

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
 August 17, 2006

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* Consent Calendar

** Item 25 was discussed as the first Item under the regular calendar

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WILDLIFE CONSERVATION BOARD

August 17, 2006

The Wildlife Conservation Board met at the State Capitol, Room 113, in Sacramento, California on August 17, 2006. The meeting was called to order at 10:00 a.m. by Mr. Michael Flores, Chairman of the Wildlife Conservation Board. He welcomed everyone to the meeting and introduced the Board Members, Mr. L. Ryan Brodrick, Director, Department of Fish and Game, Ms. Anne Sheehan, Chief Deputy Director, Department of Finance, Mr. Al Wright, Executive Director, Ms. Victoria Marmolejo, Executive Assistant for the Board, and Ms. London Biggs, Vice for Assembly Member Patty Berg.

1. Roll Call

WILDLIFE CONSERVATION BOARD MEMBERS

Michael Flores, Chairman
President, Fish and Game Commission

Anne Sheehan, Chief Deputy Director, Vice for
Michael C. Genest, Member
Director, Department of Finance

L. Ryan Brodrick, Member
Director, Department of Fish and Game

JOINT LEGISLATIVE INTERIM ADVISORY COMMITTEE

London Biggs, Vice for
Assembly Member Patty Berg

Andrea Harvey, Vice for
Assembly Member Fran Pavley

EXECUTIVE DIRECTOR

Al Wright

Roll Call: Al Wright, Executive Director
John P. Donnelly, Assistant Executive Director
William Gallup, Senior Land Agent
Bob Clark, Senior Land Agent
Randy Nelson, Senior Land Agent
Linda Drake, Senior Land Agent
Teri Muzik, Senior Land Agent
Debra Townsend, Senior Land Agent
Marilyn Cundiff, Public Land Management Specialist IV
Peter Perrine, Public Land Management Specialist IV
Bonnie Turner, Public Land Management Specialist IV
Scott Clemons, Public Land Management Specialist IV
Tony Chappelle, Public Land Management Specialist IV
Gary Cantrell, research Analyst II
Mike DeBottari, Associate Programmer Analyst (Specialist)
Victoria Marmolejo, Executive Assistant
Jan Beeding, Office Technician
Mary Westlake, Office Technician

Others Present: Anne Boothe, Preserve our Pier Supporters
Jennifer Reed-Sanguayo
John Carlon, River Partners
Stephen Sheppard, River Partners
Kim Forrest, U.S. Fish and Wildlife Service – Los Banos
Becky Christensen, Department of Fish and Game
Elkhorn Slough National Estuarine Research Reserve
Mike Darnell, Middle Mountain Foundation
Kevin Knowles, Conservation Land Group
Vance Russell, Audubon California
Diane Colburn, Assembly Water, Parks and Wildlife Committee
Darla Guenzler, California Council of Land Trusts
Larry Wyckoff, Department of Fish and Game
Scott Holmes, City of Pacifica
Mark Silberstein, Elkhorn Slough Foundation
Greg Reden, Silverado Ranch
Ed Sauls, The Sauls Company
Chris Kelly, The Conservation Fund
Diana Garafalo, Department of Fish and Game
Cara Roderick, Department of Fish and Game
Alan Ehr Gott, American River Conservancy
Mark Andre, City of Arcata
Kathleen Farren, The Trust for Public Land
Glenn Olson, Audubon California
Elizabeth Holtz, Tuolumne River Trust

Tim Venn, Big Bend
Maira McEnespy, State Coastal Conservancy
Jason Giessaw, Mission Resource Conservation District

Mr. Flores also introduced his 13 year old daughter, Ms. Ellesse Flores, who was present in the audience.

Mr. Al Wright announced that he was retiring after six great years with the Wildlife Conservation Board. He stated that he had been in the business some 40 years, but that the last six have been the most rewarding. He thanked the Board staff for their professionalism and talent and stated that he had enjoyed working with them. He stated that the success of the Board has to do with partnerships with the land trusts, the conservancies in the state, the counties, the cities and everyone who participates along with the support of the Board, the Legislature and the Administration. He stated that it is a team effort in California, making the Board successful. The audience applauded Mr. Wright.

A special Board meeting will be scheduled to appoint an Interim Executive Director until a full-time Executive Director is appointed.

Mr. Flores stated that it had been a pleasure and honor to work with him. Mr. L. Ryan Broddrick thanked Mr. Wright for the past six years and for the incredible amount of work, due diligence maintaining integrity in the position and making incredible contributions to fish and wildlife across the west and in particular, California.

Ms. Anne Sheehan, on behalf of the Department of Finance, thanked Mr. Wright for his contributions and stated that it will be difficult to fill his shoes and he will be missed.

2. Funding Status as of August 17, 2006 (Informational)

(a) 2006-07 General Fund Capital Outlay Budget

Budget Act.....	\$5,000,000.00
Less Previous Board Allocations	(0.00)
Unallocated Balance	\$5,000,000.00

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

Budget Act.....	\$20,699,000.00
Less Previous Board Allocation	(0.00)
Unallocated Balance.....	\$20,699,000.00

- (c) 2005-06 Habitat Conservation Fund Capital Outlay Budget
 - Budget Act..... \$20,551,000.00
 - Less Previous Board Allocations (628,542.00)
 - Unallocated Balance..... \$19,922,458.00

- (d) 2004-05 Habitat Conservation Fund Capital Outlay Budget
 - Budget Act..... \$20,577,000.00
 - Less Previous Board Allocations (6,434,900.00)
 - Unallocated Balance..... \$14,142,100.00

- (e) 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 (\$0.00)
 - Unallocated Balance..... \$15,224,000.00

- (f) 2000-01 Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Fund Capital Outlay Budget
 - Budget Act (2006-07 Reappropriation)
(San Joaquin River Conservancy Projects) \$14,562,000.00
 - Less Previous Board Allocations (13,141,432.92)
 - Unallocated Balance..... \$1,420,567.08

- (g) 1999-00 Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund Capital Outlay Budget
 - Continuously Appropriated [Sec. 5096.350 (a)(1), (2), (4) & (7)] ... \$36,100,000.00
 - Less Previous Board Allocations (26,408,613.80)
 - Unallocated Balance..... \$9,691,386.20

- (h) 2005-06 California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Bond Fund Capital Outlay Budget
 - Budget Act (San Joaquin River Conservancy Projects)..... \$1,545,000.00
 - Less Previous Board Allocations (0.00)
 - Unallocated Balance..... \$1,545,000.00

- (i) 2004-05 California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Bond Fund Capital Outlay Budget
 - Budget Act
 - (San Joaquin River Conservancy Projects) \$11,000,000.00
 - Less Previous Board Allocations (0.00)
 - Unallocated Balance..... \$11,000,000.00

- (j) 2003-04 California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Bond Fund Capital Outlay Budget
 - Budget Act (2006-07 Reappropriation)
 - (San Joaquin River Conservancy Projects) \$8,500,000.00
 - Less Previous Board Allocations (170,118.28)
 - Unallocated Balance..... \$8,329,881.72

- (k) 2002-03 California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Bond Fund Capital Outlay Budget
 - Budget Act (2005-06 Reappropriation)
 - (San Joaquin River Conservancy Projects) \$2,500,000.00
 - Less Previous Board Allocations (2,500,000.00)
 - Unallocated Balance..... \$0.00

 - Chapter 983, Statutes of 2002..... \$4,800,000.00
 - Less Previous Board Allocations (4,567,499.23)
 - Unallocated Balance..... \$232,500.77

 - Chapter 984, Statutes of 2002..... \$19,200,000.00
 - Less Previous Board Allocations (12,876,123.43)
 - Unallocated Balance..... \$6,323,876.57

- (l) 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 (121,659,178.45)
 - Unallocated Balance..... \$151,340,821.55

- (m) 2004-05 Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 Capital Outlay Budget (Section 79568)
 - Budget Act..... \$13,250,000.00
 - Less Previous Board Allocations (12,169,751.38)
 - Unallocated Balance..... \$1,080,248.62

(n)	2003-04 Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 Capital Outlay Budget (Section 79568)	
	Budget Act.....	\$32,500,000.00
	Less Previous Board Allocations	(20,011,970.00)
	Unallocated Balance.....	\$12,488,030.00
(o)	2002-03 Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 Capital Outlay Budget	
	Continuously Appropriated (Sections 79565 and 79572)	\$814,350,000.00
	Less 2003-04 Budget Act Transfer to HCF from Section 79565....	(21,000,000.00)
	Less 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 Previous Board Allocations	(605,727,052.74)
	Unallocated Balance.....	\$141,834,947.26
(p)	2003-04 Oak Woodlands Conservation Fund Capital Outlay Budget	
	Budget Act (2006-07 Reappropriation)	\$5,000,000.00
	Less Previous Board Allocations	(859,701.00)
	Unallocated Balance.....	\$4,140,299.00

RECAP OF FUND BALANCES

General Fund (a)	\$5,000,000.00
Habitat Conservation Fund (b), (c) and (d)	\$54,763,558.00
Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund (e), (f) and (g).....	\$26,335,953.28
California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Bond Fund (h), (i), (j), (k) and (l).....	\$178,722,080.61
Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (m), (n) and (o)	\$155,403,225.88
Oak Woodlands Conservation Fund (p)	\$4,140,299.00

RECAP OF NATURAL HERITAGE PRESERVATION TAX CREDIT ACT OF 2000

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

Total Tax Credits Available.....	\$100,000,000.00
Less Previously Awarded Tax Credits	(48,241,234.00)
Balance of Tax Credits Available.....	\$51,758,766.00

3. Special Project Planning Account Informational

The Board has historically used a special project account to provide working funds for staff evaluation (appraisals, engineering, preliminary title reports, etc.) of proposed projects. Upon Board approval of a project, all expenditures incurred and recorded in the Special Project Planning Account are transferred to the Board approved project account which reduces the Special Project Planning Account expenditures. This procedure, therefore, acts as a revolving account for the pre-project expenses.

Some appropriations now made to the Board do not include a specific budgeted planning line item appropriation necessary to begin a project without prior Board authorization. Pre-project costs are a necessary expenditure in most all capital outlay projects. The Special Project Planning Account would be used for these costs.

The Board, at the May 6, 1986 meeting, authorized the Executive Director to use up to 1% of a budgeted appropriation to set up and maintain an appropriate planning account with the provision it would be reported to the Board as an informational item at the next meeting.

Accordingly, a planning account has been set up as follows:

Habitat Conservation Fund.....	\$25,000.00
California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Prop. 40)	\$50,000.00
Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Fund (Prop. 12).....	\$25,000.00

Mr. Al Wright asked if there were any questions on the Funding Status or Planning Accounts. There were none.

4. Proposed Consent Calendar (Items 5 - 13)

Mr. Wright asked if there were any questions on the Consent Items. He stated that Item 25 would be the first item to be presented.

Ms. Anne Sheehan asked if there were any changes to the Consent Items. There were none.

Ms. Sheehan moved that the Board approve Consent Items 5-13 and 22, as proposed in the individual agenda explanations, including funding as noted therein, and including Item 25 being presented first.

Motion Carried.

- *5. Approval of Minutes – Meeting of May 25, 2006

Ms. Anne Sheehan moved that the minutes of the meeting of May 25, 2006, be approved as written.

Motion carried.

- *6. 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.

\$3,918,108.00 to the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund

\$49,726.69 to the Habitat Conservation Fund

\$0.00 to the Wildlife Restoration Fund

\$0.00 to the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund

\$4,825.00 to the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002

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

Big Chico Creek, Butte County

Allocated	\$690,000.00
Expended	<u>-689,908.00</u>
Balance for Recovery	\$92.00

Cleveland National Forest Wildlife Corridors, Orange County

Allocated	\$13,235,000.00
Expended	<u>-9,417,674.00</u>
Balance for Recovery	\$3,817,326.00

Cleveland National Forest Wildlife Corridors, Expansion 1, Orange County

Allocated	\$1,795,000.00
Expended	<u>-1,783,774.00</u>
Balance for Recovery	\$11,226.00

Habitat Restoration, White Point Nature Preserve, Los Angeles County

Allocated	\$810,000.00
Expended	<u>-810,000.00</u>
Balance for Recovery	\$0.00

Hollenbeck Canyon Wildlife Area (Exchange), San Diego County

Allocated	\$30,000.00
Expended	<u>-0.00</u>
Balance for Recovery	\$30,000.00

Joshua Creek Canyon Ecological Reserve, Expansion 1 (Palo Corona Ranch), Monterey County

Allocated	\$5,030,000.00
Expended	<u>-5,002,280.00</u>
Balance for Recovery	\$27,720.00

Joshua Creek Canyon Ecological Reserve, Expansion 2 (Palo Corona Ranch), Monterey County

Allocated	\$9,040,000.00
Expended	<u>-9,008,256.00</u>
Balance for Recovery	\$31,744.00

Total Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund \$3,918,108.00

HABITAT CONSERVATION FUND

Cow Creek Conservation Area, Shasta County

Allocated	\$2,670,000.00
Expended	<u>-2,668,865.50</u>
Balance for Recovery	\$1,134.50

Habitat Restoration, Cosumnes River Preserve, Sacramento County

Allocated	\$136,000.00
Expended	<u>-104,319.13</u>
Balance for Recovery	\$31,680.87

Habitat Restoration, White Point Nature Preserve Augmentation, Los Angeles County

Allocated	\$170,000.00
Expended	<u>-170,000.00</u>
Balance for Recovery	\$0.00

Lassen Foothills, Expansion 4, Shasta/Tehama County

Allocated	\$260,000.00
Expended	<u>-251,224.00</u>
Balance for Recovery	\$8,776.00

Riparian Habitat Restoration, Sulphur Creek, Colusa County

Allocated	\$180,000.00
Expended	<u>-174,381.68</u>
Balance for Recovery	\$5,618.32

Santa Rosa Creek Ecological Reserve, San Luis Obispo County

Allocated	\$765,000.00
Expended	<u>-762,483.00</u>
Balance for Recovery	\$2,517.00

Wetland Habitat Restoration, Willow Creek Wildlife Area, Lassen County

Allocated	\$277,000.00
Expended	<u>-277,000.00</u>
Balance for Recovery	\$0.00

Total Habitat Conservation Fund \$49,726.69

WILDLIFE RESTORATION FUND

Oyster Point Fishing Pier Improvements, San Mateo County

Allocated	\$99,270.00
Expended	<u>-99,270.00</u>
Balance for Recovery	\$0.00

Total Wildlife Restoration Fund \$0.00

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

Quarry Lakes Fishing Pier, Alameda County

Allocated	\$200,214.00
Expended	<u>-200,214.00</u>
Balance for Recovery	\$0.00

Total California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund \$0.00

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

Tolay Lake, Sonoma County

Allocated	\$1,010,000.00
Expended	<u>-1,005,175.00</u>
Balance for Recovery	\$4,825.00

Total Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 \$4,825.00

As one of the consent items heard at the beginning of the meeting, it was moved that the Board approve the recovery of funds for the items listed on pages 8 through 11 of these minutes and close the project accounts. Recovery totals include \$3,918,108.00 to the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Fund; \$49,726.69 to the Habitat Conservation Fund; \$0.00 to the Wildlife Restoration Fund; \$0.00 to the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund; and \$4,825.00 to the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002.

Motion carried.

25. Staff Report – Grant Agreement and Conservation Easement Policy

Mr. Al Wright stated that back on November 17, 2005, Mr. Fred Klass, Department of Finance, requested that the Wildlife Conservation Board (WCB) staff consider developing policies for the Board's consideration, governing grants awarded for the purchase of conservation easements.

Mr. Wright stated that the use of grant agreements and conservation easements have grown significantly over the past five to six years. Adopting policies will not only help the staff, but will also assist the land trusts and landowners who may be entering into such agreements. Mr. John Donnelly presented the staff report and provided a brief description of the proposed Board Policies.

The WCB has a long and successful history of developing partnerships and assisting with the purchase of critical fish and wildlife habitat, open space, agricultural lands and working landscapes. As of May 25, 2006, the WCB approved the allocation of \$276.5 million for 152 projects designed to purchase conservation easements on 354,799 acres of fish and wildlife habitat, rangeland, agricultural land, open-space and wildlife corridors. Regional and local land trusts, counties and special districts hold the majority of these conservation easements.

On November 17, 2005, the Board requested that WCB staff consider developing policies for Board's consideration, governing grants awarded for the purchase of conservation easements. In response to that directive, staff has developed draft policies designed to guide the development of grant agreements and conservation easements. The draft 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.

Regional and local land trusts play an important role in preserving California's rich natural resources, open space, agricultural lands and working landscapes. As such, the WCB staff has been meeting with local land trusts and a working group representing regional land trusts, the California Council of Land Trusts and other state departments responsible for developing and administering grants and conservation easements. Since April of 2006, a series of meetings were held, whereby participants openly shared their thoughts and concerns related to the WCB grant agreements and conservation easement requirements. Obtaining candid stakeholder feedback provided staff with the opportunity to revise the standard grant agreement and craft policies and procedures that are responsive to stakeholder needs.

In addition to stakeholder input, staff reviewed information developed by numerous land trust and conservation organizations. Capitalizing on the extensive knowledge and experience of the Land Trust Alliance, staff also reviewed information and sample documents contained in the recently updated in *The Conservation Easement Handbook*, a joint publication by the Land Trust Alliance and The Trust For Public Land.

Based on extensive stakeholder input, and the commitment to draft grant agreements and conservation easements that protect the conservation values for which the easement was purchased, staff will revise the standard grant agreement used to allocate money to the grant recipient. The revised grant agreement will be amended to reflect policies adopted by the Board.

Staff proposed that all grant agreements contain provisions whereby, the Grantee is responsible for monitoring the easement area on an annual basis. Upon completion of the annual monitoring effort, the Grantee will be required to report to the WCB on the status of the review.

To assure meaningful information is obtained from the Grantee; staff has developed minimum standards, or a protocol for the content of the annual monitoring report. Staff also proposes to include provisions whereby, the WCB will have access to the protected property at least once every three years. The purpose of the WCB site visit will be to confirm compliance with the terms and conditions of the grant agreement and conservation easement requirements.

Reinforcing the need for standards and practices that are accountable and responsive to the people of California, grant agreement language has been developed that articulates the role and requires the WCB approval should there be a need to transfer the easement to another conservation organization. Further, language has been developed that requires all grant agreements to clearly articulate the relationship between the funding source used to pay for the easement and the protected conservation values specifically defined and included in the grant agreement and the conservation easement. In addition, WCB staff proposes that all real estate transaction documents be provided to, approved, and retained by the WCB, prior to the close of escrow. Such documents would include appraisals, title reports, and policies, baseline condition reports, transaction documents and management plans (if applicable).

Staff developed the following policies for Board consideration and approval; for inclusion in all future grants agreements and conservation easement:

**WILDLIFE CONSERVATION BOARD
POLICIES GOVERNING
GRANT AGREEMENTS AND CONSERVATION EASEMENTS**

IMPLEMENTATION AND REVIEW OF POLICIES

It is the policy of the Wildlife Conservation Board that:

The Wildlife Conservation Board (WCB) shall establish and regularly review policies to ensure public confidence and accountability in grant agreements and conservation easements purchased with grant funds approved by the WCB. Exceptions to these policies are to be approved by the WCB.

Adopted: 08/17/06.

GRANT AGREEMENTS

It is the policy of the Wildlife Conservation Board that:

Staff shall develop standard grant agreements designed to allocate fiscal resources and facilitate the completion of projects. Grant agreements shall be consistent with the policies established by the WCB and clearly state the purposes of the conservation effort. The defined purposes must, at a minimum, articulate and be consistent with the purposes and requirements of the funding source(s) used to pay for the conservation effort and identify the resources and conservation values to be protected. The defined purposes of the grant must also be included in the appropriate conveyance documents (deed or conservation easement).

Adopted: 08/17/06

RETENTION OF DOCUMENTS

It is the policy of the Wildlife Conservation Board that:

Approved appraisals, conformed copies of recorded conveyance documents, title reports and title policies, baseline conditions reports, transaction documents, management plans, and monitoring reports, as applicable, shall be provided to the WCB and retained in the WCB offices.

Adopted: 08/17/06

BASELINE CONDITIONS REPORT

It is the policy of the Wildlife Conservation Board that:

Prior to the close of escrow for the acquisition of a conservation easement purchased with funds approved by the WCB shall have approved documentation providing detailed information on the condition of the property to be protected. The documentation (Baseline Conditions Report) shall be tailored to the purposes of the grant and the specific conservation values to be protected by the conservation easement. Descriptions of the condition of the property and conservation values should be sufficiently detailed to allow for meaningful future comparisons.

The Baseline Conditions Report must be completed, signed, and certified by the landowner(s) and the grantee by the close of escrow. The certification must confirm that the Baseline Conditions Report is a current and accurate description and representation of the property, the health of its resources and conservation values as of the closing.

The Baseline Conditions Report shall provide a narrative that characterizes the overall general condition of the conservation values protected by the conservation easement. For purposes of baseline documentation, the report must provide descriptions that are clearly defined and sufficiently detailed to allow for meaningful future comparisons and must: (a) describe and document the features and characteristics of the property in relation to the purposes, conservation values, and terms of the conservation easement at the time the conservation easement is granted; (b) describe and document the conservation values and resources to be protected by the conservation easement; (c) contain all information necessary for the grantee to administer, monitor and enforce the conservation easement; and (d) include a copy of the recorded conservation easement. The grant agreement shall include minimum requirements for contents of a Baseline Conditions Report.

Adopted: 08/17/06

MONITORING GRANTS AND CONSERVATION EASEMENTS

It is the policy of the Wildlife Conservation Board that:

- I. Compliance monitoring shall document changes in relevant resources and conservation values as compared with the Baseline Conditions Report and the prior monitoring report.
- II. Prior to the close of escrow for acquisition of a conservation easement purchased with funds approved by the 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 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 grant. The grant agreement shall include minimum requirements for a monitoring protocol.
- 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 and 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.

Adopted: 08/17/06

EASEMENT TRANSFERS AND EXTINGUISHMENT

It is the policy of the Wildlife Conservation Board that:

- I. The grant agreement shall contain language that requires WCB to approve the transfer of any conservation easement.

- II. The landowner and the easement holder cannot voluntarily extinguish the conservation easement. Conservation easements whether in whole or in part, can only be extinguished through appropriate legal proceedings (e.g., eminent domain)

Adopted: 08/17/06

DEFAULT AND REMEDIES

It is the policy of the Wildlife Conservation Board that:

Grant agreements are to include remedies, which the WCB may exercise if any essential term or condition of the agreement is violated. Remedies must include, but are not to be limited to, the right to seek specific performance of the grant agreement and the right to require the Grantee to transfer its interest in the conservation easement to the state or a qualified third party, as the WCB may elect.

Adopted: 08/17/06

Mr. John Donnelly stated that at the request of the Board back in November of 2005, staff embarked on a process to develop policies governing grant agreements awarded by the WCB for the purchase of conservation easements. Recognizing the need to maintain consistency, transparency and full cooperation on all of our projects, staff held a series of workshops over the last several months with staff of the Resources Agency, State Departments, and a select group of staff from the land trust community throughout California. These workshops focused on five areas; one particular area which drew discussion was compliance monitoring. Three meetings were held in Sacramento and subsequent to those meetings Ms. Darla Guenzler, Executive Director of the California Council of Land Trust, held a series of meetings throughout the state with her constituents, the WCB staff, and other members of the local land trust community. The meetings were held to solicit input and answer questions regarding the WCB's proposed policies. Ten meetings were held, six face-to-face and four conference calls, for those who were not able to attend the meetings and participate in discussions. Through cooperation and open dialogue at the meetings, the proposed policy issues were discussed and participants obtained an understanding of the proposed changes to the WCB grant and conservation easements.

Mr. Donnelly then briefly discussed and reviewed the policies governing grant agreements and conservation easements. He stated that there were two minor modifications made to the policy statement under "Monitoring Grants and Conservation Easements," Section I and Section III. The two recommended changes were a result of the meetings held subsequent to the workshops and the questions and concerns raised by the various land trusts. He read the policy sections as stated in the final agenda and then read the suggested changes.

Mr. Donnelly thanked the following organizations who shared their time, knowledge and expertise throughout the process of developing the policies: The Department of Conservation, the Resource Agency, the Department of Parks and Recreation, The State Coastal Conservancy, the American Land Conservancy, The Nature Conservancy, The Trust for Public Land, the California Rangeland Trust, The Conservation Fund, the California Council of Land Trusts, and the smaller land trusts who have worked through the California Council of Land Trusts. He asked if there were any questions.

Ms. Anne Sheehan requested an explanation for the change in language regarding compliance monitoring. Mr. Donnelly stated that there were concerns regarding how "value" is placed on the condition of a resource. A change in the condition or resource value may or may not be the fault of the landowner, such as fire, or a change in climate, etc. While the monitoring report should document those changes, those proposed policy takes into consideration the cause of the change or the condition of the resources. Ms. Sheehan agreed that the new policies will be helpful and recommended that staff get out and talk with stakeholders and suggested staff continue communication with the land trust community to facilitate and ensure implementation of the new policies.

Mr. Flores asked if there were any questions or public comment.

Mr. Ryan Broddrick thanked Mr. Donnelly and the WCB staff for all their hard work in developing the policies and also all the non-governmental organizations and state agencies who assisted with this effort. He stated it was a tribute to Mr. Wright and the WCB staff that policies were developed in a timely manner and will serve as a model for standardizing conservation easements. Mr. Broddrick further stated the policies will benefit the communities of California and keep the public interested in making investments to protect California's natural resources.

Mr. Wright stated that a letter of support was received from Senator Sheila Kuehl, who has had an interest in conservation easements for some time. In summary of her letter, she speaks to the elements of the policy, and in her final paragraph stated, "these proposed policies are solid steps toward providing confidence and accountability for landowners and for the public when conservation easements are established. Hopefully, the WCB's efforts will serve as a model for other public agencies".

Letters of support were also received from The Nature Conservancy and Mr. Jim Petruzzi, Executive Director of the Northcoast Regional Land Trust. Mr. Petruzzi stated he had two primary concerns, which was cause for the WCB to review the monitoring requirements of the policy. He also raised the issue that monitoring should be adaptive. The WCB agreed with his comments and the language was modified in the policy.

Mr. Wright and Mr. Donnelly contacted Ms. Bridgett Luther, Director of the Department of Conservation, and she stated that what they are doing in their own department is mirrored in the policy developed by the WCB. Secretary Michael Chrisman of the Resources Agency had also been briefed on the WCB's proposed policy by Mr. Wright and Mr. Donnelly.

Mr. Alan Ehrgott, Director of the American River Conservancy, stated that he supports the proposed policies. He asked should this policy be adopted from this day forward; is it meant to reflect funding that is applied to future easements, and if not, is there a plan to bring past conservation easements into compliance with the policy? He also asked whether the WCB had taken a look at the scope of the number of the conservation easements funded, and asked whether or not there was an economic base to support monitoring compliance once every three years. He further requested if the policy was expected to be extended to easements that are funded by the Resources Agency, by CALFED, or by other agencies.

Mr. Donnelly stated that the policy would not be applied to past easements and stated the WCB staff has begun to monitor past projects, and hopes to hire staff to conduct future monitoring efforts. In response to the final question, Mr. Wright stated that many of the WCB projects are partnerships and are funded by various sources and these policies are intended for use by the WCB. The Resources Agency, CALFED, and other agencies may already have their own policies.

Ms. Anne Sheehan suggested the WCB send a letter providing an update to the various state agencies, land trusts and various non-governmental agencies that were involved, should the proposed policy be adopted.

It was moved by Ms. Sheehan that the Board approve the amended policies as proposed.

Motion carried.

Mr. Wright gave a special thanks to Ms. Marilyn Cundiff and Ms. Nancy Templeton for their hard work in developing the policies.

Ms. Darla Guenzler, Executive Director for the California Council of Land Trusts, noted the WCB was responsive to the land trusts' concerns and spoke in support of the Grant Agreement and Conservation Easement Policies. She thanked the WCB staff and those who worked hard in developing these policies.

- *7. Wilson Creek Riparian Corridor, Expansions 1, 2, and 3, \$15,000.00
Riverside County

This proposal was to consider the acceptance of a Habitat Conservation Plan Land Acquisition Grant from the U. S. Fish and Wildlife Service (USFWS) and the authorization to enter into an agreement to subgrant the federal funds to the County of Riverside/Western Riverside County Regional Conservation Authority (County) to be applied toward its acquisition of three separate properties totaling 881± acres located east of Temecula and south of Hemet near State Highway 79 and Highway 371, in the County of Riverside. Acquisition of the properties will help establish and protect a contiguous landscape linkage, habitat nodes for wildlife dispersal and wildlife connectivity between the Cleveland National Forest and the San Bernardino National Forest. The acquisition also conforms with the Western Riverside Multiple Species Habitat Conservation Plan (MSHCP) and will further implement joint federal, state and local Natural Community Conservation Planning (NCCP) efforts in southwestern Riverside County.

Expansions 1 and 2 are located in the northwest quadrant formed by State Highways 79 and 371 about 20 miles southeast of the City of Temecula. Expansion 3 is located near State Highway 371 about 30 miles, southeast of Temecula near the community of Anza (south of the Cahuilla Indian Reservation) and about 25 miles southwest of Palm Desert.

All three of the subject properties are primarily mountainous, arid watershed of the Wilson Creek drainage complex. The topography is mostly sloping from moderate to steep hillside areas with some level plateau areas and intermittent streams and creeks. The subject areas support a mix of natural plant communities that are unique to this region. Although coastal sage scrub, riparian and grassland plant communities occur elsewhere, the uniqueness of the combination has produced new and as of yet undefined communities. The desert influence on climate is very apparent by the number of plant species that make their western-most extension into the area. The mix of plant communities has resulted in habitats suitable for an abundance and diversity of species including many endemic species. Many butterfly species were identified in the area, including the federally endangered Quino checkerspot butterfly. The area also provides breeding and foraging habitat

for and abundance of wildlife including the San Diego horned lizard, orange throated whiptail, coastal western whiptail and the coast patch-nosed snake, all federal and State species of concern. Least Bell's vireo, coastal California gnatcatcher, Cooper's hawk, sharp-shinned hawk, golden eagle and burrowing owls have also been identified in the area.

The County proposed that the area be managed primarily to preserve threatened and endangered species and to conserve biodiversity. Additional management objectives may include providing public access for recreational pursuits such as hiking and wildlife viewing. Upland game hunting opportunities may be available with adequate space for safe separation of public users.

The proposed subgrants will provide the County with \$2,786,500.00 toward the acquisition of the subject properties. It is estimated that an additional \$15,000.00 will be needed for administrative expenses, including Department of General Services' appraisal review costs, bringing the total recommended allocation of \$15,000.00.

The terms and conditions of the proposed subgrants provide that the Board staff review 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 the County's escrow accounts for these purchases.

Wilson Creek Riparian Corridor, Expansion 1: This was a proposal to subgrant USFWS funds to acquire 320± acres of land located northwest of the intersection of State Highways 79 and 371. The owner of the property has agreed to sell the property at the approved appraised value of \$1,760,000.00. The subgrant as proposed will cover 50% of the appraised value (\$880,000.00) with a match of 50% of the value provided by 2004 Assessment District (AD) 161 Multiple Species Habitat Conservation Plan funds held by the County.

Wilson Creek Riparian Corridor, Expansion 2: This was a proposal to subgrant USFWS funds to acquire 240± acres of land located northwest of the intersection of State Highways 79 and 371. The owner of the property has agreed to sell the property at the approved appraised value of \$1,080,000.00. The subgrant as proposed will cover 50% of the appraised value (\$540,000.00) with a match of 50% of the value provided by 2004 Assessment District 161 Multiple Species Habitat Conservation Plan funds held by the County.

Wilson Creek Riparian Corridor, Expansion 3: This was a proposal to subgrant USFWS funds to acquire 321± acres of land located south of State Highway 371 near the community of Anza. The owner of the property has agreed to sell the property at the approved appraised value of \$2,733,000.00. The subgrant as proposed will cover 50% of the appraised value (\$1,366,500.00) with a match of 50% of the value provided by 2004 Assessment District 161 Multiple Species Habitat Conservation Plan funds held by the County.

Management of the above parcels will be provided by operating funds from AD 161 and the County of Riverside. There are no state funds to be used for the management of these properties.

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

Staff recommended that the Board accept the Habitat Conservation Plan Land Acquisition Grant from the U.S. Fish and Wildlife Service in the amount of \$2,768,500.00; approve the award of three subgrants totaling \$2,768,500.00 to the County of Riverside/Western Riverside County Regional Conservation Authority to be applied toward three separate acquisitions totaling 881± acres in southwestern Riverside County as proposed; allocate a total of \$15,000.00 from Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Fund (Prop. 12), Section 5096.350 (a)(5) for expenses; authorize staff to enter into appropriate agreements to accomplish this project; authorize staff and the Department of Fish and Game to proceed substantially as planned.

As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Flores that the Board approve this project as proposed; allocate a total of \$15,000.00 from Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Fund (Prop. 12), Section 5096.350 (a)(5) for expenses; approve the award of three subgrants totaling \$2,768,500.00 to the County of Riverside/Western Riverside County Regional Conservation Authority to be applied toward three separate acquisitions totaling 881± acres in southwestern Riverside County as proposed; authorize staff to enter into appropriate agreements to accomplish this project; authorize staff and the Department of Fish and Game to proceed substantially as planned.

Motion carried.

- *8. Carrizo Plain Ecological Reserve, Land Transfer, San Luis Obispo \$5,000.00

This proposal was to consider the transfer of 7.5± acres to the California Department of Transportation (Caltrans) to accommodate the realignment of Highway 166 for safety reasons. The property is located along Highway 166 which is an east/west highway connecting the central coast to the southern San Joaquin Valley in San Luis Obispo County. The existing Highway 166, between Highway 101 near Santa Maria, and Interstate 5 south of Bakersfield, is a rural two-lane facility.

The project is along a stretch of Highway 166 that has a history of accident rates higher than expected. The Department of Fish and Game's (DFG) vacant property fronts on the Highway where the curvilinear alignment does not coincide with the high operating speed resulting in an element of surprise for drivers. According to accident report data, many of the recorded accidents describe vehicles leaving the roadway and overturning. Caltrans will require 7.291 acres in fee and .186 acre in temporary construction easement (TCE) areas within the project.

The Caltrans project will improve the curvilinear alignment and improve safety. The redesigned horizontal curve radii and profile will allow a speed consistent with highway speed east and west of the project area. It will improve safety by upgrading this rural section of Highway 166 to current design standards.

Caltrans will be responsible for fencing the construction area during the course of the project as required. At completion of the project, they will restore fencing at the common property line with fencing of equal to or better than exists prior to the project. The project is currently on schedule for construction to begin mid-year 2007 with completion one year later. The TCE's shall terminate upon completion of the project.

The Department of Fish and Game has been offered the fair market value, as approved by Caltrans and reviewed by the Wildlife Conservation Board of \$10,950.00 for the property. It is estimated that \$5,000.00 will be needed to cover administrative expenses including review charges by Department of General Services. Caltrans will reimburse the Board for these expenses.

The proposed transfer of the property from the Department of Fish and Game to Caltrans is exempt from the California Environmental Quality Act pursuant to Section 15061 (b)(3), and the appropriate documentation will be filed with the State Clearinghouse, upon approval by the Board.

Staff recommended that the Board approve this project as proposed; allocate \$5,000.00 from the Habitat Conservation Fund (Prop. 117), Section 2786 (b/c) for the 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.

As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Flores that the Board approve this project as proposed; allocate \$5,000.00 from the Habitat Conservation Fund (Prop. 117), Section 2786 (b/c) for the 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.

- *9. Tule Basin Farms Wetlands Restoration, \$124,000.00
Sutter County

This proposal was to consider an allocation for a grant to the California Waterfowl Association (CWA) for a partnership project with the Department of Fish and Game (DFG), the landowner, and the U.S. Fish and Wildlife Service (USFWS) to restore 300 acres of forested seasonal wetlands and 20 acres of uplands on privately owned land located approximately ten miles southwest of the City of Yuba City in Sutter County. The property lies adjacent to the western boundary of the FWS's

Sutter National Wildlife Refuge, just north of Oswald Road. The FWS recently acquired a conservation easement over the property with a goal of restoring the marginal agricultural land to wetlands.

This proposal is the Wildlife Conservation Board's second wetland restoration project ever considered in the Sutter Basin, despite the fact that this Basin is centrally located in the Sacramento Valley and hosts hundreds of thousands of wintering waterfowl every year. Most of these birds use the thousands of acres of winter flooded rice fields that are found in the Basin, which while important, do not provide the habitat diversity of native wetlands. This project will assist the Central Valley Joint Venture's (CVJV) goal of restoring and protecting 11,000 acres of wetlands in the Basin. To date, the CVJV's partners have achieved less than 10% of this goal.

The proposed project will result in the development of seasonal wetland habitats, the installation of riparian plantings, and the planting of native upland grasses and forbs. Seasonal wetland habitats provide reliable feeding areas for wintering waterfowl and shorebirds, including such species as American widgeons, greater white fronted geese and western sandpipers. Riparian habitat will be established along the eastern boundary of the property and should provide breeding and

foraging areas for many species including black headed grosbeaks, common yellowthroats, and spotted towhees. Mallards and cinnamon teal will nest in the uplands, which could also provide nesting habitat for short eared owls, a California special status species. Other special status species that should benefit from the proposed project include tri-colored blackbirds and white faced ibis, both of which nest on the adjacent Sutter National Wildlife Refuge. A mitigation bank for the giant garter snakes is located immediately south of the proposed project and wetlands restored at this site will provide additional foraging areas.

The proposed funding breakdown for the project was as follows:

Wildlife Conservation Board	\$124,000.00
U.S. Fish and Wildlife Service	25,000.00
Landowner	<u>194,981.00</u>
 Total Available Funding	 \$343,981.00

Project costs will be for earthmoving to remove unneeded levees and construction of islands, berms and swales, the installation of water control structures, the installation of a lift pump to bring water from adjacent agricultural drains, the drilling of a new well to provide reliable water all year, transplanting of tules, planting of 5,000 cottonwoods and willows, the creation of 25 acres of native grasses, and project design, construction supervision and administration.

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

Staff recommended that the Board approve this project as proposed; allocate \$124,000.00 from the Habitat Conservation Fund (Prop. 117), Section 2786 (d) IWCP; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Flores that the Board approve this project as proposed; allocate \$124,000.00 from the Habitat Conservation Fund (Prop. 117), Section 2786 (d) IWCP; 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.

- *10. Rudd Ranch Wetland Restoration, \$85,000.00
Butte County

This proposal was to consider an allocation for a grant to the California Waterfowl Association (CWA) for a partnership project with the Department of Fish and Game (DFG), the landowner, and CWA to restore 240 acres to forested seasonal wetlands and 79 acres of uplands on privately owned land, located approximately seven miles southwest of the City of Gridley. The property lies adjacent to the south boundary of DFG's Gray Lodge Wildlife Area on the west side of Pennington Road in Butte County.

This proposal is a continuation of a project that was developed in May 2005, as part of the North Central Valley Conservation Reserve Enhancement Program (CREP), a program set up by the U.S. Department of Agriculture (USDA). The North Central Valley CREP habitat improvements program is implemented in designated areas of Butte, Colusa, Glenn, Placer, Sacramento, Solano, Sutter, Yolo, and Yuba Counties. The federal role in this program is to enter into contracts with area farmers to take marginal farmlands out of production for ten to fifteen years. The USDA's Farm Services Agency (FSA) will provide yearly payments to compensate these farmers for loss of production income during this time period. The State has determined that most of the state and local cost share will go toward the protection and restoration of wetland and riparian habitats.

As part of this program, in May 2005, the Board considered and approved a proposal to acquire a conservation easement on the property with a goal of restoring this portion of the property, to wetland and upland habitats and protecting those improvements in perpetuity. During the course of the ensuing year, final restoration plans were developed and the project is now ready for construction. Once completed, the landowner will continue to manage the wetlands and uplands, which will include maintaining agricultural production through the use of cattle grazing.

The restoration of these wetlands will result in the development of seasonal wetland habitats, the installation of riparian plantings, and the planting of upland grasses and forbs. The seasonal wetland habitats will provide feeding areas for thousands of wintering waterfowl and shorebirds, including such species as, wood ducks, pintails and greater yellowlegs. Riparian habitat provides breeding and foraging areas for many species including yellow warblers, song sparrows and red

shouldered hawks. Meadowlarks and savannah sparrows are likely to breed in the restored uplands. Special status species that should benefit from the proposed project include tricolored blackbirds, pond turtles, white faced ibis, and northern harriers, which nest in upland habitats. Giant garter snakes are found nearby and could benefit from increased water in the spring, when rice ground is still dry.

The proposed funding breakdown for the project was as follows:

Wildlife Conservation Board	\$85,000.00
California Waterfowl Association	105,600.00
Landowner	<u>22,000.00</u>
Total Available Funding	\$212,600.00

Project costs will be for earthmoving to remove unneeded levees and to construct islands, berms and swales; the installation of water control structures; transplanting of tules; planting of 5,000 cottonwoods and willows, 25 acres of native grasses, and 54 acres of upland planting mix; and project design, construction supervision and administration.

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

Staff recommended that the Board approve this project as proposed; allocate \$85,000.00 from the Habitat Conservation Fund (Prop. 117), Section 2786 (d) IWCP; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

As one the consent items heard at the beginning of the meeting, it was moved by Mr. Flores that the Board approve this project as proposed; allocate \$85,000.00 from the Habitat Conservation Fund (Prop. 117), Section 2786 (d) IWCP; 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. DFG Land Management Plans, \$411,000.00
Sacramento Valley-Central Sierra Region, Phase III,
Butte, Sierra, and Solano Counties

This proposal was to consider an allocation for a grant to the California Wildlife Foundation, Inc. to provide project administration for preparation of four land management plans for the Department of Fish and Game (DFG) Sacramento Valley-Central Sierra Region's high priority wildlife areas. The DFG is the public trust steward of properties acquired throughout the State by the Wildlife Conservation Board (WCB) 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. In order to assess resources, involve the public and provide guidance to the DFG's programs that relate to land management, land management plans are necessary. The Sacramento Valley-Central Sierra Region has selected the following four sites for this project:

Property Descriptions:

Antelope Valley Wildlife Area (AVWA), Sierra County: The AVWA totals approximately 5,700 acres and is located in eastern Sierra County. It is roughly two miles southwest of the City of Loyalton and five miles northeast of Sierraville. It lies just south of State Road 49. The majority of the property is critical deer range for the Loyalton-Truckee deer herd, one of the most important deer herds in the state. A substantial portion of the area is covered in sagebrush mixed with antelope bitterbrush. There are very well developed stands of curl leaf mountain mahogany on the southern end. Much of the area is covered with conifers, either in relatively pure stands of Jeffrey pine or in Mixed Sierra Conifer types. Antelope Valley has a limited amount of wet meadow and riparian habitat along Antelope Creek and its unnamed tributaries. The wildlife area is adjacent to portions of the Tahoe National Forest and various private landowners. *Ivesia aperta* var. *aperta*, the Sierra Valley Ivesia, is the only sensitive plant found on the area.

Smithneck Creek Wildlife Area (SCWA), Sierra County: The SCWA totals 1,385 acres and is located in eastern Sierra County, approximately 2 miles south of the City of Loyalton and State Road 49. It essentially surrounds the community of Sierra Brooks. The majority of this property is critical deer range for the Loyalton-Truckee deer herd. A large portion of the area was burned during the Cottonwood fire in 1994, which resulted in a shift in vegetation from conifers to shrubs such as tobacco brush and green-leaved manzanita. A substantial portion of the area is covered in sagebrush mixed with antelope bitterbrush.

Both of these wildlife areas have a diverse assemblage of habitat types and wildlife species. A management plan was prepared for AVWA in 1998, and a draft management plan was prepared for SCWA in 1990. Since that time, several hundred acres have been added to the AVWA by purchase from private landowners. The SCWA has not been enlarged, but there are potential acquisitions being proposed at this time. These could add up to 640± acres, if approved.

The two management plans will be included in a Watershed Assessment and Restoration Plan along with Tahoe National Forest lands and other private and public lands within the watersheds. A comprehensive plan for restoration of these lands including all environmental documentation would be the goal of this planning project. The DFG will be working in partnership with the US Forest Service, National Resource Conservation Service, Sierra County, the Feather River Land Trust, and a private landowner. The NRCS will provide additional engineering assistance, and may provide some funding for some of the work. The Feather River Land Trust is the holder of the conservation easement for the Balderston Ranch, just north of the AVWA boundary. Sierra County is responsible for the Antelope Valley Road, which passes through both AVWA and SCWA. Road maintenance activities over the years have caused some of the problems to be solved through the restoration effort, and that will require Sierra County to be an active participant. AVWA and SCWA are in separate watersheds, but are both included in this restoration plan, since they are nearly contiguous, and they have many of the same issues.

Oroville Wildlife Area (OWA), Butte County: The OWA totals 11,871 acres, more or less, and is located in central Butte County. The Wildlife Area is located near the City of Oroville. Beginning at the State Highway 162 bridge over the Feather River, the OWA extends south for approximately eight miles on both sides of the river. It is bound on the east by State Highway 70. The majority of the OWA is confined within the flood control levees of the Feather River and the entire area is an integral part of the operations of the Oroville Dam, Federal Energy Regulatory Commission (FERC) Project 2100. The Feather River, which runs through the wildlife area, provides critical habitat for many anadromous fish species and a wide variety of terrestrial and aquatic species. Additionally, the area is interspersed with a wide variety of habitats including shaded riverine, riparian, upland, vernal pool and lacustrine which are used by many wildlife species.

A management plan was prepared for OWA in the early 1980's. With over 500,000 recreational user days, the wildlife area requires a revised plan to meet surrounding urban areas expansion. The final plan will be submitted to FERC for approval and inclusion in the FERC 2100 License.

Putah Creek Wildlife Area (PCWA), Solano County: The PCWA totals 673 acres and is located in western Solano County, roughly 10 miles west of the City of Winters, south of Putah Creek and access is by State Highway 128. The PCWA is located at elevations ranging from approximately 300 to 2500 feet above sea level. Habitats are typical of low elevation coast range foothills, and are predominantly blue oak woodland, annual grassland, mixed chaparral and chamise brushlands. The PCWA was originally acquired to protect the riparian habitat bordering Putah Creek along the northern edge of the property, adjacent to the University of California, Davis, Cold Canyon Reserve and is also partially bordered by the U.S. Bureau of Land Management property. The DFG also owns property along the north side of Putah Creek, which it manages cooperatively with Yolo and Solano Counties, as a public fishing access area.

This wildlife area is small and has a representative assemblage of Coast Range habitat types and wildlife species. A management plan was prepared for PCWA in 1980, but is out of date by current standards. Recent discussions with the public neighbors have led to preliminary investigations concerning the potential for co-operative management.

Scope of Plans

The management plans are to be prepared per DFG guidelines, A Guide and Annotated Outline for Writing Land Management Plans (Guide), and other local or federal agency requirements as necessary. They will be written to fulfill CEQA, CESA, NEPA and ESA requirements, as necessary. State Clearinghouse review will be used. Tasks that may be required to complete the plan, depending upon individual plan circumstances include, but are not limited to:

- Evaluate existing biological and cultural resource data to determine what type of inventory work needs completion or updating
- Conduct minor resource inventory and mapping, which may include soils, sensitive plants and animals, and other wildlife resources
- Habitat mapping
- Identify all leases and easements that may occur on or pass through property
- Prepare a noxious weed management component
- Prepare a cultural resource assessment and management element for the plan
- Conduct a literature searches as necessary
- Prepare an educational component
- Prepare a fire management component, including past fire history
- Prepare a public use component that includes a discussion of current public uses and their potential impact on the resources of the property

- Prepare a restoration component, including identification of areas in need of restoration, a priority ranking, and a proposed timeline for completion
- Evaluate the existing DFG water rights on the property

Information needed to prepare the plans may include:

- Hydrologic and topographic information
- Climate data
- Archaeological and historical site surveys or information
- Descriptions of all wildlife habitat types and vegetation community types currently found on the property
- Historical wildlife habitats, land use practices, or other natural resources which provide a historical context to the property
- Inventories of animal and plant species occurring or likely to occur on the property
- Fire history

The DFG has reviewed this proposal and recommends it for funding by the WCB. The DFG or selected subcontractors will complete all California Environmental Quality Act requirements and obtain all necessary permits.

A partner to the DFG in the completion of the Oroville Wildlife Area plan is the Department of Water Resources, per Article A115 of FERC, Project 2100 SA, in the amount of \$200,000.00. For the Antelope Valley and Smithneck Creek Wildlife Areas, additional partners include the U.S. Tahoe National Forest staff, the NCRS, BLM and county staff who will provide engineering, hydrological and other expertise, as necessary.

Staff recommended that the Board approve this project as proposed; allocate \$411,000.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Prop. 40), Section 5096.650; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Flores that the Board approve this project as proposed; allocate \$411,000.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Prop. 40), Section 5096.650; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

Motion carried.

- *12. Oak Woodlands Conservation Master Naturalist Program, \$93,500.00
Mendocino County

This proposal was to consider an allocation for a grant to the University of California (UC) Cooperative Extension, Agriculture and Natural Resources, for a cooperative project with Mendocino County and others for an oak woodland education and outreach project designed to develop and implement a Master Naturalist Program. Through partnerships and volunteer participation, the program will coordinate with environmental and community groups to increase local and statewide capacity to deliver and implement oak woodland education, outreach, community service and oak woodland restoration projects.

Consistent with the provisions of the Oak Woodlands Conservation Act, this educational and outreach proposal is designed to implement a Master Naturalist Program. Across the nation, 27 states have implemented a Master Naturalist training program. From Oregon to Minnesota, Texas to Florida, joint ventures between resource agencies, cooperative extension and conservation organizations have implemented volunteer training programs as a way to increase capacity, environmental awareness, literacy, stewardship and involvement in conservation of wildlife, open space and agricultural properties.

The Texas Master Naturalist program, implemented in 1998, reflects a collaborative project between Texas University Cooperative Extension and Texas Parks and Wildlife. Since then, the program has trained 2,751 volunteers. Those volunteers conducted 213,000 hours of education and outreach community service valued at approximately \$3.9 million. Success of the Master Naturalist Program in Texas has led to a National Master Naturalist Initiative funded in part by the International Association of Fish and Wildlife Agencies. The initiative is designed to increase collaboration and cooperation between existing state programs and promote the development of new Master Naturalist Programs across the United States. The mission of the national initiative is *"To promote awareness and citizen stewardship of natural resources through science-based education, community service and involvement"*.

Following the framework for the Minnesota program, this proposal will provide certification courses that include 40 hours of combined classroom and field training and 8 hours of advanced training. Participants will obtain a basic understanding of ecological principles, management of natural systems, cultural history and interpretative techniques to broaden their understanding and ability to participate in resource conservation. Further, this proposal will pilot test the Master Naturalist Program in Sonoma and Mendocino Counties. Each program will train 35 volunteers. To encourage participation of professionals and teachers, continuing education credits will be given.

Classes for the pilot program in Sonoma County will be held at the Environmental Learning Center at the Spring Lake Regional Park. Local partners include Sonoma County Agricultural and Open Space District, Landpaths, Mendocino Land Trust, Sonoma and Mendocino County Resource Conservation Districts, Sonoma County Farm Bureau, Laguna de Santa Rosa Foundation, Sonoma County Regional Parks and the Sonoma County Water Agency. After completing the class and field instruction, volunteers will be put into groups of three to four and paired with a mentor from one of the sponsor organizations to complete their 40 hours of volunteer service on an approved oak woodland project. Upon completion, they will receive their Master Naturalist Certification.

Projects that volunteers will participate in may include: (1) the removal of non-native plants and restoration of oak woodland habitat at Laguna de Santa Rosa; (2) eco mapping and restoration of oak woodlands in the Tolay Lake Regional Park; (3) developing and conducting ecology of oak woodland tours in the Annadel State Park; and (4) monitoring sudden oak death and providing assistance to private landowners.

The Mendocino County classes will be held at the Ridgewood Ranch in Willits and follow the same class and field schedule as the Sonoma County classes. Local partners for the Mendocino pilot include the Mendocino County Land Trust, the Natural Resources Conservation Service, the Mendocino Natural Resource Conservation Service, the Mendocino County Farm Bureau, the Mendocino Winegrowers Alliance, and the Mendocino County Audubon chapter.

The Mendocino pilot program will focus on projects with private landowners of large intact oak woodlands. Working with the Mendocino County Farm Bureau, the Mendocino Wine Growers Alliance, and the Integrated Hardwood Range Management Program, this pilot will focus on assisting landowners with natural resource assessment and implementation of best management practices, development of interpretative material describing the ecological, economic and social benefits of oak woodlands and the importance of removing non-native species.

To implement the Master Naturalist Program, UC Cooperative Extension staff proposes the following:

1. To develop a Master Naturalists program that includes 40 hours of combined classroom and field training and at least 8 hours of advanced training. Participants who have successfully completed the course and 40 hours of supervised volunteer service on a sponsored outreach project will receive an initial certification.
2. The program will be initiated in several pilot locations throughout California with a curriculum focused on oak woodlands. Initial pilot locations will include Sonoma and Mendocino Counties.

3. To develop materials that will be used as a complete template for statewide program implementation. At a minimum, products will include promotional materials; curriculum and program management guidelines; a website for program promotion. The website will include an interactive database to manage volunteer information, activities, coordinate and catalog volunteer opportunities and promote cooperation with existing conservation programs and projects. A program assessment tool will be developed with pins, badges, certificates, and forms necessary to establish the statewide recognition of the program.
4. To coordinate with environmental and community groups to increase local and statewide capacity to deliver environmental education, outreach and community service geared toward the preservation and conservation of oak woodlands.

To implement the Master Naturalist Program, UC Cooperative Extension staff has estimated a total cost of \$180,023.00. To match the WCB requested funds, the UC Cooperative Extension program will be providing \$59,283.00 of in-kind services. An additional match has been obtained from the Renewable Resources Extension Act, in the amount of \$27,240.00, for a total match amount of \$89,523.00. These funds will be used to fund about 50 percent of the costs associated with program coordinators and support staff salaries and benefits.

The remainder of the program development costs are requested from the WCB, which have been reviewed and approved by staff, were as follows:

Program Representative II (50 Percent Salary for 3 Years)	\$ 38,172.00
Benefits	8,828.00
Travel, Mileage & Communications	3,000.00
Website Development	12,000.00
Volunteer Database Development	3,500.00
Curriculum Development & Materials	11,000.00
Assessment Tools	5,000.00
Implementation of Pilot Program	<u>3,500.00</u>
Sub Total:	\$ 85,000.00
Administrative Costs (10%)	<u>8,500.00</u>
Total WCB Costs:	\$ 93,500.00

This project is exempt from CEQA under Section 15322, Class 22, because the project adopts educational and training programs that involve no physical alteration in the area. Staff will file the notice following WCB approval of the grant.

Staff recommended that the Board approve this project as proposed; allocate \$93,500.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Prop. 40), Section 5096.650 (f), Oak Woodlands; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Flores that the Board approve this project as proposed; allocate \$93,500.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Prop. 40), Section 5096.650 (f), Oak Woodlands; 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.

- *13. Lake Earl Wildlife Area, Expansion 35, \$5,000.00
Del Norte County

This proposal was to consider the acceptance of a grant from the State Coastal Conservancy for the acquisition of a 0.49± acre privately owned parcel, as an expansion of the Department of Fish and Game's (DFG) Lake Earl Wildlife Area (LEWA). The acquisition will allow for the further protection of Lake Earl and its associated coastal dune, wetland, upland and forest habitats, the continued development of the wildlife area, the protection and enhancement of threatened and endangered species habitat, and the improvement of public access to the LEWA. The subject parcel is located north of Crescent City near the east shore of Lake Earl on Lakeside Loop.

The LEWA was acquired as a result of the Keene-Nedgedly Act of 1975, which directed the DFG and the California Department of Parks and Recreation (DPR) to jointly evaluate and acquire certain specified coastal lands for the purpose of protecting, enhancing and managing wetlands. Together the two agencies have acquired over 11,000 acres in the Crescent City area, extending from near Point Saint George north to the Smith River. Of the total, approximately 5,770 acres have been purchased by the Wildlife Conservation Board (WCB) and are managed by the DFG. This includes all of Lakes Earl and Talawa (under lease from the California State Lands Commission). These lakes are actually coastal lagoons that periodically breach the barrier island, thereby allowing the interchange of fresh and saltwater. This natural breaching has been replaced in recent times by artificial breaching as a means of lowering water elevations and increasing lands available for livestock grazing and urban development.

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

The acquisition of the subject property would assist in securing these unique resources, which lie adjacent to or between existing State lands and urban residential development. Placement of this property in public ownership would protect a significant portion of a stand of spruce trees on the fringe of Lake Earl that provides habitat to bald eagles, osprey and other species of birds. The DFG has identified the subject property as being within a Significant Natural Area (Lake Earl) and has recommended the purchase of this property, which would be incorporated into and managed as part of the existing LEWA.

The Grantor has agreed to sell at the DGS approved fair market value of \$40,000.00. It is intended that this parcel be acquired using a \$40,000.00 grant from the State Coastal Conservancy. In addition, \$5,000.00 is needed for appraisal, escrow, and title fees and the DGS review costs.

There are no claims of sovereign State land ownership within the subject property. The proposed acquisition is exempt from CEQA under Section 5313, Class 13, as an acquisition of lands for wildlife purposes and under Section 15325, Class 25, as a transfer of ownership interest in land to preserve existing natural conditions and historical resources.

Staff recommended that the Board approve the project as proposed; allocate \$5,000.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Prop.40), Section 5096.650 to pay project expenses approve acceptance of the \$40,000.00 grant from the State Coastal Conservancy directly into escrow for acquisition costs; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Flores that the Board approve this project as proposed: allocate \$5,000.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Prop.40), Section 5096.650 to pay project expenses approve acceptance of the \$40,000.00 grant from the State Coastal Conservancy directly into escrow for acquisition costs; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

Motion carried.

14. Imperial Valley Landowner Stewardship Program, \$310,033.00
Imperial County

Mr. Wright introduced the Imperial Valley Landowner Stewardship Program located in Imperial County, a proposal for an allocation for a grant to the National Audubon Society (Audubon) for a partnership project with the landowners, the National Fish and Wildlife Foundation, and the Department of Fish and Game to restore riparian habitat on private land. Letters of support were received from Ms. Kim Delfino, Program Director of Defenders of Wildlife, Mr. Robert Mesta, Coordinator of the Sonoran Joint Venture, and Dr. Fred Cagle of the Sierra Club. Mr. Scott Clemons briefly described the project and its location.

This proposal is to consider an allocation for a grant to the National Audubon Society (Audubon) for a partnership project with the landowners, the National Fish and Wildlife Foundation, and the Department of Fish and Game to restore riparian habitat on privately owned land located near the southern edge of the Salton Sea in the vicinity of the New River in Imperial County. The project is located to the north of the Ramer Lake Unit of the State's Imperial Wildlife Area and south of the Wister Unit.

The Wildlife Conservation Board (WCB) has a long history of involvement in the Salton Sea area, including projects to provide public access for fishing and boating, and other projects to acquire and protect high quality wetland habitat and provide managed waterfowl hunting (Imperial Wildlife Area). During recent years, the WCB has funded the development of the Salton Sea Habitat Restoration and Planning Project (ongoing since 2003), which is being managed by the Department of Water Resources, and the New and Alamo Rivers Wetland Master Plan (ongoing since 2005) under the direction of the Salton Sea Authority.

As part of the larger Salton Sea ecosystem, Imperial Valley farmlands provide critical habitat for birds on the Pacific Flyway. In a region where water is extremely scarce and where historic wetlands have been decimated, the Salton Sea and adjoining farmlands offer some of the region's most significant aquatic and wetland habitats essential to the survival of birds and other wildlife. The wetlands at the Sea's southern end support some of the largest concentrations of waterbirds in the west, including eared grebes, the largest breeding population of the Western Gull-billed tern, Ross' goose, white-faced ibis and long-billed curlew. The last two species reach peak abundance in the "simulated wetlands" formed by flooded agricultural fields in the Imperial Valley. Native riparian vegetation can be found in the Imperial Valley, but it is in isolated locations and heavily fragmented. This habitat type still occurs along the New River and on the edges of many of the irrigation canals, in small areas that have not been cultivated, or have been left fallow for several years.

Many of the crops grown in the valley and associated farming practices have also proven attractive to large numbers of declining grassland bird species that have suffered major habitat losses statewide. The Imperial Valley's resident burrowing owl population is by far the largest concentration in California. The grazed, plowed and burned fields of alfalfa, Bermuda grass and asparagus are also critical for the mountain plover when on its California wintering grounds. The Salton Trough is a major migratory pathway for neotropical migrant songbirds, including Wilson's, yellow, and orange-crowned warblers, willow and pacific-slope flycatchers and warbling vireos, moving north out of western Mexico and into the western United States.

Audubon began exploring the possibilities for working with local farmers to improve habitat (and farmed land) for wildlife in 2005. Working with the Water Education Foundation and the Farm Bureau, Audubon presented a series of wildlife-friendly farming workshops, which engaged over 240 farmers, many of whom expressed interest in working with Audubon on wildlife-friendly farming, water quality enhancement projects or both. Eight individual farmers indicated that they were interested in beginning wildlife-friendly projects with Audubon as soon as possible. With assistance from interested local landowners, Audubon prioritized the sites identified by those farmers, and the proposed project will implement restoration work on the five highest priority locations. These sites contain remnant populations of native riparian vegetation, and are adjacent to irrigated farmland, which simplifies their restoration.

The project will restore and enhance approximately 136 acres of riparian habitat on the five prioritized sites, which range in size from 3.84 acres to 65 acres, benefiting a large majority of the bird species that occupy the Imperial Valley. These projects will involve removal of trash and non-native saltcedar (*Tamarisk* spp.) and aquatic weeds, and replanting with native vegetation, including mesquite, willow, cottonwood and desert willow. Maintenance of the planted vegetation (irrigation and weed control) will be performed by the landowners.

In addition to the restoration work, this project will utilize information gathered from the landowner workshops and feedback from project partners to produce a valley wide conservation blueprint. This effort will compile exiting data on current bird use and habitat needs, amounts and types of crops, irrigation methods, crop management, proximity to other habitat features, and the extent to which each of these is a limiting factor for birds and other wildlife. Using the data that is collected, Audubon will develop specific recommendations for the amounts and types of farmland habitats that can be conserved, enhanced or restored provide best management practices to maximize wildlife habitat values and prescribe conservation tools to provide long-term protection of that habitat. The conservation blueprint's findings and recommendations will also be used to help inform and shape the Imperial Irrigation District's, National Community Conservation Plan.

It is anticipated that the project will help demonstrate the positive relationship between agriculture and wildlife conservation to help build support among local farmers to accomplish measurable, successful and replicable results.

The proposed funding breakdown for the project was as follows:

Wildlife Conservation Board	\$310,033.00
National Fish and Wildlife Foundation	100,000.00
Landowner (Cash and In-kind)	<u>70,300.00</u>
Total Available Funding	\$480,333.00

Project costs will be for project management, planning and permitting, excavation, revegetation and irrigation, maintenance of the plants, development of the conservation blueprint, administration and contingency.

The Department of Fish Game has reviewed this proposal and recommends it for funding by the Board. This project is exempt from the California Environmental Quality Act (CEQA) under Class 4 of Categorical Exemptions, California Code of Regulations, Title 14, Section 15304, as a minor alteration to land. Subject to approval by the Board, the appropriate Notice of Exemption will be filed with the State Clearinghouse. The landowners have agreed to manage and maintain their respective properties for twenty-five years, pursuant to the terms and conditions of the grant agreement. 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.

A letter of support was received from the Imperial County Farm Bureau.

Staff recommended that the Board approve this project as proposed; allocate \$310,033.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79568; 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.

Mr. Clemons reported that Mr. Vance Russell and Ms. Julia Levin of the Audubon, were in the audience should there be any questions.

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

It was moved by Ms. Sheehan that the Board approve this project as proposed: allocate \$310,033.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79568; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

Motion carried.

Mr. Brodrick stated that he appreciates in particular the partnership that the National Fish and Wildlife Foundation and landowners share. He stated that this is a critical step in building alliances locally that are focused on habitat to protect the Salton Sea. He thanked the folks who were in support of the project.

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| 15. | San Luis Rey Watershed Arundo
Eradication and Riparian Habitat Restoration,
San Diego County | \$1,700,000.00 |
|-----|----------------------------------------------------------------------------------------------------|----------------|

Mr. Wright introduced the San Luis Rey Watershed Arundo Eradication and Riparian Habitat Restoration Project located in San Diego County. Mr. Tony Chappelle briefly described the project and its location.

This proposal was to consider an allocation for a grant to the Mission Resource Conservation District to eradicate 202.5 acres of Arundo donax and restore riparian habitat in the San Luis Rey watershed. This work will be done on both public and private land. The project is located in northern San Diego County, within and east of the City of Oceanside and includes the Department of Fish and Game's (DFG) San Luis Rey Ecological Reserve.

The San Luis Rey Watershed is 359,000± acres, originating in the Palomar Mountains and reaching the ocean at the City of Oceanside. The area includes 7,468± acres of riparian habitat and 389,000 feet of river and stream corridor. The San Luis Rey River is designated as critical habitat by the U.S. Fish and Wildlife Service for three Federal Endangered Species: least Bell's vireo (*Vireo bellii pusillus*), southwestern willow flycatcher (*Empidonax traillii extimus*), and the arroyo southwestern toad (*Bufo microscaphus californicus*). The San Luis Rey River supports the largest population of southwestern willow flycatchers in the state and the second largest population of least Bell's vireos in San Diego County. These three species currently use the project area and have the potential to increase in abundance if the habitat is restored.

Riparian ecosystems support a diverse array of species, and function as corridors across regions and ecotones between aquatic and terrestrial systems. In southern California it is estimated that 95% of riparian habitat has been lost. One of the main contributors to habitat loss and degradation has been the introduction of invasive non-native plant species.

Of particular concern on the San Luis Rey Watershed is *Arundo donax* (giant reed), a tall bamboo-like grass that has the ability to form dense monotypic stands that exclude native vegetation. It alters channel morphology by retaining sediments and constricting flow, and provides reduced river channel shading, food and avian nesting resources, as compared to native riparian habitat. It is also a serious fire hazard due to the large biomass and high flammability of established stands. If it is not controlled on the San Luis Rey watershed, it will continue to expand its range and eliminate much of the existing riparian habitat.

Fortunately, due to certain characteristics of *Arundo* biology and an ongoing eradication program for the San Luis Rey Watershed, it is likely that it can be eliminated here. Several *Arundo* eradication projects have been completed or are ongoing, as part of the Mission Resource Conservation District's Weed Management Area (WMA) Program that coordinates the many stakeholders, obtains regulatory permits, and seeks many different funding sources, to achieve complete *Arundo* eradication and long-term native habitat improvement. In fact, all of the *Arundo* upstream of this project has either been treated or is scheduled for treatment in the near future. To date the WMA has eradicated approximately 200 acres of *Arundo* in the San Luis Rey Watershed.

The WMA has found the following methodology to be the most effective at restoring native vegetation.

<i>Fall Year 1:</i>	Foliar application of aquatic approved formulation of glyphosate herbicide to <i>arundo</i> stands.
<i>Winter/Spring Year 1:</i>	Biomass reduction of large <i>arundo</i> stands (mowing stands in place). All mowed areas are planted with 1 gallon native plants grown from material collected on the watershed (~300 plants per ac).
<i>Fall in Yrs 2-5:</i>	Re-treatment of any re-sprouting <i>arundo</i> .
<i>Winter/Spring Yrs 2-5 :</i>	Additional fill-in native planting where needed.
<i>Long-term:</i>	WMA monitors sites and utilizes ACOE in-lieu fee mitigation funds to treat any persistent <i>arundo</i> and carry out more native planting if natural recruitment is not occurring.

This project will eradicate 202.5± acres of *arundo* along 10.2 miles of the San Luis Rey River from College Boulevard in the City of Oceanside to approximately 0.5 miles west of Interstate 15. The project area also includes tributaries Keys Creek, Moosa Creek and Live Oak Creek. The WCB funding will eradicate a minimum of 120± acres of the 202.5± acre total.

The proposed funding breakdown for the project was as follows:

Wildlife Conservation Board	\$1,700,000.00
River Parkways	517,920.00
SWQCB-CNPS Prop. 50	<u>900,000.00</u>
 Total Available Funding	 \$3,117,920.00

Project costs will be for project management, GIS mapping, *Arundo* eradication and native revegetation for 5 years, outreach to stakeholders and landowners; monitoring, reporting, and installation of a sign.

The Department of Fish and Game has reviewed this proposal and recommends it for funding by the Board. The Grantee will be filing a Negative Declaration to satisfy CEQA requirements. The Grantee has agreed to manage and maintain the properties for ten years ensuring complete control of *Arundo*, pursuant to the terms and conditions of the grant agreement. If at any time during the life of the project, the Grantee is 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 Grantee currently has nine landowners under agreement to allow access to their property for *Arundo* eradication and riparian habitat restoration. These nine landowners cover more than 50% of the project area. Based on the Grantee's past success at working with landowners, it is anticipated that all landowners within the project area will allow the Grantee access to their property to eradicate *Arundo*.

Staff recommended that the Board approve this project as proposed; allocate \$1,700,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79572 (a); authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

Mr. Chappelle reported that Jason Giessow and Judy Mitchell, District Manager of the Mission Resource Conservation District, were present in the audience should there be any questions.

Ms. Sheehan asked if the funding will cover 120± acres of the 202.5± acres total and that the other funding sources are to cover the remaining acreage. Mr. Chappelle stated, "yes, that is correct".

It was moved by Ms. Sheehan that the Board approve this project as proposed; allocate \$1,700,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79572 (a); authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

Motion carried.

16. Sycuan Peak Ecological Reserve, Expansion 4, \$392,750.00
San Diego County

Mr. Wright introduced Sycuan Peak Ecological Reserve, Expansion 4, in San Diego County, a proposal to acquire 586± acres on Sycuan Peak. Ms. Debbie Townsend briefly described the project and its location.

This proposal was to consider the acquisition of 586± acres of vacant land on the western slopes of Sycuan Peak, in eastern San Diego County, for the protection of threatened and endangered species. This proposal also requests authorization to accept a Habitat Conservation Plan Land acquisition grant from the U.S. Fish and Wildlife Service (USFWS) and the approval to apply the grant funds toward the purchase price of the property.

The subject property is situated approximately 5 miles northeast of the town of Jamul. This remote, rural area of the county is approximately 20 miles due east of downtown San Diego. The site is undeveloped rural land adjoining the Department of Fish and Game's (DFG) Sycuan Peak Ecological Reserve to the west. Physical access to the northwest portion of the subject is available by way of a non-maintained dirt road originating off Beaver Hollow Road just south of the Sloan Canyon Road junction. The property does not have appurtenant easement rights for

ingress and egress to the property, although the dirt road continues to be open and notoriously used by various property owners living in the area, both from the north off Sloan Canyon Road and from the southeast off Lawson Valley Road. The DFG would, if purchased have legal access through its neighboring reserve.

The proposed acquisition area is included within an area identified by the DFG as a Significant Natural Area (SNA) and was nominated for acquisition in its Sycuan Peak Conceptual Area Protection Plan (CAPP). Sycuan Peak is a 2,801 foot-tall, conical-shaped mountain with an approximate six mile radius. The DFG's Sweetwater River Ecological Reserve has recently been combined with Sycuan Peak Ecological Reserve, currently protecting a total of 1,751± acres from the westerly side of the peak and extending north to Sloan Canyon Road and the Sweetwater River. Most of this area has been protected through acquisitions approved by the Wildlife Conservation Board (WCB) between 1991 and 1998. The reserve is also a significant biological core area that is vital to the long-term effectiveness of San Diego County's Multiple Species Conservation Program. As such, the acquisition is very important to the successful implementation of the DFG's Natural Community Conservation Planning efforts in San Diego County.

The primary purpose of this overall acquisition project has been to protect habitat for forty-two species of rare, threatened, endangered or special concern status plants and animals. In particular, the Sycuan Peak SNA contains the best example of habitat for two plant species, the State listed endangered *Dehesa nolina* and the State listed rare Gander's butterweed. Additionally, the property is used as foraging territory by a number of raptors and birds of prey, including peregrine falcons, a State and Federal listed endangered species, Cooper's hawks, golden eagles, prairie falcons, turkey vultures and the common barn owl. The Sycuan Peak lands are also part of a large, important wildlife corridor linking the DFG's McGinty Mountain Ecological Reserve, to the west with the Cleveland National Forest to the east. Protection of the corridor would allow continued use by a number of large and small mammals that inhabit the area including mountain lions, mule deer, coyotes, bobcats, squirrels and rabbits. The property supports several species of rare lizards, including the orange throated whiptail, western whiptail, and the San Diego horned lizard.

The DFG identified the subject property as being a significant addition to the area and has recommended the purchase of the property. The land will be incorporated into and managed as part of the existing reserve. Management objectives include conservation and protection of the rare, threatened and endangered plant and animal species in the area including restoration and enhancement of the native southern mixed chaparral vegetation and the Engelmann oak population, in limited areas where this may be necessary. The DFG would also continue to enhance recreational resources in the area which could be extended to the subject property including interpretation/education programs, bird watching, photography, regulated hunting in suitable areas and appropriate scientific research.

The property owners have agreed to sell the property at the appraised, fair market value of \$1,467,000.00. A Habitat Conservation Planning Land Acquisition Grant, made available by the USFWS, would provide a portion of the funding in the amount of \$1,100,250.00. It is staff's recommendation that the Board authorize the acceptance of the grant and approve the use of the funds to be applied toward the purchase of the property. It is also staff's recommendation that the Board approve an allocation in the amount of \$366,750.00 to cover the balance of the purchase price. It is estimated that an additional \$26,000.00 will be needed to cover project costs, including the appraisal, Phase 1 report, title and escrow fees and review charges by the DGS, bringing the total proposed allocation for this project to \$392,750.00.

The proposed acquisition is exempt from the California Environmental Quality Act requirements under Section 15313, Class 13 as the acquisition of land for fish and wildlife conservation purposes and under Section 15325, Class 25 as the 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.

Staff recommended that the Board approve acquisition of the subject property as proposed; allocate \$392,750.00 from the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Fund (Prop. 12), Section 5096.350 (a)(5), for the acquisition and related project expenses; authorize acceptance of the Habitat Conservation Planning Land Acquisition Grant from the U. S. Fish and Wildlife Service, in the amount of \$1,100,250.00, and approve the use of those grant funds to be applied toward the purchase price of the property; 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.

Ms. Townsend reported that Mr. Kevin Knowles of the Conservation Land Group, supporting the project and representing the property owners, was in the audience should there be any questions.

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

It was moved by Ms. Sheehan that the Board approve this project as proposed; allocate \$392,750.00 from the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Fund (Prop. 12), Section 5096.350 (a)(5), for the acquisition and related project expenses; authorize acceptance of the Habitat Conservation Planning Land Acquisition Grant from the U. S. Fish and Wildlife Service, in the amount of \$1,100,250.00, and approve the use of those grant funds to be applied toward the purchase price of the property; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

Motion carried.

Mr. Wright stated that the map shown by Ms. Townsend represented about two hundred million dollars of public investment in San Diego County's implementation of approved Natural Community Plans over the last five years, noting the pieces have really come together.

17. Purisima Hills, \$339,725.00
Santa Barbara County

Mr. Wright introduced the Purisima Hills project, located in Santa Barbara County, a proposal for a grant to the California Rangeland Trust, to assist in the acquisition of a conservation easement. Ms. Terri Muzik briefly described the project and its location.

This proposal was to consider the allocation of a grant to the California Rangeland Trust to assist with the acquisition of a conservation easement over 594± acres of land to protect critical California tiger salamander breeding habitat. The property is located approximately five miles southwest of the town of Los Alamos in northern Santa Barbara County. This proposal also requests authorization to accept federal funds through the Fish and Wildlife Service 2001 Recovery Land Acquisition Program to assist with the funding of the project.

The Santa Barbara population of the California tiger salamander was emergency listed in 2001 by the U.S. Fish and Wildlife Service. The subject property is located in an area of Santa Barbara County that contains the only remaining unfragmented corridor between federally protected lands at Vandenberg National Air Force Base and the Los Padres National Forest. Protection of property in this area will be a substantial gain for California tiger salamander habitat in Santa Barbara County. In addition to the California tiger salamander, the following federal and state listed species are found in the area and will benefit from the proposed project: the threatened California red-legged frog, the golden eagle, western spadefoot toad, loggerhead shrike, the California horned lark, and the American badger.

The conservation easement will prohibit future development of the property and allow for continued agricultural uses of the property that are consistent with the protection of the biological values found on the property. The subject property shares a large pond with the adjacent property. The pond is considered critical to the breeding habitat of the California tiger salamander.

The California Rangeland Trust will monitor the property according to the terms of the conservation easement and the Wildlife Conservation Board's (WCB) grant agreement.

The WCB was awarded a grant under the U.S. Federal Fish and Wildlife Service 2001, Recovery Land Acquisition Program in the amount of \$491,000.00. The purpose of the grant is to protect the California tiger salamander habitat in Santa Barbara County through the purchase of conservation easements. The subject property was one of several properties listed as containing the critical breeding habitat. This acquisition will use a portion of the funds and efforts will be made to acquire additional properties from willing sellers in the area.

The proposed conservation easement will cover only a portion of the property owned by the landowners. The portion covered contains the critical habitat as well as the shared pond. The owners have agreed to sell the conservation easement for the appraised fair market value of \$545,000.00, as approved by the Department of General Services (DGS). The federal grant will cover 39.5% (\$215,275.00) of the purchase price and the State's share will be 60.5% (\$329,725.00). It is estimated that an additional \$10,000.00 will be needed to cover project costs including the DGS appraisal review, escrow fees, etc., bringing the total proposed allocation for the State's share to \$339,725.00.

The terms and conditions of the WCB grant provide that staff will review all proposed title documents, appraisals, preliminary title reports, agreements for purchase and sale, escrow instructions and the instruments of conveyance prior to the disbursement of funds.

The proposed acquisition is exempt from the California Environmental Quality Act as a categorical exemption under Section 15313, Class 13, as the acquisition of lands 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. The appropriate Notice of Exemption will be filed with the State Clearinghouse upon approval by the Board.

Staff recommended the Board approve the grant as proposed; allocate \$339,725.00 from the Habitat Conservation Fund (Prop. 117), Section 2786 (b/c) for the acquisition and related expenses; authorize acceptance of the federal grant in the amount of \$491,000.00, \$215,275.00 of which will be used on the proposed project; authorize staff to enter into appropriate agreements as necessary to carry out this project as proposed; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

Ms. Muzik reported that Ms. Michele Clark of the California Rangeland Trust, was in the audience should there be any questions.

Mr. Flores asked if there were any questions or public comment.

Mr. Flores asked what the salamander population was in the area.

Ms. Muzik stated that it is not known. The last survey was done three years ago and the salamanders are very elusive and difficult to find. It is anticipated that another survey to count the population may be done by the Department of Fish and Game in November, during the breeding season.

It was moved by Mr. Broddrick that the Board approve this project as proposed; allocate \$339,725.00 from the Habitat Conservation Fund (Prop. 117), Section 2786 (b/c) for the acquisition and related expenses; authorize acceptance of the federal grant in the amount of \$491,000.00, \$215,275.00 of which will be used on the proposed project; authorize staff to enter into appropriate agreements as necessary to carry out this project as proposed; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

Motion carried.

18. Elkhorn Slough Ecological Reserve, Expansions 9 and 10, \$410,500.00
Monterey County

Mr. Wright introduced the Elkhorn Slough Ecological Reserve, Expansions 9 and 10, located in Monterey County, a proposal to acquire two parcels of land. Ms. Terri Muzik briefly described the project and its location.

This proposal was to consider the acquisition of two privately owned parcels of land, totaling 24± acres, as additions to the Elkhorn Slough Ecological Reserve. The Elkhorn Slough is located approximately 100 miles south of San Francisco in Monterey County. The subject properties are not contiguous but do fall within the boundaries of the Elkhorn Slough. Expansion 9 is located near the town of Elkhorn and Expansion 10 is located in Castroville. This proposal also requests authorization to accept federal funds through the Federal Coastal and Estuarine Land Conservation Program (CELCP) administered by the National Oceanic Atmospheric Administration (NOAA) to assist with the funding of the projects.

Elkhorn Slough is a shallow estuary located in northern Monterey County. The Wildlife Conservation Board (WCB) approved the first acquisition in the Elkhorn Slough in 1979 and to date, more than 1,300± acres have been acquired by the WCB. In addition to Wildlife Conservation Board (WCB), the Elkhorn Slough Foundation has protected nearly 2,700± acres in the slough area. The Elkhorn Slough Foundation is a community-supported land trust that works with local landowners as well as public and private partners to insure that the natural heritage and health of Elkhorn Slough is secure.

Elkhorn Slough is an integral part of the coastal arm of the Pacific Flyway and provides habitat for a large number of migratory and resident water-associated birds. Over 90 species have been identified from this area. The waters of the slough also provide an important nursery and feeding area for many sport and commercial fishes, in addition to supporting a rich fauna of bottom and mud-dwelling organisms.

Elkhorn Slough is one of the few coastal estuaries in California and harbors a remarkable diversity of wildlife, including southern sea otters, harbor seals, over 340 species of birds, 100 species of fish and many unusual plants. These include, but are not limited to, Hooker's manzanita, Monterey coenothus, Pajaro manzanita, Monterey spineflower, western snowy plover, the California red-legged frog, the tidewater goby and the California tiger salamander. The Elkhorn Slough is one of 27 National Estuarine Research Reserves established in the coastal zone of the United States and has been designated a State Ecological Reserve and a Globally Important Bird Area by the National Audubon Society.

The subject parcels are very valuable as part of the overall Elkhorn Slough ecosystem. Upland habitat including oak woodlands, eucalyptus woodlands, maritime chaparral, as well as some dry lowlands, are found on the subject properties. Both properties are adjacent to the wetlands of the slough. In addition to the high wildlife value contained within these parcels and fish and wildlife values of the adjoining slough, the subject properties may also provide recreational potential. Potential uses may include nature study, scientific research, and bird watching.

The Department of Fish and Game (DFG) currently manages the reserve and will include the subject properties as part of the overall estuarine reserve.

The WCB was awarded a grant under the Federal Coastal and Estuarine Land Conservation Program, administered by the National Oceanic Atmospheric Administration in the amount of \$1,484,216.00. The purpose of the grant is to protect the habitat within and around the Elkhorn Slough. These acquisitions will use a portion of the funds and efforts will be made to acquire additional properties from willing sellers in the area.

The specifics of each property are as follows:

Expansion 9: The owners have agreed to sell their property for the appraised, fair market value of \$65,000.00, as approved by the DGS. The federal grant will cover 50% (\$32,500.00) of the purchase price and the State's share will be 50% (\$32,500.00). It is estimated that an additional \$8,000.00 will be needed to cover project costs including DGS appraisal review, escrow fees, etc., bringing the total proposed allocation for the State's share to \$40,500.00.

Expansion 10: The owners have agreed to sell their property for the appraised fair market value of \$700,000.00, as approved by the DGS. The federal grant will cover 50% (\$350,000.00) of the purchase price and the state's share will be 50% (\$350,000.00). It is estimated that an additional \$20,000.00 will be needed to cover project costs including the DGS appraisal and transaction review, escrow fees, etc., bringing the total proposed allocation for the State's share to \$370,000.00.

The proposed acquisitions are exempt from the California Environmental Quality Act as a categorical exemption under Section 15313, Class 13, as the acquisition of lands 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. The appropriate Notice of Exemption will be filed with the State Clearinghouse upon approval by the Board.

Staff recommended the Board approve the acquisitions as proposed; allocate \$410,500.00 from the Habitat Conservation Fund (Prop. 117), Section 2786 (b/c) for the acquisition and related expenses; authorize acceptance of the federal grant in the amount of \$1,484,216.00, \$382,500.00 of which will be used on the proposed projects; authorize staff to enter into appropriate agreements as necessary to accomplish this project as proposed; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

Ms. Muzik reported that Ms. Becky Christensen, Manager of the Elkhorn Slough National Estuarine Research Reserve, and Mr. Mark Silberstein, Executive Director, of the Elkhorn Slough Foundation, were in the audience should there be any questions.

Mr. Flores asked if there were any questions or public comment.

Mr. Brodrick commended Ms. Christensen and Mr. Silberstein for acquiring state funding, as well as federal funding from the National Oceanic Atmospheric Administration in an effective manner.

It was moved by Mr. Brodrick that the Board approve this project as proposed; allocate \$410,500.00 from the Habitat Conservation Fund (Prop. 117), Section 2786 (b/c) for the acquisition and related expenses; authorize acceptance of the federal grant in the amount of \$1,484,216.00, \$382,500.00 of which will be used on the proposed projects; authorize staff to enter into appropriate agreements as necessary to accomplish this project as proposed; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

Motion carried.

19. San Joaquin River Riparian Restoration, Hageman Site, Stanislaus County \$400,000.00

Mr. Wright introduced the San Joaquin River Riparian Restoration, Hageman Site project, located in Stanislaus County, a request for a grant to the River Partners, for a cooperative project with the U.S. Fish and Wildlife Service, the California Resources Agency and the Federal Central Valley Project to restore riparian habitat. Mr. Scott Clemons briefly described the project and its location.

This proposal was to consider an allocation for a grant to the River Partners for a cooperative project with the U.S. Fish and Wildlife Service (USFWS), the California Resources Agency's River Parkway Program and the Federal Central Valley Project Habitat Restoration Program to restore approximately 173 acres of riparian habitat on the San Joaquin River National Wildlife Refuge near the confluence with the Tuolumne River in Stanislaus County.

Two Department of Fish and Game (DFG) properties lie approximately twenty miles south and upstream of this project is the West Hilmar Wildlife Area and the North Grasslands Wildlife Area. Previous Wildlife Conservation Board (WCB) actions in the area include the purchase of conservation easements: the San Joaquin Wetland Farms (1992); Grasslands Conservation Area (2004). Some of the WCB restoration projects include habitat restoration projects: Wetland Habitat Restoration, Wingsetter Ranch (2004), San Joaquin Farms, Wetlands Restoration (2002), Riparian Habitat Restoration, Stanislaus River, Mohler Tract (2002), and Miller Lake Wetland Restoration (2004).

The Refuge is one of the largest remaining tracts of riparian forest in the San Joaquin Valley, connecting large areas of habitat and providing wildlife corridors. The proposed project capitalizes on prior projects that have helped in the restoration and recovery of endangered species on more than over 1,750 acres within the Refuge. River Partners has restored 800 acres of riparian habitat and initiated restoration of 500 additional acres of wetland and riparian habitat on the Refuge. The USFWS is restoring over 450 acres of seasonal and permanent wetlands on adjoining parcels.

Other partners that have participated in conservation and restoration on the Refuge include the Natural Resources Conservation Service, helping USFWS in 1999 purchase a Wetland Reserve Program Easement. The U.S. Army Corps of Engineers (Corps), through a nonstructural flood management project restoring natural floodplain processes also helps to reduce downstream flooding.

The California State University Stanislaus' Endangered Species Recovery Program (ESRP), reintroduction and radio telemetry monitoring of the endangered riparian brush rabbit and the assisting with educational opportunities for local communities and schools, such as the Center for Land-based Learning's Student and the Landowner Education and Watershed Stewardship (SLEWS) program. Additional funding requested from other partners will help develop public use facilities and additional restoration. Future public use of the Refuge will include interpretive walking trails, wildlife observation and photography, fishing and hunting.

In general, the project will restore and enhance approximately 173 acres of riparian habitat that will be compatible with flooding. Currently, the fallow land on the project site provides poor wildlife habitat for riparian-dependent species. Without intervention, non-native plants will likely exclude native plants for decades. Restored, this unit will provide critical habitat for federally and state-listed species including the riparian brush rabbit, riparian woodrat, Least Bell's Vireo, and valley elderberry longhorn beetle (VELB). Other threatened and at-risk species including the western yellow-billed cuckoo and Swainson's hawk will also benefit from this project. This project will also provide high quality habitat for other species including deer, quail, dove, pheasants and neotropical migratory songbirds.

In addition, Central Valley steelhead currently utilizes the San Joaquin River and its major tributaries. Steelhead have not been recorded in USFWS fish sampling surveys on or near the Refuge in recent years, but USFWS biologists assume they are present during portions of the year in the main channel of the river. Fall/late fall-run Chinook salmon have been regularly recorded in fisheries surveys in the main channel of the San Joaquin River where it bisects the Refuge. Sacramento splittail also use this reach of the San Joaquin River. After levees are breached, these species could potentially use Refuge oxbows and inundated floodplain areas as spawning and rearing habitat during flood years.

The River Partners will restore the site using state-of-the-art restoration techniques to rapidly and efficiently develop habitat, engage local farmers and businesses in ecological restoration, and incorporate design features for targeted wildlife species. The project will plant a diversity of native riparian woody plants (over 60,000) in a matrix of dense herbaceous understory.

Restoring this site to riparian habitat is consistent with the goals and objectives of the San Joaquin River National Wildlife Refuge's 15 year Draft Comprehensive Conservation Plan, CALFED's Ecosystem Restoration Program Plan, the Central Valley Project Improvement Act, the USFWS Multi-species Recovery Plan for Upland Species of the San Joaquin Valley, California, and the Central Valley Habitat and Riparian Habitat Joint Ventures.

The Refuge and its associated restoration projects are also part of the Lower Tuolumne River Parkway. The proposed project is consistent with the goals outlined in the Tuolumne River Coalition's Framework for the Future for the Lower Tuolumne River, including restoring habitat, providing flood management benefits, and expanding public access and recreational opportunities.

The proposed funding breakdown for the project was as follows:

Wildlife Conservation Board	\$400,000.00
California Resources Agency	249,866.00
Central Valley Project	238,958.00
US Fish and Wildlife Service	45,000.00
River Partners (In-kind)	<u>92,458.00</u>
Total Available Funding	\$1,026,282.00

Project costs will be for project management, planning and design, ground preparation, irrigation installation, planting, maintenance of plants and irrigation system, monitoring, public use, project sign, contingency and administration.

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 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. The landowner has agreed to manage and maintain the property for twenty five years, pursuant to the terms and conditions of the grant agreement.

Letters of support for this project were submitted by the U.S. Fish and Wildlife Service, San Luis National Wildlife Refuge, the Natural Resources Conservation Service, the Tuolumne River Coalition Steering Committee, California State University, Stanislaus, the Center for Land-based Learning, the Stanislaus County Department of Public Works, and Mr. Henry Bettencourt (a local farmer who formerly leased the Hageman Unit and farms nearby land).

Staff recommended that the Board approve this project as proposed; allocate \$400,000.00 from the Habitat Conservation Fund, (Prop. 117), Section 2786 (e/f) (P50-Statewide); 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.

Mr. Clemons reported that Mr. John Carlon and Mr. Steven Sheppard, of the River Partners, and Ms. Kim Forrest, Refuge Manager of the U.S. Fish and Wildlife Service, were present in the audience should there be any questions.

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

It was moved by Ms. Sheehan that the Board approve this project as proposed; allocate \$400,000.00 from the Habitat Conservation Fund, (Prop. 117), Section 2786 (e)(f) (P50-Statewide); authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

Motion carried.

20. Tuolumne River Riparian Restoration, Big Bend, \$146,550.00
Stanislaus County

Mr. Wright introduced the Tuolumne River Riparian Restoration, Big Bend project located in Stanislaus County, a proposal for a grant to the Tuolumne River Preservation Trust. Mr. Scott Clemons briefly described the project and its location.

This proposal was to consider an allocation for a grant to the Tuolumne River Preservation Trust for a cooperative project with the landowner, Fish America Foundation, Department of Water Resources (DWR), National Oceanic and Atmospheric Administration Fisheries, National Fish and Wildlife Foundation and Salida Elementary School to restore approximately 107 acres of riparian habitat on private land located along the Tuolumne River at Big Bend, approximately eight miles southwest of Modesto, in Stanislaus County. The project is located approximately five miles east of the San Joaquin Wetland Farms, which is protected by a Department of Fish and Game (DFG) conservation easement, and where the Wildlife Conservation Board (WCB) funded wetland restoration in 2002.

The overall Big Bend Project site includes approximately 49 acres of floodplain on the north side of the Tuolumne River and 190 acres of floodplain on the south side of the Tuolumne River. Currently, the site contains degraded and fragmented habitat and includes wetlands, riparian forest, newly-planted riparian forest (November 2004), and open fields which are being managed to control weeds until native vegetation is planted. Some areas of the project site are overrun with tree-of-heaven (*Ailanthus altissima*) and other noxious weeds. Approximately 31 acres on the north were historically been farmed as annual grains, and approximately 153 acres on the south side had been planted in various orchards (almonds, pomegranates, Asian pears, persimmons, etc.) or alfalfa. The remaining acreage on both sides of the river (18 acres on the north side, 37 acres on the south side) is riparian forest and wetlands due to its topographically low elevation. The project site is geomorphologically a part of the historic Tuolumne River floodplain.

This project will complete revegetation on approximately 107.5 acres of the 239 acre Big Bend Project site on the Tuolumne River, including the planting of native trees, shrubs, grasses, and herbaceous vegetation; three years of weed control; and three years of irrigation. Planting at the Big Bend Project commenced in November 2004 and was funded by the California Department of Water Resources (DWR), Flood Protection Corridor Program. The DWR also funded land acquisition (easement), earthwork, tree-of-heaven and arundo donax eradication, installation of an irrigation system throughout the project site, weed control and three years of irrigation on 61 acres of the project site. The Natural Resources Conservation Service has acquired a permanent conservation easement over the subject project site.

This project is critical because the Tuolumne River supports the largest run of wild chinook salmon in the San Joaquin Valley and provides one of the best opportunities for protecting the floodplain and restoring riparian forest and wetlands within the Central Valley. The Big Bend Project contributes 239 acres of protected floodplain in the lower reaches of the Tuolumne River and extends a restored riparian corridor along the Tuolumne by nearly 1 mile. The project improves channel-floodplain connectivity to support riparian species, particularly juvenile chinook (*Oncorhynchus tshawytscha*) and steelhead (*O. mykiss*), as well as neotropical migratory birds, the valley elderberry longhorn beetle (*Desmocerus californicus dimorphus*), and other wildlife. The project also serves as an outdoor classroom for the Salida Elementary School and is available for other educational uses.

The Big Bend project is consistent with the goals of the Central Valley and California Riparian Habitat Joint Ventures, and is widely supported at the local level.

The proposed funding breakdown for the project was as follows:

Wildlife Conservation Board	\$146,550.00
Fish America Foundation	40,000.00
Department of Water Resources	1,398,710.00
NOAA Fisheries	50,000.00
National Fish and Wildlife Foundation	25,046.00
Salida Elementary School	<u>20,035.00</u>
Total Available Funding	\$1,680,341.00

Project costs include project management, planning and design, environmental review and permitting, earthwork, fencing and signage, planting and materials, irrigation system and maintenance, weed control, monitoring, outdoor classroom administration and contingency.

The DFG has reviewed this proposal and recommends it for funding by the Board. The Eastern Stanislaus Resource Conservation District approved a Mitigated Negative Declaration for this project in 2003. The landowner has agreed to manage and maintain the property for twenty-five years, pursuant to the terms and conditions of the Grant Agreement. If at any time during the life of the project, the landowner is unable to manage and maintain the project improvements, they will refund to the State of California an amortized amount of funds based on the number of years left on the project life.

Staff recommended that the Board approve this project as proposed; allocate \$146,550.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Prop. 40), Section 5096.650; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

Mr. Clemons reported that Ms. Elizabeth Holtz of the Tuolumne River Trust, and Mr. Tim Venn, the landowner, were in the audience should there be any questions.

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

It was moved by Mr. Brodrick that the Board approve the project as proposed; allocate \$146,550.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Prop. 40), Section 5096.650; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

Motion carried.

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| 21. | Pacifica Fishing Pier Improvements,
San Mateo County | \$500,252.00 |
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Mr. Wright introduced the Pacific Fishing Pier Improvements project located in San Mateo County, a cooperative project with the City of Pacifica to assist the City in its repairs. Mr. Tony Chappelle briefly described the project and its location.

This proposal was to consider a cooperative project with the City of Pacifica to assist with the funding of repairs needed for the City's municipal fishing pier, including repairs to spalling and disbonding concrete, corroding structural rebar, reinforcement of the headwall buttress and reinforcement of the two most landward pile bents. The pier is located within the city limits of Pacifica, along the Pacific Coast, about five miles south of San Francisco.

The Wildlife Conservation Board (WCB) has a long history of partnership with the City of Pacifica and the Pacifica Fishing Pier. In 1971, the WCB partnered with the City to construct this 1,140 foot long, 19.5 foot-wide, L-shaped concrete pier which was designed for the purpose of providing public fishing access. The pier was opened on November 10, 1973. In 1993, the WCB helped the City make repairs to the pier headwall abutment, which had deteriorated significantly due to the extreme elements, to which it is constantly subjected.

The Pacifica Fishing Pier is rated as one of California's best coastal piers in terms of both fishing success and numbers of users. In addition to the most commonly caught species, such as surf perch, jacksmelt, white croaker, sand sole, and starry flounder, runs of striped bass and salmon also provide plenty of action at certain times of the year. In fact, the pier has the highest success rate of any pier on the west coast for catching salmon and striped bass. This excellent fishing notwithstanding, the proximity of the Pacifica Fishing Pier to San Francisco and the rest of the immensely populous Bay Area underscores its importance as a public pier. It is the only ocean pier located between San Francisco and Santa Cruz and is estimated to attract more than 150,000 visitors every year.

This thirty-three year old reinforced concrete pier takes a constant pounding from the Pacific Ocean and other coastal elements and is in need of major repair work in order to keep it safe and open to the public. A significant amount of the reinforced structural concrete is cracking and loosening around the pre-stressed reinforcing members thereby exposing the reinforcing steel to the elements. This has resulted in corrosion of the reinforcing steel, which, if allowed to continue, will result in failure of the pre-stressed elements and eventual failure of the pier structure. The steel sheet piles of the outer buttress which protects the soil cement headwall are deteriorating and in need of reinforcement. Also, the two most landward pile bents which receive the greatest amount of punishment from the surf due to their position in the intertidal zone are exhibiting wear that needs to be remedied.

In response to a 2002 engineering report, which mapped the areas of spalled and disbonded concrete on the pier, the City and the State Coastal Conservancy partnered to repair about 540 feet of the pier deck. That work was completed at a cost of \$687,000. The proposed project will repair approximately 12,000 square feet of spalling and disbonding concrete on the remaining 600 feet of landward pier deck. The bulk of the deck work will be done on the undersides of the pre-cast reinforced concrete girder sections which are situated between the supporting pilings and mounted on cast-in-place reinforced concrete pile caps.

Repair methods will involve the use of hand power tools to chip and cut away all loose or hollow concrete. All exposed reinforcing steel will be power cleaned of corrosion, loose steel will be secured with steel wire, and galvanic anodes will be installed in each repair area before patching with concrete mortar and sealing and curing the patch with a concrete sealant; where necessary, additional reinforcing steel rebar will be added prior to application of the concrete mortar patch. The soil cement headwall which supports the landward end of the pier will be repaired by removing the deteriorated sheet piles from the outer buttress and replacing them with a 6-inch layer of reinforced shotcrete. Protective wrappings will be installed on the first two landward pile bents to prevent further wear.

The proposed funding breakdown for the project is as follows:

Wildlife Conservation Board	\$500,000.00
City of Pacifica	<u>100,000.00</u>
Total Available Funding	\$600,000.00

The WCB project costs will be for repair of spalled and disbonded concrete, and corroded structural steel; and installation of galvashield anodes. The City project costs will be for repair of the outer buttress of the headwall and reinforcement of the two landward pile bents. In addition, to the costs listed above, an additional \$252.00 will be required for Department of General Services' review costs, bringing the allocation necessary for the Board's portion of the project to \$500,252.00.

The WCB has submitted a grant application for federal reimbursement under the Land and Water Conservation Fund, administered by the California Department of Parks and Recreation. If approved, the WCB would be reimbursed for 50% of its project costs.

The Department of Fish Game has reviewed this proposal and recommends it for funding by the Board. The City has completed the appropriate notice to satisfy CEQA requirements and has agreed to extend the Cooperative Agreement obligating them to operate and maintain the pier through the year 2031.

There is strong community support for this project. Staff has received two letters of support. Preserve Our Pier Supporters have been very active in supporting the project.

Staff recommended that the Board approve this project as proposed; allocate \$500,252.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Prop. 40), Section 5096.650; authorize acceptance of the Land and Water Conservation grant funds as reimbursement; 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.

Mr. Chappelle reported that Mr. Scott Holmes, Director of Public Works, City of Pacifica, and Ms. Anne Boothe, of the Preserve Our Pier Supporters, were in the audience should there be any questions.

Mr. Flores asked if there were any questions or public comment.

Mr. Wright stated that three letters of support were received in support of this project from Senator Jackie Spear, Assembly Member Gene Mullin, Ms. Sue Digre, Mayor of the City of Pacifica, and Ms. Anne Boothe, of the Preserve our Pier Supporters.

Ms. Boothe thanked the Board and stated that there was a wonderful amount of community support from the City of Pacifica.

It was moved by Ms. Sheehan that the Board approve this project as proposed; allocate \$500,252.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Prop. 40), Section 5096.650; authorize acceptance of the Land and Water Conservation grant funds as reimbursement; 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.

- *22. Pine Hill Ecological Reserve, Salmon Falls Unit, Expansion 4, \$48,000.00
El Dorado County

This proposal was to consider the acceptance of two Section 6 Grants from the U.S. Fish and Wildlife Service (USFWS), the authorization to re-grant the federal funds to the American River Conservancy, and the allocation of a grant to assist the Conservancy in its acquisition of 40 acres of vacant land in El Dorado County for the preservation of habitat for threatened and endangered species. This proposal is also to consider the authorization to accept title to the subject property from the Conservancy on behalf of the Department of Fish and Game (DFG), after the DFG makes arrangements with the Bureau of Land Management (BLM) to manage the property. The property would be an addition to the Pine Hill Ecological Reserve, which lies about five miles northeast of urban El Dorado Hills, 6 miles east of Folsom Lake and about two miles north of the town of Rescue.

The establishment of the Pine Hill Ecological Reserve (Reserve) is a cooperative effort among the Wildlife Conservation Board (WCB), the Conservancy, the BLM, and the DFG. As proposed, the Reserve will one day encompass some 5,000 acres. While most of the existing Reserve is under the ownership of BLM, the area is managed cooperatively by the partners listed above. To date, nearly 2,000 acres have been acquired at this Reserve either by action of WCB, as mitigation through the Fish and Game Commission, or through transactions completed by the BLM or the Conservancy. The subject property is bounded on three sides by BLM lands and would be added to the Salmon Falls Unit of the Reserve.

Because of the area's unique gabbroic soil type, the land supports an extremely rich and important ensemble of rare plants found only in this general area of the world. The predominant vegetation type in this area is chamise chaparral which is primarily composed of chamise, manzanita, redbud, and interior live oak. Some slopes support grey and ponderosa pines as well as oak species, including black oak, blue oak, leather oak, valley oak and canyon live oak. These two parcels support at least one listed species, Layne's ragwort (*Senecio layneae* listed as Federal "threatened") and one additional rare species, El Dorado mule ears (*Wyethia reticulata*). Both species are endemic to the Pine Hill area of El Dorado County, and are found to grow only in very specific locations within that area. According to the DFG, wildlife in this area includes resident deer and mountain lion, as well as numerous game birds, including dove, quail, and wild turkey.

This area is seriously threatened by the building of upscale homes on small acreage lots, especially those lots on or near ridge-tops (i.e. with views), which also happen to be the areas preferred by the endangered flannelbush. Few such lots are left, resulting in a fast-paced market, and therefore very little habitat left for purchase.

It was proposed that the Conservancy complete the acquisition and hold title to the property until transferring it to the DFG after the DFG has arranged with BLM to have BLM manage the subject property. The area will be maintained as an ecological reserve by the management group with limited public access and with the primary management goal of maintaining and protecting the existing populations of rare and endangered plants.

The terms and conditions of the proposed grants to the Conservancy provide that the Board will review and approve the property being proposed for acquisition by the Conservancy. The grants further provide that staff will review all proposed acquisition-related documents prior to recommending disbursement of the FWS funds and the WCB funds directly into escrow. The grant from the WCB would be in the amount of \$43,750.00 to cover the non-federal matching funds required by the Section 6 Grant Agreements. It is anticipated that an allocation of \$4,250.00 will be needed to cover DGS review costs and any other administrative costs for a total allocation of \$48,000.00.

Staff recommended that the Board approve this project as proposed; allocate \$48,000.00 and from the Habitat Conservation Fund (Prop. 117), Section 2786 (b/c) to cover the State's share of the acquisition costs and to pay for project expenses; authorize acceptance of title to the subject property from the Conservancy on behalf of the DFG; authorize acceptance of the Section 6 Grants in the total amount of \$206,250.00 and the re-granting of the federal funds to the American River Conservancy; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Flores that the Board approve this project as proposed; allocate \$48,000.00 and from the Habitat Conservation Fund (Prop. 117), Section 2786 (b/c) to cover the State's share of the acquisition costs and to pay for project expenses; authorize acceptance of title to the subject property from the Conservancy on behalf of the DFG; authorize acceptance of the Section 6 Grants in the total amount of \$206,250.00 and the re-granting of the federal funds to the American River Conservancy; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

Motion carried.

23. Big River/Salmon Creek Forestlands, \$7,270,000.00
Mendocino County

Mr. Wright introduced the Big River/Salmon Creek Forestlands located in Mendocino County, a proposal for a grant to complete a cooperative project with The Conservation Fund, the State Coastal Conservancy, the State Water Resources Control Board, and the Department of Fish and Game. Letters of support were received from Congressman Mike Thompson, Senator Wesley Chesbro, Assembly Member Patty Berg, Mr. Art Harwood of the Redwood Forest Foundation, Inc., and Harwood Products, also Mr. Alan Levine, of the Coast Action Group. Ms. Terri Muzik briefly described the project and its location.

This proposal was to consider the allocation of a grant to The Conservation Fund (TCF) for a cooperative project with the State Coastal Conservancy (SCC), the State Water Resources Control Board (SWRCB) and the Department of Fish and Game (DFG) to assist with the acquisition of approximately 16,000± acres of timber property in the Big River and Salmon Creek watersheds east of the towns of Mendocino and Albion in Mendocino County.

The proposed project will assist TCF with the acquisition of 11,700± acres in the Big River tract, and 4,350± acres in the Big Salmon Creek tract for a total of 16,000± acres. This acquisition will prevent fragmentation of forestlands, protect, restore and enhance water quality and salmonid habitat, improve forest structure, increase natural diversity and provide public access, where appropriate.

The Big River tract is bordered by the Big River Unit of Mendocino Headlands State Park to the west, the Mendocino Woodlands State Park to the northwest, Jackson Demonstration Forest to the northeast, and private timberlands are adjacent to the east. The Big River tract contains a portion of the main stem of the Big River, as well as Little North Fork, Two Log Creek, and Laguna Creek, tributaries of the Big River.

The Big Salmon Creek tract comprises the entire eastern half of the Salmon Creek watershed, and includes a portion of Big Salmon Creek. The Salmon Creek watershed drains an approximately 8,600 acre watershed located in the northern California Coast Range in western Mendocino County, grading into the Pacific Ocean through coastal plains one-half mile south of the village of Albion and the Albion River, and approximately 16 miles south of the city of Fort Bragg. Private timber lands in adjacent watersheds border a majority of the Salmon Creek Tract.

Big River and Salmon Creek were both identified in DFG's 2004 "Recovery Strategy for California Coho Salmon". The DFG surveys conducted during 2000-2002, consistently found coho salmon in Big Salmon Creek.

Acquisition of the subject properties will include protection and/or restoration of fish habitat (coho and steelhead spawning habitat), fish spawning areas, rare, threatened or endangered plant species, fish barriers, riparian habitat, 547 acres of grassland habitat, six acres of oak woodlands, deer summer and winter range and, where appropriate, public access.

In addition to the coho and steelhead, the following rare, threatened or endangered animal species are known to occur on the properties: Cooper's hawk, northern spotted owl, Vaux's swift, northern red-legged frog, tailed frog, southern seep/torrent salamander, and western pond turtle.

Both the Big River and Big Salmon Creek tracts are dominated by coastal redwood and Douglas fir forests that have been managed for industrial timber production for several decades. To achieve the acquisition purposes, TCF will work the SCC, the DFG, the California Department of Forestry (CDF), the California Department of Parks and Recreation (DPR) and local entities such as the Redwood Forest Foundation, Inc. (RFFI) to prepare a forest management and restoration plan,

plan sustainable timber harvests which eventually will fund the repayment of loans taken to purchase and/or manage the properties, the implementation of the forest management and restoration plan, and provide public access where appropriate.

TCF will also permanently dedicate the property for the purposes of preventing fragmentation of forestlands, protecting, restoring and enhancing water quality and salmonid habitat, improving forest structure and increasing natural diversity.

The partners in this project have also successfully worked with TCF on the 23,500 Garcia River Forest acquisition, in which TCF owns and manages the property as model demonstration project for sustainable forestry. TCF is committed to similarly managing the subject properties and has staff with forest management expertise.

Initially, any revenues from timber harvest will be used to repay outstanding acquisition loans and manage, maintain and enhance the property. TCF has negotiated to purchase the Big River and Big Salmon Creek tracts for \$48,500,000.00. The appraised value of these properties is \$52,250,000.00. In accordance with Public Resources Code Section 5096.512, the appraisal has been reviewed and approved by an independent appraiser. The appraisal and the independent review, along with a review of timber values, have been submitted to the Department of General Services for review and approval. Any disbursement of funds by WCB and SCC will be dependent on DGS approval of the appraisal.

TCF has applied to the SWRCB for a non-point source and estuary enhancement loan in the amount of \$25,000,000.00 under the State Revolving Fund. The SWRCB has given conditional approval of the loan and will consider it at the July 2006 meeting. The SCC approved the project at its meeting on June 29, 2006

The proposed funding for the project is as follows:

State Coastal Conservancy	\$7,250,000.00
State Revolving Loan	25,000,000.00
The Conservation Fund	5,000,000.00
Other public and private sources	4,000,000.00
Wildlife Conservation Board	<u>7,250,000.00</u>
 Total Available Funding	 \$48,500,000.00

It is estimated that an additional \$20,000.00 will be necessary for administrative expenses such as DGS appraisal review, etc. bringing the total allocation by the WCB to \$7,270,000.00.

The terms and conditions of the WCB grant provide that staff will review all proposed title documents, appraisals, preliminary title reports, agreements for purchase and sale, escrow instructions and the instruments of conveyance prior to the disbursement of funds.

The proposed acquisition is exempt from the California Environmental Quality Act as a categorical exemption under Section 15313, Class 13, as the acquisition of lands 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. The appropriate Notice of Exemption will be filed with the State Clearinghouse upon approval by the Wildlife Conservation Board.

Staff recommended the Board approve the grant as proposed; allocate \$7,270,000.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Prop. 40), Section 5096.650 for the acquisition and related expenses; authorize staff to enter into appropriate agreements as necessary to carry out this project as proposed; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

Ms. Muzik reported that Mr. Chris Kelly of The Conservation Fund was in the audience should there be any questions.

Mr. Flores asked if there were any questions or public comment.

Mr. Kelly thanked Mr. Wright and his staff for the opportunity to speak in support of the project and stated that this project has taken two years to complete and had involved various agencies. He congratulated Mr. Wright on his retirement.

Mr. Broddrick asked for clarification regarding the approval of funds from the State Revolving Fund. Mr. Kelly stated that those funds were unanimously approved at their Board meeting held on July 19, 2006.

It was moved by Mr. Flores that the Board approve the project as proposed; allocate \$7,270,000.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Prop. 40), Section 5096.650 for the acquisition and related expenses; authorize staff to enter into appropriate agreements as necessary to carry out this project as proposed; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

Motion carried.

Mr. Wright introduced Ms. Andrea Harvey, Vice for Assembly Member Fran Pavley, who joined the meeting.

Mr. Wright state that when Mr. Kelly first approached him regarding this project and its dollar value, he knew he had a challenge ahead of him. Mr. Wright stated that as we look at large forest ownerships throughout northern California, they are being owned by timber companies, pension funds, and a consortium of investments and are being viewed as more than just historical timber companies in California. Their economic motto is "highest and best use" and what we will be seeing are forests that are fragmented and subdivided, which will not be beneficial to these habitats. In Mr. Wright's personal opinion, good forest management is something that California should continue, as well as protection of habitat. He thanked Mr. Kelly for the hard work put into this project.

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| 24. | Six Rivers (Sunny Brae),
Humboldt County | \$620,000.00
and Tax Credit |
|-----|---------------------------------------------|--------------------------------|

Mr. Wright introduced the Six Rivers (Sunny Brae) project in Humboldt County, for a cooperative project with the City of Arcata, the Department of Forestry and Fire Protection, the California Coastal Conservancy, the Department of Transportation, Save-the-Redwoods League, The Trust for Public Land, and the Wildlife Conservation Board. A letter of support was received from Assembly Member Patty Berg. Mr. Bob Clark briefly described the project and its location.

This proposal was to consider the allocation for a grant to the City of Arcata (City) for a cooperative project with the California Department of Forestry and Fire Protection (CDF), the California Coastal Conservancy (SCC), the California Department of Transportation (CALTRANS), Save-the-Redwoods League (SRL), The Trust for Public Land (TPL) and the Wildlife Conservation Board (WCB) to assist in the purchase and partial donation of fee interest in a 175± acre parcel of privately owned forestlands located in Humboldt County. This proposal also requests consideration for the partial donation and approval of tax credits pursuant to the provisions of the Natural Heritage Preservation Tax Credit Act of 2000 (Act).

This project is designed to prevent the fragmentation of forestlands, preserve open space, protect salmonid habitat, improve forest structure and provide public access where appropriate. The property is located approximately 1.5 miles east of downtown Arcata. Once acquired, the property will be incorporated into the existing Arcata Community Forest, and managed by the City in accordance with the Community Forest Management Plan. Heavily forested, the site varies from mild to steep sloping hillsides within the watersheds of Grotzman and Beith Creeks, both of which drain to Humboldt Bay via Gannon Slough and Jacoby Creek.

The project will protect habitat for a number of sensitive wildlife species that are commonly found on the property, including red tree vole, tidewater goby, steelhead trout, coho salmon, northern spotted owl, bald eagle, southern torrent salamander, Del Norte salamander, red-legged and yellow-legged frogs, osprey, Cooper's hawk, sharp-shinned hawk, Pacific fisher, and ring-tailed cat.

To protect the property from residential development and urban expansion, the CDF through the Federal Forest Legacy Program is contributing \$691,000 toward the acquisition of 136 acres of the parcel. Accordingly, the WCB grant agreement will require the City to convey to the CDF, a conservation easement on the 136 acre portion of the property, consistent with the funding requirements of the Forest Legacy Program. To assure compliance with the terms and conditions of the WCB grant agreement and the intent of the Forest Legacy Program, the CDF and the City will monitor the property on an annual basis. In addition, the WCB staff will have the ability to access the property for the purpose of monitoring no less than once, every three years.

The fair market value of the 175 acre property, as determined by an appraisal approved by the Department of General Services, is \$2,700,000.00. The donation of 39 acres has an appraised value of \$650,000.00 and the remaining 136 acres were appraised at \$2,050,000.00. The property owner has agreed to sell the 136 acres for \$2,050,000.00 and donate the remaining 39 acres in return for tax credits pursuant to the provisions of the Natural Heritage Preservation Tax Credit Act. Tax credits are valued at 55 percent of the appraised fair market value of the donation. As such, the donation of 39 acres authorizes the WCB to approve \$357,500.00 worth of tax credit to the donor. The balance of the purchase price for the 136 acre portion will be provided by the Federal Forest Legacy Program funds in the amount of \$691,000.00, Environmental Enhancement & Mitigation Program (CALTRANS) funds in the amount of \$375,000.00, SRL contribution of \$200,000.00 the City of Arcata contribution of \$75,000.00 and community donations of \$100,000.00.

As amended in September of 2004, the tax credit Act requires the General Fund to be reimbursed for any tax credits approved by the WCB. Consistent with this requirement, on March 2, 2006, the SCC authorized disbursement of \$357,500.00 as a reimbursement to the General Fund for the WCB approved tax credits. Section 37012 (d) of the Act requires that before any donation can be considered by the WCB, a public hearing must be held by the donee in the county in which the property is located. Pursuant to this requirement, the City of Arcata held a public hearing on June 27, 2006. Comments from neighboring landowners and members of the community were considered and the City Council passed a resolution approving the City's acceptance of the proposed donation. According to city staff, there was no opposition to the donation and the community was very much in support of the entire project consisting of the partial donation and acquisition.

The terms and conditions of the proposed grant provide that the WCB staff will review all proposed title documents, appraisals, preliminary title reports, agreements for purchase and sale, escrow instructions and the instruments of conveyance prior to authorizing the disbursement of funds directly to the escrow.

There are no claims of sovereign State land ownership on the subject property. The proposed acquisition is exempt from the California Environmental Quality Act requirements under Section 15313, Class 13 as an acquisition of lands for fish and wildlife conservation purposes and Section 15325, Class 25 as a transfer of ownership or interest in land to preserve open space. Subject to approval by the Board, a Notice of Exemption will be filed with the State Clearinghouse.

Staff recommends that the Board approve an allocation for a grant to the City of Arcata in the amount of \$609,000.00 for the purchase of 136 acres; allocate an additional \$11,000.00 for administrative expenses (appraisal review costs, title insurance, escrow fees, etc.), for a total allocation of \$620,000.00 from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund (Prop. 12), Section 5096.350 (a)(4), as designated for the Forest Legacy Program; approve the 39 acre donation for inclusion into the Natural Heritage Preservation Tax Credit Program and related tax credits of \$357,500.00; 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.

Mr. Clark noted that there was a correction to the final agenda, the tax credit amount reads \$375,500.00 and the correct amount is \$357,500.00.

Mr. Clark reported that Mr. Mark Andre, City of Arcata, Ms. Moira McEnespy, of the State Coastal Conservancy, Ms. Kathleen Farren, of The Trust For Public Land, and Mr. Jeff Clavert, of the California Department of Forestry and Fire Protection, were in the audience should there be any questions.

Mr. Andre, Director of the Environmental Services stated that the property is located in the headwaters of two streams that flow into the Jacoby Creek/Gannon Slough Wildlife Area, a project previously funded by the Board. He stated that the City will manage the property along with the Forest Stewardship Council Certified Community Forest.

Ms. McEnespy of the State Coastal Conservancy also thanked the Board and stated support for the project.

It was moved by Ms. Sheehan that the Board approve the project as proposed; allocate \$620,000.00 from the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Fund (Prop. 12), Section 5096.350 (a)(4), as designated for the Forest Legacy Program; approve 39 acre donation for inclusion into the Natural Heritage Preservation Tax Credit Program and award related tax credits of \$357,000.00; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

Motion carried.

Mr. Wright gave one final thank you and stated that the Wildlife Conservation Board's success is in large part due to the relationship and the partnership of the Department of Fish and Game and he also thanked Mr. Ryan Broddrick and the staff in Sacramento, the people of California, the regional managers and the biologists. These projects are developed out in the field and through their hard work and commitment the WCB continues its success.

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

With no further business to discuss, the meeting adjourned at 11:35 a.m.

Respectfully submitted,

John P. Donnelly
Interim Executive Director

PROGRAM STATEMENT

At the close of the meeting on August 17, 2006, the amount allocated to projects since the Wildlife Conservation Board's inception in 1947 totaled \$1,910,162,907.28. 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 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	29,035,965.91
Reservoir Construction or Improvement	\$ 5,605,699.00
Stream Clearance and Improvement.....	18,787,821.69
Stream Flow Maintenance Dams.....	542,719.86
Marine Habitat	646,619.07
Fish Screens, Ladders and Weir Projects	3,453,106.29
C. Fishing Access Projects.....	48,573,288.40
Coastal and Bay	\$ 4,038,176.11
River and Aqueduct Access.....	14,046,004.93
Lake and Reservoir Access	9,703,429.18
Piers	20,785,678.18

D. Game Farm Projects.....	146,894.49
E. Wildlife Habitat Acquisition, Development and Improvement.....	1,761,934,024.58
Wildlife Areas (General)	\$376,969,445.46
Miscellaneous Wildlife Habitat Development	14,664,379.32
Wildlife Areas/Ecological Reserves, (Threatened, Endangered or Unique Habitat)	629,058,872.47
Land Conservation Area	8,043,215.18
Inland Wetlands Conser. Grants & Easements	20,698,497.94
Riparian Habitat Conser. Grants & Easements	54,263,408.18
Other Wildlife Habitat Grants	658,236,206.03
F. Hunting Access Projects	484,898.57
G. Miscellaneous Projects (including leases)	14,389,640.52
H. Special Project Allocations.....	1,301,917.88
I. Miscellaneous Public Access Projects	37,751,914.80
State Owned	\$1,678,751.07
Grants	36,073,163.73
J. Sales and/or exchanges	538,143.07
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	 \$1,910,162,907.28