

Background

In June 2013, the Sierra Nevada Conservancy (SNC) Governing Board (Board) approved Grant Guidelines for the 2013-14 Grant Round. This will be the SNC's final grant round using funding from Proposition 84, The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006. Staff released public notification of the SNC 2013-14 Grant Round on June 27, 2013. Estimated funding available for this grant round is approximately \$2.9 million.

As a reminder, this round has no final application due date. Applicants may contact SNC Staff at any time while adequate funding remains. Projects that have provided a complete grant application and that receive a minimum score of 85 out of 100 may be presented to the Board for approval.

At the December 2013 Board meeting, the Board authorized one grant in the amount of \$250,000. For the March 2014 Board meeting, four projects totaling \$1.2 million are being recommended to the Board for approval. Staff expects that the remainder of funds will be recommended for authorization at the June 2014 Board meeting.

Current Status

Staff has completed review of SNC Projects 780, 773, 788 and 786, and has found that they meet or exceed the threshold scoring level of 85 points. Staff is recommending Board approval of these four projects totaling \$1.2 million. The projects are summarized below, with additional information in the attached [Exhibit A](#) to this item.

SNC Project #780 - Plumas Community Energy Wood Processing Facility

Score: 85 of 100

Grantee Organization: Sierra Institute for Community and Environment

Funding Request to the SNC: \$350,000

Full Project Cost: \$350,000

Other Funders: None

Link to Full Project Description: [Project 780](#) *(Note: This is a large PDF file and may take a significant amount of time to download. If you have difficulty seeing this information electronically, contact the SNC and we will make alternative arrangement for you to view the material.)*

Project Summary: This grant application seeks funding for the development of a wood processing facility in the community of Crescent Mills that will convert small diameter forest biomass from forest thinning projects into conditioned wood chips to supply heating boilers in public facilities in Plumas County. The construction of the wood processing facility will include all components needed to create woodchip fuel to serve multiple institutional boiler systems, including: raw material receiving and storage, chipping, screening, conditioned fuel storage, and loading for distribution. The facility will also be designed to accommodate the future construction of a 3mw combined heat and power biomass facility on-site.

The Sierra Institute's forest biomass project will reduce the use of high cost fossil fuels at public institutions and lower the risk of catastrophic wildfire by integrating the use of woody biomass from thinning and hazard fuel reduction projects in the surrounding forests to heat existing public buildings and facilities. Additional outcomes of the project include the creation of local jobs and reduced greenhouse gas emissions from the controlled combustion of woodchips in local boilers. Operation of this facility will help facilitate sustainable forest fuel management projects, thereby resulting in improved health of forests and wildlife habitat, plus improved security of transmission lines and hydroelectric facilities in the forest. By developing a wood processing facility linked to a network of boilers fueled by wood chips, the project will directly facilitate fuels reduction and forest stand improvement treatment of approximately 200-acres per year.

The Sierra Institute for Community and Environment is in the process of securing adequate land tenure for the site of the facility and has been consulting with SNC Staff to ensure that all grant requirements are met prior to executing a grant agreement.

CEQA: This project is Categorically Exempt from CEQA under Section 15303 (New Construction or Conversion of Small Structures) of the CEQA Guidelines. The proposed Notice of Exemption (NOE) for the project is attached. The project will be implemented on an industrial site and is consistent with all local ordinances and zoning. Permitting for the project will be a ministerial action for the County Planning Department. If approved by the Board, staff will file the NOE with the State Clearinghouse.

Letters of Support:

- Randy Wilson, Plumas County Planning & Building Services
- Micheline G. Migils, Plumas County Office of Education, Plumas Unified School District
- Earl W. Ford, United States Department of Agriculture, Forest Service, Plumas National Forest
- Tom Hayes, Eastern Plumas Health Care

SNC Project #773 - Sagehen Basin Old Forest Sensitive Species Habitat Restoration Project

Score: 90 of 100

Grantee Organization: National Forest Foundation

Funding Request to the SNC: \$349,140

Full Project Cost: \$1,001,640

Other Funders: Forest Service; Wildlife Conservation Board; National Forest Foundation

Link to Full Project Description: [Project 773](#) (Note: This is a large PDF file and may take a significant amount of time to download. If you have difficulty seeing this information electronically, contact the SNC and we will make alternative arrangement for you to view the material.)

Project Summary: The Sagehen Basin Old Forest Sensitive Species Habitat Restoration Project seeks SNC grant funds to treat vegetation on approximately 291 acres of the 2,621-acre project area, located approximately 10 miles north of Truckee. The majority of the project area is currently comprised of thick, homogenous stands of trees and a limited amount of diverse vegetation structure that old forest sensitive species require, particularly foraging habitat. The project will restore stand variability and strategically enhance forest diversity through hand vegetation treatments like small tree cutting and piling, and tree girdling. Specific treatment prescriptions have been designed for use on five different emphasis areas of the forest to optimize beneficial effects for forest health and habitat. Prescribed pile burning followed by prescribed underburn treatments will also help restore the forest to a more natural condition resulting in reduced risks of large catastrophic fire.

CEQA: The SNC, acting as Lead Agency under the California Environmental Quality Act (CEQA), prepared and circulated an Initial Study /draft Mitigated Negative Declaration (IS/MND) for public review from January 3, 2014 to February 3, 2014. One comment letter was received from the Central Valley Regional Water Quality Control Board containing a list of possible permits that could be required. SNC acknowledges receipt of the letter and will work with grantee to ensure all permits and regulatory requirements are satisfied. Previous environmental documentation was prepared and adopted by the Truckee Ranger District of the Tahoe National Forest to satisfy National Environmental Policy Act (NEPA) requirements. Staff is recommending that the Board make findings that there is no substantial evidence that that the project, with mitigation measures, may have a significant effect on the environment and adopt the attached MND prepared for the project, along with the attached Mitigation Monitoring and Reporting Program.

Letters of Support:

- Lisa Wallace, Truckee River Watershed Council
- Edward D. Koch, United States Department of the Interior, Fish and Wildlife Service, Pacific Southwest Region
- J. R. Brown, University of California, Berkeley – Central Sierra Field Research Stations
- Tom Quinn, United States Department of Agriculture, Forest Service, Tahoe National Forest
- Richard Anderson, County of Nevada, Board of Supervisors

Information and materials related to this grant project are maintained in SNC offices located at 11521 Blocker Drive, Suite 205, Auburn, CA 95603, under the management and supervision of Matthew Daley.

SNC Project #788 - American River Canyon Shaded Fuel Break

Score: 97 of 100

Grantee Organization: City of Auburn Fire Department

Funding Request to the SNC: \$157,110

Full Project Cost: \$288,206

Other Funders: City of Auburn Fire Department; Cal Fire; California State Parks; U.S. Bureau of Reclamation

Link to Full Project Description: [Project 788](#) *(Note: This is a large PDF file and may take a significant amount of time to download. If you have difficulty seeing this information electronically, contact the SNC and we will make alternative arrangement for you to view the material.)*

Project Summary: The project is located on U.S. Bureau of Reclamation (BOR) Lands adjacent to the city of Auburn on the rim of the American River Canyon and also adjacent to the Auburn State Recreation Area. The City of Auburn has been granted the rights and permissions to manage these lands by BOR. The project will complete fuel reduction treatments approximately 300-400 feet wide by 4000 feet long on 45-acres of forested land in high-threat wildfire areas. Ten acres of treatment will be completed on previously treated nearby sites needing further work. This project complements forest health treatments completed earlier with SNC grant funds and leverages significant efforts of community volunteers to protect the community and the watershed from the spread of fire. Vegetation will be removed by hand, using hand saws, pole saws and chainsaws. Cut materials will be chipped and scattered to stabilize exposed soils. In some instances, select pile burning may occur where invasive species can be eliminated simultaneously.

CEQA: This project is Categorical Exempt from CEQA under Section 15304 (Minor Alterations to Land) of the CEQA Guidelines. The proposed Notice of Exemption (NOE) for the project is attached. The city of Auburn has completed and filed a Notice of Exemption for the proposed project. If approved by the Board, staff will file the NOE with the State Clearinghouse.

Letters of Support:

- Doug LaMalfa, Congress of the United States, House of Representatives
- Jim Nielsen, California State Senate
- Drew F. Lessard, United States Department of the Interior, Bureau of Reclamation

SNC Project #786 - Soaproot Stewardship Project

Score: 97 of 100

Grantee Organization: USDA Forest Service, Sierra National Forest, High Sierra Ranger District

Funding Request to the SNC: \$349,788

Full Project Cost: \$840,577

Other Funders: USDA Forest Service

Link to Full Project Description: [Project 786](#) *(Note: This is a large PDF file and may take a significant amount of time to download. If you have difficulty seeing this information electronically, contact the SNC and we will make alternative arrangement for you to view the material.)*

Project Summary: The Soaproot Stewardship Project will provide watershed restoration treatments through the reduction of surface and ladder fuels which are necessary to return the Project area to a landscape resilient to the effects of catastrophic wildfire. The forest structure consists of dense, even-aged forests that are increasingly susceptible to severe wildfire, drought, insects, and disease. Severe storms and insect outbreaks in combination with fire suppression over the past century create a hazardous fuels situation, making high-severity fires more likely. The analysis area of the Soaproot Restoration Project Environmental Assessment was selected by the Dinkey Collaborative (a group of diverse stakeholders assembled to direct the planning approach for the project) to reduce hazardous fuels and restore ecological components within the Dinkey Landscape Restoration Project (DLRP). The DLRP was developed under the Collaborative Forest Landscape Restoration Program (CFLRP), and includes 154,000-acres on national forest and adjacent private lands.

The project is located in the Upper Big Creek sub-drainage; one of the Sierra National Forest's designated priority watersheds for restoration treatments. Big Creek, Summit Creek, and Providence Creek are the three main streams at risk from the negative effects of high intensity wildfires that could consume large areas of vegetation. Downstream from the Soaproot Stewardship area is Pine Flat Reservoir, the major reservoir on the Kings River providing valley farmers irrigation water and electricity production. Should the project area experience a large, high-severity fire in its present condition, resulting erosion and sedimentation from the area would reduce the amount of storage in Pine Flat Reservoir and the benefits resulting from this stored water. The project will reduce the chances of such an occurrence by reducing hazardous fuels and creating a more resilient forest in which fire can better play its naturally role in ecological processes. Maintaining improved conditions will be accomplished with future planned underburning and vegetative treatments.

The proposed vegetative treatments include:

1. 262.3-acres of biomass removal treatments
2. 470.5-acres of tractor piling slash using dozer
3. 305-acres of grapple piling slash using excavator

CEQA: The SNC, acting as Lead Agency under the California Environmental Quality Act (CEQA), prepared and circulated an Initial Study / draft Mitigated Negative Declaration (IS/MND) for public review from January 3, 2014 to February 3, 2014. One comment letter was received from the California Department of Fish and Wildlife. SNC acknowledges receipt of the letter, and has reviewed and responded to the comments, finding that they were addressed in the previous environmental documentation for the project, prepared and adopted by the High Sierra Ranger District of the Sierra National Forest to satisfy National Environmental Policy Act (NEPA) requirements. Staff is recommending that the Board make findings that there is no substantial evidence that that the project, with mitigation measures, may have a significant effect on the

environment and adopt the attached MND prepared for the project, along with the attached Mitigation Monitoring and Reporting Program.

Letters of Support:

- Steven A. Brink, California Forestry Association
- Patrick Emmert, Private landowner adjacent to project area
- Tim Kroeker, Department of Fish and Wildlife
- Kirby D. Molen, Registered Professional Forester #2313
- Dinkey Forest Collaborative

Information and materials related to this grant project are maintained in SNC offices at 11521 Blocker Drive, Suite 205, Auburn, CA 95603, under the management and supervision of Matthew Daley.

Attachments:

[Exhibit A](#) – SNC and CEQA Documentation

Recommendation

Staff recommends the Board (a) make findings that there is no substantial evidence that the Sagehen Forest Habitat Restoration Project (SNC 773), with mitigation measures, may have a significant effect on the environment and adopt the Initial Study / Mitigated Negative Declaration and the related Mitigation Monitoring and Reporting Program (b) make findings that there is no substantial evidence that the Soaproot Stewardship Project (SNC 786), with mitigation measures, may have a significant effect on the environment and adopt the Initial Study / Mitigated Negative Declaration and the related Mitigation Monitoring and Reporting Program (c) authorize the Executive Officer to file Notices of Exemption for the Plumas Community Energy Wood Processing Facility Project (SNC 780) and the American River Canyon Shaded Fuel Break Project (SNC788); (d) authorize award of grants to each of the above listed projects for the amounts recommended by staff, and further authorize staff to enter into the necessary agreements for the recommended projects and to file Notices of Determination for the Sagehen and Soaproot Projects.