

BOARD OF DIRECTORS MEETING
PUBLIC SESSION MINUTES

Sacramento, CA
January 24, 2018
1:05 pm – 2:30 pm

ATTENDANCE

Association of California Water Agencies

Director: Tim Quinn – Absent
Alternate: Dave Bolland – Absent

California Department of Fish and Wildlife

Director: Nancee Murray – Present
Alternate: OPEN

California Farm Bureau Federation

Director: Karen Mills – Absent
Alternate: Noelle Cremers – Absent

California Forestry Association

Director: Kirsten Kolpitcke – Absent
Alternate: George Gentry – Absent

California Hydropower Reform Coalition

Director: Pete Bell – Absent
Alternate: Richard Roos-Collins – Absent

California Public Utilities Commission

Director: Allison Brown - Absent
Alternate: OPEN

California Public Utilities Commission Appointed Public Members

Director: Art Baggett Jr. – Present
Director: David Muraki – Absent
Director: Chris Nota – Present

California Natural Resources Agency

Director: John Laird – Absent
Alternate: Todd Ferrara – Present

California Tribal Interests

Director: Larry Myers – Present
Alternate: Ken Tipon – Absent

Central Valley Regional Water Quality Control Board

Director: Soapy Mulholland – Present
Alternate: Bob Schneider – Absent

Office of Ratepayer Advocates

Director: Truman Burns – Present
Alternate: OPEN

Pacific Gas & Electric Company

Director: Mike Schonherr – Present
Alternate: Rebecca Doidge - Present

Rural County Representatives of California

Director: Lee Adams – Present
Alternate: John Viegas – Absent

State Water Resources Control Board

Director: DeeDee D'Adamo – Absent
Alternate: Jeffrey Parks – Present

Trust for Public Land

Director: Dave Sutton – Absent
Alternate: Ann Cole - Absent

U.S. Forest Service

Non-Voting Liaison: Liz Berger - Present

STEWARDSHIP COUNCIL STAFF

Executive Director Heidi Krolick
Director of Land Conservation Jessica Daugherty
Director of Finance and Operations Aaron Robertson
Deputy Director of Land Conservation Erin Healy
Senior Project Manager Steve Schweigerdt
Senior Project Manager Chantz Joyce
Project Manager Lauren Faccinto
Office Administrator Robyn White

OTHERS

Jim Branham, Executive Officer, Sierra Nevada Conservancy
Eddie Guaracha, District Superintendent, State Parks
Ed Horton, Placer County Water Agency
Fran Herbst, Lands Program Manager, Tahoe National Forest, United States Forest Service
Nick Repanich, President, Philbrook Community Association
James Mousalimas, Superintendent, San Joaquin County Office of Education

Scott Anderson, Deputy Superintendent of Business Services, San Joaquin County Office of Education

Janai Stanton, Administrative Services Director, San Joaquin County Office of Education

SUMMARY OF ACTIONS AND RESOLUTIONS TAKEN BY THE BOARD AT THIS MEETING

- Adoption of the minutes of the November 15, 2017 Board of directors meeting. **(Consent calendar item)**
- Approval of the proposed Land Conservation and Conveyance Plan (LCCP) for lands to be donated to the USFS at the Battle Creek planning unit, which LCCP describes how the proposed transaction conforms to and fulfills the requirements of the 2003 Settlement Agreement and Stipulation. Approval of the proposed conservation covenant funding agreement between the Stewardship Council and the Sierra Nevada Conservancy
- Approval of the proposed Land Conservation and Conveyance Plan (LCCP) for lands to be donated to the USFS at the Lake Britton planning unit, which LCCP describes how the proposed transaction conforms to and fulfills the requirements of the 2003 Settlement Agreement and Stipulation. Approval of the proposed conservation covenant funding agreement between the Stewardship Council and the Sierra Nevada Conservancy
- Approval of the proposed Land Conservation and Conveyance Plan (LCCP) for lands to be retained by PG&E at the Philbrook Reservoir planning unit, which LCCP describes how the proposed transaction conforms to and fulfills the requirements of the 2003 Settlement Agreement and Stipulation. Approval of the proposed funding agreement in the amount of \$221,950 to the Northern California Regional Land Trust (NCRLT)
- Approval of the proposed NSPIV finding for Parcel 193 consisting of approximately 9 acres at the Hat Creek planning unit
- Approval of the proposed NSPIV finding on Parcel 133 consisting of approximately 2 acres at the Fall River Mills planning unit
- Approval of the proposed NSPIV finding for Parcel 679 consisting of approximately 6 acres at the Oroville planning unit
- Approval of the proposed NSPIV finding on Parcel 667 and 668 consisting of approximately 3 acres at the North Fork Feather River planning unit
- Approval of the recommendation of San Joaquin County Office of Education (SJCOE) as the recipient of fee title to approximately 40 acres available for donation within parcel 813 in the Lake Spaulding planning unit
- Approval of the recommendation of Sequoia Riverlands Trust (SRT) as the conservation easement holder of approximately 100 acres in the Kings River planning unit
- Approval of the enhancement funding request for the Fall River Resource Conservation District (RCD) in the amount of \$1,101,750. Approval of the board delegating authority to the Watershed Planning Committee to approve any future enhancement project for the remaining funds allocated to McArthur Swamp

- Approval of the enhancement funding request for the Fall River Valley Community Services District (CSD) in the amount of \$56,115 to develop the engineered construction designs needed for implementation of the community park project

ATTENDANCE AND QUORUM

Stewardship Council Board President Art Baggett called the roll, declared a quorum, and called the meeting to order.

CONFLICT OF INTEREST DISCLOSURES

Mr. Baggett asked if any Board members had a conflict of interest with regard to any of the proposed actions. Liz Berger stated she had a conflict of interest with regards to the actions involving the United State Forest Service (USFS) at Battle Creek and Lake Britton. Soapy Mulholland said that she had a conflict of interest with regards to Sequoia Riverlands Trust's involvement in the Kings River planning unit. Mike Schonherr disclosed he and Rebecca Doidge would not participate in any discussion or any action taken on the proposed No Significant Public Interest Value Findings and that they would both leave the room during the discussion and actions.

PUBLIC COMMENTS

Jim Branham, Executive Officer of Sierra Nevada Conservancy (SNC) and Fran Herbst, Lands Program Manager of the Tahoe National Forest for the United States Forest Service (USFS) were present and provided comments pertaining to the action involving the Battle Creek and Lake Britton planning units as noted below.

Ms. Herbst also provided comments pertaining to the Lake Spaulding (Lindsey Lakes) planning unit as noted below.

Nick Repanich, President of the Philbrook Community Association was present and provided comment pertaining to the action involving the Philbrook Reservoir as noted below.

James Mousalimas, Superintendent and Scott Anderson, Deputy Superintendent of Business with the San Joaquin County Office of Education (SJCOE) were present and provided comment pertaining to the action involving the fee title donee recommendation for the Lake Spaulding planning unit as noted below.

CONSENT CALENDAR

The Board approved the consent calendar items as noted above in the summary of actions and resolutions taken at Board meeting.

FIDUCIARY COMMITTEE

Fiduciary Committee Chair, Truman Burns, turned the meeting over to Director of Finance and Operations, Aaron Robertson.

Mr. Robertson reviewed the 2017 year to date budget included in the Board packet. Mr. Robertson noted that the year to date budget and the year to date actual were very close due to the \$1.3 million payment to Shasta County for property tax neutrality related to the McArthur Swamp planning unit.

WATERSHED PLANNING COMMITTEE

Battle Creek Planning Unit (ACTION)

After Ms. Berger left the room, Senior Project Manager Chantz Joyce reviewed the proposed LCCP pertaining to the donation to the USFS of 929 acres of land by PG&E at the Battle Creek planning unit and includes the proposed conservation covenant recommended to be held by SNC and the proposed conservation covenant funding agreement in the amount of \$56,000.

Mr. Baggett then called on Fran Herbst, Lands Program Manager for the Tahoe National Forest for the USFS. Ms. Herbst read a statement from Kathy Valenzuela, the Realty Officer in charge of processing the Battle Creek and Lake Britton donations in the Lassen National Forest. Ms. Herbst relayed the USFS's delight with the donations and said that the lands are a welcomed addition to the National Forest system and will continue to be available to the public in the future as was intended.

After an opportunity for Board questions and discussion, the Board made the following conflict of interest finding:

- The Board confirmed that in good faith it agrees that the Stewardship Council will take the proposed action for its own benefit; that the proposed action is fair and reasonable to the Stewardship Council; and that, after reasonable investigation, the Stewardship Council could not have obtained a more advantageous arrangement with reasonable effort under the circumstances.

Following the conflict of interest finding, the Board approved the action as described above in the summary of actions and resolutions taken at the Board meeting.

Lake Britton Planning Unit (ACTION)

Mr. Joyce reviewed the proposed LCCP pertaining to the donation to the USFS of 308 acres of land by PG&E at the Lake Britton planning unit and includes the proposed conservation covenant recommended to be held by SNC and the proposed conservation covenant funding agreement in the amount of \$63,000.

Mr. Baggett then called on Jim Branham, Executive Officer of SNC. Mr. Branham thanked PG&E and the Stewardship Council and expressed SNC's excitement regarding their role as holder of the conservation covenant. He said they were looking forward to working with USFS.

After an opportunity for Board questions and discussion, the Board made the following conflict of interest finding:

- The Board confirmed that in good faith it agrees that the Stewardship Council will take the proposed action for its own benefit; that the proposed action is fair and reasonable to the Stewardship Council; and that, after reasonable investigation, the Stewardship Council could not have obtained a more advantageous arrangement with reasonable effort under the circumstances.

Following the conflict of interest finding, the Board approved the action as described above in the summary of actions and resolutions taken at the Board meeting.

Philbrook Reservoir Planning Unit (ACTION)

After Ms. Berger returned to the room, Senior Project Manager Steve Schweigerdt reviewed the proposed LCCP pertaining to the retention of 277 acres of land by PG&E at the Philbrook Reservoir planning unit and includes the proposed conservation easement recommended to be held by Northern California Regional Land Trust (NCRLT) and the proposed conservation easement funding agreement in the amount of \$221,950.

Mr. Baggett then called on Nick Repanich, President of the Philbrook Community Association. Mr. Repanich expressed that the Association had some concerns earlier, but had met with PG&E and NCRLT and was okay with the action moving forward.

Hat Creek – No Significant Public Interest Value Finding (ACTION)

After Mr. Schonherr and Ms. Doidge left the room, Project Manager Lauren Faccinto provided background information regarding a proposed finding of NSPIV on Parcel 193 consisting of 9 acres of the Hat Creek planning unit.

Ms. Faccinto referred the Board members to detailed information in the Board packet and reviewed the candidate parcels and the process the NSPIV work group and the Watershed Planning Committee went through in order to determine the recommendation for the NSPIV finding. She also indicated that the proposed NSPIV finding was made available for a 30 day public review and comment period and comments were being accepted up to the January 24, 2018 Board meeting. No substantive comments were received.

After an opportunity for Board questions and discussion, the Board approved the action as described above in the summary of actions and resolutions taken at Board meeting.

Fall River Mills – No Significant Public Interest Value Finding (ACTION)

Ms. Faccinto provided background information regarding a proposed finding of NSPIV on Parcel 133 consisting of approximately 2 acres of the Fall River Mills planning unit.

Ms. Faccinto referred the Board members to detailed information in the Board packet and reviewed the candidate parcels and the process the NSPIV work group and the Watershed Planning Committee went through in order to determine the recommendation for the NSPIV finding. She also indicated that the proposed NSPIV finding was made available for a 30 day public review and comment period and comments were being accepted up to the January 24, 2018 Board meeting. No substantive comments were received.

After an opportunity for Board questions and discussion, the Board approved the action as described above in the summary of actions and resolutions taken at Board meeting.

Oroville – No Significant Public Interest Value Finding (*ACTION*)

Ms. Faccinto provided background information regarding a proposed finding of NSPIV on Parcel 679 consisting of approximately 6 acres of the Oroville planning unit.

Ms. Faccinto referred the Board members to detailed information in the Board packet and reviewed the candidate parcels and the process the NSPIV work group and the Watershed Planning Committee went through in order to determine the recommendation for the NSPIV finding. She also indicated that the proposed NSPIV finding was made available for a 30 day public review and comment period and comments were being accepted up to the January 24, 2018 Board meeting. No substantive comments were received.

After an opportunity for Board questions and discussion, the Board approved the action as described above in the summary of actions and resolutions taken at Board meeting.

North Fork Feather River – No Significant Public Interest Value Finding (*ACTION*)

Ms. Faccinto provided background information regarding a proposed finding of NSPIV on Parcel 667 and 668 consisting of approximately 3 acres of the North Fork Feather River planning unit.

Ms. Faccinto referred the Board members to detailed information in the Board packet and reviewed the candidate parcels and the process the NSPIV work group and the Watershed Planning Committee went through in order to determine the recommendation for the NSPIV finding. She also indicated that the proposed NSPIV finding was made available for a 30 day public review and comment period and comments were being accepted up to the January 24, 2018 Board meeting. No substantive comments were received.

After an opportunity for Board questions and discussion, the Board approved the action as described above in the summary of actions and resolutions taken at Board meeting.

Fee Title Donee Recommendation at Lake Spaulding Planning Unit (*ACTION*)

After Mr. Schonherr and Ms. Doidge returned to the room, Mr. Schweigerdt presented an update to the April 6, 2016 recommendation of the Watershed Planning Committee that San Joaquin County Office of Education (SJCOE) become the recipient of fee title to approximately 40 acres available for donation within parcel 813 in the Lake Spaulding planning unit.

Mr. Baggett then called on James Mousalimas, Superintendent and Scott Anderson Deputy Superintendent of Business Services with the San Joaquin County Office of Education.

Mr. Mousalimas said that SJCOE was committed to continue their Youth Outdoor program with the completion of the Lake Spaulding donation.

Mr. Anderson thanked the Stewardship Council board and staff and summarized highlights of SJCOE's finances to the board. He noted that SJCOE will have the capacity to handle the donation.

After an opportunity for Board questions and discussion, the Board approved the action as described above in the summary of actions and resolutions taken at Board meeting.

Conservation Easement Holder Recommendation at Kings River Planning Unit (*ACTION*)

After Ms. Mulholland left the room, Mr. Schweigerdt explained that at its September 16, 2010 meeting, the Stewardship Council Board of Directors recommended the USFS as the prospective fee title donee for the Kings River planning unit, located in Fresno County. After a lengthy due diligence process, the USFS withdrew interest in the fee title donation on October 16, 2017. Due to the small size of the property, existing license for USFS staging for whitewater operations on the parcel, and lack of interest for additional fee donation consideration, the planning unit will be retained by PG&E and Sequoia Riverlands Trust is being proposed as the conservation easement holder.

After an opportunity for Board questions and discussion, the Board made the following conflict of interest finding:

- The Board confirmed that in good faith it agrees that the Stewardship Council will take the proposed action for its own benefit; that the proposed action is fair and reasonable to the Stewardship Council; and that, after reasonable investigation, the Stewardship Council could not have obtained a more advantageous arrangement with reasonable effort under the circumstances.

Following the conflict of interest finding, the Board approved the action as described above in the summary of actions and resolutions taken at the Board meeting.

Fall River Resource Conservation District Enhancement Funding (*ACTION*)

After Ms. Mulholland returned to the room, Mr. Joyce provided information on the Fall River Resource Conservation District's request for enhancement funding in the amount of \$1,101,750.

After an opportunity for Board questions and discussion, the Board approved the action as described above in the summary of actions and resolutions taken at Board meeting.

Enhancement Funding for Fall River Valley Community Services District (*ACTION*)

Mr. Joyce presented information on the enhancement funding request for the Fall River Valley Community Services District (CSD) in the amount of \$56,115 to develop the engineered construction designs needed for implementation of the community park project. He explained this enhancement project proposal leverages approximately \$300,000 worth of grant funding from State Parks.

After an opportunity for Board questions and discussion, the Board approved the action as described above in the summary of actions and resolutions taken at Board meeting.

Land Conservation Program Update

- Director of Land Conservation Jessica Daugherty provided the Board with an update regarding the Land Conservation Program. She highlighted the Stewardship Council's work with Native American Tribes and organizations.

FINAL PUBLIC COMMENTS

Ms. Herbst thanked PG&E, Bear Yuba Land Trust and the Stewardship Council for developing a conservation easement in the Lake Spaulding (Lindsey Lakes) planning unit that recognizes the surrounding non-motorized uses. She particularly thanked Mike Schonherr of PG&E for his partnership during the transaction negotiations.

BOARD MEMBER ANNOUNCEMENTS

Executive Director Heidi Krolick announced that the March 14, 2018 board of directors meeting has been moved to March 13, 2018 at the Tsakopoulos Library Galleria in Sacramento.

ADJOURNMENT

Mr. Baggett adjourned the meeting at approximately 2:30 p.m.

Nancee Murray, Secretary