

COACHELLA VALLEY MOUNTAINS CONSERVANCY

REGULAR MEETING

73-710 Fred Waring Drive, Suite 115

Palm Desert, California

July 11, 2016 - 3:00 p.m.

Tele-conference location:

State of California, Resources Agency

1416 Ninth St., Suite 1311

Sacramento, CA 95814

APPROVED MINUTES

MEMBERS PRESENT:

John J. Benoit, Riverside County Supervisor
Richard Balocco, City of Indian Wells
Cameron Barrows, University of California
Buford Crites, State Assembly Appointee
John Donnelly, Wildlife Conservation Board
Kristy Franklin, City of La Quinta (*Vice-Chairman*)
Shelley Kaplan, City of Cathedral City
Patrick Kemp, Natural Resources Agency
Eddy Konno, California Department of Fish and Wildlife
John Ladley, U.S. Forest Service
Karin Messaros, National Park Service
Glenn Miller, City of Indio
Chris Mills, City of Palm Springs
Larry Olinger, Agua Caliente Band of Cahuilla Indians
Eraina Ortega, California State Department of Finance
Betty Sanchez, City of Coachella
Ellen L. Trover, Senate Rules Committee Appointee
Susan Marie Weber, City of Palm Desert
Ted Weill, City of Rancho Mirage – (*Chairman*)

MEMBERS ABSENT:

Kathy Dice, California State Parks
Joan Taylor, Governor's Appointee
Anayeli Zavala, City of Desert Hot Springs
Vacant, Bureau of Land Management

STAFF PRESENT:

Jim Karpiak, Executive Director
Kerrie Godfrey, Associate Director/AGPA
Diana Rosas, Staff Services Analyst
Bob Gossman, Project Coordinator

OTHERS PRESENT:

Britt Wilson, City of Rancho Mirage
Jeff Geraci, CO River Basin Regional Water Quality Control
Board
Mary Serra, CO River Basin Regional Water Quality Control
Board

1.0 Call to Order & Introductions

Chairman Ted Weill declared a quorum with 17 voting members present at 3:00 p.m. Subsequently, two additional members arrived, bringing the quorum to 19 voting members.

2.0 Approval of May 9, 2016 Meeting Minutes

A motion was made and seconded (Balocco/Trover) to approve the minutes of the May 9, 2016 meeting; the motion passed with three abstentions.

3.0 Public Comments on Items Not on the Agenda

There were no comments or questions on items not on the agenda.

4.0 Closed Session

Performance evaluation of Executive Director (Gov. Code sec. 11126(a)).

At 3:03 p.m. all non-Board members except for the Executive Director left the room for the closed session. At 3:08 p.m. the closed session concluded and the regular meeting proceeded as scheduled. Chair Ted Weill announced that no reportable action was taken at the closed session.

5.0 Action Items – Public Hearing

5.1 Adoption of Resolution 2016-08 approving matching funds to the Wildlife Conservation Board for acquisition of approximately 640 acres of land, APN 635-070-007 and 635-070-008, in the Santa Rosa and San Jacinto Mountains Conservation Area, and authorizing the acceptance by the conservancy of a portion of APN 635-070-008 not to exceed ten acres.

Jim Karpiak noted that a revised version of the proposed Resolution (2016-08) was emailed to the Board on Friday and hard copies were available during the meeting.

Jim provided background information on the Shumway Ranch project, which dates back to the previous two years of ongoing negotiations, not to mention previous attempts in the past years. On January 11, 2016, the Conservancy board authorized a grant to the Friends of the Desert Mountains to fund the acquisition in cooperation with the University of Redlands. Soon thereafter both entities terminated their agreement to acquire the property based on their findings during the due diligence period that dealt with the costs of upkeep and taxes on the improvements of the property. Consequently, at its May meeting,

the Conservancy Board directed staff to consider options for the Conservancy or another state agency to acquire the 640 acre property.

Staff's proposal is a joint project with the California Department of Fish and Wildlife (CDFW) and the Wildlife Conservation Board (WCB); both agencies are represented on the Conservancy Board. The cooperative project contemplates WCB taking title to the property except for up to 10 acres of APN 635-070-008, to which the Conservancy would take title, either directly from the seller or from WCB after the close of escrow. Funding for acquisition of the property remains as previously contemplated, namely, using Section 6 funds and the Conservancy and WCB contributing the balance as matching funds. Should Section 6 funds expire or WCB not approve funds, the Conservancy would pay the entire amount of \$1.56 million.

The property contains several structures, including a caretaker's house and three historic structures that are part of the portion of property that the Conservancy would acquire. The seller has agreed to demolish the non-historic structures with the exception of the caretaker's house and to donate \$40,000 for use as a fund to preserve the historic structures. Conservancy staff has participated in due diligence efforts that included inspections by two unaffiliated qualified inspectors. The inspectors pronounced the four buildings that would remain to be structurally sound and recommended minor repairs and cosmetic improvements to best protect them. However, Conservancy staff has discussed structural obligations with the Attorney General who advised that by taking title to the property there is no obligation to restore the structures.

After close of escrow, the Conservancy intends to issue an RFP to local preservation organizations for the development of a restoration project of the historic structures. Any restoration project would have to be consistent with State Historic Preservation Office (SHPO) Guidelines. If no project is forthcoming, the structures would simply be secured and preserved for potential future use, with CVMC monitoring this property periodically along with the CVMC's other holdings.

The appraisal for the property was reviewed and approved by the Department of General Services. The project is categorically exempt from CEQA review pursuant to CEQA Guidelines 15313 and 15325. Demolition of the non-historic structures would be exempt under Guideline 15301 (I). Furthermore, the Attorney General advised that two of the Conservancy Board members, John Donnelly paid employee of WCB and Eddy Konno paid employee of USFW must abstain from action of this agenda item.

Glenn Miller asked if staff had a timeframe of determining whether the Conservancy would be providing matching funds or providing the entire purchase amount. Jim responded that the WCB Board will meet to consider the project in August, but unless its board rejects it, the Conservancy Board would not have to

act again because the proposed resolution accommodates either full or matching funding by the Conservancy.

A motion was made and seconded (Trover/Miller) to approve the amended Resolution 2016-08, approving matching funds to the Wildlife Conservation Board for acquisition of approximately 640 acres of land, APN 635-070-007 and 635-070-008, in the Santa Rosa and San Jacinto Mountains Conservation Area, and authorizing the acceptance by the Conservancy of a portion of APN 635-070-008 not to exceed ten acres. The motion passed with three abstentions.

5.2 Adoption of Resolution 2016-09 approving a local assistance grant to the Friends of the Desert Mountains for acquisition of approximately 57 acres in the Dos Palmas Conservation Area.

Jim Karpiak reported that the Friends of the Desert Mountains (FODM) is seeking a local assistance grant for acquisition of three parcels consisting of 57 acres of vacant land in the Dos Palmas Conservation Area. Purchase price for the parcels is approximately \$438 per acre. The parcels are near or adjacent to previously acquired FODM parcels as well as CVCC- and BLM- owned land, allowing for cooperative management efficiency. Being that the parcels are also adjacent to the BLM-designated Area of Critical Environmental Concern there is potential for future transfer to the BLM.

In 2013, the Dos Palmas Conservation Area was included in the Board's revised acquisition priorities and since then, the Conservancy Board has approved several assistance grants to FODM for acquisitions in this area. Therefore staff recommends approval of a local assistance grant not to exceed \$25,000, plus reasonable closing and transaction related costs. Jim also noted that the Attorney General advised that Board members, Buford Crites and Joan Taylor who are also non-paid FODM Board members have no conflict of interest and therefore no recusal is required.

A motion was made and seconded (Franklin/Trover) to adopt Resolution 2016-09 approving a local assistance grant to the Friends of the Desert Mountains for acquisition of approximately 57 acres in the Dos Palmas Conservation Area. The motion passed with one abstention.

5.3 Update on Second Round of Proposition 1 Grant Program

Jim Karpiak reported that the second Notice of Funding Availability (NOFA) was issued on March 15, 2016, and five applications for requests totaling a little over \$1 million were received by the due date of June 17, 2016. The proposals received are as follows: The California Department of Fish and Wildlife is requesting up to \$150,000 for either restoration or replacement of an artesian well that provides water to an oasis pond that supports desert pupfish. The City of Coachella is requesting \$300,000 to fund improvements to an existing storm

drain system located in the central business district of the city. The College of the Desert is requesting \$130,000 for turf removal and desert landscaping. The Coachella Valley Resource Conservation District is requesting approximately \$7,000 for agricultural irrigation monitoring equipment that will be used as part of a technical assistance program that serves small-acreage farms in the east valley. The Wildlands Conservancy is seeking approximately \$450,000 for the permitting and design work of a potential flood control structure to protect the Whitewater Preserve.

The proposals were reviewed by an expert panel and staff is now in the process of reviewing the panel's evaluations. The results and preliminary funding recommendations will be presented to the Board at its September meeting. To date the Conservancy has received \$1.95 million in Prop 1 appropriated funds from the FY 15/16 budget and has awarded \$529,000 in grants leaving a balance of \$1.4 million. Also from the first NOFA round there are approximately \$1.2 million in grant applications that are currently under environmental review. For the FY16/17 budget the Conservancy received another appropriation of \$1.95 million in Prop 1 funds which will be awarded to projects that merit the funding.

A written report is also included in the agenda packet under agenda item 6.1 with updates on the Prop 1 grant application status from NOFA 2015-01. One addition to that report is the Palm Springs Dunn Road Orchard Project, the City has executed a planning grant contract and the Consultant is working to begin specification and environmental work. A team site visit is scheduled for the coming weeks. Staff expects that specific costs and a remediation plan will be developed later this year for the Conservancy Board to consider an implementation grant.

John Donnelly mentioned that the City of Coachella proposal for their stormwater diversion infrastructure project did not indicate potential future wildlife benefits and he asked if staff was aware of any wildlife benefits related to this project. Jim responded that staff has not completed the proposal evaluations but will consider that issue before bringing it back to the Board for a potential grant.

6.0 Reports

6.1 Written Reports from Staff.

Jim Karpiak reminded the Board that the bond balances in the report reflect the use of all funds approved by the Board, including those not yet expended. For example, the \$1.5 million that was allocated for Shumway is not included in the balance, so if the project does not happen the balance will increase by \$1.5 million. He also noted that an additional \$960,000 in bond funds from Prop's 12, 40 and 84 will be part of the budget proposal for the FY17/18 budget (due to lower than expected borrowing costs) will increase the bond balances assuming the Legislature approves those appropriations next Spring.

Kerrie Godfrey gave a presentation on Coachella Valley Stormwater and Delta Conservation Area (Stormwater) acquisitions. Conservancy staff, as acquisition managers and conservation partners, met with CVCC and agreed to re-direct acquisition efforts to other priority conservation areas such as Stormwater. There are currently two appraisals of the Stormwater area which one appraisal will focus on assisting the Army Corps of Engineers in mitigation efforts as part of their In-Lieu Fee Program. The other appraisal will focus on 21 potential parcels to acquire for protection of state and federally listed endangered species, the Crissal Thrasher and the Le Conte's Thrasher.

In 2015, CVCC acquired one 10 acre parcel located in Stormwater area. Currently CVCC is in escrow to purchase a one 40 acre parcel and is in negotiations with another willing seller for the potential acquisition of their seven parcels consisting of 305 acres. The acquisition of the 305 acre parcels could potentially use Federal Section 6 funding as well as Conservancy matching funds. Clearly there are many opportunities for invasive species removal and native species restoration projects in this area. Additionally the Stormwater area could host some projects that meet Prop 1 objectives, so future acquisition or restoration projects funded by Prop 1 are possible. Hence staff will continue its efforts in identifying willing sellers and using as much available funding as possible.

6.2 Executive Director Report.

Jim Karpiak reported that the environmental assessment (EA) review on the Trails Project is scheduled to be signed off this week by the US Fish and Wildlife Service, once the review is signed off the next steps are to obtain consent from some property owners (Coachella Valley Water District, CVCC, Bureau of Reclamation) and sign-off from CVCC in accordance with CVMSHCP requirements. Work would commence in the fall should the next steps move forward smoothly.

Jim also reported that the Assembly passed a \$3.1B Parks Bond which includes an appropriation of \$10M to the Conservancy. The bond is now before the Senate and if it passes, it will be on the November ballot.

6.3 Board Member comments and reports from Conservancy member agencies.

Susan Marie Weber thanked staff for the Shumway Tour/Workshop and said it was a great educational experience.

7.0 Adjourn to the September 12, 2016 meeting.

The meeting was adjourned without objection at 3:40 p.m.