

**COACHELLA VALLEY MOUNTAINS CONSERVANCY
REGULAR MEETING
73-710 Fred Waring Drive, Suite 115
Palm Desert, California
July 14, 2014 - 3:00 p.m.**

A P P R O V E D M I N U T E S

MEMBERS PRESENT:

Jean Benson, City of Palm Desert
Buford Crites, State Assembly Appointee – (*Chairman*)
Tom Davis, Agua Caliente Band of Cahuilla Indians
Arturo Delgado, U.S. Forest Service (Non-voting Member)
John Donnelly, Wildlife Conservation Board
Kristy Franklin, City of La Quinta
Eddy Konno, California Department of Fish and Wildlife
Chris Mills, City of Palm Springs
Allan Muth, University of California
Greg Pettis, City of Cathedral City
Eraina Ortega, California State Department of Finance
Mary Roche, City of Indian Wells
Joan Taylor, Governor's Appointee
Elle L. Trover, Senate Rules Committee Appointee
Ted Weill, City of Rancho Mirage – (*Vice-Chairman*)

MEMBERS ABSENT:

John J. Benoit, Riverside County Supervisor, District IV
Kathy Dice, California State Parks
John Kalish, Bureau of Land Management
Patrick Kemp, Natural Resources Agency
Scott Matas, City of Desert Hot Springs
Karin Messaros, National Park Service

STAFF PRESENT:

Jim Karpiak, Executive Director
Kerrie Godfrey, Associate Director/AGPA
Diana Rosas, Staff Services Analyst

OTHERS PRESENT:

Jim Foote, Bureau of Land Management
Britt Wilson, City of Rancho Mirage

1.0 Call to Order & Introductions

Chairman Crites declared a quorum with 14 voting members present at 3:00 p.m. Chairman Crites welcomed Arturo Delgado. Arturo introduced himself to the Board and said it was good to see everyone again.

2.0 Approval of Minutes of May 12, 2014 meeting

Chairman Crites asked if there were any additions or corrections to the minutes; Jim Karpiak pointed out that there was an error on page six referring to the spelling of the "Fringe-Toed Lizard", Chairman Crites moved to approve the minutes with the one correction.

3.0 Public Comments on Items Not on the Agenda

There were no public comments.

4.0 Closed Session

Commenced closed session at 3:04 p.m. and for the annual performance evaluation of the Executive Director. Adjourned closed session at 3:11 p.m. with no reportable action.

5.0 Action Items – Public Hearing

5.1 Adoption of Resolution 2014-11 approving a local assistance grant to the Friends of the Desert Mountains for acquisition of approximately 321.92 acres in the Dos Palmas Conservation Area.

Jim Karpiak reported that this grant of \$175,000 to the Friends is for the purchase of 322 acres in the Dos Palmas Conservation Area. It is a fairly pristine, vacant site surrounded by mostly undeveloped parcels. The property is adjacent to Bureau of Land Management land and across from other Friends land which makes for efficiency in management and good potential for future transfer. The property is clean, with a low price of \$520 an acre, so it is a good opportunity to preserve the continuous habitat corridor.

Allan Muth asked a question about a marked area on the map, which Jim described as the old shore line, and sand dunes and natural rock formations. No other questions or comments were made.

A motion was made and seconded (Trover/Muth) to adopt Resolution 2014-11 approving a local assistance grant to the Friends of the Desert Mountains for acquisition of approximately 321.92 acres in the Dos Palmas Conservation Area. The motion passed unanimously.

5.2 Adoption of Resolution 2014-12 approving a local assistance grant to the Friends of the Desert Mountains for acquisition of approximately 55.04 acres in the Desert Tortoise and Linkage Conservation Area.

Jim reported that this grant for \$20K also to the Friends is for the purchase of 55 acres in the Desert Tortoise Conservation Area. The property is adjacent to Joshua Tree National Park as well as Bureau of Land Management land and very close to other Friends land. It is core habitat for the Desert Tortoise and as well as migration habitat for riparian bird species. The purchase price per acre is

\$380, which provides an inexpensive opportunity to acquire vacant land in its natural state. Jim recommended approval.

Joan Taylor asked which nearby canyon in section 36 was reflected on the map in the agenda packet; Kerrie Godfrey responded that it was Fargo Canyon. There were no further questions or comments.

A motion was made and seconded (Taylor/Trover) to adopt Resolution 2014-12 approving a local assistance grant to the Friends of the Desert Mountains for acquisition of approximately 55.04 acres in the Desert Tortoise and Linkage Conservation Area. The motion passed unanimously.

5.3 Update on Conservancy Finances and Discussion of Policy on Use of Remaining Bond Funds.

Jim Karpiak reported on two issues that several Board members had raised: 1) how much bond money does the Conservancy have remaining? and 2) what are the prospects for new water bond funding?

Jim reported that the good news is that the Conservancy has approximately \$12M in remaining bond funds (this amount has already deducted grants approved by the Board that have yet to be disbursed, for example Shadowrock). If CVMC makes grants at the same rate it has in the last three years, the remaining funds should last another three years or a little longer. However, grant activity has been lower over that period, so it is very hard to predict future trends. For example, some large projects turned out to cost less than projected, e.g., Shadowrock will cost about \$800K, rather than the \$3M that the Board approved. Also, having a balance of assets in the State treasury is important because it provides leverage when doing negotiations with property owners and funders to know that the Conservancy is serious and able to move forward with acquisitions.

On the other hand, the bad news is that there is only \$12M remaining, and it is unknown when or if the Conservancy will receive additional funds. 2014 Water Bond prospects are very uncertain; the existing legislative bills contemplate 15 to 17 million for CVMC. If such a bond were passed by the voters, the Conservancy would receive funds in a couple of years, which is about the time the remaining bond funds will begin to run out.

There is however pressure from various sources to remove specific Conservancy line items from the bond, which would mean CVMC would need to compete for watershed conservation funds. Another possibility is that the legislature and the Governor will not agree on a new bond, in which case the 2009 water bond (with no allocation for CVMC) will remain on the ballot. If no new water bond is placed on this year's ballot, Jim contemplates spending more of his time looking into other long term funding opportunities such as federal funds, foundation funds, mitigation sources, mitigation bank, and/or private sector

funds in order to begin planning for future acquisitions. In any event, any water bond funding that the Conservancy receives will likely be less than in previous years (e.g., Proposition 84 provided \$36 M for CVMC).

In the meantime the Conservancy will continue to implement the acquisition guidelines which are a moderate course between saving money for big projects and buying land while it is still inexpensive. If no water bond funds will be forthcoming, staff proposed to be more conservative in making recommendations where there is not a significant threat of development before presenting a grant to the Board. For example, a project like the East Valley Canyon Protection Project (EVCPP) would have a lower priority because the threat for development is so low in those areas. Projects like Palm Hills, the second phase of Shadowrock and donut holes in the fringe-toed lizard habitat would always take higher priority given the important habitat in those locations.

Jim asked for the Board's direction or input on this strategy. Allan Muth said he thought it was a good strategy and commented that on one side the competition for funds as well as development risk needed to be weighed heavily; on the other side the value of the habitat had to be balanced. He offered his assistance and noted that any of the wildlife staff would be glad to help as well. No other comments or questions were made.

5.4 Update and Discussion of Recreational Trail Improvement Project.

Jim Karpiak gave an update on the trails project. Per the Board's direction, the exploration of the feasibility of various trails in the Northern Coachella Valley Trails Plan is underway. The five trails that are currently being analyzed are the Corkhill Road site, the Pushawalla Canyon, the Golf Center Road site in Indio, the Long Canyon, and the Fan Canyon. So far, staff has conducted initial real estate and entitlement due diligence and held discussions with potential partners who might help fund, or run volunteer and monitoring programs.

So far, all results have all been very positive. Staff from the Metropolitan Water District is supported because trails may reduce criminal activity, trespassing and OHV use on MWD lands. The Friends of the Desert Mountains (Friends) is also very interested in pursuing this project, especially since some of the potential trail head sites are on Friends land. Riverside County and City of Indio regulators have also been contacted for approval of entitlement plans, and have pledged support.

The largest step in obtaining entitlements will be environmental review, which should, based on the Herman's Hike trail project that was done several years ago, result in negative declarations/FONSI.

At this point the first two priorities appear to be the Corkhill and the Pushawalla Canyon sites, because they would be the easiest and least expensive: almost

no construction will be required, so the work will consist only of signage, minimal clean-up, and perhaps some grading of parking areas. The estimated cost for both trailheads is approximately \$100,000. The other three sites -- Indio Hills, Long Canyon, and Fan Canyon – have a few more issues but nothing really extensive. The City of Indio staff has showed interest in donating to the Friends the City's water district property as a means to jump start the City's trail plan.

The next step of this process is to retain a consultant who can look at the habitat impacts of the proposed trails after developing more precise trail routes. This will allow us to be sure that we can avoid significant habitat impacts before making a determination on the feasibility of any of these projects. A more formal proposal with budgets and schedules is expected to be presented to the Board by the end of the year.

Joan Taylor asked for clarification if the intent was to put in trailheads only. She noted that the sites with the exception of Corkhill Road already had trails and recalled that the Joshua Tree National Park previously did not want developed trails in upper Pushawalla. Jim responded that Park staff is now interested in Pushawalla Canyon as a pilot project for improving access to Park trail corridors. Joan stated that at the time the Parks did their general plan they did not want any natural trails. Jim said Park staff was thinking that an “unmaintained trail” would be acceptable. Joan asked if for the most part the environmental review would just be contemplating increased usage on an existing trail. Jim concurred.

Chairman Crites pointed out that the Corkhill Road site was near the Desert Hot Springs desert edge and that although it is not an existing trail it does get a fair amount of off road vehicle (ORV) use. Thus, it certainly has the potential benefit of people being around and discourages a lot of, or at least some of, the ORV uses. He also pointed out that there is no trail at all in that end of the valley. Eddy Konno stated that from the ORV use in that area there is a lot of existing roads that could be fashioned into trails. Jim said that is what he and John Purcell had in mind when they visited the property. Chairman Crites commented that this is was a wonderful project for the Conservancy to play a part in.

6.0 Reports

6.1 Written Reports from staff.

There was no discussion.

6.2 Executive Director Report

- Shadowrock project status – Jim Karpiak reported that the Shadowrock acquisition was scheduled to move forward with closing of escrow by the end of August. All of the contingencies towards funding have been met and everything seems to be in order for the request for disbursement of funds for the acquisition of the 353 acres. There is a potential for a second phase for a 24 acre adjacent parcel; the City of Palm Springs is no longer interested in buying at this time, but the

Friends of Palm Springs Mountains are continuing negotiations with the seller and want to put together private funds to purchase the property. Should the private sale not work out, another possibility would be the potential use of Section 6 Funds along with Conservancy funds. Chris Mills mentioned that the City was still working very hard on possibly participating in the second phase.

- Upcoming acquisitions – Jim Karpiak reported that another potential project is the Palm Hills site in Palm Springs. For several years there were attempts at getting a dialogue with the owners, who recently agreed to begin discussions. An appraisal is the next step. A portion of the site is on tribal land, so staff has also been in contact with Agua Caliente tribal staff about the potential for participation. At this point there are many steps to go through with the seller but it will be a very important habitat to acquire.

Chairman Crites pointed out that the property is the last major private landholding in this part of the mountains but that ¼ section near Royal Carrizo also owned by the family was not offered up as part of this deal. Jim concurred and noted that the proposed property acquisition consists of 2,800 acres. Allan Muth asked if the family indicated why they did not include the ¼ section as part of the deal and if the family had development plans in mind. Jim responded that he did not think the family had plans for development and that he was told that the ¼ section is owned by a different legal entity that was not looking to sell at this time. Chairman Crites stated that several years ago the plan was to develop the proposed Palm Hills area and the other pieces of the property were going to be used for mitigation.

- Office move update – Jim Karpiak reported that on Thursday the Conservancy would be moving to suite 112, within the same building. Board members and the public will be welcomed to visit the new office after the next board meeting.

6.3 Board Member comments and reports from Conservancy member agencies.

There were no comments or reports from any member or member agency.

7.0 **Adjourn to the September 8, 2014 meeting**

The meeting was adjourned without objection at 3:35 p.m.