



FULFILLING A CONSERVATION VISION FOR CALIFORNIA

Stewardship Council
Annual Report
2020



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A LETTER FROM THE EXECUTIVE DIRECTOR

In 2020 we continued to work with dedicated partners toward achieving our dual mission of the permanent protection of 140,000 acres of Watershed Lands and creating meaningful opportunities for youth to experience the outdoors. Our land conservation priorities continue to focus on preserving and enhancing the following six beneficial public values: natural habitat of fish, wildlife and plants; open space; outdoor recreation; agricultural uses; sustainable forestry; and historic and cultural values. The importance of stewarding these special Watershed Lands, with treasured habitats and recreational pursuits, will have ripple effects far into the future.

Our dedicated Board of Directors and staff reached the end of 2020 with reason to celebrate – four transactions closed escrow in late December, bringing the total to 12 land transactions completed and protected for the year. One project that stands out from 2020 is Sky Mountain Camp in Placer County, ownership of which was transferred to the San Joaquin County Office of Education (SJCOE) with the conservation easement held by the Wildlife Heritage Foundation. The Stewardship Council has invested in outdoor education and youth leadership with the approval of a \$5 million grant to SJCOE to purchase and upgrade the camp, the largest amount awarded to date to any organization through our enhancement grant program. The camp, now known as the Sky Mountain Outdoor Education Center, will be utilized as an environmental and science camp connecting youth to the outdoors, while also providing an ideal location for professional development and team building for educational staff. We are proud to share SJCOE’s vision of inspiring a lifelong curiosity of nature and to develop a new generation of innovative, ecologically literate community stewards and leaders.

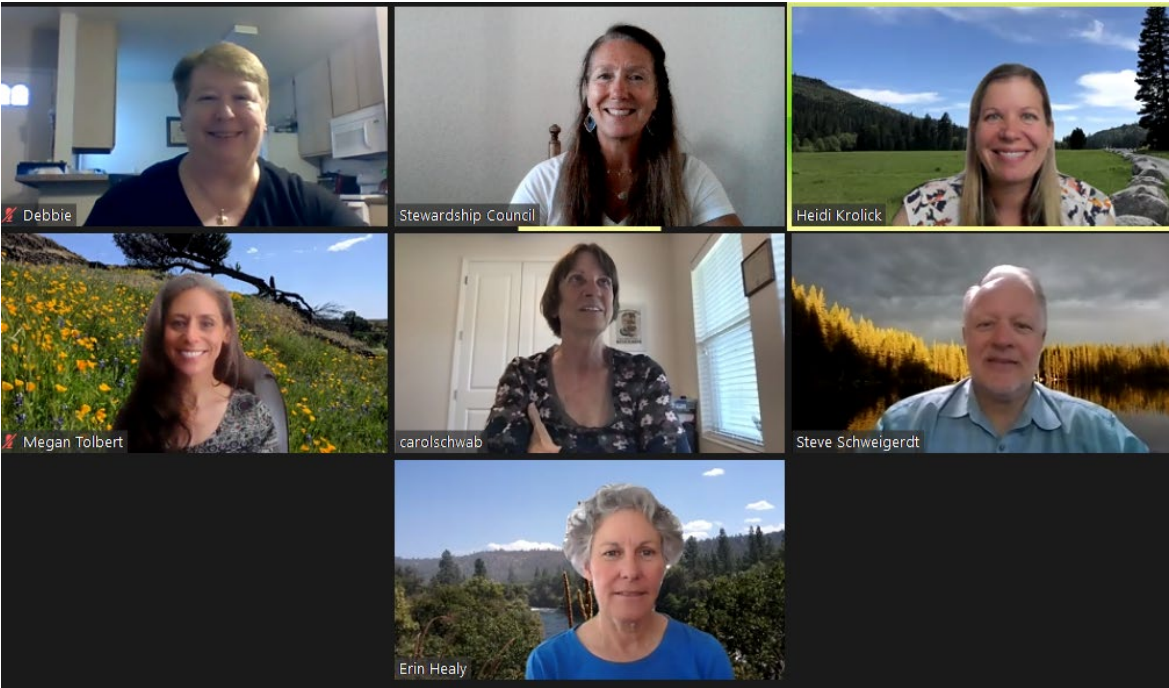
In 2020, the Stewardship Council’s efforts also resulted in the transfer of 296 acres from PG&E to the Maidu Summit Consortium at the Lake Almanor Wetlands property. The land now underlying Lake Almanor, known as Big Meadow, is part of the ancestral territory of the Maidu people where entire villages once stood. The Wetlands property provides opportunities for healing and practice of traditional ecological knowledge. There are four remaining land transfers to Native American tribal entities yet to close escrow, and when completed will total approximately 8,200 acres transferred from PG&E to tribal entities.

Our 2020 Annual Report includes Land Program highlights, an update on Youth Outside’s (now Justice Outside) important impact, and a report on our organizational finances. This year, we included feature stories such as current efforts at McArthur Swamp to balance ecology and grazing, Shasta Land Trust’s vision and momentum, as well as our long-time dedicated board member and youth advocate Chris Nota.

We are grateful to the organizations and individuals that have partnered with the Stewardship Council to accomplish these enduring achievements and look forward to continuing our work together as we move closer to mission completion. Your partnership is critical to ensure our land conservation and youth program efforts create a lasting legacy for California and future generations.

With gratitude,

Heidi Krock



Stewardship Council Staff

BOARD OF DIRECTORS



Stewardship Council Board of Directors at Bass Lake, 2019.

STEWARDSHIP COUNCIL BOARD

The Stewardship Council’s Board of Directors (Board) is composed of representatives of a diverse group of organizations including state and federal agencies, water agencies, tribal and rural interests, forestry interests, conservation organizations, the California Public Utilities Commission, and Pacific Gas and Electric Company (PG&E).

BOARD OF DIRECTORS - MEMBER POSITIONS

OFFICERS

- President
Art Baggett Jr.
- Secretary
Nancee Murray
- Treasurer, Asst. Secretary
Mike Schonherr

DIRECTORS

- Association of California Water Agencies**
Dave Eggerton
Alternate OPEN
- California Department of Fish and Wildlife**
Nancee Murray
Alternate OPEN
- California Forestry Association**
Rich Gordon
Alternate George Gentry
- California Hydropower Reform Coalition**
Pete Bell
Alternate Richard Roos-Collins
- California Public Utilities Commission**
Allison Brown
Alternate OPEN
- California Public Utilities Commission**
(Public Appointees)
Art Baggett Jr., David Muraki, Chris Nota
- California Natural Resources Agency**
Wade Crowfoot
Alternate Jennifer Norris

VICE PRESIDENTS

- Chair, Fiduciary Committee, Asst. Treasurer
Truman Burns
- Chair, Watershed Planning Committee
Soapy Mulholland
- Chair, Youth Investment Committee
David Muraki

- California Tribal Interests**
Larry Myers
Alternate Ken Tipon
- Central Valley Regional Water Quality Control Board**
Soapy Mulholland
Alternate Robert Schneider
- Public Advocates Office, CPUC**
Truman Burns
Alternate Julie Halligan
- Pacific Gas & Electric Company**
Mike Schonherr
Alternate Rebecca Doidge
- Rural Counties Representatives of California**
Lee Adams
Alternate Miles Menetrey
- State Water Resources Control Board**
DeeDee D’Adamo
Alternate Jeffrey Parks
- The Trust for Public Land**
David Sutton
Alternate John McCamman
- U.S. Forest Service**
Jerry Bird

CHRIS NOTA, INVALUABLE BOARD MEMBER SHINES A LIGHT ON YOUTH



Chris Nota has served as a founding member on the Stewardship Council Board, and its special committees since 2004. She initially joined the Board as a representative of the U.S. Forest Service. After her retirement from the USFS in 2015, Chris has continued to serve on the Board as one of the California Public Utilities Commission’s three public appointees.

“When the opportunity arose to join the Stewardship Council Board I jumped in with both feet,” Chris recalled. “It has been a privilege to be part of the Stewardship Council for many years and exciting to see the permanent protections for the Watershed Lands and the youth programs we’ve funded.” Among her best memories were the early days when the Board made frequent field trips to not only get to know PG&E’s watershed lands but also to meet people in the surrounding communities. “I was impressed by the beauty and resources of the land and also the caring and involvement of the communities,” she

reminisces. She appreciates that the Stewardship Council has continued to engage communities and stakeholders and has held on to the challenging but rewarding consensus-based approval process. Chris observed that, “Over the years this has encouraged the Board and stakeholders to find common threads and attempt to carefully hear each other’s concerns.”

When it was established, the Stewardship Council was provided funding to create a program to connect underserved youth in the PG&E service area to the outdoors. As a member of the Youth Investment Committee, Chris helped develop the goals, focus and structure of the Stewardship Council’s youth program. She along with other committee members then spent several years evaluating grant applications from youth organizations and recommending grant awards to the Board for final approval. Later, Chris became a member of the Youth Outside Board of Directors

contributing to their efforts to grow, expand, and build a strong network of allies to strengthen the engagement of underserved youth and communities in outdoor activities and programs.

During her 40-year career with the USFS, Chris held almost every field position and spent the last 25 years in Forest Service leadership positions ranging from district ranger to the Pacific Southwest Region’s Regional Forester’s Representative. “I was drawn to this kind of work because of my love of the outdoors and a personal commitment to do what I could to protect our life sustaining natural environment.” When she worked at the Sierra National Forest, her district won a national award for their extensive mentorship and development of youth through outdoor experiences.

The landscapes of the Sierra Nevada and Cascade Mountain Range where she spent the early days of her career are particularly special to Chris. She has fond memories of spending summer days backpacking and sleeping soundly under night skies flickering with starlight. Chris continues to enjoy visiting the wild lands of the Sierra Nevada mountain range that call to her, and on a typical day, she can be found hiking through the oak woodlands near her home in Sonoma County.

“I AM PROUD OF THE YOUTH PROGRAMS WE HAVE FUNDED WHICH HAVE OFTEN RESULTED IN LIFE CHANGING OUTDOOR EXPERIENCES FOR YOUTH WHO WOULD NOT HAVE NORMALLY HAD ACCESS TO THESE KINDS OF EXPERIENCES.”

Chris Nota
Stewardship Council Board Member



LAND PROGRAM

The Stewardship Council's Land Conservation Program ensures over 140,000 acres of PG&E Watershed Lands throughout California are protected for future generations with a focus on a broad range of Beneficial Public Values (BPVs), including: natural habitat of fish, wildlife and plants; open space; outdoor recreation; agricultural uses; sustainable forestry; and historic and cultural values. This occurs through the placement of conservation easements on the properties and land donations to organizations that will conserve these Watershed Lands for public benefit in perpetuity.

A flock of northern pintail and northern shoveler utilize McArthur Swamp during spring migration.

LAND PROGRAM

PROGRESS TOWARD
MISSION COMPLETION



The Land Conservation Program achieved several significant milestones in 2020 with the Board’s approval of the final set of 18 Land Conservation and Conveyance Plans (LCCPs), including donations to the California Department of Forestry and Fire Protection (CalFire) and the Pit River Tribe. In total, the Stewardship Council has recommended approximately 38,683 acres of Watershed Lands for donation to qualified organizations including federal, state and local agencies, and Native American tribal entities. An additional 100,583 acres of Watershed Lands will be retained in ownership by PG&E and protected with perpetual conservation easements.

A key annual measurement of success is the number of transactions that close escrow, which results in a land transfer and/or recordation of the conservation easement. Twelve transactions closed escrow in 2020 including donations to the San Joaquin County Office of Education (SJCOE), USFS, the County of Madera, and the Fall River Resource Conservation District.

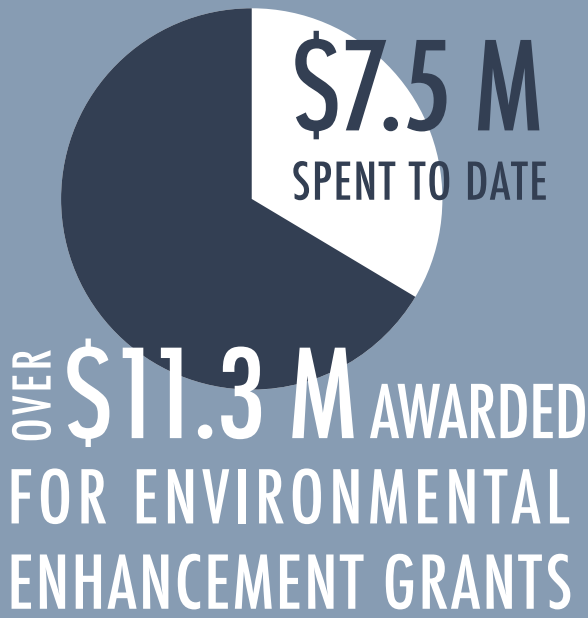
The Stewardship Council’s enhancement grant program funded a variety of projects on PG&E Watershed Lands that improve and protect the BPVs. Since the program began in 2012, \$11.3 million in enhancement and capacity building grants have been awarded. As of the end of 2020, \$7.48 million of this total award amount had been expended.

In 2020, enhancement program grantees made progress on the following projects:

- SJCOE used \$2.5 million to purchase the buildings and equipment at Sky Mountain Camp at Lake Valley Reservoir in the Lake Spaulding planning unit, near Yuba Gap along the Interstate 80 corridor. Prior to SJCOE ownership, the camp facilities were privately owned and operated under a lease agreement with PG&E. After necessary upgrades are made to the camp facilities utilizing an additional \$2.5 million in enhancement grant funds, SJCOE will use the camp as an outdoor education center to connect students to the natural world through a curriculum that aligns with the Next Generation Science Standards and California’s Environmental Principles and Concepts.
- The County of Madera began work on the *Bass Lake North Fork Lake Regional Trail* project initiating community outreach, planning, permitting, fuel reduction, and rough grading of the trail, campground, and staging areas. This project will provide new year-round outdoor recreation opportunities for the lower foothill area residents, as well

as habitat restoration efforts, and interpretive elements developed in collaboration with the North Fork Rancheria of Mono Indians.

- Spring Rivers Foundation completed a second round of endangered Shasta Crayfish relocations to their newly constructed Rock Creek habitat. The new Crayfish will increase the genetic diversity in the habitat and support successful recolonization of the area by the Shasta Crayfish.
- The Fall River Resource Conservation District continued work to improve grazing conditions and wildlife habitat at McArthur Swamp. See page 22 for additional information about the McArthur Swamp enhancement grant project.



SKY MOUNTAIN OUTDOOR EDUCATION CENTER IS A LEGACY PROJECT THAT WILL MAKE THE SIERRA NEVADA MOUNTAINS AVAILABLE TO YOUTH AT A TIME WHEN MEANINGFUL CONNECTIONS WITH NATURE ARE MORE IMPORTANT THAN EVER,”

Heidi Krolick
Executive Director of the Stewardship Council

LAND PROGRAM

2020 LAND ACQUISITIONS & PARTNERSHIPS
TO PRESERVE CALIFORNIA’S WATERSHEDS



Lake Britton.

ALL 96 LCCP BOARD APPROVALS COMPLETED IN 2020

2013	2014	2015	2016	2017	2018	2019	2020
5	12	6	16	15	15	9	18



BOARD ACHIEVES MAJOR MILESTONE IN 2020 FINALIZING ALL CONSERVATION PLANS



December 2020 marked an important milestone for the Stewardship Council with the approval of the remaining LCCPs for the Watershed Lands. Starting with the donation of Kennedy Meadows in May of 2013, the Board has now approved 96 LCCPs across the ten California watersheds. The LCCP for each applicable transaction includes a set of Stewardship Council recommendations to PG&E for implementation of the Land Conservation Commitment. PG&E includes the LCCPs in their regulatory approval submissions to the California Public Utilities Commission as demonstration that the requirements of the Settlement and Stipulation in the disposition and protection of the Watershed Lands have been satisfied.

In its diligent development of each LCCP, the Stewardship Council considered the best options to preserve and enhance the BPVs for each property. The development of LCCPs for 96 separate land transactions involved hundreds of people and thousands of hours of collective work. Over the years, the Board made recommendations for fee title donations to new owners such as CAL FIRE, Native American tribal entities, the US Forest Service, University of California Berkeley Forests,

and other public agencies that demonstrated capacity and plans to best steward the land. The Board also recommended 14 conservation entities to hold conservation easements and/or conservation covenants and negotiated funding endowments that would enable ongoing monitoring and stewardship of the properties. Once recommendations were made, the fee title donees receiving donated lands (or PG&E if the land was to be retained as the properties often contain hydropower resources like canals, reservoirs and rivers or other operational functions) and the conservation easement holders, negotiated the terms of the conservation easements/covenants and other agreements, completed Baseline Documentation Reports, and completed other real estate due diligence. The Stewardship Council contracted with survey companies throughout the state to facilitate property boundary surveys for those properties that needed to be subdivided for donation, and entered into funding agreements with the conservation easement holders and donees to fund costs to complete the transactional work. “In the process of preparing to encumber properties with conservation easements and make donations, we uncovered a host of issues that needed to be dealt with and made these



Sky Mountain Camp transferred to San Joaquin County Office of Education at the end of 2020 and will soon host students for outdoor education

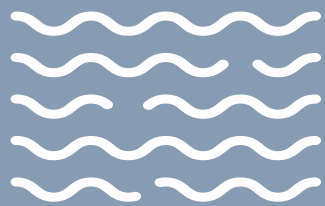
transactions a real challenge,” said Sarah Hug, manager of the PG&E team. “We found encroachments that needed to be cleared, boundary lines that needed adjustment, and in many cases we needed to secure access for the conservation easement holders and new property owners. The complexities were quite a challenge!” On 115 acres of the Watershed Lands the Board found there were no significant BPVs to be protected and were therefore excluded from the LCCPs consistent with the Stewardship Council’s governing documents.

Now that the Stewardship Council Board has achieved this important milestone by approving all LCCPs, the Land Program is shifting gears and working to wrap up the remaining work. PG&E coordinates with parties to finalize Transaction Agreements, then submits advice letters and Section 851 filings to the California Public Utilities Commission and seeks necessary approvals from the Federal Energy

Regulatory Commission, as applicable. After regulatory approvals are secured, PG&E kicks off the formal escrow closing process. The Stewardship Council participates in the escrow closing process providing document reviews, coordinating title insurance and other closing costs, negotiating property tax neutrality payments with appropriate jurisdictions, and finalizing endowment agreements and payments to the conservation easement holders.

Meanwhile, the Stewardship Council continues to implement its enhancement project program. Although the land conservation planning and implementation processes are detailed and complex, they are bestowing the gifts of ecological protection, public recreation opportunities, open space, cultural resource protection and more for the Watershed Lands. This is an exciting set of outcomes that benefits future generations of people, flora and fauna.

LAKE ALMANOR EXEMPLIFIES THE COMPLEXITY & BENEFITS OF CONSERVING THE WATERSHED LANDS



In 2020, the Stewardship Council Board approved one of the most complicated and important LCCPs, the LCCP for the Lake Almanor lands to be retained by PG&E. This transaction encompasses approximately 29,057 acres, of which approximately 26,444 acres are typically inundated by lake water. This expansive property dwarfs the next largest of the Watershed Lands covering 7,058 acres at the nearby Mountain Meadows Reservoir. The Lake Almanor property spans almost 47 square miles and is equivalent in size to the City of San Francisco or Walt Disney World.

The Lake Almanor basin provides essential habitat for wildlife and flora, and provides significant hydropower and agricultural water supply. The California Audubon Society has designated the entire reservoir area an Important Bird Area due to its significance to nesting and wintering waterfowl, and also for a number of special status species such as Willow Flycatcher, Sandhill Crane, and Yellow Warbler. The area is home to several rare plants, waterfowl, and birds like bald eagles and osprey and is surrounded by open meadows and forests with views of Mount Lassen and Dyer Mountain.

The water critical to the recreational use

and waterfowl at the lake is also contracted for downstream agricultural uses through a contract with Western Canal Water District for 145,000 acre feet of water annually. Fisheries and lake levels are managed by PG&E and the State of California. The Water Resources Control Board oversees water rights and water quality, while the California Department of Fish and Wildlife manages fish, wildlife, plants, and habitats for the health of their populations and for enjoyment by the public. PG&E will continue to manage demands on the lake, especially since Lake Almanor is the largest step on PG&E’s “Stairway of Power” on the North Fork Feather River. PG&E holds water rights that allow diversion and storage, as well as PG&E’s primary business -hydroelectric power generation. These prior contracts and requirements will not be affected by the LCCP or conservation easement.

Lake Almanor is also a cherished recreational destination for boating, fishing, hunting, hiking and camping especially during the summer, with a surge of boaters, anglers, and campers that enjoy the small mouth bass and trout fishery. Lake Almanor recreational uses are served by the many public and private facilities along the shoreline. Twenty-two privately

operated resorts with over 800 boat slips are dispersed along the shore, and private residences have boat docks and marker buoys installed under PG&E use permits. PG&E also owns and manages several recreation facilities within the project area comprising a group campground below Canyon Dam, two-day use areas including a scenic overlook on the southeast shore, and a 25-site family and group campground near the northern end of Last Chance Marsh. Along the southwest shoreline, PG&E and the USFS operate campgrounds with more than 230 campsites in total. Many of the facilities along the west shore of the lake are linked by the Lake Almanor Recreation Trail (LART), a paved 9.5-mile USFS-managed pedestrian and bike trail that traverses public and private property.

With the many demands on the natural resources and man-made amenities along

the lake, many conflicting priorities emerged during the LCCP process from stakeholders and lake residents. As a result, when the draft LCCP was released for public review it received more comments than any other LCCP in the history of the Stewardship Council. As with all transactions, the LCCP proposed a permanent conservation easement for the entire project area that will protect the conservation values of the property identified as habitat, open space, sustainable forestry, outdoor recreation, and historic values. Many who provided formal comment on the LCCP expressed concerns that the conservation easement would limit public access and recreation. The Stewardship Council responded that the conservation easement provides protections for continued public access and recreation at Lake Almanor and also allows for the continued use of boat docks and resorts on the shoreline for those



LAND PROGRAM – CONNECTIONS TO LAND, LAKE ALMANOR

lands that are owned and operated by PG&E, and furthermore that the Stewardship Council does not anticipate any significant changes to how the general public uses the PG&E property as a result of the LCCP or the conservation easement.

Once the transaction closes escrow, the conservation easement will be held by Feather River Land Trust based in Quincy, California. The land trust will then be responsible for annual monitoring of the lands to ensure PG&E complies with the terms and conditions of the conservation easement as the company proceeds with utility and other operations and land management. Were PG&E to sell the property, the perpetual conservation easement runs with the land.

Feather River Land Trust is a private, non-profit organization founded by residents of the Feather River region that works with willing landowners and local communities to conserve land in the Feather River region and steward the region’s ecological and cultural values for current and future generations. They have successfully protected nearly 60,000 acres of private lands that support outstanding biodiversity, waterways, fisheries, recreational and educational opportunities, cultural sites, agricultural lands, and spectacular scenery. The Stewardship Council has recommended Feather River Land Trust to hold nine conservation easements over Watershed Lands covering approximately 43,686 acres. Five of those conservation easements are for approximately 2,935 acres of ancestral lands donated to the Maidu Summit Consortium. The area now covered by Lake Almanor was once known as Big Meadow, part of the ancestral



homeland of the Mountain Maidu tribe of Native Americans, and the location of several Maidu villages.

There is an excitement and pride within the Stewardship Council for the work to conserve the diverse and significant BPVs at Lake Almanor. The conservation easement is a gift to the people, plants and animals that live and recreate throughout the almost 30,000 acres of the Lake Almanor PG&E retained lands.

LAND PROGRAM –

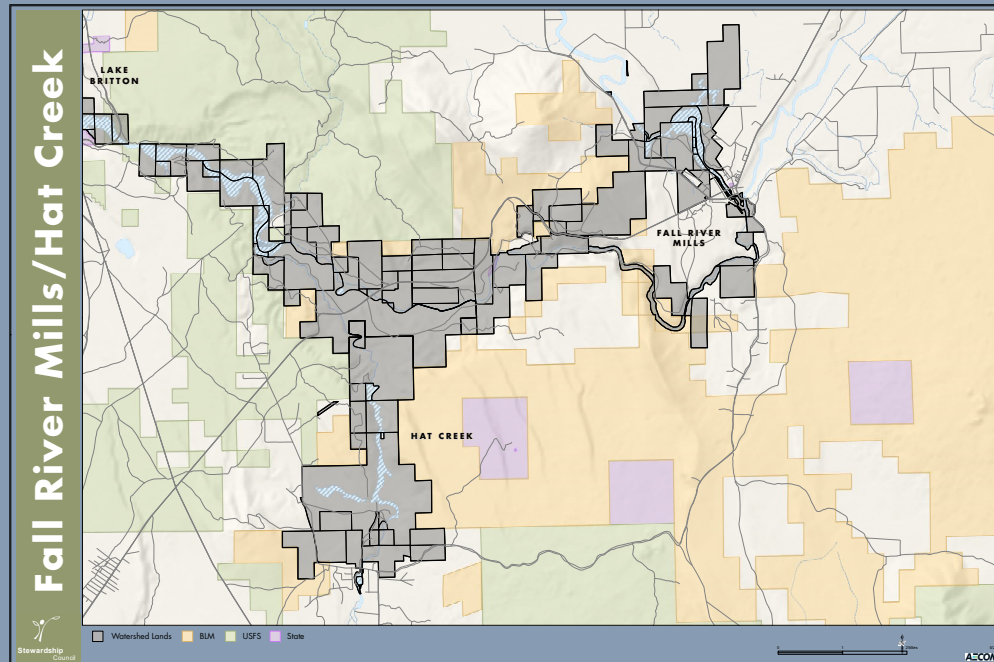
EMPOWERED: SHASTA LAND TRUST STRENGTHENS COMMUNITY WATERSHED STEWARDSHIP THROUGH EDUCATION



Early in the land conservation planning process, the Stewardship Council determined that the Watershed Lands would be best stewarded by having local land trusts familiar with the surrounding environment and community hold the perpetual conservation easements. The Watershed Lands are primarily located in either wildland urban interface areas or mountainous rural areas with few nearby population centers. The land trusts that serve these areas are striving to conserve large landscapes encompassing the Watershed Lands, among others. The Stewardship Council conservation easement projects are just pieces of the puzzle of properties the land trusts are working to conserve, but the large scale of the Stewardship Council projects is helping to build conservation capacity and momentum in the areas served by each of the participating land trusts.

Shasta Land Trust (SLT), as the holder of the largest Watershed Lands conservation easement portfolio of terrestrial properties at 31,033 acres, recognizes the contribution these projects add to the region’s conservation

picture. Remarking on the Stewardship Council’s work, Paul Vienneau, SLT Executive Director said, “SLT feels strongly that the Watershed Lands have provided a major boost to local conservation due to the size, location, and importance of the properties conserved. Not only do many of the properties allow for local ownership and management, but they provide vast opportunities for increased agriculture, habitat preservation and recreational opportunities. The difference between these properties and many other protected lands is that many of them include public access, which is a missing piece in the puzzle of bringing awareness to what land conservation can mean for local communities. More specifically, in the area of Fall River Mills and the Hat Creek area, many of the Watershed Lands connect directly with already protected properties. This provides for conservation continuity which allows for larger habitat protection and a more significant environmental impact. The importance of connecting these puzzle pieces together cannot be understated.”



Beyond the conservation of the land, SLT is building a conservation minded community in their area, hosting events on protected properties, and leading educational efforts to build environmental awareness for residents and visitors. “The contribution of the Watershed Lands on the local conservation community is immense,” said Vienneau, adding that, “From a small land trust’s perspective, this has allowed us to increase capacity which has led to additional acres protected. In addition, we have had the opportunity to work with new partners that have strengthened our understanding of community partnerships, while also increasing our overall stewardship fund that will allow for greater organizational capacity down the road. While the process has been arduous and tedious at times, SLT’s involvement with these projects has been a game changer for the organization.” Momentum is clearly building for SLT, recently having secured four grants from the California Sustainable Agricultural Lands Conservation Program that will conserve an additional 2,711 acres of critical farmland in Shasta County.

The Stewardship Council invests in local land trusts to ensure continued protection of the BPVs on the Watershed Lands and anticipates providing a total of \$16.6 million in endowments for ongoing monitoring and stewardship of the conservation easements including legal defense funds. In addition, the Stewardship Council anticipates expending a total of approximately \$3.16 million to compensate the land trusts for their costs to negotiate and close the conservation easement transactions. Each conservation easement transaction requires land trust staff and their legal counsel to devote numerous hours reviewing due diligence documents, negotiating the conservation easement and other transaction documents, and developing Baseline Documentation Reports. The Stewardship Council appreciates the time and effort each of the land trusts has devoted to participating in the Stewardship Council’s planning process and completing the recommended transactions.

LAND PROGRAM – ENHANCEMENT GRANTS

AGRICULTURE & WILDLIFE GROWING STRONG AT MCARTHUR SWAMP



Livestock grazing is increasingly being looked at as a tool to improve wildlife habitat and reduce wildfire danger, and Stewardship Council enhancement project funds are being put to work by the Fall River Resource Conservation District (RCD) to demonstrate the synergy of grazing and habitat protection at McArthur Swamp. McArthur Swamp is a 4,491-acre property located north of the town of McArthur in eastern Shasta County which was transferred from PG&E to the RCD in 2017, with the conservation easement held by Ducks Unlimited.

Historically, McArthur Swamp was a large wetland and wet meadow complex. Today such ecosystems are rare because most have been destroyed by human development. In the late 1800s and early 1900s, a series of levees and drainage ditches were constructed that drained the wetlands in favor of agricultural production. McArthur Swamp now consists of a series of wet meadow pastures which are primarily used for cattle grazing. Even though the site isn’t as wet or biodiverse as it was historically, it is still Shasta County’s most productive and therefore important waterfowl area. John Ranlett, Ducks Unlimited’s Regional Biologist who has been working on the McArthur Swamp project for

over five years stated, “The Fall River Valley region provides a major wetland linkage for migratory birds between the Klamath Basin and Oregon Closed Basin to the north, and wintering grounds in the Central Valley to the south.”

Re-wetting the Swamp will be a key action to enhance the existing habitat, and the RCD will use enhancement project funds provided by the Stewardship Council to supplement a grant from North American Wetlands Conservation Act to drill a well that will produce approximately 2,000 gallons per minute. This additional water is intended to improve 335 acres of wet meadow habitat and re-water 486 acres of upland habitat for spring migrating waterfowl, waterbirds and shorebirds. The ability to irrigate specific wet meadow pastures throughout the spring and early summer will also increase the availability and quality of nesting habitat for wet-meadow associated species like the nesting mallard, cinnamon teal, gadwall, and Canada goose among others. This additional water supply will also benefit cattle grazing. When the migratory bird seasonal use ceases, grazing will be utilized to control vegetation and noxious weeds. Executive Director of the RCD, Sharmie Stevenson, explained

LAND PROGRAM – ENHANCEMENT GRANTS

that the RCD will use the well intermittently to improve forage production throughout the grazing season. She affirmed, “The RCD is very pleased with the partnership with Ducks Unlimited and is excited about the well. The availability of water was the missing link for optimal management.”

Invasive weeds are another challenge for the property with potential for livestock grazing to benefit native biodiversity in conjunction with active management such as spraying for noxious weeds. Left unmanaged, the non-native grasses and forbs that dominate

California grasslands can grow profusely in normal and above-normal rainfall years, crowding out native plants and animals and increasing risks of wildfire and noxious weed infestations that destroy native habitats and quality grazing fodder. The cattle operations on the property support the conservation values in the conservation easement by removing annual plant growth, and promoting desired vegetation structure for sheet-flooded wet meadow habitat that supports spring migrating waterfowl, waterbirds, and shorebirds. Supplementing the grazing, aerial and ground



Waterfowl in flight above the wet meadows of McArthur Swamp.



Caption,

chemical applications have been successful at reducing invasive weeds in targeted areas, but the spread of noxious weeds is a continual threat to the area and requires annual treatment. “Cattle on the Swamp are helping to control the invasive weeds as we are seeing a reduction specifically of thistles in the rotational grazing pastures. Most people don’t think cattle will eat them but they are high in protein and the cattle will eat them when they are young and tender,” said Stevenson.

Guiding these efforts is a Management Plan that the RCD recently completed with enhancement project funds from the Stewardship Council. The plan informs appropriate public access for bird watching, nature study, and limited hunting opportunities, some of which are coordinated through the California Department of Fish and Wildlife’s SHARE Program. The RCD has future plans to expand public use by creating

hiking trails and constructing a visitor center, and is considering expanding agricultural crops with opportunities for local farmers to take part. The uniquely collaborative Management Plan was produced by the McArthur Swamp Management Team that includes as voting members the RCD, Pit River Tribe, and a Technical Advisory Committee to garner diverse expertise and stakeholder input.

By implementing the approved tools in the Management Plan like grazing, active management conducted by a staff Range Manager, and development of additional water resources, the RCD has begun stewarding a crown jewel of wildlife habitat while supporting the local agricultural community. The RCD celebrates the positive feedback from their local community regarding their efforts and future plans to successfully steward McArthur Swamp and its water-loving creatures.



YOUTH PROGRAM

In addition to its land conservation efforts, the Stewardship Council remains focused on the future stewards of our natural lands. That focus has resulted in significant program investments aimed at ensuring equitable outdoor access for all young people and developing the next generation of diverse conservation leaders.



YOUTH PROGRAMS BUILD RACIAL EQUITY INTO LEADERSHIP



In 2005, the Stewardship Council established a Youth Investment Program to support outdoor and environmental programming for youth. Five years later, the Stewardship Council created the Foundation for Youth Investment (FYI) to sustain this important work beyond the life of the Stewardship Council. In 2013, the Stewardship Council awarded a \$10.76 million grant to FYI to connect underserved youth in the PG&E service area to the outdoors. FYI later changed its name to Youth Outside to reflect the

heart of their work: connecting youth to nature by eliminating barriers, providing resources, and promoting outdoor programming to build healthy lives and inspire future stewards of our planet. In 2021 they changed their name again to Justice Outside, envisioning a “just world where Black, Indigenous, and Communities of Color experience safety, health, and abundant joy through meaningful relationships with one another and the outdoors.”

THE JUSTICE OUTSIDE MISSION

JUSTICE OUTSIDE ADVANCES RACIAL JUSTICE AND EQUITY IN THE OUTDOOR AND ENVIRONMENTAL MOVEMENT. WE SHIFT RESOURCES TO BUILD POWER WITH, AND CENTER THE VOICES AND LEADERSHIP OF BLACK, INDIGENOUS, AND PEOPLE OF COLOR BECAUSE THE HEALTH OF CURRENT AND FUTURE GENERATIONS DEMANDS IT.

We’re excited to provide some highlights below of Justice Outside’s recent successes. In 2020, their organization engaged in a strategic refresh process. During this process, they acknowledged their work is not only focused on solving the symptoms of inequity, but rather, moving the needle to reverse historic systems of marginalization that have created those symptoms.

Through the strategic refresh, they identified the following strategic priorities to guide their work moving forward:

- **Field Building:** Strengthen the capacity of individuals and institutions to achieve a racially just and culturally representative outdoor and environmental field.
- **Thought Leadership:** Lead and influence the outdoor and environmental field to achieve racial justice through research, policy, and narrative change.
- **Network Building and Mobilization:** Mobilize existing organizations led by Black, Indigenous, and People of Color as well as allies in the public, private, philanthropic, nonprofit, and academic sectors around a racial justice agenda and leverage resources, relationships, programs, and strategies to maximize influence and impact.
- **Financial Health and Resilience:** Strengthen the financial health and resilience of Youth Outside to achieve its strategic goals and long-term sustainability

Justice Outside utilizes the Stewardship Council’s remaining youth funds and other funds it raised to strengthen the engagement



Young Lady with Tarantula, Student holding tarantula for the first time - Merced Falls planting with Sierra Foothill Conservancy Youth Ambassador Program, Justice Outside, 2020.

of underserved youth in outdoor activities and programs. In 2020, Justice Outside’s Outdoor Educators Institute (OEI) included 27 youth. OEI is a three-month professional and workforce development program for young adults from communities historically underrepresented in the outdoors with an active interest in outdoor leadership. OEI graduates receive training in wilderness backpacking, sea kayaking, rock climbing, outdoor facilitation, group management, and conservation skills, and are supported in securing placement in outdoor employment at the end of the program.

Justice Outside hosted again their Rising Leaders Fellowship (RLF) program gaining

YOUTH PROGRAM – JUSTICE OUTSIDE UPDATE

valuable career experience on curriculum development and program implementation. This program supports the professional development of individuals in entry-to mid-level positions within youth-serving outdoor programs. Over the course of RLF, participants were tasked with working in small groups on projects that could be implemented at their organizations to increase equity, inclusion, and cultural relevancy efforts. On Justice Outside’s website, they’ve provided an overview of the RLF program between 2015 and 2020, which can be found at <https://justiceoutside.org/programs/rising-leaders-fellowship-1/rising-leaders-fellowship-evaluation/>.

Justice Outside continued their Cultural Relevancy Series aimed at supporting equity through systemic change and inclusion. According to Justice Outside, *“Cultural relevancy is effectively reaching and engaging communities and their youth in a manner that is consistent with the cultural context and values of that community; while effectively addressing the disparities of diversity and inclusion within an organization’s entire structure.”* The series consists of workshops, coaching and development of an action plan geared toward decision makers of outdoor focused organizations. Organizational teams participate in a dynamic learning community



Group Outing, Participants with YES.



Habitat restoration, Merced Falls Conservation Easement (PG&E property) planting project with Sierra Foothill Conservancy, Justice Outside, 2020.

building their capacity to effect transformative change, advancing anti-racism within their own communities and organizations.

The Liberated Paths grant program was launched with generous funders - William and Flora Hewlett Foundation, the David and Lucile Packard Foundation, and The North Face - that now partner with Justice Outside to advance racial justice in the outdoor and environmental movement. This program expands the value Justice Outside provides to active community and youth serving organizations aligned with their mission. Through recreation and conservation, policy and advocacy, and environmental education,

each of the inaugural grantees are ensuring that Black, Indigenous, and Communities of Color are front and center in decision-making that impacts their experiences with land, air, water, and nature. The new Liberated Paths grantmaking program funded 17 organizations providing between \$7,000 and \$30,000 per grant.

Fulfilling a great need in the outdoor programs community, in 2020 Justice Outside provided \$662,000 in grant funds to 37 organizations. Justice Outside’s historic grant program also funded the remaining year of a two-year grant program for 21 organizations, ranging in awards between \$15,000 and \$30,000 in 2020. The list of organizations that received a 2020 grant award can be found online at <https://justiceoutside.org/grantmaking/grantees/2020-grantees/>.

2020 was an exciting year for Justice Outside – with the strategic refresh confirming their commitment to racial justice and equity, they also launched a new grantmaking program and expanded their program reach to the Southwest and Pacific Northwest U.S. beyond their California-centric efforts of the past. As Stewardship Council’s available funds for Justice Outside near a conclusion, we take pride in our early contributions and the initiative of Justice Outside’s leadership to raise new sources of funding. In 2020 Justice Outside grew their thriving team to 9 full time employees and several other part time staff, and are increasingly at the forefront of relevant and progressive outdoor leadership and programming.



A field trip to the Carbon Bridge – an enhancement project funded by the Stewardship Council – over Hat Creek in Shasta County, one of the region's most revered streams by local and visiting anglers.



The Stewardship Council was funded by PG&E with \$100 million to implement a dual mission to protect and enhance 140,000 acres of Watershed Lands and to connect underserved youth to the outdoors. Of these funds, \$70 million was set aside to protect and enhance lands and \$30 million was allocated for the youth investment initiative. The Stewardship Council Board has thoughtfully managed these funds and strategically invested in a portfolio that primarily utilizes conservative fixed income mutual funds to optimize diversification, preserve principal, and maintain liquidity. As of December 31, 2020 the Stewardship Council had approximately \$23.9 million in total liabilities and net assets.

STEWARDSHIP CONSERVATION FINANCES

From its inception through 2020, the Stewardship Council has spent more than \$58.3 million to protect and enhance the Watershed Lands. As we approach mission completion, the Stewardship Council anticipates granting a total of approximately \$16.6 million to the holders of conservation easements and covenants that will protect the Watershed Lands in perpetuity, and up to \$12.7 million for projects that will enhance the protected lands.

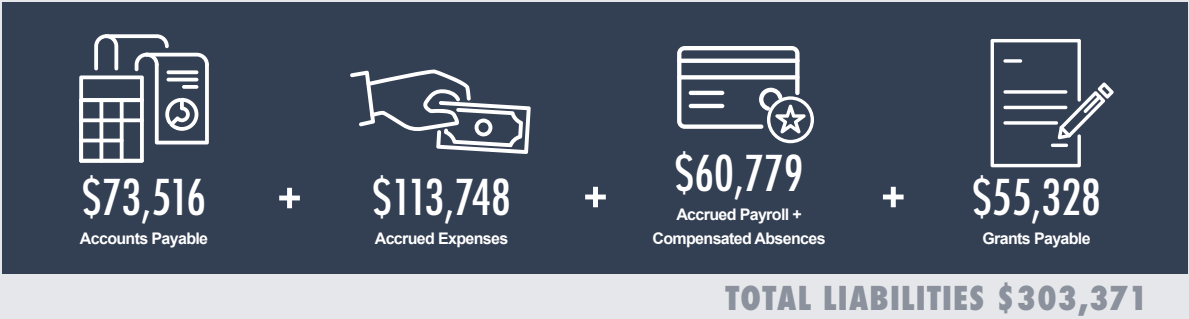
For detailed financial statements, visit www.stewardshipcouncil.org/public_information/financial_statements.htm.

Statement of Financial Position

ASSETS

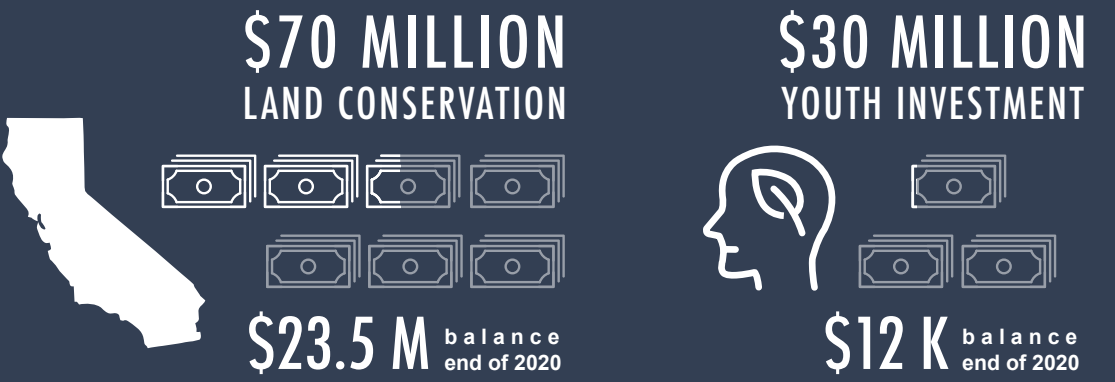


LIABILITIES & NET ASSETS

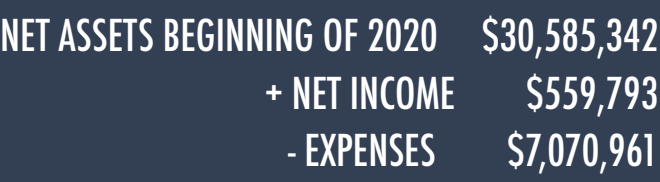


DONOR RESTRICTED NET ASSETS \$23,514,381
Total Liabilities + Net Assets \$23,817,752

\$100 MILLION PG&E FUNDING



Statement of Activities



NET ASSETS END OF 2020
\$23,514,381





*The beloved waters of Lake Almanor below the majestic peak of
Mt. Lassen in the distance, Stewardship Council, 2019.*

Pacific Forest and Watershed Lands Stewardship Council
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