

Background

The Sierra Nevada Conservancy (SNC) was allocated approximately \$50 million for grant awards from the Proposition 84, Safe Drinking Water, Water Quality and Supply, Floor Control, River and Coastal Protection Bond Act of 2006. Since that time the SNC has conducted four competitive grant rounds, awarding 267 projects worth approximately \$47 million. Some funds from previous awards have been returned to the SNC due to projects being completed at less cost or being cancelled due to critical problems, leaving around \$7.3 million available for award.

At its June 2012 meeting, the SNC Board approved the 2012-13 Grant Guidelines for the final competitive grant cycle to support the Preservation of Ranches and Agricultural Lands (Ranches and Ag Lands) grant program. The Board further directed staff to recommend projects totaling approximately \$5 million in FY 2012-13 for this focus area. Eligible projects for FY 2012-13 include site improvement or restoration projects and conservation easement acquisitions (Category 1) and pre-project activities associated with specific future on-the-ground projects (Category 2).

The Grant Guidelines and accompanying Grant Application Packet were released on June 18, 2012, opening the grant round and requesting grant project proposals in the form of pre-applications. Pre-applications were required by July 16, 2012. Projects that were accepted as eligible were given a deadline of October 22, 2012 for submittal of full applications.

Summary of FY 2012-13 Pre-Applications and Applications Received

The SNC received 94 pre-applications requesting a total of \$16,989,332.64. Of those, 62 full applications were submitted representing \$11,078,538.64 of need throughout the Region. There were 43 Category 1 projects totaling \$9,865,193.31. The remaining 19 Category 2 projects totaled \$1,213,345.33.

Of the applications received, 2 Category 1 projects (3%) were disqualified due to various California Environmental Quality Act (CEQA) non-compliance problems totaling \$129,009.03. Three projects (5%) were deemed ineligible (not meeting the subject matter requirement) during the full application completeness and eligibility review consisting of one Category 1 project and two Category 2 projects. A total of 57 applications requesting \$10,569,355.61 were moved forward to full evaluation in this grant round.

Evaluation and Recommendation Process

Each application was evaluated by two teams of evaluators – one team of outside technical experts and one team of SNC internal staff. Technical experts represented expertise in subjects such as ranching and farming, conservation, wildlife biology and water quality. In addition, each conservation easement application was reviewed by a consultant with planning and land use experience, with comments provided to the other evaluators regarding risk of conversion, etc. The internal team consisted of six SNC Staff from throughout the organization. Each team focused on a different set of evaluation criteria; the technical team scored up to 55 points for Proposition 84

alignment, ranch and agricultural benefits and project quality, while the internal team scored up to 45 points for how well the application addressed the SNC mission and programmatic goals, Proposition 84 alignment, organizational capacity and community support. Each application was reviewed by a total of six evaluators - four from the technical team and two from the internal team.

The scores from each application evaluation group were averaged by the team then added together for a total combined preliminary score. If single outlier score were present, a reconciliation process allowed for a re-review by one or more evaluators. Technical evaluator scores were considered final unless the evaluator personally adjusted his/her own score. Internal team scores were considered preliminary until reviewed by the management team and organizational capacity was taken into consideration and applied.

In a few instances the outlier score was discarded, the remaining team scores were averaged, and internal/technical team scores added to develop final recommendations of the highest benefit projects. SNC Staff considered the question of geographic distribution, but given the rankings, is not recommending any changes based on this factor.

This process for final scoring deviated slightly for three projects. The proposed projects for applications 734, 735, and 737 were basically identical, conducting Fish Friendly Farming activities, except for the geographic locations. Due to the randomization of evaluation assignments, the three projects were reviewed by twelve separate technical evaluators, resulting in three significantly different scores. In recognition of their similarities, and in order to score these projects consistently, all evaluator scores were averaged and the resulting score of 77.95 was applied to all three projects.

Projects Recommended for Funding

The 29 projects being recommended today represent a range in score from 92.5 to 77.95 and total \$5,155,865. Specific information about the projects recommended for award including applicant organization, project title, project score, project type, amount requested, county and Subregion is presented in Exhibits A through C. Exhibit D lists all projects that were disqualified due to CEQA non-compliance and ineligibility. Exhibit E lists all projects that are not being recommended for funding. A summary of all projects recommended for award, by project type, is provided below (the county where the project is located is shown in parentheses after each project).

Ranch and Farm Infrastructure Development (5 projects totaling \$1,217,591)

- 670 – provide for the repair and construction of stock ponds, 1,200 feet of encased irrigation canals and watering troughs as well as perimeter fence replacement (Placer)
- 699 – includes over 2 miles of fencing, creation of off-stream watering facilities, irrigation diversion structures as well as weed treatment on over 400 acres (Plumas; Sierra)

- 705 – improvements for cattle management/water sources at 4 sites by using fencing and off-site watering facilities (Madera)
- 718 – installation of spring boxes, troughs, inflow/outflow pipes, as well as, fencing to control traffic in sensitive areas (Lassen)
- 725 – the construction of 7.5 miles of fencing for grazing management, as well as, the removal of 677 – 1,152 acres of western juniper (Lassen)

Conservation Easement Acquisitions (5 projects totaling \$1,329,811)

- 674 – a conservation easement on the 47-acre Side Hill Citrus organic farm near the city of Lincoln (Placer)
- 703 – a conservation easement on the 1,240-acre Sinnamon Meadows property near Bridgeport (Mono)
- 724 – a conservation easement on the 142-acre Chadwick Ranch near Loyalton (Sierra)
- 726 – a conservation easement on the 262-acre Key Brand Angus Ranch near Greenville (Plumas)
- 731 – a conservation easement on 375-acre Flynn Ranch near Ducor (Tulare)

Invasive Species Removal (4 projects totaling \$978,019)

- 666 – treatments of noxious weeds on 6,933-acres and 6.57 miles of stream including the California Department of Fish and Game Hallelujah Junction Wildlife Area (Sierra)
- 689 – treatment of noxious weeds within private ranch lands as well as public and private reserves on a total of 5,218-acres and 5 miles of stream (Kern)
- 700 – management of 5,870-acres of agricultural lands with known weed populations, resulting in a 70% decrease in net infested areas and eradication of 15 sites (Inyo)
- 707 – removal of A and B rated invasive weed populations through chemical and manual control methods at seven project areas (El Dorado; Alpine)

Stream Restoration (3 projects totaling \$689,002)

- 680 – stream bank stabilization project with crossing locations for a center pivot system on a 3.5-acre area (Modoc)
- 694 – two bank stabilization projects and two fish passage and irrigation dam stabilization projects impacting 13.6-acres of aquatic and riparian habitat, as well as, 2,720 feet of stream channel (Plumas)
- 720 – restoration of 1.3 miles of a stream and 50-acres of wet meadows through resurfacing and regrading of 10 check dams (Lassen)

Meadow Restoration (1 project totaling \$294,817)

- 685 – restoration of approximately 100-acres along 1.5 miles of channel near Adin (Lassen)

Pre-Project Activities (11 projects totaling \$646,625)

- 684 – the project will collect data to develop a site-specific grazing management plan, pre- and post-restoration monitoring plan collecting and analyzing data, as well as, obtaining CEQA/NEPA clearance and the appropriate permitting (Alpine)
- 690 – preparation of final restoration designs, obtaining permits, collecting data to determine grazing compatibility with meadow management after restoration, as well as, obtaining CEQA/NEPA compliance (Tuolumne)
- 693 – assessment of the site for planning document preparation for a meadow restoration project, engineering survey and design work, as well as, NEPA compliance (El Dorado)
- 722 – conduct due diligence work in preparation for a conservation easement acquisition on the Pyle Ranch property (Lassen)
- 734 – site assessment and identification of proper best management practices for landowners, improving data collection and revising pesticide use methodology, preparing designs for re-vegetation or wildlife enhancement, and preparing farm plans for certifications (El Dorado)
- 735 – site assessment and identification of proper best management practices (BMP) for landowners; pollution prevention complete with a timeline and project design; support to farmers/ranchers to teach BMPs for sustainable framing/ranching practices (Amador)
- 737 – site assessment and identification of proper best management practices (BMP) for landowners; pollution prevention analysis complete with a timeline and project design; support to farmers/ranchers to teach BMPs for sustainable framing/ranching practices (Placer)
- 740 – the development of a Conceptual Area Protection Plan and four conservation easement appraisals (Tehama; Butte)
- 751 – preparation of a baseline study and development of restoration and management plans for property located within a conservation easement and on Williamson Act contracted land (Shasta)
- 752 – completing a full wetland delineation at the riparian restoration site, conducting surveys in preparation for completing CEQA documentation and permits for the upcoming riparian restoration project (Nevada)
- 753 – the due diligence work involved in preparing for the acquisition of the conservation easement on the 238-acre Ratto Ranch (Tuolumne)

California Environmental Quality Act Compliance

SNC worked with the Department of General Services' Environmental Services Section, the Deputy Attorney General assigned to assist the SNC and RBF Consulting to review project proposals for compliance with CEQA requirements. This round saw a significant decrease in the number of projects with serious CEQA compliance issues from previous grant rounds. There are no doubt various reasons for this outcome, including a concerted effort by SNC Staff to work early on with applicants to ensure that there was a clear understanding of the requirements of CEQA. Staff will continue to review the success of this grant round in order to inform future efforts.

Unfortunately, two projects were found to have impediments to CEQA compliance during the course of environmental review, and led to the 2 projects being disqualified from further evaluation. These barriers included:

- CEQA requirements not being addressed in the application;
- Submittal of outdated or incomplete information;
- Projects not qualifying for an exemption from CEQA and not having a valid lead agency to prepare the appropriate documentation.

Twenty-seven (27) projects being recommended require the SNC to complete a Notice of Exemption (NOE) and file the NOE with the State Clearinghouse. NOEs have been prepared for review and will be filed upon Board approval. Copies of all proposed NOEs are included in this report within Exhibit F.

Notices of Determination (NODs) have been prepared for the Greenhorn Creek Integrated Restoration Project (SNC 694) and the Butte Creek Meadow Restoration Project (SNC 685). Copies of the proposed NODs are included in this report within Exhibit F. Before approving the Greenhorn Creek Integrated Restoration Project (SNC 694), the SNC must find that the Plumas National Forest FONSI signed August 2011 satisfies the requirements of CEQA and adopt findings in support of that conclusion. Before approving the Butte Creek Meadow Restoration Project (SNC 685), the SNC must find that the Butte Creek Restoration Project Initial Study/Mitigated Negative Declaration signed October 2012 satisfies the requirements of CEQA and adopt findings in support of that conclusion. If the Board approves the projects after adopting the CEQA findings, it will also authorize the Executive Officer to file NODs with the State Clearinghouse. For these projects, the SNC is serving as a Responsible Agency in accordance with CEQA Guidelines. The environmental documents are on file at the offices of the Sierra Nevada Conservancy, 11521 Blocker Drive, Suite 205, Auburn, CA 95603.

Recommendations:

Staff recommends the Board (a) adopt necessary California Environmental Quality Act findings and authorize the Executive Officer to file a Notice of Determination for project SNC 694, the Greenhorn Creek Integrated Restoration Project; (b) adopt necessary California Environmental Quality Act findings and authorize the Executive Officer to file a Notice of Determination for project SNC 685, the Butte Creek Meadow Restoration Project; (c) adopt the proposed Notice of Exemptions for approved projects; and (d) authorize the grants listed in Agenda Item IX, Exhibit A. Staff additionally recommends the Board authorize staff to enter into the necessary agreements for the recommended projects and direct staff to file the appropriate California Environmental Quality Act documentation with the State Clearinghouse.