



I. Call to Order

Vice Chair Weygandt called the meeting to order at 9:12 AM.

II. Oath of Office for New Board Members

Deputy Attorney General Christine Sproul swore in new Boardmember Jon McQuiston.

III. Roll Call

Present: John Brissenden, BJ Kirwan, Brian Dahle, Byng Hunt, Jon McQuiston, Bob Kirkwood, Byron Sher, Robert Weygandt, Mike Chapel, Tim Burke (representing BLM), Steve Wilensky, and Steve Schackelton (representing NPS)

Absent: Mike Chrisman, John Lloyd, and Carol Whiteside

IV. Approval of March 13, 2008 Meeting Minutes

There were no changes to the meeting minutes.

Action: Boardmember Byng Hunt moved and Boardmember Brian Dahle seconded a motion to approve the March 13, 2008 Board Meeting Minutes. The motion passed unanimously.

V. Public Comments

Sophie Sheppard (accompanied by Valerie Lantz) Director of the Central Modoc River Center read a favorable message from grant recipient Laura Van Acker. She also invited those in attendance to visit lovely Alturas while in the area.

Francis Duchi, Shasta Land Trust, expressed appreciation to the Conservancy for the grant received and for its efforts in the area.

VI. Chairman's Report (INFORMATIONAL)

Vice Chair Weygandt thanked Boardmember Dahle for planning the field trip and dinner. Boardmember Weygandt stated it was very exciting to see projects on the ground. Boardmember Dahle welcomed staff and Board to 'our part of the world', and thanked the Cattlemen and Inter-Mountain Cattlewomen; he also thanked Tom Esgate and local ranchers for arranging and participating in the Board tour.

Tim Burke, Field Manager BLM Eagle Lake Office stated it was a privilege to be at the meeting. Burke presented an overview of the issue of invasive juniper in northeastern California and throughout the Great Basin, pointing out the difference in historic vegetation patterns and current. He noted that sage brush restoration projects have been underway for some years and that he is pleased that the Board had an opportunity to see some of the treated areas on the field tour. He indicated that BLM had released the final Sage Steppe Ecosystem Restoration Strategy in May 2008 and looked forward to continuing to work with the SNC to address this issue.

Dayne Barron, BLM Eagle Lake Office showed a video on wind energy, stating 13 companies have right-of-ways in 15 areas in California. There are proposed projects in the Susanville area in the early stages of development, and there is support and opposition for local wind farms. Barron noted in talking with partners it seems it would be worthwhile to hold a community discussion to talk about whether or not we want to have wind energy in the area. BLM is interested in the SNC playing a role as a possible facilitator to assist the community in addressing these issues.

Boardmember Sher questioned what is in it for the local communities and will the transmission lines be part of the assessments? Barron stated the State Energy Commission is addressing the question of transmission for green energy projects statewide.

VII. Executive Officer's Report (INFORMATIONAL)

a. Budget/Staffing Update

Executive Officer Jim Branham gave an overview of the SNC budget for 2008-09, stating that it has been on a clear track with the Legislature thus far, and no changes are anticipated in the SNC's allotment. He indicated failure to enact a budget by July 1 would have some operational impact on the SNC, but it is unclear the extent at this time. The current year budget is projected to have approximately \$184,000 in reserve.

Branham reported that there were no new hires since the last meeting. He further reported that Bob Kingman was assuming the role as Mt. Lassen Area Manager and Kerri Timmer would become Program Manager effective June 9, 2008.

b. Climate Change Update

Branham gave an overview of the current status and introduced Steve Eubanks, who is working on the development of a Climate Change Initiative of the Sierra. Eubanks provided an overview of activities to date, including outreach efforts and potential areas of focus.

Boardmember Kirkwood noted that there is a dichotomy between mitigation, as a means of avoiding future climate change impacts, and adaptation to the effects we are already seeing. He suggested making a clear distinction between the two and possibly organizing the efforts of a Sierra-based climate change initiative around those two separate but related organizing principles.

Vice Chair Weygandt identified a desire to focus initial efforts on real action, as opposed to more "think tank" activities. He suggested starting with development of a specific action plan using rapid needs assessment team approach that can identify and target ideas or actions for which consensus already exists.

Boardmember Hunt pointed out that time is of the essence, given the impacts that are already happening or imminent. He suggested the need to identify ways to make people more aware as part of the action plan and/or final report on this issue.

Eubanks pointed out that the final report would identify short-term ideas and how to build on them over the longer term. Boardmember Sher questioned the connection between the Sierra-based efforts and the scoping plan being developed by the Air Resources Board (ARB) to achieve statewide goals related to AB 32, the State's greenhouse gas emission reduction legislation. He shared his belief that it will be important for early actions in the Region to respond to the ARB mandates, including how we can help people change their behavior. He pointed out that there is already a lot of information and activity around the issue of climate change, so SNC's role should be more tailored to helping people change their specific behaviors to reduce carbon impacts.

Branham clarified that the Conservancy is approaching the climate change issue from two fronts: internal to the SNC and external. So not only are we looking at how to reach out and involve others, but we are also interested in determining how best to interact internally with our grantees, including information gathering and reporting, so we can add value while bringing a Sierra focus to existing and future actions and information.

Boardmember Comstock expressed her hope that the Conservancy would put significant emphasis on reducing wildfire as a means of reducing the carbon impacts of fire, including continuing to fund fuel reduction projects as they come forward.

Boardmember Schackelton pointed to the important role SNC can play as the rural voice in what has been an urban conversation. He pointed out that many federal and state agencies, including the Forest Service, Bureau of Land Management, National Park Service, State Lands and others, are coming together to work on creating a "carbon economy." He is glad to see the Conservancy getting involved and providing the rural voice back to Sacramento.

c. Sierra Nevada License Plate Update

Branham provided a brief overview on the status of the license plate effort and introduce Izzy Martin of The Sierra Fund.

Martin provided additional information to the Board, including the need to find funding sources ASAP. There was discussion among Boardmembers as to ways the SNC and the Board could be helpful in the effort. It was agreed that follow up would occur with Boardmembers relative to fundraising efforts.

d. Federal Managers Meeting

Branham gave an overview of the meeting with federal land managers and the SNC in April in Auburn. He noted there was a good turn out approximately 25 federal partners and that there was extensive discussion on a number of key areas where potential collaboration exists.

Boardmember Kirkwood asked whether other organizations should be invited to these meetings beyond the public land managers, such as the US Fish and Wildlife Service, the California Department of Fish and Game (DFG), and the Wildlife Conservation Board (WCB). Branham noted that the Fish and Wildlife Service were invited and that SNC meets with DFG and WCB separately. Branham added that the SNC might include DFG, WCB and other state agencies in future federal managers meetings.

e. October Sierra Event

Branham provided a brief overview of plans of the joint conference being planned with the Sierra Business Council (SBC) for October in Mammoth Lakes. He indicated a tentative agenda had been developed focused on issues relating to the “new” rural economy including green energy opportunities and tools to assist in local planning efforts.

f. Review of Progress on 2007-08 Action Plan

Joan Keegan, Assistant Executive Officer, reported that good progress was made on the 2007-08 Action Plan. However, due to the unanticipated amount of time and energy that was required to develop and implement the Proposition 84 grants program, four items will carry forward, in whole or in part, into 2008-09. Another three items have been determined to be ongoing and will never be “completed.” The establishment of Performance Measures is near completion.

g. Review of Proposed 2008-09 Action Plan

Joan Keegan proposed the 2008-09 Action Plan be used as a dynamic annual workplan, so that it may be modified as new opportunities are identified or other factors require a change in priorities. Based on experiences during the last year, she proposed that the plan not be “approved” by the Board, allowing for a less formal process for necessary modifications. Staff would continue to provide updates to the Board at each meeting and will be prepared to discuss any modifications made during the course of the year.

Keegan recommended the following items be included in the 2008-09 Action Plan:

1. Update the Conservancy’s Strategic Plan
2. Administration of another \$17 million in Proposition 84 grant funding
3. 1st Annual Report – multimedia format
4. Climate change Action Plan/Center
5. Implement SNC Education and Communication Plan components

The following actions will be carried over from the 2007-08 Action Plan:

1. Develop indicators to monitor the progress in the various program and geographic areas.
2. Develop a strategy to work in partnership with other agencies and organizations to identify information, assistance and resources needed to support community projects.
3. Develop a comprehensive guide to recreational and tourism opportunities in the Sierra.
4. In cooperation with local governments, identify strategies to reduce fire risk created by building structures that are within or encroach upon adjacent wildlands.

For 2008-09, it is proposed that the Action Plan be viewed as an annual workplan, so that it may be modified as new opportunities are identified or factors suggest a change in approach. Staff is recommending that the plan not be “approved” by the Board to allow for a less formal process for necessary modifications. Staff will continue to provide updates to the Board at each meeting and will be prepared to discuss any modifications made during the course of the year.

Boardmember Kirkwood asked the status of the “Incentives for upper watersheds” action item Joan Keegan noted it is an ongoing effort through grants and working with partners. Boardmember Kirkwood suggested adding additional section in the Action Plan for “ongoing” items, staff agreed to do so.

Boardmember Comstock stated that she believed the SNC’s focus should be on public lands and questioned why there was an action identified that only addressed development in the wildland urban interface. Branham explained that the action item is taken directly from the Strategic Plan and that would be undertaken along with other ongoing activity addressing various aspects of reducing fire risk. Branham noted SNC staff welcomed changes to the Strategic Plan if the Board desires. Boardmember Kirkwood concurred with Branham’s comments and recommends continuing ongoing activities to address the WUI action plan item.

h. SNC Recognition by the Sierra Fund and the Sierra Nevada Alliance

Branham noted that the Board and staff had received acknowledgement from The Sierra Fund and the Sierra Nevada Alliance for their efforts in awarding nearly \$17 million in grants this year at the annual Sierra Lobby Day.

VIII. Deputy Attorney General’s Report (INFORMATIONAL)

Deputy Attorney General Christine Sproul informed the Board that the Conflict of Interest regulation will be revised and brought to the Board for action at the October meeting. Sproul discussed ex parte communication and the roles of the Boardmembers. Noting the SNC’s desire for transparency in decision making, while not strictly required, she recommended that Boardmembers report the occurrence and

the content of any ex parte communications they have received that contain new information on items coming to the Board for a decision, and do so at the meeting during which such items are presented to the Board.

IX. Permanent Headquarters Office Location (ACTION)

Branham reported that five interested parties submitted preliminary proposals. Two were in Auburn, one each in Nevada City, Coloma and Colfax. All were well intentioned with positive attributes consistent with the stated search criteria. Three, however, were bare land proposals, and a fourth offered a long-vacant existing building that would need to be refurbished. SNC staff visited each location and met with the interested parties. Based on staff analysis, Branham recommended that the Board direct staff to pursue negotiation of a new lease at the current location on Blocker Drive in Auburn, with the intention that the SNC will seek to make the current facility more environmentally friendly and provide greater opportunities for public interaction.

Public Comment:

Colfax City Manager Joan Phillippe spoke on behalf of her City's proposal, stating that it was consistent with the SNC Strategic Plan and would offer the best opportunity for the SNC to bring "economic viability" to the Region. She believed that the relocation of the office to Colfax would provide many positive contributions to the community and urged the Board to delay a decision at this time.

Boardmember Dahle asked Ms. Phillippe if the waste water treatment plant upgrades and the general plan update had been completed. Ms. Phillippe stated that the wastewater plant upgrades were scheduled to be completed this fall and the general plan update was stalled, at least temporarily, due to funding issues.

Action: Boardmember Byng Hunt moved and Boardmember Steve Wilensky seconded a motion for staff to proceed with negotiations of a new lease at the current facility, including the "greening" of the facility, and that if the SNC is not satisfied with the negotiations, they would explore other options. The motion passed unanimously.

X. Grant Guideline Revisions (ACTION)

Executive Officer Branham explained the process for guidelines revisions, noting the assistance of committee members Wilensky and Kirkwood. On April 9, a public review draft of the revisions was made available to the public. The SNC conducted two interactive web conferences dedicated exclusively to the Guidelines revisions. Public comment was encouraged on the draft Guidelines through May 9, although Branham noted, public comment was minimal. Staff and public comments were reviewed and considered in development of the final draft.

Branham explained the policy level changes being recommended by the Board committee and staff included: allocation of funds among grant categories; scoring and evaluation criteria; scoring values for competitive and SOG1; CEQA/Appraisal requirements at the time of application; repayment of loans; a preference for on the ground projects; and disclosure of project scores/ranks.

Boardmember Kirkwood indicated the guideline review process went very well; however, he was concerned about comments regarding the proposed requirement that grant applicants must submit all CEQA documentation and a completed appraisal at the time of application. He indicated that it can be problematic and questioned whether, given the six-month lag time between the application deadline and any potential grant award for competitive grants, additional flexibility could be provided. Branham indicated that there might be an opportunity to extend the deadline for completed appraisals under certain circumstances, since the appraisal itself isn't specifically part of the application evaluation – it simply triggers a "go/no go" decision. However, extending the deadline for CEQA documentation presents more of a problem since review of the CEQA documentation is an integral part of the overall application evaluation process. Kirkwood urged the staff to consider providing flexibility on the appraisal requirement.

Boardmember Comstock questioned whether the SNC is able to fund pre-acquisition or pre-site improvement environmental work, such as CEQA documentation, as part of a project application. Branham clarified that SNC does fund CEQA work; but an applicant would need to separate the CEQA work as one grant application under the Strategic Opportunity Grant category and then come back to the SNC with a second application to do the actual work, once the CEQA documentation was complete.

Action: Boardmember Bob Kirkwood moved and Boardmember Brian Dahle seconded a motion to approve the final draft of the Sierra Nevada Conservancy 2008-09 Proposition 84 Grants Guidelines and further authorize staff to take the actions necessary to implement the Grants Guidelines as adopted, including making necessary non-substantive modifications. The motion passed unanimously.

XI. Indicators and Performance Measures (ACTION)

Assistant Executive Officer Keegan gave an overview of the need for indicators and Performance Measures stating the Strategic Plan describes using them to measure the success of SNC projects and programs and progressing towards improving the environmental, economic and social well-being of the Region. Keegan introduced Bill Foster, President of ProPoint Technology Inc., to discuss the initial set of measures.

Foster stated that there have been a lot of accomplishments since the March meeting, noting that a comprehensive implementation plan is scheduled to be delivered at the October meeting. Boardmembers Carol Whiteside and Robert Weygandt have served as members of the committee to guide this project. He explained that the comments

received were a combination of a Web survey, SNC staff, Boardmembers and a Stakeholder advisory group workshop reviewing each of the performance measures.

Foster explained that there are currently 20 quantitative measures being proposed. Six measures are intended for all types of projects and fourteen measures are specific to project types; grantees will be asked to select measures from the 14 that are specific to their project. There are also qualitative measures the grantee will be asked to report in narrative form to the SNC.

Boardmember Comstock questioned whether the description for the performance measure related to tons of carbon sequestered or emissions avoided should be changed to make reliance on protocols published by the California Climate Action Registry (CCAR) less definitive. She stated a particular concern that CCAR protocols might not adequately address fuels reduction projects that have carbon benefits. Keegan stated that the intent was to make this performance measure relevant for those projects and that it made sense to change the description in accordance with Boardmember Comstock's suggestion.

Boardmember Kirkwood stated that he did not see a great deal of value in the performance measure, "number of collaboratively developed plans and assessments", noting that the proposed narrative reporting would be more effective in determining the amount of increased collaboration resulting from a project. Keegan concurred that it is difficult to measure the success of planning projects and that grantees would need to report on several measures in order for the grantee and the SNC to piece together a picture of the success of the project: the number of collaboratively developed plans and assessments, the number of people and organizations involved in the project (broken down by demographics if appropriate), post project reporting on whether the plan was implemented, and the narrative reporting mentioned by Boardmember Kirkwood.

Boardmember Brissenden questioned after-the-project field review, testing onsite and making sure the pictures are true, i.e., trust but verify. What involvement will the Board have in this portion of the process? Keegan responded that verification happens through project leads as part of the grant management process. Brissenden further suggested peer review of projects after-the-fact to determine whether they accomplished their goals would be helpful.

Action: Boardmember Bob Kirkwood moved and Boardmember Steve Wilensky seconded a motion to approve the initial set of Performance Measures presented as Attachment A to Agenda Item XI. The motion passed unanimously.

XII. Competitive Grants (ACTION)

Bob Kingman reviewed the steps taken to achieve the recommended list and the overall numbers of the Competitive applications received. Kingman stated after

extensive review, it was determined that a total of five projects are being recommended for a total of \$1,512,413, leaving a balance of \$655,665. Noting staff recommendation of the reallocation of \$583,084 of Competitive funds among four Subregion's to fund SOGs (Agenda Item XIII) as follows: \$18,404 reallocated to the North Subregion; \$81,270 re-allocated to the Central Subregion; \$162,411 re-allocated to the South Subregion; and \$320,999 re-allocated to the East Subregion. This would result in an unspent balance of \$72,581 and when combined with remaining SOG allocation the unspent balance is approximately \$75,000.

Boardmember Sher questioned the staff recommendation to reallocate a portion of the funds originally allocated for Competitive Grants in the current fiscal year to Strategic Opportunity Grants (SOGs), asking if SNC could hold over funds from this fiscal year's competitive grant allocation into the next fiscal year. Kingman explained that this year's appropriation had to be fully encumbered in this fiscal year or the funds would revert. He also noted that there are a number of very good SOG applications that could not receive funding without this reallocation.

Boardmember Kirkwood expressed the opinion that the water quality benefits of the projects being recommended for funding needs to be more clearly identified in the meeting materials, so applicants clearly understand that projects not benefitting watershed health cannot be funded with Proposition 84 funds.

Boardmember Hunt stated how much he appreciated all of the hard work that went into the review of grant applications and how much he relied on the expertise and work of SNC staff. He also said he appreciated the extra money recommended for reallocation to the Eastern Subregion from the amount originally allocated for competitive grants, noting that the additional projects being funded were important and wouldn't be able to get off the ground without support from the SNC. He also noted a good deal of funding from other sources would be leveraged with the SNC grants.

Action: Boardmember Byng Hunt moved and Boardmember Bob Kirkwood seconded a motion to approve the *Competitive Grants listed in Agenda Item XII. Exhibit A*, and further authorize staff to enter into all necessary agreements and file the appropriate CEQA documentation with the State Clearinghouse for all projects.

In order to ensure full encumbrance of the SNC's FY 2007-08 Proposition 84 funds by June 30, the Board authorizes the re-allocation of \$655,665 in Competitive grant funds among the four Subregions to be used for funding eligible SOG projects. The motion passed unanimously.

XIII. Strategic Opportunity Grants (ACTION)

Jim Branham indicated to the Board that one of the SOG 1 Grants being recommended has been the subject of comments raising questions relative to SNC

process. He assured the Board that the staff takes all requirements of CEQA seriously and would not recommend projects to the Board if they were not confident that CEQA requirements were being met.

Bob Kingman presented an overview of SOG allocations and authorizations made to date and described the recommended action to authorize \$1,370,230 to fund 20 projects in 5 Subregions and the Region-wide category. A total of \$583,084 in Competitive funds were recommended to be included in the total authorization. Kingman then reported that one grant was authorized by the Executive Officer since the last board meeting in the amount of \$33,750. Kerri Timmer and Kim Carr were then introduced to give descriptions of recommended grants in their respective areas.

Public Comment:

Jay Watson, Student Conservation Association (SCA): spoke on behalf of his organization's project: the Sierra Nevada Trails and Recreation Initiative Project. He provided background on the SCA and its record in implementing similar projects and described this specific project and its benefits. He asked the Board to support the staff recommendation to fund the project.

Jeffery Kane, The High Sierra Hikers Association (HSHA): raised concerns with the proposed SCA project, asserting that the CEQA process associated with the project had been "fatally" flawed and that not enough information had been made available to the public regarding the project. He noted that the HSHA had previously submitted to staff a detailed packet of information related to the concerns. He suggested further environmental review should be conducted by the Conservancy before authorizing a grant to the SCA

Board Discussion

Boardmember Comstock asked what would happen if the project were challenged in court. Deputy Attorney General Sproul explained that if the grant were to be approved, then a Notice of Determination would be filed, at which time a legal challenge based on CEQA could be filed. Sproul noted that all of the documentation associated with the project had been available for public review upon request, and that the HSHA comments did not take into account all of the available information. Also, Sproul stated that she had carefully reviewed the CEQA documentation for the project, noted that it included consideration of environmental assessment information prepared by the U.S. Forest Service, and found it to be properly prepared.

Boardmember Comstock stated that she appreciated that the SCA and HSHA had come to the meeting to share their views. Boardmember Brissenden encouraged additional conversations among all parties.

Staff Recommendation:

Staff recommended that the Board (a) adopt the Mill City Fuels Reduction Project Negative Declaration which identifies and considers the proposed actions in the Mill City Fuels Reduction Project; (b) make findings that (1) the proposed project would not have a significant impact related to aesthetics, agricultural resources, cultural resources, hazards and hazardous materials, hydrology and water quality, land use and planning, mineral resources, population and housing, public services, recreation, and utilities and service systems, and (2) the proposed project would have a less-than-significant impact related to air quality, biological resources, geology and soils, noise, and transportation and traffic; (c) act to authorize the issuance of a grant for the Mill City Fuels Reduction Project as proposed; and (d) direct staff to file a Notice of Determination with the State Clearinghouse.

Staff also recommended the Board authorize all the remaining *Strategic Opportunity Grants listed in Agenda Item XIII Exhibit A*, and further authorize staff to enter into all necessary agreements and file the appropriate CEQA documentation with the State Clearinghouse for all projects listed in Item XIII Exhibit A.

Action: Boardmember Byng Hunt moved and Boardmember Bob Kirkwood seconded a motion (a) to approve the Old Mammoth/Mill City Fuels Reduction Project Mitigated Negative Declaration, to make findings concurrent with the findings adopted by the Mammoth Lakes Fire Protection District, to authorize a grant for the project, and to direct staff to file a Notice of Determination with the State Clearinghouse, and (b) to authorize all the remaining Strategic Opportunity Grants listed in Attachment A to the Agenda, to authorize staff to enter into the necessary agreements, and to direct staff to file the appropriate CEQA documentation with the State Clearinghouse. The motion passed unanimously.

XIV. Board Members' Comments

Boardmember Hunt stated the next Board Meeting is scheduled for October 1-2, 2008 in Mammoth Lakes, followed by the joint conference being planned with the Sierra Business Council.

XV. Public Comments

Joan Clayburgh, Sierra Nevada Alliance thanked the Board and staff for the Integrated Water Management grants in Southern and Eastern Sierra, noting they are very excited about the idea of collaboration with ranchers, Department of Water Resources, other water agencies and environmentalists concerned about water quantity, water quality and ecosystems. Secondly, she was pleased with the encouragement for continued communication with both the High Sierra Hikers Association and the Student Conservation Association.

XVI. Adjournment

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Vice Chair Weygandt adjourned the meeting at 2:21 PM.