



2017 Annual Report

September, 2018

Letter from Heidi Krolick, Executive Director and Art Baggett, Stewardship Council Board President

During the past year, the Stewardship Council Board (Board) and staff have continued to work diligently towards achieving our mission to protect and enhance the beneficial public values on more than 140,000 acres of watershed lands currently owned by Pacific Gas and Electric Company (PG&E). This year the Board reaffirmed a set of important milestone dates that will guide the fulfillment of our mission and eventual dissolution, projected in 2022.

A portion of the 140,000 acres of the watershed lands will be donated to qualified entities with conservation easements or conservation covenants protecting the beneficial public values. Conservation easements will also be recorded on the lands retained by PG&E. This year's Annual Report provides an update to the progress made by the Board and staff in completing these land conservation goals, as well as our success in further developing our enhancement program and opportunities for youth involvement on watershed lands.

Significant progress was made in donating watershed lands this year. The Fall River Resource Conservation District (Fall River RCD) received fee title to the 4,491 acre McArthur Swamp property, a critical wetland habitat for migratory birds and important grazing resource for local ranchers. The United States Forest Service (USFS) received fee title to forested lands at the Fordyce (White Rock) Lake planning unit in Nevada County, and at the Blue Lakes planning unit in Alpine County. We also completed the final Board approval of the 2,300-acre Humbug Valley, or Tasmam Kojom, planning unit donation to the Maidu Summit Consortium & Conservancy (MSC). The Tasmam Kojom planning unit is within the ancestral territory of the MSC and has significant cultural and spiritual significance for its members. Working with the California Department of Fish and Wildlife and the Feather River Land Trust, MSC will introduce traditional management techniques to restore some of the critical habitat within the valley and provide educational opportunities for the general public.

Our Mission: The Stewardship Council protects and enhances watershed lands and uses, and invests in efforts to improve the lives of young Californians through connections with the outdoors. **Our Values:** Collaboration. Stewardship. Discovery. Sustainability. Leadership.



Kilarc Old Crow Creek, 2017

The Stewardship Council continues to award grants for enhancement projects on PG&E watershed lands that restore important habitat, improve recreational opportunities, protect cultural sites, and provide unique work experience and training opportunities for young people interested in resource conservation, restoration, and stewardship.

With our funding, Youth Outside has continued the Stewardship Council's record of impactful grant making to connect underserved youth to the outdoors within the PG&E service area. In addition, the Board has awarded two grants to the California Council of Land Trusts to assist in the implementation of their Land Trust Training and Apprenticeship Program (TAP) for young adults ages 18 to 26. This grant helped to fund the program's in-depth training in general conservation basics, land trust structure and operations, and opportunities in conservation. The program also assisted land trusts in developing tools that will hopefully result in the recruitment of a diverse new generation of conservation professionals.

Our Board, which makes decisions based on consensus, includes members of state and federal agencies, water districts, tribal and rural interests, forest and farm industry groups, conservation organizations, the California Public Utilities Commission (CPUC),

and PG&E. This year we welcomed Rebecca Doidge to the Board representing PG&E, George Gentry representing the California Forestry Association, and John McCamman representing the Trust for Public Land. Additionally this year the Stewardship Council recognized Sandra Morey and Ann Cole who departed the Board after several years of service toward completing our mission.

The following report demonstrates the significant progress that has been achieved and we thank you for your partnership and involvement in the important work that still remains as we steadfastly work toward achieving our mission.



Art G. Baggett Jr., Stewardship
Council Board President



Heidi Krolick, Stewardship
Council Executive Director



Stewardship Council Board Roster

Current as of August 2018

Officers

President: **Art Baggett**

Secretary: **Nancee Murray**

Treasurer, Asst. Secretary:
Mike Schonherr

Vice Presidents

Chair, Fiduciary Committee/Asst Treasurer:
Truman Burns

Chair, Watershed Planning Committee:
Soapy Mulholland

Chair, Youth Investment Committee:
David Muraki

Directors

Association of California Water Agencies

Board Member: Tim Quinn
Alternate: Dave Bolland

California Department of Fish and Wildlife

Board Member: Nancee Murray
Alternate: OPEN

California Farm Bureau Federation

Board Member: Karen Mills
Alternate: Noelle Cremers

California Forestry Association

Board Member: Kirstin Kolpitcke
Alternate: George Gentry

California Hydropower Reform Coalition

Board Member: Pete Bell
Alternate: Richard Roos-Collins

California Public Utilities Commission

Board Member: Allison Brown
Alternate: Open

California Public Utilities Commission Public Appointee

Board Member: Art Baggett, Jr.
Board member: David Muraki
Board Member: Chris Nota*

California Natural Resources Agency

Board Member: John Laird
Alternate: Todd Ferrara

California Tribal Interests

Board Member: Larry Myers
Alternate: Ken Tipon

Central Valley Regional Water Quality Control Board

Board Member: Soapy Mulholland
Alternate: Bob Schneider

Public Advocates Office

Board Member: Truman Burns
Alternate: Open

Pacific Gas & Electric Company

Board Member: Mike Schonherr
Alternate: Rebecca Doidge

Rural Counties Representatives of California

Board Member: Lee Adams
Alternate: John Viegas

State Water Resources Control Board

Board Member: DeeDee D'Adamo
Alternate: Jeff Parks

The Trust for Public Land

Board Member: David Sutton
Alternate: John McCamman

U.S. Forest Service

Board Member: Jerry Bird

*Ms. Nota was appointed to serve in the Stewardship Council seat on the Youth Outside board of directors commencing July 1, 2017



New Members of the Board:

Rebecca Doidge

Rebecca Doidge is a Principal Consultant on PG&E's Generation Portfolio Strategy team. She has a background in land use and environmental permitting for utility infrastructure projects, and began working in 1999 as a field biologist on cell phone construction sites. In the early days of the Stewardship Council, Rebecca helped establish the first formal office in Foster City and worked as PG&E's Land Conservation Commitment Project Manager during development of the first volumes of the Land Conservation Plan. In her spare time, she loves reading, listening to the Beatles, and spending time outdoors (ideally all at once).

George Gentry

George was born and raised in Eureka and received his Bachelor's Degree in Forest Production Management at Humboldt State in 1983. He became a Registered Professional Forester in 1985, and spent 25 years as a consulting forester. George has been a member of the Association of Consulting Foresters since 1983 and the California Licensed Foresters Association since 1984. He was appointed the Executive Officer of Foresters Licensing in March of 2002, and

was appointed Executive Officer of the Board of Forestry and Fire Protection in June of 2003. In July of 2015 he became the Vice President of Regulatory Affairs for the California Forestry Association.

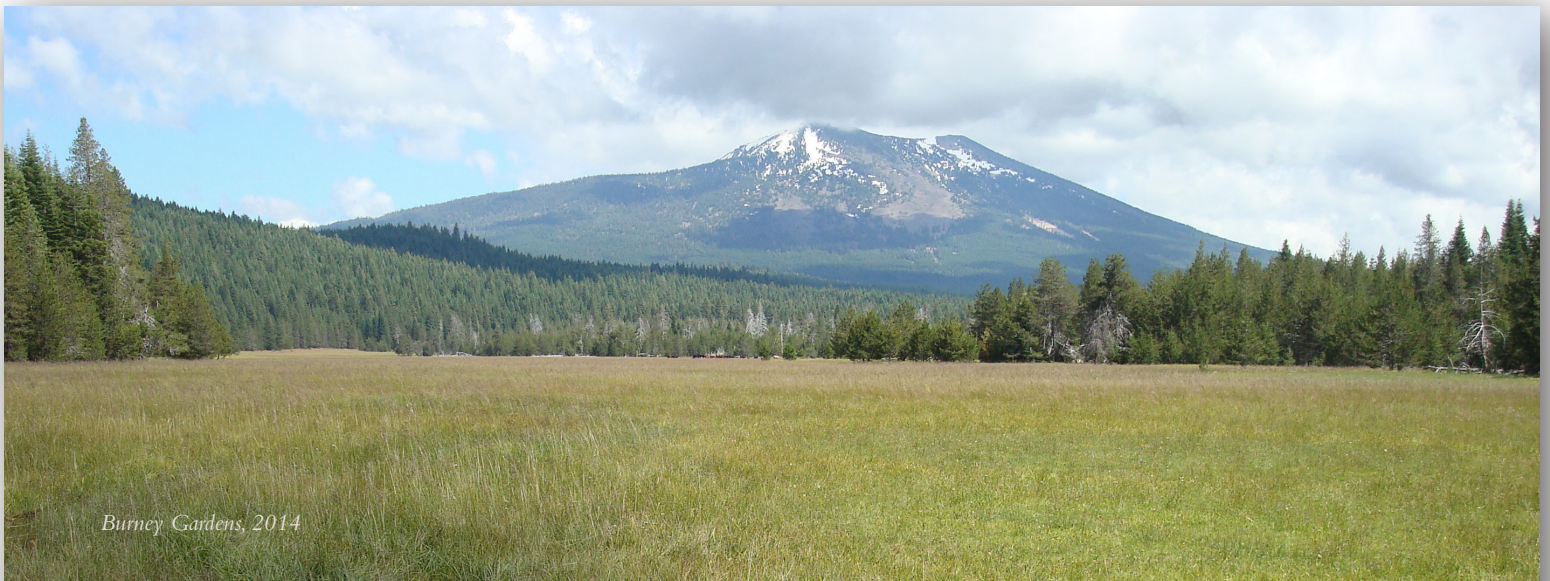
John McCamman

John McCamman completed a 36 year public service career when he retired as the California Condor Coordinator for the U.S. Fish and Wildlife Service. In that position, he managed the overall recovery program for this highly endangered species. John had previously served in numerous public policy and leadership positions at the local, state and federal levels, including Chief Deputy, Acting Director and subsequently Director for the California Department of Fish and Game (now Fish and Wildlife); Chief of Staff for Congressman George Radanovich; County Administrator in Shasta County, CA; and budget analyst in Sonoma County, CA. He was introduced to the Sierra Foothills when he became the first County Administrative Officer in Mariposa County in 1987. He and his wife Joan have settled back in Mariposa when they retired. John holds a masters degree in public administration and undergraduate degrees in political science and philosophy.



Kidd Lake, 2017

Land Conservation Program



Burney Gardens, 2014

Land Conservation Program Update

As part of the PG&E Settlement Agreement and Stipulation, a Land Conservation Commitment was established to permanently protect PG&E watershed lands (“Watershed Lands”). Located across more than 20 counties, the land encompasses some of California’s most beautiful wilderness landscapes. The parcels, almost 1,000 in total, stretch from Shasta County in the north to Kern County in the south, and from the Sierra Nevada and Cascade ranges in the east to the Eel River watershed in Mendocino and Lake Counties in the west. For purposes of implementing the Land Conservation Commitment, the Stewardship Council grouped the parcels into 47 planning units.

The Settlement Agreement establishes that 140,000 acres of PG&E’s Watershed Lands will be conserved in perpetuity for outdoor recreation, sustainable forestry, agriculture, natural resource protection, open space preservation, and protection of historic resources. The permanent protection, preservation, and enhancement of these Beneficial Public Values (BPVs) will be achieved through the donation of

a significant portion of the Watershed Lands to qualified entities, establishment and funding of conservation easements on the Watershed Lands, promotion of new collaborative partnerships, and grant funding of a variety of enhancement projects.

Moving Forward with Land Donations and Conservation Easements

Approximately 37,000 acres of Watershed Lands are anticipated to be donated to 14 organizations recommended by the Board, and 13 nonprofit and public entities have been recommended to hold conservation easements on the Watershed Lands.

The Stewardship Council provides endowments to each conservation easement holder to fund the cost of monitoring, stewardship, and legal defense and enforcement of conservation easements in perpetuity. Conservation covenants held by the Sierra Nevada Conservancy are being established on lands donated to the United States Forest Service.

Continued on next page

To date, the Board has approved 65 Land Conservation and Conveyance Plans (LCCPs) for fee donations and/or conservation easement or conservation covenant transactions. The LCCPs describe how the proposed transactions satisfy the requirements of the Settlement Agreement and Stipulation. After the Board approves an LCCP, PG&E then seeks regulatory approval of the transaction from the CPUC, and from the Federal Energy Regulatory Commission (FERC), as applicable.

The Board has approved LCCPs for approximately 19,200 acres that have been recommended for donation and for approximately 40,800 acres that are being retained by PG&E. Approximately 28 additional LCCPs are in the process of being developed or will be developed prior to April 2020.

As of March, 2018 PG&E has conveyed a total of 8,067 acres in fee to the University of California, Tuolumne County, Auburn Area Recreation and Park District (ARD), Placer County, Fall River RCD, and the USFS.

Fall River RCD

The donation of 4,491 acres at the McArthur Swamp to the Fall River RCD was completed in October of 2017, with Ducks Unlimited (DU) holding the conservation easement. This is one of the largest fee title donations to be completed in the Watershed Lands portfolio to date.

This newly protected acreage at McArthur Swamp is located just north of the town of McArthur in eastern Shasta County and is located within the ancestral territory of the Ahjumawi Band of the Pit River Tribe. The protected land provides essential food, breeding grounds, wintering habitat, and nesting cover for birdlife. The property also provides opportunities for public recreation including hunting, wildlife viewing and bird watching. In addition, the property's grasslands provide forage for

cattle grazing that has been used by local grazers for more than 70 years.

John Ranlett, DU's regional biologist who has been involved in the project for over 5 years stated, "The 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. We are very excited that this important habitat conservation project is finally coming to fruition." Wetland and upland habitats protected by this conservation easement will benefit numerous waterfowl at key times during their annual life cycles, particularly during fall and spring migration.

The Fall River RCD manages the McArthur Swamp property collaboratively with a management team comprised of the Fall River RCD, the Pit River Tribe, and a Technical Advisory Committee. The Fall River

Selected Conservation Easement Holders

Bear Yuba Land Trust
California Department of Fish and Wildlife
Ducks Unlimited
Feather River Land Trust
Mendocino Land Trust
Mother Lode Land Trust
Northern California Regional Land Trust
Placer Land Trust
Sequoia Riverlands Trust
Shasta Land Trust
Sierra Foothill Conservancy
Western Shasta Resource Conservation District
Wildlife Heritage Foundation

Continued on next page

RCD is a public entity responsible for resource conservation in a geographical area encompassing four counties. According to their Board Director Mike Millington, the Fall River RCD “looks forward to working with our partners and the community to continue good stewardship of the McArthur Swamp exemplified by PG&E and the McArthur Resource Management Association.”

PG&E is retaining ownership of an additional 3,168 acres at McArthur Swamp, which was also protected through a conservation easement held by DU that closed in March, 2018. “PG&E is pleased to know that our good land stewardship of the McArthur Swamp will continue after our donating the land. We are happy to have partnered with Ducks Unlimited which holds the conservation easement and the Fall River RCD which takes ownership. The land will continue to be available for the enjoyment of

future generations just as it has been in the past,” said Mike Schonherr, a PG&E director who oversees implementation of the company’s Land Conservation Commitment.

The United States Forest Service

This year the tenth and final USFS donated LCCP was approved by the Board. Five of these ten donated transactions have closed so far and the remaining projects are in their final stages.

In September 2017, 402 acres were donated to the USFS at the Blue Lakes planning unit in Alpine County. This high elevation property is situated around Upper Blue Lake and near the Sunset Lakes in PG&E’s Blue Lakes recreation area, in the North Fork Mokelumne River watershed. Public access was enhanced by this donation as sections of the Pacific Crest Trail, Grouse Lake Trail, and the Evergreen Trail traverse the property.

The USFS also received fee title to the 78-acre Fordyce (White Rock) Lake parcel within the Tahoe National Forest in December of 2017. This parcel is located in the heart of the Sierra Nevada checkerboard, an area in which alternating sections of land (one square mile) are under different ownerships, resulting in some of the most fragmented land ownership patterns in the National Forest System. This donation will help to connect the 78 acres to the additional USFS land surrounding the Fordyce (White Rock) Lake planning unit and increase the continuity of the USFS’ management objectives and natural resources management in the area.

Enhancement Projects

In 2017 the Stewardship Council solicited and reviewed another round of enhancement proposals. The first two enhancement proposals reviewed in 2017 were awarded in early 2018 to the Fall River

Fee Title Donees
Auburn Area Recreation and Park District
California Department of Forestry and Fire Protection (CALFIRE)
California Department of Parks and Recreation
Fall River Resource Conservation District
Fall River Valley Community Services District
Madera County
Maidu Summit Consortium
Pit River Tribe
Placer County
Potter Valley Tribe
San Joaquin County Office of Education
Tuolumne County
United States Forest Service
University of California Regents- Center for Forestry or the Sierra Foothill Research and Extension Center

Continued on next page

RCD and the Fall River Valley Community Services District (Fall River Valley CSD), both located in Shasta County.

In recognition of the importance of the recreation, scenic value, and agricultural use of cattle grazing to the local economy, and the unique wildlife habitat at McArthur Swamp, \$1,017,750 was allocated to the Fall River RCD. These funds will be used for land management, cultural resource protection, fencing improvements, noxious weed abatement, bridge infrastructure, and safety improvements to balance the beneficial public values on the property. Following this allocation of funds, a \$149,500 grant was awarded specifically to fund a portion of a range manager position to ensure these management and restoration goals are met. In addition, the Board has

allocated funding up to \$600,000 for possible future enhancement projects on the land.

The Fall River Valley CSD also received a \$56,115 enhancement grant for the development of a community park at the Fall River Mills planning unit which will transfer in fee to the Fall River Valley CSD in the summer of 2018. The Fall River Valley CSD has also secured a state grant for the development of this park. The Stewardship Council enhancement funds helped to leverage this state grant by paying for construction designs needed for the implementation of the project. With limited public land available in Fall River Mills, the new park will provide excellent access for the public to view both the Pit and Fall Rivers.



Kilarc Reservoir, 2012

Native American Partners – Fee Title Ownership

Stewardship Council and PG&E staff continue to work closely with our Native American partners that have been recommended to receive fee title: the Potter Valley Tribe, the Pit River Tribe, and the Maidu Summit Consortium & Conservancy. Together we reached significant milestones in the process of completing fee title donation of lands to these three Native American entities.

Potter Valley Tribe

The Potter Valley Tribe (PVT) is a federally recognized tribe of Pomo people, based in Mendocino County. Two fee title donation recommendations have been made to the PVT for a total of 898 acres; 673 acres at the Eel River (Trout Creek) planning unit, and 219 acres at the Eel River (Alder Creek) planning unit. These LCCP actions were approved by the Board in 2016 and are now in the process of being evaluated by the CPUC for final approval before escrow closing. PVT has developed a good working relationship with the Mendocino Land Trust who will hold the conservation easements on the Trout Creek and Alder Creek properties. The Trout Creek and Alder Creek donated transactions will likely close escrow and be formally transferred to PVT by the end of 2018.

Pit River Tribe

The Pit River Tribe (PRT) is comprised of eleven (11) autonomous bands: Ajumawi, Atsugewi, Atwamsini, Ilmawi, Astarawi, Hammawi, Hewisedawi, Itsatawi, Aporige, Kosalektawi, and Madesi, that reside in parts of Shasta, Siskiyou, Modoc, and Lassen Counties in California. In 2016 the Board recommended that PRT receive 850 acres in fee at the Hat Creek planning unit. In 2017 and 2018, Stewardship Council



Hat Creek, 2018



California Trout and Lomakatsi Restoration Project held a ribbon-cutting ceremony on June 19, 2018 to celebrate the completion of the Hat Creek Restoration Project. They presented Streamkeeper Awards to several tribal members for their dedication to protecting and restoring the wild trout waters of lower Hat Creek.



Maidu Summit Consortium and Stewardship Council board members, staff, and supporters, 2018

and PG&E staff worked closely with PRT to negotiate key legal documents and develop an LCCP for the Hat Creek donated transaction. The Hat Creek LCCP will likely come to the Board for consideration by the first part of 2019. In addition to their transactional work, members of PRT also completed work on the Hat Creek restoration project within the Hat Creek planning unit in partnership with Cal Trout, the Lomakatsi Restoration Project, and the US Fish and Wildlife Service. Members of PRT also began their active role as a part of the land management team and technical advisory committee for the McArthur Swamp property that was recently donated to the Fall River RCD.

Maidu Summit Consortium

The Maidu Summit Consortium & Conservancy (MSC) is a non-profit 501(c)3 organization comprised of nine Mountain Maidu groups, tribes, non-profit and grass-roots organizations located in Plumas and Lassen Counties. The MSC was recommended to receive fee title donation of approximately 3,000 acres at the Lake Almanor and Humbug Valley planning units. Three of the five LCCPs for the properties being donated to the MSC have been approved by the Board. The first LCCPs to be approved were the Maidu Cemetery and Maidu Forest LCCPS

at the Lake Almanor planning unit. The Maidu Cemetery transaction will place an important ancestral cemetery under MSC ownership and will allow them to manage important cultural resources in that area, while the Maidu Forest transaction will provide the MSC with new forest management opportunities and the ability to house a visitors center and cultural museum on the property. The Board also recently approved the Humbug Valley (Tasman Kojom) transaction. The California Department of Fish and Wildlife and the Feather River Land Trust will co-hold the conservation easement at Humbug Valley and work closely with the MSC on the implementation of the land management plan after the transaction closes. The vision of the MSC for the Tasman Kojom is to have the property serve as the first Tribal National Park. The two Lake Almanor LCCPS, and the Humbug Valley LCCP will be filed to regulatory this year and are likely to close in the spring of 2019.

The Stewardship Council has made a significant investment toward building the capacity of the MSC to carry out their long term vision. To date, significant progress has been made to achieve the MSC's capacity building milestones. Their business planning and fundraising goals are being met, and they continue to build a strong advisory board with diverse expertise.

Annual Monitoring Program

In 2017, a number of annual monitoring site visits were completed by our land trust partners who hold conservation easements on PG&E retained and donated lands.

On PG&E retained lands, the land trusts work in the early spring to review an annual work plan prepared by PG&E. The annual work plan sets expectations for PG&E's management of the subject conservation easement area for the year ahead. Then, usually in the late spring or early summer, the parties conduct an annual monitoring visit to confirm the conditions of the conservation easement are being maintained. This process is critical for upholding the terms of a conservation easement, and ensures that a continued working relationship exists between the conservation easement holder and the land owner.

One land trust, Sequoia Riverlands Trust (SRT), is now in its third year of conducting annual monitoring visits on PG&E retained lands. Johnathan Vaughn, a Land Steward for SRT, conducted the last few annual site visits at the Doyle Springs and Kern River planning units and reported that the site visits have gone very well. He explained that it has been easy to maintain a strong, communicative relationship with PG&E through the annual work plan and annual monitoring process.

The Sierra Nevada Conservancy (SNC) has completed their annual monitoring of a number of USFS-owned properties as well. Staff accompanied SNC on their annual monitoring site visit in early 2018 to the Deer Creek planning unit, northeast of Chico. SNC staff took photos at designated photo points, traversed the property, and wrote reports on the current status of existing structures, the apparent public access usage, and the habitat conditions.



Deer Creek, 2018



Doyle Springs, 2018

Youth Outside



Youth Outside 2017 Highlights

Youth Outside 2017 highlights

In 2005, the Stewardship Council established a Youth Investment Program to support outdoor and environmental programming for youth. The Stewardship Council created the Foundation for Youth Investment (FYI) in 2010 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 changed its name to Youth Outside in 2015 to reflect the heart of their work: connecting youth to nature by eliminating barriers, providing resources, and promoting outdoor programming as essential for building healthy lives and inspiring future stewards of our planet.

Strategic Priorities

Youth Outside funds programs, develops leaders, and challenges assumptions about who values the outdoors. They advocate for the inclusion and representation of diverse populations, especially those who have had historical and systemic barriers to accessing the outdoors, because of the magic that happens when young people connect to the great outdoors.

Board Development

The Governance Committee of the Youth Outside Board (YO Board) had a goal of recruiting and successfully onboarding two new members in

Youth Outside Mission: Youth Outside connects youth to nature by eliminating barriers, providing resources, and promoting outdoor programming as essential for building healthy lives and inspiring future stewards of the planet.

2017. Efforts to engage potential ambassadors and supporters of their work paid off. At their September board meeting, Youth Outside welcomed Dan Quigley, Kristin Prukop, and Chris Nota to the YO Board. In an effort to continue cultivating potential YO Board members, Diane Aranda, YO Board Chair, Dan Quigley, YO Board Member and Maria Catoline, Development Director, attended a Silicon Valley Board Match event hosted on the Google Campus. As a result of this program, the Governance Committee presented two new YO Board members for a vote at the December meeting. Youth Outside confirmed Eric Desai and Kelly Mason as new members of the YO Board during the first quarter of 2018.

Fund Development

The 2017 Development Plan established a goal of raising \$140,000 in contributed revenue, or direct public support, building on 2016 performance of raising \$98,000. The Youth Outside team surpassed this goal by over 400%, representing a total of \$712,424 raised in direct public support. This achievement was supported by grants from Kaiser Permanente and the David and Lucile Packard Foundation, as well as renewed support from the San Francisco Foundation, Morgan Family Foundation, and PG&E Foundation. 2017 marks the first year of funding from the Sand Hill Foundation, MUFG Union Bank, National Recreation Foundation, and the James P. and Brenda S. Grusecki Family

Continued on next page

Foundation. Additionally, Youth Outside saw an increase in individual giving in 2017, including an increase of 40% in board contributions. The YO Board approved a 2018 budget goal of \$370,000 in direct public support.

Programs

2017 Grantee Cohort Series

Youth Outside remains committed to supporting the Grantee Cohort to create opportunities for networking, partnerships, and joint learning. In 2017 the cohort consisted of grantees from 2015, 2016 and 2017 all exploring how each individual can leverage their power and privilege in support of increased equity and inclusion for increased cultural relevancy within their organizations.

Rising Leaders Fellowship

Youth Outside hosted the third Rising Leaders Fellowship in April 2017. The Fellowship supports the professional development of often underrepresented Rising Leaders who currently hold an entry

to mid-level position within an outdoor or environmental education organization. The Fellowship aims to ensure that the lived experience of all youth is honored as part of their outdoor experience by supporting participants' capacity to provide increasingly relevant experiences to their communities. The capacity building provided through the Rising Leaders Fellowship is integral to achieving this mission. The Rising Leaders Fellowship continues to cultivate a brave space where fellows can explore topics central to the work of equity and cultural relevancy; and work toward increased comfort in discussing and pushing against the status quo when it creates barriers between the outdoors and the youth that should be guaranteed access to it.

Outdoor Educators Institute

In 2017, the Outdoor Educators Institute (OEI) was thankful for the renewal of a \$30,000 grant from The San Francisco Foundation, to increase its cohort size from 13 to 18 participants. Additionally, the Clarence E. Heller Charitable Foundation joined as a first-time supporter for OEI with a \$15,000 grant, and the PG&E Foundation offered support of \$5,000 for the program. In December, OEI graduated 18 young adults of color. With a 100% completion rate, graduates have already taken jobs with YMCA Camp Arroyo, and GirlVentures. Additionally, the graduating cohort, alumni, and partner organizations participated in a formal evaluation of the current model, in partnership with experts at Informing Change.

Training and Support

Demand for Youth Outside's training, facilitation and technical support more than doubled in 2017. Youth Outside engaged 16 clients in 2017, all of which have the potential to renew their engagement with Youth Outside in 2018, in addition to their efforts recruiting new clients. Notably, Youth Outside has experienced an increase of national interest in training and support, with clients such as the National Resource Defense Council and the League of Conservation Voters.



Youth Investment Program



Youth Outside 2017 Grants

In 2017, Youth Outside awarded grants to 31 organizations (26 multi-year grants and 5 one-year grants) totaling \$591,000. These grants serve youth in several regions of PG&E's service area, providing transformational outdoor education and open space experiences. For more information, please visit youthoutside.org.

2017 Multi-Year and One-Year Grants

Acta Non Verba \$20,000 awarded in 2017, first installment of a grant award for their Urban Youth Farm Project that connects youth of color from East Oakland to a nature-based farm program. Youth learn about healthy eating and sustainable farming, and helps youth build savings for their educational future.

Bay Area Wilderness Training \$20,000 awarded in 2017, first installment of a grant award for their programs that provide access to nature for underserved youth from all nine Bay Area counties, and develop outdoor educators through training, access to gear, and transportation.

Brothers on the Rise \$20,000 awarded in 2017, first installment of a grant award for their programs which provide access to nature to low-income urban youth of color, integrating outdoor-based life skills, leadership development, and environmental career opportunities.

Brown Girl Surf \$20,000 awarded in 2017, first installment of their grant award to support programs that integrate awareness of marine and coastal ecology through hands-on explorations and projects, while surfing. This program provides girls with an opportunity to confront and overcome fear, and develop skills in self-reliance, confidence, and leadership.

California Conservation Corps \$15,000 awarded in 2017, first and final installment of their grant award to support a program that connects young people to conservation-based employment and opportunities to protect California's natural resources.

Camp Phoenix \$20,000 awarded in 2017, first installment of their grant award to support programs that provide low income, middle school students with outdoor-based adventure opportunities, educational enrichment and social-emotional learning.

Center for Land-Based Learning \$18,000 awarded in 2017, third and final installment of their grant award for a program inspiring and motivating youth to promote a healthy interplay between agriculture, nature, and society through their actions and as leaders in their communities.

Community Grows \$20,000 awarded in 2017, first installment of their grant award to support programs that offer garden-based environmental education programs to low income youth, ages 5-17, in San Francisco.

Eastern Sierra Conservation Corps \$15,000 awarded in 2017, final installment of their grant award to support programs for young adult development and leadership by providing opportunities for young people to experience and better understand their wilderness and natural resources to become better stewards of the planet.

Environmental Volunteers \$20,000 awarded in 2017, final installment of their grant award to support the Transportation Fund which provides bus and transportation subsidies to help low-income students access science and environmental field trips throughout the Bay Area.

Continued on next page

FoodWhat \$20,000 awarded in 2017, first installment of their grant award to support programs that serve low-income youth across Santa Cruz County by offering training in leadership skills, sustainable agriculture, cooking and nutrition, entrepreneurship, and community service.

Gateway Mountain Center \$20,000 awarded in 2017, second installment of their grant award in support of their youth development and wellness programs for underserved teenagers in the Placer and Nevada counties to open young people's hearts, minds, and bodies to their inner and outer environments, and to their role as stewards of our world through outdoor and environmental programming.

Growing Up Wild \$18,000 awarded in 2017, third and final installment for their bilingual nature adventure program that helps economically disadvantaged youth and families in the Watsonville area develop a connection to nature, life skills, and physical fitness.

LandPaths \$20,000 awarded in 2017, second and final installment for programs that connect youth of all backgrounds to nature, encouraging the mutually beneficial relationship that exists between people and the land. With great intention and efforts made to reach those not typically represented in the outdoors, LandPaths finds innovative ways to make the outdoors relevant, accessible, and welcoming to historically underrepresented populations, particularly the Latino community.

Literacy for Environmental Justice \$20,000 awarded in 2017, third and final installment of their grant award to support programs that serve underrepresented youth from the Bayview-Hunter's Point neighborhood, engaging teen interns, and recruiting hundreds of youth to participate in diverse nature-based projects and environmental advocacy.

Our Wilderness Now \$20,000 awarded in 2017, third and final installment for their grant award to support their community-based programming that empowers youth through nature connection, many of whom are developing their first sensitivity to stewardship of the environment.

Peralta Hacienda Historical Park \$20,000 awarded in 2017, first installment of their grant award to support community programs that serve youth of color that provide history, arts, and education throughout the Bay Area. Through the site's creek, gardens and open space youth learn about ecology through hands-on science and stewardship projects.

Pie Ranch (Bay Area) \$20,000 awarded in 2017, first installment of their grant award to get young people outdoors for hands-on learning and leadership experiences in environmental stewardship, sustainable gardening and farming, community-building, nutrition, and food justice.

Project Avary (Alternative Ventures for At-Risk Youth) \$20,000 awarded in 2017, third and final installment of their grant award to support early intervention and long-term prevention programming for children of incarcerated parents (CIP). Project Avary relies on outdoor education and recreation as a key strategy in improving the lives of CIP's and break their social isolation. Youth are involved in meaningful and impactful outdoor activities and nature based leadership and career building opportunities, increasing the likelihood that the outdoors will become an integral part of their young adult lives.

Rooted in Resilience \$20,000 awarded in 2017, first installment of their grant award to offer outdoor-based experiences to low income youth, ages 14-18, from Alameda County to improve health and environmental stewardship outcomes.

Continued on next page

Sierra Institute for Community and Environment \$15,000 awarded in 2017, first and final installment of their grant award to support programs that promote healthy and sustainable forests and watersheds by investing in rural communities and strengthening young stewardship of local and urban youth through recreation, environmental education and career development.

Sierra Native Alliance \$20,000 awarded in 2017, third and final installment for programming that empowers Native youth and families in the Sierra Nevada Foothills through education, cultural resources, and environmental activities.

Student Conservation Association \$20,000 awarded in 2017, to connect young people to nature and the outdoors to set them on a path to thriving, healthy lives through a continuum of hands-on conservation service opportunities.

Sunrise Middle School \$20,000 awarded in 2017, second and final installment of their grant award to provide outdoor programs to middle school students in San Jose. These programs (1) provide students with important tools for building self-confidence, teamwork and leadership, (2) help students find peace and balance in the midst of often chaotic city life, (3) teach students about science, the natural world, and healthy living, (4) strengthen the bonds between students and teachers and (5) inspire students to become stewards of the Earth.

Sunrise Special Services Foundation \$15,000 awarded in 2017, first and final installment of their grant award to support programs that promote outdoor education including cultural components of protecting and restoring Lake County Watersheds.

The Mosaic Project \$20,000 awarded in 2017, third and final installment of their grant award to support a program working towards a peaceful future by uniting young people of diverse backgrounds, providing them with essential community building

skills, and empowering them to become peacemakers at their weeklong outdoor school in Napa. They explore their interconnectedness to the natural world, to each other and their communities through environmental science and socio-emotional curriculum and programming.

Vida Verde \$20,000 awarded in 2017, first installment of their grant award to support programs that promote educational equity through overnight learning experiences for youth of color throughout Northern California.

Warrior Institute \$20,000 awarded in 2017, second and final installment of their grant award for their programs which provide holistic, innovative solutions to organize and build indigenous leadership in the northern California region by forging new generations of young leaders with balanced (ki:maw) minds, bodies, and spirits who are empowered to create health, economic equality, and environmental justice for the next seven generations and beyond through outdoor experiences and environmental education.

Watsonville Wetlands Watch \$20,000 awarded in 2017, third and final installment of their grant award for programs that foster wetland stewardship among youth by building their personal connection with the wetlands and increasing their understanding of the important ecological functions that the wetlands serve.

Wilderness Arts and Literacy \$15,000 awarded in 2017, first installment of their grant award for support of academic environmental education programs and outdoor experiences at two low-income high schools in San Francisco.

YES Nature to Neighborhoods \$20,000 awarded in 2017, third and final installment of their grant award for programs to provide outdoor camp and community experiences for teens to develop leadership and life skills that promote successful transition to adulthood, and to expose youth to careers in the outdoors.



Land Trust Training and Apprenticeship Program

In 2017, with a portion of the remaining Youth Investment Program funds, the Stewardship Council provided a grant to the California Council of Land Trusts (CCLT) to advance a Land Trust Training and Apprenticeship Program (TAP) for young adults ages 18 to 26. The grant supported 7 summer interns and the development of a comprehensive scoping plan for an internship program that would provide a pathway for youth to enter the non-profit conservation profession. The main goal of the program was to help the land trust community attract a future workforce that reflects the diversity of landscapes land trusts protect, as well as the changing demographics of the state of California.

The four participating land trusts for the summer internship program were: Feather River Land Trust, Mendocino Land Trust, Sequoia Riverlands Trust, and Wildlife Heritage Foundation. CCLT provided the land trusts with curriculum and training on general conservation basics, land trust structure, operations, organizational functions, conservation professionalism and career opportunities in conservation. The land trusts selected their interns from

over 40 applicants from across the state. CCLT provided a three-day intern training on general conservation basics, land trust structure and operations, and opportunities in conservation. The interns gained hands-on experience in a wide variety of office and field work. Some of their day-to-day assignments included easement monitoring, grant writing and review, event planning, restoration and mitigation field work, site maintenance and monitoring, environmental education, database management, and nursery operations.

The 2017 TAP program was a great success and resulted in new ideas for improving the curriculum and opportunities for the interns next year. Throughout the 8-week summer internships, CCLT was in frequent communication with the interns to provide support and get feedback on their experience. This feedback helped CCLT to update their scoping plan and develop a solid foundation to expand the program to a broader land trust community. In light of that, the Stewardship Council board has committed an additional grant to support interns in the 2018 TAP program.

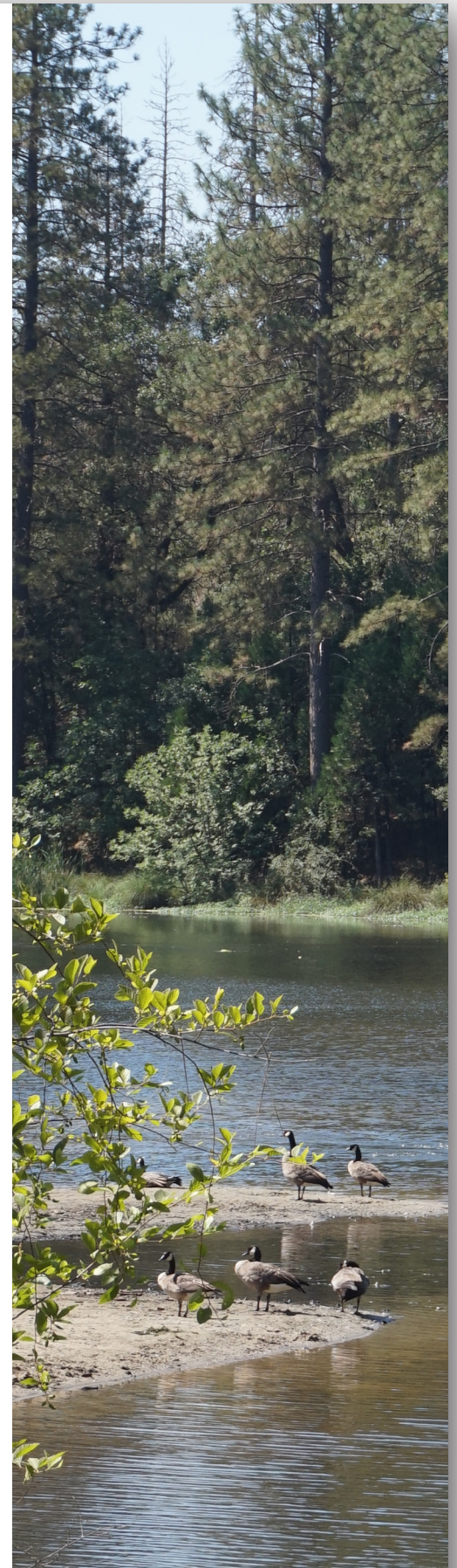
Financial Position

Assets	2017	2016
Cash and cash equivalents	722,497	258,455
Investments	37,844,744	45,048,522
Grants receivable	-	-
Property and equipment, net	14,056	17,854
Other current assets	67,953	71,725
Total assets	38,649,250	45,396,556
Liabilities and Net Assets		
Accounts payable and accrued expenses	194,904	195,601
Grants payable	316,218	917,955
Total liabilities	511,122	1,113,556
Temporarily restricted net assets	38,138,128	44,283,000
Total liabilities and net assets	38,649,250	45,396,556

Activities

Support and Revenue	2017	2016
Grants	-	-
Investment income	499,405	562,828
Gain/Loss on disposal of property and equipment	2,580	(1,214)
Total support and revenue	501,985	561,614
Expenses		
Land Conservation Services	6,623,145	4,210,387
Youth Investment Services	23,712	96,183
Total expenses	6,646,857	4,306,570
Change in net assets	(6,144,872)	(3,744,956)
Net assets, beginning of year	44,283,000	48,027,956
Net assets, end of year	38,138,128	44,283,000

The Stewardship Council's most recent audited financial statements are available for download at the website or via hard copy by calling (916) 297-6660.



Ending Cash and Investments

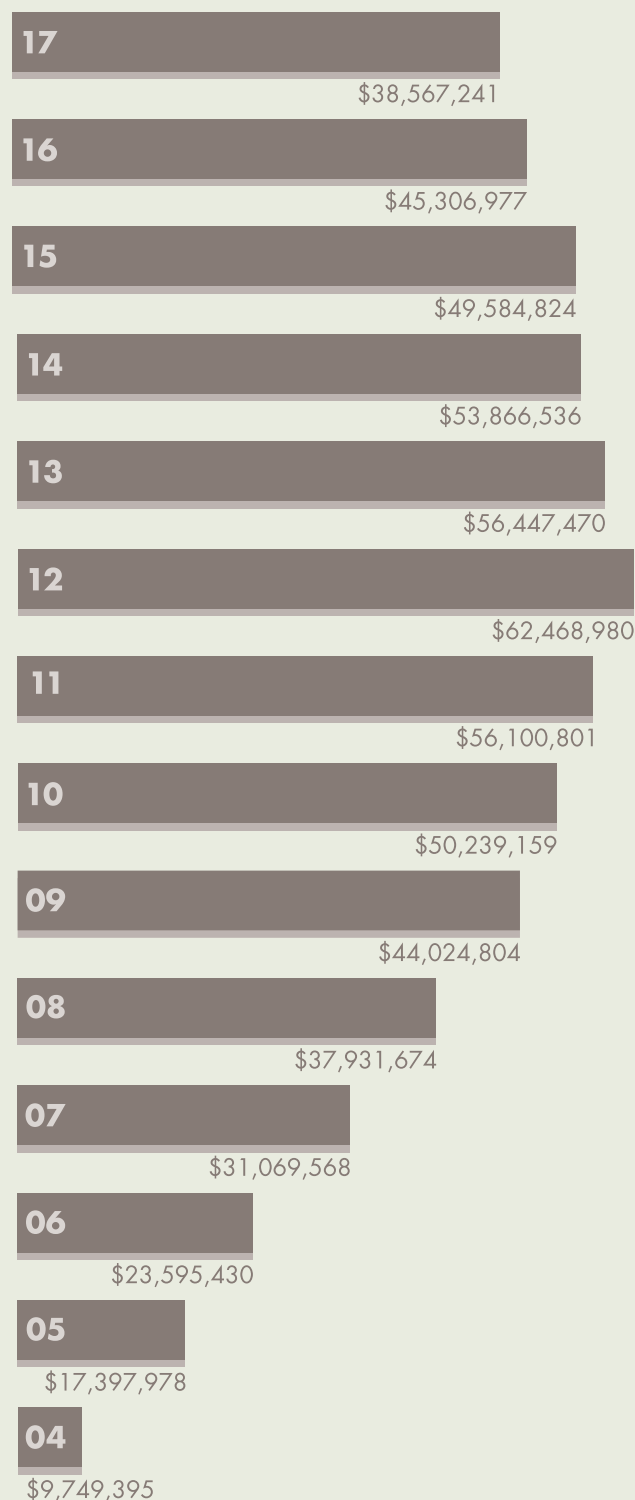
Managing Our Investments

The Stewardship Council continues to manage its funds with great care to preserve funds for future land conservation program activities. Stewardship Council funds in excess of those needed immediately for operations are invested in low cost, broadly diversified funds. The investment portfolio primarily utilizes conservative fixed income mutual funds to optimize diversification, preserve principal and maintain liquidity.

The Stewardship Council's conservative investment strategy has resulted in our eleventh consecutive year of positive returns. We preserved the principal of ratepayer funds with a 1.2% return in 2017.

Financing Our Efforts

Pursuant to the settlement of PG&E's bankruptcy in 2003, PG&E agreed to fund the Stewardship Council with a \$100 million dollar commitment of PG&E ratepayer funds. PG&E made installment payments of \$10 million dollars annually, with the tenth and final installment payment paid in 2013. The Land Conservation Program received \$7 million dollars annually while the Youth Investment Program received \$3 million dollars annually. A substantial amount of the funds received are reserved for land conveyance and enhancement program costs and in lieu payments to counties for the loss of property taxes when PG&E Watershed Lands are donated to tax exempt entities.



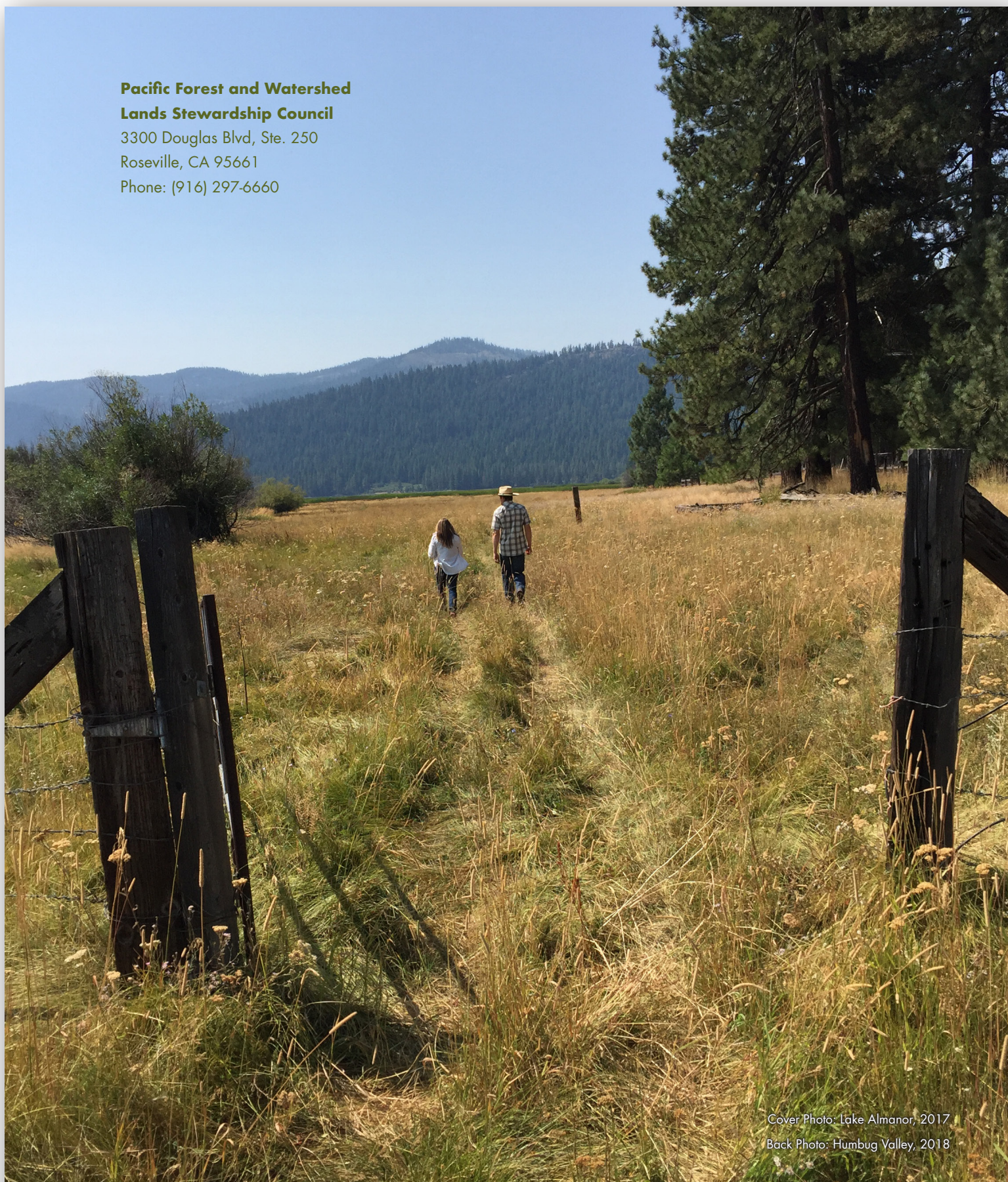
Pacific Forest and Watershed

Lands Stewardship Council

3300 Douglas Blvd, Ste. 250

Roseville, CA 95661

Phone: (916) 297-6660



Cover Photo: Lake Almanor, 2017

Back Photo: Humbug Valley, 2018

www.stewardshipcouncil.org