardmember Bob Johnston listed several ideas for proposed projects/studies that he believes would further the investment opportunities in watershed restoration investment. Boardmember Terrence O’Brien offered his support for a funding mechanism that connected a fee to end water users.

Boardmember Bob Kirkwood recommended considering a Headwater Stewardship Program, similar to the Sustainable Groundwater Management Act, which would both set standards or expectations and provide a flow of funds. Kirkwood suggested that this program could take into account the water-based fee issue and income from other items such as carbon, power generation, etc. This is in alignment with O’Brien’s ideas of tying a fee to these services which would generate funding. Kirkwood also proposed utilizing an “Adopt a Watershed/Airshed” concept to generate funds for green infrastructure.

Boardmember Jack Garamendi supported the concept of a public goods charge for long-term, stable funding in the Sierra and expressed concern about the boom/bust nature of bonds. Garamendi noted steady funding can support the ability to do long-term planning.

Boardmember Woody Smeck and Boardmember Jeff Griffiths both agreed on the importance of the mutual understanding of how good stewardship and “restoration” should be defined.

Betancourt summarized the proposed recommendations for the Board, noting that there may be more potential to this proposal, and that it may change as opportunities surface.

Branham indicated that for the SNC to pursue legislation, there is a formal process to be followed. He also pointed out that the public goods charge issue

was complex and had many players to be considered. However, he noted SNC's role as convener and working with experts in the field could play a key role in encouraging and informing discussions on the topic. He also noted that if there is a funding mechanism such as the public goods charge implemented, ensuring watersheds are included will be a significant task.

Boardmember Woody Smeck and Johnston proposed that a Board subcommittee be formed to advise staff on pursuing long-term sustainable funding for the SNC. Board Chair John Brissenden appointed Boardmembers Jack Garamendi and Bob Johnston as the members of the sustainable funding committee.

**ACTION: Boardmember Bob Johnston moved, and Boardmember Tom Wheeler seconded, a motion to approve Approach 2 in the staff report: A research approach, and direct staff to take the necessary actions for its successful implementation, reporting back to the Board regularly on progress. The motion passed unanimously.**

**IX. Proposition 1 Draft Grant Guidelines (INFORMATIONAL)**

Assistant Executive Officer Bob Kingman presented the Board with an overview of the revisions of the Prop. 1 Grant Guidelines. Kingman reviewed the proposed changes using a PowerPoint presentation which was also provided in the Board package. Kingman reviewed the areas of revision: acquisitions, tree mortality, private timberlands, meadow restoration, downstream beneficiaries, landscape level restoration, and minimum scoring threshold to be recommended for funding. Kingman also provided an overview of the proposed process changes in the areas of online application submission, mandatory pre-applications, site visits, and modifications to the application and award schedule.

Kingman provided Boardmembers with a proposed schedule for the grant guideline review and program implementation including the public review process and three public meetings which will take place in April 2017. A final draft will be presented to the Board for approval in June 2017.

Boardmembers engaged in brief conversation during Kingman's presentation with questions regarding revisions which specifically address private landowner contribution, application process, and mapping. No additional recommendations or suggestions to modify the Draft Guidelines were offered by the Board.

**X. Update on Relevant Science and Research Related to Forest Health and Resilience (INFORMATIONAL)**

This item was deferred to the June 2017 meeting.

**XI. Sierra Nevada Watershed Improvement Program (WIP) Update (INFORMATIONAL)**

(Agenda Item was moved to follow Agenda Item VIII in order to accommodate our guest speaker Eli Ilano, Tahoe National Forest Supervisor.)

Mandy Vance, WIP Coordinator, updated the Board on the status of the WIP and the National Forest Assessments. SNC is developing a Watershed Information Network (WIN) to pull together existing resources and information and describe conditions and needs on the landscape. Vance noted that as part of the WIN effort, staff is exploring the potential for developing a Resilience Dashboard to demonstrate the efficacy of restoration work being done in the Sierra.

Vance let the Board know that the SNC continues to work on the Tahoe Central-Sierra Forest Resilience Initiative, and that staff continues to look at ways to support the work in the focus area. Vance then introduced Eli Ilano, Tahoe National Forest (TNF) Supervisor, noting that he and his staff were the first to complete their WIP assessment.

Ilano played a short video to demonstrate a recent outreach approach that the Forest Service is using to reach a new demographic and then moved into his presentation. Ilano gave an overview of the WIP analysis his team completed - which looked at approximately 20 watersheds sized between one and 200 square miles to assess needs for meadow restoration, road improvements, hydraulic mining restoration, aquatic organism passage, invasive plant treatments, and forest health and fuels treatment - and explained that the TNF assessment resulted in the identification of the number of acres in a watershed on which work could be performed in the next ten years. He also provided some highlights and findings from the analysis and discussed the process of scaling them based on the various resources that would be offered by the WIP. Ilano commended the WIP program with changing the overall thinking and approach to forest restoration among Tahoe National Forest staff.

Executive Officer Jim Branham and Boardmembers engaged in conversation related to the positive outcomes of the WIP, as well as some obstacles that have been identified.

Branham requested Board Chair John Brissenden to appoint a replacement Boardmember to the WIP committee. Board Chair Brissenden appointed Boardmember Randy Fletcher to replace Pam Giacomini as the second committee member.

**XII. Boardmembers' Comments**

No comments at this time.

**XIII. Public Comments**

Amy Horne, Lahontan Regional Water Quality Control Board Member, engaged in brief conversation with the Board. Horne discussed her efforts to address policy issues that could lead to a more holistic approach to watershed restoration. Horne also shared with the Board the successful restoration effort at Sagehen Research Station and suggested it may be a model for successful implementation.

**XIV. Adjournment**

The Board meeting was adjourned at 1:31 p.m.