Minutes of the Stewardship Council Board of Directors Meeting

June 27, 2012

The Board of Directors of the Pacific Forest and Watershed Lands Stewardship Council held a public session board meeting at the Sacramento Public Library, West Meeting Room, Sacramento, CA on June 27, 2012 beginning at 1:00 p.m.

The following Directors and/or Alternates were present:

Art Baggett, Jr.
Soapy Mulholland
Truman Burns
Robert Meacher
Chris Nota/Cindy Staszak
Nancee Murray
Todd Ferrara (for John Laird)
Paul Clanon
Mike Schonherr (for Randy Livingston)
Larry Myers

The following Directors were absent:

Dave Sutton
Dave Bischel
Richard Roos-Collins
Mark Rentz
John Laird
Karen Mills
David Muraki
Steve Larson
Randy Livingston

The following staff were also present: Allene Zanger, Executive Director; Ric Notini, Director of Land Conservation; Joel Wagner, Director of Finance; Heidi Krolick, Regional Land Conservation Manager; Mary Adelzadeh, Land Conservation Specialist; Toby Perry, Land Program Manager; Vanessa Parker-Geisman, Regional Land Conservation Manager; Chantz Joyce, Regional Land Conservation Manager; Robin Flynn, Executive Assistant and Pam Mayers, Administrative Coordinator.

Members of the public were also present.

SUMMARY OF ACTIONS AND RESOLUTIONS

Consent Agenda

1) Adoption of the minutes of the May 3, 2012 board of directors meeting.

2) Approval of the appointment of Randy Livingston as Board Development Committee Chair.

3) Approval of Watershed Planning Committee’s recommended amendments to Third Party Use Policy.

Fiduciary Committee Recommendations

The board approved the amendment to the Property Tax Neutrality Methodology Guidelines establishing a capitalization rate of 4%.
Watershed Planning Committee Recommendations

The board approved the following recommendations for conservation easement holders at Battle Creek planning unit:

a. Western Shasta Resource Conservation District as the prospective conservation easement holder over parcels 302, 304-314, 325-352, and 371-372.

b. Northern California Regional Land Trust as the prospective conservation easement holder over parcels 315-324, and 353-370.

MEETING SUMMARY

Stewardship Council President Art Baggett welcomed the board and public. He then reminded everyone that advance copies of the meeting agenda and other materials were posted to the Stewardship Council website in advance of the meeting to help facilitate public participation. Mr. Baggett called the meeting to order and asked the board and staff members to introduce themselves, noting that a quorum was present.

Mr. Baggett then asked if any board members had a conflict of interest, to which Robert Meacher of the Regional Council of Rural Counties (RCRC) cited a potential conflict with regard to the action on the property tax neutrality methodology guidelines.

Mr. Baggett gave a brief overview of the meeting agenda. He noted that the board meeting included several opportunities for public comments, and instructed members of the public to submit comment cards should they wish to address the board.

After noting that there were no public comments of a general nature, Mr. Baggett turned the board's attention to the Consent Agenda. He noted the three requested actions, and hearing no questions or objections, the board approved the Consent Agenda.

Mr. Baggett asked Truman Burns, chair of the Fiduciary Committee, to provide a committee report. Mr. Burns provided a brief overview of the committee's purpose, and, in Treasurer Lee Adam's absence, provided a financial update. Mr. Burns directed the board to the financial statements in their packets as he explained the expenses and investments numbers.

Soapy Mulholland asked for clarification with regard to the line item listed as land grants. Mr. Wagner explained that land grants included payments to conservation easement holders for transaction costs as well as other land conservation program grants. Ms. Mulholland recommended that staff provide more explanation of this line item in the future.

Following the update, Mr. Meacher left the room as Mr. Burns explained that the public was invited to comment on the proposed amendment to the Property Tax Neutrality Methodology Guidelines, but that no comments were received since the May 2, 2012 board meeting. He asked Mr. Wagner to present the amendment to the Property Tax Neutrality Methodology Guidelines proposed for board action.

After an opportunity for board discussion of the matter, Mr. Baggett asked for public comment, of which there was none.

The board approved the Property Tax Neutrality Methodology Guidelines with a capitalization rate of 4% after making the following determination due to the conflict of interest of the RCRC representatives to the board:
• The Stewardship Council will take the proposed Action for its own benefit,
• The proposed Action is fair and reasonable to the Stewardship Council, and
• After reasonable investigation, that the Stewardship Council could not have obtained a more advantageous arrangement with reasonable effort under the circumstances.

Mr. Meacher rejoined the meeting as Mike Schonherr, Chair of the Youth Investment Committee, provided an update to the board. Mr. Schonherr reviewed the oversight duties of the Youth Investment Committee now that Foundation for Youth Investment (FYI) is fully administering the Stewardship Council's grantmaking program. He stated that he and Truman had participated on an FYI advisory group that reviewed grant applications and recommended a set of grant awards to the FYI board.

The following is a list of the 2012 awards made by FYI to date:

- 2012 Catalyst Fund: $95,000
- 2012 Impact Fund: $250,000
- $191,000 awarded to Big City Mountaineers to manage the Outdoor Educators Institute
- $50,000 to Environmental Volunteers for the Outdoor Trips Fund

Mr. Baggett then asked Mr. Schonherr, Audit Committee member, to provide a report. Mike Schonherr, on behalf of David Rosen, Chair of the Audit Committee, reviewed the purpose of the committee and noted that the independent auditors had recently completed an audit of the Stewardship Council's financial statements, records, and internal controls. He noted that the Audit Committee approved the 2011 audit report and financial statements on May 15, 2012.

Ms. Mulholland said that she understood that audit fees could be significantly less if the audit were to take place after the month of June each year. Mr. Wagner said that he would check with the independent auditor and Audit Committee and explore that option.

Hearing no further discussion from the board, Mr. Baggett asked for public comment, of which there was none.

Mr. Baggett then turned the meeting to Ms. Mulholland, chair of the Watershed Planning Committee. Ms. Mulholland provided an overview of the committee's purpose and asked Heidi Krolick, Regional Land Conservation Manager, to present the action items for the board's consideration.

**Recommendations for Conservation Easement Holders at the Battle Creek Planning Unit:**

Ms. Krolick presented the recommendation by the Watershed Planning Committee as follows:

a. Western Shasta Resource Conservation District (WSRCD) as the prospective conservation easement holder over parcels 302, 304-314, 325-352, and 371-372.

b. Northern California Regional Land Trust (NCRLT) as the prospective conversation easement holder over parcels 315-324, and 353-370.
Ms. Krolick noted that a portion of the planning unit was recommended for fee title donation to CALFIRE, that PG&E would retain a portion of the planning unit, and that the fee title recommendation on six remaining parcels was deferred and would be brought to the board at a later date.

Ms. Krolick invited Ryan Teubert, Project Manager for the Western Shasta Resource Conservation District, to address the board. Mr. Teubert provided a brief background of his organization and thanked the board for considering the WSRCD as a conservation easement holder.

After providing the public and board members with an opportunity to ask questions or offer comments, and hearing none, Mr. Baggett requested action from the board to approve the recommendation as presented. Hearing no objections, the board approved the action.

Ms. Krolick then invited Jamison Watts, Executive Director of the Northern California Regional Land Trust, to address the board. Mr. Watts described his organization’s background and current activities, and thanked the board for considering the NCRLT as a conservation easement holder.

After providing the public and board members with an opportunity to ask questions or offer comments, and hearing none, Mr. Baggett requested action from the board to approve the recommendation as presented. Hearing no objections, the board approved the action.

Mr. Baggett then asked for any additional public comment, and John Moore addressed the board. Mr. Moore said that he was frustrated with the length of time it was taking for the Land Conservation Program to be completed mentioning specifically the amount of time required to finalize the conservation covenant, and to resolve the Federal Power Act issues regarding the donation of lands to the federal government.

Hearing no other reports, questions, or announcements, the meeting adjourned.

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Secretary, Randy Livingston