



Upper Mokelumne River Watershed Authority

UMRWA Regular Governing Board Meeting

Agenda

Friday, January 26, 2018 – 1:30 p.m.
McLean Hall, Pardee Center, Valley Springs, CA 95252

ROLL CALL

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT: When responding to items not on the agenda, Board members are limited by state law to providing a brief response, asking clarifying questions, and referring a matter to staff.

AUTHORITY BUSINESS:

Recommended Action

- | | |
|---|----------------------------|
| 1. Board Planning Session Minutes of October 5, 2017 and Regular Meeting Minutes of October 6, 2017 | Approve by Motion |
| 2. Hemlock Landscape Project Negative Declaration – Public Hearing | Approve by Motion |
| 3. AB 142 Wild and Scenic Study - Draft Report | Discussion/Possible Action |
| 4. Pumpkin Hollow Restoration Project | Approve by Motion |
| 5. Mokelumne Meadow Restoration and Erosion Control Projects | Approve by Motion |
| 6. Board Planning Session Follow-up Actions | Approve by Motion |
| 7. Update on Prop 84 Implementation Grants | Information/Discussion |
| 8. State Water Board Water Quality Plan Update | Discussion/Possible Action |
| 9. Legislative Issues Update | Discussion/Possible Action |
| 10. Financial Statements for the Year Ending September 30, 2017 | Accept for Filing |
| 11. Treasurer’s Report - First Quarter FY 2018 | Accept for Filing |
| 12. Executive Officer Grant Funded Quarterly Report | Information/Discussion |

BOARD MEMBER COMMENTS:

13. Board Member Comments

EXECUTIVE OFFICER REPORT:

14. Executive Officer’s Oral Report (Mokelumne Community Forest, MAC Plan Update RFP)

ADJOURNMENT:

- Next Regular Board Meeting: April 27, 2018 at 1:30 p.m. (McLean Hall, Pardee Center)

Requests for disability-related modification or accommodation, including auxiliary aids or services, may be made to Lisa Stuart at 209.772.8261 or lisa.stuart@ebmud.com no later than 24 hours before the meeting.



Upper Mokelumne River Watershed Authority

Agenda No: **1**

Meeting Date: January 26, 2018

Title:

Planning Session Meeting Minutes of October 5, 2017 and Regular Meeting Minutes of October 6, 2017

Recommended Action:

Approve the planning session meeting minutes of October 5, 2017 and the regular meeting minutes of October 6, 2017.

Summary:

The summary minutes of the October 5, 2017 planning session and the October 6, 2017 regular Governing Board meeting are attached for Board review and approval.

Thursday, October 5, 2017 – 2:00 p.m.
Governing Board Planning Session
Upper Mokelumne River Watershed Authority
Pardee Gazebo – Pardee Center – Valley Springs, CA

Summary Minutes

ROLL CALL

Directors John Coleman, Terry Woodrow, Richard Farrington, Jack Garamendi, Richard Blood, Brian Oneto, and Ed Gonzalez were present. Also present were Executive Officer Rob Alcott, Authority Counsel Grace Pak, Authority Secretary Lisa Stuart, and 6 visitors.

PUBLIC COMMENT – None

AUTHORITY BUSINESS

The EO offered a brief explanation of the purpose of the planning session and provided a discussion agenda that included the following items:

- Brief UMRWA History & JPA Chronology
- Achievements and Attributes
- Looking Ahead: Where does UMRWA go from here?
- Alternative Organizational Approaches
- Key JPA Agreement terms; Potential Adjustments

The EO provided an overview of UMRWA's 17-year history including development of the JPA and its subsequent amendments, past board members, funding achievements, and projects. UMRWA's past successes were noted including fulfilling the central role for planning and grants under the Integrated Regional Water Management program, and partnering with the USFS under the Cornerstone Master Stewardship Agreement, both of which focus and capitalize on regional mutual interests. Looking forward the Board discussed fire and forest health, and fuels management; outreach to local contractors with interest in UMRWA projects, pursuing other grant/funding mechanisms, and enhanced visibility and public presence (recognizing UMRWA for its missions and accomplishments). Current and emerging issues were landscape-level forest health improvement planning, forest funding options; outreach to private landowners (perhaps via RCD, Fire Safe Councils, CALFIRE, or UC Extension).

The EO will synthesize the session's discussions and report back at the January meeting.

ADJOURNMENT: Director Coleman adjourned the meeting at 3:59 p.m. The next regular meeting will be October 6, 2017 at 10:00 a.m. at the Pardee Lodge.

SUBMITTED BY:

Lisa Stuart, Authority Secretary

John Coleman, Chair of the Board
APPROVED: January 26, 2018

Summary Minutes

ROLL CALL

Directors John Coleman, Terry Woodrow, Richard Farrington, Jack Garamendi, Richard Blood, and Ed Gonzalez were present. Director Oneto arrived at 10:15 during agenda item #2. Also present were Executive Officer Rob Alcott, Authority Counsel Grace Pak, Authority Secretary Lisa Stuart, and 14 visitors and presenters.

PUBLIC COMMENT – R. Farrington summarized AWA’s Pumpkin Hollow press release that prompted an interview request from a local television news outlet.

Sarah Green, Alpine Watershed Group, announced the Alpine Aspen Festival and provided flyers for the event to the Board.

AUTHORITY BUSINESS

1. Regular Meeting Minutes of July 28, 2017

Motion 21-17 to approve the minutes of the regular July 28, 2017 Governing Board meeting was made by Director Gonzalez, seconded by Director Garamendi, and carried by voice vote: Yea 6 – Nay 0 – Abstain 0.

2. Pumpkin Hollow Restoration Project

Following the Board’s July 28th approval of four general services agreements to complete Pumpkin Hollow forest restoration work the necessary contract documentation was completed and with work initiated shortly thereafter by Tress Services Unlimited and the Greater Valley Conservation Corp. Summit Forests and J&R Logging are expected to begin work soon. The EO, with the assistance of John Quidachay, provided the Board with an update on the project, including a meeting held with Forest Service representatives covering density of vegetation.

3. Proposed Cabbage Patch Restoration Project

The roughly 1,100-acre Cabbage Patch Restoration Project is located on the Calaveras Ranger District of the Stanislaus National Forest in Calaveras County. The project, with an estimated total cost of about \$1.2 million, is wholly within the Cornerstone Project boundaries and in proximity to Pumpkin Hollow. Much like Pumpkin Hollow the purpose of this project is to reduce forest fuels and improve ecological resilience. Additionally, this proposed project would include resources for a landscape-level water-cycle research project sponsored by the Sierra Nevada Research Institute at the University of California Merced. Under the Master Stewardship Agreement, UMRWA serves as the lead agency for many of the key project implementation activities. These and related aspects of both UMRWA’s and the Forest Service’s responsibilities as they pertain to Cabbage Patch will be contained in a new SPA that will be presented to the Board on January 26.

UMRWA, will need to fulfill California Environmental Quality Act (CEQA) documentation and process requirements. Staff will coordinate with Authority Counsel on actions to

complete the necessary CEQA documentation and report back to the Board at its January 26 meeting.

Motion 22-17 to:

(1) Authorize staff to

a. Work with USFS staff to draft a Supplemental Project Agreement for the Cabbage Patch Restoration Project for review at the January 26 Board meeting.

b. In collaboration with Authority Counsel draft CEQA documentation and schedule the actions necessary for fulfilling the associated public review and approval process for review by the Board on January 26.

(2) Authorize staff to complete a SNC Prop 1 Watershed Improvement grant application in collaboration with the USFS and submit the application by the November 1 deadline.

(3) Approve Resolution No. 2017 – 1 authorizing the Executive Officer to submit a grant application for funding under the Sierra Nevada Conservancy's Prop 1 Watershed Improvement Program, was made by Director Woodrow, seconded by Director Oneto, and carried by voice vote: Yea 7 – Nay 0 – Abstain 0.

4. MAC IRWM Plan Review

In 2006, UMRWA and participating Mokelumne-Amador-Calaveras (MAC) Integrated Regional Water Management (IRWM) Region stakeholders completed the first MAC Integrated Regional Water Management Plan (IRWMP). The updated MAC Plan, completed in 2013, was based on guidelines and standards included in Proposition 84 as interpreted by the California Department of Water Resources (DWR). In November 2014, California voters approved the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1). Prop 1 allocates \$510 million (of which \$13 million is allocated to the Mountain Counties overlay region) to the IRWM grant program administered by DWR. In response to the new source of funds for the IRWM grant program, DWR in 2016 updated its IRWM Guidelines.

To be eligible for future rounds of implementation grant funding under the IRWM grant program, a region's IRWMP must comply with DWR's *2016 Integrated Regional Water Management Grant Program Guidelines*. The firm RMC Water and Environment, which guided and prepared the original and updated MAC Plans, has reviewed the updated MAC plan to determine the extent to which it meets the 2016 guidelines. Accordingly, RMC has identified multiple sections of the MAC Plan that need to be updated to meet the new standards and thus be eligible for future IRWM grant funding. These sections include: Regional Description, Plan Objectives, Resources Management Strategies, Relation to Local Water Planning, Relation to Local Land Use Planning, Climate Change, Project Review Process, and Plan Performance and Monitoring. In addition, there is new legislation that also requires updates to the Region's IRWMP.

RMC has developed a Scope of Work and fee estimate to lead a stakeholder process that results in an updated MAC Plan that meets the new IRWM guidelines. The total estimated fee is \$185,000 and the project schedule assumes about 9 months to complete the work.

Motion 23-17 to authorize the EO to initiate an RFP process to obtain professional services proposals to update the MAC Plan was made by Director Coleman, seconded by Director Farrington, and carried by voice vote: Yea 7 – Nay 0 – Abstain 0.

5. Update on Prop 84 Implementation Grants

The EO presented the Board with a brief update on fulfillment of the two ongoing UMRWA Proposition 84 Implementation Grants awarded by the Department of Water Resources; the 2014 Drought Grant and the Round 2 Implementation Grant.

6. Legislative Issues Update

EBMUD's Richard Sykes presented information to the Board regarding AB109 Cap and Trade funding and SB5 regarding future water, park and other potential funding opportunities.

7. Treasurer's Report - Fourth Quarter FY 2017

The Treasurer's Report for the Fourth Quarter of fiscal year 2017, which ended September 30, 2017, was presented to the Board and reviewed.

Motion 24-17 to approve the Treasurer's Report as submitted was made by Director Oneto, seconded by Director Garamendi, and carried by voice vote: Yea 7 – Nay 0 – Abstain 0.

8. Executive Officer Grant Funded Quarterly Report

The EO updated the Board on the Round 2 Implementation Grant & VHR Program, the Drought Grant administration and Pumpkin Hollow Project.

Board Member Comments: Director Farrington requested an annual or bi-annual Board planning session following the success of the previous day's meeting.

Executive Officer Comments: The EO provided an update on AB142. He stated that he would present the Mokelumne Community Forest draft agreement at the January 26 meeting. He updated the Board on the Mattley Meadow project and stated that UMRWA may be the best choice as the lead CEQA agent. He informed the members that assessment letters were mailed and stated that the SNC legislative tour may not be rescheduled.

ADJOURNMENT: Director Coleman adjourned the meeting with an invite to the Board members to attend the Pardee BBQ at 11:00 a.m. The next regular meeting will be January 26, 2018 at 1:00 p.m. at Pardee Center.

SUBMITTED BY:

Lisa Stuart, Authority Secretary

John Coleman, Chair of the Board
APPROVED: January 26, 2018



Upper Mokelumne River Watershed Authority

Agenda No: **2**

Meeting Date: January 26, 2018

Title:

Hemlock Landscape Restoration Project Negative Declaration (Public Hearing)

Recommended Actions:

- (1) Approve the Initial Study and adopt the Negative Declaration for the Hemlock Landscape Restoration Project.
- (2) Authorize the filing of a Notice of Determination with Calaveras County.

Summary:

This agenda item will allow UMRWA to fulfill a key prerequisite before it may begin implementation of the Cabbage Patch Restoration Project. As the lead agency for Cabbage Patch project implementation, the Authority must complete the above-recommended actions in satisfaction of CEQA. This is one of several key actions that must be accomplished before UMRWA can proceed with the Cabbage Patch project, the other two being the award of the necessary SNC grant funding and execution of the SPA (Supplemental Project Agreement) with the USFS authorizing the Authority to undertake the project. These later two actions will be addressed at the Board's April 27 meeting.

With respect to the Authority's CEQA obligation, an Initial Study (IS) was prepared to address the Hemlock Landscape Restoration Project's (which includes Cabbage Patch) environmental impacts. [Note: Cabbage Patch is one of six phased projects contained within the broader Hemlock Restoration Project. Board action today on environmental documentation that covers the entire Hemlock Project is expected to fulfill UMRWA's future CEQA obligations associated with any other potential project element of Hemlock it may be asked to pursue]. As documented in the draft IS the project was determined to not have a significant impact on the environment and a Negative Declaration was prepared. A copy of the draft Initial Study and proposed Negative Declaration are included in the separate Supplemental Agenda Materials document that accompanies this agenda packet.

UMRWA's CEQA review and documentation follows, and is consistent with, the USFS's environmental review of the project under NEPA. The USFS's Hemlock Landscape Restoration Environmental Assessment was prepared in 2015 with the Decision Notice/Finding of No Significant Impact issued in January 2016.

Discussion:

As shown in the attached Hemlock Project Areas map, the Cabbage Patch Restoration Project is located on the Stanislaus National Forest in Calaveras County, California and is a subset of the 14,075-acre Hemlock Landscape Restoration project (Hemlock), which is in turn a component of the even larger Cornerstone Collaborative Forest Landscape Restoration Program (CFLRP) (390,904 acres). The USFS has organized the Hemlock

project into six Project Areas; Black Springs, Cabbage Patch, Fore, Pumpkin Hollow, Thompson Meadow and Wolfboro. The map included as Figure 2 displays these six areas within the context of the entire Hemlock project.

Cabbage Patch activities are planned in the Long, Hay, Horse, Middle and Water Gulch drainages that flow into the Mokelumne River upstream of Pardee Reservoir. The Cabbage Patch project is a high priority area for fuels treatments due to dense, overstocked, homogeneous forested conditions that are susceptible to mortality from drought, pests, pathogens, and catastrophic wildfire. Elevations within the project area range between 6,000 feet and 7,300 feet.

As authorized by the Board on October 6, staff completed and submitted a Healthy Watersheds (Prop 1) grant application to the SNC in early November. The UMRWA application requests \$500,000 in Prop 1 funding for Cabbage Patch. This would supplement an estimated \$700,000 in USFS matching funds (\$500,000 for USFS-implemented restoration treatments, and \$200,000 for associated FS support and administration expenses). SNC is indicating it expects to announce grant awards following its March and June 2018 meetings.

The Cabbage Patch project includes the following primary elements:

UMRWA (SNC grant funded)		
Hand thinning (CCC)	9 acres	27,000
Hand thinning (contractor)	173 acres	173,000
Mechanical thinning	132 acres	198,000
Contractor training workshop	N/A	5,000
Inspections/quality control/signage		33,500
Grant Administration		31,690
Indirect		31,810
UMRWA/SNC total =	314 acres	\$500,000
USFS (Federally funded)		
Restoration and fuels treatments	905 acres	500,000
Support, inspection and administration		200,000
USFS total =	905 acres	\$700,000
Grand Total	1,219 acres	\$1,200,000

Environmental Review Process/Public Outreach

A combined Notice of Intent to Adopt a Negative Declaration, Notice of Public Hearing, and Notice of Public Review of a Proposed Negative Declaration (Notice) was published on December 7, 2017, with a 35-day public comment period that ended on January 10, 2017. The Notice and the Draft IS were posted on the Authority’s website and made available in hard copy at the Authority’s office at 15083 Camanche Parkway South, Valley Springs, CA. Copies of the document were also sent November 30 to individuals who regularly receive UMRWA agenda packets, as well as to the affected District Rangers at the Stanislaus and El Dorado National Forest district offices.

Public Comments

No comments were received during the review period.

Schedule

Before implementation of Cabbage Patch may proceed UMRWA must secure SNC project funding and enter into a SPA agreement with the USFS. As noted above, the SNC is expected to announce grant awards in March or June. The SPA agreement is presently in draft form and should be finalized well before the next (April 27) UMRWA Board meeting. Assuming SNC announces UMRWA grant funding in March, staff will present the SNC grant agreement and the USFS – UMRWA Supplemental Project Agreement to the Board at its April 27 meeting. Upon the Board’s approval of those two items staff would coordinate with FS staff to conduct the contractor training workshop in May followed by the release of Requests for Proposals in early June. Award of general services agreements to the best-qualified bidders will be scheduled for the July 27 Authority Board meeting. Work activities would be expected to begin in August provided weather and field conditions are suitable.

Cabbage Patch Restoration Project Timeline	
Schedule	Task/Activity
November 1, 2017	Submit SNC Healthy Watersheds – Prop 1 grant application (Completed)
January 26, 2018	Approve Pumpkin Hollow Restoration Project Initial Study and Negative Declaration (Today)
April 27, 2018	Accept and approve SNC grant agreement (could be July meeting) Approve Cabbage Patch SPA agreement Authorize release of RFPs to qualified contractors
July 27, 2018	Award Cabbage Patch general services agreements
August 2018	Issue Notices to Proceed (after finalization of contract documents)
Summer/Fall 2018	Cabbage Patch Restoration Project work performed
Summer/Fall 2019	Cabbage Patch Restoration Project work performed
2019/2020	Project wrap-up, SNC grant final reports, etc.

Notice of Determination

TO: <input checked="" type="checkbox"/> County Clerk, County of Calaveras 891 Mountain Ranch Road San Andreas, CA 95249	FROM: Upper Mokelumne River Watershed Authority 15083 Camanche Parkway South Valley Springs, CA 95252 Contact: Lisa Stuart Phone: (209) 772-8340
SUBJECT: Filing of Notice of Determination in compliance with Section 21108 or 21152 of the Public Resources Code.	
STATE CLEARINGHOUSE NUMBER (if submitted to State Clearinghouse):	

PROJECT TITLE: Hemlock Landscape Restoration Project

PROJECT LOCATION (include county): The Project is located on the Calaveras Ranger District of the Stanislaus National Forest in Calaveras County, California. The project area is northeast of Arnold and southwest of the Village of Bear Valley, to the north of the North Fork Stanislaus River and South of the Mokelumne River. Elevations within the 14,075-acre project area range between 5,400 and 7,920 feet.

PROJECT DESCRIPTION: The Hemlock Landscape Restoration Project (Project) will improve ecological resilience of forested communities within the Stanislaus National Forest project boundaries through forest, meadow and aspen restoration and fuels management treatments. These treatments are designed to increase resistance to catastrophic wildfire while improving water supply through snowpack accumulation and persistence. This project will result in a forested landscape expected to withstand catastrophic wildfire and the ecological and water quality damage potentially caused by such events.

This is to advise that the Upper Mokelumne River Watershed Authority [Lead Agency **or** Responsible Agency] approved the above-described project on January 26, 2018 and has made the following determinations regarding the above-described project:

1. The project [will will not] have a significant effect on the environment.
2. An Environmental Impact Report was prepared for this project pursuant to the provisions of CEQA.
 A Negative Declaration was prepared for this project pursuant to the provisions of CEQA.
3. Mitigation measures [were were not] made a condition of the approval of the project.
4. A mitigation reporting or monitoring plan [was was not] adopted for this project.
5. A statement of Overriding Considerations [was was not] adopted for this project.
6. Findings [were were not] made pursuant to the provisions of CEQA.

This is to certify that the draft Initial Study - Negative Declaration, is available to the General Public at: 15083 Camanche Pkwy. South, Valley Springs, CA 95252.

Signature (Public Agency) _____ Title: Executive Officer
Date: January 29, 2018
Date Received for Filing at O.P.R.: _____



Upper Mokelumne River Watershed Authority

Agenda No: **3**

Meeting Date: January 26, 2018

Title:

AB 142 Wild and Scenic Study – Draft Report

Recommended Actions:

For discussion/possible action

Summary:

Mr. Joey Wall, Policy Advisor at the California Natural Resources Agency (CNRA), has been invited to attend this Board meeting. Mr. Wall is CNRA's lead staff person for administering the Mokelumne River Wild and Scenic study called for by AB 142 (Bigelow). Mr. Wall had attended the Board's July 28, 2017 meeting and presented an update on the development of the study at that time.

The draft study report which analyzes the suitability or non-suitability of designated segments of the Mokelumne River as additions to the State's Wild and Scenic River System is about to be released. The draft report has been prepared by GEI Inc. (under contract to CNRA), with Mr. Phil Dunn as the Principal Investigator. UMRWA, as specified in AB 142, is contributing up to fifty percent of the study's costs pursuant to a 2017 cost-sharing agreement between UMRWA and CNRA.

Mr. Wall and/or Mr. Dunn will provide the Board a brief presentation on the draft report and anticipated next steps.



Upper Mokelumne River Watershed Authority

Agenda No: 4

Meeting Date: January 26, 2018

Title:

Pumpkin Hollow Restoration Project

Recommended Action:

Approve a 1-year extension to the GCVV agreement for the Pumpkin Hollow project.

Summary:

The Pumpkin Hollow work plan includes two phases. Phase 1, which will treat about 700 acres of USFS lands, was initiated in 2017 with the Authority entering into general services agreements with three contractors and the Greater Valley Conservation Corps (GVCC). All contracted restoration work will be completed as provided under the Pumpkin Hollow SPA and SNC grant agreements. The four contractors, the contracted work activity and associated acreages, and the work remaining to be completed in 2018 are shown in the table below.

Work Activity (and amount)	Completed Work - 2017	Scheduled Work - 2018	Contractor
Plantation Thinning and Mastication (239 acres)	44.5	185.5	Tree Services Unlimited
Road Maintenance and Roadside Fuel Break (21 acres & 9 miles)	0	21, plus 9 road miles	J&R Logging
Hand Treatments (393 acres)	0	393	Summitt Forests Inc.
Scenic Corridor Hand Treatments (45.5 acres)	29.7	15.8	Greater Valley Conservation Corps

Unlike the 2-year contracts with the three contractors the GVCC agreement was for just one year ending Dec. 31, 2017. Due to field conditions and other factors beyond the GVCC's control, about one third of the 45.5 acres scheduled for treatment were not treated in 2017. Accordingly, it is recommended the Board approve an extension to the term of the GVCC agreement to December 31, 2018.

For Phase 2 the remaining 270 acres will be contracted and performed in 2018 with any unfinished work held over to 2019. Phase 2 work includes:

- Meadow/Aspen restoration (78 ac)
- Forest restoration (81 ac)

- Fuel breaks (112 ac)

The Phase 2 RFPs will be issued sometime in June (the release will be scheduled to follow the tentatively planned May contractor training session and coincide with field conditions that allow access to the project sites). Award of general services agreements to the best-qualified bidders will be scheduled for the July 27 Authority Board meeting. Work activities would be expected to begin in August provided weather and field conditions are suitable.

UMRWA's Pumpkin Hollow Project Manager John Quidachay (Landmark Environmental), who is regularly in the field coordinating UMRWA's work with the USFS staff, the GVCC and our hired contractors, will present a brief update to the Board at this meeting.

Supplemental Project Agreement:

A total of \$614,665 is presently budgeted in the Supplemental Project Agreement for Pumpkin Hollow work. These USFS dollars, in combination with UMRWA's Sierra Nevada Conservancy's Prop 1 Healthy Watersheds grant, are the funding sources that UMRWA relies upon to pay the costs associated with the work UMRWA has contracted to perform on the USFS's behalf. The Board may recall when approving the initial Pumpkin Hollow SPA in July 2016 that we might see a series of SPA editions over time in order to reflect agreed upon modifications that respond to changed forest conditions within the project area or other new information. UMRWA staff will be working with FS in the coming weeks to ensure sufficient funding is provided in the Pumpkin Hollow SPA to allow project completion. Any necessary changes or additions to the SPA will be presented at the April 27 Board meeting.



Upper Mokelumne River Watershed Authority

Agenda No: **5**

Meeting Date: January 26, 2018

Title:

Mokelumne Meadow Restoration and Erosion Control Project Support

Recommended Action:

Authorize the Executive Officer to send a letter to the Eldorado National Forest Supervisor (and others as appropriate) expressing the Board's support for North Fork Mokelumne meadows restoration and erosion-control projects, and its willingness to consider providing in-kind support to assist in securing potential meadows restoration grant funding.

Summary:

Director Farrington has been working with a sub-group of the Amador Calaveras Consensus Group (ACCG) to identify watershed improvement projects for USFS Power Fire Settlement Funds to restore 3 meadows and eliminate adverse impacts from 5 roads around the meadows in the North Fork Mokelumne watershed. Project goals are to improve water quality, reduce sediment into streams, increase water yield, release cold water throughout the otherwise dry summers and improve Sierra Yellow Legged Frog habitat. Eldorado NF staff has indicated funds are available and they will perform the road erosion work this summer. Opportunities for meadow restoration grant funding are expected to open soon. UMRWA's support for these projects is being solicited.

Discussion:

The meadow restoration funds from the Power Fire settlement are being held by NFWF (National Fish & Wildlife Foundation) who is scheduled to release an RFP for round one funding the first week in February with applications due in March. Both the meadow and road erosion projects advance the Authority's watershed protection and improvement goals and are enabled under the terms of UMRWA's Joint Powers Agreement. The NFWF grant requires a match between 20-50%. A preliminary estimate of the meadow project is \$250,000. The minimum \$50,000 match requirement makes it prohibitive for UMRWA to provide a cash match without a grant from another source. Other potential applicants to the NFWF RFP are the National Forest Foundation and American Rivers.

Meadow Restoration: Upper Onion Valley, High Onion and Tyler Meadows

Meadow Locations - The three meadows are located in the Bear River watershed and the Cole Creek watershed. The Upper Onion Valley and High Onion meadows are within the Cole Creek watershed and connected by Onion Creek and Pardoe Creek. These creeks flow into Cole Creek, and down to the North Fork Mokelumne River about 1.7 miles downstream from PG&E's Salt Springs Power House on the NF Mokelumne River. Tyler

Meadow is located within the Bear River watershed just north of the Cole Creek watershed. Tyler Meadow drains into Bear River Reservoir, which feeds Bear River, a tributary of the NF Mokelumne River.

The Project - The meadow restoration project will restore 12.7 total acres (5.14 ha) of 3 meadows within the Middle Cole Creek and Middle Bear River drainages of the Upper Mokelumne Watershed. It will include the assessment, planning, implementation, and monitoring of stream and meadow restoration activities. The ACCG expects all phases to be completed with a combination of contractors, consultants, FS staff oversight, and volunteers from the ACCG.

The goal of the meadow restoration is to increase the water holding capacity of the meadows much like saturating a dry sponge. The project is similar to the improvements in Indian Valley Meadow in the headwaters of the NF Mokelumne in 2012. Increasing water in the meadows would enhance the yield of cold, clean water through the summer and improve the habitat for Sierra Nevada Yellow Legged Frogs. The improved flow of cold water in the late fall is also a value to salmon and steelhead downstream as well as water agencies. This is becoming increasingly important through the years with the gradually shrinking snow pack.

Road Erosion Control: 8.2 Miles of Un-surfaced Roads

Ongoing erosion from the roads around the 3 meadows contributes significantly to the deteriorating conditions of the 3 meadows. Thus the goal of the erosion control project is to eliminate erosion, sediment, and water runoff from 8 plus miles of un-surfaced roads around these meadows to make them “hydrologically invisible.” The specific USFS roads targeted are 8N03, 8N03F, 8N03FS, 8N03FW, and 8N14G. The road erosion control project would construct 160 rolling dips and other improvements. As noted above, Eldorado NF staff has indicated funds are available and they will perform the road erosion work this summer.

The ACCG project team just recently became aware of a recent USFS 62 square mile watershed “GRAIP” study in the Power Fire area by Rocky Mountain Research Station (<https://www.fs.fed.us/GRAIP/WatershedStudies.shtml>) that found significant watershed impacts from roads in the Bear River, Panther Creek, and Upper North Fork Watersheds, including

- 81.6 tons of sediment per year dumped into streams from roads
- 36,580 cubic yards of fill are at risk of failing into streams
- 34 miles of road and 778 drain points are connected to streams
- Significant sediment being delivered to streams from Hwy 88

This study provides a base of information that can be used for setting priorities for future watershed restoration projects and discussion with Caltrans about mitigating sediment loading from Hwy 88.



Upper Mokelumne River Watershed Authority

Agenda No: **6**

Meeting Date: January 26, 2018

Title:

Board Planning Session Follow-up Actions

Recommended Action:

Authorize the Executive Officer to initiate the following actions:

- Work with USFS staff to develop an Upper Mokelumne River Watershed Healthy Forests Plan to guide future UMRWA initiatives
- Actively track potential healthy forests grant and other funding opportunities
- In coordination with USFS staff, develop and conduct an informational seminar for local contractors to help prepare them for potential future UMRWA contracting opportunities
- Re-review at the April 27 Board meeting the 'community benefit' criteria in UMRWA's Procurement Policy
- Work with Authority Counsel to develop a revised JPA agreement for Board review on April 27
- In coordination with Member Agencies, prepare an UMRWA staffing transition plan to facilitate the appointment of a new Executive Officer in July 2018

Summary:

At the October 5 Planning Session the Board reviewed key aspects of the Authority's 17-year history and current organizational circumstances, and reviewed potential new UMRWA programs and related initiatives to address future regional water resource-related needs. This agenda item presents a summary of the topics considered by the Board and presents several recommended actions to address Board identified issues and concerns.

Planning Session Takeaways:

UMRWA Successes: Planning session participants identified the following as key Authority successes: Effectively sought and secured grant funding to address important MAC region water resource problems; Provided a valuable venue for building intra-agency relationships and constructively addressing regional and watershed interests of mutual concern; Served as cost efficient agent for developing grant applications and inter-agency regional partnerships (e.g. Master Stewardship Agreement); Functioned as a forum for considering legislative and other public policy considerations that affect both rural and urban constituencies.

Areas for Improvement: Participants identified the following as potential areas for improvement: Seek expanded and diversified funding sources; Promote public awareness of UMRWA's prominent presence in tackling regional natural resource problems; Conduct

outreach in an effort to increase local contractor participation in UMRWA general services work; Instigate landscape-level forest health improvement planning (to guide future UMRWA forestry funding and related initiatives).

UMRWA's Purpose: In considering UMRWA's current and potential role in addressing the region's future water and natural resource issues participants suggested the Authority's purpose be augmented as follows: Expand UMRWA's stated purpose to include 'wildfire and fuels management and forest health' [the current Joint Powers Agreement states the Authority's purpose as: To effectuate the acquisition, operation and maintenance of any Watershed Projects and/or Water Supply Projects undertaken pursuant to the JPA, and to provide water and other utility-related services to Members such as technical and safety training, mutual aid, water project partnering, and legislative advocacy.]

Organizational Considerations: With respect to UMRWA's organization and staffing, participants expressed the preference that the Authority maintain its non-employer status and continue to utilize outside contractors and member-agency contributed services to fulfill the Authority's work obligations. Additionally, with the pending transition of the Executive Officer to a supporting role the Board acknowledged the need to initiate a process to find a new Executive Officer.

Follow-up Actions:

1. Seek opportunities to intensify the Authority's Forestry Program –
 - Collaborate with USFS, BLM, ACCG and others to develop a landscape-level Upper Mokelumne River Watershed Healthy Forests Plan to help guide future UMRWA initiatives.
 - Actively track forest-related funding opportunities for potential application to UMRWA forestry partnership initiatives
 - Develop (in conjunction with USFS staff) and conduct an informational seminar targeting potentially interested local contractors to help prepare them for potential future general services contracting opportunities.
 - Review UMRWA's Procurement Policy to confirm local community benefit provisions.
 - When opportunities arise, don't be shy in tooting UMRWA's horn when appropriate.
2. Initiate JPA Update Process –
 - Amend the Authority's purpose to include 'wildfire and fuels management, and forest health'
 - Remove provisions related solely to acquiring and operating PG&E's Mokelumne Hydroelectric Project
3. Transition to a new Executive Officer –
 - Formulate a plan to appoint a new EO that facilitates a smooth organizational transition
 - Target the July 27, 2018 Board meeting for the Board to approve the transition plan and appoint the new EO



Upper Mokelumne River Watershed Authority

Agenda No: 7

Meeting Date: January 26, 2018

Title:

Update on Prop 84 Implementation Grants

Recommended Action:

Authorize the Executive Officer to execute Amendment 3 to the Drought Grant agreement to extend its term to coincide with AWA’s scheduled completion of the Tanner Project.

Summary:

This agenda item presents brief updates on fulfillment of the two ongoing UMRWA Proposition 84 Implementation Grants awarded by the Department of Water Resources; the 2014 Drought Grant and the Round 2 Implementation Grant.

Drought Grant:

The Drought Grant agreement with DWR was executed on April 23, 2015. The original term of this agreement expired January 15, 2017. At the October 2016 meeting the Board authorized the EO to execute an amendment to the 2014 Drought Grant agreement to extend the term to April 15, 2018. Amendment 1 was executed on February 15, 2017.

In July 2016 one of AWA’s two grant-funded drought projects was determined to be a no-go and an effort to identify eligible substitute projects was then initiated. In May 2017, following extended discussions between AWA, UMRWA and DWR, an acceptable project substitution and reallocation of grant funds was determined. These were formally recognized in Amendment 2 that was executed on May 11, 2017.

The current status of the Amador Water Agency projects receiving re-allocated grant funding under the amended agreement is provided in Table 1 below.

Table 1 – Drought Grant Projects Status

AWA Projects	Project Status
Camanche Lateral Replacements (Phase 3)	AWA has previously completed two phases of this project. Phase 3 planning is underway.
Tanner WTP Backwash Recovery	AWA will soon solicit bids for this substitute drought project. <i>NOTE: Amendment 3 will be required to provide the necessary time for the selected contractor to complete construction.</i>
Ione WTP Backwash Recovery	Construction completed.

Round 2 Implementation Grant:

The three member agency projects receiving shares of UMRWA’s \$2,174,587 Round 2 Proposition 84 Implementation Grant award have been completed, as has the Vintage Home Retrofit Project component of CARWSP administered by UMRWA. The retention invoice and Grant Completion Report are all that remain to be done before the Round 2 grant should be officially closed out by the end of February. These cannot be completed until UMRWA receives its final grant payment (which is expected in early February). This agenda item will be the final Round 2 grant update presented to the Board.

Table 2 - Round 2 Prop 84 Implementation Projects Status

Project (Sponsor)	Project Status
Lake Camanche Lateral Replacements (AWA)	Completed
Camanche Regional Water Supply Project – Phase 1 (EBMUD)	Completed
Vintage Home Retrofit - part of CARWSP (UMRWA)	Completed (Final totals: 270 toilets and 235 showerheads replaced.)
Ponderosa Way Restoration	Completed



Upper Mokelumne River Watershed Authority

Agenda No: **8**

Meeting Date: January 26, 2018

Title:

State Water Board Water Quality Plan Update

Recommended Action:

For discussion and possible action

Summary:

The State Water Board is in the process of developing and implementing updates to the Bay-Delta Plan to protect beneficial uses in the Bay-Delta watershed. Phase I of this work involves updating San Joaquin River flow and southern Delta water quality requirements included in the Bay-Delta Plan. The proposed Phase II changes to the Bay-Delta Plan include: new inflow requirements for the Sacramento River, its tributaries, and eastside tributaries to the Delta (the Mokelumne, Calaveras and Cosumnes rivers); new and modified Delta outflow requirements; new requirements for cold water habitat; new and modified interior Delta flow requirements; recommendations for complementary ecosystem protection actions that others should take; and adaptive management, monitoring, evaluation, special study, and reporting provisions.

An oral report regarding the State Water Board's update activities will be provided at the Board meeting.



Upper Mokelumne River Watershed Authority

Agenda No: 9

Meeting Date: January 26, 2018

Title:

Legislative Issues Update

Recommended Action:

For discussion and possible action – legislative matters discussed by the Board

Legislation:

No pending legislation was identified at the time this agenda packet was being prepared that is squarely within UMRWA's field of interest. Thus, no legislation has been reviewed and summarized for inclusion in this agenda item. Board directors and/or agency staff, however, may have particular legislative topics of broader interest and this agenda item is intended to also facilitate their discussion.



Upper Mokelumne River Watershed Authority

Agenda No: 10

Meeting Date: January 26, 2018

Title:

Financial Statements for the Year Ending September 30, 2017

Recommended Action:

Accept for filing

Discussion:

East Bay MUD, whose Finance Director serves as the Authority's Treasurer, maintains the Authority's financial records. The Authority's financial records for the year ending September 30, 2017 have been audited by the independent accounting firm Maze and Associates. This year's audit is presented in the document entitled *Upper Mokelumne River Watershed Authority Basic Financial Statements for the Years Ending September 30, 2017 and September 30, 2016*.

In addition to the Basic Financial Statements, Maze and Associates has prepared a companion document titled *Memorandum on Internal Controls and Required Communications*.

These documents present a general overview of the Authority's finances, demonstrate the Authority's accountability of the monies it manages, and provide general information related to the preparation of the audit for the Authority's Governing Board and management. The audit reports neither find nor describe any financial problems or irregularities.

[**Note:** The *Basic Financial Statements* report contains 20 pages. The *Memorandum on Internal Controls and Required Communications* document is 10 pages. PDF copies of both have been included in the separate Supplemental Agenda Materials document that accompanies this agenda packet. A limited number of bound copies of the reports will be available at the Board meeting.]



Upper Mokelumne River Watershed Authority

Agenda No: **11**

Meeting Date: January 26, 2018

Title:

Treasurer's Report - First Quarter FY 2018

Recommended Action:

Accept for filing

Summary:

A copy of the Treasurer's Report for the First Quarter of fiscal year 2018, which ended December 31, 2017, is attached and will be presented at the Board meeting.

UMRWA - TREASURER'S REPORT (PERIOD ENDING DECEMBER 31, 2017)

Fiscal Year 2017-2018	General Assessment & Grants	Budget FY 2018	Current Quarter	YTD	YTD %
<u>General Assessments</u>					
Amador Agencies	29,100	29,100	29,100	29,100	100%
Calaveras Agencies	35,100	35,100	35,100	35,100	100%
EBMUD Funding	82,800	82,800	82,800	82,800	100%
Prior Year Unspent (carry fwd)	53,520	53,520	-	-	0%
Interest/Misc Income	283	283	-	-	0%
Total Assessment & Misc Funding	200,803	200,803	147,000	147,000	73%
<u>Prop 84 Grants</u>					
Implementation Grant Rnd 2 (carry fwd)	258,815	258,815	55,785	55,785	22%
Drought Grant (carry fwd)	4,223,199	4,223,199	3,413	3,413	0%
<u>Forestry/Watershed Funding</u>					
US Forest Service (Power Fire EIS)	706	706	-	-	0%
US Forest Service (Pumpkin Hollow)	529,001	529,001	22,021	22,021	4%
Sierra Nevada Conservancy Grant 1 (Pumpkin Hollow)	498,152	498,152	8,777	8,777	2%
Total Grants and Other Funding	5,509,873	5,509,873	89,995	89,995	2%
TOTAL REVENUES & FUNDING	5,710,676	5,710,676	236,995	236,995	4%
<u>ASSESSMENT EXPENDITURES</u>					
General Assessment (Administration)					
Executive Officer		40,000	9,145	9,145	23%
Contract Associate		20,000	-	-	0%
General Assessment (Operations)					
CSRC&D - School Watershed STE Program		16,500	-	-	0%
AB142 Wild & Scenic Study (all prior yr carry fwd)		50,000	-	-	0%
MAC Data Plan & Website Support (incl. \$3,520 carry fwd)		14,020	1,485	1,485	11%
Mokelumne Community Forest		10,000	-	-	0%
FY 2018 Grant Applications/Project Development		50,000	13,162	13,162	26%
TOTAL ASSESSMENT EXPENDITURES		200,520	23,792	23,792	12%
<u>GRANT and FORESTRY/WATERSHED FUNDING EXPENDITURES</u>					
Implementation Grant - Round 2 - Pass Thru to Sponsors:					
AWA - Lake Camanche Laterals Phase 2		30,774	-	-	0%
EBMUD - Camache Area Regional Water Supply		201,884	51,716	51,716	26%
Calaveras County - Ponderosa Way Restoration		5,992	-	-	0%
Echo Tech - VHR Water Conservation Program *		9,218	-	-	0%
Implementation Grant - Round 2 - Administration:					
RMC		5,550	317	317	6%
WRA		5,740	756	756	13%
Implementation Grant - Drought Grant 2014 - Pass Thru to Sponsors:					
AWA - Amador Raw Water Pipeline		48,652	-	-	0%
AWA - Tanner WTP Backwash		4,097,984	-	-	0%
AWA - Ione WTP Backwash		30,734	-	-	0%
Implementation Grant - Drought Grant 2014 - Administration:					
RMC		23,168	2,590	2,590	11%
WRA		8,661	3,819	3,819	44%
Contingency		14,000	-	-	0%
Power Fire EIS					
Landmark Environmental Inc.		646	-	-	0%
Pumpkin Hollow Restoration Project					
Landmark Environmental Inc.		228,186	17,430	17,430	8%
UMRWA Administration (USFS 8.6%; SNC 15%)		75,226	-	-	0%
TSU - Tree Services Unlimited		272,460	62,130	62,130	23%
J&R Logging		178,405	-	-	0%
Summitt Forests, Inc.		130,183	-	-	0%
Greater Valley Conservation Corp		66,000	-	-	0%
Future Commitments(FY2019 contracts)		76,693	-	-	0%
TOTAL GRANT EXPENDITURES		5,510,156	138,758	138,758	3%
Total Project Expenses		5,710,676	162,550	162,550	3%



Upper Mokelumne River Watershed Authority

Agenda No: **12**

Meeting Date: January 26, 2018

Title:

Executive Officer Grant Funded Quarterly Report

Recommended Action:

For information and discussion

Discussion:

The Executive Officer's work agreement with UMRWA segregates the work into two categories; tasks related to UMRWA business that are funded by Member Agency contributions, and grant-funded or other work paid by non-Member Agency contributions. The work agreement specifies the EO is to report non-Member Agency funded work to the Board on a quarterly basis. This quarterly report reflects invoices submitted the past quarter for the grant-funded projects as displayed in the table below.

Project	Period	Work Performed	Fee
Round 2 Implementation Grant & VHR Program administration	Sept. 1 – Dec. 31	Manage accounting, invoicing, reporting; coordinate with DWR, RMC, and Project Sponsors; finalize Project and Grant Completion Reports.	\$1,260
Drought Grant administration	Aug. 1 – Nov. 30	Manage accounting and invoicing; coordinate with DWR, RMC, and Project Sponsor AWA re revised projects and budget.	\$ 700