

## **Background**

SNC Boardmembers have been briefed in the past relative to the Pacific Forest and Watersheds Land Stewardship Council (Council). Established in 2004, the Council is a private non-profit foundation with a staff of 15 professionals and a board of 18 members made up of representatives from state and federal agencies, water districts, tribal and rural interests, forest and farm industry groups, conservation organizations, the California Public Utilities Commission (CPUC) and Pacific Gas and Electric Company (PG&E).

The Council was formed as part of a PG&E settlement agreement with the CPUC — Final Order and Settlement Agreement, and the Stipulation Resolving Issues Regarding the Land Conservation Commitment (Stipulation). This agreement establishes that 140,000 acres of PG&E's watershed lands will be conserved in perpetuity for:

- outdoor recreation;
- sustainable forestry;
- agriculture;
- natural resource protection;
- open space preservation;
- protection of historic and cultural resources.

In addition to overseeing the conservation of these watershed lands, the Council was directed by the CPUC to include the creation of a Youth Investment Program. This program will provide \$30 million in funding over ten years to programs that provide outdoor opportunities for underserved youth or enhance parks and recreation resources.

Under the terms of the agreement the Council is to cease to exist upon completion of its charge.

## **Current Status**

As pointed out at the October Board meeting, staff has had ongoing general discussions with Council staff relative to a possible role for the SNC in the disposition of the PG&E lands. Those discussions have generally consisted of ensuring a common understanding of each organization's mission, responsibilities and strategic direction. It is clear that the missions of both organizations are compatible in terms of long-term conservation of these lands. In that context, SNC staff has communicated that our strategic direction does not envision us as a land owning or managing entity, but that we are particularly interested in opportunities for research, demonstration and pilot projects on these lands and are willing to consider a possible long-term role upon the

dissolution of the Stewardship Council. However, the SNC has indicated a willingness to consider the full range of options at this time.

At the October Board meeting, staff was directed to continue these discussions to determine if there is a role for the SNC to play. A committee of Boardmembers Bill Haigh and Tom Wheeler was appointed to work with staff.

### **Next Steps**

Staff is working with Council staff on further refining possible options for SNC involvement in the process. At this time, Council staff has asked that the SNC consider a possible, yet undefined, role for the Doyle Springs property in Tulare County and the Bucks Lake property in Plumas County, which are two of the initial four properties being considered for donation. Considering a possible role for these two projects will assist in determining an overall approach for the SNC.

It is anticipated that the Board will be provided options for SNC involvement at the March or June 2009 meeting, depending on progress on discussions with the Council and other interested parties.

### **Recommendation**

**No action is needed by the Board at this time. Staff will keep members of the Board Committee informed as to new developments and policy issues and seek policy guidance as necessary. An update will provided at each Board meeting, as appropriate.**