

DEPARTMENT OF FISH AND GAME

WILDLIFE CONSERVATION BOARD

1807 13TH STREET, SUITE 103
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State of California
 The Resources Agency
 Department of Fish and Game
WILDLIFE CONSERVATION BOARD
 Minutes
 November 18, 2003

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WILDLIFE CONSERVATION BOARD

November 18, 2003

The Wildlife Conservation Board met at the State Capitol, Room 112, Sacramento, California on November 18, 2003. The meeting was called to order at 10:00 A.M. by Mr. Michael Flores, Chairman. He introduced Mr. Sonke Mastrup, Acting Director of the Department of Fish and Game; Mr. Fred Klass, representing the Department of Finance; Ms. Ann Baker, representing Assembly member Fran Pavley; Mr. Syrus Devers, representing Senator Sheila Kuehl; and Mr. Al Wright, Executive Director of the Board. He then turned over the meeting to Mr. Wright.

1. Roll CallWILDLIFE CONSERVATION BOARD MEMBERS

Michael Flores, Chairperson
President, Fish and Game Commission
Fred Klass, Program Budget Manager
Vice, Donna Arduin, Member
Director, Department of Finance
Sonke Mastrup, Member
Acting Director, Department of Fish and Game

JOINT LEGISLATIVE INTERIM ADVISORY COMMITTEE

Assembly Member Patty Berg
Syrus Devers,
Vice, Senator Sheila Kuehl
Kristie Stauffacher,
Vice, Senator Michael J. Machado
Deborah Gravert,
Vice, Assembly Member Hannah-Beth Jackson
Ann Baker,
Vice, Assembly Member Fran Pavley

EXECUTIVE DIRECTOR

Al Wright

Staff Present:

Al Wright, Executive Director
John P. Donnelly, Assistant Executive Director
Dave Means, Assistant Executive Director
William Gallup, Senior Land Agent
Steven Christensen, Senior Land Agent
Linda Drake, Senior Land Agent
Randall Nelson, Senior Land Agent
Debra Townsend, Senior Land Agent
Terri Muzik, Associate Land Agent
Marilyn Cundiff, Public Land Management Specialist
Bonnie Turner, Public Land Management Specialist
Peter Perrine, Wetlands Program Manager
Scott Clemons, Riparian Program Manager
Roxanne Woodward, Budget Officer
Ajit Bindra, Associate Budget Analyst
Gary Cantrell, Research Analyst
Ken Morefield, Research Analyst
Jennifer Smith, Staff Services Analyst
Maureen Rivera, Executive Assistant
Jan Beeding, Office Technician
Elena Salas, Secretary
Mary Grande, Secretary

Others Present:

Richard Lorenz
Darrel Sweet, California Rangeland Trust
and California Cattlemen's Association
Karen Sweet
Alan Ehrigott, American River Conservancy
Luke Wilson, California Department Forestry
Brooks Mitchell, Sierra County
Jackie Mitchell, Sierra County
David Roek, USDA, Forest Service
Jim Trout, State Lands Commission
R. Sellers
Marie Liscom, Development Coordinator, City of Eureka
David Tyson, City Manager, City of Eureka
Cindy Trobitz-Thomas, City of Eureka
Chris Kelly, The Conservation Fund
Peter Colby, Save the Redwoods
Kate Anderton, Save the Redwoods
Jim Swanson, Department of Fish and Game
Rob Kane, Department Parks and Recreation
Ned Allen, Green Gulch Rancher
Jeanie Rives
Mia Peichoto, Office of Assembly Member Cogdill
Brenda Kury, Synergy Resources Solutions
Steve Frisch, Sierra Business Council

Nita Vail, California Rangeland Trust
Jack Harrison, Solano County
Carl Wilcox, Department of Fish and Game
Barry Shotts, Roberts & Owen LLP
Janet Cobb, California Wildlife Foundation
James Fenwood, U.S. Forest Service
Nancy Schaefer, Smith River Alliance
Dee Sudduth, Department of Fish and Game
Jim E. Ball, Solano Land Trust
Robin Lowe, RCHCA
Cindy Knighton
Eric Stern, Modesto Bee
Nadine Hitchcock, State Coastal Conservancy
Carolyn Syms Luna, Riverside County Habitat
Conservation Agency
Karen Frankel, Trust for Public Land
Jerry Codiran, Del Norte County
Sarah Sampels, Del Norte County Supervisor
Patty McCleary, Smith River Alliance
Jay Chamberlin, California Resources Agency
Ben Fink
Virginia Handley, The Fund for Animals
John Messina

2. Funding Status as of November 18, 2003 (Informational)

(a) 2003-04 Wildlife Restoration Fund Capital Outlay Budget

Governor's Budget - Minor Projects..... \$500,000.00
Less Previous Board Allocations (99,270.00)
Unallocated Balance..... \$400,730.00

(b) 2003-04 Habitat Conservation Fund Capital Outlay Budget

Governor's Budget..... \$20,620,000.00
Less Previous Board Allocations (1,332,000.00)
Unallocated Balance..... \$19,288,000.00

(c) 2002-03 Habitat Conservation Fund Capital Outlay Budget

Governor's Budget..... \$20,664,000.00
Less Previous Board Allocations (4,457,019.00)
Unallocated Balance..... \$16,206,981.00

- (d) 2001-02 Habitat Conservation Fund Capital Outlay Budget
 - Governor's Budget..... \$19,963,500.00
 - Less Previous Board Allocations (12,716,953.24)
 - Unallocated Balance..... \$7,246,546.76

- (e) 2000-01 Safe Drinking Water, Clean Water, Watershed Protection and Flood Protection Bond Fund (River Protection Subaccount) Capital Outlay Budget
 - Governor's Budget (2003-04 Reappropriation)
(San Joaquin River Conservancy \$10,000,000.00
Projects-Reimbursements)
 - Less Previous Board Allocations (5,983,480.00)
 - Unallocated Balance..... \$4,016,520.00

- (f) 2000-01 Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Fund Capital Outlay Budget
 - Governor's Budget (2003-04 Reappropriation)
(San Joaquin River Conservancy Projects) \$14,562,000.00
 - Less Previous Board Allocations (9,121,497.00)
 - Unallocated Balance..... \$5,440,503.00

- (g) 1999-00 Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund Capital Outlay Budget
 - Continuously Appropriated
[Sec. 5096.350 (a) (1), (2), (4) & (7)] \$38,000,000.00
 - Less Previous Board Allocations (20,341,816.67)
 - Unallocated Balance..... \$17,658,183.33

- (h) 2003-04 California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Bond Fund Capital Outlay Budget
 - Governor's Budget
(San Joaquin River Conservancy Projects) \$8,500,000.00
 - Less Previous Board Allocations (0.00)
 - Unallocated Balance..... \$8,500,000.00

- (i) 2002-03 California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Bond Fund Capital Outlay Budget
 - Governor's Budget
 - (San Joaquin River Conservancy Projects)\$2,500,000.00
 - Less Previous Board Allocations (0.00)
 - Unallocated Balance \$2,500,000.00
 - Chapter 983, Statutes of 2002..... \$4,800,000.00
 - Less Previous Board Allocations (0.00)
 - Unallocated Balance \$4,800,000.00
 - Chapter 984, Statutes of 2002..... \$19,200,000.00
 - Less Previous Board Allocations (0.00)
 - Unallocated Balance \$19,200,000.00

- (j) 2001-02 California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Bond Fund Capital Outlay Budget
 - Continuously Appropriated (Section 5096.650) \$273,000,000.00
 - Less Previous Board Allocations (70,260,097.00)
 - Unallocated Balance \$202,739,903.00

- (k) 2003-04 Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 Capital Outlay Budget (Section 79568)
 - Governor's Budget..... \$32,500,000.00
 - Less Previous Board Allocations (20,025,135.00)
 - Unallocated Balance \$12,474,865.00

- (l) 2002-03 Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 Capital Outlay Budget
 - Continuously Appropriated (Sections 79565 and 79572) \$814,350,000.00
 - Less 2003-04 Budget Act Transfer to HCF
from Section 79565 (21,000,000.00)
 - Less Previous Board Allocations (361,064,979.73)
 - Unallocated Balance \$432,285,020.27

- (m) 2003-04 Oak Woodlands Conservation Fund Capital Outlay Budget
 - Governor's Budget
 - (Pursuant to Chapter 588, Statutes of 2001) \$5,000,000.00
 - Less Previous Board Allocations (0.00)
 - Unallocated Balance \$5,000,000.00

RECAP OF FUND BALANCES

Wildlife Restoration Fund (a).....	\$400,730.00
Habitat Conservation Fund (b), (c) and (d)	\$42,741,527.76
Safe Drinking Water, Clean Water, Watershed Protection and Flood Protection Bond Fund (e)	\$4,016,520.00
Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund (f) and (g).....	\$25,782,319.67
California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Bond Fund (h), (i) and (j).....	\$237,739,903.00
Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (k) and (l).....	\$444,759,885.27
Oak Woodlands Conservation Fund (m)	\$5,000,000.00

RECAP OF NATURAL HERITAGE PRESERVATION TAX CREDIT ACT OF 2000

Natural Heritage Preservation Tax Credit Act of 2000

Total Tax Credit Available, Chapter 113, Statutes of 2000	\$100,000,000.00
Less Previous Board Approved Tax Credit for Donated Property ..	(36,884,984.00)
Tax Credit Available	\$63,115,016.00

3. Proposed Consent Calendar (Items 4 through 11)

It was moved by Mr. Fred Klass that the Board approve Consent Calendar items 4 through 11, as proposed in the individual agenda explanations, including funding as noted therein.

Motion carried.

Mr. Wright asked if there were any questions regarding the above informational items or consent calendar. There were none.

- *4. Approval of Minutes – August 13, 2003.

Mr. Wright reported that he received an Email on November 13, 2003, from Mr. Robert Hight, previous Director of the Department of Fish and Game, recommending approval of the August 13, 2003, Wildlife Conservation Board meeting minutes.

As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Fred Klass that the Board approve the minutes of the August 13, 2003, Wildlife Conservation Board meeting. Motion carried.

*5. Recovery of Funds, November 18, 2003

The following projects previously authorized by the Board are now completed, and some have balances of funds that can be recovered and returned to their respective funds. It was recommended that the following totals be recovered and that the projects be closed.

\$175,139.09 to the **General Fund**
\$295,204.43 to the **Safe Neighborhood Parks, Clean Water,
Clean Air, and Coastal Protection Bond Fund**
\$34,214.54 to the **Habitat Conservation Fund**
\$11,699.00 to the **Wildlife Restoration Fund**
\$0.00 to the **Harbors and Watercraft Revolving Fund**
\$0.00 to the **River Protection Sub Account**
\$9,264.00 to the **California Clean Water, Clean Air, Safe
Neighborhood Parks, and Coastal Protection Fund**

GENERAL FUND

Big Chico Creek, Exp. # 1, Butte County

Allocated	\$1,380,000.00
Expended	<u>-1,380,000.00</u>
Balance for Recovery	\$0.00

Clarksburg Public Access, Yolo County

Allocated	\$58,270.00
Expended	<u>-58,260.00</u>
Balance for Recovery	\$10.00

Grizzly Creek Marbled Murrelet Conservation Area, Humboldt County

Allocated	\$20,000,000.00
Expended	<u>-19,941,907.00</u>
Balance for Recovery	\$58,093.00

Joel McCrea Ranch Conservation Area (Donation), Ventura County

Allocated	\$3,000.00
Expended	<u>-950.00</u>
Balance for Recovery	\$2,050.00

Lake Tahoe Public Access, Placer County

Allocated	\$340,405.00
Expended	<u>-225,419.83</u>
Balance for Recovery	\$114,985.17

Madera Farmland Conservation Area (Donation), Madera County

Allocated	\$3,000.00
Expended	<u>-3,000.00</u>
Balance for Recovery	\$0.00

Mid-State Bank Donations, San Luis Obispo County

Allocated	\$1,000.00
Expended	<u>-1,000.00</u>
Balance for Recovery	\$0.00

Petaluma Marsh Wildlife Area, Bahia Wetlands Unit, Marin County

Allocated	\$14,226.00
Expended	<u>-14,226.00</u>
Balance for Recovery	\$0.00

Suisun Marsh Waterfowl Production & Enhancement, Phase 2, Solano County

Allocated	\$160,000.00
Expended	<u>-159,999.08</u>
Balance for Recovery	\$0.92

Total General Fund **\$175,139.09**

**SAFE NEIGHBORHOOD PARKS, CLEAN WATER, CLEAN AIR AND
COASTAL PROTECTION BOND FUND**

Big Chico Creek, Exp. # 1, Butte County

Allocated	\$370,000.00
Expended	<u>-351,012.00</u>
Balance for Recovery	\$18,988.00

Bridgeport Valley Conservation Easement, Mono County

Allocated	\$1,000,000.00
Expended	<u>-1,000,000.00</u>
Balance for Recovery	\$0.00

Habitat Restoration, Rancho Mirage Bighorn Sheep, Riverside County

Allocated	\$100,000.00
Expended	<u>-51,227.57</u>
Balance for Recovery	\$48,772.43

Hollenbeck Canyon Wildlife Area, San Diego County

Allocated	\$1,010,000.00
Expended	<u>-1,004,655.00</u>
Balance for Recovery	\$5,345.00

Hollenbeck Canyon Wildlife Area, Exp. 1 (Daley Ranch) San Diego County

Allocated	\$8,295,000.00
Expended	<u>-8,295,000.00</u>
Balance for Recovery	\$0.00

Irish Hills Conservation Area, San Luis Obispo County

Allocated	\$302,500.00
Expended	<u>-301,211.00</u>
Balance for Recovery	\$1,289.00

Los Osos Dunes and Wetlands Conservation Area, San Luis Obispo County

Allocated	\$192,000.00
Expended	<u>-190,000.00</u>
Balance for Recovery	\$2,000.00

Lost Coast Headlands, Humboldt County

Allocated	\$415,000.00
Expended	<u>-413,000.00</u>
Balance for Recovery	\$2,000.00

Petaluma Marsh Wildlife Area, Bahia Wetlands Unit, Marin County

Allocated	\$4,505,774.00
Expended	<u>-4,504,346.00</u>
Balance for Recovery	\$1,428.00

Proctor Valley (Villages 14 & 16), San Diego County

Allocated	\$6,703,250.00
Expended	<u>-6,516,028.00</u>
Balance for Recovery	\$187,222.00

Redwoods to the Sea Corridor, Exp. 2, Humboldt County

Allocated	\$230,000.00
Expended	<u>-220,736.00</u>
Balance for Recovery	\$9,264.00

Sacramento River Conservation Area, Exp. 2 & 3, Glenn County

Allocated	\$5,000.00
Expended	<u>-1,104.00</u>
Balance for Recovery	\$3,896.00

Sierra Valley Conservation Area, Plumas County

Allocated	\$685,000.00
Expended	<u>-675,000.00</u>
Balance for Recovery	\$10,000.00

Tule River, Negus Ranch Conservation Area, Tulare County

Allocated	\$127,000.00
Expended	<u>-122,000.00</u>
Balance for Recovery	\$5,000.00

Total Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Fund	\$295,204.43
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HABITAT CONSERVATION FUND

Bridgeport Valley Conservation Easement, Mono County

Allocated	\$2,210,000.00
Expended	<u>-2,209,524.00</u>
Balance for Recovery	\$476.00

East Delta Wildlife Area, San Joaquin County

Allocated	\$455,000.00
Expended	<u>-455,000.00</u>
Balance for Recovery	\$0.00

Holly Springs Ranch, San Diego County

Allocated	\$2,130,000.00
Expended	<u>-2,109,841.46</u>
Balance for Recovery	\$20,158.54

Noyes Valley Wildlife Area, Exp. 6, Siskiyou County

Allocated	\$10,000.00
Expended	<u>-4,562.00</u>
Balance for Recovery	\$5,438.00

San Jacinto Wildlife Area, Exp. 22, Riverside County

Allocated	\$40,000.00
Expended	<u>-36,540.00</u>
Balance for Recovery	\$3,460.00

Sierra Valley Conservation Area, Plumas County

Allocated	\$1,000,000.00
Expended	<u>-1,000,000.00</u>
Balance for Recovery	\$0.00

Watsonville Slough Ecological Reserve, Exp. 4, Santa Cruz County

Allocated	\$3,000.00
Expended	<u>-438.00</u>
Balance for Recovery	\$2,562.00

Wetland Habitat Restoration, (Lincoln High School), Placer County

Allocated	\$25,000.00
Expended	<u>-25,000.00</u>
Balance for Recovery	\$0.00

Wetland Habitat Restoration South Grasslands (Redfern Ranch), Merced County

Allocated	\$26,000.00
Expended	<u>-23,880.00</u>
Balance for Recovery	\$2,120.00

Total Habitat Conservation Fund \$34,214.54

WILDLIFE RESTORATION FUND

Hogback Island Fishing Access, Sacramento County

Allocated	\$135.00
Expended	<u>-105.00</u>
Balance for Recovery	\$30.00

Lake Tahoe Public Access, Placer County

Allocated	\$250,000.00
Expended	<u>-250,000.00</u>
Balance for Recovery	\$0.00

California Riparian Habitat Inventory & Assessment

Allocated	\$150,000.00
Expended	<u>-150,000.00</u>
Balance for Recovery	\$0.00

Central Valley Fish Hatchery, Upper Cosumnes River Exchange,
Amador, El Dorado and Sacramento Counties

Allocated	\$30,000.00
Expended	<u>-18,331.00</u>
Balance for Recovery	\$11,669.00

Total Wildlife Restoration Fund **\$11,699.00**

HARBORS AND WATERCRAFT REVOLVING FUND

Clarksburg Public Access, Yolo County

Allocated	\$100,000.00
Expended	<u>-100,000.00</u>
Balance for Recovery	\$0.00

Lake Tahoe Public Access, Placer County

Allocated	\$500,000.00
Expended	<u>-500,000.00</u>
Balance for Recovery	\$0.00

Total Harbors and Watercraft Revolving Fund **\$0.00**

RIVER PROTECTION SUBACCOUNT

Cosumnes River, Dry Creek Vernal Pools, San Joaquin County

Allocated	\$1,460,000.00
Expended	<u>-1,460,000.00</u>
Balance for Recovery	\$0.00

Total River Protection Sub Account **\$0.00**

**CALIFORNIA CLEAN WATER, CLEAN AIR, SAFE NEIGHBORHOOD
PARKS AND COASTAL PROTECTION FUND**

Jacoby Creek Forest, Exp. 2, Humboldt County

Allocated	\$660,000.00
Expended	<u>-650,736.00</u>
Balance for Recovery	\$9,264.00

**Total California Clean Water, Clean Air, Safe Neighborhood
Parks and Coastal Protection Fund \$9,264.00**

As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Fred Klass that the Board approve the recovery of funds for the projects listed on pages 8 through 14 of these minutes and close the projects accounts. Recovery totals include \$175,139.09 to the General Fund, \$295,204.43 to the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Fund, \$34,214.54 to the Habitat Conservation Fund, \$11,699.00 to the Wildlife Restoration Fund, \$0.00 to the Harbors and Watercraft Revolving Fund, \$0.00 to the River Protection Subaccount and \$9,264.00 to the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund. Motion carried.

- *6. East Elliott Preserve and Dennery Canyon, \$5,000.00
San Diego County

This was a proposal to consider the acceptance of a Habitat Conservation Plan (HCP) Assistance Grant in the amount of \$1,720,000.00, from the U. S. Fish and Wildlife Service (USFWS) and the authorization to re-grant the federal funds to the City of San Diego to assist in its purchase of one or more properties to protect critical habitat and a key open space and wildlife corridor in the East Elliott and Dennery Canyon areas. This proposal would further implement the joint federal, State and local Natural Community Conservation Planning (NCCP) efforts in the San Diego area.

The East Elliott area is located in the east-central portion of the City of San Diego north of State Route 56 between the City's Mission Trails Regional Park and the Marine Corps' Miramar Naval Air Station. It consists of surplus military land sold to private citizens in the 1970's and is characterized by north-south trending canyons and ridges dominated by native vegetation, including coastal sage scrub, mixed chaparral, native grassland and oak and sycamore riparian woodland. The area constitutes one of the largest and most biologically important open space areas remaining within the City of San Diego. East Elliott is also surrounded by and provides linkages to significant habitat lands protected

immediately to the north by the Marine Corps under its Comprehensive Natural Resources Management Plan, to the east by Sycamore Park and to the south by Mission Trails Regional Park. The two parks are within the Multiple Species Conservation Plans (MSCP) of the cities of Santee and San Diego, respectively.

Key biological resources within the East Elliott area include coastal sage scrub, maritime succulent scrub, riparian oak woodland, grasslands, scrub oak, mixed chaparral and vernal pools. These habitats support numerous threatened and endangered species, among which are the California gnatcatcher, least Bell's vireo, San Diego fairy shrimp, Del Mar manzanita, San Diego Mesa mint and Otay Mesa mint. The properties proposed for acquisition will increase conservation within the City's MSCP core biological areas while reducing the development edge effects and development potential in or adjacent to the area.

The Dennery Canyon area is located in the southern area of the City of San Diego south of the Otay River. It is north of Highway 117 (Otay Mesa Road) and east of Interstate 805. The Brown Field Municipal Airport is located west of the project area.

Dennery Canyon is a key wildlife corridor in the MSCP as well as supporting sensitive species including the California gnatcatcher, California cactus wren and Otay tarplant. Vernal pools are located on the adjacent mesa tops and support six listed species, including the San Diego and Riverside fairy shrimps. Currently, the canyon bottom is already conserved; however, the adjacent mesa tops that support vernal pool species are not protected from development. Acquisition of Dennery Canyon would preclude proposed development to be located between habitat lands that are identified for conservation, and retain or enhance wildlife movement in these areas.

The USFWS' HCP Grant identifies eleven parcels in the East Elliott area totaling 145± acres, and three parcels in the Dennery Canyon area totaling 30± acres. The City has agreed to identify and/or provide the non-federal match for acquisitions at Dennery Canyon. The WCB has, however, approved two grants to the City of San Diego, totaling \$8,000,000.00, to facilitate their acquisition program at East Elliott. To the extent that the City selects properties that are specifically identified in both the WCB and the HCP Grant, WCB's grant funds will be used as the non-federal match for the acquisitions.

The City has agreed to assume full management responsibilities in conjunction with the Mission Trails Regional Park system adjacent to the East Elliott area, as well as the Dennery Canyon properties adjacent to other already conserved sites. As identified in the City's MSCP Subarea Plan, specific management objectives include providing public access, invasive species control/removal and flood control. The City's MSCP also has a biological monitoring component that identifies monitoring requirements for the various native habitats, covered species and wildlife corridors within the preserve, which assures protection of the long-term biological value of the acquired lands.

The proposed acquisition is exempt from the California Environmental Quality Act under Section 15313, Class 13 as the acquisition of land for wildlife conservation purposes and under Section 15325, Class 25 as the transfer of ownership in land to preserve open space, habitat or historical resources. Subject to approval of the Board, the appropriate Notice of Exemption will be filed with the State Clearinghouse.

Staff is recommending that the WCB accept the HCP Grant from the USFWS, in the amount of \$1,720,000.00, and approve a re-grant to the City of San Diego to facilitate their acquisition of lands in the East Elliott and Dennery Canyon areas.

The terms and conditions of the proposed re-grant provide that the City agrees to be bound by all of the terms and conditions of the HCP Grant. The grant further provides that staff will review all proposed acquisition related documents prior to recommending disbursement of the federal funds directly into escrow, including approval of appraisals by the Department of General Services (DGS). It is anticipated that an allocation of \$5,000.00 will be needed to cover administrative expenses including title company charges and DGS' review costs.

Staff recommended that the Board authorize the acceptance of \$1,720,000.00 from an HCP Assistance Grant from the USFWS and approve the re-grant of the federal funds to the City of San Diego to assist in its acquisition of real property at East Elliott and Dennery Canyon areas, as proposed; allocate \$5,000.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Prop. 40), Section 5096.650, for administrative expenses; authorize staff to enter into agreements as necessary to carry out this acquisition as described; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Fred Klass that the Board authorize the acceptance of \$1,720,000.00 from an Habitat Conservation Plan Assistance Grant from the U.S. Fish and Wildlife Service and approve the re-grant of the federal funds to the City of San Diego to assist in its acquisition of real property at East Elliott and Dennery Canyon areas, as proposed; allocate \$5,000.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Prop. 40), Section 5096.650, for administrative expenses; authorize staff to enter into agreements as necessary to carry out this acquisition as described; and authorize staff and the Department of Fish and Game to proceed substantially as planned. Motion carried.

- *7. Wetland Habitat Restoration, Duck Slough, \$150,000.00
Flynn Ranch, Merced County

This was a proposal to consider an allocation for a grant to the California Waterfowl Association (CWA) for a partnership project to enhance approximately 900 acres of seasonal wetland, riparian habitat and adjacent uplands. The partners in this proposal include the CWA, the landowner, the U.S. Fish and Wildlife Service (USFWS), the Natural Resources Conservation Service, the Department of Fish and Game and the Board. The site is located approximately ten air miles southwest of the City of Merced on privately-owned property. The project is located adjacent to the USFWS's Merced National Wildlife Area and is approximately ten miles east of the Department's Los Banos Wildlife Area.

The East Grasslands is a unique area in California in that it has extensive areas of undeveloped agricultural and grazing lands that are flooded in most years. These areas provide tremendous wildlife benefits during these wet periods for large numbers of waterfowl and other wetland dependent species. The Central Valley Habitat Joint Venture's (CVHJV) Implementation Plan calls for the protection and enhancement of 20,000 acres of restorable lands within the San Joaquin Basin, which includes the East Grasslands. The CVHJV Plan also specifies that those areas just north and south of the Merced National Wildlife Refuge offer significant opportunities for wetland restoration. Lying where it does, adjacent to the Refuge, this site will provide a large boost to wetland dependent wildlife.

This property has been operated as a cattle ranch and used for duck hunting for generations. Historically, the area was open grasslands with small channels bordered by narrow strips of riparian vegetation. Duck Slough, one of those channels, runs across the north end of the property from east to west. Heavy, uncontrolled grazing over many years has damaged the already limited riparian habitat, but the grasslands remain relatively intact. Each winter, heavy rains traditionally flooded the entire area, and the process continues to this day, though flows are more limited due to upstream diversions and downstream channelization and levees.

This project will be the final piece of a broader restoration of Duck Slough. In May 2001, the Board approved enhancement projects on more than 2,000 acres of private land immediately upstream and downstream of this site. With this proposal, nearly 3,000 acres of habitat will be restored, adding to the adjacent Refuge. Nearly all of the properties, this one included, are protected in perpetuity through USFWS easements.

The proposal calls for the installation of a well, pump and water control structures, the rehabilitation of an existing well and pump, the removal of old levees that were used for irrigating pastures, the removal of sediment in some of the smaller sloughs, the planting of riparian vegetation and the construction of more than 22,000 linear feet of fencing to protect the wetland and riparian areas.

The goal of the project is to promote a more natural flood regime across this area. The structures will be used to slow the rate of runoff through the area, mimicking the historical flows through the site. Levees will be removed or altered to allow water to flow more naturally across the floodplains. Finally, the well and pump will be used to provide additional water during drier than average years to provide additional benefits during these especially critical times.

Cost estimates for this project, which have been reviewed by staff, are as follows:

Description:	Estimated Cost
Site preparation and earthmoving	\$52,500.00
Water control structures	16,500.00
New well and pump	78,500.00
Refurbish existing well and pump	18,758.00
Fencing	44,940.00
Riparian restoration	2,500.00
Grantee project design and management	19,618.00
Contingencies	6,818.00
TOTAL ESTIMATED COST:	\$240,134.00

Proposed Funding Breakdown:	
Wildlife Conservation Board	\$150,000.00
Natural Resources Conservation Service	18,542.00
U.S. Fish and Wildlife Service	20,000.00
Landowner	51,592.00
TOTAL AVAILABLE FUNDING:	\$240,134.00

The Department of Fish Game has reviewed this proposal and recommends it for funding by the Board. This project is exempt from the California Environmental Quality Act (CEQA) under Class 4 of Categorical Exemptions, California Code of Regulations, Title 14, Section 15304, as a minor alteration to land. The landowner has agreed to manage and maintain the property for twenty-five years, pursuant to the terms and conditions of the Habitat Management Plan. If at any time during the life of the project, the landowners are unable to manage and maintain the project improvements, they will refund to the State of California an amortized amount of funds based on the number of years left on the project life.

Staff recommended that the Board approve this project as proposed; allocate \$150,000.00 from the Habitat Conservation Fund, Section 2786(d) IWCP; authorize staff to enter into appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Fred Klass that the Board approve this project as proposed; allocate \$150,000.00 from the Habitat Conservation Fund, Section 2786(d) IWCP; authorize staff to enter into appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned. Motion carried.

- *8. Honcut Creek Wildlife Conservation Area, Expansion 3, \$920,000.00
Butte County

This was a proposal to consider the acquisition of a conservation easement over 740± acres of vacant land. This acquisition is an expansion of the Department of Fish and Game's (DFG) Honcut Creek Wildlife Area near the town of Honcut, approximately 13 miles south of Oroville in Butte County. This acquisition will allow the protection of the grasslands, blue oak and valley oak as well as riparian and streamside habitat of Honcut Creek.

The DFG has acquired 954± acres of conservation easements over the past nine years, and when combined with the subject property, the total protected area will be in excess of 1,694± acres. Development is sparse in the surrounding area with a small number of homes built on small acreage parcels. The majority of properties are agriculture with the predominate uses as grazing and orchards. State Highway 70 alignment is currently being reviewed and alternate routes are being studied for an upgrade to divided road status. Development and determination of the ultimate use of the properties within the Honcut area and of the corridor along the east side of Highway 70 will depend on any new alignment. This acquisition will insure open space, wildlife habitat and conservation into perpetuity.

The area is biologically diverse and supports numerous native plant species, reptiles, mammals, and a number of bird species and invertebrates. The property contains over 100 acres of oak woodlands which supports seasonally the endangered bald eagle and willow flycatcher. There are about 500 acres of native grasslands and the property is fenced and crossed fenced for rotational cattle grazing. Frontage on Honcut Creek totals over a mile and provides an excellent opportunity to restore extensive riparian habitat along the creek. There are emergent willow, cottonwood and sycamore trees within the stream side areas. The creek supports both a fall and winter run of chinook salmon, Central Valley steelhead as well as other native fish. Area studies indicate that vertebrate diversity should exceed 9 types of fish, 10 amphibians, 140 birds and 15 mammals within the immediate area. When acquired, the conservation easement will be monitored by the DFG.

The market value of the conservation easement is \$900,000.00 which was reviewed and approved by the Department of General Services. The owner has agreed to sell a conservation easement over the property at the approved

appraised value. An additional \$20,000.00 will be needed for acquisition related expenses such as the appraisal, appraisal review, transaction review, surveying, and escrow and title insurance expenses.

The proposed acquisition is exempt from CEQA under Class 13 of Categorical Exemptions as acquisitions of land for wildlife conservation purposes and Class 25 as the transfer of ownership interests in land to preserve open space. A Notice of Exemption will be filed upon Board approval.

Staff recommended that the Board approve the acquisition of the conservation easement containing 740± acres of vacant land as proposed; allocate \$920,000.00 from the California Clean Water, Clean Air, Neighborhood Parks, Coastal Protection Fund (Prop. 40), Section 5096.650, to cover the acquisition and related expenses; authorize staff to enter into agreements as necessary to carry out this acquisition as described; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Fred Klass that the Board approve the acquisition of the conservation easement containing 740± acres of vacant land as proposed; allocate \$920,000.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Prop. 40), Section 5096.650, to cover the acquisition and related expenses; authorize staff to enter into agreements as necessary to carry out this acquisition as described; and authorize staff and the Department of Fish and Game to proceed substantially as planned. Motion carried.

- *9. Sacramento River, Jacinto Unit, Expansion 1, Glenn County \$5,000.00

This was a proposal to consider the acceptance of a donation of 20± acres of land from The Nature Conservancy (TNC), located on the west bank of the Sacramento River, for protection and enhancement of riparian and aquatic habitat. The property is located east of Highway 45, approximately 5 miles south of Ordbend, along the west bank of the Sacramento River.

Adjacent and south of the property is the 278± acre Department of Fish and Game (DFG), Sacramento River Jacinto Unit. To the north and west are privately held agriculture properties. The property was originally acquired by TNC April 17, 2002 and access is available from a gravel levee road located on the western border of the property. The access is described as a reservation under the property's current legal description.

The property will be managed by the DFG as an expansion to the Jacinto Unit located to the south. This expansion will increase the value and use of the

wildlife area for resident and neo-tropical migratory waterfowl, and other avian species that migrate through the northern California, Sacramento Valley. The cutting away of the river on the property has created sheer banks that provide nesting for bank swallows, a California threatened species. The current open field on the property also provides foraging areas for raptors that roost in the larger trees located within the adjoining Jacinto Unit. The property will provide increased public access and recreation along the Sacramento River.

The proposed expansion falls under the purview of the Sacramento River Conservation Area Forum (SRCAF). The SRCAF involves both private and public landowners along the Sacramento River, including representatives from seven counties and State and federal resource agencies. In March of 2002, TNC's proposed acquisition of the property was presented to the SRCAF, Technical Advisory Committee. During this presentation TNC indicated that long-term ownership was expected to be with a public agency. In October of 2003, TNC presented to the SRCAF, the proposed donation of the property to the DFG. There was no formal opposition raised by the SRCAF regarding either TNC's acquisition or the donation to the DFG.

The proposed acquisition is exempt from CEQA requirements under Section 15313, Class 13 as the acquisition of land for wildlife conservation purposes and under Section 15325, Class 25 as the transfer of ownership in land to preserve open space, habitat or historical resources. Subject to approval by the Board, the appropriate Notice of Exemption will be filed with the State Clearinghouse.

The Nature Conservancy originally purchased the property for \$94,000.00. This acquisition was funded using private donations and TNC is proposing to donate the entire property to the DFG, for no compensation. To assist with administrative costs, an additional \$5,000.00 is estimated to be needed for title, closing costs, and escrow charges, for a total allocation of \$5,000.00.

Staff recommended the Board approve the acceptance of a donation of the property from The Nature Conservancy as proposed; allocate \$5,000.00 from the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Fund (Prop.12), Section 5096.350 (a) (2), to cover administrative costs; authorize staff to enter into appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Fred Klass that the Board approve the acceptance of a donation of the property from The Nature Conservancy as proposed; allocate \$5,000.00 from the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Fund (Prop.12), Section 5096.350 (a) (2), to cover administrative costs; authorize staff to enter into appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned. Motion carried.

- *10. Tehama Wildlife Area Land Exchange, Tehama County \$ - 0 -

This was a proposal to consider the exchange of 17± acres of unimproved land under the jurisdiction of the Department of Fish and Game (DFG) for 5± acres of improved land under the jurisdiction of the California Department of Forestry and Fire Protection (CDF) near Paynes Creek in Tehama County, 20.5 miles northeast of Red Bluff, for the mutual benefit of the two State agencies.

In 1989, the DFG and the CDF entered into a Memorandum of Understanding (MOU) that provides for the reciprocal use of lands and facilities over which each agency has jurisdiction. The MOU allows CDF to use certain land under the jurisdiction of the DFG for a sewage treatment facility for the Ishi Conservation Camp. In turn, the DFG has the use of improved lands under the jurisdiction of the CDF as residences for Tehama Wildlife Area personnel. The DFG and the CDF wish to affect a land exchange that will result in each agency having jurisdiction over the lands each now uses. The exchange would meet the long-range needs of the DFG by providing housing in a remote area for Tehama Wildlife Area staff and the needs of the CDF Ishi Conservation Camp by providing land to accommodate the Camp's wastewater treatment system.

Staff recommended that the Board approve this project as proposed; authorize the transfer of the Department of Fish and Game property to California Department of Forestry and Fire Protection (CDF) and acceptance of the CDF property, including improvements to DFG; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Fred Klass that the Board approve this project as proposed; authorize the transfer of the Department of Fish and Game property to California Department of Forestry and Fire Protection (CDF) and acceptance of the CDF property, including improvements to DFG; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned. Motion carried.

- *11. Mattole River (Upper Tract), Humboldt County \$220,000.00

This was a proposal to consider the allocation of a grant to the Save-the-Redwoods League (League) for a cooperative project with the Bureau of Land Management (BLM) and the Resources Legacy Fund to assist the Save-the-Redwoods League with the acquisition of 965± acres of old growth redwood timber land located approximately 14 miles northeast of the town of Garberville in southern Humboldt County.

Since 1999, the League has purchased over 5,000 acres in the Corridor from the Redwoods to the Sea. This project will further the goal of creating a wildlife habitat corridor to protect the major ecological stepping stones between Humboldt Redwoods State Park, the largest contiguous reserve of ancient redwoods and the King Range National Conservation Area, the longest roadless coastal stretch in the lower 48 states. The League continues to work to build the wildlife habitat corridor through acquisition of fee title and conservation easements.

The subject parcel was identified early in the analysis of the Corridor as pivotal in achieving connectivity and protection. Approximately 1.45 miles of the Mattole River crosses the property along with nearly 1.5 miles of Four Mile Creek. Fish identified as having the potential to be found on the property include Coho and Chinook salmon as well as steelhead trout. Rare old growth dependent wildlife species found within the subject property includes the northern spotted owl, goshawk, golden eagle, pileated woodpecker, red tree vole, mountain lion and Pacific fisher. There is also evidence that the Humboldt martin, long considered to be extinct, may be found on the property.

The League will take title to the property and then transfer a portion of the property to the BLM. The remaining portion will be traded for lands of higher resource value on portions of neighboring property. The League will retain an easement over the entire property to ensure the property is managed to preserve natural ecological processes. The easement over the portion of property transferred to the BLM will bar any commercial timber harvest. The easement over the remaining lands will allow commercial timber harvest and ranching activities while protecting the natural resource values of the property. The land trades and easements will secure logical management boundaries, while protecting the core resource values of the Corridor from the Redwoods to the Sea project. Although the primary purpose of the project is protection of wildlife habitat, the property could accommodate a trail system linking between Wilder Ridge Road, the nearest public road, to the Mattole River and adjoining parcels in the Corridor from the Redwoods to the Sea.

The owners have agreed to sell the property for its appraised, approved fair market value of \$435,000.00. Funding for the project is as follows:

Wildlife Conservation Board Grant	\$217,500.00
Resources Legacy Group	\$217,500.00
TOTAL AVAILABLE FUNDING:	\$435,000.00

Additional administrative costs are estimated to be \$2,500.00, bringing the total WCB allocation necessary for the purchase to \$220,000.00.

The acquisitions are exempt from CEQA under Class 13 and Class 25 of Categorical Exemptions as acquisitions of land for wildlife conservation purposes and transfers of ownership of interest in land to preserve open space.

Staff recommended that the Board approve this grant as proposed; allocate \$220,000.00 to cover the grant and related costs from the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Fund (Prop. 12), Section 5096.350 (a)(4)(3); authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Fred Klass that the Board approve this grant as proposed; allocate \$220,000.00 to cover the grant and related costs from the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Fund (Prop. 12), Section 5096.350 (a)(4)(3); authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned. Motion carried.

12. San Jacinto Wildlife Area, Expansion 26 (Potrero Canyon Unit), Riverside County \$12,157,000.00

Mr. Wright reported that this proposal was to consider the acquisition of fee title to 8,552± acres, together with a conservation easement over 565± acres of land, as an expansion to the Department of Fish and Game's (DFG) San Jacinto Wildlife Area, located in western Riverside County, to protect critical wildlife habitat and key open space, and to establish a permanent wildlife corridor between already preserved areas in the San Bernardino National Forest to the east, San Timoteo Canyon to the northwest and San Jacinto Wildlife Area and Lake Perris State Park to the west. This proposal is also to consider the acceptance of a Habitat Conservation Assistance Grant from the U. S. Fish and Wildlife Service (USFWS) providing \$8,000,000.00 in Section 6 funds and \$5,500,000.00 from the Riverside County Habitat Conservation Agency, to be applied toward the proposed acquisition of the property.

Mr. Wright gave a brief background about the project which began several years ago when Riverside County, together with the DFG and the USFWS started on a process to prepare a plan for the County to create future corridors for transportation, wildlife movement and habitat conservation, and at the same time, update its general plan. The development of this overarching plan encompassed hundreds of public meetings and workshops to discuss with the public how this plan would create these core reserves to protect the important habitats of western Riverside County, as well as provide linkages between those core habitats.

Mr. Wright explained that the property to be discussed today, located in the southern portion of the City of Beaumont, was identified by the DFG, the USFWS and the County as containing critical habitat for threatened and endangered species and important in establishing an unfragmented wildlife movement corridor linking existing preserved properties. The property is unique, however, in that it was used for a number of years to develop rocket motor technology. As a result, the property experienced contamination, primarily from rocket fuels. To date, Lockheed has completed a significant amount of remediation on the property, but has also recently identified perchlorate in the soil and groundwater.

The State's timing, to proceed with the purchase of the property at this time, is important as Lockheed has offered a discount from fair market value. Mr. Wright stated we have been able to pull a sufficient amount of money from both the USFWS and the County to be applied toward the purchase, resulting in more than half the cost of the property contributed by someone else other than the State. We have spent a significant amount of time with Lockheed Martin, through the work of many consultants, in understanding the contamination issues involved with the property. We have also discussed the contamination issues with the Department of Toxic Substances Control and Lockheed's record in their remediation efforts to date. We feel we have a full understanding of the risks related to the purchase of the property as we go forward.

Mr. Wright reported that the Board received a letter from the Riverside County Board of Supervisors strongly supporting this proposal, along with letters of support from The Nature Conservancy, the Center for Biological Diversity, Pomona Valley Audubon Society, Elsinore Murrieta Anza Resource Conservation District, San Bernardino Audubon Society, Endangered Habitats League, Friends of Northern San Jacinto Valley, Palos Verdes/South Bay Audubon Society and an individual named C.D. Stout. Mr. Wright shared portions of a letter received from the San Geronio Chapter of the Sierra Club, which he felt exemplifies all of the letters of support.

At this time Mr. Flores welcomed Assembly member Patty Berg, Assembly member Hannah-Beth Jackson and Ms. Kristie Stauffacher, representing Senator Mike Machado.

Ms. Debbie Townsend briefly described the project and its location. The project area is located in the southern portion of the City of Beaumont, southwest of the City of Banning and directly east of the City of Moreno Valley. It is generally to the east of Lamb Canyon Road, and northwest of Gilman Springs Road at the southerly end of Highland Springs Road. The property will be acquired as an expansion to the DFG's San Jacinto Wildlife Area nearly doubling its current area of 10,000 acres. Combined with the Lake Perris State Recreational Area to the west, a total of approximately 27,000 acres would be under public ownership and protection.

The property is currently owned by Lockheed Martin Corporation, a Maryland corporation. Between 1961 and 1974, portions of the site were used for rocket

motor manufacturing and the testing of rocket propulsion systems. In 1989, Lockheed and the California Department of Health Services, Toxic Services Control Division, signed a Consent Order requiring Lockheed to implement a plan to remediate any soil, surface water or groundwater contamination which occurred on the property as a result of the rocket testing activities. Lockheed initiated remediation efforts under the Consent Order in 1993, and it will continue to be the responsibility of Lockheed until all of the remediation efforts under the Order are satisfied and the property is certified clean.

As a result of recent investigations, perchlorate contamination has been identified in some of the soil and groundwater within a 565-acre area of the property. In order to avoid the State becoming liable or responsible for hazardous substances in the soils and groundwater of the property, Lockheed will transfer fee title to 8,552± acres, and encumber the 565-acre area with a conservation easement. The conservation easement will include a transfer to the State of Lockheed's development rights to this portion of the property. Lockheed will also grant to the State an option to acquire the fee interest in the 565-acre property at the conclusion of successful remediation without the payment of additional consideration.

The expected time frame for performing the soil work within the easement area is 18-36 months, subject to review and approval by the Department of Toxic Substances Control. Lockheed expects to begin the treatment of groundwater containing perchlorates within 36-48 months, but does not expect that the treatment of groundwater would prevent the development and use of this portion of the property. Groundwater underlying the property is not a source of drinking water and is not expected to be used. Based on currently available information, the groundwater containing perchlorates does not extend beyond the 565 acres proposed to be retained by Lockheed.

The property comprises a flat, alluvial valley dominated by chaparral, annual grasslands and riparian shrub communities. The property is also dominated by large blocks of unfragmented Riversidean sage scrub, an inland form of coastal sage scrub, which is an important habitat for the California gnatcatcher. Potrero Creek runs through the center of the property providing high quality riparian woodlands, alkali marsh and oak woodlands.

Mammal species are well-represented in the project area and range from the desert shrew to the southern mule deer. The property contains some of the densest populations of the federally-listed endangered and State-listed threatened Stephen's kangaroo rat (SKR). The property is estimated to have approximately 2,380± acres of occupied SKR habitat including high quality annual grasslands, critical to SKR survival. Additionally, one component of the SKR Habitat Conservation Plan of Western Riverside County was to acquire occupied and suitable SKR habitat in a core reserve system and eventually expand that system. The property represents an ideal location for core reserve expansion.

The proposed acquisition would conserve habitat for thirty-one (31) threatened and endangered species, and species of special concern, including the least Bell's vireo and the California gnatcatcher. The property contains suitable and occupied habitats for both species. In addition, the property contains animal movement corridors, raptor nesting areas, wetlands and waterways. Because the property is largely undeveloped, habitats are generally unfragmented and ideally suited for reserve establishment.

The Potrero Canyon property is located in the heart of Riverside County's regional Multiple Species Habitat Conservation Plan (MSHCP) and Natural Communities Conservation Plan (NCCP) which identifies up to 500,000 acres to make a viable system of linked conserved lands. Conservation of the property is important in a broader ecological context as its location ensures connectivity between national forests to the north and the south as well as provides linkages between other conserved areas identified in the plan. Riverside County has already spent substantial funds acquiring lands within the larger MSHCP/NCCP planning area and supports the proposed acquisition of the property to further ensure that the overall preserve design is effective. This proposal would further implement the joint federal, State and local NCCP efforts in the Riverside County area.

The DFG has identified the property as being within a Significant Natural Area and has recommended the property as a high priority for acquisition. The DFG proposes to manage the property as the Potrero Canyon Unit of its existing San Jacinto Wildlife Area. Subject to the preparation of a specific management plan, the DFG proposes to offer recreational uses as the habitat is restored, maintained and developed in conjunction with the wildlife area. It is anticipated that the remediation work on the easement area will not interfere with the DFG's use of the property for the protection of habitat.

There are no claims of sovereign State land ownership within the property's boundaries. The proposed acquisition is exempt from the California Environmental Quality Act under Section 15313, Class 13 as the acquisition of land for wildlife conservation purposes and under Section 15325, Class 25 as the transfer of ownership in land to preserve open space, habitat or historical resources. Subject to approval of the Board, the appropriate Notice of Exemption will be filed with the State Clearinghouse.

The Department of General Services (DGS) has reviewed and approved the appraisal of the property at \$34,500,000.00. The owner has agreed to sell the property for \$25,500,000.00; consequently any value over the approved appraised value will be considered a donation to the State. The USFWS has awarded an HCP Assistance Grant for this project, in the amount of \$8,000,000.00, which will be applied toward the purchase price of the property. In addition, the Riverside County Habitat Conservation Agency will be

contributing \$5,500,000.00 toward the acquisition. Staff proposes that the Board approve an allocation of \$12,000,000.00 for the remainder of the purchase price. It is anticipated that an additional \$157,000.00 will be needed to cover administrative expenses including appraisal, escrow, title insurance and DGS' review costs, bringing the total proposed allocation for this project to \$12,157,000.00.

Ms. Townsend reported that Dee Sudduth, Assistant Regional Manager of the Inland Empire Region, Department of Fish and Game and Mr. Jim DeNapoli, Vice President and General Counsel of LMC Properties, Inc, were in the audience should there be any questions.

Mr. Jim DeNapoli addressed the Board in support of this proposal. (See Attachment A)

Ms. Robin Lowe and Ms. Carolyn Syms Luna addressed the Board in support of this project. Ms. Lowe, representing the Riverside County Habitat Conservation Agency, stated that this proposal is the culmination of 10 years of hard work by their agency. She reported that they are in the process of approving the multi species habitat plan for the entire western portion of the county. She commented that Riverside County is experiencing tremendous growth and without the addition of this portion of land to their entire program, they would not be able to proceed with the transportation planning that is necessary. She commented that along with the growth the community is experiencing, it is now necessary to make sure that these critical habitats are set aside so that the planned growth can proceed on an even basis. She stated they are willing partners in this proposal and encouraged the support of the Board.

Mr. Flores asked if there were any comments or questions.

Mr. Fred Klass requested clarification regarding the indemnification features of this purchase agreement. He stated it was his understanding that perchlorate has only recently been identified in many locations and it is his sense that we have not had time to fully develop a knowledge of what is on the site and how we might remediate it. He requested clarification on who would supervise the work and how would we know when it is finished.

Mr. Wright asked Ms. Nancy Templeton, Staff Counsel, Department of Fish and Game and Mr. Paul Mosley, private attorney who has been representing the State in negotiations, to please address the issues.

Mr. Mosley stated that in connection with the purchase agreement, the Board has negotiated a very broad, direct covenant and indemnity from Lockheed where they have committed to clean up anything and everything that is known on the property, and in addition, anything that is discovered in connection with its investigation. He stated that presently there is in place a contract with Lockheed and the Department of Toxic Substances Control (DTSC) under which

Lockheed has committed to not only fulfill that obligation, but they will continue to abide by those obligations with that agency and in connection with contamination that may be discovered in the future. He stated that supervision of the cleanup presently is being overseen by the DTSC and that Department will continue to have oversight during the cleanup process. Ms. Templeton stated that in addition to cleanup covenants that Mr. Mosley described and the oversight by the DTSC, within the proposed purchase contract we have a full indemnification from Lockheed covering all of its responsibilities.

Mr. Klass requested clarification regarding the State's obligations if there are additional problems identified on the site after the property is acquired, Mr. Mosley explained that levels of protection have been put together in the contract with Lockheed, wherein we have commitment from Lockheed to handle this issue. He stated the DTSC has regulations which have required Lockheed to put up financial assurances to cover its obligation. He reported that presently there is a financial assurance amount of approximately \$2 million to cover those obligations. Under their existing regulations, the DTSC revisits that amount periodically and will be revisiting that amount as the site is further characterized. In addition, one of the reasons for the 565-acre carve out was to take the major issue of concern with respect to the site, which is an area of perchlorate contamination that has impacted groundwater, and to leave that in fee ownership with Lockheed until such time as the State is satisfied that the remediation is complete or that it is far enough along with the DTSC oversight that the State is in a position to then elect to take fee interest in that property. Mr. Klass asked if there were any problems with migration of the perchlorates off site and down into the groundwater and potentially contaminating neighboring community wells or water supplies. Mr. Mosley explained that several data points have been put in place and these will be monitored to make sure contamination has not left the site. Mr. Mosley reported that the Board required Lockheed to put another data point further downstream to further verify perchlorate contamination has not left the site. He stated that data point has come up clean and will continue to be monitored.

Mr. Klass asked if the Department of Fish and Game is involved in the monitoring of the site as it is cleaned up. Mr. Mosley stated the Department of Fish and Game would be managing the site and in the contract there are various provisions that will allow them to be involved. In some instances, with regard to those actions that are taken by Lockheed, the Department must be notified of those actions and have input with respect to the actions as the process moves forward. Mr. Klass requested clarification regarding manpower requirements of the Department's involvement. Mr. Mosley stated that with respect to the cleanup, it is not a full time operation for Departmental personnel, but it is for Lockheed and the consultants that they have hired.

Mr. Klass requested clarification regarding the State's risk if, for example, Lockheed walked away from this project or if there is a time limit on Lockheed's liability in terms of the indemnification. Mr. Mosley stated that Lockheed has agreed to an unlimited and uncapped indemnity.

Mr. Flores asked if there were any other comments or questions.

Assembly member Jackson stated she shares Mr. Klass' concerns. She asked if a bond is to be posted by Lockheed for protection in future cleanup. Mr. Wright explained that the DTSC has a \$2 million letter of credit based on the current consent order and that as they develop the plan for the cleanup of the perchlorate, that amount would be changed based on whatever plan they develop in the next 18 months to two years, which would be adjusted as they proceed through the process.

Mr. Flores asked if there were further questions or comments. There were none.

Staff recommended that the Board approve this acquisition as proposed; authorize acceptance of \$8,000,000.00 from an HCP Assistance Grant from the USFWS and \$5,500,000.00 from the Riverside County Habitat Conservation Agency, to cover a portion of the purchase price; allocate \$12,157,000.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Prop. 40), Section 5096.650, for the acquisition and related expenses; authorize staff to enter into agreements as necessary to carry out this acquisition as described; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

It was moved by Mr. Sonke Mastrup that the Board approve this acquisition as proposed; authorize acceptance of \$8,000,000.00 from an HCP Assistance Grant from the USFWS and \$5,500,000.00 from the Riverside County Habitat Conservation Agency, to cover a portion of the purchase price; allocate \$12,157,000.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Prop. 40), Section 5096.650, for the acquisition and related expenses; authorize staff to enter into agreements as necessary to carry out this acquisition as described; and authorize staff and the Department of Fish and Game to proceed substantially as planned. Motion carried.

Mr. Wright expressed his appreciation to the staff, Debra Townsend, Nancy Templeton, Paul Mosley, Jim DeNapoli, Dee Sudduth and others for their work on this proposal.

13. Bolsa Chica Lowlands Restoration, Orange County \$10,000,135.00

Mr. Wright reported that this proposal was to consider an allocation for a cooperative project with the State Lands Commission (SLC) for a wetland restoration project located in Huntington Beach, Orange County, on the SLC property immediately adjacent to the Department of Fish and Game's (DFG) Bolsa Chica Ecological Reserve. The partners in this proposal include the DFG, California Resources Agency, SLC, California Coastal Conservancy, U.S. Fish and Wildlife Service, U.S. Army Corps of Engineers, National Marine Fisheries Service, U.S. Environmental Protection Agency and the Ports of Los Angeles and Long Beach. Ms. Bonnie Turner briefly described the project and its location.

The project is the restoration of 880 acres including 366.5 acres of full tidal wetlands and 200 acres of muted tidal wetlands. The project is designed to implement a comprehensive wetland habitat plan to benefit shorebirds, waterfowl, coastal seabirds, marine fishes and a full spectrum of coastal ecosystem biota.

Historically, Bolsa Chica was part of an extensive tidal marsh, including a mosaic of vegetated salt and brackish marsh, with associated tidal embayments, sloughs and mudflats. In 1899, Bolsa Chica was diked to prevent tidal exchange in order to manage the resultant ponds as a waterfowl hunting club. Subsequently, the site was further altered by filling, oil extraction activities and flood control facilities, and surface and subsurface hydrologic modifications. The surrounding area was also developed for a variety of uses, including extensive residential and commercial development. Bolsa Chica still contains a significant fraction of the historical marsh system, but its wetland and aquatic functions have been degraded from those that existed historically.

The purpose of the proposed project is to restore wetland and aquatic functions at Bolsa Chica as oil extraction is phased out and after contamination is removed. Relevant State and federal agencies have assessed the extent of contamination. The oil company currently operating at the site will clean up oil-related contamination and the former owner, Hearthside Homes, will clean up the non-oil contamination in the lowlands before restoration begins.

In 1996, eight State and federal agencies including the California State Lands Commission, U.S. Environmental Protection Agency, the Department of Fish and Game, the U.S. Fish and Wildlife Service, the California Coastal Conservancy, National Marine Fisheries Service, the California Resources Agency, the U.S. Army Corps of Engineers and the Ports of Los Angeles and Long Beach entered into an interagency agreement to establish a project for wetlands acquisition and restoration at the Bolsa Chica Lowlands. The Agreement addresses the acquisition of approximately 880 acres, the restoration of wetlands and habitat

areas in the lowlands including full tidal and managed tidal habitat, monitoring activities to determine the condition of the restored habitats and the necessary management of the project features.

The goal of the Bolsa Chica Lowlands Restoration Project is to retain and, to the extent desirable and feasible, enhance existing fish and wildlife resources. It is intended that the restored ecosystem be naturalistic, biologically diverse, productive and estuarine in nature. The ecosystem shall be predominantly saltwater-influenced but will also incorporate biologically beneficial freshwater influence. Some of the planning objectives for the project include:

- Overwintering habitat for migratory shorebirds, seabirds and waterfowl shall be enhanced.
- Nesting habitat for migratory shorebirds and seabirds shall not be diminished and shall be expanded, where feasible.
- Habitat for estuarine and marine fishes shall be expanded and species diversity shall be increased.
- Nesting and foraging conditions for State and federal endangered species shall not be adversely affected, and in addition, the project shall contribute to the recovery of the light-footed clapper rail, California least tern, western snowy plover, and Belding's savannah sparrow.
- The mix of habitat types shall include perennial brackish ponds, seasonal ponds/sand flats, pickleweed flats, cordgrass intertidal zone, unvegetated intertidal mudflat and marine subtidal soft bottom.
- Allowable public uses shall include nonintrusive recreation activities focused on peripheral areas, interpretive information and trails.

Cost estimates for this project, which have been reviewed by staff, are as follows:

Description:	Estimated Costs
Wetland construction	\$35,500,000
Inlet construction	8,000,000
Pacific Coast Highway construction	14,000,000
Construction Management	5,000,000
Monitoring and Evaluation	4,000,000
TOTAL ESTIMATED COST:	\$66,500,000
Proposed Funding Breakdown:	
Wildlife Conservation Board	\$ 10,000,000
Other Partners	56,500,000
TOTAL AVAILABLE FUNDING:	\$66,500,000

In addition to the costs listed above, an additional \$135.00 will be required for Department of General Services' review costs, bringing the allocation necessary

for the Board's portion of the project to \$10,000,135.00. The Department of Fish Game has reviewed this proposal and recommends it for funding by the Board. The State Lands Commission has completed the appropriate notice to satisfy California Environmental Quality Act requirements and has obtained or will obtain all necessary permits.

Ms. Bonnie Turner reported that Mr. Jim Trout, Project Manager from the State Lands Commission, was in the audience should there be any questions.

Mr. Wright reported that the Board received a letter of support from Amigas de Bolsa Chica.

Mr. Flores asked if there were any other comments or questions. There were none.

Staff recommended that the Board approve this project as proposed; allocate \$10,000,135.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79572(a); authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

It was moved by Mr. Fred Klass that the Board approve this project as proposed; allocate \$10,000,135.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79572(a); authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned. Motion carried.

14. South Fork Kern River Ecological Reserve \$1,950,500.00
(Canebrake Creek Unit, Expansion 2), Kern County

Mr. Wright reported that this proposal was to consider a cooperative project with the U.S. Army Corps of Engineers (ACOE), National Fish and Wildlife Foundation (NFWF), the Packard Foundation, the Audubon Society, the Department of Fish and Game (DFG) and the Board to acquire approximately 2,700 acres of land as an expansion to the DFG's South Fork Kern River Ecological Reserve, Canebrake Creek Unit, for the protection of riparian and upland habitat for threatened and endangered species. Ms. Linda Drake briefly described the project and its location.

The acquisition of the subject property will expand the Canebrake Creek Unit of the DFG's South Fork Kern River Ecological Reserve. The subject property is located along Highway 178 approximately 3 miles west of Onyx and 18 miles east of Lake Isabella at the confluence of Fay Creek and the South Fork Kern River in Kern County.

The primary purpose of this acquisition is preservation and protection of the South Fork Kern River watershed's vegetation, hydrology, soils and the riparian habitat of the South Fork Kern River as well as upland habitat in Fay Canyon. The watershed supports the finest and largest remnant of great valley cottonwood riparian forest documented by the California Natural Diversity Database. The area provides critical habitat to 30 percent of California's population of federally endangered southwestern willow flycatcher as well as significant populations of yellow-billed cuckoo, southwestern pond turtle, alkali Mariposa lily and other riparian obligate species.

The South Fork Kern River Watershed has seen great conservation advances including: the Kern River Preserve; designation of eight federal wilderness areas that protect 85 percent of the upstream watershed; designation of 72 miles of Wild and Scenic River; designation of the South Fork Wildlife Area by the ACOE; and acquisition of Kelso Creek Sanctuary by Audubon.

The DFG will manage the property with endowment money from the willow flycatcher mitigation fund provided through the National Fish and Wildlife Foundation.

The approved appraised value is \$4,445,000.00 and the property owner has agreed to sell the property for that amount. The funding partners and their contributions which will be deposited directly into escrow are as follows:

Packard Foundation and NFWF	\$ 800,000.00
ACOE	1,704,500.00
Wildlife Conservation Board	<u>1,940,500.00</u>
Fair Market Value and Purchase Price	\$ 4,445,000.00

It is estimated that an additional \$10,000.00 will be needed for appraisal, title insurance, escrow and Department of General Services' review costs, bringing the total proposed allocation for this purchase to \$1,950,500.00.

The project is exempt from CEQA under Section 15313, Class 13, as an acquisition of land for wildlife conservation purposes and Section 15325, Class 25 as the transfer of ownership of an interest in land to preserve open space. A Notice of Exemption will be filed with the State Clearinghouse upon approval of the Board.

Mr. Wright reported that the Board received letters of support from the Sierra Club and Daniel Portway.

Mr. Flores asked if there were any comments or questions. There were none.

Staff recommended that the Board approve the acquisition as proposed, allocate \$1,950,500.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Prop. 40), Section 5096.650 for this purchase and associated costs; authorize acceptance of additional funds into escrow to complete the acquisition; authorize staff to enter into appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

It was moved by Mr. Fred Klass that the Board approve the acquisition as proposed, allocate \$1,950,500.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Prop. 40), Section 5096.650 for this purchase and associated costs; authorize acceptance of additional funds into escrow to complete the acquisition; authorize staff to enter into appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned. Motion carried.

15. Owens Lake Wildlife Area, Cartago Springs Unit, \$958,000.00
Inyo County

Mr. Wright reported that this was a proposal to consider the acquisition of 218± acres of habitat near the community of Cartago in southern Inyo County. This acquisition will allow protection of an artesian well/springs and the wetlands and ponds created by the springs. Mr. William Gallup briefly described the project and its location.

The project area is located east of State Highway 395, adjacent to the southwestern shore of Owens Lake in the community of Cartago about 80 miles south of the City of Bishop. State Highways 14 and 178 bisect Highway 395 about 50 miles southerly of the subject property. The cities of Ridgecrest and Barstow are located about 50 and 80 miles southerly of the subject, respectively. The Bureau of Land Management and the State Lands Commission own the majority of land in the vicinity of the subject including portions of Owens Lake and the Sierra Nevada Mountain range west of the subject. Kings Canyon and Sequoia National Parks are approximately 20 air miles west from the subject and Death Valley National Monument is about 40 miles easterly of the subject.

The Department of Fish and Game has identified this acquisition as being critical because this 218± acre site is one of the few remaining spring and wetland areas on the “shores” of Owens Lake. Ground water pumping and surface and groundwater export by the Los Angeles City Department of Water and Power (DWP) has significantly reduced wetland habitat acreage and quality, and has significantly impacted vegetation in the Owens Valley over the last fifty years. As a result, each remaining wetland site is critically important for water-dependent species which were once much more abundant in the valley. The Cartago Springs site contains several identified Species of Special Concern and may support

population of several different endangered species. Western snowy plovers and White-faced Ibis, both Species of Special Concern, inhabit the wetlands. It is also likely that the Owens Valley vole, a Federal and State Species of Concern, Owens Valley checkerbloom, a State Endangered plant species, and the Owens tui chub will be found on this site as these species have been documented on the wetlands and spring site on an adjoining property. Acquisition of this site would also further the goals of the Owens Basin Wetland and Aquatic Species Recovery Plan which identifies the preservation of spring discharge and protection of wetlands as priorities for the Southern Owens Conservation Area which includes this site.

The market value of the subject property, as determined by an appraisal approved by the Department of General Services (DGS), is \$937,000.00. The owner has agreed to sell the property at the appraised value. The acquisition includes 218 acres of land improved with an artesian well, small metal building and chain link fencing around the well. An additional \$20,000.00 will be needed for the DGS' appraisal review costs, appraisal costs, environmental inspection costs, escrow costs and title insurance expense. An additional \$1,000.00 will be needed for start-up costs including a survey for endangered species, signs and training for the operation of the well.

This proposed acquisition is exempt from CEQA under Class 13 of Categorical Exemptions as acquisitions of land for wildlife conservation purposes and under Class 25 as the transfer of ownership interests in land to preserve open space. A Notice of Exemption will be filed upon approval by the Wildlife Conservation Board.

Mr. Wright reported that the Board received a letter of concern from the County Administrator on behalf of the Inyo County Board of Supervisors. Mr. Wright read a portion of that letter which expressed concern regarding the large percentage of publicly owned land, the loss of tax revenues and the need to have a balanced and reasonable approach that minimizes the economic and social impact on the local jurisdictions.

Mr. Wright stated that the Board received letters of support from Eastern Sierra Land Trust, Sierra Nevada Alliance, Kerncrest Audubon Society, Audubon California, Toiyabe Chapter Sierra Club, California/Nevada Regional Conservation Desert Committee, Mono Lake Committee, Mojave Group of the Sierra Club, International Shorebird Survey, Eastern Sierra Audubon Society, The Owens Valley Committee, Sierra Foothills Audubon Society and letters from several other citizens.

Mr. Flores asked if there were any comments or questions. There were none.

Mr. Wright, referring to the letter from the County, stated that the Board is very cognizant of the impacts to these rural counties with significant acreages of

public land already in place. He stated that this property is unique because of the water resources on it and because of that the Board recommends proceeding with the acquisition.

Mr. Klass asked if the water is present all year. Mr. Gallup stated that the water is seepage from the artesian well, appears all year and flows into the lakebed area.

Staff recommended that the Board approve this acquisition as proposed; allocate \$958,000.00 from Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79565, for the acquisition and related expenses; authorize staff to enter into agreements as necessary to carry out this acquisition as described; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

It was moved by Mr. Fred Klass that the Board approve this acquisition as proposed; allocate \$958,000.00 from Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79565, for the acquisition and related expenses; authorize staff to enter into agreements as necessary to carry out this acquisition as described; and authorize staff and the Department of Fish and Game to proceed substantially as planned. Motion carried.

16. Los Osos Dunes and Wetlands, Montana De Oro Unit, \$1,555,000.00
San Luis Obispo County

Mr. Wright reported that this was a proposal to consider the allocation of a grant to the State Department of Parks and Recreation (DPR) for the cooperative acquisition with the State Coastal Conservancy (SCC) and the Bay Foundation of 42± acres of land for protection of maritime chaparral, coastal dune habitat and threatened and endangered species. The property is located in Los Osos, south of the Morro Bay Estuary, west of Pecho Road and abutting the Montana De Oro State Park in San Luis Obispo County. Mr. Dave Means briefly described the project and its location.

The subject property contains two separate parcels. The main parcel is 41± acres in size and is unimproved. The second parcel is a 1± acre site located approximately ¼ mile north of the main parcel. The site is improved with a water well and storage tank. The "well" site was developed to provide water for the main parcel in anticipation of future development.

The main parcel is surrounded on three sides by State owned property. To the north and west is the DPR's Montana De Oro State Park; to the south is the 26± acre Department of Fish and Game's (DFG) Morro Dunes Ecological Reserve. If the property were ever developed it would create a significant visual and physical intrusion into these protected areas. The property is also a vital part and situated

in what is the beginning of a planned greenbelt corridor that extends around the community of Los Osos and the southern portions of the Morro Bay estuary.

The establishment of the greenbelt is the result of a large coalition of local community participants, community groups, foundations, non-profit organizations and local, State and federal agencies, focused on preserving open space and coastal habitats around the southern portions of the Morro Bay Estuary. The greenbelt begins at the subject property, runs west along the lower slopes of the Irish Hills, to the Los Osos Oaks State Preserve and then heads north along Los Osos Creek to the Morro Bay State Park.

Within the corridor there have been a number of recent acquisitions of note, some of which have been presented to and approved by the Wildlife Conservation Board (WCB). These projects include the 30± acre Elfin Forest Preserve, acquired by the DPR, as an expansion to the Morro Bay State Park; the 15± acre Powell I property, acquired by the DPR as an expansion to the Morro Bay State Park; the 40± acre Powell II property acquired by the DPR and funded in part by a grant approved by the WCB, August 22, 2002; the 205± acre Bayview Ecological Preserve, a cooperative project acquired by the DFG and approved by the WCB August 10, 2000; the 32± acre Morro Dunes Ecological Reserve, South Unit acquired by the DFG and approved by the WCB August 13, 2003; the 26± acre Morro Dunes Ecological Reserve mentioned above; and the 18± acre Los Osos Dunes and Wetlands Reserve, acquired by the Bay Foundation and funded in part by a grant approved by the WCB February 27, 2002.

The types of habitats found within the greenbelt include, fresh and saltwater wetlands, riparian, coastal dune scrub and maritime chaparral. These habitats support a wide range of wildlife species, including over 100 different bird species, 40 mammals and 20 reptiles. Included within these species are a number of federal and State, threatened, endangered and special status species, including the Morro manzanita, Indian Knob mountainbalm, Monterey spineflower, Peregrin falcon, Morro shoulderband snail, the black legless lizard and the coast horned lizard. This area of the greenbelt, including the subject property, is also located within an area designated for the protection and recovery of the Morro Bay kangaroo rat, a listed species.

The habitats and vegetation found on the subject property consist of coastal sage scrub with some maritime chaparral. Located on the southern part of the property is a small grove of eucalyptus trees that provides roosting for raptors. Animal species found on the property are consistent with those found throughout this area of the greenbelt, as mentioned above.

The topography of the property is gently sloping with coastal dunes, offering views of both the Pacific Ocean and Morro Bay estuary. The present zoning of the property is recreation. The owner has pursued development of a small resort

facility on the property, which is consistent with the zoning. The highest and best use of the property has been determined to be development of a resort with some residential development.

The Bay Foundation, a partner on this transaction, has negotiated with the owner to acquire the property based on its appraised fair market value, \$3,300,000.00, a value approved by the Department of General Services (DGS). Once acquired the property will be transferred to the DPR and managed as an expansion to the Montana De Oro State Park. Currently running east to west through the property is a foot trail that connects from Pecho Road to the Montana De Oro State Park. The property owner appears to have permitted this use and it is reasonable to assume some prescriptive trail rights would be extended to the public if the property were ever developed.

To fund this cooperative project the proposed participation from the WCB is \$1,550,000.00. The remaining balance will be provided from grants from the SCC and DPR.

The funding breakdown is shown below:

State Coastal Conservancy	\$1,250,000.00
Department of Parks and Recreation	500,000.00
Wildlife Conservation Board	1,550,000.00
TOTAL AVAILABLE FUNDING	\$3,300,000.00

In addition to the purchase allocation, \$5,000.00 is estimated to be needed for project related administrative costs, for a total allocation of \$1,555,000.00.

There is a possibility \$50,000.00 in U.S. Fish and Wildlife Service; Section 6 funds will become available subsequent to Board approval for this acquisition. If these funds do arrive prior to the close of escrow, they will be applied against the WCB portion of the purchase price and reduce WCB's participation from \$1,550,000.00 to \$1,500,000.00. If the funds do not arrive in time, the DFG will look to reallocate these funds to another similar project.

The proposed acquisition is exempt from CEQA requirements under Section 15313, Class 13 as the acquisition of land for wildlife conservation purposes and under Section 15325, Class 25 as the transfer of ownership in land to preserve open space, habitat or historical resources. Subject to approval by the Board, the appropriate Notice of Exemption will be filed with the State Clearinghouse.

Mr. Means reported that Mr. Rob Kane from the Department of Parks and Recreation and Mr. Jim Swanson from the Department of Fish and Game were in the audience should there be any questions.

Mr. Flores asked if there were any other comments or questions.

Mr. Klass, acknowledging current and future budget concerns, requested clarification on DPR's plan to handle staffing this additional park area. Mr. Kane reported that he primarily deals with the acquisitions, but as with other property acquisitions, staff is spread thin, and like other State agencies, DPR is waiting to see what will happen in the future. Mr. Kane reported the budget office is aware of this acquisition and will be providing a budget estimate to the Department of Finance as they take it to the Public Works Board early next year.

Staff recommended that the Board approve this project as proposed; allocate \$1,555,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79565, for the acquisition and related costs; authorize acceptance directly into escrow \$50,000.00 under a U.S. Fish and Wildlife Service Section 6 grant if available; authorize staff to enter into appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

It was moved by Mr. Fred Klass that the Board approve this project as proposed; allocate \$1,555,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79565, for the acquisition and related costs; authorize acceptance directly into escrow \$50,000.00 under a U.S. Fish and Wildlife Service Section 6 grant if available; authorize staff to enter into appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned. Motion carried.

17. Watsonville Slough (Buena Vista Unit), Santa Cruz County \$2,288,000.00

Mr. Wright reported that this was a proposal to consider a cooperative project with the Trust for Public Land (TPL), the California Department of Transportation (Caltrans), the State Coastal Conservancy (SCC), the U.S. Fish and Wildlife Service (USFWS) and U.S. National Park Service (USNPS), Department of Fish and Game (DFG) and the Board to acquire 289± acres of land for protection of coastal wetlands and threatened and endangered species. This proposal is also to consider the acceptance of grant funds, directly into escrow totaling \$4,427,215.00 from the above named entities. The property is located west of Watsonville, just south of and west of State Highway 1, within the Watsonville Slough watershed, in Santa Cruz County. Mr. Dave Means briefly described the project and its location.

The property is located in what is referred to as the Watsonville Slough Complex (WSC). The WSC begins near Pajaro River where it enters the Pacific Ocean, and consists of six major, inter-linked sloughs that spread out across the coastal plains, west of Watsonville. It has been described as some of the last remaining examples of an undisturbed coastal wetland/upland ecosystem along the central coast. The entire Watsonville slough area including surrounding upland portions

encompasses approximately 5,400± acres of property. The subject property encompasses the majority of the upper watershed area for Galighan Slough, one of the major sloughs and tributaries within the WSC.

Within the WSC, the DFG owns 290± acres of protected wetlands and adjoining uplands. These properties encompass portions of the Galighan Slough, Harkins Slough and West Struve Slough. Located just south and to the east of the subject property are the DFG's Santa Cruz Long-toed Salamander Ecological Reserve and the USFWS' Ellicott Station National Wildlife Refuge. These two properties are managed cooperatively by the DFG and USFWS.

The WSC contains a variety of coastal habitats including freshwater and saltwater wetlands, native grasslands, maritime chaparral, coastal shrub, riparian areas and oak woodlands. The complex provides an important resting area for migratory waterfowl and a wintering area for a number of different raptors species. The area also contains rare and sensitive species, such as the red-legged frog, tricolored blackbird, Santa Cruz long-toed salamander, California tiger salamander, the Santa Cruz tarplant, Hooker's manzanita and Monterey spineflower.

There are a number of public and private groups involved in the effort to protect conservation values within the WSC. They include the City of Watsonville, the County of Santa Cruz, the Open Space Alliance of Santa Cruz County, the Land Trust of Santa Cruz County, Santa Cruz County Resource Conservation District, Pajaro Valley Water Management Agency, TPL, SCC, the USFWS and the DFG.

The subject property is essentially undeveloped open space, comprised mostly of forested upland areas. There is one home site on the property. Besides the single family residence on the property, there is no history of the property ever being developed or disturbed. The property represents one of the largest unfarmed and undeveloped ownerships along the coast in Santa Cruz County. Habitat types found on the property include coastal live oak woodland, maritime chaparral, coastal scrub, conifers and wetlands. A number of rare and sensitive species inhabit the property including the Santa Cruz long-toed salamander, California red-legged frog, northern harrier, Hooker's manzanita, California bottle-brush grass and the robust spineflower. Of special note and interest is a large pond on the property inhabited by the California tiger salamander a federally listed endangered species. The pond and salamander are currently part of an ongoing USFWS research and monitoring program.

If the property is not acquired, under the current zoning the property could be subdivided into ten, twenty-five acre residential estate lots. This type of use is consistent with the general economics of the areas and can be found throughout Santa Cruz County. The owners have demonstrated an interest in more intensive development of the property, having previously pursued plans for a golf resort.

If acquired the DFG intends to manage the property cooperatively with the USFWS as part of the DFG's Santa Cruz Long-toed Salamander Ecological Reserve and USFWS' Ellicott Station National Wildlife Refuge. This would entail managing the property as a reserve and allow controlled public access for nature viewing, hiking and educational purposes.

The Trust for Public Land, a partner on this transaction, has an option to acquire the property at the appraised value of \$6,700,000.00, a value approved by the Department of General Services (DGS). The conveyance of the property will occur with TPL first exercising their purchase option, acquiring the property at its appraised value, and then conveying the property to the State, at its appraised value. To fund this cooperative project the proposed participation from the WCB is \$2,272,785.00. The remaining balance will be provided from grants from the SCC, Caltrans, USFWS, and the USNPS. The funding breakdown is shown below:

State Coastal Conservancy	\$1,160,000.00
Caltrans – TEA	1,000,000.00
U.S. Fish Wildlife Service- Sec 6 funds	1,040,215.00
U.S. National Parks Service – LWCF	1,227,000.00
Wildlife Conservation Board	2,272,785.00
TOTAL AVAILABLE FUNDING	\$6,700,000.00

In addition to the above funding the WCB has also applied for a \$500,000.00 grant from the Caltrans, Environmental Enhancement and Mitigation Program (EEMP). Funding under this program was temporarily halted by Caltrans in 2003. To offset this loss, the SCC agreed to increase their participation from \$660,000.00 to \$1,160,000.00. It now appears Caltrans might be able to fund this grant, however, it is not certain whether or not the funds would be available in time to meet the required closing date for this acquisition. In the event the funds arrive in time for the close of escrow, the SCC's participation would be reduced accordingly. If the funds arrive after the close of escrow, the WCB and SCC will look to utilize these funds on a future and similar cooperative project within the region.

A determination has been made that the current occupants of the single family residence on site are eligible for relocation benefits, based on both State and federal relocation laws. This finding is also supported by USNPS staff that has stated disbursement of the USNPS funds would be predicated on the WCB making an offer to provide relocation benefits. The estimated relocation benefits for this project are \$5,215.00, this includes moving costs and a rental offset. This figure is supported by a relocation estimate developed by the Department of General Services (DGS). An additional \$10,000.00 is estimated to be needed for administrative costs, including title, escrow and DGS' review charges, bringing the total amount being requested for this project to \$2,288,000.00.

The proposed acquisition is exempt from CEQA requirements under Section 15313, Class 13 as the acquisition of land for wildlife conservation purposes and under Section 15325, Class 25 as the transfer of ownership in land to preserve open space, habitat or historical resources. Subject to approval by the Board, the appropriate Notice of Exemption will be filed with the State Clearinghouse.

Mr. Means reported that Mr. Jim Swanson from the Department of Fish and Game and Ms. Karen Frankel from the Trust for Public Land, were in the audience should there be any questions.

Mr. Flores asked if there were any other comments or questions.

Ms. Karen Frankel reported the USFWS has identified the property as providing habitat for the long-toed salamander and has a plan for its recovery. She stated the property has been identified by biologists as being key for ground water recharge given the soil type and it has never been disturbed. Ms. Frankel reported that the USFWS is excited to include this in the National Wildlife Refuge for the protection of salamander as well as the many other different species and plants.

Mr. Flores asked if there were any other comments or questions. There were none.

Staff recommended that the Board approve this project as proposed; allocate \$2,288,000.00 from the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Fund (Prop. 12), Section 5096.350 (a) (1) (b), for the acquisition and related costs; authorize acceptance directly into escrow grant funds to complete the balance of purchase price; authorize staff to enter into appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

It was moved by Mr. Michael Flores that the Board approve this project as proposed; allocate \$2,288,000.00 from the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Fund (Prop. 12), Section 5096.350 (a) (1) (B), for the acquisition and related costs; authorize acceptance directly into escrow grant funds from other sources to complete the balance of purchase price; authorize staff to enter into appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned. Motion carried.

18. San Francisco Bay Area Wetlands Protection and Restoration \$40,000,135.00
Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo,
Santa Clara, Solano and Sonoma Counties

Mr. Wright reported that this was a proposal to consider an allocation for an interagency agreement with the State Coastal Conservancy (SCC) to complete wetland protection and restoration projects located in the nine counties surrounding the San Francisco Bay. The Wildlife Conservation Board (WCB) is partnering with the SCC to expeditiously fund the highest priority projects in the Bay Area as determined in the Baylands Ecosystem Habitat Goals Report (Goals Report) and which adhere to the selection criteria used by the San Francisco Bay Joint Venture (SFBJV) and the SCC. After review by Department of Fish and Game (DFG) and SCC staff, the WCB concurs that the SCC should take the lead on the following listed projects.

Napa-Sonoma Marshes, Napa and Solano counties
Hamilton Airfield/Bel Marin Keys, Marin County
South Bay Salt Ponds, Santa Clara and Alameda counties
Lake Merritt, Alameda County
Aquatic Park, Alameda County
East Shore State Park, Alameda and Contra Costa counties
Berkeley Meadows, Alameda County
San Francisco Shoreline (Yosemite Canal, Crissy Field Marsh, Tennessee Hollow), San Francisco County
Guadalupe Creek, Santa Clara County
Petaluma River, Sonoma County
Suisun Creek, Solano County
Spartina Control in Bay Wetlands, various Bay counties

This list does not preclude other projects if their priority warrants it and if agreed upon by both SCC and WCB.

Ms. Bonnie Turner went on to briefly describe the proposal. Three of these wetland restoration projects are of statewide significance, and will require funding for technical studies, detailed design and/or construction. These are the Napa Marshes, the Hamilton Airfield/ Bel Marin Keys and South Bay Salt Ponds, and are described as follows:

The SCC provided nearly \$3 million and WCB provided another \$356,710.00 to the DFG in 1998 for preliminary design and feasibility studies for restoration of the nearly 10,000 acre Napa-Sonoma Marsh Salt Ponds. The SCC obtained a \$4.5 million grant from CalFed for detailed design and Phase I construction of the restoration of the lower Napa-Sonoma Marsh Salt Ponds. An additional \$1 million is now needed for detailed design to match CalFed's grant. The Hamilton Airfield was transferred to the State of California in September 2003 and will be ready to receive dredge materials within the next year. Local land subsidence

requires that dredge fill be used for this restoration project. Bel Marin Keys is an adjacent property and will be added to the federally authorized project for Hamilton. Bel Marin Keys is ready for preparation of detailed designs. Construction will proceed over the two sites for many years and will result in over 2,000 acres of restored marsh. The South Bay Salt Ponds restoration involves over 15,000 acres. Planning is now underway and is expected to cost \$14 million for technical and feasibility studies, CEQA/NEPA documents, public outreach, initial permits and, possibly pilot restoration. The SCC has committed \$2.5 million, various foundations are contributing over \$5 million; and the SCC will seek additional matching funds, particularly from the federal government. The WCB funding will be directed toward CEQA/NEPA documentation, technical studies, detailed design and permits.

Four East Bay projects include the following:

The City of Oakland's Lake Merritt and other restoration projects on the bay shore of Alameda and Contra Costa counties. Restoration of the lake involves improving tidal action by opening up the channel and restoring tidal marshes along the lake. Benefits from this project include restoring some of the area's estuarine functions, including water filtration and restoration of local anadromous fish populations. Other projects include Aquatic Park, which involves restoring tidal action and expanding and enhancing wetland habitat; the creek mouths in and around East Shore State Park; and Berkeley Meadows, on which shorebird roosting habitats and seasonal ponds can be restored.

City of San Francisco Shoreline projects include the following:

Restoration of Yosemite Canal to tidal action; expansion of Crissy Field Marsh; and Tennessee Hollow Watershed Restoration. The Yosemite Canal project involves restoring tidal action to over 23 acres by removing fill, cleaning soils to improve water quality, creating a nesting island and enhancing bird and fish habitat. Detailed design will be underway by the end of 2003. Tennessee Hollow Watershed drains directly to Crissy Field and work is now underway to evaluate options for creating a continuous wildlife corridor from the upper watershed to the Bay. This will involve restoring natural spring-fed channels and riparian habitat. The project will be coordinated with the expansion of Crissy Field Marsh. Both projects will improve water quality and provide excellent opportunities for environmental education for urban populations.

In the South Bay area, the projects include:

Restoration of the Guadalupe River in Santa Clara County which has many components. Funding will be used for one or more projects to restore sections of riparian corridor and natural floodplains by lowering levee banks (Reach 2 at Taylor and Coleman), increasing levee setbacks (between the Hetch Hetchy crossing and Tremball Road), and constructing a bypass around Almaden Lake

to improve water temperatures and water quality for anadromous fish. The Santa Clara Water District will be requesting assistance for funding some of these project elements.

In the North Bay and Suisun, the projects include:

Two or more sites along the Petaluma River between Adobe Creek and Highway 37 where restoration of tidal and brackish marsh and riparian corridors can be implemented. Restoration of 4.5 miles of Suisun Creek, which enters the northwest corner of the Suisun Bay, will involve bank stabilization and erosion control to protect steelhead and to improve water quality, and removal of *Arundo donax*, an invasive weed. The SCC has assisted in the acquisition of the sites on the Petaluma River, and has been involved in the preliminary planning for both of these restoration projects.

Finally, the SCC has the lead in the development of a regional program to control the spread and reduce populations of an invasive wetland plant, a non-native species of spartina. Left uncontrolled, many scientists believe the invasive spartina species will outcompete the native spartina species, and adversely affect the recovery of associated native wildlife in the wetlands. A five year effort costing \$1.5 million/year is proposed to reduce populations to a manageable and ecologically acceptable level. A CEQA/NEPA document is completed and pilot projects are expected to get underway in the fall of 2003. CalFed and SCC funds have primarily supported this effort to date. Additional funds will be sought from CalFed and others.

Total costs for all projects is estimated at over \$200 million. This proposed allocation of \$40,000,000.00.00, of which up to 15 percent (\$6,000,000.00) can be used for planning and technical design, will be used to leverage additional dollars with multiple partners and agencies to fund these projects. In addition to the allocation above, an additional \$135.00 will be required for Department of General Services' review costs, bringing the allocation necessary for the WCB's approval to \$40,000,135.00.00. The DFG has reviewed this proposal and recommends it for funding by the WCB. The SCC will be responsible for completing all necessary California Environmental Quality Act requirements and obtaining all necessary permits. Each of the above mentioned projects will require an MOU signed by the SCC and WCB before individual funding is approved.

Ms. Turner reported that Ms. Nadine Hitchcock from the State Coastal Conservancy was in the audience should there be any questions.

Mr. Flores asked if there were any comments or questions.

Staff recommended that the Board approve this project as proposed; allocate \$40,000,135.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002, Section 79572 (c) for project costs and General Services' review; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

It was moved by Mr. Fred Klass that the Board approve this project as proposed; allocate \$40,000,135.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002, Section 79572 (c) for project costs and General Services' review; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned. Motion carried.

19. Eden Landing Ecological Reserve \$2,910,000.00
Initial Stewardship, Alameda County

Mr. Wright reported that this was a proposal to consider the allocation of a grant to the California Wildlife Foundation (CWF) for a partnership project to install 14 water control structures, install one pump station, and rehabilitate approximately two miles of existing levees in the Department of Fish and Game's Eden Landing Ecological Reserve, located adjacent to the San Francisco Bay in the City of Hayward in Alameda County. The partners in this proposal include the CWF, the Resources Legacy Fund, the Department of Fish and Game (DFG) and the Wildlife Conservation Board (Board). Mr. Peter Perrine briefly described the project and its location.

On March 6, 2003, the DFG took title to approximately 7,000 acres of former salt ponds, tidal marshes, and mudflats in South San Francisco Bay (Eden Landing Ecological Reserve (ELER), AKA Baumberg Complex). The acquisition is part of a larger acquisition of approximately 16,500 acres of Cargill Ponds by State, federal and philanthropic organizations. The DFG is now responsible for initial stewardship and management of the 7,000 acres. The remaining acreage will become part of the Don Edwards National Wildlife Refuge managed by the United States Fish and Wildlife Service (USFWS). The acquired lands require initial stewardship to maintain the fish and wildlife use of the ponds and develop conditions which will allow for comprehensive restoration following completion of long-term restoration and management plans.

An Initial Stewardship Plan (ISP) for the South Bay Salt Ponds, including the ELER, has been prepared along with the necessary environmental documents and permit applications, which are currently being processed. The ISP identifies the actions necessary to operate and maintain the ELER ponds while a long-term restoration plan is developed. Development of this restoration plan is

expected to take five years. The ISP will guide management of the ponds during the five-year planning process and during the implementation process, which may take an additional ten to fifteen years.

Detailed design studies involving technical specialists in water quality, hydrology, soils, engineering and biology/wetland ecology were used to prepare the ISP, which has the following objectives: cease commercial salt operations; introduce tidal hydrology to ponds where feasible; maintain existing high quality open water and wetland wildlife habitat, including habitat for migratory and resident shorebirds and waterfowl; assure ponds are maintained in a restorable condition to facilitate future long-term restoration; minimize initial stewardship management costs; and meet all regulatory requirements, especially discharge requirements, to maintain water quality standards in the South Bay.

These ponds are still part of Cargill's salt making operation. However, Cargill is currently lowering the salinity of the ponds under the terms of the purchase agreement for the property, with the expectation that these ponds will be taken out of operation as soon as they reach a salinity level that will allow discharge directly into San Francisco Bay. It is anticipated that some ponds will be ready for discharge in the spring or summer of 2004 and the remainder by the spring of 2005. Once salinity levels are reduced sufficiently to allow for discharge into the Bay, water can be circulated freely through the system, allowing ponds to be managed at different summer and winter water levels to reduce management costs and to optimize habitat for migratory shorebirds and waterfowl.

The water control structures, pumping station and levee rehabilitation will provide the infrastructure for DFG to manage these ponds during the development of the restoration plan and its implementation. Cost estimates for implementing the ISP have been reviewed by staff and are as follows:

Description	Estimated Costs
ISP preparation, permits and env. docs	\$509,024.00
Installation of water control structures	2,585,100.00
Levee rehabilitation	600,000.00
Contingencies	322,268.00
Project design and management	852,632.00
Post construction monitoring	500,000.00
TOTAL ESTIMATED COST:	\$5,369,024.00
Proposed Funding Breakdown:	
Wildlife Conservation Board	\$2,910,000.00
California Wildlife Foundation	134,000.00
Resources Legacy Fund	1,675,024.00
WCB previous allocation	650,000.00
TOTAL AVAILABLE FUNDING:	\$5,369,024.00

The Department of Fish Game has reviewed this proposal and recommends it for funding by the Board. All permits will be acquired and environmental documents will be prepared by the California Wildlife Foundation, as necessary.

Mr. Perrine reported that Mr. Carl Wilcox from the Department of Fish and Game and Ms. Janet Cobb from the California Wildlife Foundation were in the audience should there be any questions.

Mr. Flores asked if there were any other comments or questions. There were none.

Staff recommended that the Board approve this project as proposed; allocate \$2,910,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002, Section 79572(c); authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

It was moved by Mr. Fred Klass that the Board approve this project as proposed; allocate \$2,910,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002, Section 79572(c); authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned. Motion carried.

20. Sky Valley-Cordelia Hills Open Space, Solano County \$1,010,000.00

Mr. Wright reported that this was a proposal to consider the allocation of a grant to the Solano Land Trust to assist in its purchase of the Eastern Swett Ranch, a 1,742± acre ranch located in southwestern Solano County, between State Highways I-80, I-680 and I-780. This acquisition is part of the Sky Valley-Cordelia Hills Open Space Project to protect regionally significant open space, wildlife habitat and maintain water quality as part of the Suisun Marsh watershed. Mr. Steve Christensen briefly described the project and its location.

The property is located west of Interstate 680, between Fairfield to the northeast and Benicia to the southwest. A portion of the property extends into the Vallejo city limits on the west. The topography of this area is comprised of rolling hills and valleys and relatively steep slopes and ridgelines. Dissected by narrow and wooded riparian corridors that empty into wide flat alluvial valleys, the property is utilized for grazing. Improvements are primarily limited to roads, stock ponds, fences and windmills.

This acquisition is part of an option agreement that the Solano Land Trust secured with Pacific Gas & Electric (PG&E), on three separate ranches totaling 3,839± acres, to be acquired in whole as part of the purchase agreement, or separately in phases. The ranches are identified as the Vallejo Swett Ranch, the

Eastern Swett Ranch and the King Ranch. The King Ranch and a portion of the Eastern Swett Ranch have been previously acquired, leaving 2,270± acres of PG&E property to be acquired.

Acquisition of the subject property will help in creating a contiguous and publicly accessible open space that will allow local residents and visitors to experience the Solano County landscape while providing an open space buffer between three rapidly expanding cities in southwest Solano County. Acquisition will allow protection and restoration of habitat for endangered animals such as the red-legged frog and the golden eagle. The U.S. Fish and Wildlife Service has identified the Eastern and Vallejo Swett Ranches as a core area in their recovery plan for protecting the California red-legged frog. Protecting the larger watershed will help ensure the viability of ponds and riparian corridors, thus protecting the long-term viability of the species. Pacific tree frogs and California newts also use the ponds and western pond turtles are abundant in the largest reservoir. Forty-three grass species occur here including native species such as purple needlegrass, meadow barley and Tiburon buckwheat. Burrowing owls and golden eagles have also been observed on the property.

Management responsibility will initially be held by the Solano Land Trust and then given over to the Joint Powers Authority, comprised of Solano County and the cities of Benicia, Fairfield and Vallejo. Management objectives consist of restoration of degraded California red-legged frog habitat, providing appropriate public access, continued agricultural use in the form of managed grazing and weed control of non-native species.

The property has been appraised and the owners have agreed to sell the three ranches totaling 3,840± acres to the Solano Land Trust at the DGS' approved appraisal value of \$7,700,000.00. The Board's proposed grant to the Solano Land Trust would contribute \$1,000,000.00 toward the purchase, with the remaining funds coming from the State Coastal Conservancy, Bay Ridge Trail Council and the Joint Powers Authority. It is estimated that an additional \$10,000.00 will be needed for administrative expenses including DGS' review costs, bringing the total proposed allocation for this project to \$1,010,000.00.

The proposed acquisition is exempt from CEQA requirements under Section 15313, Class 13, as the acquisition of lands for fish and wildlife conservation purposes and under Section 15325, Class 25, as the transfer of ownership in land to preserve open space, habitat, or historical resources. Subject to approval by the WCB, the appropriate Notice of Exemption will be filed with the State Clearinghouse.

Mr. Wright reported that the Board received a letter of support from Senator Michael Machado, the Solano County Board of Supervisors and Mayor MacMillan from the City of Fairfield.

Mr. Flores asked if there were any comments or questions. There were none.

Staff recommended that the Board approve this project as proposed; allocate \$1,010,000.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Prop. 40), Section 5096.650, to cover grant amount and to pay for project review costs, authorize staff to enter into appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

It was moved by Mr. Michael Flores that the Board approve this project as proposed; allocate \$1,010,000.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Prop. 40), Section 5096.650, to cover grant amount and to pay for project review costs, authorize staff to enter into appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned. Motion carried.

21. Allensworth Ecological Reserve, Tulare and Kern Counties \$25,000.00

Mr. Wright reported that this proposal was to consider authorizing further expansions as additions to the Allensworth Ecological Reserve, a Significant Natural Area providing habitat for the endangered Tipton kangaroo rat and blunt-nosed leopard lizard, as well as the San Joaquin kit fox, a State listed threatened and federally listed endangered species. The ecological reserve is located west of Highway 99 in southwestern Tulare County and northwestern Kern County. Ms. Terri Muzik briefly described the project and its location.

Funding for the future expansions, including related acquisition expenses, is made available from a Bureau of Reclamation (BOR) grant, and accepted for this purpose by the Wildlife Conservation Board (WCB) at its August 20, 2000 meeting. The grant in the amount of \$400,000.00 provides funding for the total purchase price of the properties being acquired in the Allensworth area. These funds are deposited directly into the State's escrow account on a project-by-project basis upon request by the WCB. Funds for all other related acquisition expenses, such as appraisal services, Department of General Services' review, escrow expenses and title insurance are reimbursed to the State upon submission of invoices to the BOR. The remaining balance of the grant is approximately \$300,000.00 and the total amount expended for future acquisitions will not exceed this amount.

In February of 1991, the WCB approved the initial Allensworth Ecological Reserve acquisition consisting of 651± acres in southern Tulare County. Additional acquisitions to date have increased the total acreage of the reserve area to 1,600± acres. Although the Department of Fish and Game (DFG) ownerships are fragmented, continuing efforts are being made to join these parcels.

The Allensworth area is listed in the 1988 Annual Report of Significant Natural Areas of California prepared by the DFG. The Valley Sink Scrub community found at Allensworth is one of the best remaining examples in the southern San Joaquin Valley. Due to the relatively large area it covers, it provides critical habitat for the San Joaquin kit fox, which requires sizable territories (1- 2 miles) for hunting and breeding. In addition, because of its significant habitat for the blunt-nosed leopard lizard, the Allensworth area has long been recommended for protection in the Recovery Plan for that species.

Much of the land in the general vicinity of the subject property has been, or is currently being, converted to extensive agricultural uses including alfalfa, cotton, milo, grapes or orchard use. In the long-term, it is almost a certainty that much of the property targeted as expansions would be developed to agricultural uses, thereby destroying the habitat values. The DFG operation and maintenance costs for this area are expected to be minimal. The management focus is habitat preservation with potential species augmentation.

As properties become available, they will be appraised and the appraisals submitted to the Department of General Services (DGS) for review and approval. Upon acceptance by the landowner, the documents necessary to complete the transactions will be prepared and the project will be completed. Once a project has closed escrow, an informational item will appear on the agenda for the next WCB meeting.

As discussed above, related acquisition expenses are initially paid by the State and reimbursed by the BOR upon submission of paid invoices. It is estimated that \$25,000.00 will be needed to cover these expenses for the future expansions, including appraisal services, title insurance, escrow fees and DGS' review charges. The acquisitions will be exempt from CEQA under Section 15313 as an acquisition of land for wildlife conservation purposes and Section 15325 as transfers of ownership of interests in land to preserve open space.

Mr. Flores asked if there were any comments or questions. There were none.

Staff recommended that the Board approve this transaction as proposed; allow the deposit into escrow of previously authorized grant funds for the Department of General Services' approved purchase price of future expansions, not to exceed the remaining Bureau of Reclamation grant balance and allocate \$25,000.00 from the Habitat Conservation Fund, Section 2786(b/c) and Bureau of Reclamation Grant, to cover the related costs; permit staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

It was moved by Mr. Michael Flores that the Board approve this transaction as proposed; allow the deposit into escrow of previously authorized grant funds for the Department of General Services' approved purchase price of future expansions, not to exceed the remaining Bureau of Reclamation grant balance and allocate \$25,000.00 from the Habitat Conservation Fund, Section 2786(b/c) and Bureau of Reclamation Grant, to cover the related costs; permit staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned. Motion carried.

22. South Fork American River, Lower Canyon Unit Expansion 1, \$2,871,000.00
El Dorado County

Mr. Wright reported that this was a proposal to consider the allocation of a grant in the amount of \$2,861,000.00 to the American River Conservancy (ARC) to acquire 515± acres of oak woodlands and riparian habitat located on the South Fork American River, immediately southwest of Highway 49 in El Dorado County. Mr. Randall Nelson briefly described the project and its location.

Development pressure in the vicinity of the property has increased during the past few years, predominantly for residential subdivision and development. The ARC will transfer ownership of the property to the Bureau of Land Management for management purposes. Acquisition of these properties will protect 4,050 feet of riparian frontage on the South Fork American River, expand adjoining public lands, and preserve 515 acres of blue oak woodland, grassland, and riparian habitat, bringing the total acreage of protected lands in the South Fork American River to 789 acres. Besides the protection of habitat, this project is part of an ongoing effort to establish a contiguous seven-mile greenbelt and trail corridor linking the Folsom State Recreation Area at Salmon Falls with Highway 49 just north of Coloma. This acquisition will nearly complete this trail corridor and advance the possibility of a Sutter's Fort to Sutter's Mill Trail incorporating existing trails along the American River Parkway and the Folsom State Recreation Area.

The South Fork American River supports a native assemblage of fish including rainbow trout, Sacramento pikeminnow, California roach, Sacramento sucker and riffle sculpin and a wide variety of plant communities, including the rare gabbroic chaparral plants of the Pine Hill Ecological Reserve. The property is dominated by blue oak and live oak woodland, hardwood montane, mixed chaparral, annual grassland and foothill riparian habitats supporting a number of species including, deer, mountain lion, quail, songbirds, raptors, foothill yellow legged frog, and elderberry longhorn beetle.

The property has been appraised and the appraisal has been approved by the Department of General Services at \$2,861,000.00. It is proposed that the Board authorize a grant in the amount of \$2,861,000.00 to complete the purchase. It is

estimated that an additional \$10,000.00 will be needed for administrative expenses, including Department of General Services' review costs, bringing the total recommended allocation for this proposal to \$2,871,000.00.

The terms and conditions of the proposed grant provide that WCB will review and approve the property proposed for acquisition by the Conservancy. The grant further provides that staff will review all proposed title documents, appraisals, preliminary title reports, agreements for purchase and sale, escrow instructions and the instruments of conveyance prior to disbursement of funds directly into the Conservancy's escrow account for the purchase of the property.

Mr. Nelson reported that Mr. Alan Ehrgott, representing the American River Conservancy, was in the audience should there be any questions.

Mr. Wright reported that the Board received letters of support from California Native Plant Society, Friends of the River, Maidu Chapter of the Sierra Club, Center for Sierra Nevada Conservation and the American River Parkway Foundation.

Mr. Flores asked if there were any other comments or questions. There were none.

Staff recommended that the Board approve this project as proposed; allocate \$2,871,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79565, authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

It was moved by Mr. Fred Klass that the Board approve this project as proposed; allocate \$2,871,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79565, authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned. Motion carried.

23. Sierra Valley Conservation Area, Expansion 1, \$1,273,000.00
Plumas County

Mr. Wright reported that this was a proposal to consider the allocation of a grant for a cooperative project with the Sierra Business Council, the Packard Foundation, The Nature Conservancy, California Rangeland Trust (CRT), Department of Fish and Game (DFG) and the Board to assist in the purchase of a conservation easement over 8,027± acres of habitat and agricultural lands. Located in the Sierra Valley along Highway 49 near the community of Vinton in Plumas County, the property is part of a vast ecoregion which supports the

largest wetland habitat, the highest seasonal concentration of raptors and the greatest diversity of bird species in the Sierra Nevada. Mr. Steven Christensen briefly described the project and its location.

The Sierra Valley supports an unusually rich flora and fauna due to a variety of biogeographic factors. Situated near a low point in the crest of the Sierra, this area serves as a wildlife movement corridor and provides habitat for plants that are typically found farther west at lower elevations. Protecting land within this area will enhance and expand the landscape conservation potential by providing linkages and connectivity between the DFG's Crocker Meadows, Antelope Valley and the Smithneck Creek Wildlife Areas. The Hallelujah Junction Wildlife Area which also provides critical deer winter range is located just to the east in Long Valley. The Board previously approved a grant to the CRT during its meeting of August, 2002, for the acquisition of a conservation easement over 13,110± acres of rangeland, wetlands, uplands and agricultural lands identified as the Bar One Ranch located adjacent to the subject site to the south.

The wetlands of Sierra Valley represent the largest and most imperiled ecoregion in the Sierra Nevada, with a 95 percent decline in wetland habitat across California. Acquiring this conservation easement will help protect the wetland, wet meadow and riparian habitats that support the most species-rich concentration of bird life in the entire Sierra Nevada Mountain Range. These habitats are sanctuary to four threatened or endangered species and ten species of special concern such as the black tern, greater sandhill crane and California's largest breeding colony of white-faced ibis. Bitterbrush and sagebrush habitats provide migratory corridors as well as critical winter range for the Loyalton-Truckee and Doyle deer herds, including mountain lion and other wildlife species.

A key management objective will be to ensure that optimal habitat conditions are met for breeding bird species that are threatened, endangered or of special concern. The goal of management shall be to maintain or increase the size and fledgling success rate of breeding populations consistent with compatible agricultural uses.

The proposed acquisition is exempt from CEQA requirements under Section 15313, Class 13, as the acquisition of lands for fish and wildlife conservation purposes and under Section 15325, Class 25, as the transfer of ownership in land to preserve open space, habitat, or historical resources. Subject to approval by the Board, the appropriate Notice of Exemption will be filed with the State Clearinghouse.

The property owner has agreed to sell a conservation easement to the CRT at the appraised value of \$1,684,000.00, approved by the Department of General Services. The Board's proposed grant to CRT would contribute \$1,263,000.00

toward the purchases, with the remaining funds coming from the Packard Foundation through a grant to the SBC. It is estimated that an additional \$10,000.00 will be needed for appraisal review and related costs, bringing the total proposed allocation for this project to \$1,273,000.00.

Mr. Flores asked if there were any comments or questions. There were none.

Staff recommended that the Board approve this project as proposed; allocate \$1,273,000.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Prop. 40), Section 5096.650, to cover the grant amount and to pay for project expenses; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and Department of Fish and Game to proceed substantially as planned.

It was moved by Mr. Fred Klass that the Board approve this project as proposed; allocate \$1,273,000.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Prop. 40), Section 5096.650, to cover the grant amount and to pay for project expenses; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and Department of Fish and Game to proceed substantially as planned. Motion carried.

24. Hallelujah Junction Wildlife Area, Expansion 5, \$2,750,000.00
Sierra County

Mr. Wright reported that this proposal was to consider the acquisition of 2,147± acres of privately owned land as an addition to the Department of Fish and Game's (DFG) Hallelujah Junction Wildlife Area in eastern Sierra County. The subject property is located at the southerly end of Long Valley, along the California Nevada border just east of the commercial outpost of Bordertown on Highway 395, in Nevada. The initial purchase in 1989 for the Hallelujah Junction Wildlife Area consisted of 3,341± acres. It was originally identified as the Upper Long Valley, Evans Ranch and related lands in the Lassen and Sierra Counties. A contribution of additional fee purchases from private landowners and exchanges with the Bureau of Land Management (BLM) has brought the wildlife area to its current size of 9,020± acres. This proposal will expand the existing Hallelujah Junction Wildlife Area to 11,167± acres in Sierra and Lassen County. Mr. Steven Christensen briefly described the project and its location.

The Hallelujah Junction Wildlife Area is located in Long Valley, a stream valley located in California's eastern Great Basin region. Long Valley heads on the southeast slopes of Peavine Mountain in Nevada and runs generally north to the closed basin of Honey Lake in Lassen County. The primary habitat is sagebrush, with riverine habitat found along Balls Canyon and Evans Canyon Creek which flow through the valley. A variety of annual and perennial grasses of native and non-native species, provide ground cover. This acquisition will

enhance and improve the integrity of a major interstate deer migration corridor located within the wildlife area. While the proposed area is not known to provide critical habitat for any listed threatened or endangered species, it is the historical range for sage grouse, blue grouse, badgers, mountain lions, coyotes and the wintering ground for a variety of raptors, including bald and golden eagles.

The BLM owns additional lands to the east and the Toiyabe National Forest controls much of the surrounding uplands on the west. However, just a few hundred feet east of Highway 395, in Nevada, mobile homes on one to five acre lots are proliferating. The proposed Balls Canyon Resort located in the immediate area, along with residential development will most likely create pressure on the surrounding area to be developed, disturbing this major migration corridor.

Enhancement of a riparian corridor along Long Valley Creek and its tributaries will be a major part of the DFG's management plan for the property. Following acquisition, fencing will be installed to control livestock grazing and habitat improvement. The proximity of the existing wildlife area and proposed expansion, to State Highway 395 and the City of Reno, will result in considerable public use of the area. The potential for hunting, hiking, horseback riding, photography, sightseeing and educational opportunities are substantial.

The property owners have agreed to sell at the appraised fair market value of \$2,740,000.00, as approved by the Department of General Services (DGS). It is estimated that an additional \$10,000.00 will be needed for administrative expenses including appraisal, title, escrow and DGS' review costs, bringing the total allocation for this purchase to \$2,750,000.00.

The proposed acquisition is exempt from CEQA under Section 15313, Class 13, as an acquisition of land for wildlife conservation purposes and under Section 15325, Class 25, as a transfer of ownership interest in land to preserve existing natural conditions and historical resources. Subject to approval by the Wildlife Conservation Board, the appropriate Notice of Exemption will be filed with the State Clearinghouse.

Mr. Christensen reported that the property owner, Mr. Ned Allen and his attorney, Ms. Cindy Knighton, were in the audience should there be any questions.

Mr. Flores asked if there were any comments or questions.

Supervisor Brooks Mitchell, representing Sierra County Board of Supervisors, stated that the County opposes this proposal in its entirety and requested the Board delay this proposal until the County has their general plan in place. He stated the County does not oppose the idea of preserving wildlife habitat for the future, but it is concerned regarding the lack of tax revenue.

Mr. Klass requested staff's response to Mr. Mitchell's comments, in regard to the urgency of this acquisition. Mr. Flores asked if an easement had been considered. Mr. Christensen stated that an easement was not considered. Mr. Ned Allen, one of the owners of Green Gulch ranch, stated that they have been actively marketing the ranch and, if this sale does not go through, they will continue marketing the property to some other parties. He commented that delaying the acquisition would end the availability for the Department of Fish and Game to buy the property. Mr. Mitchell stated that the Board of Supervisors respects Mr. Allen's right to sell his property and manage the property as he sees fit, but reiterated its concerns regarding ninety-two percent of the County's 700,000 acres being tied up in public ownership. Mr. Mitchell commented that the State has not paid their in-lieu fee bill for the last two years and it does not look like the State will be paying their bill for the next two years, considering the current budget situation. Mr. Mitchell requested the Board notify the County well in advance when these acquisitions are being considered. Mr. Banky Curtis, Regional Manager of the Department of Fish and Game, stated that he is sympathetic to Mr. Mitchell's concerns, that small counties have a relatively small tax base and reducing the tax base is a very significant thing. He commented that the DFG has tried to use conservation easements whenever possible, as seen in Sierra Valley. Mr. Curtis stated that Sierra County Board of Supervisors has been good about limiting development and protecting land, which is greatly appreciated. He added that there is a great deal of pressure for development in this area, mostly coming from Reno, so it is hard to predict what will happen in the future. Mr. Curtis stated this particular deer herd population is now at about forty percent of its historical level due to loss of habitat and that this property serves as an important winter range and migratory corridor. Mr. Curtis also stated that Reno has been interested in getting water from wherever they can get it and the water in Long Valley Creek, which is an important wildlife corridor that provides water for a lot of important wildlife in the area, is very desirable. He added that this property, along with Hallelujah Junction, provides great recreational opportunity and he supports Mr. Mitchell's desire to have recreation be a strong part of the Sierra County tax base. Mr. Curtis commented that this is an important and timely acquisition because of what has happened to this deer herd historically and the need to protect the property and the water source. Mr. Mitchell stated it takes a permit to move water from California to Nevada and that, at this time, Long Valley Groundwater Management District only exports water if it is considered excess water and there is no excess water in Long Valley Creek. Mr. Mitchell went on to explain future land use plans in nearby areas.

Mr. Flores asked if there were any further comments or questions.

Mr. Klass stated that the Board is sympathetic to the County's plight and appreciates the County's approach to protecting habitat in the area, but realizes there is no guarantee the property will be protected if it is not acquired at this time.

Staff recommended that the Board approve this acquisition as proposed; allocate \$2,750,000.00 from the Habitat Conservation Fund, Section 2786(a), for the purchase price and associated costs; authorize staff to enter into appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

It was moved by Mr. Fred Klass that the Board approve this acquisition as proposed; allocate \$2,750,000.00 from the Habitat Conservation Fund, Section 2786(a), for the purchase price and associated costs; authorize staff to enter into appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned. Motion carried.

25. Commander South Tract, Glenn, Lake and Tehama Counties \$7,052,554.00

Mr. Wright reported that this proposal was to consider an allocation of a grant to The Conservation Fund (Fund) to acquire approximately 23,000 acres within the Mendocino National Forest for the maintenance of wildlife corridors, protection of threatened and endangered species, and enhancement of the watersheds of Spanish and Cold Creeks, two of the main tributary streams to the Black Butte River. The Fund will convey the property to the Mendocino National Forest to be managed by the United States Forest Service (USFS) under the provisions of the Mendocino National Forest's Land and Resource Management Plan. Ms. Linda Drake briefly described the project and its location.

The subject property is the largest single private inholding within the Mendocino National Forest and is within the Grindstone Ranger District, mostly in Glenn County, with a small portion (about 500 acres each) in Lake and Tehama Counties. Situated between the Yolla Bolly and Snow Mountain Wilderness areas, the property splits the connectivity between Mendocino National Forest "late successional reserves" (LSRs) and other smaller "islands" of late seral habitat. Species such as pileated woodpeckers, fishers and martens are dependent on being able to disperse safely to and from late seral habitat to maintain healthy populations. Public ownership would allow maintenance and creation of connectivity corridors where the vegetation is managed specifically to accelerate habitat towards late seral conditions.

Most of the property is in the headwaters of the Black Butte River. The Black Butte River is an important tributary to the middle fork of the Eel River, and contains some of the most important Chinook salmon, winter steelhead and rainbow trout habitat within the Mendocino National Forest. In addition, steelheads are documented to access a short reach of Spanish Creek on the property. Headwater stream and watershed management of this property is critical to downstream water quality and the health of Chinook salmon and steelhead trout in the Black Butte watershed and beyond in the Eel River.

The USFS's data shows confirmed past sightings of bald eagle and goshawks on the property. Other species worth noting that may also be found on the property include: great gray owl (State endangered); northern spotted owl (federal threatened); and foothill yellow legged frog and marsh checkerbloom (USFS sensitive). In addition, deer, bear, bobcat and coyote are found on site.

An immediate threat to the property is the development of rural residential subdivisions. USFS ownership would prevent the sale of approximately 90 small parcels to multiple owners. Such a multiple ownership pattern has historically resulted in a range of adverse resource and management impacts for the fish, wildlife, and plant species dependent on the habitat. The property will be managed by the USFS under the Mendocino National Forest Land and Resource Management Plan. Common themes under this plan are (1) habitat management to benefit deer and other wildlife, (2) watershed management to protect and improve water quality; (3) improved recreational opportunities for visitors to the Forest, and (4) fuel management to reduce wildfire risk.

The appraised fair market value for the property, as approved by the Department of General Services (DGS), is \$7,032,554.00. The owners have agreed to sell the property for this amount. It is anticipated that an additional \$20,000.00 will be needed to cover administrative expenses, including DGS' review costs, bringing the total allocation for this proposal to \$7,052,554.00.

This project is exempt from the California Environmental Quality Act under Section 15313, Class 13, as acquisition of land for wildlife conservation purposes, and Section 15325, Class 25, as a transfer of ownership in land to preserve open space. Subject to approval by the Board, the appropriate Notice of Exemption will be filed with the State Clearinghouse.

Mr. Wright reported that the Board received letters of support from the Glenn County Board of Supervisors, Glenn/Colusa County Resource Advisory Committee and the U.S. Department of Agriculture Forest Service.

Ms. Drake reported that a few weeks ago the property experienced a wildfire and the estimated damage was around \$217,000.00, therefore, the fair market value was reduced by this amount and approved by Department of General Services. The property owners have also agreed to sell at the reduced amount.

Ms. Drake reported that Mr. Banky Curtis, Regional Manager, Department of Fish and Game, Sacramento Valley & Central Sierra Region and Mr. Jim Fenwood, Supervisor, Mendocino National Forest, were in the audience should there be any questions.

Mr. Fenwood addressed the Board in strong support of this proposal and displayed a map showing the Commander Tract, which is located in the middle of the Mendocino National Forest. He encouraged the Board to support this proposal which will open 23,000 acres to the public and also potentially open up

another 15,000 or 20,000 acres, that are currently blocked by private land, for access to the public for hunting, fishing, hiking and other forms of recreation. He commented that even more importantly is the opportunity for the USFS to be able to manage these lands for the watershed benefits for wildlife and fish habitat and the opportunities to do field management across those boundaries which they cannot currently do because of the private ownership in the middle.

Mr. Klass requested clarification regarding the advantage to the State of granting the land to The Conservation Fund and then turning the land over to the federal government. Mr. Wright stated that the Board works with land trusts all over the State and that The Conservation Fund is a national organization such as The Nature Conservancy and the Trust for Public Land, whom we also work with. He reported that these land trusts assist the Board in helping acquire priority projects that are identified by the State. He stated that, in this case, The Conservation Fund negotiated the transaction with close communication between the Board and the USFS so that their option on the property met both the State's and USFS' needs. Mr. Wright commented that these land trusts act as agents for the State in order for us to acquire the land in public ownership and ultimately transfer it to the USFS. He added that it is partially a workload issue and that, unlike the Board, the land trusts are located all over the State which greatly assists staff located in Sacramento. Mr. Wright noted again that these lands will be managed primarily for wildlife habitat.

Mr. Fenwood recognized Ms. Nancy Schaefer and Mr. Chris Kelly, representing The Conservation Fund, for their involvement in this proposal. He commented that without their involvement, we might not have had the opportunity to make this project happen.

Mr. Flores asked if there were any comments or questions. There were none.

Staff recommended that the Board approve this project as proposed; allocate \$7,052,554.00 from California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Prop. 40), Section 5096.650, for the grant amount and related expenses; authorize staff to enter into appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

It was moved by Mr. Fred Klass that the Board approve this project as proposed; allocate \$7,052,554.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Prop. 40), Section 5096.650, for the grant amount and related expenses; authorize staff to enter into appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned. Motion carried.

26. C Street Dock Fishing Access, Humboldt County \$500,270.00

Mr. Wright reported that this proposal was to consider an allocation for a cooperative project with the City of Eureka (City), the State Coastal Conservancy and the U.S. Department of Housing and Urban Development to construct a 420-foot fishing dock at the foot of C Street on Humboldt Bay in the City of Eureka on City-owned land and State-owned tidelands. Mr. Peter Perrine briefly described the project and its location.

The C Street Dock Fishing Access project includes a new 420 foot long by 40 foot wide public dock running westerly from the foot of C Street along the City's Humboldt Bay waterfront. This new dock facility will provide for both recreational as well as commercial fishing activities. Historically the area included a restaurant and public walkway/fishing area. As the public dock deteriorated over time, it was closed, negating the opportunity for public recreational fishing along this segment of the northern Eureka waterfront. The new dock area will allow public access to the shoreline for recreational fishing from the dock and offer opportunities for the public to view commercial fishermen unloading their vessels.

The intent of the project is to provide a prominent location for recreational fishing to continue on Humboldt Bay. This first phase of a larger planned public access project includes construction of the above mentioned waterfront public dock facility which will connect with the City's recently completed Boardwalk area which ends near the foot of C Street. The planned dock facility is currently at the 100 percent design phase and is estimated to cost a total of \$4.4 million dollars including engineering, construction, inspection and contingencies. Future projects planned for the immediate vicinity include a 10,000 square foot Fisherman's Terminal building and a C Street public plaza. The dock will include benches, lighting and a barrier-free boarding float. The City estimates 6 to 10 anglers per day will use the dock based in part on their estimate of 10 to 15 anglers using the Del Norte Street pier about a mile and a half to the southwest.

The Department of Fish and Game has evaluated the sportfishing potential for the project and has endorsed the proposal stating that the most common catch at this interior bay location will probably be surfperch. Another expected benefit of the dock is its use by local residents who might not be able to travel to other sites for fishing. Being adjacent to the urban/residential area of Eureka, the dock will be easily accessible by foot or by bicycle. It will also be accessible for mobility-impaired individuals.

Cost estimates for this project, which has been reviewed by staff, are as follows:

Description:	Estimated Costs
Mobilization/demolition/disposal	\$301,000.00
Pilings	1,415,394.00
Deck and railing	371,992.00
Sheet pile	655,942.00
Fender system	399,205.00
Rock slope protection	22,500.00
Civil and electrical utilities	195,900.00
Base and paving	18,800.00
Site preparation	82,560.00
Landscaping and amenities	85,400.00
Jib cranes	96,000.00
Floats	81,600.00
Pedestrian and ADA accessible gangways	100,000.00
Construction management	27,000.00
Contingencies	192,665.00
TOTAL ESTIMATED COST:	\$4,045,958.00
Funding Breakdown:	
Wildlife Conservation Board	\$500,000.00
City of Eureka	3,545,958.00
TOTAL AVAILABLE FUNDING:	\$4,045,958.00

An additional \$270.00 will be required for Department of General Service's review costs, bringing the allocation necessary for the Board's portion of the project to \$500,270.00. According to the contract as drawn up by the WCB staff and signed by the City, the WCB funds will be used solely for the dock structure itself (piles and deck).

The C Street Dock Fishing Access project has received the necessary permits and environmental clearances (CEQA) to proceed with construction. Furthermore, the City has agreed to operate and maintain the property for 25 years through a Lease and Operating Agreement, and will handle the contract administration for the construction of the dock.

Mr. Perrine reported that staff of the City of Eureka, David Tyson, City Manager, Marie Liscom, Economic Development Coordinator and Cindy Trobitz-Thomas, City Redevelopment, were in the audience should there be any questions.

Mr. Flores asked if there were any comments or questions.

Ms. Mary Morgan from Assembly Member Patty Berg's office commented that the Assembly Member supports this project.

Staff recommended that the Board approve this project as proposed; allocate \$500,270.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Bond Act (Prop. 40), Section 5096.650; authorize staff to enter into the appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

It was moved by Mr. Michael Flores that the Board approve this project as proposed; allocate \$500,270.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Prop. 40), Section 5096.650; authorize staff to enter into the appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned. Motion carried.

27. Lake Earl Wildlife Area Expansion, Pacific Shores Unit, \$3,000,000.00
Del Norte County

Mr. Wright reported that this proposal was to consider the acquisition of up to 387± acres of privately-owned land, including several tax-default parcels in a Chapter 8 sale, located in the Pacific Shores Subdivision on the north shore of Lake Earl approximately seven miles north of Crescent City in Del Norte County. The acquired parcels would be added to the Department of Fish and Game's (DFG) Lake Earl Wildlife Area (LEWA) to preserve wildlife habitat. Mr. Randy Nelson briefly described the project and its location.

Wildlife Conservation Board staff, in cooperation with the Smith River Alliance, would acquire as many of the approximately one-half acre lots that make up the subdivision as owners are willing to sell, within the funding limits of this allocation. Acquisition of these parcels will allow for the further protection of Lake Earl and its associated coastal dune, wetland, upland, and forest habitats, the continued development of the Wildlife Area, and the protection and enhancement of threatened and endangered species habitat.

The LEWA was acquired as a result of the Keene-Nedgedly Act of 1975, which directed the DFG and the California Department of Parks and Recreation (DPR) to jointly evaluate and acquire certain specified coastal lands for the purpose of protecting, enhancing and managing wetlands. Together the two agencies have acquired over 11,000 acres in the Crescent City area, extending from near Point Saint George north to the Smith River. Of the total, approximately 5,743 acres have been purchased by the WCB and are managed by the DFG. This includes all of Lakes Earl and Talawa (under lease from the California State Lands Commission). These lakes are actually coastal lagoons that periodically breach

the barrier island, thereby allowing the interchange of fresh and saltwater. This natural breaching has been replaced in recent times by artificial breaching as a means of lowering water elevations and increasing lands available for livestock grazing and urban development.

Lake Earl is a shallow estuarine lagoon that supports a variety of wetland plant communities, including submerged aquatics in deeper, relatively freshwater areas of the estuary. Freshwater aquatic plants are used extensively by migrating waterfowl. These wetland communities provide habitat for a large number of water-associated species. Sitka spruces grow to the edge of the lake shore and are used by both peregrine falcon and bald eagle. The nonnative perennial grasses are managed on the LEWA as foraging habitat for the Aluetian Canada goose. Over 95 percent of the Aluetian Canada goose population stages in the agricultural fields on or adjacent to LEWA. Over 240 species of birds have been recorded in the area since 1982. Historically, the Lake Earl complex has been an important northern California wintering, stopover and nesting area for migratory shorebirds and waterfowl. There are three federally or State listed endangered birds sighted in the LEWA, including bald eagle, peregrine falcon and the California brown pelican.

These acquisitions will assist in securing these unique resources, facilitate lake level management and habitat protection and restoration, and would add significant acreage to the LEWA.

The properties excluding the tax defaulted parcels will be purchased from willing sellers at an appraised value as approved by the Department of General Services. Staff will work with the County of Del Norte to determine the selling price of the tax defaulted parcels. The acquisitions are exempt from CEQA under Section 15313, Class 13, as an acquisition of land for wildlife conservation purposes, and Section 15325, Class 25, as a transfer of ownership in land to preserve open space. Subject to approval by the Board, the appropriate Notice of Exemption will be filed with the State Clearinghouse.

Mr. Wright reported that the Board received letters of support from Congressmen Mike Thompson, State Senator Wesley Chesbro, Assembly Member Patty Berg, Del Norte County Board of Supervisors, Lake Earl Coastal Lagoon Alliance and Kim Krause, a lot owner representing himself and his sisters.

Mr. Wright stated that the Board became involved in this project when the Del Norte County Board of Supervisors approached the Board and asked if we would help them resolve a long-standing problem in this area.

Mr. Nelson reported that Ms. Sarah Sampels, Del Norte County Supervisor, Ms. Karen Kovacs, Department of Fish Game, Northern Coast Region and Ms. Patty McCleary, Smith River Alliance, were in the audience should there be any questions.

Ms. Sampels, District 4 Supervisor in Del Norte County, addressed the Board in support of this proposal. She reported that while serving as tax collector, she sensed the frustration of the property owners because nothing could be done with the properties they inherited or purchased. She urged the Board to support this proposal to allow willing sellers to sell their piece of land that they cannot do anything with and at the same time provide an opportunity to protect California's largest lagoon.

Ms. Brenda Kury, representing Synergy Resource Solutions, Inc, a consulting firm for Pacific Shores Subdivision of California Water District, provided comments and presented a letter on behalf of her firm. She stated that her consulting firm, located in Nevada, has been assisting the water district in analyzing the environmental documents that have been completed over the last 30 years. Ms. Kury commented that quite often the question of whether or not development can take place at Pacific Shores has to do with the level of Lake Earl and that the proposed expansion for the purchase of the lots in Pacific Shores is directly related to the levels of the lake. She commented that her firm has spent the last two years getting the appropriate permit applications with the Corps of Engineers, California Coastal Commission, California Department of Fish and Game, the Regional Water Quality Control Board and has been working with the State Lands Commission to obtain a permit to maintain the lake at a slightly lower level than what it has been because a substantial amount of private property is being flooded within the subdivision. She reported that her agency submitted biological assessments to both the U.S. Fish and Wildlife Service and the National Marine Fisheries Service and developed those in conjunction with those agencies to submit to the Corps for Section 7 consultation to continue their permit application process. She stated that over the last 25 years a number of environmental impact reports and environmental documents have been completed on behalf of the water district using water district funds. Ms. Kury commented that often the problem with those reports is that the rules were changed as they went along or the information or documents that were requested by permitting agencies have changed. She stated that this has been a long drawn out process and the water district is working with developers to come up with a more environmentally friendly approach to develop the water district that will still allow for the maintenance and the recovery of the species that are included in the area. She commented that there are approximately 200 acres included specifically for open space and wildlife development and that the area will not be wall to wall houses as has been presented. She read a letter from the water district to the Board. (See Attachment B).

Assembly Member Patty Berg stated that this is a great project and that she and Senator Wesley Chesbro support the proposal. She noted that the Board is only buying property from willing sellers who have already accepted the terms. She encouraged the Board to approve this agenda item.

Ms. Patty McCleary, representing Smith River Alliance, addressed the Board and displayed photos of Lake Earl and the surrounding property as it appears today. She stated that there are approximately 1,430 lots available, held by approximately 1,100 different landowners. The Wildlife Conservation Board sent a letter to all landowners notifying them of this meeting today. She commented that her name was listed on that letter as a contact, and she reported receiving over 200 responses in six business days. She shared brief comments from property owners including statements, such as, "We knew this property wouldn't be developed twenty years ago. We purchased the property unseen. I'm tired of making payments, taxes and assessments, it should have never been developed in the first place." She reported that many of them said they would like their lot to be added to the Lake Earl Wildlife Area.

Mr. John Messina, a property owner in the Pacific Shores Subdivision, addressed the Board regarding this project. He stated that a lot of the material presented today is not representative of the truth. He stated that 70 percent of Del Norte County is already public property which leaves very little for development. He stated this is a planned community with roads and utilities except for sewers, which has been stalled by the intervention of the Department of Fish and Game for many years. He commented that development would generate over a million dollars a year in property taxes for Del Norte County, which has been left so poor by Sarah Sampels that they have had to periodically close the county office building to save money. He stated this offer does not represent fair market value. He commented that similar developments in the area sell for \$50,000 to \$150,000 a lot and these are almost one acre lots, not one half acre lots. He went on to explain that he, like many others, purchased his lot to build a retirement home. He stated that they cannot buy another lot near the ocean to build their retirement homes for \$3,000. He stated that it is insulting and degrading to make such an offer to the property owners after Fish and Game and the environmentalists have prevented them from building on the lots. He commented that if the State would make an offer of a reasonable amount for people to buy a comparable piece of property, or provide comparable property to them, he wouldn't object.

Assembly Member Patty Berg, reiterated that the State is only purchasing property from willing sellers who have already accepted the terms. She again encouraged the Board's support on this project.

Mr. Wright stated that the funds will not go away and that the Board is using bond moneys that were voted on by the people of California specifically for these purposes. He explained that the money for these acquisitions is not going to the Smith River Alliance, that the Alliance is simply helping the Board facilitate the transaction. He stated the decision about purchasing specific lots would be a decision by this Board. He reported that the appraisal issue has been raised a number of times over the past year and that there was an appraisal done for the property. He stated that at a meeting with the water district and others interested in this project, they questioned the value of the lots and that the appraisal, which we had disclosed at that time, be updated and they be offered an opportunity to

provide additional information to the appraiser. Mr. Wright reported that the appraisal has been updated, that it is currently being reviewed at the Department of General Services, therefore, he is not at liberty to disclose the value of the lots at this time. He commented that, as promised in the past, the Board would disclose to the lot owners the value of their lot in the appraisal and that the Board cannot release the entire appraisal to everyone because we would be disclosing property values for people that want to retain their lots and may not want that information disclosed.

Mr. Flores asked if there were any comments or questions. There were none.

Staff recommended that the Board approve the acquisition of up to 387± acres as proposed; allocate \$3,000,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79565, for the purchase of the land and to pay project expenses; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

It was moved by Mr. Fred Klass that the Board approve the acquisition of up to 387± acres as proposed; allocate \$3,000,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79565, for the purchase of the land and to pay project expenses; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned. Motion carried.

Mr. Flores stated that this was his last Board meeting serving as Chairman of the Board. He commented that it has been an honor and a pleasure serving on this Board and commended Al Wright and the staff for their great work.

Mr. Wright, on behalf of the staff, expressed his appreciation to Mr. Flores for helping the Board stay focused on public access to project areas, which is an important mission for all of us in California considering the limited amount of open space there is in the State. He thanked Mr. Flores for his support.

With no further business to discuss, the meeting adjourned at 12:30 P.M.

Respectfully submitted,

Al Wright
Executive Director

PROGRAM STATEMENT

At the close of the meeting on November 18, 2003, the amount allocated to projects since the Wildlife Conservation Board's inception in 1947 totaled \$1,590,802,340.24. This total includes funds reimbursed by the Federal Government under the Accelerated Public Works Program completed in 1966, the Land and Water Conservation Fund Program, the Anadromous Fish Act Program, the Sport Fish Restoration Act Program, the Pittman-Robertson Program, and the Estuarine Sanctuary Program.

The statement includes projects completed under the 1964 State Beach, Park, Recreational and Historical Facilities Bond Act, the 1970 Recreation and Fish and Wildlife Enhancement Bond Fund, the Bagley Conservation Fund, the State Beach, Park, Recreational and Historical Facilities Bond Act of 1974, the General Fund, the Energy Resources Fund, the Environmental License Plate Fund, the State, Urban and Coastal Park Bond Act of 1976, the 1984 Parklands Fund, the 1984 Fish and Wildlife Habitat Enhancement Bond Act, the California Wildlife, Coastal and Park Land Conservation Act of 1988, Cigarette and Tobacco Products Surtax Fund of 1988, California Wildlife Protection Act of 1990, the Safe, Clean, Reliable Water Supply Act of 1996, the Natural Resources Infrastructure Fund, the Harbors and Watercraft Revolving Fund, Forest Resources Improvement Fund, the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Act of 2000, Safe Drinking Water, Clean Water, Watershed Protection, and Flood Protection Act of 2000, California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund, Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 and the Wildlife Restoration Fund. In addition to projects completed with the above funding sources, this statement includes tax credits awarded under the Natural Heritage Preservation Tax Credit Act of 2000. The tax credits are not reflected in the total amount allocated to projects.

A. Fish Hatchery and Stocking Projects	\$16,006,219.06
B. Fish Habitat Preservation, Development & Improvement	24,602,180.88
Reservoir Construction or Improvement	\$ 5,518,592.00
Stream Clearance and Improvement.....	14,788,961.69
Stream Flow Maintenance Dams	542,719.86
Marine Habitat	646,619.07
Fish Screens, Ladders and Weir Projects	3,105,288.26
C. Fishing Access Projects.....	46,158,991.70
Coastal and Bay	\$ 4,038,176.11
River and Aqueduct Access	12,834,720.89
Lake and Reservoir Access.....	8,900,647.52
Piers	20,385,447.18
D. Game Farm Projects.....	146,894.49
E. Wildlife Habitat Acquisition, Development and Improvement	1,460,989,579.09
Wildlife Areas (General)	\$278,724,550.77
Miscellaneous Wildlife Habitat Development.....	9,356,933.74
Wildlife Areas/Ecological Reserves, (Threatened, Endangered or Unique Habitat)	568,188,192.05
Land Conservation Area.....	6,923,464.18

Inland Wetlands Conser. Grants & Easements	18,272,220.17
Riparian Habitat Conser. Grants & Easements	20,722,803.59
Other Wildlife Habitat Grants.....	558,801,414.59
F. Hunting Access Projects	484,898.57
G. Miscellaneous Projects (including leases)	11,945,430.29
H. Special Project Allocations.....	1,389,820.29
I. Miscellaneous Public Access Projects	28,540,906.80
State Owned	\$1,244,851.07
Grants	27,296,055.73
J. Sales and/or exchanges	537,419.07
K. Natural Heritage Preservation Tax Credit Act (tax credits awarded)...	(33,508,511.50)
Statutory plans	(0.00)
Corridors, wetlands, wildlife habitat, streams and riparian habitat	(6,232,435.50)
Agricultural lands	(712,726.00)
Water and water rights.....	(269,500.00)
State and local parks, open space and archaeological resources	(26,293,850.00)
Total Allocated to Projects	\$1,590,802,340.24