

**Pacific Forest and Watershed Lands
Stewardship Council**



**Request for Qualifications
for Conservation Easement Holders
for the Upper Mokelumne River Watershed Area**

Including the following planning units:
Blue Lakes

Lower Bear Area

North Fork Mokelumne River

Confidential

April 2009

Real Estate Disclaimer

The information provided in these materials is supplied as a courtesy to prospective donees and is in no way warranted or guaranteed. Specifically, no representations are expressed, or should be implied, with respect to the resource values, physical condition, condition of title, or the use or improvement of the property described, including without limitation, potential for recreational, agricultural, or restoration activities. It is the donee's obligation to evaluate any and all environmental and regulatory constraints relating to the use of the property. Receipt of these materials and the information contained herein shall not constitute an offer to donate or otherwise transfer any property interest or right in the property described.



Request for Qualifications (RFQ) for Conservation Easement Holders at Select Watershed Lands

Pit-McCloud River, Feather River, and Upper Mokelumne River Watershed Areas

BACKGROUND AND INTRODUCTION

The Pacific Forest and Watershed Lands Stewardship Council (Stewardship Council) is a private, non-profit foundation responsible for developing and implementing a plan for the permanent protection of over 140,000 acres of watershed lands currently owned by Pacific Gas and Electric Company (PG&E) and located in the Sierra and Cascade ranges. The overarching goal of the plan is to preserve and enhance the watershed lands guided by six beneficial public values: habitat protection, open space, outdoor recreation, sustainable forestry, agriculture, and protection of cultural and historic resources.

To address the challenge of a conservation effort of this large scope and nature, and to facilitate engagement of a diverse group of stakeholders and interested members of the public, the Stewardship Council has grouped the watershed lands into 47 different planning units. These 47 planning units have been further grouped within 9 distinct watershed areas. See Figure 1.

The Stewardship Council has also initiated the preparation of a Land Conservation Plan (LCP) to guide the permanent protection of the watershed lands. This effort is being conducted in two phases. The first phase, which has been completed, consisted of documenting existing conditions on the watershed lands and developing conceptual plans to preserve and enhance the beneficial public values. This phase of work is summarized in LCP Volumes I and II, which were approved and adopted by the Stewardship Council Board of Directors in November 2007. The next phase of work will occur over the next several years, and will consist of developing specific land conservation and conveyance plans for individual planning units, identifying fee title and/or conservation easement donees for the watershed lands, and executing land conveyance transactions. This work will be summarized in a document that will be referred to as Volume III of the LCP. It is anticipated that the 47 planning units will be processed in several rounds. This RFQ concerns planning units within three watershed areas as outlined below.

PLANNING UNITS SUBJECT TO THIS RFQ

Pursuant to this RFQ, the Stewardship Council is seeking eligible and qualified organizations interested in becoming holders of conservation easements on watershed lands located in three distinct watershed areas: the Pit-McCloud River, Feather River, and Upper Mokelumne River Watersheds. The planning units subject to this RFQ are listed below by watershed area.

Pit-McCloud River Watershed Area:

- Fall River Valley
- Fall River Mills
- Hat Creek
- Lake Britton
- Lake McCloud
- Iron Canyon Reservoir
- Tunnel Reservoir
- Pit River



Feather River Watershed Area:

- Butt Valley Reservoir
- Humbug Valley
- Lake Almanor
- Mountain Meadows Reservoir
- Deer Creek
- Philbrook Reservoir
- Butte Creek
- North Fork Feather River
- Oroville

Upper Mokelumne Watershed Area:

- Blue Lakes
- Lower Bear Area
- North Fork Mokelumne River

Please note that only state and local public entities, non-profit conservation organizations, and recognized tribal interests are eligible to be considered as conservation easement holders in this process. Moreover, eligible organizations must demonstrate they have the organizational and financial capacity to become conservation easement holders and protect these lands in perpetuity.

CONSERVATION EASEMENT APPROACH

One of the primary goals of the Stewardship Council is to preserve in perpetuity all 140,000 acres of watershed lands through the use of conservation easements¹. The Stewardship Council has developed an approach designed to attract organizations that are both eligible and qualified to hold conservation easements, to streamline the process of establishing conservation easements, and to ensure that conservation easements are maintained in the future in an effective and efficient manner.

Accordingly, the Stewardship Council is soliciting organizations interested in becoming the primary conservation easement holder for most or all of the planning units within a watershed area. The intent of this approach is to ensure that all of the planning units within a watershed area are protected by a conservation easement, and that the process of establishing conservation easements is as efficient, effective, and consistent as possible. Therefore, the Stewardship Council will consider requests for a conservation easement on a single planning unit only under special circumstances.

¹Under the Land Conservation Commitment entered into by PG&E, all of the watershed lands are to be protected by conservation easements to preserve and/or enhance the beneficial public values. However, there are two exceptions to this general requirement. A conservation easement is not required if either: (1) the Land Conservation Plan adopted by the Stewardship Council includes a determination that the particular parcel does not have significant public value; or (2) the chosen donee of fee title informs the Stewardship Council's board that applicable law or policy precludes its accepting a conservation easement, and the board receives satisfactory assurance in another form that the parcel will be managed consistent with the purposes of the Land Conservation Commitment.



Organizations that are selected to become conservation easement holders for a watershed area will be expected to enter into a letter of intent with the Stewardship Council. The letter of intent will outline the roles and responsibilities of the parties, major tasks, and a proposed timeline for completion of the land transactions².

ROLES, RESPONSIBILITIES, AND OPPORTUNITIES

The Stewardship Council envisions that the primary role of the conservation easement holder will be to monitor the site to ensure that the land is being managed in compliance with the conservation easement, land management plan, and/or other relevant documents. Baseline condition reports will be required for any parcel protected with a conservation easement. The conservation easement and the land management plan will detail the prohibited uses and land management practices to preserve and enhance the beneficial public values applicable to the site. Monitoring will include regular site inspections (once a year or more frequently) and preparation of inspection reports. The conservation easement holder will also be responsible for working with the landowner to identify and correct any violations to the terms and conditions of the conservation easement, and take enforcement action, as necessary, in such a manner as is described in the conservation easement.

In addition to the above-described roles and responsibilities, conservation easement holders may have an opportunity, if desired, to perform or support site activities that enhance and/or promote the beneficial public values in collaboration with the fee title owner or other land conservation partners. A willingness to collaborate with a variety of stakeholders will be an important aspect of this overall process.

FUNDING

Organizations selected to become conservation easement holders will be eligible for funding from the Stewardship Council. It is contemplated that funding will be available for certain transactional costs as well as the future costs of monitoring and related activities. The Stewardship Council plans to establish an endowment funding mechanism to support long-term monitoring of the watershed lands by conservation easement holders. The Stewardship Council will fund up to 100% of a conservation easement holder's reasonable endowment costs to monitor the watershed lands and perform other duties under the terms of the conservation easement as negotiated by the parties. In conjunction with this funding, the Stewardship Council will encourage recipients of conservation easements to be willing and active partners in securing funds to help defray these costs and reduce the amount of funding needed from the Stewardship Council.

² Land transactions will be subject to regulatory approval and compliance with the terms of the Land Conservation Commitment, including requirements to honor existing agreements for economic uses and respect PG&E's ongoing hydroelectric operations. Lands to be retained by PG&E are further subject to federal jurisdiction under licenses issued by the Federal Energy Regulatory Commission, and the requirement that the rights and obligations of PG&E and other parties in FERC relicensing proceedings shall not be expanded as a result of the land transaction.

STATEMENT OF QUALIFICATIONS (SOQ) PROCESS

Interested organizations are requested to submit a SOQ. The submitted SOQ must address each of the items outlined below. Review of SOQs will be conducted by staff and, where appropriate, external experts. SOQ submitters may be asked to participate in an interview/meeting with the evaluation team as part of this review. Based on Stewardship Council staff review and evaluation of the submitted SOQs, eligible donees will be determined by the Stewardship Council. Following this process, selected organizations will be asked to enter into a letter of intent with the Stewardship Council, outlining the process and understanding going forward.

Organizations interested in being considered as conservation easement holders for the three watershed areas that are the subject of this RFQ should submit a SOQ in accordance with the instructions provided below.

Interested organizations should refer to the following documents for relevant background information:

Available on the Stewardship Council web site:

- Land Conservation Plan (LCP) [Volumes I and II](#)

Included as Attachments:

- Planning Unit Summaries and Maps
- Land Conservation Plan Volume II excerpts

ELIGIBILITY REQUIREMENTS

The following minimum eligibility requirements will be used to evaluate the SOQs:

- **Organization.** Organization is one of the following:
 - A nonprofit organization exempt from federal taxation under Section 501(c)(3)³
 - A state or local governmental entity
 - A California recognized tribe⁴
- **Programmatic.** Organization's mission and/or programs and activities include the protection and enhancement of beneficial public values, including protection of natural habitat, preservation of open space, sustainable forestry, agricultural uses, protection of cultural and historic resources, and/or outdoor recreation.

³ The organization must be qualified to do business in California and have as its primary purpose the preservation, protection, or enhancement of land in its natural, scenic, historical, agricultural, forested, or open-space condition or use. (See California Civil Code § 815.3(a))

⁴ "A recognized tribe" is defined as a federally recognized California Native American tribe or a non-federally recognized California Native American tribe that is on the contact list maintained by the Native American Heritage Commission to protect a California Native American prehistoric, archaeological, cultural, spiritual, or ceremonial place. (See California Civil Code § 815.3(c))



- **Interest and Geographic Familiarity.** Organization has identified those particular watershed lands in which it is interested in holding the conservation easement interest. Organization's mission and/or activities support the geographic region within which the applicable watershed land(s) of interest is located.
- **Experience.** Organization has demonstrated capability to hold and manage conservation easements and monitor existing beneficial public values.
- **Financial.** Organization can provide audited financial statements, or if not available, (in order of preference) an independent auditor's review, an independent auditor's compilation with full footnote disclosure, or a complete Income Statement and Balance Sheet with no independent review.

KEY DATES

Release of RFQ:	April 9, 2009
SOQ Due:	April 28, 2009
Interviews (at Stewardship Council's Discretion):	May 2009
Decision:	June 2009

SUBMITTAL REQUIREMENTS

SOQs must be specific to an individual organization. SOQs must be submitted electronically and suggested page limits are specified for applicable questions. The text component of the SOQ must use at minimum a 12-point font with 1-inch margins on all sides. All electronic files must be converted to Adobe Portable Document Format (PDF) prior to submittal. Please provide one single PDF file of your submittal. (Note: Files must be smaller than 10 MB. We do not encourage overly elaborate presentation materials in your submittal.) We recommend that you also retain a hardcopy of your SOQ and any attachments. (Please note that due to ongoing, intermittent problems with blocked e-mails, we do not recommend submitting documents from e-mail accounts at **comcast.net**. Senders with e-mail addresses in the **comcast.net** domain are advised to obtain a free e-mail account from a service such as Hotmail or Yahoo! Mail for use in communicating with the Stewardship Council.)

The cover of the SOQ should clearly state "Statement of Qualifications for [insert watershed name(s)]." If submitting a SOQ for more than one watershed, only one SOQ needs to be submitted. SOQ submitter should list the names of watersheds of interest on the cover.

To be considered, completed SOQs must be submitted by 5:00 pm on Tuesday, April 28, 2009. SOQs will not be accepted after the deadline.



Please submit your organization's SOQ to the following E-Mail address(s):

<u>Watershed</u>	<u>Submittal Deadline</u>	<u>Contact & E-Mail Address</u>
Feather River	April 28, 2009	Heidi Krolick hkrolick@stewardshipcouncil.org
Pit-McCloud River	April 28, 2009	Chantz Joyce cjoyce@stewardshipcouncil.org
Upper Mokelumne River	April 28, 2009	Mary Adelzadeh madelzadeh@stewardshipcouncil.org

Interested donees are encouraged to contact staff with questions regarding this RFQ. Questions should be directed to the regional land conservation manager listed for each watershed above. Interested donees are discouraged from directly contacting Stewardship Council Board members or alternates during the submission and evaluation process.

STATEMENT OF QUALIFICATIONS CONTENT REQUIREMENTS

The following SOQ content requirements have been provided in this document to serve as a guide. SOQs must be submitted electronically per the requirements listed above.

Contact Information

1) If the Stewardship Council has any questions during the review process, we may need to contact you to get additional information in a timely manner. Please provide the contact information for the following three people in your organization:

- a) A primary SOQ contact
- b) A secondary SOQ contact
- c) The executive director, or other staff or board member if the executive director is the primary contact for the organization.

If any of your contact information should change during the course of the review process, please contact us so that we may keep your information updated.

Organization Information

2) Indicate which category applies to your organization:

- A nonprofit organization exempt from federal taxation under Section 501(c)(3) which has as its primary purpose the preservation, protection, or enhancement of land in its natural, scenic, historical, agricultural, forested, or open-space condition or use
- A state or local governmental entity
- A California recognized tribe



3) Attach documentation of your organization's status (e.g., Internal Revenue Service and/or Franchise Tax Board Determination Letters), and corporate governance documents (e.g., Articles of Incorporation and Bylaws)

4) Legal Name:

Common Name or DBA, if applicable:

As an example, our official name is the Pacific Forest and Watershed Lands Stewardship Council, but we call ourselves the Stewardship Council.

Conservation Easement Interests Sought

5) Please identify at least one watershed area from the following list:

- Feather River
- Pit-McCloud River
- Upper Mokelumne River

6) As detailed in the *Conservation Easement Approach* section above, the Stewardship Council is seeking donees interested in holding conservation easements over all of the planning units within a specific watershed area. If your interest is limited to specific planning units or unique resources within specific planning units, please describe that interest.

Organization Mission or Programmatic Focus

7) Attach any existing materials you have that demonstrate a commitment to the stewardship values identified in Volumes I and II of the LCP, such as your organization's mission statement, fundraising and communication materials, or your annual report.

Geographic Focus (one page or less)

8) Describe your organization's knowledge and experience in the region within which the selected watershed area is located.

Organizational Capacity (two pages or less)

9) Describe up to three specific projects that most effectively illustrate your organization's capacity to hold, monitor and enforce conservation easements on comparable lands.

10) State the total number, size, and length of time held for each of the conservation easements currently held by your organization. Please also describe your organization's policy and approach for resolving potential violations of conservation easement terms with a landowner.

Organizational Finances

11) Provide your organization's operating budget for the current year and the most recent two years of your organization's financial statements (i.e., fiscal or calendar year-end 2008 and



2007). Audited financials are preferred, but if not available, the following (in order of preference) can be provided as a substitute: an independent auditor's review, an independent auditor's compilation with full footnote disclosure, or a complete Income Statement and Balance Sheet with no independent review. If you have specific questions about financial documentation, please contact Joel Wagner at the Stewardship Council at (650) 344-9072.

12) *Optional:* In one page or less provide any information you would like to explain or highlight on your operating budget or financial statement.

Key Personnel

13) Provide a summary, and/or attach resumes, that describe the relevant experience for your organization's key staff and the proposed lead personnel for this project. Where appropriate to demonstrate organizational experience, you may include names and affiliations for your organization's governing board.

References

14) Please list two references which can attest to your organization's track record and capacity to undertake the type of stewardship responsibilities requested in this RFQ, providing name, title, relationship, address, phone, and E-Mail.

Conflict of Interest

15) To assist the Stewardship Council in evaluating whether any actual or potential conflicts of interest may arise when your SOQ is considered, please include a disclosure of any personal or financial relationships of which you are aware between (a) your organization and its members, trustees, directors, officers or stockholders, and (b) a member of the Stewardship Council's board, his or her family members, or the board member's constituent organization. The existence of such a relationship may or may not require the affected board member to refrain from participating in the consideration of any land transaction in which your organization is involved.

Supporting Documentation

16) Attach the following information to the SOQ:

- a. Documentation of your organization's status (e.g., Internal Revenue Service and/or Franchise Tax Board Determination Letters), and corporate governance documents (e.g., Articles of Incorporation and Bylaws)
- b. Relevant materials that demonstrate your organization's mission and/or programs (optional)
- c. 2007 and 2008 audited financial statements (or equivalent)
- d. Operating budget (current year)
- e. *Optional:* Resumes for key staff, lead personnel, and Board (or equivalent)

FIGURE 1:



This page intentionally left blank.