

FEE TITLE DONEE RECOMMENDATION

CAL FIRE Lake Valley Reservoir and Six Mile Valley Lake Spaulding Planning Unit

EXECUTIVE SUMMARY

The Stewardship Council was created to oversee Pacific Gas and Electric's (PG&E) Land Conservation Commitment, as set forth in the Settlement and Stipulation,¹ to protect over 140,000 acres of land and to preserve and enhance, on an overall basis, the following six beneficial public values (BPVs): protection of the natural habitat of fish, wildlife, and plants; preservation of open space; outdoor recreation by the general public; sustainable forestry²; agricultural uses; and historic values. The Stewardship Council is responsible for developing a land conservation plan and recommending qualified organizations to become involved in the future stewardship of these lands.

The Lake Spaulding planning unit, located in Nevada and Placer counties, consists of 32 parcels encompassing approximately 8,241 acres of land. Approximately 4,481 acres have been identified by PG&E as lands outside of Federal Energy Regulatory Commission (FERC) project boundaries and not necessary for current and future utility operations. Therefore, these lands have been made available for fee title donation, with the remaining approximately 3,760 acres to be retained by PG&E. The Stewardship Council received land stewardship proposals (LSPs) from four organizations interested in receiving a donation of fee title to all or a portion of the three parcels subject to this recommendation: University of California – Center for Forestry, California Department of Forestry and Fire Protection (CAL FIRE), Bear Yuba Land Trust (BYLT), and the USDA Forest Service (USFS) - Tahoe National Forest.

Based on review of the LSPs, follow-up discussions with the interested organizations, and site visits, Stewardship Council staff has developed the following fee title donation recommendation:

CAL FIRE to become the prospective recipient of fee title to approximately 1,311 acres available for donation within parcels 798, 813, and 824.

If this recommendation is accepted by the Stewardship Council Board of Directors, Stewardship Council staff would work with CAL FIRE, PG&E, and Placer Land Trust, the recommended conservation easement holder, to initiate the transaction including the development of the conservation easement. Following the Stewardship Council's review of the proposed

¹ California Public Utilities Commission Decision 03-12-035, December 18, 2003 (the "Settlement") and the Stipulation Resolving Issues Regarding the Land Conservation Commitment dated September 25, 2003 (the "Stipulation").

² The Stewardship Council has adopted the following definition of "Sustainable Forestry": The practice of managing dynamic forest ecosystems to provide ecological, economic, social, and cultural benefits for present and future generations.

conservation easement, the conservation easement would be incorporated into a Land Conservation and Conveyance Plan (LCCP). The draft LCCP will be made available for public review and comment before it is reviewed and approved by the Planning Committee and the board. Adoption of the LCCP by the board would be the final step in the Stewardship Council's process. The draft LCCP will be made available for public review and comment before it is reviewed and approved by the Planning Committee and the board. Adoption of the LCCP by the board will be the final step in the Stewardship Council's process.

I. INTRODUCTION AND BACKGROUND

a. *Planning Unit Description*

The Lake Spaulding planning unit is located 26 miles from Nevada City and 19 miles from Truckee at an elevation range of between 5,200 and 7,000 feet. It is comprised of many scenic lakes in the high elevation mountains of the Sierra Nevada. The planning unit is located in Placer and Nevada counties and lands in the planning unit contribute to the source water supply of the Placer County Water Agency and Nevada Irrigation District (NID). Lands within the planning unit are primarily surrounded by Tahoe National Forest and private lands.

The Lake Spaulding planning unit offers a variety of habitat for both plants and wildlife. Several special status plant and wildlife species have been surveyed in the vicinity of the planning unit. Many parcels in the planning unit abut USFS California spotted owl Protected Activity Centers (PACs), which protect this species in late successional forest habitats. Throughout the planning unit, there are key winter and summer deer ranges, fawning areas, and major deer migration corridors.

The Lake Spaulding planning unit is a popular recreation destination that provides many recreation facilities, including campgrounds, day use areas, boat launches, fishing access sites, and trails. The planning unit, which covers all or a portion of 12 lakes, provide opportunities for boating (motorized and non-motorized), camping, angling, hiking, mountain biking, horseback riding, off-highway vehicle (OHV) riding, cross-country skiing, and whitewater boating. There are two leases in the planning unit consisting of one homesite lease located south of Lake Spaulding and a recreation lease at Lake Valley Reservoir.

Forest resources consist of 4,880 acres of second-growth mixed conifer forests within 14 Timber Management Units (TMUs). The majority of the TMUs are managed under a Multiple-Use management prescription, which promotes sustained timber production, balanced with the goal of protecting and using other resources and facilities in the TMU, which may preclude timber harvesting as the primary focus. In 2001, the catastrophic Gap Fire destroyed the majority of mature forests on planning unit lands north and west of Lake Valley Reservoir. Since the fire, PG&E has restocked the area with seedlings to promote revegetation.

The Maidu, Washoe, and Nisenan-Southern Maidu groups once lived in the area. At the time of drafting the Land Conservation Plan (LCP), sixteen historic and/or prehistoric sites had been identified within the planning unit. However, only limited portions of the planning unit have been inventoried for cultural resources.

Parcel 798

The subject parcel is located primarily in Placer County, with some acreage in Nevada County.

The parcel consists of 469 acres and is entirely available for fee title donation. The parcel is sparsely forested and is bounded on the west and south by USFS lands, and by private lands to the north and east. Access to the parcel is from the Yuba Gap exit off Interstate 80, in the northwest corner of the parcel. Lake Valley Road, a county road with the exception of a short segment in the southeast corner of the parcel, runs entirely through the western half of the parcel. The majority of the western portion of the parcel was burned by the Gap Fire in 2001. The burn area was subsequently salvage logged and restocked. Numerous unimproved logging roads and decks exist on the parcel. The North Fork of the North Fork American River runs through the southwestern corner of the parcel and a tributary runs entirely through the central portion of this parcel. A large meadow is located along the tributary and is commonly known as Six Mile Valley Meadow. A spring-fed pond is also located in the north-central portion of this parcel. Past uses of this property have included grazing leases in the meadow areas, and a lease for a cross-country ski and mountain bike resort (Eagle Mountain Lodge). The lease for the operation of the resort expired 12 years ago and the former lodge structure has been removed. A large, open, gravel parking area abuts the western edge of the former lodge area and is used for PG&E construction staging and snow course sampling purposes (to measure water content). Sacramento Valley Astronomical Society has expressed interest in developing this area into an observatory and recreation area. Unauthorized uses at this location have included OHV and snowmobile use, wood-cutting, camping, hunting, and archaeological artifact collecting.

Parcel 813

This legal parcel consists of 1,325 acres, of which approximately 567 acres are within FERC Project boundaries or required by PG&E for operational use. The remaining 758 acres of this legal parcel are available for fee title donation. 40 acres within this parcel have been recommended for donation to the San Joaquin County Office of Education, and the remaining 718 acres are recommended for donation to CAL FIRE. The parcel is bordered by USFS and private lands on most sides, with Parcels 798 and 799 to the west and Parcels 811 and 812 to the northeast. This parcel includes all of Lake Valley Reservoir as well as the southern portion of Kelly Lake. The dry land portions of the parcel are generally forested with timber stands that have been managed for many years. Numerous timber harvest access routes, skid roads, and spurs traverse the parcel. Most of the terrain at Lake Valley Reservoir slopes steeply upward from around the immediate reservoir shoreline, with some areas of more useable terrain at the east and west ends of the reservoir. The headwaters of the North Fork of the North Fork American River are located at the east end of the reservoir, which is generally undeveloped except for unimproved timber access roads. The headwaters of the North Fork of the North Fork American River are located at the east end of the reservoir, which is generally undeveloped except for unimproved timber access roads.

PG&E's Summit-Spaulding 60 kV electric transmission line runs generally east-west along the south side of Kelly Lake and there is an electric distribution line in the southwest portion of the parcel.

Parcel 824

This legal parcel consists of 164 acres, of which approximately 40 acres are within FERC Project boundaries or required by PG&E for operational use. The remaining 124 acres of this legal parcel are available for fee title donation. The entire parcel was burned during the 2001 Gap Fire

and has since been salvage logged and restocked with conifer seedlings. The parcel contains several unimproved logging roads that meander through the parcel. Terrain in the parcel is moderate to gently rolling. The parcel is bounded by USFS lands to the north, south, and east and by private timber company land to the west. This parcel contains the Lake Valley Canal, head-dam, and associated equipment. The river and canal both run generally east-west through the parcel. Access to the parcel is via an unimproved road across adjacent USFS lands to the east.

b. Donee Evaluation Process

The Stewardship Council received statements of qualifications (SOQs) from the following nine organizations interested in acquiring fee title to lands available for donation within this planning unit.

- Bureau of Land Management
- California Department of Forestry and Fire Protection
- Eagle Mountain Conservancy
- Bear Yuba Land Trust
- Placer County Water Agency
- Placer Land Trust
- San Joaquin County Office of Education
- United States Forest Service – Tahoe National Forest
- University of California – Center for Forestry

Of these organizations, the following five organizations submitted LSPs for the Lake Spaulding planning unit:

- University of California, Center for Forestry
- California Department of Forestry and Fire Protection
- Bear Yuba Land Trust
- San Joaquin County Office of Education
- USFS – Tahoe National Forest

In evaluating each of the LSPs, the following factors were considered:

- An evaluation of the potential donees' programmatic, financial, and legal capacity to maintain the property interest so as to preserve and/or enhance the BPVs of the planning unit
- Anticipated funding needs of the potential donees;
- The management objectives for the Lake Spaulding planning unit as set forth in Volume II of the Land Conservation Plan;
- Public comments received regarding the desired qualifications of potential donees and the future stewardship of the planning unit;
- The requirements of the Settlement and Stipulation; and,
- Other relevant policies, procedures, and goals adopted by the Stewardship Council.

II. EVALUATION

CAL FIRE is being recommended to receive a donation of fee title to lands within the planning unit as follows:

CAL FIRE to become the prospective recipient of fee title to approximately 1,311 acres available for donation within parcels 798, 813, and 824.

Staff's recommendation is based on a determination that CAL FIRE appears to have sufficient financial and organizational capacity to hold and maintain fee title interests on these lands, and that the addition of these lands to the Demonstration State Forest system would result in the preservation and/or enhancement of the BPVs. Staff's evaluation of CAL FIRE and its LSP is further described below.

A. Donee Organizational Capacity

CAL FIRE is a major resource management, protection, and emergency response department within the California Natural Resources Agency. CAL FIRE's mission is to serve and safeguard the people and protect the property and resources of California through its offices of Fire Protection, Resources Management, and State Fire Marshal. CAL FIRE has a wide breadth and depth of expertise in land management, archaeology, forestry, and other natural resource sciences, fire protection, law enforcement and recreation. With 4,700 permanent and 3,100 seasonal employees, including over 100 Registered Professional Foresters, CAL FIRE is responsible for protecting over 31 million acres of California's privately-owned wildlands, providing emergency services within 35 of California's 58 counties, and managing the Demonstration State Forest system.

CAL FIRE manages a network of eight Demonstration State Forests across California that encompasses a total of 71,000 acres. The eight Demonstration State Forests are managed for sustainable forestry, applied research and demonstration projects on forest management, public recreation, education, fish and wildlife habitat, and watershed protection. The lands in this planning unit of interest to CAL FIRE would expand and complement the network of existing Demonstration State Forests across the State of California. The availability of multiple Demonstration State Forests along diverse spatial and elevation gradients in the Sierra Nevada and elsewhere in the State strengthens the value of the Demonstration State Forests for these purposes. To date CAL FIRE has been recommended to receive approximately 12,500 acres, by the Stewardship Council Board, at different geographic locations within the watershed lands.

At each of the Demonstration State Forests, CAL FIRE works in cooperation with a variety of entities to implement research, fuels management, and fire protection activities. CAL FIRE is a member of the Sierra-Cascade Intensive Forest Management Research Cooperative, maintains a close working relationship with the USDA Forest Service Pacific Southwest Research Station in Redding, and hosts several of their study installations. CAL FIRE maintains a close working relationship with the Department of Fish and Wildlife and cooperates on joint wildlife studies.

CAL FIRE is working to facilitate and promote Native American tribal relations by implementing an Action Plan. The Action Plan includes the following elements that CAL FIRE is reporting progress on:

1. Reconstituting the Native American Advisory Council (NAAC) (first meeting was in January of 2018)
2. Reviewing and updating the CAL FIRE Native American Tribal Communities Relations Policy (pending capacity of the NAAC)
3. Providing Training on the Native American Tribal Communities Relations Policy (upon completion of step 2)
4. Communicating with Tribes having Ancestral Lands related to the CAL FIRE donations (complete and in process)
5. Consider integration of Native American advisement into executive decisions (pending capacity of the NAAC)
6. Establish partnerships with Tribes similar to those with BLM, USFS, PG&E etc. (task for NAAC to pursue)

CAL FIRE has a wide range of existing research partners to collaborate with on the planning unit. These organizations include: the University of California, Humboldt State University, Cal Poly San Luis Obispo, California Department of Fish and Wildlife, California Energy Commission, US Forest Service, US Department of Energy, NOAA/Scripps, The Nature Conservancy, and others.

CAL FIRE collaborates with archaeology departments and programs at state universities to assist in protecting historic and prehistoric archaeological resources. The universities conduct surveys and California Environmental Quality Act (CEQA) analysis to protect archaeological resources on CAL FIRE properties and facilities (e.g., Demonstration State Forests, fire stations, conservation camps, and Unit headquarters) and on private or state lands where CAL FIRE implements its Vegetation Management Program and California Forest Improvement Program projects. This mutually beneficial collaboration has existed for more than 20 years, providing training opportunities for the universities and their students, while offering low-cost archaeological and environmental review services to CAL FIRE.

B. Donee Financial Capacity

Based on a review of CAL FIRE's revenue and expenses over the past several years, CAL FIRE appears to have the financial capacity to manage the lands being recommended for donation. The Demonstration State Forest system is self-supporting and has the capacity to protect current year income from reverting to the general fund. It also benefits from CAL FIRE's large infrastructure when additional resources are needed. The system benefits from being managed as a portfolio, because expenses on one property may be funded through revenues generated from other properties within the program when needed.

C. Management Objectives

Volume II of the LCP established certain management objectives for the planning unit (see Volume II Planning Unit Report with attachments). As described below, CAL FIRE is seeking

fee title to lands within the planning unit to achieve a number of proposed management activities, which are consistent with the established management objectives.

CAL FIRE is seeking a fee title donation in the planning unit to establish a new Demonstration State Forest. This Demonstration State Forest would be incorporated into the existing Demonstration State Forest system which supports monitoring, adaptive management, and research on best forest management practices. The management of the lands donated to CAL FIRE and incorporated into the Demonstration State Forest system would be subject to oversight by the California Board of Forestry and Fire Protection. This oversight would include review and approval of a management plan to guide the management of the lands, through a public process that allows for incorporating stakeholder input.

Development of a Demonstration State Forest at the planning unit would achieve several of the recommended potential measures identified under the sustainable forestry objective for the planning unit and would align with the overall management objectives identified under the sustainable forestry BPV. The planning unit provides a representative site for monitoring, adaptive management, research, and demonstration on best management practices to support privately owned forestry enterprises that are both ecologically and financially sustainable.

Additionally, Demonstration State Forests are managed for a variety of recreation and habitat management objectives consistent with the BPVs. CAL FIRE proposes to undertake the following objectives and activities on lands conveyed to it in the planning unit:

- Establish a Demonstration State Forest that would encompass all the donated lands within the planning unit with a part-time forest manager and other staff as needed.
- Implement a sustainable forestry research program focused on demonstrating best management practices for forest health and resilience, carbon sequestration and watershed protection. An important part of researching sustainable forestry at the planning unit would be to implement and demonstrate forest management practices that maintain forest cover, protect soils, and reduce fuels and wildfire hazard.
- Develop a comprehensive, multi-resource management and sustained yield plan. The management plan would address biological resources, recreation, and cultural values.
- Seek public input on the development of the management plan through requests to the public for comments, public meetings, The Native American Advisory Council, as well as via the Board of Forestry and Fire Protection plan review and approval process and California Environmental Quality Act.
- Promote opportunities to study, mitigate, and adapt to climate change through management, research, and demonstration.
- Implement an ecosystem monitoring and adaptive management program that includes a forest-wide, multi-resource inventory and monitoring system.
- Implement habitat protection and restoration in the context of an actively managed forest. Activities would be aimed at developing a robust forest ecosystem with a wide range of wildlife habitat features, providing for habitat resilience to wildfire, and implementing habitat restoration projects.

- Implement educational and recreational activities such as a rustic campground, public tours and hikes, displays, self-guided tours and/or science camps similar to activities implemented on other Demonstration State Forests. Activities would demonstrate best practices for forest management.
- Fire protection and fuels management in fire prone areas is an important component of sustainable forestry and of Demonstration State Forest management plans. CAL FIRE is engaged in many fuels management and fire hazard reduction projects in the Lake Spaulding area, with local, State and federal partners. CAL FIRE would review local, State and federal fire planning and fuels treatment efforts in the area in an effort to streamline and increase efficiency.
- Implement a program to protect cultural and historic resources. CAL FIRE has a department-wide cultural resources management plan that details measures for protection of cultural resources, which applies to all the Demonstration State Forests. Lands in this planning unit, if donated to CAL FIRE, would also be covered by this management plan. The Demonstration State Forests and the department's archaeology staff have extensive experience with protecting cultural resources, accommodating tribal use, and providing educational opportunities where appropriate. Furthermore, CAL FIRE is implementing the Native American Tribal Relations Action Plan, which will engage in cultural and historic resource protection.

D. Funding and Financial Costs

Transaction Costs

CAL FIRE is not requesting transaction costs from the Stewardship Council at this time. The Stewardship Council will cover the cost of the boundary survey, which is estimated to cost approximately \$90,000.

Land Ownership and Management Activities and Enhancements to Beneficial Public Values

CAL FIRE anticipates that existing resources within the agency would support start-up costs as well as baseline and enhanced management costs within the first year of ownership. These resources would include existing agency staff and equipment, as well as funding from the Forest Resources Improvement Fund (FRIF). Based on the January 2018 Governor's Proposed Budget, the Forest Resources Improvement Fund (FRIF) anticipates appropriated expenditures of \$8,956,000 in 2017-18 and \$8,956,000 in 2018-19. After the first year, costs accrued for baseline and enhanced land management activities are proposed to be supported via FRIF and timber revenues generated throughout the CAL FIRE program.

Tax Neutrality

The California Public Resources Code requires CAL FIRE to make annual payments equivalent to taxes levied in the county on similarly situated lands, which CAL FIRE has indicated are typically assessed as Timber Production Zone (TPZ).

After the lands are donated to CAL FIRE, a committee will be formed by CAL FIRE to determine the annual payments due from CAL FIRE in lieu of property taxes (pursuant to Section 4654 of the Public Resources Code). If the new amount is less than PG&E's current tax payments, the Stewardship Council will pay 100% of the difference with regard to distributions to Placer and Nevada Counties, special districts in Placer and Nevada Counties, and other "non-county" recipients in Placer and Nevada Counties. In that event, Placer and Nevada Counties will receive a lump sum payment from the Stewardship Council, consistent with the methodology described in the Property Tax Neutrality Methodology adopted on June 27, 2012 and amended most recently on November 15, 2017. PG&E currently pays approximately \$23,739 annually in taxes for the subject 1,311 acres being recommended for donation.

E. Requirements of the Settlement and Stipulation

The Stewardship Council's recommendation that CAL FIRE receive fee title to certain lands available for donation within this planning unit is subject to compliance with all the requirements of the Land Conservation Commitment. Several of these requirements are highlighted below.

The Stewardship Council would work with PG&E and Placer County to ensure the land conveyance of these parcels achieves property tax neutrality.

A conservation easement will be established on the lands within the planning unit. The conservation easement for lands that are donated will include an express reservation of rights for continued operation and maintenance of hydroelectric facilities and associated water delivery facilities, including project replacements and improvements required to meet existing and future water delivery requirements for power generation and consumptive water use by existing users, and compliance with any FERC license, FERC license renewal, or other regulatory requirements on lands to be retained by PG&E. On lands to be conveyed to CAL FIRE, the grant deed would reserve to PG&E similar rights for operation and maintenance of hydroelectric facilities and associated water delivery facilities.

F. Conservation Partners

The permanent protection of the planning unit and the future preservation and enhancement of the BPVs may benefit from the participation of land conservation partners. For the purposes of this recommendation, land conservation partners are defined as an organization, other than the prospective fee title donee or conservation easement holder, involved in future activities on the donated lands that contribute to the preservation and enhancement of the BPVs. Land conservation partners may be identified in the LSPs submitted by organizations interested in a fee title donation, or during or after the development of the LCCP. Such organizations and activities may be eligible for Stewardship Council funding, depending on the type of organization, proposed activities, availability of funds, and other factors. Staff would work with

the prospective organizations recommended for donation of fee title and conservation easements in this planning unit and evaluate opportunities for land conservation partners. The results of this effort would be reflected in the management and funding agreements and LCCP. The prospective organizations recommended for donation of fee title and conservation easements in this planning unit and evaluate opportunities for land conservation partners. The results of this effort would be reflected in the management and funding agreements and LCCP.

CAL FIRE identified potential partnerships for management and enhancement activities with the University of California, USDA Forest Service Pacific Forest Southwest Research Station, and the California Department of Fish and Wildlife.

CAL FIRE is a leading member of the California Growth and Yield Model Cooperative, an organization dedicated to improving existing models to project forest growth and development under different management treatments. CAL FIRE also contributes to the Sierra-Cascade Intensive Forest Management Research Cooperative, a group of research organizations, landowners, and agencies dedicated to advancing applied silvicultural research. CAL FIRE would work with these same entities to conduct and promote research on the planning unit.

III. PUBLIC COMMENTS

The Stewardship Council has implemented a public outreach program to engage stakeholders and solicit public input on the development and implementation of the land conservation plan. A summary of key public outreach activities and public comments associated with the planning unit is attached.

V. RECOMMENDATION

Staff is recommending that fee title to the approximately 1,311 acres of lands available be donated to CAL FIRE for the following reasons:

- Donation of these lands would further one of the key goals of the Land Conservation Commitment of donating lands to a qualified organization with the financial and organizational capacity to preserve and enhance the BPVs.
- CAL FIRE has significant capacity and interest in preserving and/or enhancing the BPVs associated with these lands based on their years of experience managing the Demonstration State Forest lands for similar resource values.
- Lands donated to CAL FIRE would become part of the Demonstration State Forest system and subject to oversight by the California Board of Forestry and Fire Protection, including policies and procedures requiring public review and input of CAL FIRE's management activities.
- Donation of these lands to CAL FIRE would increase the likelihood that the BPVs would be enhanced in the future, especially through established collaborative relationships.
- CAL FIRE has proposed the following actions and activities that would contribute to the preservation and/or enhancement of BPVs:

- Enhance management to create a diversity of forest stand structural conditions across the landscape.
 - Adaptive management to identify best management practices to create healthy and resilient forests that will thrive under a wide range of plausible future climate situations.
 - Enhance fuels management beyond current practices.
 - Create a research and demonstration program where one has not existed before.
 - Support recreation and education including activities such as science camps, tours and hikes, displays, and self-guided trails.
 - Enhance public education by adding signs, and hosting public and private tours to demonstrate research and best management practices.
 - Enhance protection of biological resources through comprehensive surveys, inventory, management, and monitoring and sharing this information with government agencies, landowners, and the general public through CAL FIRE’s forest resources information system.
 - Enhance opportunities for education and preservation of historical and cultural values through surveys and inventory of historical resources and cultural sites, as required by law and Governor’s Executive Order, and incorporating this information into the Management Plan for Historic Buildings and Archaeological Sites.
- Donation of these lands to CAL FIRE would advance the burgeoning field of sustainable forestry and climate change research by providing CAL FIRE with additional lands for research and demonstration, with benefits that would extend well beyond the watershed lands.
 - The availability of multiple Demonstration State Forests along diverse spatial and elevation gradients in the Sierra Nevada and elsewhere in the State strengthens the value of the Demonstration State Forests for research and demonstration purposes.

VI. NEXT STEPS FOLLOWING PLANNING COMMITTEE RECOMMENDATION

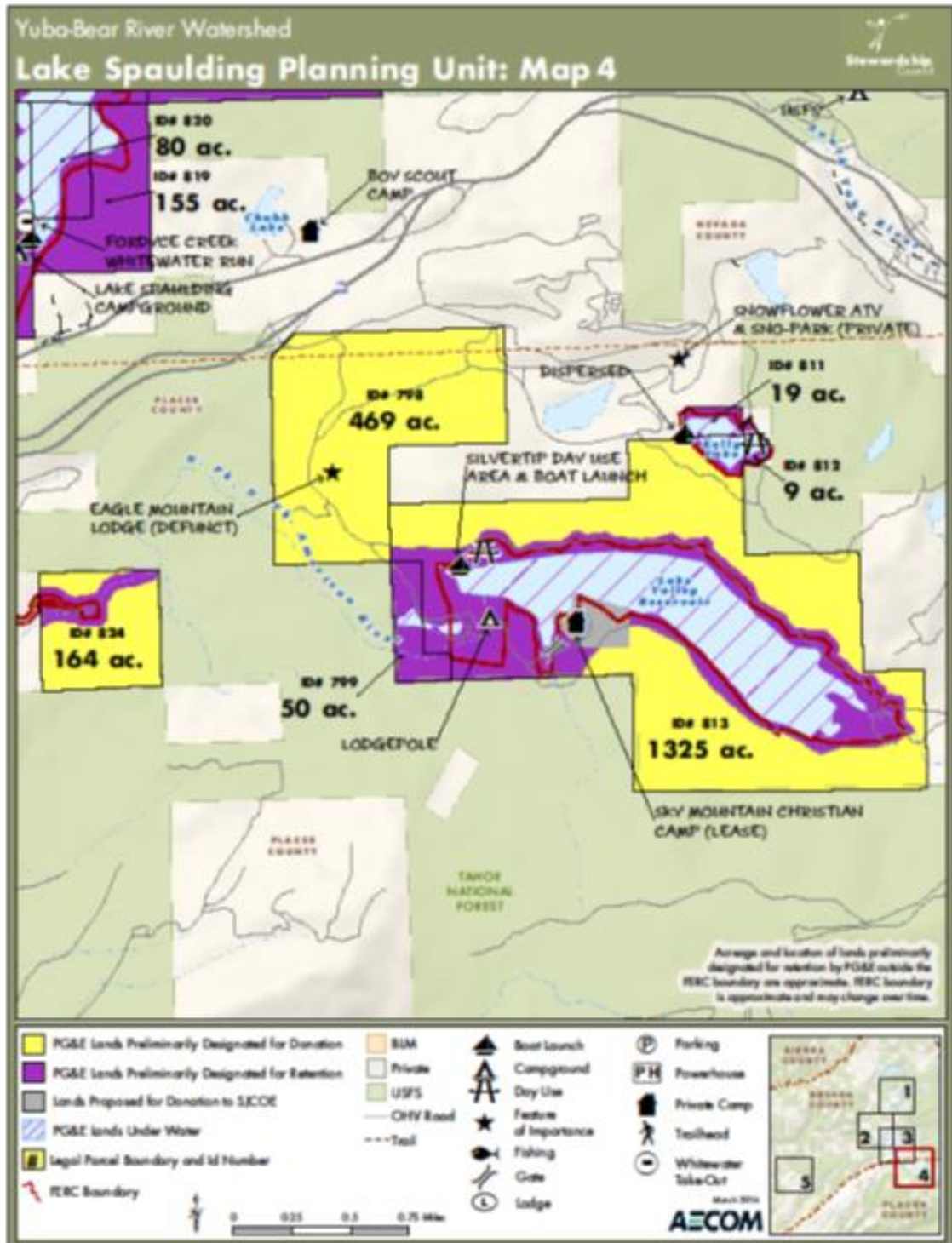
If the Board approves this recommendation, staff would invite CAL FIRE to negotiate specific terms of the transactions with PG&E. CAL FIRE and Placer Land Trust would negotiate the terms of the conservation easement to be established on the subject lands.

The draft LCCP will be made available for public review and comment before it is reviewed and approved by the Planning Committee and the board. Adoption of the LCCP by the board would be the final step in the Stewardship Council’s process for selecting donees.

ATTACHMENTS AND REFERENCE MATERIAL

- Lake Spaulding Planning Unit Map

- Summary of Key Public Outreach Activities and Public Comments Associated with the Lake Spaulding Planning Unit



SUMMARY OF PUBLIC OUTREACH PROGRAM

The Stewardship Council established a comprehensive public outreach program to both inform and solicit input from the public on the development and implementation of a plan to permanently protect over 140,000 acres of PG&E watershed lands. A variety of tools and techniques are used to engage the public, including:

- Stewardship Council Website: the website provides background information on the land conservation program and is regularly updated with board meeting agendas and minutes, proposed recommendations, and other announcements.
- Stakeholder Database and E-mailing: regular e-mail notifications are sent directly to individuals and organizations that have signed-up to receive e-mails. The e-mails provide updates on the status of the land conservation program, including pending actions by the board and upcoming public meetings.
- Targeted Newspaper Noticing and Paid Advertisements: newspaper advertisements and notices are placed in local newspapers circulated in the area where a board or public meeting is taking place or in communities that may have an interest in a particular topic on an upcoming meeting agenda.
- News Releases: news releases are issued to statewide and local media outlets at key intervals during the planning process.
- Public Information Meetings and Workshops: public information meetings and workshops are conducted throughout the watershed lands to provide updates and solicit input from interested stakeholders on the land conservation program and individual planning units. In many workshops, public comments were sought on potential measures to protect and enhance the beneficial public values on specific lands as well as the desired qualifications of potential donee organizations. Individuals and organizations unable to attend are provided an opportunity to submit comments in writing and review meeting summaries posted on the web site. Individuals and organizations unable to attend are provided an opportunity to submit comments in writing and review meeting summaries posted on the web site.
- Notice by Mail of Pending Decisions Regarding the Conveyance of Individual Parcels and Invitation to Comment:
 - Noticing of Affected Governmental Entities: prior to the Watershed Planning Committee forwarding a recommendation to the board that a proposed Land Conservation and Conveyance Plan (LCCP) be adopted by the board, a notice will be mailed to the Board of Supervisors of the affected county; each affected city, town, and water supply entity; and each affected tribe and/or co-licensee.

- Noticing of landowners: postcards or letters are sent to all landowners located within one mile of lands that are the subject of a proposed LCCP prior to the Watershed Planning Committee forwarding a recommendation to the board that the proposed LCCP be adopted by the board.
- Individual Meetings with Stakeholders: Over the course of the preparation of Volumes I and II of the Land Conservation Plan (LCP) and the LCCP, Stewardship Council staff met, and communicated via the telephone and email, with a number of stakeholders interested in the Watershed Lands.
- The Stewardship Council Board of Directors meets five to six times per year, typically on a bimonthly schedule. At the board meetings, the public is invited to directly address the board on an agenda item or on any other matter. The meetings have been held at locations in northern and central California and across the watershed lands to help facilitate public participation. Agendas are available one week prior to meetings, and meeting minutes are posted on the Stewardship Council public website approximately three weeks following those meetings.

LAKE SPAULDING PLANNING UNIT PUBLIC OUTREACH

Highlighted below are the opportunities that have been, or are being, provided for public input on key documents and decisions concerning the Lake Spaulding planning unit and the land conservation and conveyance process.

I. Public Review of VOLUMES I and II of the LCP

The Draft Land Conservation Plan Volumes I and II were released in June 2007 for a 60-day public comment period. During this time, the Stewardship Council held ten public meetings to publicize the availability of the Draft LCP and to encourage public comment. These meetings were advertised via an e-mail sent to contacts in the Stewardship Council's database, an announcement posted on the Stewardship Council's web site, a press release issued to local newspapers, a paid advertisement in local papers, and a postcard sent to all landowners on record that reside within one mile of any PG&E parcel. Comments were received via email, the website, and hardcopy letters. The comments were reviewed, and responded to individually; and the text in the draft LCP was revised as appropriate.

During public review of Volumes I and II of the LCP, seven public comments were submitted concerning the Lake Spaulding planning unit. These comments reflected a request to reflect water agency facilities in LCP maps, support for the US Forest Service as a potential fee donee,

as well as support for protecting and enhancing the open space and recreational values of the Lake Spaulding planning unit, as well as comments on certain recreational facilities proposed for the property.

II. Noticing of Landowners within One Mile

In the fall of 2006 a postcard was distributed to the approximately 26,000 landowners located within one mile of the exterior boundary of all the parcels to notify and invite comment on Volume I and II of the LCP. A postcard was also sent to notify and invite all landowners located within one mile of the parcels within the Lake Spaulding planning unit to a Public Information Meeting that was held in Auburn, California on April 14, 2011. In addition, simultaneous with the release of the proposed subject LCCP for public comment, adjacent landowners located within one mile of the subject parcels are noticed by mail 30 days before the Watershed Planning Committee considers forwarding the proposed subject LCCP to the board for final approval.

III. Public information meeting

A Public Information Meeting workshop for several planning units in the Yuba-Bear Watershed Area was hosted by the Stewardship Council on April 14, 2011 in Auburn, California. The meeting concerned six planning units: Lower Drum, Chili Bar, Lake Spaulding, Bear River, Narrows and Fordyce Lake planning unit. Attendees at the workshop included a total of 58 individuals representing a wide variety of interests including local, state, federal, and tribal governments; and community organizations. The meeting was advertised via an e-mail sent to contacts in the Stewardship Council's database, an announcement posted on the Stewardship Council's web site, a press release issued to the local newspaper, and a postcard sent to all landowners on record located within one mile of any PG&E parcel associated with the Lake Spaulding planning unit.

The purpose of the workshop was to: (1) provide an overview of the land conservation process; and, (2) solicit additional public input on future stewardship of the two planning units.

The Stewardship Council received the following comments at the meeting and through comment cards that apply to the lands subject to this property:

Lake Spaulding

- Support transfer of lands to an entity that would restrict vehicle traffic to present levels
- Continue to allow public use of existing roads
- Maintain public access for recreation (hiking, fishing, and camping)
- Support for lands available for donation to be transferred to the US Forest Service
- Rely on existing laws to protect sensitive wildlife and archaeological resources

IV. PUBLIC REVIEW OF LAND STEWARDSHIP PROPOSALS

On May 13, 2011, the Stewardship Council received five Land Stewardship Proposals from organizations interested in being considered for a donation of fee title to certain lands located within the Lake Spaulding planning unit. The Department of Forestry and Fire Protection, Nevada County Land Trust (aka Bear Yuba Land Trust), the San Joaquin County Office of Education, the US Forest Service–Tahoe National Forest, and University of California–Center for Forestry. Each of the organizations prepared and submitted its proposal which was posted on the Stewardship Council’s website for public review and comment, and an e-mail was sent to contacts in the Stewardship Council’s database to notify them of the postings.

V. Public Review of Land Conservation Program Policies & Guidelines

Public comment was sought on policies and guidelines that helped inform the Stewardship Council’s land conservation and conveyance process. These documents were provided to the public in advance of being reviewed and endorsed by the Watershed Planning Committee or Fiduciary Committee and forwarded to the board for review and consideration.

Land Conservation Program Funding Policy

The Stewardship Council created a Land Conservation Program Funding Policy to help guide future planning and decision-making regarding funding of the long term management and stewardship of the watershed lands. In June and July, 2009, the draft policy was posted on the Stewardship Council’s web site and made available for review and comment to a group of stakeholders consisting of all registered potential donees and representatives of the counties in which the watershed lands are located. Two comments were received during the 30-day review and comment period. Both comments were reviewed, and it was determined that neither comment necessitated a change in the draft policy. The Stewardship Council’s Board of Directors adopted the policy at a public board meeting in Sonora, Calif. on September 17, 2009.

Guidelines for Achieving Property Tax Neutrality

The Stewardship Council created guidelines for achieving property tax neutrality to describe scenarios when the Stewardship Council will make property tax payments to affected counties as in lieu payments for property taxes that are lost due to the donation of PG&E watershed lands to an entity that is exempt from paying property taxes. The guidelines also defined a set of overarching assumptions regarding property tax neutrality payments. The draft guidelines were posted on the Stewardship Council’s web site in December 2010. A notice inviting review and comment on the guidelines was sent to the Stewardship Council’s stakeholder database. Additional targeted outreach was performed to inform the affected counties. Nine comments were received during the 60-day review and comment period. After consideration of public comments, the Stewardship Council Board adopted a set of guidelines at its public board meeting on March 30, 2011.

Proposed methodology for achieving tax neutrality

The proposed methodology for achieving tax neutrality on donated lands was e-mailed to all land stakeholders and posted on Stewardship Council's website for public review and comment on January 9, 2012. The deadline for submission of comments was March 9, 2012. The Stewardship Council received one request to extend this deadline, which was granted. By the new deadline March 30, 2012, six comments were received. Upon consideration of the comments received, the Stewardship Council board deferred adoption of the full methodology until the June 27, 2012 board meeting so that the affected counties could be notified of the proposed change to the capitalization rate. No comments were received on the revised capitalization rate. The revised methodology was adopted by the board at its June 27, 2012 meeting.

VI. Watershed Planning committee Recommendations of Fee title and Conservation Easement Donees

Staff recommendations for prospective fee title donees and conservation easement holders that are endorsed by the Watershed Planning Committee are posted on the Stewardship Council's website for public review and comment. The proposed board action is noticed via an e-mail sent to contacts in the Stewardship Council's database. In addition, public board meetings are advertised via an e-mail sent to contacts in the Stewardship Council's database, an announcement posted on the Stewardship Council's web site, a press release issued to local papers, and an advertisement placed in local newspapers in the area where a board or public meeting is taking place or in communities that may have an interest in a particular topic on an upcoming meeting agenda. The board action taken is also noted in the meeting minutes that are posted on the Stewardship Council's website following each meeting.

All public comments received by staff concerning the conservation easement recommendation at the Lake Spaulding planning unit were provided to the board for consideration at the relevant public board meeting.

VII. Public Review of the Land Conservation and Conveyance Plans

The public is provided an opportunity to review and comment on the proposed Land Conservation and Conveyance Plans (LCCPs), and the comments received are shared with board members prior to the Watershed Planning Committee's forwarding the proposed LCCP to the board for its review and approval. The 30-day public review and comment periods are announced via an e-mail sent to contacts in the Stewardship Council's database, a posting on the Stewardship Council's web site, and an advertisement placed in local newspapers in communities that may have an interest in a particular planning unit. A notice inviting review and comment on the proposed LCCP is also sent to all landowners on record located within one mile of the subject PG&E parcels and to PG&E leaseholders. In addition, a notice is mailed to the board of supervisors of the affected county; each affected city, town, and water supply entity; and each affected tribe and/or co-licensee. After receiving public comment, the

Watershed Planning Committee may make revisions to a proposed LCCP prior to forwarding a recommendation to the board.

VIII. Stewardship Council Board of Directors meetings

Proposed LCCPs endorsed by the Watershed Planning Committee are posted on the Stewardship Council's website for additional public review and comment approximately 30 days prior to being considered by the board at a public board meeting. The posting of proposed LCCPs is advertised via an e-mail sent to contacts in the Stewardship Council's database. In addition, public board meetings are advertised via an e-mail sent to contacts in the Stewardship Council's database, an announcement posted on the Stewardship Council's web site, a press release issued to local papers, and an advertisement placed in local newspapers in the area where a board or public meeting is taking place or in communities that may have an interest in a particular topic on an upcoming meeting agenda. The board action taken is noted in the meeting minutes that are posted on the Stewardship Council's website following each meeting.

All public comments received will be provided to the board. There is also an additional opportunity for public comment at the public board meeting when the board considers approval of the proposed LCCP. Adoption of an LCCP by the board would be the final step in the Stewardship Council's process for selecting donees. The conservation easement donee is responsible for securing its own internal approvals prior to the transaction being completed. Transactions will be finalized upon LCCP review and transaction approval by the California Public Utilities Commission.