

BOARD OF DIRECTORS MEETING

PUBLIC SESSION MINUTES

Via live webcast

November 17, 2021

11:30 am – 12:30 pm

ATTENDANCE

Association of California Water Agencies

Director: Dave Eggerton – Absent
Alternate: OPEN

California Department of Fish and Wildlife

Director: Nancee Murray – Present
Alternate: OPEN

California Forestry Association

Director: Rich Gordon – Present
Alternate: George Gentry – Absent

California Hydropower Reform Coalition

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

California Public Utilities Commission

Director: Allison Brown - Present
Alternate: OPEN

California Public Utilities Commission Appointed Public Members

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

California Natural Resources Agency

Director: Wade Crowfoot – Absent
Alternate: Jennifer Norris – Absent

California Tribal Interests

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

Central Valley Regional Water Quality Control Board

Director: Soapy Mulholland – Present (arrived 11:35 am)
Alternate: Bob Schneider – Absent

Public Advocates Office

Director: Truman Burns – Present

Alternate: Julie Halligan – Present

Pacific Gas & Electric Company

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

Rural County Representatives of California

Director: Lee Adams – Present
Alternate: Miles Menetrey – Absent

State Water Resources Control Board

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

Trust for Public Land

Director: Dave Sutton – Absent
Alternate: John McCamman - Absent

U.S. Forest Service

Non-Voting Liaison: Jerry Bird - Absent

STEWARDSHIP COUNCIL STAFF

Executive Director Heidi Krolick

Director Programs and Administration Erin Healy

Deputy Director of Land Conservation Steve Schweigerdt

Land Conservation Project Manager Megan Tolbert

Office Administrator Robyn White

Finance and Compliance Administrator Debbie Daugherty (arrived 11:35 am)

OTHERS

Shannon Ciotti, Grants Program Administrator, Sierra Nevada Conservancy (SNC)

Sarah Hug, PG&E Staff Representative

James Swenson, PG&E Staff Representative

Troy Kelly, PG&E Staff Representative

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

- Adoption of the minutes of the September 22, 2021 Board of Directors meeting. (**Consent agenda item**)
- Approval of 2022 board and Committee meeting calendar as include in meeting packet (**Consent agenda item**)
- Approval of 2022 Committee structure changes, associated charters/policy updates and delegations of authority as detailed in meeting packet
- Approval of 2022 board and Committee chairs as presented (**Action**)

- Approval of the 2022 Budget Plan as presented (**Action**)
- The Board delegated authority to the Fiduciary Committee to approve the 2022 Budget Plan revisions as needed to reflect actual timing of transaction closing (**Action**)
- The Board approved the proposed term sheet for the Master Grant Agreement between the Stewardship Council and the SNC as presented in the meeting materials for the November 17, 2021 Board meeting (**Action**)
- The Board delegated authority to the Fiduciary Committee to approve the Master Grant Agreement and all related exhibits (**Action**)
- The Board authorized the Stewardship Council's Executive Director and Board President to execute the SNC Master Grant Agreement and authorized the Executive Director to execute enhancement program Phase 2 amendments consistent with the Stewardship Council Board's future approval of additional enhancement awards (**Action**)
- The Board delegated authority to the Fiduciary Committee to approve the addition of a scope of work and the amount of associated grant funding to be provided to the SNC related to SNC's preparation of a report to assess the physical and economic impacts of the LCC. The Board authorized the Executive Director to execute the resulting amendment to include the scope of work and the associated grant funds (**Action**)
- The Board shortened the Dispute Notice Period for the above SNC actions to 5 business days after the minutes of the Board meeting have been distributed to Board Members (**Action**)
- The Board approved the proposed revisions to the Final Land Conservation and Conveyance Plan (LCCP) for lands to be donated to CAL FIRE at the Pit River and Tunnel Reservoir Planning Units, originally approved by the Board on September 19, 2018. This Revised Final LCCP describes how the proposed transaction conforms to and fulfills the requirements of the 2003 Settlement Agreement and Stipulation (**Action**)
- The Board delegated authority to the Board Development and Dissolution Planning Committee to approve revisions to the scope of work for the Tásmam Kojóm enhancement grant to the Maidu Summit Consortium (**Action**)

ATTENDANCE AND QUORUM

Stewardship Council Board President and Chair 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. Although Jennifer Norris was not present, Executive Director Heidi Krolick pointed out Ms. Norris had a conflict of interest for the Sierra Nevada Conservancy action and a perceived conflict of interest for the Cal Fire/Pit River and Tunnel Reservoir LCCP action.

PUBLIC COMMENTS

There were none.

CONSENT CALENDAR

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

BOARD DEVELOPMENT COMMITTEE

Election of 2022 officers and Committee chairs

Mr. Baggett presented the list of officers and Committee chairs recommended by the Board Development Committee. The Board then approved the following directors to serve as 2022 officers and Committee chairs:

President: Art Baggett, Jr.

Treasurer/Assistant Secretary: Mike Schonherr

Secretary: Nancee Murray

Vice President/Board Development and Dissolution Planning Committee Chair: Soapy Mulholland

Vice President/Fiduciary Committee Chair/Assistant Treasurer: Jeffery Parks

Vice President: David Muraki

Update on Stewardship Council organizational wind down

Ms. Krolick announced there would be a streamlined Board and Committee structure for next year which included three Board Meetings scheduled for 2022. She said while there is important remaining land transaction work to accomplish, staff and the Board are continuing to consider the Stewardship Council's organizational wind down and dissolution within the next couple of years. She noted that the Board anticipates considering an action next year to begin the formal dissolution process. She acknowledged SNC staff member Shannon Ciotti's presence at the meeting noting the SNC term sheet grant action on the agenda would solidify the partnership with SNC on a variety of important roles including the future administration of elements of the environmental enhancement program starting next year and continuing beyond the Stewardship Council's dissolution.

FIDUCIARY COMMITTEE

Fiduciary Committee Chair Truman Burns introduced the Fiduciary Committee. He noted there is a balance of \$21M in investments and then reviewed the agenda items for the meeting. He then turned the meeting over to Director of Programs and Administration Erin Healy to provide the financial update.

Financial update

Ms. Healy explained the financial statements in the packet reflected operating activities for the month-ended September 30, 2021. She said total expenditures year-to-date totaled \$2,316,388

which was \$5,313,189 below budget. She reported that program expenses were \$5M below budget, the largest category below budget. She stated staff anticipated several additional escrow closings prior to year-end and several tax neutrality payments were pending in Shasta County awaiting approval of grant agreements, as well as possible enhancement grant payments.

Approval of 2022 Budget Plan

Ms. Healy presented the 2022 budget plan. She explained the \$10.5M total budget was based on 16 anticipated closings in 2022 which included all the donated transactions and all tax neutrality payments finalized in 2022.

Ms. Healy said due to some 2021 closings possibly carrying over into 2022 staff was asking the Board to delegate authority to the Fiduciary Committee to approve any 2022 Budget Plan revisions if needed to reflect the actual timing of the transaction closings.

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 the board meeting.

Grant Agreement with SNC

Ms. Healy explained staff had been working with SNC to develop a term sheet for the SNC Grant Agreement. She said according to the agreement SNC would administer the Enhancement Program, complete an assessment of the economic and physical impacts resulting from the Land Conservation Commitment, perform conservation covenant monitoring and review and approve assignments of conservation easements. Ms. Healy stated staff was asking the Board to delegate authority to the Fiduciary Committee to approve the full grant, including scope of work and associated amount of funding provided to SNC regarding the assessment, noting that the Grant Agreement would be amended to reflect the final scope of work and associated grant funds.

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.

Ms. Krolick thanked Ms. Ciotti and SNC for their diligent work along with Stewardship Council (SC) staff to come to a place of agreement on the Grant Agreement. She acknowledged how hard all parties had worked.

Other Board members thanked SNC as well and acknowledged all who had worked on the Grant Agreement.

Ms. Ciotti thanked the Board and said SNC was grateful for their partnership with SC over the past decade. She acknowledged the great work SC has done to complete such a complex task.

WATERSHED PLANNING COMMITTEE

Revised Land Conservation and Conveyance Plan (LCCP) for lands to be donated to CAL FIRE at the Pit River and Tunnel Reservoir Planning Units

Deputy Director of Land Conservation Steve Schweigerdt explained the LCCP for the Pit River and Tunnel Reservoir was being revised to include a development envelope due to encroachments by the adjacent land owner. He said CAL FIRE would accept the donation with the development envelope included in the LCCP. He noted form updates were included as the LCCP had originally been approved by the Board in 2018.

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 the board meeting.

Delegation of Authority to the Board Development and Dissolution Planning Committee for Tàsmam Kojòm enhancement grant scope of work revision

Mr. Schweigerdt reported the Tàsmam Kojòm grant was set to expire at the end of 2021. He said staff was seeking to extend the grant. He explained due to significant damage done by the Dixie Fire the Maidu Summit Consortium would be submitting a revised scope of work and staff was asking the Board to approve a delegation of authority to the Board Development and Dissolution Planning Committee (BDDPC) to approve the revision.

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 the board meeting.

Land Conservation Program Update

Mr. Schweigerdt announced the Eel River United States Forest Service (USFS) donated transaction had closed escrow. He noted it was the last of the ten donations to the USFS.

Land Program Project Manager Megan Tolbert reported some of SC staff had recently attended a land transfer celebration hosted by the Pit River Tribe (Tribe) at Hat Creek. She said representatives from PG&E, SC, Shasta Land Trust, CPUC, community and many Tribal members were present to celebrate. Those who participated described the event as a beautiful and emotional day as well as a magical and spiritual experience.

ADDITIONAL ITEMS

Board Member acknowledgements

Ms. Krolick announced that with the restructuring of the SC Committees in 2022 the Youth Investment Committee (YIC) would no longer be in existence. She acknowledged David Muraki for his years of service as the Chair of the YIC and thanked him for agreeing to continue on as a Vice President for the SC Board.

Ms. Krolick then announced that Mr. Burns would be retiring mid-December and acknowledged his years of service to the SC in various roles. She said Mr. Burns had served on every SC Committee except for Audit, most recently serving as Fiduciary Committee Chair as well as Assistant Treasurer. She thanked him and noted he would be missed.

Various Board members then acknowledged and thanked both Mr. Muraki and Mr. Burns for their important contributions.

FINAL PUBLIC COMMENTS

There were none.

BOARD MEMBER ANNOUNCEMENTS

There were none.

ADJOURNMENT

Mr. Baggett adjourned the meeting at approximately 12:30 p.m.

Nancee Murray, Secretary