

BOARD OF DIRECTORS MEETING
PUBLIC SESSION MINUTES

Anderson, CA
March 15, 2017
12:45 pm – 3:00 pm

ATTENDANCE

Association of California Water Agencies

Director: Tim Quinn – Present
Alternate: Dave Bolland – Absent

California Department of Fish and Wildlife

Director: Sandra Morey – Absent
Alternate: Nancee Murray – Present

California Farm Bureau Federation

Director: Karen Mills – Absent
Alternate: Noelle Cremers – Present

California Forestry Association

Director: Kirsten Kolpitcke – Present
Alternate: David Bischel – Absent

California Hydropower Reform Coalition

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

California Public Utilities Commission

Director: Allison Brown - Present
Alternate: OPEN

California Public Utilities Commission Appointed Public Members

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

California Natural Resources Agency

Director: John Laird – Absent
Alternate: Todd Ferrara – Present

California Tribal Interests

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

Central Valley Regional Water Quality Control Board

Director: Soapy Mulholland – Present
Alternate: Bob Schneider – Absent

Office of Ratepayer Advocates

Director: Truman Burns – Present
Alternate: OPEN

Pacific Gas & Electric Company

Director: Mike Schonherr – Present
Alternate: OPEN

Rural County Representatives of California

Director: Lee Adams – Absent
Alternate: John Viegas – Absent

State Water Resources Control Board

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

Trust for Public Land

Director: Dave Sutton – Absent
Alternate: Ann Cole - Present

U.S. Forest Service

Non-Voting Liaison: Jerry Bird - Present

STEWARDSHIP COUNCIL STAFF

Executive Director Allene Zanger
Deputy Executive Director Heidi Krolick
Director of Finance Scott Broberg
Finance and Operations Manager Aaron Robertson
Director of Land Conservation Jessica Daugherty
Senior Project Manager Chantz Joyce
Senior Project Manager Steve Schweigerdt
Associate Project Manager Lauren Faccinto
Administrative Assistant Robyn White
Executive Assistant Robin Flynn
Office Administrator Pam Mayers

OTHERS

Liz Berger, US Forest Service

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

- Adoption of the minutes of the January 25, 2017 board of directors meeting. **(Consent calendar item)**
- The board approved the proposed LCCP for the lands to be retained by PG&E at the Eel River planning unit, which LCCP describes how the proposed transaction conforms to and fulfills the requirements of the 2003 Settlement Agreement and Stipulation.
- Approval of amendments to the board policy on Delegation of Authority to the Executive Director of the Stewardship Council as presented in the meeting packet; shortening of the Dispute Notice Period relating to this action to five business days after the meeting minutes are distributed. **(Consent calendar item)**

ATTENDANCE AND QUORUM

Stewardship Council board president Art Baggett called the roll, declared a quorum, and called the meeting to order.

CONFLICT OF INTEREST DISCLOSURES

Mr. Baggett asked if any board members had a conflict of interest with regard to any of the proposed actions.

Ann Cole disclosed she had a conflict of interest regarding the action item pertaining to the LCCP for the Eel River planning unit.

Mike Schonherr said that although he intended to participate in the discussion on the NID conservation easement at Deer Creek, he would abstain from voting on any action relating to the matter.

PUBLIC COMMENTS

Mr. Baggett invited public comment on general matters.

Director of Land Conservation Jessica Daugherty invited Paul Vienneau, executive director of Shasta Land Trust to address the board.

Mr. Vienneau presented the board with an overview of the progress being made by Shasta Land Trust and introduced his board members that were in attendance.

CONSENT CALENDAR

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

WATERSHED PLANNING COMMITTEE

Watershed Planning Committee Chair, Soapy Mulholland, provided an overview of the Watershed Planning Committee's duties and then called on staff to present the action items.

Eel River Planning Unit (ACTION)

After Ms. Cole left the room, Senior Project Manager Steve Schweigerdt reviewed the Watershed Planning Committee's recommendation that the board approve the proposed LCCP for the lands to be retained by PG&E at the Eel River planning unit. He said that Mendocino Land Trust would hold the conservation easement over the property.

Mr. Schweigerdt stated that staff had received a request from the Potter Valley Tribe for an extension of the comment period so that they could review the Baseline Documentation Report (BDR) to ascertain whether it would ensure their ability to continue to access the Eel River area by trails and roads. Mr. Schweigerdt informed the tribe that the BDR is a confidential document between PG&E and the Mendocino Land trust that cannot be released for review. Mr. Schweigerdt suggested the Potter Valley Tribe discuss its request for ensuring ongoing public access with PG&E

After an opportunity for board questions and discussion and public comment, the board made the following conflict of interest findings:

- The Board confirmed that in good faith it agrees that the Stewardship Council will take the proposed action for its own benefit; that the proposed action is fair and reasonable to the Stewardship Council; and that, after reasonable investigation, the Stewardship Council could not have obtained a more advantageous arrangement with reasonable effort under the circumstances.

Following the conflict of interest findings, the board approved the action as described above in the summary of actions and resolutions taken at board meeting.

March 2017 draft of the conservation easement proposed by the Nevada Irrigation District for the Deer Creek Project property located at the Lake Spaulding and Brea River planning units.

After Ms. Cole returned to the room, Mr. Baggett invited Rem Scherzinger, General Manager of Nevada Irrigation District (NID) to address the board.

Mr. Scherzinger thanked the Stewardship Council, PG&E and Bear Yuba Land Trust for all the time and energy that has been put into this project. He stated that he felt the March 2017 Draft conservation easement reflected substantive changes NID had made in response to concerns of the Stewardship Council's Conservation Easement Work Group. He requested that the Stewardship Council board find that the March 2017 conservation easement conforms to the requirements of the Settlement Agreement and Stipulation.

Nancee Murray questioned the size of the operating zone as outlined in the conservation easement. Mr. Scherzinger said that the operating zone boundaries mirrored the FERC boundaries and it made sense to NID that the operating zone would encompass all the lands within the FERC boundary. He said that the operating zones only encompass 18% of the property that will be encumbered by the

conservation easement. Ms. Murray said she did not agree that the operating zone boundaries should be as large as the FERC boundaries and asked for further explanation as to why the zone should be so large.

Mr. Scherzinger said that the water conveyance facilities on the property include poles, spillways, conduits, and buried penstocks. He explained that 80% of NID's treated water ran through these facilities and lands and there was much NID activity happening within the proposed operating zones. A discussion ensued with several board members emphasizing the importance of there being sufficient justification for the size and location of the proposed operating zones. Tim Quinn stated that he agreed with Mr. Scherzinger and questioned why the Stewardship Council board would try to impose its judgement on the size of the operating zones.

Mr. Baggett proposed some edits to Sections 6.2.4 and 6.3.3 of the conservation easement relating to the definition of Watershed Management Activities and the consultation process. A discussion ensued between Mr. Scherzinger and members of the Stewardship Council board regarding the edits recommended by Mr. Baggett.

Marty Coleman-Hunt, Executive Director of the Bear Yuba Land Trust (BYLT), addressed the board. She suggested that as a next step that representatives of the Stewardship Council, BYLT, and NID visit the property to very carefully look at the facilities and NID's operations. If visiting the site is not possible due to snow conditions, then she suggested that they look at a Google Earth map to see what facilities exist within the proposed operating zones.

Deputy Executive Director Heidi Krolick suggested Mr. Scherzinger attend the next Watershed Planning Committee meeting and show a Google Earth map of the lands proposed for the operating zones to better identify the work happening in those areas. It was decided that NID would attend the April 5 Watershed Planning Committee meeting and that Bear Yuba Land Trust should attend also.

Land Conservation Program Update

Ms. Daugherty provided the board with an update regarding the Land Conservation Program.

FIDUCIARY COMMITTEE

Chair Truman Burns provided a financial report. He provided a budget update noting that Stewardship Council expenditures through January 2017 remain under budget. Mr. Burns acknowledged outgoing Director of Finance Scott Broberg and thanked him for all his efforts.

FINAL PUBLIC COMMENTS

There were none.

BOARD MEMBER ANNOUNCEMENTS

Mr. Baggett presented Mr. Burns with a certificate acknowledging his service of 5 years or more as a Stewardship Council officer.

ADJOURNMENT

Mr. Baggett adjourned the meeting at approximately 3:00 p.m.

Nancee Murray, Secretary