

DEPARTMENT OF FISH AND GAME

WILDLIFE CONSERVATION BOARD

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State of California
The Resources Agency
Department of Fish and Game
WILDLIFE CONSERVATION BOARD
Minutes
November 20, 2008

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WILDLIFE CONSERVATION BOARD

Minutes

November 20, 2008

The Wildlife Conservation Board met on Thursday, November 20, 2008, in State Capitol, Room 112, in Sacramento, California. Mr. Donald Koch, Director of the Department of Fish and Game, called the meeting to order at 10:00 AM, introduced Ms. Karen Finn, Program Budget Manager, Department of Finance, Ms. Marie Liu of Senator Darrell Steinberg's Office, Mr. John Donnelly, Executive Director, Wildlife Conservation Board, his Executive Assistant, Ms. Natalya Kulagina, and Ms. Diane Colborn of Assembly Member Lois Wolk's Office, and turned the meeting over to Mr. Donnelly. Mr. Donnelly introduced Ms. Janell Bogue, Ms. Nancy Templeton, and Mr. Robert Kane of Wildlife Conservation Board.

1. Roll Call

WILDLIFE CONSERVATION BOARD MEMBERS

Richard B. Rogers, Chairman
President, Fish and Game Commission
Karen Finn, Program Budget Manager
Vice, Michael C. Genest, Member
Director, Department of Finance
Donald Koch, Member
Director, Department of Fish and Game

JOINT LEGISLATIVE ADVISORY COMMITTEE

Brian Lanza
Vice, Senator Abel Maldonado
Marie Liu
Vice, Senator Darrell Steinberg
Diane Colborn
Vice, Assembly Member Lois Wolk

EXECUTIVE DIRECTOR

John P. Donnelly

Wildlife Conservation Board Staff Present:

John P. Donnelly, Executive Director
Debra Townsend, Assistant Executive Director
Dave Means, Assistant Executive Director
Natalya Kulagina, Executive Assistant
Catherine Caldwell, Senior Land Agent
Roland Shield, Research Analyst II
Tony Chappelle, Public Land Management Specialist IV
Bonnie Turner, Public Land Management Specialist IV
Marilyn Cundiff, Public Land Management Specialist IV
Janell Bogue, Staff Counsel
Jasen Yee, Budget Analyst
Randy Nelson, Senior Land Agent (R.A)

Bill Gallup, Senior Land Agent
Carol Klein, Senior Land Agent
Ashley Lackey, Office Technician
Teri Muzik, Senior Land Agent
Peter Perrine, Public Land Management Specialist IV
Nancy Templeton, Chief Counsel
Chad Fien, Public Land Management Specialist IV
Mary Westlake, Office Technician
Pat Dyas, Senior Land Agent
Roxanne Woodward, Budget and Fiscal Officer
Robert Kane, Senior Land Agent (R.A)

Others Present:

David Mayer, Department of Fish and Game
Gary Stacey, Department of Fish and Game
Kelly Brown, Land Owner, Butte County
Dan Martin, Trust for Public Land
Debra Geiler, Trust for Public Land
Vance Russell, Audubon CA
Michael Feeney, Land Trust for Santa Barbara Co.
Meredith Kupferman, CA Rangeland Trust.
Mike Rogers, N/A
Terry Corwin, Land Trust of Santa Cruz
Paul Ichord, Merced Ranch LLC
Carla Frisk, Trust for Public Land
Paul Raquel, Department of Fish and Game
Sandy Morey, Department of Fish and Game
Alan Ehrgott, American River Conservancy
Aimee Rutledge, Sac Valley Conservancy
Conrad Jones, Department of Fish and Game

Marc Kenyon, Ducks Unlimited, Inc.
Michelle Clark, California Rangeland Trust
Jeff Harvey, City of Blythe, Palo Verde RCD.
John Ranlett, Ducks Unlimited, Inc.
Wendy Renz, Vollmar Consulting
Bob King, TRI Commercial Real Estate
Grant Werschull, Smith River Alliance
Perry Norris, Truckee Donner Land Trust
Brad Samuelson, UC Merced
Erika Winton, Save-the-Redwood League
Ted Gaylord, Stanislaus, CA
Craig Carnes, Wilke, Fleury, Hoffelt, Gould & Birney, LLP
John Vollmar, Vollmar Consulting
Mary Ann Skorpanich, County of Orange
Deborah North, Yolo Land Trust
John Ainscow, Trust for Public Land.
Joe Swain, Land Owner, Colorado River 500

2. Funding Status — Informational

(a) 2008-09 Wildlife Restoration Fund Capital Outlay Budget

Budget Act.....	\$1,000,000.00
Less Previous Board Allocations	(0.00)
Unallocated Balance.....	\$1,000,000.00

(b) 2006-07 General Fund Capital Outlay Budget

Budget Act.....	\$5,000,000.00
Less Previous Board Allocations	(3,465,000.00)
Unallocated Balance.....	\$1,535,000.00

(c) 2008-09 Habitat Conservation Fund Capital Outlay Budget

Budget Act.....	\$20,668,000.00
Less Previous Board Allocations	(35,000.00)
Unallocated Balance.....	\$20,633,000.00

(d) 2007-08 Habitat Conservation Fund Capital Outlay Budget

Budget Act.....	\$20,674,000.00
Less Previous Board Allocations	(9,349,158.00)
Unallocated Balance.....	\$11,324,842.00

(e) 2006-07 Habitat Conservation Fund Capital Outlay Budget

Budget Act.....	\$20,699,000.00
Less Previous Board Allocations	(8,376,880.00)
Unallocated Balance.....	\$12,322,120.00

(f) 2006-07 Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Fund Capital Outlay Budget

Budget Act.....	\$15,224,000.00
Less Previous Board Allocations	(12,468,347.50)
Unallocated Balance.....	\$2,755,652.50

(g) 2000-01 Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Fund Capital Outlay Budget (2006-07 Reappropriation)

Budget Act (San Joaquin River Conservancy Projects).....	\$14,562,000.00
Less Previous Board Allocations	(14,417,375.33)
Unallocated Balance.....	\$144,624.67

(h) 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)] ... \$36,100,000.00
Less Previous Board Allocations (27,480,085.39)
Unallocated Balance..... \$8,619,914.61

- (i) 2004-05 California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Bond Fund Capital Outlay Budget (2007-08 Reappropriation)

Budget Act (San Joaquin River Conservancy Projects)..... \$11,000,000.00
Less Previous Board Allocations (316,026.00)
Unallocated Balance..... \$10,683,974.00

- (j) 2003-04 California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Bond Fund Capital Outlay Budget (2007-08 Reappropriation)

Budget Act (San Joaquin River Conservancy Projects)..... \$8,500,000.00
Less Previous Board Allocations (8,472,899.40)
Unallocated Balance..... \$27,100.60

- (k) 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 (173,385,455.81)
Unallocated Balance..... \$99,614,544.19

- (l) 2004-05 Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 Capital Outlay Budget (Section 79568)

Budget Act (2006-07 Reappropriation) \$13,250,000.00
Less Previous Board Allocations (13,089,784.38)
Unallocated Balance..... \$160,215.62

- (m) 2003-04 Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 Capital Outlay Budget (Section 79568)

Budget Act (2006-07 Reappropriation) \$32,500,000.00
Less Previous Board Allocations (20,031,970.00)
Unallocated Balance..... \$12,468,030.00

- (n) 2002-03 Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 Capital Outlay Budget

Continuously Appropriated (Sections 79565 and 79572), including Chapter 81, Statutes of 2005..... \$814,350,000.00
Less 2003-04 Budget Act Transfer to HCF from Section 79565.... (21,000,000.00)
Less 2004-05 Budget Act Transfer to HCF from Section 79565.... (21,000,000.00)
Less 2005-06 Budget Act Transfer to HCF from Section 79565..... (4,000,000.00)

Less 2005-06 Budget Act Transfer to HCF from Section 79572..... (3,100,000.00)
Less 2006-07 Budget Act Transfer to HCF from Section 79672.... (17,688,000.00)
Less 2007-08 Budget Act Transfer to HCF from Section 79572 (5,150,000.00)
Less 2008-09 Budget Act Transfer to HCF from Section 795725.... (1,000,000.00)
Less Previous Board Allocations (715,917,623.39)
Unallocated Balance..... \$98,432,376.61

- (o) 2008-09 Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006 Capital Outlay Budget

Budget Act (San Joaquin River Conservancy Projects) \$10,000,000.00
Less Previous Board Allocations (0.00)
Unallocated Balance..... \$10,000,000.00

- (p) 2007-08 Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006 Capital Outlay Budget

Budget Act (San Joaquin River Conservancy Projects) \$10,000,000.00
Less Previous Board Allocations (0.00)
Unallocated Balance..... \$10,000,000.00

- (q) 2008-09 Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006 Capital Outlay Budget

Budget Act (NCCP Section 75055c)..... \$25,000,000.00
Less Previous Board Allocations (25,000.00)
Unallocated Balance..... \$24,975,000.00

- (r) 2007-08 Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006 Capital Outlay Budget

Budget Act (NCCP Section 75055c)..... \$25,000,000.00
Less Previous Board Allocations (13,484,819.00)
Unallocated Balance..... \$11,515,181.00

- (s) 2007-08 Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006 Capital Outlay Budget

Budget Act (Section 75055(d)(1))..... \$14,293,000.00
Less Previous Board Allocations (2,188,492.00)
Unallocated Balance..... \$12,104,508.00

- (t) 2007-08 Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006 Capital Outlay

Budget

Budget Act (Section 75055(d)(2))	\$14,293,000.00
Less Previous Board Allocations	(25,000.00)
Unallocated Balance.....	\$14,268,000.00

(u) 2007-08 Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006 Capital Outlay Budget

Budget Act (Section 75055(d)(3))	\$4,762,000.00
Less Previous Board Allocations	(1,225,600.00)
Unallocated Balance.....	\$3,536,400.00

(v) 2006-07 Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006 Capital Outlay Budget

Continuously Appropriated (Section 75055a)	\$164,700,000.00
Less Previous Board Allocations	(25,000.00)
Unallocated Balance.....	\$164,675,000.00

Continuously Appropriated (Section 75055b)	\$123,525,000.00
Less Previous Board Allocations	(11,009,611.00)
Unallocated Balance.....	\$112,515,389.00

(w) 2003-04 Oak Woodlands Conservation Fund Capital Outlay Budget

Budget Act (2006-07 Reappropriation)	\$5,000,000.00
Less Previous Board Allocations	(1,982,161.00)
Unallocated Balance.....	\$3,017,839.00

RECAP OF FUND BALANCES

Wildlife Restoration Fund (a)	\$1,000,000.00
General Fund (b)	\$1,535,000.00
Habitat Conservation Fund (c), (d) and (e)	\$44,279,962.00
Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund (f), (g) and (h).....	\$11,520,191.78
California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Bond Fund (i), (j) and (k)	\$110,325,618.79
Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (l), (m) and (n)	\$111,060,622.23
Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006 (o), (p), (q), (r), (s), (t), (u) and (v)	\$363,589,478.00
Oak Woodlands Conservation Fund (w).....	\$3,017,839.00

RECAP OF NATURAL HERITAGE PRESERVATION TAX CREDIT ACT OF 2000

Natural Heritage Preservation Tax Credit Act of 2000
Chapter 113, Statutes of 2000 and Chapter 715, Statutes of 2004

Total Tax Credits Available.....	\$100,000,000.00
Less Previously Awarded Tax Credits	(48,598,734.00)
Balance of Tax Credits Available.....	\$51,401,266.00

Note: The Natural Heritage Preservation Tax Credit Program is suspended, effective 6/30/08.

3. Proposed Consent Calendar (Items 4 – 16)

Mr. Donnelly pointed out that there was a mistake in item #5 (Recovery of Funds) on the Consent Calendar. The amount to the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Proposition 40) should read **\$845,082.51** instead of \$809,348.06.

Mr. Donnelly reported that letters of support for item #8 of the Consent Calendar (South Fork American River, Lower Canyon Unit, Expansion 3) were received from Mr. Scott Nakaji, District Superintendent, Department of Parks and Recreation, and Ms. Graciela Hinshaw, Preserve Manager, Pine Hill Preserve.

Mr. Donnelly reported that letters of support for item #11 of the Consent Calendar (Working and Learning Among the Oaks, Phase II) were received from Mr. James Patterson, 5th District Supervisor, San Luis Obispo Board of Supervisors; Mr. Bruce Gibson, 2nd District Supervisor, San Luis Obispo Board of Supervisors; Mr. Brian B. Stark, Executive Director, The Land Conservancy of San Luis Obispo County; Mr. George E. Galvan, Trustee, Atascadero Unified School District; Ms. Melanie Karp, Principal, Santa Margarita Elementary School, Atascadero Unified School District; Dr. Tim O'Keefe, Professor of Forestry, Cal Poly Arts; Mr. Steve Sinton of Canyon Ranch; Mr. George Work of San Miguel; Ms. Sue Luft of Templeton; and Ms. Tina Salter of Atascadero.

Mr. Donnelly reported that a letter of support for item #13 of the Consent Calendar (Western Riverside County MSHCP, Expansions 4 and 5) was received from Mr. Dan Silver, MD., Executive Director of Endangered Habitat League.

Mr. Donnelly reported that a letter of support for item #15 of the Consent Calendar (Crestridge Preserve, South Crest, Expansion 3) was received from Dr. Edmund J. Pert, Regional Manager, South Coast Region, Department of Fish and Game.

Mr. Koch asked if there were any questions on any item of the Consent Calendar. Ms. Finn had a question on item #16 of the Consent Calendar (The Environmental Trust Bankruptcy). She inquired if there are any issues with other non-profit organizations going bankrupt under current economic times, and is there any way we can be aware or be monitoring those issues. Mr. Donnelly called Ms. Nancy Templeton, General Counsel of Wildlife Conservation Board, to provide more insights on Ms. Finn's question. Ms. Templeton explained that the regulations for non-profit organizations holding interest in mitigation lands have changed and more safeguards are in place

since The Environmental Trust went into bankruptcy.

Mr. Koch moved that the Board approve Consent Calendar items 4 through 19 as proposed in the individual agenda explanations, including the funding therein.

Motion carried.

- *4. Approval of Minutes—August 28, 2008 Meeting

As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Koch that the Board approve the minutes of the August 28, 2008 meeting.

Motion carried.

- *5. Recovery of Funds

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 is recommended that the following totals be recovered and that the projects be closed.

- \$0.00 to the General Fund**
- \$12,796.00 to the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund**
- \$5,437.25 to the Habitat Conservation Fund**
- \$845,082.51 to the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund**
- \$0.00 to the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002**
- \$3,245.00 to the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protect Fund of 2006**
- \$20,000.00 to the Oak Woodlands Conservation Fund**

GENERAL FUND

Wetland Conservation Easement Program, Bird Haven Ranch, Glenn County

Allocated	\$440,000.00
Expended	<u>-440,000.00</u>
Balance for Recovery	\$0.00

Total General Fund \$0.00

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

Santa Rosa Mountains, Expansion 8, Riverside County

Allocated	\$442,725.00
Expended	<u>-433,525.00</u>
Balance for Recovery	\$9,200.00

Six Rivers (Valley View), Humboldt County

Allocated	\$10,000.00
Expended	<u>-10,000.00</u>
Balance for Recovery	\$0.00

Triple Creeks Conservation Area, Expansion 2, Riverside County

Allocated	\$5,000.00
Expended	<u>-1,404.00</u>
Balance for Recovery	\$3,596.00

**Total Safe Neighborhood Parks, Clean Water,
Clean Air, and Coastal Protection Bond Fund** **\$12,796.00**

HABITAT CONSERVATION FUND

Bass Hill Lassen Creek Conservation Easement, Lassen County

Allocated	\$415,000.00
Expended	<u>-411,563.75</u>
Balance for Recovery	\$3,436.25

Elkhorn Slough Ecological Reserve, Expansion 16, Monterey County

Allocated	\$641,000.00
Expended	<u>-639,029.00</u>
Balance for Recovery	\$1,971.00

Napa-Sonoma Marshes Wildlife Area, Napa Plant Site Restoration,
Ponds 9, 10, and Wash Ponds Pre-construction Activities, Napa County

Allocated	\$132,000.00
Expended	<u>-131,970.00</u>
Balance for Recovery	\$30.00

Santa Rosa Mountains, Expansion 8, Riverside County

Allocated	\$283,275.00
Expended	<u>-283,275.00</u>
Balance for Recovery	\$0.00

Total Habitat Conservation Fund **\$5,437.25**

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

Lake Earl Wildlife Area, Expansion 35, Del Norte County

Allocated	\$5,000.00
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Expended	<u>-1,573.00</u>
Balance for Recovery	\$3,427.00

Trabuco Creek Fish Passage Steelhead Restoration, Orange County

Allocated	\$1,199,000.00
Expended	<u>-357,344.49</u>
Balance for Recovery	\$841,655.51

Total California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund \$845,082.51

WATER SECURITY, CLEAN DRINKING WATER, COASTAL AND BEACH PROTECTION FUND OF 2002

Las Flores Creek Stream Restoration, Los Angeles County

Allocated	\$600,000.00
Expended	<u>-600,000.00</u>
Balance for Recovery	\$0.00

Total Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 \$0.00

SAFE DRINKING WATER, WATER QUALITY AND SUPPLY, FLOOD CONTROL, RIVER AND COASTAL PROTECT FUND OF 2006

El Sobrante, Riverside County

Allocated	\$2,504,700.00
Expended	<u>-2,501,455.00</u>
Balance for Recovery	\$3,245.00

Total Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protect Fund of 2006 \$3,245.00

OAK WOODLANDS CONSERVATION FUND

Project Planning

Allocated	\$20,000.00
Expended	<u>-0.00</u>
Balance for Recovery	\$20,000.00

Total Oak Woodlands Conservation Fund \$20,000.00

As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Koch that the Wildlife Conservation Board approve the Recovery of Funds for the projects listed on pages 6 through 8 of the agenda and close the project accounts. Recovery totals include \$12,796.00 to the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund; 0.00 to the

General Fund; \$5,437.25 to the Habitat Conservation Fund; \$845,082.51 to the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund; \$0.00 to the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002; \$3,245.00 to the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006; and \$20,000.00 to the Oak Woodlands Conservation Fund.

Motion carried.

- *6. San Joaquin River Conservancy, Department of Justice, \$50,000.00
Legal Services

This proposal was to consider the allocation for legal services provided by the Department of Justice (DOJ), Attorney General's office, to the San Joaquin River Conservancy (SJRC), related to bond funded land acquisitions and capital improvements. This proposal was approved by the SJRC's Board of Directors on October 9, 2008.

In July 2008, the SJRC received a letter from the Attorney General stating that the DOJ could no longer absorb the costs for legal services. The Department of Finance confirmed that legal costs must be reimbursed to DOJ and that legal services for bond fund related projects are legitimate program delivery costs authorized by the bond act. Hence, the DOJ will commence invoicing the Wildlife Conservation Board for SJRC's legal services as the SJRC's capital outlay appropriations are authorized in the WCB's budget.

The DOJ provides detailed monthly statements of services. Conservancy staff and DOJ's legal counsel have reviewed the past account of services and believe \$50,000.00 will provide sufficient funds for legal services for the remainder of the 2008-09 Fiscal Year. If no litigation or inordinately time consuming matters arise, some of the funds will carryover to the 2009-10 Fiscal Year. It is anticipated that additional bond fund allocations will be made for these legal services over the five-year program implementation period.

Proposition 84 allows for a maximum of five percent of the funds to be used for program delivery costs. Over the program outlay period of five years, the total cost of one Conservancy staff member, one WCB staff member, and legal services associated with land acquisitions and capital improvements will be well under the five percent maximum. Proposition 40, the Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Bond Act (2002) also provided funding for program delivery; the Conservancy utilized only \$341,963 of the \$1,250,000 allowed pursuant to that bond act. All legal costs related to non-bond funded matters and operations will be absorbed by the Conservancy's main support appropriation, funded by the Environmental License Plate Fund.

As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Koch that the Wildlife Conservation Board approve this project as proposed; allocate \$50,000.00 from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund

(Prop. 84), Section 75050(f); and authorize staff to proceed substantially as planned.

Motion carried.

- *7. DFG Land Management Plans, Northern Region, \$28,002.00
Phase II Augmentation, Tehama and Shasta Counties

This proposal was to consider the allocation for a grant to the California Wildlife Foundation, Inc. to fund an augmentation for the Department of Fish and Game (DFG) land management plan for the Mouth of Cottonwood Creek Wildlife Area, to include the recent addition of 141± acres in Shasta County, known as the Balls Ferry Unit.

The DFG is the public trust steward of properties acquired throughout the State by the Wildlife Conservation Board (Board) for various purposes, and as such, follows policies relating to management and enhancement of wildlife and the habitats on which they depend, while providing appropriate public use on those lands. Because of the rapid rate of acquisitions over the last decade (most due to voter-approved bonds), some properties have gone without planning and have been minimally managed. Land management plans are necessary in order to assess resources, involve the public, and provide guidance to the DFG's programs that relate to land management. Further, land management plans are required by Fish and Game Code section 1019.

Mouth of Cottonwood Creek Wildlife Area (MCCWA) consists of two units totaling ±903 acres. The Cottonwood Creek Unit (555± acres) is located along the north bank of Cottonwood Creek at the confluence with the Sacramento River. The Balls Ferry Unit (348± acres) is approximately 3/4 mile north of the Cottonwood Creek Unit. The locations of these properties are generally 10 miles east of Cottonwood, off Balls Ferry Road and Adobe Road. In June 2008, DFG acquired an additional 141± acre parcel (the Matthews Property) adjacent to the Balls Ferry Unit of the MCCWA. At the time of this acquisition, final edits to the Draft MCCWA Land Management Plan (LMP) were being completed. The Draft LMP will be amended to include the Matthews Property as part of the Balls Ferry Unit.

The property within the Cottonwood Creek Unit is mostly riparian and open riverine habitat within the 100-year flood zone on Cottonwood Creek. Habitats include a slough or oxbow, natural and developed wetlands, some grassland and upland habitat along an upper terrace. The Balls Ferry Unit, including the new addition, has a large natural wetland component with the remainder as upland with some riparian habitat. MCCWA was acquired to protect and manage wetland, riparian and upland habitats.

The Draft LMP, as amended, will be prepared following DFG guidelines, A Guide and Annotated Outline for Writing Land Management Plans (Guide), fulfilling other local, state or federal agency requirements as necessary. The Draft LMP, as amended, will be written to meet CEQA and CESA requirements and will be suitable for CEQA review and approval. The following tasks may be required for

the recently acquired 141-acre parcel to complete the plan, depending upon site circumstances:

- Evaluation of existing biological and cultural resource data to determine what type of additional inventory work needs completion or updating;
- Resource inventory;
- Mapping of additional habitats;
- Identify and map any and all easements across or through the new parcel;
- Integrate the new parcel management planning into the existing completed MCCWA Plan.

The estimated total additional cost for administration and preparation of this amended management plan is \$28,002.00.

The proposed funding source for this project is the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Proposition 40), which allows for the preparation of management plans for DFG lands acquired by the Board. The DFG has reviewed this proposal and recommends it for funding by the Board. The project is statutorily exempt from the California Environmental Quality Act (CEQA) under Title 14, California Code of Regulations, Section 15262 – Planning and Feasibility Studies. Subject to project approval by the Board, the appropriate Notice of Exemption will be filed with the State Clearinghouse.

As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Koch that the Wildlife Conservation Board approve this project as proposed; allocate \$28,002.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund; 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.

- *8. South Fork American River, Lower Canyon Unit, \$410,000.00
Expansion 3, El Dorado County

This proposal was to consider the allocation for a grant to the American River Conservancy (Conservancy) for a cooperative project with the California Resources Agency to acquire 45± acres to protect riparian and upland habitat located near Folsom Lake, in western El Dorado County.

The privately-owned subject property is located approximately 30 miles east of the City of Sacramento on Salmon Falls Road at the road's crossing of the South Fork of the American River, at the upper eastern end of Folsom Lake. Topography in the project area ranges from moderate to steep slopes.

Blacktail deer, mountain lion, bobcat, river otter and hundreds of year-round and migratory bird species are supported by the riparian corridors, oak woodlands, chaparral and annual grassland habitats that occur on the site. The property is

adjacent to the Department of Fish and Game's (DFG) Pine Hill Ecological Reserve (Reserve) which currently protects over 4,000 acres of rare plant habitat of which over 3,100 acres lie within a U.S. Fish and Wildlife Service 5,000± acre area designated for the recovery of five federally listed plants and the conservation of three special status plants. Three of these eight rare plants, specifically El Dorado mule ear, Bisbee Peak rush rose and Red Hills soaproot, have been sited on the subject property. The property has been identified as potential habitat for the federally listed El Dorado bedstraw and Layne's butterweed.

Since 1989, the Wildlife Conservation Board (Board) has participated in the acquisition of approximately 3,700 acres along the lower reach of the South Fork of the American River and approximately 1,933 acres in the Reserve working in partnership with the Conservancy, the U.S. Bureau of Land Management (BLM), and the DFG. The subject property is adjacent to property owned and managed by both the BLM and the California Department of Parks and Recreation (DPR).

This acquisition will protect riparian and sensitive mixed chaparral habitat along with the sensitive and endangered species resident and potentially resident within, and dependent upon, this habitat. The acquisition will also provide a trailhead and trail linkage in completing the larger South Fork American River Parkway project which includes a twenty mile length of river canyon stretching from Placerville to Folsom Lake.

The area will be managed for habitat protection and may be appropriate for designated public trails and controlled public access. However, the main objective should be maintenance and protection of the existing populations of sensitive species.

The property owners have agreed to sell the property to the Conservancy for the Department of General Services (DGS) approved appraised value of \$560,000.00. The proposed funding breakdown for the project is as follows:

Board Grant:	\$400,000.00
California Resources Agency:	\$100,000.00
Private Donations:	<u>\$ 60,000.00</u>
<u>TOTAL</u>	<u>\$560,000.00</u>

It is estimated that an additional \$10,000.00 will be needed to cover project-related costs by the Board, including the DGS' appraisal review fees, bringing the total proposed allocation for this project to \$410,000.00. The proposed funding source allows for the acquisition of significant natural landscapes, oak woodlands, foothill habitats and other significant habitat areas, and is consistent with the purpose of this project.

The terms and conditions of the proposed grant agreement provide that staff of the Board will review and approve all proposed title documents, appraisals, preliminary title reports, documents for purchase and sale, escrow instructions and the instruments of conveyance prior to disbursement of funds directly into an escrow established for the property.

The Department of Fish and Game has reviewed the proposed project and recommends acquisition of the property. The proposed acquisition has been reviewed for compliance with the California Environmental Quality Act (CEQA) requirements and is categorically exempt under CEQA Guidelines Section 15313, Class 13, as an acquisition of land for wildlife conservation purposes, and Section 15325, Class 25, as a transfer of an ownership interest in land to preserve open space. Subject to authorization by the Board, a Notice of Exemption will be filed with the State Clearinghouse.

As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Koch that the Wildlife Conservation Board approve this project as proposed; allocate \$410,000.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund, (Proposition 40), Section 5096.650 for the grant and internal project-related expenses; authorize staff to enter into appropriate agreements as necessary to accomplish this project; and authorize staff to proceed substantially as planned.

Motion carried.

- *9. San Joaquin River Parkway, \$275,000.00
River West-Madera Restoration, Planning and Environmental Review,
Madera County

This proposal was to consider the allocation for a grant to the County of Madera for a cooperative project with the San Joaquin River Conservancy (Conservancy) to fund the planning and environmental review for the San Joaquin River Parkway, River West-Madera Restoration Project, to restore 600± acres owned by the San Joaquin River Conservancy located next to the San Joaquin River, west of Highway 41 in Madera County.

The River West-Madera site encompasses the Conservancy's Spano property on the Fresno side of the San Joaquin River, and the Proctor-Broadwell-Cobb and Sycamore Island properties on the Madera side. This large contiguous, central Parkway area is among the Conservancy's highest priorities for improving habitat and for developing public access.

The Madera County Board of Supervisors recently authorized the County Resources Management Agency to secure a grant from the Conservancy to serve as the lead agency for planning and reviewing the River West-Madera project. The County intends to coordinate and integrate development of the Parkway in the area with its plans for the neighboring Gateway community.

County and Conservancy staff have developed the proposed scope of work for the project. The County will create a specific plan and project description to analyze the environmental effects of trails and fishing access, on-site and/or off-site staging areas, vista points and trailheads, ancillary facilities, informational signage, and connections to Parkway and community trails. The County intends to the extent feasible to place particular emphasis on habitat conservation and enhancement, and on low-intensity public access, with minimal vehicle access, on-site parking, and restrooms. Where possible the County will incorporate larger public Parkway access points into the upland neighboring development, while still meeting the access needs of an aging population and others with limited mobility. The County will coordinate with project partners, consult with responsible and trustee agencies, perform environmental review pursuant to the California Environmental Quality Act (CEQA), provide for public involvement and participation, and secure lead agency approval of a plan for capital and operational improvements to the River West-Madera area consistent with the San Joaquin River Parkway Master Plan and Madera County General Plan.

The County will develop support documentation, analyses, and map overlays to be used in planning habitat conservation and public access, relating to the following:

- Topography;
- The mapped 100-year floodplain and floodway;
- Biological resources, including sensitive habitats, threatened and endangered species, jurisdictional areas, invasive species, and degraded habitats providing opportunity for restoration or enhancement;
- Scenic resources and viewsheds;
- Cultural resources; and
- Pedestrian, and potentially equestrian, access.

The River West-Madera Project will be consistent with the 1995 Madera County General Plan and 1997 San Joaquin River Parkway Master Plan. The Parkway Master Plan calls for the conservation, enhancement and restoration of natural resources, preservation of cultural resources, and public access, recreation, and education compatible with long-term protection of those resources.

The County will coordinate with the California Department of Water Resources and the federal Bureau of Reclamation to determine any anticipated San Joaquin River Restoration Program effects on the project site. The County will also work with the Restoration Program to achieve a Parkway-ready configuration for habitat enhancement, trails and public use, and management/emergency access roads.

The project will address current and long-term issues and interests in the area, including but not limited to:

- Adjacent community development;
- Adjacent employment centers, such as Children's Hospital of Central California;

- Growth and development of the Gateway community, including trail connections, and increased visitor population; and
- Possible beneficial use of tertiary treated wastewater from the community for habitat enhancements or landscaping.

The County will complete an Initial Study and appropriate CEQA documents to analyze the environmental impacts of the project, define environmental commitments, and describe mitigation and monitoring responsibilities, and provide public participation and consult with responsible and trustee agencies as required. Adjoining landowners have been supportive of the proposed project to bring Parkway amenities to River West-Madera area. The San Joaquin River Conservancy will continue to be responsible for maintaining improvements and managing this property when restoration is completed.

The proposed project will be funded by:

Wildlife Conservation Board	\$275,000.00
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Project costs will be for planning and feasibility studies by the County of Madera including CEQA documentation.

The proposed funding sources for this project are: the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Proposition 40), available to the San Joaquin River Conservancy for the acquisition, development, rehabilitation, restoration and protection of land and water resources; and the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Act of 2000 (Proposition 12), available to the San Joaquin River Conservancy for the acquisition, development, enhancement, and protection of land. Both sources of funding are consistent with the objectives of this project.

The project is statutorily exempt from the California Environmental Quality Act (CEQA) under Statutory Exemptions, California Code of Regulations, Title 14, Section 15262 – Planning and Feasibility Studies. Subject to approval by the Wildlife Conservation Board, the appropriate Notice of Exemption will be filed with the State Clearinghouse.

As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Koch that the Wildlife Conservation Board approve this project as proposed; allocate \$130,376.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Proposition 40), Section 5096.650(b)(5), and \$144,624.00 from the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Act of 2000 (Proposition 12), Section 50969.355; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff to proceed substantially as planned.

Motion carried.

- *10. Shaver Lake Boat Launch Boarding Float \$156,000.00
Fresno County

This proposal was to consider the allocation for a grant to the County of Fresno for a cooperative project with Shaver Lake Marina and Southern California Edison to replace the worn-out boarding floats at the Shaver Lake Boat Launch Facility, located approximately 45 miles northeast of the City of Fresno on the north side of Shaver Lake, in Fresno County.

Shaver Lake, with a surface area of 2,176 ± acres and 13 miles of shoreline, was created in the early 1900's when Southern California Edison Company (SCE) built a dam on Stevenson Creek. The lake boasts two public boat ramps, one at Camp Edison on the southeastern side of the lake, and the subject site located on the north shore. The north shore ramp was constructed in 1966 and is operated by the County through agreement with SCE, the landowner. The County does not charge a fee for parking or launching.

Shaver Lake is a very popular destination for local anglers as well as anglers from all over the State. At around 5,300 feet in elevation and surrounded by pine trees and granite, the lake provides a scenic destination to anglers containing healthy populations of kokanee, rainbow trout and a resident population of small-mouth bass. The Department of Fish and Game (DFG) also manages an annual fish stocking program at the lake.

To satisfy the ever increasing use on the lake, the Board approved projects in February 2005 and again in November of that year to upgrade the facility by enlarging the ramp from two lanes to four, constructing additional parking and providing a second restroom. The boarding floats, which were beginning to age, were not replaced at that time, and in fact have provided an additional three seasons of heavy use. However, the exposed Styrofoam in the floats could be released into the lake as it ages, which would be deleterious if consumed by fish and wildlife. Furthermore, both wet and dry rot in the substructure and decking of the boarding floats make the structure unsound and repairs impractical. The project will replace the entire boarding float using fully encapsulated floats, and replace the substructure and decking. The width will be increased from the current six feet to eight feet, to accommodate boarding and unloading from both sides.

The proposed funding breakdown for the project is as follows:

Wildlife Conservation Board	\$156,000.00
Shaver Lake Marina	156,000.00
<u>TOTAL AVAILABLE FUNDING</u>	<u>\$312,000.00</u>

Project costs will be for mobilization and demobilization; demolition of existing floats and abutment; new eight-foot-wide by 250-foot-long boarding float; new transition plate; replacement of existing electrical lights; and project design,

construction supervision and administration. The project also qualifies for a Federal Sport Fish Restoration Act grant that will reimburse the WCB for 75 percent of the project costs.

The proposed funding source for this project is the Wildlife Restoration Fund, which provides funding for the construction of public access facilities and is consistent with the objectives of this project. The DFG 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 2 of Categorical Exemptions, California Code of Regulations, Title 14, Section 15302, as a replacement of an existing structure of substantially the same purpose and capacity. Subject to approval by the Board, the appropriate Notice of Exemption will be filed with the State Clearinghouse. The landowner has agreed to the long-term management and maintenance of the facility.

As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Koch that the Wildlife Conservation Board approve this project as proposed; allocate \$156,000.00 from the Wildlife Restoration Fund (Minor Capital Outlay); 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. Working and Learning Among the Oaks, Phase II, \$139,411.00
San Luis Obispo County

This proposal was to consider an allocation for a grant to the Regents of the University of California, Berkeley, for an oak woodland public education and outreach project. This project is designed to communicate the social, economic, agricultural and biological benefits associated with the conservation of oak woodlands in San Luis Obispo County.

Consistent with the provisions of the Oak Woodlands Conservation Act, the proposal "Working and Learning Among the Oaks/Phase II", represents the continuation of a two part, three-year effort. It is designed to (1) expand K-6 grade student understanding and appreciation of oak woodland ecology and conservation within the working landscape of a cattle ranch; (2) promote oak woodland conservation tools and practices that can be implemented on privately-owned lands, and (3) develop and implement a rancher teaching and evaluation tool to measure and evaluate the short and long-term application of oak conservation practices.

The private landowners of the historic Santa Margarita Ranch, located adjacent to the Santa Margarita School, have donated the use of approximately 15 acres to the Santa Margarita School District for supervised, public educational opportunities. In addition, the landowners have agreed to continue working with the school administrators and teachers and the 4-H Science Experiences and Resources for Informal Educational Settings (4-H SERIES) and provide talks to

the school children on operating a working cattle ranch amongst the oak woodlands.

PART 1: Santa Margarita Oak Woodland Trail Project, Learning Among the Oaks

As proposed, the project will continue to provide hands on environmental, conservation and oak woodland educational opportunities for grammar school children attending the Santa Margarita School. With minimal staffing and maximum reliance on the use of existing resources, collaborative opportunities, and volunteers, the following accomplishments were achieved during the first phase of the Board funded project during the 2005-2008 school years:

- Developed study themes for grades K-6 to maximize correlations with State Science Standards and provided a full range of oak learning experiences. Through collaboration with 4-H members and Cal Poly students, created instructional materials for use on the trail and in the classroom including two trail activity booklets, one for K-3rd grade students and one for 4th – 6th grade students. These booklets have provided a fun way to prepare students for hikes and to enrich their learning experiences.
- Installed a trail entrance sign and gate with donated labor and materials.
- Established a Cal Poly internship program, supported by stipends paid by Santa Margarita Community Forestry. Cal Poly students serve as trail guides, present lessons and assist with the development and organization of curriculum resources.
- Established a partnership with Coyote Road School naturalist/interpretive specialist to help train student interns and volunteer docents to provide field lessons; e.g. wildlife tracking/observation skills. In partnership with Pacific Wildlife Care, USDA-NRCS, Santa Margarita Ranch, 4-H, Farm Bureau Ag Education Committee, Central Coast Natural History Association/State Parks Docents, and others provided curriculum materials and oak woodland enrichment activities.
- Collaborated with the Native Tree Committee to plant oak seedlings along the trail and each of six 1st – 3rd grade classrooms planted their own grove of four seedlings in celebration of Arbor Day 2007; installed seven songbird nest boxes and developed two trail “camps,” one for K-3rd grade classes and one for 4th-6th grade classes. The areas have provided a setting for naturalist talks tied to hike themes. Collaborated with a Cal Poly student to create a classroom nature journal to provide a place for classes to record their trail discoveries and to track the development of their oak seedlings.
- Developed three thematic oak trail teaching trunks with touchable learning tools. These resources should be made available to local educators through the California Regional Environmental Education Community Network, Region 8.

This proposal requests funds to continue with the existing program and accomplish the following goals:

- To expand the use of the oak trail as a teaching tool to engage students and their families in hands-on, real world lessons in oak woodland ecology and ranch conservation practices. To make the program resources replicable and available to other schools and groups and to work with teachers to develop and pilot test a program adapted for special education students at Santa Margarita School.
- Work with the Land Conservancy of San Luis Obispo County staff to produce an accurate trail map, continue working with the California Conservation Corps to install numbered trail markers and unveil an online trail nature journal, including photos and discovery notes in school newsletter.
- Continue to improve and refine curriculum resources, including the three oak trail teaching trunks, and use regional agriculture and environmental education networks to make these available (on loan) to local educators; set-up trail nature displays in classrooms as a way for classes to share their most interesting discoveries. The nature displays will be portable and can be used to create oak trail mini-museum for school and community events.
- Host occasional “talk on the trail” events to bring ranching and non-ranching families together for informal discussions on a variety of conservation topics.

PART II – Oak Woodland Owner Outreach Working Among the Oaks

The second phase of the project will develop and provide educational and outreach efforts that demonstrate to private landowners of working landscapes the profitability of agriculture with the conservation of natural resources. A series of “tailgate” meetings will be held on local ranches. The “tailgate” meetings will be modeled after the award winning Central Coast Vineyard Team (CCVT), a grower group of individuals whose mission is to promote sustainable vineyard practices on the central coast of California.

The CCVT tailgate meetings were highly successful and drew good attendance because they were short in length (half day), were held at sites where growers could witness the sustainable practices being discussed, provided opportunities for grower-to-grower information exchanges and provided take home tips presented in a user-friendly format.

Following the CCVT tailgate model and philosophy of “bring knowledge or expertise to the ranch and demonstrate how to use it,” this proposal will provide eleven “tailgate” meetings designed to bring ranchers, growers and private land managers and developers together for a series of tailgate meetings targeted to demonstrate sustainable agriculture in oak woodlands. The series of “tailgate” meetings will provide growers and ranchers with information that, according to agriculturists and extension advisors, is useful and beneficial to growers and ranchers interested in preserving oak woodlands. The meetings will focus on the following:

- Habitat enhancement through agriculture;
- How to establish oaks;
- Managing oaks around the ranch and ranchettes;
- Monitoring and evaluation of natural resources;
- The benefits of biodiversity to agriculture; and
- Cost/Benefit ratios of oak woodland enhancement through agriculture.

In addition to the tailgate meetings, this proposal will allow for “Tailgate Presentations” at monthly meetings held by the Native Tree Committee of San Luis Obispo County. The purpose of the presentations is to keep participants aware of issues impacting working landscapes and oak woodland preservation practices and techniques beneficial to landowners and residents of San Luis Obispo County.

The final component of this proposal will be to measure the benefits of this education and outreach effort and the effectiveness of the teaching methods. Ranchers will be given an opportunity to evaluate and measure where they were with respect to being good stewards prior to the series of informational tailgate meetings and again after the meetings. The effectiveness of the tailgate meetings will be measured with a before and after evaluation tool designed to capture landowner reactions to the meetings.

Key collaborators in this project include the local farm advisor, university natural resource specialists, Department of Fish and Game biologists, NRCS Conservationists, San Luis Obispo County Planning Department and representatives from farming and ranching organizations.

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

PART I -- LEARNING AMONG THE OAKS

Salaries and Benefits

Staff Salaries (Program Assistant—SRA II)	\$34,818.00
Benefits (23%)	1,044.00
Naturalist Lessons	5,000.00
Trail Maintenance (California Conservation Corps)	6,000.00
Trail GPS Map Development	<u>400.00</u>
<u>Sub Total:</u> Salaries and Benefits:	<u>\$47,262.00</u>

Supplies and Expenses

Printing, laminating, training materials	4,500.00
Science materials	6,000.00
Transportation	<u>1,800.00</u>

<u>Sub Total:</u> Supplies and Expenses:	<u>\$12,300.00</u>
<u>Total:</u> Salaries, Benefits and Supplies, 3 years:	<u>\$59,562.00</u>

PART II -- WORKING AMONG THE OAKS

Salaries and Benefits

Staff Salaries (Program Assistant—SRA)	\$47,460.00
Benefits (23%)	<u>10,915.00</u>
<u>Sub Total:</u> Salaries and Benefits:	<u>\$58,375.00</u>

Supplies and Expenses

11 Workshops (advertising, reproduction and postage)	\$4,400.00
Speakers, travel and lodging (1 per workshop)	<u>4,400.00</u>
Sub Total: Supplies and Expenses:	\$8,800.00

<u>Total:</u> Salaries, Benefits and Supplies, 3 years:	<u>\$67,175.00</u>
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TOTAL GRANT REQUEST

Learning Among the Oaks:	\$59,562.00
Working Among the Oaks:	<u>67,175.00</u>
Sub Total:	\$126,737.00
UC Berkeley Overhead @ 10%	<u>12,674.00</u>
<u>Grant Total:</u> Salaries, Benefits and Supplies, 3 years:	<u>\$139,411.00</u>

Consistent with the provisions of the California Environmental Quality Act (CEQA) Guidelines, section 15061 (b)(3), this project is not subject to CEQA because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. The proposed funding source allows for education and outreach efforts on the conservation of oak woodland habitat, and is consistent with the proposed project.

As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Koch that the Wildlife Conservation Board approve this project as proposed; allocate \$139,411.00 from the California Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006, Section 75055 (d)(2), per the Oak Woodland Conservation Act; 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.

- *12. Burton Mesa Ecological Reserve, Expansion 1, \$469,000.00
Santa Barbara County

This proposal was to consider the acquisition of 20± acres as an addition to the Department of Fish and Game's (DFG) Burton Mesa Ecological Reserve (Reserve), in northern Santa Barbara County. The purposes of the project are for the protection of rare and threatened species that may occur on the parcels.

The 20± acres proposed for acquisition consist of three unimproved parcels situated at the intersection of Burton Mesa Boulevard and Harris Grade Road, in the community of Lompoc, approximately nine miles east of the Pacific Ocean. The three parcels are owned by the State of California and currently under the jurisdiction of the California Department of Transportation (Caltrans). The parcels are surplus to Caltrans' area plan and are proposed for jurisdictional transfer to the DFG.

With the exception of the Mesa Oaks residential development which adjoins one of the three parcels, the subject property is bound almost entirely by the Reserve. The Reserve, which consists of approximately 5,200 acres, is owned by the State of California, administered by the State Lands Commission, and managed by the DFG.

General topography consists of gentle to moderate sloping surfaces. The Reserve supports numerous sensitive animal species such as yellow warbler, Bell's sage sparrow, Cooper's hawk, Swainson's thrush, vernal pool fairy shrimp, California red-legged frog, California horned lizard, garter snake, western gray squirrel, fox and desert woodrat. The Reserve also supports high plant diversity. For example, the Reserve is approximately 90 percent covered in Burton Mesa chaparral, an extremely rare plant community type of Central Coast Maritime Chaparral. Several sensitive and declining species, including two rare manzanitas, occupy the property.

The subject sites are corner parcels zoned for residential purposes and situated within one mile of residential subdivisions. As such, the property is vulnerable to future development. Acquisition of these parcels will buffer the Reserve in this location from nearby encroaching development.

Public access is limited to walking trails only. Addition of these parcels would allow the DFG to better control access from the adjacent roads and prevent unauthorized access and uses in this area of the Reserve. The DFG proposes to manage the area primarily to preserve open space and significant habitat as part of the existing Reserve and at minimal additional expense.

Caltrans has agreed to transfer jurisdiction of the parcels to the DFG at the appraised value of \$459,000.00, as approved by the Department of General Services (DGS). It is estimated that an additional \$10,000.00 will be needed to cover project-related costs by the Wildlife Conservation Board (Board), including the DGS' appraisal review fees, bringing the total proposed allocation for this project to \$469,000.00. The proposed funding source allows for the acquisition,

protection and restoration of coastal watershed and adjacent lands located in Santa Barbara County, and is consistent with the proposed project.

The terms and conditions of the proposed grant agreement provide that staff of the Board will review and approve all proposed title documents, appraisals, preliminary title reports, documents for purchase and sale, escrow instructions and the instruments of conveyance prior to disbursement of funds directly into an escrow established for the property.

The proposed acquisition has been reviewed for compliance with the California Environmental Quality Act (CEQA) requirements and is proposed as exempt under CEQA Guidelines Section 15313, Class 13, as an acquisition of land for wildlife conservation purposes, and Section 15325, Class 25, as a transfer of an ownership interest in land to preserve open space. Subject to authorization by the Board, a Notice of Exemption will be filed with the State Clearinghouse.

As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Koch that the Wildlife Conservation Board approve this project as proposed; allocate \$469,000.00 from the Habitat Conservation Fund, (Proposition 117), Section 2786(b)(c) (P50 SoCal) for the acquisition and internal project-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.

- *13. Western Riverside County MSHCP, \$177,000.00
Expansions 4 and 5, Riverside County

This proposal was to consider the allocation for two grants to the Western Riverside County Regional Conservation Authority (Authority) to acquire two adjoining properties totaling 80± acres near the City of Lake Elsinore in Riverside County, and to consider the acceptance of a U.S. Fish and Wildlife Service grant and approval of two subgrants of the federal funds to the Authority to be applied toward the acquisitions. The purposes of this project are to protect threatened and endangered species, wildlife corridors and to further support joint state, federal and local Natural Community Conservation Planning efforts in western Riverside County including the County's Western Riverside Multiple Species Habitat Conservation Plan (MSHCP).

The subject properties are currently under private ownership. The topography is rolling to hilly. The vegetation consists of mixed grasslands and Riversidean sage scrub, with riparian corridors on the north and south boundaries. The land is undeveloped, except for several dirt access roads. There are no improvements on the properties.

Western Riverside County is one of the most ecologically important areas in the United States and arguably contains the most listed species of any region in

California. The area is currently occupied by many types of animals and plants from swallows to golden eagles, jackrabbits to bobcats and the threatened coastal California gnatcatcher, endangered Stephen's kangaroo rat, endangered least Bell's vireo, endangered Munz's onion and other sensitive species. All are habitat specialists, relying on grasslands, sage scrub and riparian plant communities, all of which are rapidly disappearing in southern California. Acquisition of properties in this area is important in a broader ecological context, providing east-west-south corridors for wildlife, and contributing to the genetic viability of a number of native species.

Western Riverside County has been experiencing unprecedented growth and rapid development. The amount of open space and natural lands is rapidly declining as these areas are converted to housing and commercial uses. These factors create an urgent need to conserve remaining available lands to support populations of native species and habitats and to ensure the recovery of listed species. Failure to acquire such property when it is available will result in a lost opportunity that may not come again as open lands become scarcer and more expensive.

These properties will be owned and managed by the Authority (a joint powers authority made up of the county and 14 cities) as a part of its mission of creating a habitat reserve system of 153,000 acres (of which over 39,000 acres have been conserved to date) to protect the 146 species covered by the MSHCP. The Authority produces an "Initial Management Evaluation and Recommendations Report" for each parcel of land they acquire, basing future public use on the conditions found at the individual sites. In general, educational and low impact recreational activities, such as hiking, horseback riding, photography and bird watching are encouraged at appropriate locations so long as they do not interfere with the basic preservation goals. Hunting and off-highway vehicle riding are not permitted on Authority property.

The fair market value of the two properties, as determined by appraisals approved by the Department of General Services (DGS), is \$1,408,500.00. Both sellers, however, have agreed to accept lower purchase prices as set forth below. The proposed funding breakdown is as follows:

	<u>Expansion 4</u>	<u>Expansion 5</u>	<u>Total</u>
USFWS			
Grant:	\$650,472.00	\$258,000.00	\$908,472.00
Board			
Grants:	\$99,518.00	\$67,000.00	\$166,518.00
<u>Total price:</u>	<u>\$750,000.00</u>	<u>\$325,000.00</u>	<u>\$1,075,000.00</u>

It is estimated that an additional \$10,482.00 will be needed to cover project-related costs including appraisal review fees by the DGS, bringing the total proposed allocation for this project to \$177,000.00. The proposed funding source allows for the acquisition or protection of habitat or habitat corridors that promote the recovery of threatened, endangered or fully protected species where

matching contributions of funds from other public agencies, private parties or nonprofit organizations are obtained, and is consistent with the purpose of this project.

The terms and conditions of the proposed grant agreements and agreements to subgrant provide that staff of the Board will review and approve all proposed title documents, appraisals, preliminary title reports, documents for purchase and sale, escrow instructions and the instruments of conveyance prior to disbursement of funds directly into an escrow accounts established for the purchase of the properties.

The Department of Fish and Game has reviewed this project and recommends approval of the acquisitions. The proposed project has been reviewed for compliance with the California Environmental Quality Act (CEQA) requirements and is proposed as exempt under CEQA Guidelines Section 15313, Class 13, as an acquisition of land for wildlife conservation purposes, and Section 15325, Class 25, as a transfer of an ownership interest in land to preserve open space. Subject to approval by the Board, a Notice of Exemption will be filed with the State Clearinghouse.

As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Koch that the Wildlife Conservation Board approve this project as proposed; accept the Habitat Conservation Planning Land Acquisition Grant from the U.S. Fish and Wildlife Service and approve two Agreements to Subgrant the federal funds in an amount totaling \$908,472.00 to the Western Riverside County Regional Conservation Authority; allocate \$177,000.00 from the Safe Neighborhood Parks, Clean Water, Clean Air, And Coastal Protection Bond Fund, (Proposition 12), Section 5096.350(a)(5) for two acquisition grants and internal project-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.

- *14. Whitewater Canyon, MacKenzie Ranch, \$410,000.00
Riverside County

This proposal was to consider an allocation for a grant to the Friends of the Desert Mountains (Friends) in a cooperative project with the Coachella Valley Mountains Conservancy (CVMC), the Resources Legacy Fund Foundation (RLFF) and the U.S Fish and Wildlife Service (USFWS) to acquire 260± acres to protect endangered species and wildlife corridors located in Riverside County. This proposal is also to consider the acceptance of two USFWS Recovery Land Acquisition grants and the approval of two subgrants of the federal funds to the Friends to be applied toward the acquisition.

The subject property consists of two larger parcels totaling 229± acres and 78 smaller parcels totaling 31± acres. The property is located about four miles north

of Interstate 10 and is bisected by Whitewater River Canyon Road. Whitewater Canyon is located in the "San Gorgonio Pass" about 12 miles east of Banning and about 10 miles west of Desert Hot Springs. The topography ranges from nearly flat adjacent to the Whitewater River to moderately sloping near the sides of the canyon. Residential development has been sporadic over the years and this acquisition as proposed by Friends will limit nearly all development in the canyon. This project is the last major acquisition within the canyon. Friends has an active acquisition program and has acquired nearly 700± acres in the canyon with the assistance of the CVMC, RLFF, USFWS and The Nature Conservancy.

Like the entire canyon, the property proposed for acquisition contains a variety of landscapes and habitats, primarily high quality riparian woodlands and upland desert scrub habitat for the endangered least Bell's vireo, southwestern willow flycatcher and the rare summer tanager. The threatened desert tortoise utilizes the upland portions of the property. The property is also historic habitat for the endangered southwestern arroyo toad and is potential habitat for the endangered triple-ribbed milkvetch. This acquisition will protect high quality riparian woodlands, the Whitewater River and a crucial wildlife movement corridor along the river for numerous species between the San Bernardino Mountains to the north and the San Jacinto Mountains to the south and east. The canyon is also an important fluvial sand transport for the Whitewater Floodplain Conservation Area located northeasterly of Palm Springs. The associated "blow sand" originating in the floodplain also provides sand dune habitat for the Coachella Valley fringe-toed lizard.

The Friends will retain ownership and management of the proposed acquisition. The Friends will manage the subject properties in conjunction with its other holdings in the area and in conjunction with the Bureau of Land Management and the Wildlands Conservancy, both of which have large ownerships in the area. The subject property is appropriate for public access and public uses including hiking, photography and bird watching. The subject property is also a potential route for a possible future realignment of the Pacific Crest National Scenic Trail.

The property owners have agreed to sell the properties to the Friends at the appraised value of \$2,731,404.00. The appraised value has been approved by the Department of General Services (DGS). The proposed project funding is as follows:

Coachella Valley Mountains Conservancy Grant	\$1,521,404.00
USFWS Grant	\$ 200,000.00
USFWS Grant	\$ 335,000.00
Resources Legacy Fund Foundation	\$ 275,000.00
Wildlife Conservation Board Grant	<u>\$ 400,000.00</u>
<u>TOTAL</u>	<u>\$2,731,404.00</u>

It is estimated that an additional \$10,000.00 will be needed for the appraisal review costs by the DGS, bringing the total proposed allocation for this project to \$410,000.00. The proposed funding source allows for the acquisition or protection of habitat or habitat corridors that promote the recovery of threatened, endangered or fully protected species where matching contributions of funds from other public agencies, private parties or nonprofit organizations are obtained, and is consistent with the purpose of the proposed project.

The terms and conditions of the proposed grants and subgrants require that Board staff review and approve all proposed title documents, appraisals, preliminary title reports, agreements for purchase and sale, escrow instructions and instruments of conveyance prior to disbursement of funds directly into the escrow accounts for the acquisitions.

The DFG has reviewed the project and recommends approval of the grant. The project has been reviewed for compliance with the California Environmental Quality Act (CEQA) requirements and is proposed as exempt under CEQA Guidelines Section 15313, Class 13, as an acquisition of land for fish and wildlife conservation purposes, and under Section 15325, Class 25, as a transfer of an ownership interest in land to preserve open space and habitat. Subject to approval by the Wildlife Conservation Board, a Notice of Exemption will be filed with the State Clearinghouse.

As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Koch that the Wildlife Conservation Board approve this project as proposed; accept two Recovery Land Acquisition Grants from the U.S. Fish and Wildlife Service in the amount of \$535,000.00 and approve an Agreement to Subgrant the federal grant funds to the Friends of the Desert Mountains; allocate \$410,000.00 from the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Fund, (Proposition 12), Section 5096.350(a)(5) for the grant and internal project-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.

- *15. Crestridge Preserve, South Crest, Expansion 3 \$250,000.00
San Diego County

This proposal was to consider the allocation for a grant to the Endangered Habitats League, Inc. (League) to acquire 29± acres in eastern San Diego County to protect threatened and endangered species and a key wildlife corridor, and to further joint federal, state and local Natural Community Conservation Planning efforts in San Diego including the San Diego County Multiple Species Conservation Plan (MSCP). This proposal is also to consider the acceptance of a Recovery Land Acquisition grant from the U. S. Fish and Wildlife Service (USFWS) and the approval of a subgrant of the federal funds to the League to be applied toward the acquisition.

The property includes moderately to steeply sloping, privately-owned vacant land located near the community of Crest, immediately east of the City of El Cajon. Primary access to this portion of San Diego County is by way of Interstate 8, the principal east/west freeway traversing the County. Residential development occurs on small lots in the immediate vicinity, and west of the project within the boundary of the City of El Cajon. The parcel includes a moderately sloping site with mountain views suitable for residential development.

A lot line adjustment to finalize the parcel at the contemplated size is pending. Upon Wildlife Conservation Board (Board) approval of funding, the landowners are prepared to submit lot line adjustment applications for final approval. Board funding would be contingent upon formal County approval of the lot line adjustment with recorded legal access to the parcel.

In 1999, the Board funded the Department of Fish and Game's (DFG) acquisition of the nearby 2,400± acre Crestridge Ecological Reserve, currently operated by the League. The DFG is in the process of taking the steps necessary to transfer the Ecological Reserve property to the League, and intends to retain a conservation easement. The Board has also granted funds to the League to acquire five nearby properties totaling nearly 500 acres.

Like the nearby Ecological Reserve, the proposed project property contains a variety of landscapes and habitats, primarily including coastal sage scrub habitat for the California gnatcatcher, and habitat for over 50 other sensitive and protected species. Further, the acquisition is located in a critical "biological core and linkage area" in the South County Subarea Plan of the County of San Diego's MSCP established pursuant to the Natural Community Conservation Planning Act. The acquisition would increase the protected block of biologically diverse habitat, augmenting habitat corridors between lands south of Interstate 8 and those to the north, including the USFWS's San Diego National Wildlife Refuge and the Cleveland National Forest.

The League would accept ownership and management of the proposed acquisition. Ultimately, the League intends to transfer the property, along with other holdings, to the Endangered Habitats Conservancy (Conservancy) for perpetual management. The proposed grant agreement provides for subsequent transfer of the property to the Conservancy, with the Conservancy assuming all obligations under the grant agreement. The League (ultimately Conservancy) would manage the subject properties in conjunction with the existing Ecological Reserve and other nearby acquisitions. Compatible public uses include hiking, photography, bird watching and the League's unique on-site educational program, which assists in development of standards-based multidisciplinary programs combining science, technology, art, history and language arts.

The property owners have agreed to sell the property to the League at the appraised value of \$475,000.00. The appraised value has been approved by the Department of General Services (DGS). The proposed funding breakdown is as follows:

Appraised Value	\$475,000.00
USFWS Grant	\$235,000.00
Board Grant	<u>\$240,000.00</u>
<u>TOTAL:</u>	<u>\$475,000.00</u>

It is estimated that an additional \$10,000.00 will be needed for the appraisal review costs by the DGS, bringing the total recommended allocation for this project to \$250,000.00. The proposed funding source allows for the acquisition of real property to implement or assist in the development of a Natural Community Conservation Plan, and is consistent with the purpose of this project.

The terms and conditions of the proposed grant and subgrant require that Board staff review and approve all proposed title documents, appraisals, preliminary title reports, agreements for purchase and sale, escrow instructions and instruments of conveyance prior to disbursement of funds directly into the escrow account for the acquisition.

The DFG has reviewed the project and recommends approval of the grant. The project has been reviewed for compliance with the California Environmental Quality Act (CEQA) requirements and is proposed as exempt under CEQA Guidelines Section 15313, Class 13, as an acquisition of land for fish and wildlife conservation purposes, and under Section 15325, Class 25, as a transfer of an ownership interest in land to preserve open space and habitat. Subject to approval by the Board, a Notice of Exemption will be filed with the State Clearinghouse.

As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Koch that the Wildlife Conservation Board approve this project as proposed; accept the Recovery Land Acquisition Grant from the U. S. Fish and Wildlife Service in the amount of \$235,000.00, and approve an Agreement to Subgrant the federal grant funds to the Endangered Habitats League; allocate \$250,000.00 from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006, (Proposition 84), Section 75055(c) for the grant and internal project-related 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.

- *16. The Environmental Trust Bankruptcy, Multiple Southern California Counties \$30,000.00

This proposal was to consider authorization for the Department of Fish and Game (Department) to accept properties and proportionate endowment payments in connection with the bankruptcy, winding up and liquidation of The Environmental Trust (TET). This phase of the project is a cooperative effort involving the

Department, the United States Fish and Wildlife Service (USFWS), the City of San Diego (City), the County of San Diego (County), and other government and non-profit entities to facilitate the successful implementation of TET's Liquidating Plan of Reorganization (Plan) confirmed by the United States Bankruptcy Court.

TET is a nonprofit corporation organized in 1990 to acquire, maintain and monitor environmentally threatened and sensitive real property and engage in environmental land mitigation and credit sales. On March 23, 2005, TET filed its Chapter 11 bankruptcy petition. At the time of its bankruptcy filing, TET's real property assets consisted of approximately 127 properties (\pm 3,600 acres) held in fee title or conservation easement (Conserved Property). TET acquired most of the Conserved Property in connection with mitigation obligations of private third parties under federal, State or local requirements.

After notice and hearing held on September 8, 2005, and, at TET's request, the Court determined that the Disclosure Statement filed with the Court adequately described what the Plan envisioned. The Court confirmed the Plan on July 6, 2006. The confirmed Plan provides for transfers of the Conserved Property and proportionate endowment payments to non-profit organizations, State or local government entities in an effort to ensure protection of the habitat and open space on the lands. The properties currently being considered for acceptance by the Department are located primarily in San Diego County. Other counties containing properties covered by the Plan are Imperial, Kern, Riverside and San Bernardino.

The confirmed Plan provides for TET's liquidation and complete cessation of business and operations. It is the operative legal document that determines the rights and duties of the parties, including TET, creditors and parties in interest. In its Disclosure Statement describing the Plan, TET stated that it believes that most of its real property assets have no marketable value due to their environmentally sensitive habitat and/or title conditions.

TET has offered options to the Conserved Property to non-profit organizations and/or governmental agencies, together with a proportionate amount of TET's remaining endowment funds, subject to certain maintenance, monitoring and management obligations (e.g., weed abatement, re-vegetation, restoration, fencing, patrolling and elimination of exotic species). Up until year-end 2000 TET used approximately 20 percent of the endowment monies it received to meet its general overhead and operating obligations. As a result, the endowment funds available to be distributed with the Conserved Property are insufficient to pay for all of TET's contractual obligations for maintenance, monitoring and management. For those properties that DFG accepts, the confirmed Plan provides for the assumption of TET's maintenance, monitoring and management obligations only to the extent the endowment and any other means of funding for such purpose is available.

This proposal is to request authorization for the Department to proceed with the acceptance of Conserved Property pursuant to the Plan. Staff will report back to the Board with information concerning specific properties as they are accepted by

the Department. The informational item will include the location, acreage, property interest, proportionate endowment payment received and costs associated with each property acquired.

The project has been reviewed for compliance with the California Environmental Quality Act (CEQA) requirements and is proposed as exempt under CEQA Guidelines Section 15313, Class 13, as acquisitions of land for wildlife conservation purposes, and under Section 15325, Class 25, as transfers of ownership interests in land to preserve open space. A Notice of Exemption will be filed with the State Clearinghouse for each acquisition.

The proposed funding source allows for the acquisition and protection of habitat that promotes the recovery of threatened and endangered species, and ecosystems such as riparian and wetland areas.

As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Koch that the Wildlife Conservation Board authorize the Department of Fish and Game to accept interests in Conserved Property and proportionate endowment payments pursuant to the confirmed Plan; direct staff to report back to the Wildlife Conservation Board with specific project information as properties or property interests are acquired; allocate \$30,000.00 from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection fund of 2006, (Proposition 84), Section 75055(b), for the project-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.

17. Habitat Restoration, Mill Creek Watershed, Phase II, \$2,869,000.00
Del Norte County

This proposal was to consider the allocation for a grant to the Smith River Alliance (Grantee) for a partnership project with the Department of Fish and Game (DFG), National Park Service (NPS), State Coastal Conservancy (SCC), and the Department of Parks and Recreation (DPR) to restore and enhance wildlife habitat within the Del Norte Coast Redwoods State Park. The project area is referred to as the Mill Creek property, located approximately 6 miles southeast of Crescent City, adjacent to Jedediah Smith Redwoods State Park and Redwood National Park. Mr. Tony Chappelle of the Wildlife Conservation Board briefly described the project and its location.

The Mill Creek property is a 25,000 acre temperate rain forest located on California's North Coast. Characterized by steep mountainous terrain typical of the Coast Range, the property primarily includes the Mill Creek and Rock Creek watersheds which are both critical salmon bearing streams and tributaries to the Wild and Scenic Smith River. Once home to vast stands of ancient redwoods, the property was identified as a priority area for protection by Save-the-Redwoods

League in the 1920's. However, the property was intensively managed for commercial timber harvest from the 1950's to 2000. Much of the forest's natural diversity was lost as a result of commercial harvest of nearly all of property's ancient trees, replaced by tightly spaced young trees planted for future harvest. In addition, logging often occurred down to the water's edge, degrading the riparian environment and its associated stream system. Miles of roads were built to facilitate timber harvest.

In 2002 a coalition of public and private partners, including the Grantee, Save the Redwoods League (SRL), Wildlife Conservation Board (Board), DFG, SCC and California Trout purchased the Mill Creek property with the goal of restoring it and adding it to the Del Norte Coast Redwoods State Park. At the time of acquisition, the property was transferred to DPR for permanent protection. Acquisition of the property was a crucial first step in protecting the land and its habitats. It was realized at the time though, that extensive restoration work would be essential to the area's long-term protection.

The goal of ecosystem rehabilitation is to promote self-maintaining ecosystem processes by reducing the footprint of past land use activities and promoting the development of old-forest characteristics. Achieving this goal will optimize benefits to indigenous fish and wildlife habitat, while providing opportunities for compatible public park use, research and education. The vision is to restore the Mill Creek property to its natural state, with large old-growth trees and fish filled streams flowing through a diverse landscape. In time, the natural balance of the forest will be restored. Replicable best practices will be defined for the restoration of other former industrial forestlands statewide where clear-cutting and other high-impact practices were implemented.

The Mill Creek property offers a premier opportunity to combine cutting-edge forest restoration with the restoration of fish and wildlife habitat, providing protection and opportunity for recovery of critically important salmon and steelhead populations, including the federally threatened coho salmon. Recognizing the need to implement a coordinated ecological restoration program over several years, SRL and SCC sponsored development of Interim Management Recommendations (IMR) to guide emergency restoration activities to be undertaken until a long-term integrated ecological restoration plan is developed. The IMR identified road decommissioning and management as one of three major categories of emergency activities needing immediate attention. DPR then completed a road inventory identifying the roads, stream crossings and landings with a high probability of delivering sediment to streams thus impairing salmonid habitat and water quality.

Through road decommissioning and erosion control, along with aquatic and terrestrial ecosystem enhancements and monitoring, the first phase of this project, funded by WCB in 2004, began the process of protecting and promoting the conservation values at Mill Creek. So far 37 miles of logging roads have been removed, 1600 acres of previously logged and replanted forest land have been thinned to achieve greater growth rates and more natural stand density and composition, 15 in-stream large woody debris structures have been installed, a

native plant nursery at the former mill site has been built, and 4 acres of riparian conifers have been reestablished in alder dominated areas. It was understood at the time of the award of this first grant that further work would need to be done. In general, the second phase of the project will continue the road removal work of the first phase. Specifically, an additional 22 miles of roads will be removed including removal and revegetation of 94 stream crossings, 69 landings and 46 landslide sites. Two culverted road crossings will be also be removed on Kelly Creek, a tributary to the East Fork of Mill Creek to facilitate fish passage on this stream.

The proposed funding breakdown for this project is as follows:

Wildlife Conservation Board	\$2,869,000.00
Department of Fish and Game	800,000.00
National Park Service	500,000.00
State Coastal Conservancy	491,540.00
Department of Parks and Recreation	471,000.00
<u>TOTAL AVAILABLE FUNDING</u>	<u>\$5,131,540.00</u>

Project costs will be for road removal; erosion control and revegetation; and project administration.

The proposed funding source for this project is the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Prop. 40) under the California Riparian Habitat Conservation Program. This source provides funding for the protection, restoration or enhancement of habitat that promotes the recovery of threatened and endangered species and is consistent with the objectives of this project. The DFG has reviewed this proposal and recommends it for funding by the WCB. DPR, as lead agency, has prepared a Negative Declaration for the project pursuant to the provisions of the California Environmental Quality Act (CEQA). Staff has considered the Negative Declaration and has prepared proposed, written findings documenting Board's compliance with CEQA. DPR has agreed to manage and maintain the property for twenty-five years, pursuant to the terms and conditions of the Grant Agreement Management Plan.

Mr. Chappelle introduced Mr. Grant Werschull, Executive Director of the Smith River Alliance, who was in the audience and available to answer questions. Mr. Werschull thanked the project's partners, especially the Department of Fish and Game, the Wildlife Conservation Board and Save-the-Redwoods League for their help with the project.

Mr. Donnelly reported that several letters of support were received for this project from the following people: Mr. David Finigan, Chair, Del Norte County Board of Supervisors; Mr. Steve W. Chaney, Superintendent, Redwood National Park; Mr. Ruskin K. Hartley, Executive Director, Save-the-Redwoods League; Mr. Thomas J. Weseloh, Northcoast Manager, California Trout; Ms. Karyn Gear, California State Coastal Conservancy.

It was moved by Ms. Finn that the Wildlife Conservation Board adopt the written findings and approve this project as proposed; allocate \$2,869,000.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Proposition 40), Section 5096.650; 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.

18. Honey Lake Wildlife Area Pipeline, \$308,000.00
Lassen County

This proposal was to consider the allocation for a grant to Ducks Unlimited, Inc., for a cooperative project with the Department of Fish and Game (DFG), to install approximately 8,030 feet of pipeline to improve water delivery to 240± acres of uplands and 140± acres of wetland habitat on the Fleming Unit of the Department of Fish and Game's (DFG) Honey Lake Wildlife Area (Wildlife Area), in Lassen County. Mr. Peter Perrine of Wildlife Conservation Board briefly described the project and its location.

The DFG first acquired an interest on the shores of Honey Lake in 1942 with an acquisition to provide nesting and brood habitat for resident waterfowl. Since then, the Wildlife Conservation Board (Board) has been active in the area, acquiring an additional 7,840 acres for the Wildlife Area between 1970 and 1998, and assisting with habitat restorations. While the primary purpose of the Wildlife Area was to provide waterfowl habitat, that purpose has been expanded to include upland and riparian habitats, and wildlife-friendly agricultural practices that benefit a variety of species.

The Wildlife Area is located on the delta of the Susan River and receives surface water from the braided channels of that river. Specifically, the Fleming Unit is fed by water from the main channel of the Susan River and from Tanner Slough. The unit also receives agricultural tailwater from adjoining agricultural lands and can be supplied with groundwater from several wells on site. Even with these diverse water sources, in most years water is very limited; the DFG's management plan cites water as the major limiting factor for the development and operation of the Wildlife Area. Most of the adjudicated water rights are only available from early March to mid June, requiring the DFG to use expensive well water during most of the rest of the year.

To maximize the use of the available water, this project will add to an earlier project, approved for funding by the Board in 2002 and 2005, which rehabilitated nearly 18 miles of water conveyance system, restored seasonal wetlands and rehabilitated uplands and agricultural lands managed for wildlife. The pipeline constructed with this project will connect to pipelines installed from the earlier project, supplying water efficiently and reliably to an additional 140± acres of seasonal wetlands and 240± acres of uplands.

The Honey Lake valley, including the Wildlife Area, provides critical habitat for many species of wetland, riparian and upland grassland dependent species, both migratory and resident. The new pipeline will allow the DFG to manage the Wildlife Area to provide improved breeding habitat for northern pintails, mallards, pheasants and meadowlarks. In the fall, thousands of migrating birds that stop in the valley, will also benefit from the project, including American widgeon, gadwall, white-fronted geese, dowitchers and sandpipers. Antelope also frequent the agricultural and upland areas on the Wildlife Area all year long. Special status species expected to benefit include the white faced ibis and sandhill cranes, both of which frequently forage on site.

The proposed funding breakdown for the project is as follows:

Wildlife Conservation Board	\$308,000.00
Department of Fish and Game	33,270.00
Ducks Unlimited (In-kind)	12,442.00
<u>TOTAL AVAILABLE FUNDING</u>	<u>\$353,712.00</u>

Project costs will be for pipeline and valves; preparation and seeding of upland fields; and project design, construction supervision and administration.

The proposed funding source for this project is the Habitat Conservation Fund, Section 2786 (d) – Other Wetlands, which provides funding for the protection, restoration or enhancement of wetland and associated upland habitat outside the Central Valley and is consistent with the objectives of this project. The DFG has reviewed this proposal and recommends it for funding by the Board. The 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. Subject to approval by the Board, the appropriate Notice of Exemption will be filed with the State Clearinghouse.

Mr. Perrine introduced Mr. John Ranlett, Regional Biologist of Ducks Unlimited, Inc., and Ms. Karen Kovacs of the Department of Fish and Game, who were in audience and available to answer questions.

Ms. Finn asked to confirm that the pipeline and water distribution will only benefit State property, not any neighboring property. Mr. Perrine confirmed.

It was moved by Mr. Koch that the Wildlife Conservation Board approve this project as proposed; allocate \$308,000.00 from the Habitat Conservation Fund (Section 2786 (d), Wetlands Outside the Central Valley); 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. Daugherty Hill Wildlife Area, Expansion 11, \$610,000.00
Butte County

This proposal was to consider the acquisition of a conservation easement over a 582± acre privately-owned property to protect deer winter range for the Bucks Mountain/Mooretown deer herd, native oak woodlands and pine forest located near the Sierra foothill communities of Bangor and Rackerby, in Butte County. Mr. Pat Dyas of Wildlife Conservation Board briefly described the project and its location.

The property is located in the South Honcut Creek watershed, north of Robinson Mill Road near the Butte/Yuba County Line. The project area is about seven miles northeast of the community of Bangor and about three miles northwest of the smaller community of Rackerby. The conservation easement parcel is rolling to steep ground covered in chaparral, mixed oak and pine forest, with some large open pastures near the eastern boundary of the property. There are several branches of a perennial tributary to South Honcut Creek that flow through the property, creating an extensive riparian zone. The property is located in the same watershed and only a few miles from the area managed by the Department of Fish and Game (DFG) referred to as the Daugherty Hill Wildlife Area.

This Sierra foothill zone habitat provides excellent and essential deer winter range which, over the last decade, has been rapidly subdivided and developed. Purchasing the proposed conservation easement will be of significant benefit in further protecting the Bucks Mountain/Mooretown deer herd. This habitat also supports a wide variety of wildlife including foothill yellow-legged frogs, wild turkey, mountain lion and bear. Honcut Creek contains runs of fall to late fall Chinook salmon and Central Valley steelhead.

The DFG will be the holder of the conservation easement and will monitor the conservation easement in conjunction with management of its Daugherty Hill Wildlife Area. An annual management plan will be developed in conjunction with the owner of the property. The easement provides for the continuation of agricultural use through grazing. The easement also allows the continuation of private, recreational uses such as hunting and fishing. As this property will remain privately-owned, public access will not be permitted. The DFG will reserve the right to make periodic visits in order to determine that the conditions of the easement are being honored.

The property owner has agreed to sell the conservation easement to the State at the Department of General Services (DGS) approved appraised value of \$585,000.00. It is estimated that an additional \$25,000.00 will be needed for project-related expenses, including DGS' review costs, escrow fees and closing costs, bringing the total proposed allocation for this project to \$610,000.00. The proposed funding source allows for the acquisition of habitat, including native oak woodlands, necessary to protect deer and mountain lions, and is consistent with the purpose of this project.

The proposed acquisition has been reviewed for compliance with the California Environmental Quality Act (CEQA) requirements and is proposed as a categorical exemption under CEQA Guidelines Section 15313, Class 13, as an acquisition of lands for fish and wildlife conservation purposes, and Section 15325, Class 25, as a transfer of an ownership interest in land to preserve open space. Subject to approval by the Wildlife Conservation Board (Board), a Notice of Exemption will be filed with the State Clearinghouse.

Mr. Koch asked if there were any questions about this project. There were none.

It was moved by Mr. Koch that the Wildlife Conservation Board approve the acquisition of the conservation easement as proposed; allocate \$610,000.00 from the Habitat Conservation Fund, (Proposition 117), Section (a) for the acquisition and project-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.

20. Daugherty Hill Wildlife Area, Expansion 12, \$935,000.00
Yuba County

This proposal was to consider the acquisition of 529± acres as an addition to the Department of Fish and Game's (DFG) Daugherty Hill Wildlife Area (Wildlife Area). A cooperative project with the Trust for Public Land (TPL) and the Sierra Nevada Conservancy (SNC), the acquisition project will protect oak woodlands habitat and deer winter range in the Sierra Foothills, in northeastern Yuba County. Mr. Pat Dyas of Wildlife Conservation Board briefly described the project and its location.

Mr. Dyas introduced Ms. Sandy Morey, Regional Manager, and Mr. Paul Raquel, Senior Biologist Supervisor, both from Region 2, Department of Fish and Game, who were in audience and available to answer questions.

The project area is located just below the Collins Lake dam off Marysville Road, approximately thirteen miles north of its intersection with State Highway 20, at Brown's Valley. The acquisition property consists of rolling to steep ground covered in mixed oak and gray pine forest, oak grasslands, chaparral and approximately one mile of frontage on Dry Creek, a major foothill tributary of the Yuba River. The property is located adjacent to the DFG's 2,638± acre Daugherty Hill Unit of the Wildlife Area and to the 5,721± acre University of California Foothill Research and Extension Center.

This Sierra Foothill zone habitat provides excellent and essential deer winter range which, over the last decade, has been rapidly subdivided and developed. The acquisition will be of significant benefit in protecting the Bucks Mountain/Mooretown migratory deer herd. This habitat also supports a wide variety of wildlife including foothill yellow-legged frogs, wild turkey, quail,

mountain lion and bobcat. Bald eagles nest at nearby Collins Lake. Dry Creek provides trout and warm water fishing opportunities. This acquisition will also enlarge and protect the wildlife corridor that extends from the Richards Ranch and the University of California properties to the south, and the Wildlife Area and the Justeson Ranch and Sugarloaf Ranch conservation easements to the north.

The DFG will be the owner in fee simple and will add this property to its adjacent Wildlife Area. It is anticipated by regional staff that nominal costs would be associated with perimeter fencing and signage. Given the property's location adjacent to lands currently managed by the DFG as part of the Wildlife Area, additional management costs for staffing will not be required. Public access to the Wildlife Area is currently provided for low-impact recreational activities, including hunting, fishing, hiking, bird watching and photography. In addition, bicycling and equestrian use are allowed during summer months.

The TPL has secured a purchase and sale agreement for this property from the current owner and will close the purchase on or before December 31, 2008, using a \$925,750.00 grant from the SNC and \$924,500.00 of their own funds. Following approval by the Board and review and approval of the transaction by the Department of General Services (DGS), the TPL will transfer title to the State for management by the DFG. The current owner has agreed to sell the property for \$1,850,000.00, the fair market value as determined by an appraisal approved by the DGS. The TPL will transfer title to the State for \$924,250.00, TPL's funding contribution to acquire the property. It is estimated that an additional \$10,750.00 will be needed to cover project-related expenses, including DGS' review costs, escrow fees and closing costs, bringing the total proposed allocation for this project to \$935,000.00. The proposed funding source allows for the acquisition of habitat, including native oak woodlands, necessary to protect deer and mountain lions, and is consistent with the purpose of this project.

The proposed acquisition is exempt from the California Environmental Quality Act (CEQA) requirements and is proposed as a categorical exemption under CEQA Guidelines Section 15313, Class 13, as an acquisition of lands for fish and wildlife conservation purposes, and Section 15325, Class 25, as a transfer of an ownership interest in land to preserve open space. Subject to approval by the Wildlife Conservation Board, a Notice of Exemption will be filed with the State Clearinghouse.

Mr. Dyas introduced Mr. Dan Martin, Program Manager of The Trust for Public Land, who was in the audience and available to answer questions.

Mr. Koch asked if there were any questions about this project. There were none.

It was moved by Ms. Finn that the Wildlife Conservation Board approve the acquisition as proposed; allocate \$935,000.00 from the Habitat Conservation Fund, (Proposition 117), Section 2786(a) for the acquisition and internal project-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.

21. Truckee Basin (Perazzo Meadows), \$765,000.00
Sierra County

This proposal was to consider the allocation for a grant to the Truckee Donner Land Trust (Trust) for a cooperative project with the Trust for Public Land, the State Water Resources Quality Regional Control Board, the California Resources Agency and the California Transportation Commission to acquire 982± acres, west of Highway 89, in Sierra County. The purposes of this project are to protect riparian habitat and a critical fawning area and summer range, and migration corridors for the mule deer of the Loyalton-Truckee deer herd. Ms. Carol Klein of Wildlife Conservation Board briefly described the project and its location.

Perazzo Meadows is a privately-owned, unimproved property situated within the eastern slopes of the Sierra Nevada mountain range. Historic uses are grazing and timber production. The property is located on both sides of Henness Pass Road, approximately three miles west of Highway 89, in unincorporated Sierra County. The Little Truckee River passes through the northern portion of the property in an east-west direction. Topography ranges from nearly level along the river, to gently and moderately sloping to the south and north of the river. The property consists of riparian, meadow and mixed conifer habitats.

Water courses are occupied by rainbow, brown and brook trout. Perazzo Meadows supports the largest breeding populations of the State-endangered willow flycatcher in the Sierra Nevada. The property supports numerous native birds and is a critical fawning area for the Loyalton-Truckee deer herd. Much of the critical summer range for this herd has been developed as the town of Truckee expands. These deer are also pressured on their winter range as the town of Reno expands toward the California border and development compromises deer migration corridors.

The Wildlife Conservation Board (Board) has supported significant investment in the area and protected 741± acres for the Truckee River Wildlife Area, 1,481± acres known as Waddle Ranch, 4,011± acres for the Truckee River Canyon Wildlife Area, and 1,350± acres known as Gray Creek Canyon. While Perazzo Meadows is not adjacent to the Truckee River wildlife areas, the property is connected to large tracts of U.S. Forest Service land and is part of an overall objective to protect critical habitat and migration corridors in the greater Truckee Basin.

The property owners have agreed to sell the property to the Trust for the Department of General Services (DGS) approved, appraised value of \$3,704,696.00. The proposed funding breakdown for the project is as follows:

Wildlife Conservation Board \$ 754,696.00

State Water Resources Regional Quality Control Board	\$1,500,000.00
California Resources Agency	\$1,100,000.00
California Transportation Commission	<u>\$ 350,000.00</u>
<u>TOTAL:</u>	<u>\$3,704,696.00</u>

It is estimated that an additional \$10,304.00 will be needed to cover project-related costs by the Board, including the DGS' appraisal review fees, bringing the total proposed allocation for this project to \$765,000.00. The proposed funding source allows for the acquisition of habitat, including native oak woodlands, necessary to protect deer and mountain lions, and is consistent with the purpose of this project.

The terms and conditions of the proposed grant agreement provide that staff of the Board will review and approve all proposed title documents, appraisals, preliminary title reports, documents for purchase and sale, escrow instructions and the instruments of conveyance prior to disbursement of funds directly into an escrow established for the property.

The Department of Fish and Game has reviewed this project and recommends approval of the acquisition. The proposed acquisition has been reviewed for compliance with the California Environmental Quality Act (CEQA) requirements and is proposed as exempt under CEQA Guidelines Section 15313, Class 13, as an acquisition of land for wildlife conservation purposes, and Section 15325, Class 25, as a transfer of an ownership interest in land to preserve open space. Subject to authorization by the Board, a Notice of Exemption will be filed with the State Clearinghouse.

Ms. Klein introduced Mr. Perry Norris, Executive Director of the Truckee Donner Land Trust, and Mr. Dan Martin, Project Manager, Trust for Public Land, who were in the audience and available to answer questions.

Ms. Finn had a question if there is going to be a public access to that property. Mr. Norris answered that the property will be open to the public.

It was moved by Mr. Koch that the Wildlife Conservation Board approve this project as proposed; allocate \$765,000.00 from the Habitat Conservation Fund, (Proposition 117), Section 2786(a) for the grant and internal project-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.

22. Elkhorn Basin Ranch, \$3,780,000.00
Yolo County

This proposal was to consider the allocation for a grant to the Yolo Land Trust (Land Trust) for a cooperative project with the Department of Water Resources, Sacramento Valley Conservancy, the Sacramento Area Flood Control Agency, Resources Legacy Fund Foundation and the Packard Foundation to acquire three properties totaling 685± acres located between the Sacramento River and the Yolo Bypass, southeast of Woodland, in Yolo County. The purposes of the project are to protect riparian habitat and agriculture land to support threatened and endangered species and species of special concern, and to connect large tracts of land situated between the river and the bypass. Mr. Bill Gallup of Wildlife Conservation Board briefly described the project and its location.

Elkhorn Basin Ranch is located on County Road 117 about 12 miles south of Woodland and 10 miles north of Sacramento along the Sacramento River. It lies on the west side of the river across from Natomas Basin and the Sacramento International Airport and provides a unique opportunity to secure a large, intact property of permanent habitat, agriculture and open space in a rural floodplain corridor. This acquisition will connect a swath of land tens of thousands of acres along and adjacent to the Yolo Bypass and the Sacramento River, providing a mix of habitat types and agriculture uses serving many species. The acquisition will immediately prevent the current possibility of additional riverfront homes and urbanization in an area that is needed for open space and regional flood protection. The subject property is one of the last privately-owned and available properties in the corridor that stretches from Yolo Bypass Wildlife Area through Conaway Ranch, Elkhorn Basin Ranch, Sacramento River Ranch, all the way north to Fremont Weir Wildlife Area, a distance estimated at over 20 miles.

The subject properties total 685± acres and consist of three separate ranch areas in close proximity under the same ownership. The subject topography is flat and a Reclamation District levee provides protection from the Sacramento River on the east. There is also a levee along the westerly boundary to provide protection when the Yolo Bypass is being used for flood protection. A significant "shelf" of land is located on the Sacramento River side of the levee with significant riparian habitat. The old "Tule Canal" is located on the west side of the Yolo Bypass levee and there is also a drainage canal along the east side of the Yolo Bypass levee. Portions of the subject properties are currently in agricultural production, including walnut groves of various ages and open areas planted with annual row crops. The subject agricultural land and riparian forest is known habitat for endangered, threatened and species of special concern such as the giant garter snake, western burrowing owl, white-faced Ibis, northwestern pond turtle and the loggerhead shrike.

The Land Trust will retain ownership and management of the proposed acquisition and will manage the subject properties in cooperation with other public and privately-owned properties in the area, and in conjunction with the Department of Fish and Game. Public access and public uses would be allowed on those areas of the subject property on the river side of the levee and would

include hiking, photography, bird watching, picnicking and kayak/canoe boat launch.

The property owners have agreed to sell the properties to the Land Trust at the appraised value of \$3,765,000.00. The appraised value has been approved by the Department of General Services (DGS). It is estimated that an additional \$15,000.00 will be needed for the appraisal review costs by the DGS, bringing the total proposed allocation for this project to \$3,780,000.00. The proposed funding source allows for the acquisition and/or restoration of habitats that are critical to the sustainability of federal or state listed threatened or endangered species, or species of special concern, and is consistent with the purpose of this project.

The terms and conditions of the proposed grant require that Board staff review and approve all proposed title documents, appraisals, preliminary title reports, agreements for purchase and sale, escrow instructions and instruments of conveyance prior to disbursement of funds directly into the escrow accounts established for acquisition of the properties.

The DFG has reviewed the project and recommends approval of the grant. The project has been reviewed for compliance with the California Environmental Quality Act (CEQA) requirements and is proposed as exempt under CEQA Guidelines Section 15313, Class 13, as an acquisition of land for fish and wildlife conservation purposes, and under Section 15325, Class 25, as a transfer of an ownership interest in land to preserve open space and habitat. Subject to approval by the Board, a Notice of Exemption will be filed with the State Clearinghouse.

Mr. Gallup introduced Ms. Debbie North, Conservation Director of Yolo Land Trust, and Ms. Aimee Rutledge, Executive Director of Sacramento Valley Conservancy, who were in the audience and available to answer questions.

It was moved by Ms. Finn that the Wildlife Conservation Board approve this project as proposed; allocate \$3,780,000.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks Coastal Protection Fund, (Proposition 40), Section 5096.650, for the grant and internal project-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.

23. Dry Creek Oak Woodland Corridor, \$295,000.00
Yolo County

This proposal was to consider the allocation for a grant to the National Audubon Society, Inc. d/b/a Audubon California for a cooperative project with the Department of Fish and Game (DFG), City of Winters, U.S. Fish and Wildlife Service, National Fish and Wildlife Foundation, University of California, Davis,

Natural Resources Conservation Service, Lower Putah Creek Coordination Committee, Center for Land Based Learning, and private landowners to restore 5.6 miles of riparian habitat and restore native vegetation, improve connectivity between ecosystems, reduce sedimentation and streambank erosion, and improve water quality for anadromous fish, native vegetation along located on public and private lands along East Fork Dry Creek and West Fork Dry Creek, near the City of Winters, in Yolo County. Mr. Chad Fien of Wildlife Conservation Board briefly described the project and its location.

The properties are all within the greater Putah-Cache Creek Watershed. The project is a continuation of the Bobcat to Blue Oak restoration project previously funded by the Wildlife Conservation Board (WCB), Natural Resources Conservation Service, and the U.S. Fish and Wildlife Service. The project will provide connectivity from the 750,000 acre Blue-Ridge Berryessa Natural Area in the coastal range foothills to Putah Creek on the valley floor. Audubon-California has worked with local landowners to implement habitat restoration projects on farms and ranches throughout the region. The project will provide conservation resources to accomplish the long-term goals of reestablishing the ecological connection between Putah Creek and its tributaries and establish a viable wildlife corridor managed by local landowners.

The project sites will provide habitat for several species of birds, amphibians, reptiles, and mammals; create or enhance wildlife corridors, improve soil stabilization and water quality, and improve habitat for aquatic invertebrates and habitat for spawning anadromous fish. Specifically, some of the wildlife species and habitats that will benefit include: Chinook salmon, rainbow trout, California pikeminnow, Sacramento blackfish, Swainson's hawk, Lewis's woodpecker, yellow warbler, Cooper's hawk, Nuttall's Woodpecker, sharp-shinned hawk, white-tailed kite, oak titmouse, yellow-billed magpie, badger, black-tailed deer, bobcat, western pond turtle, blue oak, valley oak, live oak, and habitat for red-legged frog, California tiger salamander, and valley elderberry longhorn beetle.

The project involves seven separate landowners. The existing and adjoining land uses include grazing, orchards, and fallowed ground. The landowners have agreed to manage and maintain the properties for 25 years, pursuant to the terms and conditions of a 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.

The proposed funding breakdown for the project is as follows:

Wildlife Conservation Board	\$295,000.00
DFG's Landowner Incentive Program	163,500.00
Natural Resources Conservation Service	38,872.00
National Fish and Wildlife Foundation	40,000.00
U.S. Fish and Wildlife Service	19,565.00

City of Winters	85,000.00
U.C. Davis	5,000.00
Center for Land-Based Learning	7,500.00
Lower Putah Creek Coordinating Committee	10,000.00
Landowners	96,000.00
<u>TOTAL AVAILABLE FUNDING</u>	<u>\$760,437.00</u>

Project costs will be for site preparation; erosion control; tree planting; caging and fencing; irrigation system; plant establishment; and project design, construction supervision, and administration. Funding for some of the long-term maintenance of the property will be provided by DFG's Landowner Incentive Program, a program that provides annual payment to private landowners to help cover the costs of maintaining habitat areas on their properties.

The proposed funding sources for this project are the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund, (Proposition 84), Section 75055(d)(4) and the Habitat Conservation Fund, Section 2786 (e/f). This funding allows for assisting farmers in integrating agricultural activities with ecosystem restoration and wildlife protection, and restoration of riparian habitat, and is consistent with the objectives of this project. The DFG has reviewed this proposal and recommends it for funding by the Wildlife Conservation Board (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. Subject to approval by the Board, the appropriate Notice of Exemption will be filed with the State Clearinghouse.

Mr. Fien introduced Mr. Vance Russell, Project Manager of Audubon California, and Mr. Marc Kenyon, Landowner Incentive Program Coordinator, Department of Fish and Game, who were in the audience and available to answer questions.

Ms. Finn had a question about what kind of monitoring will be done for this project. Mr. Kenyon answered that the monitoring will be done through the Landowner Incentive Program.

It was moved by Mr. Koch that the Wildlife Conservation Board approve this project as proposed; allocate \$180,000.00 from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006, (Proposition 84) Section 75055(d)(4) and allocate \$115,000.00 from the Habitat Conservation Fund, Section 2786 (e/f) for the grant amount; 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.

24. Watsonville Slough Conservation Area, and Expansion 1, Santa Cruz County \$5,510,500.00

This proposal was to consider the allocation for two grants to The Land Trust of Santa Cruz County (Land Trust) for two cooperative projects with the State Coastal Conservancy (SCC), the U.S. Fish and Wildlife Service (USFWS), The Nature Conservancy (TNC) and the Department of Fish and Game (DFG) to acquire two privately-owned properties totaling 441± acres to protect coastal wetland and upland habitat, provide sustainable habitat for a number of sensitive species, maintain the long-term integrity of the protected lands in the area, and reduce adverse impacts to the water quality and supply in the slough system. This proposal is also to consider the conditional acceptance of a National Coastal Wetlands Grant. Ms. Teri Muzik of Wildlife Conservation Board briefly described the project and its location.

The properties are adjacent to each other and are located west of Highway 1 in the City of Watsonville. The properties are bordered to the west and east by lands owned by the DFG. The northern boundary of the two properties is also protected conservation property. These properties are also located near the Harkins Slough and Watsonville Slough.

The Watsonville Sloughs are a highly valued and unique wetland resource situated adjacent to Monterey Bay within the California central coast, sustaining large wetland marsh and riparian habitats for a variety of wildlife and native plants. The adjoining hillsides and upland areas contain important wildlife areas including grassland, oak woodlands and chaparral habitats. The Watsonville Sloughs watershed is comprised of five tributary sloughs (Harkins, Struve, West Branch Struve, Gallighan and Hanson) and the Watsonville Slough. These two properties will protect nearly the entire watershed of the Hanson Slough as well as contribute to the larger effort of linking and transforming the habitat fragments of existing conservation lands into an area large enough so that ecological processes can become self-sustaining.

Acquisition of these two properties will preserve and enhance the ecological integrity of the slough system by more than doubling the size of contiguous conservation acres in the area. By protecting this vast expanse of contiguous protected lands, this project will increase the viability of the entire Watsonville Sloughs' ecosystem and provide significant habitat for the region's migratory bird and other wetland species.

Agricultural revenues are the backbone of the local economy in the Pajaro Valley. The Land Trust will work with the organic farmers on the agricultural lands to implement drainage swales, sedimentation ponds and buffers between fields and sensitive wetlands to prevent run-off impacts to the wetland areas. Continued agricultural use on the acquired properties managed by the Land Trust will generate revenue that will be used to manage the properties and to fund collaborative management and restoration on protected lands in the area.

The Land Trust expects to engage youth and public “watershed stewards” through the wetland education programs at the high school near the subject properties. The Fitz Wetlands Educational Resource Center operated by the Watsonville Wetlands Watch could serve to involve public and school age participants in ongoing restoration and enhancement projects.

In addition to involvement in restoration, there may be opportunities to expand a trail system throughout the area. The City of Watsonville has already commenced development of trails in the sloughs associated uplands on the eastern side of Highway One. In the long-term, connecting the existing system to the subject property area will provide walking and birding opportunities that will further increase community connection with this part of the landscape and its biodiversity.

The Land Trust of Santa Cruz County has applied for a National Coastal Wetland Grant from the USFWS in the amount of \$1,000,000.00 on behalf of the DFG and WCB to assist with funding these projects. The grant application is being considered by the USFWS and a decision is expected in early 2009. Conditional approval to accept this grant and apply the funds toward the acquisition is part of this proposal before the Board. If the grant is approved, and the funding is available to be applied toward the purchase of the Conservation Area property, the State Coastal Conservancy funding will decrease from \$5,550,000.00 to \$4,550,000.00, or the amount of the \$1,000,000.00 grant.

Specific project information and funding is set out below:

Watsonville Slough Conservation Area

This property contains 347± acres total with 240± acres in active agriculture. The remaining property consists of internal roads and wetlands.

The owners have agreed to sell the property for the appraised fair market value of \$10,605,000.00, as approved by the Department of General Services (DGS).

The proposed funding breakdown for this property is as follows:

Wildlife Conservation Board Grant	\$ 5,000,000.00
State Coastal Conservancy (SCC)*	\$ 5,550,000.00
Land Trust	\$ <u>55,000.00</u>
<u>TOTAL:</u>	<u>\$10,605,000.00</u>

* *This amount will decrease by \$1,000,000.00 if the National Coastal Wetland Grant by USFWS is approved.*

Watsonville Slough Conservation Area, Expansion 1

This property contains 94± acres total with 65± acres in active agriculture. The remaining property consists of roads and wetlands.

The owners have agreed to sell the property for the appraised fair market value of \$3,095,000.00 as approved by the DGS.

The proposed funding breakdown is as follows:

Wildlife Conservation Board Grant	\$ 500,000.00
TNC	\$ 1,500,000.00
SCC	<u>\$ 1,095,000.00</u>
<u>TOTAL:</u>	<u>\$ 3,095,000.00</u>

It is estimated that an additional \$10,000.00 total will be needed for project-related expenses, including the DGS appraisal review costs, bringing the total allocation for this proposal to \$5,510,000.00. The proposed funding source allows for the acquisition and protection of habitat that promotes the recovery of threatened and endangered species, and ecosystems such as riparian and wetland areas, which is consistent with the purpose of this project.

The terms and conditions of the proposed grants provide that the Board staff will review and approve all documents associated with the proposed purchase including title documents, appraisal, preliminary title reports, agreements for purchase and sale, escrow instructions and instruments of conveyance prior to disbursement of funds directly into escrow for the purchase of fee title of these two properties.

The DFG has reviewed the project and recommends approval of the grants. The projects have been reviewed for compliance with the California Environmental Quality Act (CEQA) requirements and are proposed as exempt under CEQA Guidelines Section 15313, Class 13, as acquisitions of land for fish and wildlife conservation purposes, and under Section 15325, Class 25, as transfers of an ownership interest in land to preserve open space and habitat. Subject to approval by the Board, Notice of Exemptions will be filed with the State Clearinghouse.

Ms. Muzik introduced Ms. Terry Corwin, Executive Director of Land Trust of Santa Cruz County, who was in the audience and available to answer questions.

Ms. Finn commented that she had attended the California Coastal Conservancy Board meeting and it was noted this project provides many benefits for the local community. As a result of the benefits to the local community, Ms. Finn asked whether there is any local funding for this project. Ms. Muzik answered that the community will be monitoring and maintaining the site once it is acquired but will not be contributing financially to the initial acquisition.

Mr. Donnelly reported that several letters of support for this item were received from the following people: Honorable Abel Maldonado, Senator, 15th District; Mr. John Laird, Assembly Member, 27th District; Ms. Ellen Pirie, Supervisor, 2nd District, County of Santa Cruz Board of Supervisors; Mr. David M. Pereksta, Assistant Field Supervisor, United States Department of the Interior, Fish and Wildlife Service, Ventura Fish and Wildlife Office; Ms. Kris Beal, Executive Director, Watsonville Slough Watch; Ms. Karen Christensen, Executive Director, Resource Conservation District of Santa Cruz County; Mr. Mark Silberstein, Executive Director, Elkhorn Slough Foundation; Ms. Laura Smith, Monterey Project Manager, The Nature Conservancy.

It was moved by Mr. Koch that the Wildlife Conservation Board approve these projects as proposed; accept a National Coastal Wetland Grant from the U. S. Fish and Wildlife Service in the amount of \$1,000,000.00, if approved, and apply the federal grants funds toward the acquisition of the property; allocate \$5,510,000.00 from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006, (Proposition 84), Section 75055(b) for the two grants and internal project-related expenses; authorize staff to enter into appropriate agreements as necessary to accomplish these projects; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

Motion carried.

25. East Merced Vernal Pool Grassland Preserve, \$4,400,000.00
Expansion 6, Merced County

The proposal was to consider the allocation for a grant to the California Rangeland Trust (Trust) to acquire a conservation easement over 2,912± acres to protect rolling grasslands with a high density of vernal pools and associated rare and endangered species located northeast of the City of Merced, in central Merced County. Ms. Carol Klein of Wildlife Conservation Board briefly described the project and its location.

The subject, known as Ichord Ranch, is a privately-owned working cattle ranch located off Yosemite Avenue, in the northwest portion of the San Joaquin Valley, northeast of the City of Merced. Topography is undulating to slightly rolling at an elevation of approximately 230-325 feet. The ranch supports riparian habitat along Black Rascal Creek and significant vernal pool habitat. The property is within a U.S. Fish and Wildlife Service designated vernal pool core recovery area and supports proposed critical habitat for several vernal pool listed species. In addition to significant vernal pools, the ranch supports extensive grassland habitat for kit fox and other rare species. Federal and state listed species documented on the Ichord Ranch include succulent owls, clover, vernal pool fairy shrimp, conservancy fairy shrimp, vernal pool tadpole shrimp, California tiger salamander, San Joaquin kit fox and Swainson's hawk.

The ranch is bordered to the north and east by large tracts of grazing and farmland. However, land to the immediate south shows increasing rural

ranchette development. In addition, the property is located southeast of the developing University of California, Merced (UC Merced) campus and immediately west of the proposed UC Merced community planning area. The ranch, which lies within the path of development flowing easterly from UC Merced, is vulnerable to development and related habitat fragmentation.

This conservation easement will prevent the conversion of the property's grassland, riparian and vernal pool habitats to nonagricultural uses and, thereby, protect and promote the recovery of threatened and endangered species. The property will continue to be operated and managed as a privately-owned, working cattle ranch. As agreed upon between the property owner and the Trust, public access will not be permitted on the property.

The property owners have agreed to sell the conservation easement to the Trust for the Department of General Services (DGS) approved appraised value of \$4,385,000.00. It is estimated that an additional \$15,000.00 will be needed to cover project-related costs by the Wildlife Conservation Board (Board), including the DGS' appraisal review fees, bringing the total proposed allocation for this project to \$4,400,000.00. The proposed funding source allows for the acquisition of habitat that promotes the recovery of threatened and endangered species and that protects significant natural landscapes and significant habitat areas, and is consistent with the purpose of this project.

The terms and conditions of the proposed grant agreement provide that staff of the Board will review and approve all proposed title documents, appraisals, preliminary title reports, documents for purchase and sale, escrow instructions and the instruments of conveyance prior to disbursement of funds directly into an escrow established for the property.

The Department of Fish and Game has reviewed the proposed project and highly recommends approval of the acquisition. The proposed acquisition has been reviewed for compliance with the California Environmental Quality Act (CEQA) requirements and is proposed as exempt under CEQA Guidelines Section 15313, Class 13, as an acquisition of land for wildlife conservation purposes, and Section 15325, Class 25, as a transfer of an ownership interest in land to preserve open space. Subject to authorization by the Board, a Notice of Exemption will be filed with the State Clearinghouse.

Ms. Klein introduced Mr. Paul Ichord, the property owner, Ms. Michele Clark, Transaction Director, California Rangeland Trust, and Mr. John Vollmar, Consulting Biologist, who were in the audience and available to answer questions.

Mr. Ichord and Mr. Bred Samuelson of UC Merced thanked the members of the Board for their help with this project. Mr. Samuelson pointed out the importance and benefits of this project.

It was moved by Mr. Koch that the Wildlife Conservation Board approve this project as proposed; allocate \$4,400,000.00 from the California Clean Water,

Clean Air, Safe Neighborhood Parks and Coastal Protection Fund, (Proposition 40), Section 5096.650 for the grant and internal project-related expenses; authorize staff to enter into appropriate agreements as necessary to accomplish this project; and authorize staff to proceed substantially as planned.

Motion carried.

26. Midland School Oak Woodlands Conservation Easement, \$4,155,000.00
Santa Barbara County

This proposal was to consider the allocation for a grant to the Land Trust for Santa Barbara County (Trust) for a cooperative project with the Trust for Public Land and the California Transportation Commission to acquire a conservation easement over 2,725± acres, in Los Olivos, in Santa Barbara County. The purposes of the project are to protect and preserve the integrity and diversity of oak woodland habitat compatible with the farming and ranching operations on the Midland School ranch. Ms. Carol Klein of Wildlife Conservation Board briefly described the project and its location.

The Midland School ranch is a privately-owned property situated along Figueroa Mountain Road, in the foothills of the San Rafael Mountains along Alamo Pintado Creek, in the northern Santa Inez Valley. The village of Los Olivos is approximately five miles south. The City of Santa Barbara is approximately 35 miles south. Topography ranges from gently rolling grasslands to moderate and steeper hillsides. The landscape is comprised of blue, valley and coastal oak woodlands, gray pine forest, coastal sage scrub, chaparral, grassland, wet meadow and riparian habitats.

The land has been in agricultural use, primarily cattle grazing, for over 100 years. Midland School, a private, non-profit educational institution established in the 1930's, will continue its history of ranchland and resource stewardship with its established Forest Stewardship Plan, Grazing Plan, and Oak Woodland Management Plan and farming and ranching operations compatible with oak woodland conservation.

The property is adjacent to the San Rafael Wilderness Area of the Los Padres National Forest and to the 5,896± acre University of California-owned Sedgwick Reserve. The subject's riparian areas and extensive oak woodlands contribute to one of the largest undeveloped and unfragmented habitats in the foothills of the Los Padres National Forest. The Midland School ranch is within the flight range of the Los Padres National Forest Condor Sanctuary.

This conservation easement will prevent oak loss due to development, firewood harvesting and agricultural conversions. Protection of the ranch's extensive blue, valley and coastal oak woodlands will benefit the numerous wildlife species that are dependent on this habitat type. Confirmed sightings include California red legged frog, California legless lizard, garter snake, California condor, white-tailed

kite, sharp-shinned hawk, Cooper's hawk, northern harrier, golden eagle, prairie falcon, bald eagle, burrowing owl, Least Bell's vireo and horned lark.

The appraised value of the conservation easement, as approved by the Department of General Services (DGS), is \$5,450,000.00. The property owners have agreed to sell the conservation easement to the Trust for the price of \$4,500,000.00. The proposed funding breakdown for the project is as follows:

Board Grant	\$ 4,150,000.00
California Transportation Commission - EEMP Grant	<u>\$ 350,000.00</u>
<u>TOTAL</u>	<u>\$ 4,500,000.00</u>

It is estimated that an additional \$5,000.00 will be needed to cover project-related costs by the Board, including the DGS' appraisal review fees, bringing the total proposed allocation for this project to \$4,155,000.00. The proposed funding sources allow for the acquisition of conservation easements over privately-owned property for the protection of oak woodlands across California's working landscapes, which are consistent with the proposed project.

The terms and conditions of the proposed grant agreement provide that staff of the Board will review and approve all proposed title documents, appraisals, preliminary title reports, documents for purchase and sale, escrow instructions and the instruments of conveyance prior to disbursement of funds directly into an escrow established for the property.

The Department of Fish and Game has reviewed this project and recommends approval of the acquisition. The proposed acquisition has been reviewed for compliance with the California Environmental Quality Act (CEQA) requirements and is proposed as exempt under CEQA Guidelines Section 15313, Class 13, as an acquisition of land for wildlife conservation purposes, and Section 15325, Class 25, as a transfer of an ownership interest in land to preserve open space. Subject to authorization by the Board, a Notice of Exemption will be filed with the State Clearinghouse.

Ms. Klein introduced Mr. Michael Feeney, Executive Director of The Land Trust for Santa Barbara County, and the following people from Trust for Public Land: Ms. Debra Geiler, Southern California Director, Mr. Jonathon Ainscow, Project Manager, and Ms. Carla Frisk, Consultant, who were in audience and available to answer questions.

Mr. Donnelly commented that all the conservation plans at the school are performed by actual students what prepares them to become future environmental leaders.

It was moved by Ms. Finn that the Wildlife Conservation Board approve this project as proposed; allocate \$1,137,161.00 from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006, (Proposition 84), Section 75055(d)(2) and \$3,037,839.00 from the

Oak Woodlands Conservation Fund for the grant and internal project-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.

27. Palo Verde Ecological Reserve, \$2,585,000.00
Expansions 1 and 2, Riverside County

This proposal was to consider a cooperative project with the Trust for Public Land to acquire two properties totaling 422± acres of agricultural land and riparian habitat adjacent to the Colorado River, in Riverside County. This proposal is also to consider the acceptance of \$6,755,000.00 from the Department of Fish and Game (DFG) identified for projects to implement the Lower Colorado River Multi-Species Habitat Conservation Plan (MSHCP), to be applied toward the acquisition of the Expansion 1 property. The purpose of the project is to protect riparian habitat supporting threatened and endangered species, and protect an important linkage from the Colorado River to the Colorado Desert. Mr. Bill Gallup of Wildlife Conservation Board briefly described the project and its location.

Expansion 1 is a 348± acre property adjacent to the Colorado River at the prolongation of 10th Avenue about three miles northeast of downtown Blythe. The subject topography is generally flat and has sandbar cottonwood, willow and mesquite riparian habitat along the eastern edge of the river. The balance of the property is active farm land. The subject property currently has a tentative development plan and entitlements. The environmental impact report and the "Colorado River 500 Specific Plan" have been approved by the City of Blythe. City planners estimate that final approval of the development could be achieved in six to twelve months.

This property will be made available to the Lower Colorado River MSHCP. Farming will be phased out and permanent habitat will be phased in. This usually takes seven to nine years, phasing in 40 to 50 acres each year. In the interim, the revenues generated from farming leases on the site will provide revenues which will be used to manage the property and to pay the water tolls associated with the agricultural use, estimated at \$30,000.00 to \$40,000.00 annually. Once the property is placed into permanent habitat, the MSHCP will pay all water tolls and management costs associated with the property.

This acquisition is about three miles south of a major acquisition that was completed by the Wildlife Conservation Board (Board) in 2002, known as the Travis property. The Travis property is about 1,200 acres in size and has since been partially restored to native habitat. The DFG will manage and maintain the property in its current undeveloped condition consistent with the objectives of the Lower Colorado River MSHCP.

Expansion 2 is a 74± acre property located near the intersection of 8th Avenue and Arrowhead Boulevard about three miles northwest of downtown Blythe. The

subject topography is generally flat and partially within the McCoy Wash. This property is a portion of an important linkage to the Colorado River from the expanse of desert to the west. The DFG will manage and maintain the property in its current undeveloped status consistent with the objectives of the Lower Colorado River MSHCP.

These acquisitions will ultimately provide for the long-term protection of habitat and species, including the 56 "covered" species identified in the MSHCP. Prominent species that would benefit from the project include the southwestern willow flycatcher, yellow-billed cuckoo, Gila woodpecker, Gilder flicker, Yuma clapper rail, California black rain, bonytail chub, razorback sucker and the desert tortoise.

The DFG will manage the subject properties in cooperation with other publicly-owned properties in the area, and in conjunction with the Travis acquisition as noted above. Public access and public uses may be allowed on the subject properties and could include hiking, photography, bird watching, picnicking and a kayak/canoe boat launch.

The property owners have agreed to sell their properties at the appraised values of \$9,000,000.00 and \$275,000.00 respectively, for a total of \$9,275,000.00. The appraised values have been approved by the Department of General Services (DGS). The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006 (Proposition 84) provides funding to the DFG to acquire lands for natural resource protection and public access to natural resources within the Lower Colorado River MSHCP planning area, and the DFG proposes to contribute \$6,755,000.00 from those funds for the acquisition of the Expansion 1 property. Staff proposes that the Board provide the balance of the purchase price for Expansion 1 and the purchase price for Expansion 2, totaling \$2,520,000.00. It is estimated that an additional \$65,000.00 will be needed to cover project-related expenses, including escrow fees and title insurance premiums, and appraisal and transaction review fees by the DGS, bringing the total proposed allocation for this project to \$2,585,000.00. The proposed funding sources allow for the acquisition and restoration of land and water resources necessary to meet state obligations related to California's allocation of water from the Colorado River (Proposition 50), and the acquisition of lands for natural resource protection, and public access to natural resources, within the Lower Colorado River Multi-Species Habitat Conservation Plan planning area (Proposition 84), which is consistent with the purpose of this project.

The DFG has reviewed the project and recommends approval of the acquisitions. The project has been reviewed for compliance with the California Environmental Quality Act (CEQA) requirements and is proposed as exempt under CEQA Guidelines Section 15313, Class 13, as an acquisition of land for fish and wildlife conservation purposes, and under Section 15325, Class 25, as a transfer of an ownership interest in land to preserve open space and habitat. Subject to approval by the Board, a Notice of Exemption will be filed with the State Clearinghouse.

Mr. Gallup introduced Mr. Conrad Jones of Department of Fish and Game, Mr. Brady Moss, Acquisition Specialist of Trust for Public Land, and Mr. Joe Swain, the landowner, who were in the audience and available to answer questions.

Mr. Donnelly reported that two letters were received this morning concerning the proposed acquisition. One letter from the city of Blythe was presented by Mr. Jeff Harvey a representative of the City of Blythe. Mr. Harvey presented the City of Blythe's request to not proceed with the acquisition of Expansion 1. The second letter was from the Palo Verde Resource Conservation District and it also expressed opposition to the acquisition of Expansion 2.

Mr. Joseph Swain, the co-owner and partner of Colorado River 500 which owns the property, provided a brief description about the property and expressed his support for this project.

Mr. Gallup indicated that Mr. Swain represents and is the one of the owners of Expansion 1. Expansion 2 is owned by the Jones family.

Mr. Donnelly introduced Mr. Jeff Harvey of City of Blythe. Mr. Harvey stated that City of Blythe is concerned about the acquisition of Expansion 1 because those lands are within the City, and there are long term use conflicts with the development of a trail system, which the City has planned since 2006; the most concern for Palo Verde Resource Conservation District is Expansion 2 because it is a part of District's flood control works. Mr. Harvey expressed both the City and District's opposition to the project and suggested that there should be coordination established between City of Blythe and Wildlife Conservation Board for this and for all the future acquisitions/conservation easements. Mr. Donnelly indicated that WCB would coordinate and inform the city and the District of any future activity along the Colorado River corridor in the vicinity of Blythe.

Ms. Finn had a question about Expansion 2. Ms. Finn asked Mr. Harvey to explain a potential mismanagement of the property could be in conflict with McCoy Wash. Mr. Harvey answered that the entire property falls within the flood zone of McCoy Wash; therefore, anything planted there would be impeding the flood channel.

It was moved by Ms. Finn that the Wildlife Conservation Board approve the two acquisitions as proposed; accept Department of Fish and Game funds in the amount of \$6,755,000.00 from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006, (Proposition 84), Section 75050(b)(2) to be deposited directly into an escrow account established for the acquisition of Expansion 1; allocate \$2,585,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002, (Proposition 50), Section 79568 to apply toward the acquisition costs of both Expansions 1 and 2, and to pay for project-related expenses; authorize staff to enter into appropriate agreements for both acquisitions as necessary to accomplish these acquisitions; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

Motion carried.

28. Upper Newport Bay Ecosystem Restoration, \$2,000,000.00
Orange County

This proposal was to consider the allocation for a grant to the County of Orange in cooperation with the Army Corps of Engineers to fund part of ongoing dredging activities to restore bay wildlife habitats in the upper basin of the Department of Fish and Game (DFG) Upper Newport Bay Ecological Reserve, located in Newport Beach. Ms. Bonnie Turner of Wildlife Conservation Board briefly described the project and its location.

The Upper Newport Bay Ecological Reserve was created in 1975 as result of the purchase of 527 acres of land in and around the bay from the Irvine Company and the transfer of 214 acres of tidal wetlands from the County of Orange to the DFG. An additional 11 acres of land in Big Canyon was added in 1982 bringing the total acreage of the Ecological Reserve to 752 acres. In 1990, the County of Orange acquired 140 acres of bluffs on the north and north-west sides of the bay for the creation of a Regional Park. The Regional Park was re-dedicated as the Upper Newport Bay Nature Preserve in 2000 and is managed by Orange County Parks. Public use of the entire Upper Bay area includes recreational activities such as bird watching, hiking, photography, canoeing, kayaking and fishing.

Upper Newport Bay (Bay) is one of the last remaining coastal wetlands in southern California that continues to play a significant role in providing critical habitat for a variety of migratory waterfowl, shorebirds and endangered species, including both birds and plants. The Reserve supports a wide range of resident and migratory species that use open water, intertidal mudflats, salt marsh, and surrounding terrestrial habitats. The Bay is home to several threatened and endangered plants and animals, including salt marsh bird's beak, California least tern, and the largest population of light-footed clapper rail in the United States, and serves as a nursery for several fish species, including important species to commercial and recreational fisheries such as the California halibut.

Sedimentation in the Bay has caused its open water areas to decrease, tidal circulation to diminish, and shoaling to occur within the federal and local navigation channels. Objectives of this project are: effective management of sediments deposited within the Bay, reducing the frequency of dredging projects with the goal of maintenance once every 20 years; enhancing habitat values within the Upper Bay; and slowing the detrimental impacts of sediment accumulation on the fish and wildlife habitats. The restoration project has been undertaken in concert with a comprehensive sediment management program throughout the 18-square mile watershed.

The project will improve or restore estuarine habitats; sustain a mix of open water, mudflat, and marsh habitat; increase tidal circulation for water quality; reduce predator access to sensitive habitats; improve public use and recreational access; and improve educational opportunities. It includes the removal of 2.3 million cubic yards of sediment to restore habitat and improve sediment storage capacity. The project includes the following elements:

- Expanding and deepening the Unit I/III and Unit II sediment trapping basins, with an access channel dredged between the two basins;
- Restoring habitat for California least tern including the creation of side channels around the small tern island adjacent to the Unit I/III basin, and around New Island, Middle Island, and Shellmaker Island;
- Restoring wetlands along Northstar Beach, Shellmaker Island, and along the edge of the Upper Basin;
- Extending and deepening a grouted stone apron at the mouth of San Diego Creek and at the upper end of the Unit I/III basin;
- Dredging an access channel, located below the Unit II basin and adjacent to the Pacific Coast Highway Bridge;
- Removing Skimmer Island from the Unit I/III basin and reconstructing a new island in the Unit II basin adjacent to the western segment of the salt dike for least terns;
- Capping the small tern island with clean sand;
- Maintaining mudflats in the northeast corner of the uppermost segment and around the shoreline perimeter of the deepened Unit II and Unit I/III basins and New Island;
- Segmenting the main dike above the Unit II basin to decrease potential terrestrial disturbances and predator access;
- Adding education kiosks along Back Bay Drive and near the Interpretive Center; and
- Conducting post-construction environmental monitoring for sediment loads and flora and fauna in habitat areas.

The total project cost was originally estimated in 2004 at \$39 million including construction, design, and management, with the federal government providing 65% of the project cost and the non-federal partners sharing 35% of the project cost. Inflation and other factors have increased the total project cost to \$45,800,000 with the local share increasing by \$3,325,000. Funding allocated to date will restore habitat and remove approximately 1,013,500 cubic yards of sediment. The funding requested from the Wildlife Conservation Board (Board) will allow the contractor to continue its dredging operations without interruption. Without the funds the contractor would need to shut-down temporarily and then remobilize again once the federal funds became available, creating additional and significant costs. The DFG will continue their management responsibilities. Monitoring will be performed by the U.S. Army Corps of Engineers for two years following the project.

There have been a number of studies and projects performed to improve the health of the Bay. Examples include a U.S. Army Corps of Engineers watershed management plan feasibility study to develop long-term solutions for protecting and improving the watershed's ecosystem. A Coastal Resource Implementation Management Plan is currently being prepared by the DFG. The City of Newport

Beach's General Plan also supports the preservation of the Bay and sensitive resources.

For many years, the County of Orange, the cities of Newport Beach, Irvine, Tustin, The Irvine Company, and citizen groups have recognized the ecological importance of the Bay and have taken measures to deal with the many diverse problems throughout the watershed including sedimentation, water quality, and residential run-off. To date, over \$25 million has been spent on construction and maintenance of sediment basins in the Upper Bay and on San Diego Creek. In the entire watershed, partners have spent over \$130 million on channel stabilization, foothill basin construction, and Best Management Practices for agricultural and construction sites.

Citizen groups have also taken a keen interest in protecting the Bay and supporting the project. Newport Bay Naturalists and Friends is a volunteer organization whose mission is to restore and preserve the native habitat of the Bay and surroundings and educate the public about the ecological value of the Bay. Other organizations that have made monetary and time commitments include Orange County Coastkeepers, Stop Polluting Our Newport, California Coastal Conservancy, Newport Chapter of Surfriders, Defend the Bay, California Coastal Commission, Irvine Ranch Water District, The Irvine Company, University of California Irvine, Orange Coast College, Dover Shores Homeowners, and De Anza Bayside Marine.

Funding for the project is estimated as follows:

U.S. Army Corps of Engineers	\$29,770,000.00
State Coastal Conservancy	13,000,000.00
Wildlife Conservation Board	2,000,000.00
Orange County In Kind Services	<u>1,500,000.00</u>
<u>Total</u>	<u>\$46,270,000.00</u>

Board funding will be used for expanding and deepening Unit I/III within the Bay.

The proposed funding source for this project is the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Proposition 50) which allows for the acquisition, protection, and restoration of Southern California coastal wetlands and is consistent with the objective of this project. The DFG has reviewed this proposal and recommends it for funding by the Board.

A Consistency Determination No. CD-039-04 by the U.S. Army Corps of Engineers has been approved by the California Coastal Commission for this project. The U.S. Army Corps of Engineers and the County of Orange have prepared a Final EIS/EIR for the Upper Newport Bay Restoration Project in accordance with CEQA and the CEQA Guidelines. Staff has considered the Final

EIS/EIR and the County of Orange Findings of Overriding Considerations, and has prepared written findings documenting the Board's compliance with CEQA. Subject to approval by the Board, the appropriate Notice of Determination will be filed with the State Clearinghouse.

Ms. Finn had a question about when this project will be done. Ms. Turner answered that the project should be done within the next two or three years.

Ms. Turner introduced Ms. Mary Anne Skorpanich, Director of Orange County Watershed Program, who was in the audience and available to answer questions.

Ms. Skorpanich gave a brief explanation on the project's status, stating that with sufficient funding the project could be done in a year and a half. She also stated that impacts of inflation have affected the total cost of the project and that federal funding is needed at this time.

Ms. Finn clarified the goal of this project which is to finally get it completely dredged and get it into maintenance mode. Ms. Finn asked who is responsible for the on-going maintenance. Ms. Turner explained that the Department of Fish and Game is responsible for the maintenance but is looking for outside financial support.

It was moved by Ms. Finn that the Wildlife Conservation Board adopt the written findings and approve the project as proposed; allocate \$2,000,000 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Bond Fund of 2002 (Proposition 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.

29. Monitoring Grants and Conservation Easements, Statewide N/A

On November 17, 2005, the Wildlife Conservation Board (Board/WCB) requested staff to consider the development of policies governing grants awarded for the purchase of conservation easements. In response to that directive, staff held several workshops with the land trust community and prepared policies designed to guide the development of grant agreements and conservation easements. The policies were adopted by the Board on August 17, 2006. The adopted policies demonstrate the Board's commitment toward sound fiscal principles, are accountable to and maintain the public trust, and most importantly, protect California's fish and wildlife habitat, natural resources, open space and working landscapes. Ms. Marilyn Cundiff of Wildlife Conservation Board presented the project.

While the adopted policies have been accepted by most regional and local land trusts, counties and special districts, concerns have been expressed regarding

the Board's intent with respect to the monitoring policy governing grants and conservation easements. Specifically, questions have been raised with respect to the frequency the Board could have access to property protected with a conservation easement funded by a Board grant.

As currently adopted, the monitoring policy states the following:

- I. Compliance monitoring shall assess compliance with the terms of the conservation easement and grant agreement and note any changes to the property as compared to the Baseline Conditions Report and the prior monitoring report.
- II. Prior to the close of escrow for the acquisition of a conservation easement purchased with funds approved by the WCB, WCB shall have approved an individualized monitoring protocol for the property to be protected. Using the Baseline Conditions Report as a benchmark, the monitoring protocol should be adaptive and address the purposes, frequency, timing and methods of monitoring the property to be carried out by the grant recipient (grantee). The monitoring protocol is the framework that will guide the preparation for and implementation of the grantee's monitoring of the conservation easement.
- III. The monitoring protocol must be tailored to address the purposes, terms and conditions of the conservation easement and the purposes of the grant. The grant agreement shall include minimum requirements for a monitoring protocol and describe a process for amending the protocol as necessary, over time.
- IV. All grant agreements shall require the grantee to monitor land protected with a conservation easement purchased with funds allocated by the WCB. The grantee shall monitor the property at least annually to assess compliance with the terms and conditions of the conservation easement, as well as whether the purposes of the conservation easement and the grant agreement are being met. The grantee shall provide a written report of its monitoring activities and the results of such monitoring to the WCB in accordance with the approved monitoring protocol. The monitoring report shall document and describe the monitoring activities in a manner that demonstrates the monitoring was conducted in accordance with the monitoring protocol approved by the WCB.
- V. At the request of the WCB, not less than once in any period of three calendar years, the grantee shall arrange for the WCB to access the protected property to assess compliance with the terms, covenants and conditions of the grant agreement. To the extent possible, such visits will be scheduled at the time of the grantee's annual monitoring visit.

Of particular concern is the language in provision V which states that, "At the request of the WCB, not less than once in any period of three calendar years, the grantee shall arrange for the WCB to access the protected property to assess

compliance with the terms, covenants and conditions of the grant agreement". It has been suggested this language is less than clear with respect to the number of times the Board can require access to the property and that the intent of the Board was to limit access to no more than once every three calendar years.

In drafting the adopted policy, staff believed that absent a known or suspected violation of the grant agreement or conservation easement, access to the property once every three years was sufficient. The purpose of the staff site visit is to confirm compliance with the terms and conditions of the grant agreement and conservation easement requirements. Further, given limited staff and resources, a site visit once every three years would suffice, given the Grantee's (easement holder) annual report did not indicate any violation and the annual monitoring reports were prepared in accordance to the approved monitoring protocol and Board adopted policy.

The Board has a long and successful history of developing partnerships with regional and local land trusts, cities, counties and special districts. Moreover, up to August of 2008, the Board has approved the allocation of \$270 million for 173 projects designed to assist with the purchase of conservation easements protecting 380,572± acres of critical fish and wildlife habitat, open space, agricultural lands and working landscapes.

Given the successful partnerships the Board has established with the land trust community, cities, counties and special districts, staff proposes to amend the monitoring policy to (1) clarify the Board's intent and (2) reinforce the need for standards and practices that are accountable and transparent to the people of California. As such, staff recommends the following amendment to provision V of the monitoring policy.

- V. *At the request of the WCB, the grantee shall arrange for the WCB to access the protected property to assess compliance with the terms, covenants and conditions of the grant agreement once every three years or more often as agreed to by the parties. To the extent possible, such visits will be scheduled at the time of the grantee's annual monitoring visit. In the event and at the time that the grantee notifies the landowner of a known or threatened violation of the terms, covenants or conditions of the grant agreement or conservation easement, the grantee will notify the WCB. Accordingly, the grantee shall make arrangements for additional timely access by the WCB to the protected property to assess the reported violation and compliance.*

Ms. Cundiff mentioned that the slight change was made to this item since the agenda was printed. Last sentence of the previous paragraph should read "...to assess the known or threatened violation and subsequent corrective action, if any." instead of "...to assess the reported violation and compliance."

Ms. Finn had a question about why this item ever came up (e.g. have WCB received any complaints from grantees or is it just uncertainty?). Ms. Cundiff answered that it is an attempt to clarify the policy.

Mr. Donnelly introduced Ms. Michelle Clark, Transactions Director of California Rangeland Trust. Ms. Clark expressed her support for the revised policy.

It was moved by Mr. Koch that the amended monitoring policy be approved and if adopted, be included in all future grant agreements and conservation easements approved for funding by the Wildlife Conservation Board.

Motion carried.

At 12:05 P.M. the public was dismissed from the meeting and invited to wait outside the meeting room until adjournment following the Closed Session.

30. Executive Session (Not Open to the Public)

Pursuant to the authority of Government Code Section 11126, the Board met in Closed Session at 12:05 P.M. to discuss pending litigation to which the Wildlife Conservation Board is a party, Outfitter Properties, LLC, Rocky Springs, LLC, et al., vs. California Wildlife Conservation Board, et al., Sacramento County, Superior Court Case Number 34-2008-8000037 (California Environmental Quality Act).

The Closed Session was adjourned at 12:45 P.M.

31. Reconvene Open Session

Mr. Donnelly reported that the Board conferred with legal counsel on the issues being litigated. No formal action was taken.

With no further business to discuss, the meeting adjourned at 12:50 P.M.

Respectfully submitted,

John P. Donnelly
Executive Director

PROGRAM STATEMENT

At the close of the meeting on November 20, 2008, the amount allocated to projects since the Wildlife Conservation Board's inception in 1947 totaled \$2,109,858,185.33. 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, Safe Drinking Water, Clean Water, Watershed Protection, and Flood Protection Fund, California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund, Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002, Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006, 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	43,072,760.90
Reservoir Construction or Improvement	\$ 5,605,699.00
Stream Clearance and Improvement.....	29,653,422.68
Stream Flow Maintenance Dams.....	542,719.86
Marine Habitat	3,046,619.07
Fish Screens, Ladders and Weir Projects	4,224,300.29
C. Fishing Access Projects.....	52,737,091.95
Coastal and Bay	\$ 4,612,013.11
River and Aqueduct Access	16,862,441.93
Lake and Reservoir Access.....	10,309,871.87
Piers	20,952,765.04
D. Game Farm Projects.....	146,894.49
E. Wildlife Habitat Acquisition, Development and Improvement.....	1,936,574,088.24
Wildlife Areas (General)	\$397,199,043.74
Miscellaneous Wildlife Habitat Development.....	16,397,787.32
Wildlife Areas/Ecological Reserves, (Threatened,	

Endangered or Unique Habitat)	701,818,193.12
Land Conservation Area	12,995,218.18
Inland Wetlands Conser. Grants & Easements	23,340,620.64
Riparian Habitat Conser. Grants & Easements	63,141,919.63
Other Wildlife Habitat Grants	721,681,305.61
F. Hunting Access Projects	484,898.57
G. Miscellaneous Projects (including leases)	19,990,244.12
H. Special Project Allocations.....	1,712,294.13
I. Miscellaneous Public Access Projects	38,600,550.80
State Owned	\$1,813,406.19
Grants	36,787,144.61
J. Sales and/or exchanges	533,143.07
K. Natural Heritage Preservation Tax Credit Act (tax credits awarded)...	(48,241,234.00)
Statutory plans	(0.00)
Corridors, wetlands, wildlife habitat, streams and riparian habitat	(6,234,658.00)
Agricultural lands	(13,775,640.07)
Water and water rights.....	(0.00)
State and local parks, open space and archaeological resources	(28,230,935.93)
Total Allocated to Projects.....	\$2,109,858,185.33