

DEPARTMENT OF FISH AND WILDLIFE

**WILDLIFE CONSERVATION BOARD**

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State of California  
Natural Resources Agency  
California Department of Fish and Wildlife  
**WILDLIFE CONSERVATION BOARD**  
Minutes

June 30, 2015

The Wildlife Conservation Board met on Tuesday, June 30, 2015 at the Natural Resources Auditorium, 1416 9<sup>th</sup> Street, in Sacramento, California. Mr. Charlton H. Bonham, Director of the California Department of Fish and Wildlife and the Chairman of the Wildlife Conservation Board, called the meeting to order at 1:00 P.M. Mr. John Donnelly, Executive Director of the Wildlife Conservation Board, performed the roll call.

1. Roll Call

WILDLIFE CONSERVATION BOARD MEMBERS

Charlton H. Bonham, Chair  
Director, Department of Fish and Wildlife

Karen Finn, Program Budget Manager  
Vice, Michael Cohen, Member  
Director, Department of Finance

JOINT LEGISLATIVE ADVISORY COMMITTEE

Alf Brandt  
Vice, Assembly Member Anthony Rendon

Diane Colburn  
Vice, Assembly Member Marc Levine

EXECUTIVE DIRECTOR  
John P. Donnelly

Wildlife Conservation Board Staff Present:

Ronald Wooden, Seasonal Clerk  
Brian Cary, Public Land Management Specialist IV  
Celestial Reysner, Staff Services Analyst  
Chad Fien, Public Land Management Specialist IV  
Colin Mills, Staff Counsel  
Elizabeth Hubert, Public Land Management Specialist IV  
Heidi West, Public Land Management Specialist IV

John Walsh, Senior Land Agent  
Laura Featherstone, Executive Assistant  
Lloyd Warble, Staff Services Analyst  
Melissa Ho, Budget and Fiscal Officer  
Peter Perrine, Assistant Executive Director  
Nancy Templeton, Staff Counsel  
Scott McFarlin, Public Land Management Specialist IV

Others Present:

Martha Diepenbrock, California Conservation Corps.  
Noah Levy, Land Water Consulting  
Brady Moss, AECOM  
Kyle Bresniker, Assembly Member Rendon's Office  
Gary Ryneerson, Green Diamond Resource Co.  
Debra Geiler, Conservation Land Group  
Diane Beaulaurier, Central Valley Water Board  
Carol Dyer, Klamath River Keeper

Dania Rose Colgrove, Klamath Justice Coalition  
Konrad Fisher, Klamath River Keeper  
Jim Rinehart, R & A Industrial Forestry  
Marlyce Myers, The Nature Conservancy  
Jessica Little, Environmental and Energy Consulting  
Paul Mason, Pacific Forest Trust  
John Bernstein, Trust for Public Land

## 2. California Streamflow Enhancement Program

Informational/Action

Staff presented the final program guidelines and an overview of the Proposal Solicitation Notice for the California Streamflow Enhancement Program, a program approved by California voters on November 4, 2014 and created within the Wildlife Conservation Board (WCB) under Proposition 1 (Water Bond). The Water Bond authorizes \$200,000,000.00 to be administered by the WCB (Water Code Section 79733, subject to appropriation by the Legislature) for projects that result in enhanced stream flows. It is proposed that \$38.9 million be made available for expenditure in the first year.

Mr. Peter Perrine presented the guidelines and solicitation to the Board.

Grants by WCB will be made through a competitive process in coordination with the California Department of Fish and Wildlife (CDFW), State Water Resources Control Board (SWRCB) and other partners with the goal of providing and protecting enhanced flows in stream systems statewide to achieve a number of the conservation objectives outlined in the California Water Action Plan. These objectives may include, but are not limited to: restoring central valley tributary salmonid habitat, restoring coastal watersheds, contributing to restoration efforts in the Klamath Basin, restoring key mountain meadow habitat and enhancing and restoring wetlands and riparian areas.

Strategies for enhancing stream flows will vary depending on local conditions and needs, and could include water efficiency projects, conjunctive use, off stream storage, groundwater storage banks, habitat restoration, and water transactions (such as purchase of water rights, lease or seasonal exchange). For example, investments in the Scott and Shasta sub-basins could build on water transaction work under way in the Klamath Basin as a whole. In coastal California, changing seasonal water diversions by temporarily storing water in off-channel ponds or tanks could improve much needed summer and fall flows for salmonids. In the Sierra Nevada, restoration projects could improve seasonal base flows. In desert streams of southern California, improved groundwater management could be critical to improving habitat for birds and fish.

In all instances, however, the importance of the subject stream reaches for fish and wildlife and the amount, timing, duration, and quality of water necessary to drive effective ecological outcomes must be clearly identified. Appropriate monitoring plans and measurement will also be critical to establishing appropriate flow targets and protecting restored water for the intended conservation outcomes and successes over time.

WCB prepared competitive grant program guidelines (Guidelines) and posted the draft on the WCB website, [www.wcb.ca.gov](http://www.wcb.ca.gov) ([Draft Prop. 1 Guidelines](#)). Public input was received from visitors to this site and at the three public meetings held jointly by

WCB and CDFW in early April in northern, central and southern California consistent with Water Bond requirements. Thirty-nine people or groups sent comments to our web site regarding the draft guidelines. Comments were mainly supportive and positive, and most appeared to assure that the direction we had laid out would generate quality projects that result in enhanced stream flow. Many of the comments were similar in nature and overlapped in key areas. This allowed grouping of the comments as listed below:

**Emphasize some project types that were already included in the**

**Guidelines:** We received comments suggesting that certain project types should be emphasized (for example, several commenters expressed support for planning and studies), and perhaps given priority in the ranking criteria.

**Response:** Comments were evaluated and incorporated into the Guidelines to assure that ranking criteria addressed the most critical aspects of the Program.

**Allow Project Types Not Included in Guidelines:** Several commenters suggested project types that were not included in the draft Guidelines.

**Response:** The list of eligible projects in the Guidelines is not comprehensive – any project that can reasonably be shown to enhance stream flow is potentially fundable. However, in order to broaden the pool of potential projects, and to give more specific suggestions to potential applicants, several of the suggested additions were specifically incorporated into the Eligible Project Types section of the Guidelines.

**Procedures:** We received many comments with suggestions on how to improve the procedures for identifying, ranking and approving projects. **Response:** WCB changed the Guidelines to provide more detail on how projects would be evaluated, then developed and inserted ranking criteria. Several of the suggestions, however, were contrary to the Proposition language or to State funding requirements (e.g., partner with private landowners – WCB can only do that through a non-profit or public agency) and could not be incorporated into the Guidelines.

**Suggested Funding Criteria Priorities:** Many commenters expressed a desire for WCB to provide specific ranking criteria and had specific comments as to how they should be scored. There were many suggestions and they included improving specific habitat types, developing projects that are supported by regional planning efforts, or emphasizing projects that provide benefits to disadvantaged communities.

**Response:** WCB staff developed ranking criteria in collaboration with CDFW and all of the suggestions were, to some degree, incorporated into the Guidelines scoring criteria.

**Planning Efforts:** One commenter suggested that WCB directly support regional planning efforts.

**Response:** The Guidelines includes opportunities for planning, provided they

lead to implementation projects at a future date.

**Monitoring:** Commenters had suggestions for improving monitoring of projects and requested that the Program be able to pay for long-term monitoring.

**Response:** Monitoring of project success will be a part of each implementation project. Prop 1 funds may be used for long-term monitoring, but may not exceed the liquidation period established for the funding during the state budget process. Monitoring instructions within the Guidelines were updated to clarify how and when monitoring is required. Monitoring studies are not precluded, and solicitations for monitoring studies of program success are expected in future.

**Clarification Questions:** Several commenters suggested specific clarification of concepts and requirements.

**Response:** The Guidelines were updated to clarify these concepts.

**Develop and Implement Long-term Changes to Existing Water Law and Procedures:** Several commenters suggested that WCB be lead to implement changes to existing laws to streamline or fine tune the water rights laws and procedures in California.

**Response:** Many of these concepts are supported by WCB staff, but may fall outside of the Prop 1 fundable requirements. However, it is expected that WCB, CDFW, the State Water Resources Control Board and others will work to develop and implement future improvements to water rights processes.

A list of all the comments to the Guidelines can be found at the following link:  
[Prop 1 Comments to WCB Guidelines.](#)

In addition to the Guidelines, WCB has prepared a draft [Proposal Solicitation Notice](#) (solicitation) which was distributed for public comment on June 8, 2015. The solicitation includes specific guidance to applicants, including how the selection criteria will be scored and a complete application form. Comments have been received and will be discussed, and any appropriate changes will be made as the Board deems necessary.

Staff recommended that the Board adopt the Guidelines and authorize staff to finalize and release the solicitation to the public as soon as the 2015/16 State budget is passed.

Mr. Donnelly said that the bond required the WCB to hold three public meetings. They were held in the North, Central and Southern California. These meetings were held in the month of April. A second requirement of the bond was that prior to posting any final guidelines, they need to be approved by the Natural Resources Agency (Agency), which was completed prior to the Board meeting in February. The guidelines were amended through comments received from the public process and Agency approved the amended guidelines to move forward for the Board's consideration.

Mr. Donnelly confirmed that the public process for both the guidelines and solicitation were taken appropriately and effectively by the WCB staff.

Mr. Brandt asked if there were any discussion of how to set statewide priorities among regions. Mr. Perrine said that through discussions within WCB and CDFW, no specific priority areas were identified in the state, but the focus of the solicitation would be to support anadromous fish; special status, threatened, endangered or at risk species; or provide resilience to climate change.

Mr. Bonham asked to describe the difference between the guidelines and the solicitation. Mr. Perrine said the guidelines are a broader scope of what the program will accomplish. The solicitation is more focused and changeable and can focus on specific needs on a year to year basis.

Mr. Bonham asked which document describes the filter of anadromous fish, threatened and endangered species and climate resilience. Mr. Perrine said both documents include all three filters. Mr. Bonham asked are those three filters the primary filters to emphasize priorities for this first round of grants. Mr. Perrine said yes. Mr. Bonham said that they are not geographic based, but they do translate to geography in the sense that some areas do not have anadromous fish, threatened and endangered species and climate resilience.

Ms. Finn asked if any stream is eligible for grant funds. Mr. Bonham said that the solicitation provides weighted points for proposals that advance existing plans or other objectives articulated. He went on to say this is the state's first effort at an enhanced stream flow program using public funding. Therefore, we may not know what this program will look like until after the first round of program funding.

Mr. Bonham asked when the public comment period for the guidelines ended. Ms. Featherstone said April 28, 2015. Mr. Bonham then asked if the current document before the Board is the proposed final which includes public comments. Mr. Perrine said yes. Mr. Donnelly said the guidelines provide the foundation to develop the solicitation.

Mr. Brandt said there was an environmental water account developed 15 years ago in order to purchase water on an annual basis and then export it to users. In his view, the program failed. Mr. Brandt said this program is different in that they are not going to spend bond funds to purchase water to then export it.

Mr. Brandt did ask about the interaction between WCB and CDFW in regards to this program. Mr. Donnelly said CDFW has committed to help WCB to evaluate, rank and score proposals.

Mr. Brandt asked Ms. Finn if the Department of Finance is okay with CDFW working with and helping develop projects. Ms. Finn said it has been discussed at every

Conservancy that has received these funds. CDFW will have to balance helping out in developing proposals with keeping the proposal competitive.

Mr. Konrad Fisher from Klamath Riverkeeper spoke and said in regards to prioritization, more science is good, but we have enough science to determine which streams should be a priority as far as coho recovery is concerned. To the extent applicable in the guidelines, streams and rivers without water should be a prioritization. His final point was that it is very important to assure that existing legal requirements and mitigation are taken into account in determining when and how to allocate public funds to acquire water.

Ms. Finn asked about Section 3.3.5 regarding the Executive Director making the final determination on the list of projects to be presented to the Board. She asked if the Board would be informed if the Director made changes to the Selection Panel's final recommendation. Mr. Donnelly said the Board will see all of the projects WCB received, the rankings associated with the projects and then the projects Mr. Donnelly recommends bringing forward. They will also see the projects that were rejected.

Ms. Finn moved to approve the guidelines.

**Passed Unanimously.**

**Bonham - Yes**

**Finn - Yes**

The Board moved on to discussing the draft Proposal Solicitation Notice. Mr. Bonham asked if the public comment period had ended and Mr. Perrine said yes. Additionally the solicitation before the Board included comments from the public. Mr. Donnelly provided the Board with a red-lined version showing the initial solicitation compared to the current solicitation that includes public comments.

Mr. Perrine said the application form, which is Appendix E in the solicitation, is still being edited and he is waiting for input from the Water Board. That will not change the remainder of the solicitation package.

Mr. Bonham asked when the submission date is. Mr. Donnelly said it will be 60 days from the date of request for proposals.

Mr. Bonham suggested some edits to the solicitation. First, in Section 1.1, the clause "support anadromous fish; special status, threatened, endangered or at risk species; provide wildlife corridors; or provide resilience to climate change" is too buried. If these are the primary filters, he suggested either separating it or develop a new subsection so that the filter will be emphasized. Mr. Perrine agreed and also suggested adding it as the first sentence to the application as well.

Mr. Bonham's next suggestion was under Section 2.2, Planning, Scientific Studies, Monitoring, and Assessment. He asked how WCB will quantify whether funding for assistance with the development of policy to guide decisions regarding future stream flow enhancement projects will actually result in enhanced stream flow. Mr. Perrine said that would help identify those areas that would have the most likelihood of creating the long term project that will eventually enhance stream flow. Mr. Bonham asked how such a project would be scored as the scoring criteria requires precise qualification that the investment actually produces enhanced stream flows. Mr. Perrine said planning projects would be on a lower footing than actual stream flow enhancement projects. Mr. Bonham then asked if the presumption was that the solicitation retains flexibility as to eligible categories. Mr. Perrine said yes. Mr. Bonham asked how \$5 million was determined to be the amount allocated for planning, scientific studies, monitoring and assessment. Mr. Perrine said they looked at the amount of money that is available for planning studies, which is 10% of Proposition 1 funds and then they added to it. The first year would essentially be over-emphasizing planning projects, which would lead to implementation. Mr. Donnelly said that with this first solicitation, they do not know what kind of projects can be expected or the costs associated with those projects. He believes there are projects that are ready to be implemented, but there are also projects that still need to be planned. He wants to allow for more spending on planning this first year. Ms. Finn asked if planning projects will be scored against implementation projects or are we setting \$5 million aside and scoring planning projects separately. Mr. Perrine said that most of the scoring criteria can be crossed referenced, but planning projects would score lower, overall. Mr. Perrine said a second solicitation solely for planning was also considered. Mr. Donnelly said this is the first true competitive grant that we have had here at the Board.

The next section Mr. Bonham wanted to discuss was the scoring criteria in Table 2 of the solicitation. He said there was absolutely no reference to the California Water Action Plan, which is the guiding document written in the statute for purposes of Proposition 1. Mr. Perrine said initially, they included the reference, but after further discussion they determined any project that enhances stream flow would fall within the California Water Action Plan. Mr. Perrine said it is almost a Pass/Fail. If it doesn't fall within the California Water Action Plan, then we couldn't fund the project. Mr. Bonham asked the Board to consider including a Pass/Fail requirement where it is clearly articulated how the proposal advances the California Water Action Plan. Ms. Finn agreed and suggested the criteria of "Compatibility with Statewide and Regional Plans" should have a higher weight. Mr. Bonham suggested using the word "Advances" Statewide and Regional Plans in place of "Compatibility with."

In summary, Mr. Bonham directed staff to change "compatibility" to "advance" in Table 2. He also said to include Pass/Fail criteria in Table 1 relative to the California Water Action Plan. Finally, highlight the primary filters in Section 1.1 by placing them in a subsection.

Ms. Chris Alford from American Rivers spoke and said both the guidelines and

solicitation are broad while still recognizing some of the more important aspects of enhanced stream flow. She had one suggestion which was to add scoring criteria relevant to the outcomes of the project to emphasize what actually comes out of the project. This is particularly important to this specific program. Applicants should articulate how the timing, location and amount of water will actually create a benefit. Mr. Bonham asked for more specifics in regards to outcome. Ms. Alford said including quantification criteria of flow relative to the existing condition. For example, 5 cfs may be nothing in one area, but may help a species survive over the summer in another location. Mr. Bonham asked Ms. Alford if the criteria header "Project Outcomes – Diversity and Significance of the Benefits" speaks to her concerns. Ms. Alford said yes and noted she did have an earlier version of the solicitation.

Mr. Paul Mason with Pacific Forest Trust spoke next and noted that on page 13 of the solicitation, there is no benefit to making the project durable for more than 20 years, which is rather ironic as it is a 30 year bond. Mr. Bonham said the statute defines long-term as 20 years. The second item he wanted to point out was in Table 1 in which it states "Proposal has as its primary purpose the enhancement of stream flows to benefit native species." He wanted to know what exactly is meant by "primary purpose" as many of the projects will have multiple benefits. Mr. Bonham said the statute states the purpose is enhanced stream flow. Mr. Donnelly added that if applicants cannot show that is the purpose of the project, then it will fail and not be funded. Mr. Mason said that projects could enhance stream flow without it being the primary purpose. Mr. Bonham suggested that applicants present the project as a stream flow enhancement project and score additional points on co-benefits.

Mr. Fisher spoke and suggested adding points for projects that quantifiably and enforceably enhance the quantity of water flowing in streams. He said there should be points for enforceable, measureable and legally binding as noted in Water Code Section 1707 or through forbearance agreements. He also agrees with Mr. Mason in giving extra points for when stream flows are permanently enhanced. He also suggested putting stream flow enhancement in the Pass/Fail section. In other words, you cannot receive funding unless flows are actually restored. Mr. Donnelly said that stream enhancement is not necessarily more water in a stream. Quantity, quality, timing, and temperature are all important to stream enhancement. Mr. Fisher agreed and said there are many things that impact the health of rivers, but what is not dealt with is quantity and timing of water as it is politically difficult. One final point Mr. Fisher added was to not fund projects that adversely affect stream flow. For example, when conserved water is consumed by agriculture, it adversely affects stream flow.

Mr. John Bernstein from Trust for Public Land spoke and said he agrees with the prior speakers in that protection in perpetuity is worth more than protection for only 20 years. His second comment was to include projects that prevent damage or negative effects on a stream and protect streams. Mr. Bonham said that the

guidelines include forbearance agreements as an example of how to protect enhanced flows.

Mr. Noah Levy, a Land and Water Consultant, spoke and said he agrees with Mr. Bonham that the filters in Section 1.1 should be highlighted. His second point was that a great deal of work has already been done by other departments and the federal government (i.e., The Coho Recovery Plan) to pinpoint areas in which enhanced stream flow is critical. He agrees that projects should advance state, regional and federal plans. He also said that added weight should be given to projects that permanently protect as opposed to projects with only a 20 year protection of resources. He agreed with Mr. Bernstein that there is a relation between conservation of land, where there are critical stream flow resources and the enhancement of flows. He is happy to see that land conservation and easements are now eligible project categories. He pointed out on page 5 of the guidelines, there is language that discusses protecting and restoring functional ecological flows for streams. He said that preserving and protecting those streams that already have healthy flows is just as important as enhancing streams.

Mr. Bonham asked staff to pull out the proposed priority filtering language and treat it with special emphasis in a sub header. After further discussion, the Board decided to reconvene as soon as possible in a focused public meeting to consider the amended solicitation, which will include comments and edits from the Board and public from this current meeting. Mr. Donnelly asked the Board to read over the application as the questions within the application addresses many of the comments the Board heard.

Mr. Donnelly thanked Peter Perrine, Scott McFarlin and Brian Cary and the rest of Peter's staff for all their hard work on both the guidelines and solicitation. He also thanked CDFW staff Sandy Morey and Helen Birss and all their staff. He also said thank you to Scott Cantrell, Paul Foresberg and others at the Water Branch. He also thanked those from the public who provided comments on both the guidelines and solicitation.

With no further business to discuss, the meeting was adjourned.

Respectfully submitted



John Donnelly  
Executive Director