



# Upper Mokelumne River Watershed Authority

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## UMRWA Regular Governing Board Meeting

### **Agenda**

Friday, January 26, 2024 – 10:00 a.m.  
Pardee Center, Valley Springs, CA 95252

#### ROLL CALL

#### PLEDGE OF ALLEGIANCE

PUBLIC COMMENT: When responding to a matter not on the agenda, state law limits a Board member to providing a brief response, asking clarifying questions, and/or referring it to staff.

#### AUTHORITY BUSINESS:

#### Recommended Action

- |   |                            |
|---|----------------------------|
| 1. Board Meeting Minutes of October 6, 2023             | Approve by Motion          |
| 2. Treasurer's Report – 4th Quarter FY 2023             | Accept for Filing          |
| 3. FPP – Phase 1 Implementation Report                  | Approve by Motion          |
| 4. FPP – Phase 2 Planning Report                        | Approve by Motion          |
| 5. Special District Risk Management Authority Insurance | Approve by Motion          |
| 6. Biomass Management JPA Initiative                    | Discussion/Possible Action |
| 7. Legislative Issues Update                            | Discussion/Possible Action |

#### BOARD MEMBER COMMENTS:

8. Board Member Comments

#### EXECUTIVE OFFICER REPORT:

9. Executive Officer's Oral Report

#### ADJOURNMENT:

- Next Regular Board Meeting: 10:00 a.m. April 26, 2024, at Pardee Center, Valley Springs

*Requests for disability-related modification or accommodation, including auxiliary aids or services, may be made to Lorna Barfield at 209.772.8286 or [Lorna.Barfield@ebmud.com](mailto:Lorna.Barfield@ebmud.com) no later than 48 hours before the meeting.*



# Upper Mokelumne River Watershed Authority

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Agenda No: **1**

Meeting Date: January 26, 2024

Title:

Board Meeting Minutes of October 6, 2023

Recommended Action:

Approve the meeting minutes of October 6, 2023.

Summary:

The summary minutes of the October 6, 2023, meeting are included for Board review and approval.

**Summary Minutes**

**ROLL CALL**

Directors John Coleman, Chair, Terry Woodrow, Vice-Chair, Ed Gonzalez, Richard Farrington, Scott Ratterman, Brian Onetto, Richard Blood, Jack Garamendi were present. Also present were Executive Officer (EO) Richard Sykes, Authority Counsel Glenn Spitzer, Authority Secretary Lorna Barfield and 18 visitors.

**PUBLIC COMMENT**

None

**AUTHORITY BUSINESS**

**1. Regular Meeting Minutes of August 25, 2023.**

The summary minutes of the August 25, 2023, special meeting were provided to the Board for review.

**Motion 22-23** to approve the special meeting minutes of August 25, 2023, was made by Director Woodrow, seconded by Director Farrington and carried by voice vote: Yea 8 – Nay 0 – Abstain 0.

**2. Treasurer’s Report – Third Quarter FY 2023**

A copy of the Treasurer’s Report for the Third Quarter of Fiscal Year 2023, which ended June 30, 2023, was presented to the Board.

**Motion 23-23** to accept the Treasurer’s Report for filing was made by Director Farrington, seconded by Director Woodrow and carried by voice vote: Yea 8 – Nay 0 – Abstain 0.

**3. Forest Projects Plan - Phase 1 Implementation Project**

The Forest Projects Plan - Phase 1 Implementation Report presented an update on the Forest Resilience Bond (FRB), FPP - Phase 1 implementation efforts and concluded with a table titled ‘UMRWA Forest Project Grants’ which summarized grants awarded and grant applications planned or pending.

UMRWA’s implementation of Phase 1 will require an annual cash flow potentially approaching \$10M. With grant payments in some cases taking up to 90 days or longer, it will be necessary for UMRWA to arrange bridge financing or a line of credit (LOC) to timely pay treatment contractors. In September, UMRWA staff met with EBMUD’s Finance Director (UMRWA’s Controller) to ensure a LOC is in place when needed. As a potential alternative, UMRWA staff have been working on a Forest Resilience Bond (FRB) with Blue Forest Conservation, which would provide a zero interest LOC and may also be used to obtain and dedicate new funding from non-UMRWA beneficiaries of UMRWA’s forest health work, for example PG&E and other corporates (both currently in contracting discussions).

The EO provided the key provisions of a services and loan agreement with Blue Forest Conservation, including the loan repayment process, description of services offered, lines of credit to match approved grant funding and stated that a procedure will be put in place to discuss disbursement requests with the Board. The EO also explained how the beneficiaries will participate in the program and how Blue Forest is financially paid.

The Board asked for clarification regarding grant payment timelines, additional administrative costs of the FRB, lending capabilities of Blue Forest, and EBMUD loan percentage rate possibilities. The Board expressed appreciation for having two possible lending options to timely pay contractors.

#### 4. FPP - Phase 2 Planning Report

The landscape-level Phase 2 FPP initiative began in September 2022 and plans to address forest health issues on up to 225,000 acres of Stanislaus and Eldorado NF lands within and flanking the Upper Mokelumne watershed. This second phase of the FPP process will consider forestry activities not included in Phase 1 due to potentially more significant environmental impacts. Phase 2 planning is underway and the USFS/UMRWA team is meeting regularly. The Technical Advisory Group and stakeholder meetings have started and data collection and consolidation is in progress. A draft Purpose and Need statement has been completed and a modeling approach and consultant selection process is nearly concluded. The team is poised to perform landscape assessments and begin to develop project alternatives in early 2024.

In August 2022, UMRWA executed its original contract with Stantec (at that time Cardno, Inc.) with the intention of using this firm for Phase 2 project management and environmental documentation as funding became available. The initial agreement was funded for \$50,000. Amendment 1 was executed in January 2023 for an additional \$125,000 funded by UMRWA (\$50,000) and SNC's RFFCP (\$75,000). Amendment 2 would add \$400,000 to the agreement using funding from the recently executed Cal Fire grant. This will allow the project to proceed into 2024 and accomplish key milestones including completing the Notice of Intent, selecting and contracting with a modeling consultant and initiating landscape assessments, continuing Technical Advisory Group and stakeholder meetings, and other tasks identified in the Stantec scope of work. Staff is pursuing several paths to obtain the additional funds needed to complete Phase 2 planning, estimated to be in the range of \$1.5 million.

The Executive Officer explained that the modeling data will show areas needing prioritized action, will reassess fire risk after treatment work is complete and will regularly be updated to evaluate protection of forests and communities.

The Executive Officer explained that the modeling data will show areas needing prioritized action, will reassess fire risk after treatment work is complete and will regularly be updated to evaluate protection of forests and communities.

**Motion 24-23** to authorize the Executive Officer to execute Amendment 2 to the agreement with Stantec for Phase 2 planning to increase the authorized agreement cost ceiling by \$400,000 from \$175,000 to \$575,000 was made by Director Woodrow seconded by Director Farrington and carried by voice vote: Yea 8 – Nay 0 – Abstain 0.

#### 4. Biomass Management JPA Presentation

Christiana Darlington, CLERE Inc. presented the Board with an update regarding the California Forest Residual Aggregation for Market Enhancement (Cal FRAME) Pilot Study to consider the development of joint powers authorities (JPAs) to increase the utilization of biomass and improve the economics of forest health work in the Sierra Nevada.

The Board discussed the biomass energy industry, long term feedstock contracts, the biomass brokering market and questioned the need for a JPA. Christiana gave further explanation that a JPA is in financial position to meet the volume of larger projects and would be very narrowly focused to bring biomass out of the forest.

Michael Minkler from Calaveras County Water District gave credit to UMRWA for being recognized by CLERE Inc. as a potential JPA member and agreed on the key issues that are holding up biomass reduction. Other sources of revenue are needed, and if a JPA is the best way to provide this service he feels it is worth exploring.

The Board was supportive of the concept and gave direction to continue discussions and gather more details. Michael Minkler who expressed interest and has experience with these issues along with Director Oneto have agreed to be part of the process to investigate further with the Executive Office.

### **Legislative Issues Update:**

The EO provided information regarding several state bills of interest to UMRWA including AB 338 which would make specified forest health work subject to California prevailing wage law, potentially resulting in a substantial increase in cost for this type of work. At its April 28 meeting, the UMRWA board voted to oppose this bill and an opposition letter was sent to the author on May 8, 2023. On September 20, 2023, the bill was enrolled and sent to the governor for signature. If enacted the bill would become law on January 1, 2025, with a one-year delay for non-profits.

Also discussed were several bond bills that would provide forest health and infrastructure funding which would benefit UMRWA and its member agencies. None of these bills appear to have made progress since the July UMRWA board meeting. All remain in committee with hearings postponed and no action in the past two months.

**Motion 25-23** directing the EO to submit a letter on behalf of UMRWA requesting the Governor veto AB 338, was made by Director Farrington, seconded by Director Garamendi and carried by roll call vote: Yea 8 – Nay 0 – Abstain 0.

### **Board Member Comments:**

The Board thanked the Executive Officer and Christiana Darlington for the information presented.

### **Executive Officer Comments:**

None

**ADJOURNMENT:** Director Coleman adjourned the meeting at 11:26 a.m. The next regular meeting will be held on January 26, 2024, at Pardee Center.

### **SUBMITTED BY:**

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Lorna Barfield, Authority Secretary

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John Coleman, Chair of the Board  
APPROVED: January 26, 2024



# Upper Mokelumne River Watershed Authority

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Agenda No: **2**

Meeting Date: January 26, 2024

Title:

Treasurer's Report – 4th Quarter FY 2023

Recommended Actions:

Accept for filing.

Summary:

A copy of the Treasurer's Report for the Fourth Quarter of fiscal year 2023, which ended September 30, 2023, is included here and will be presented at the Board meeting.

The Fourth Quarter Treasurer's Report shows the Member Funded budget to be overspent at year's end by \$15,993 (3.6%). Offsetting this overage were two unbudgeted revenues; interest earnings (\$1,863), and indirect fees collected with grant payments received throughout the year (\$59,065). The net positive \$44,935 is reflected in the updated FY 2024 Operating Reserves balance (\$361,027).

**UPPER MOKELUMNE RIVER WATERSHED AUTHORITY  
TREASURER'S REPORT  
STATEMENT FOR THE PERIOD ENDING SEPTEMBER 30, 2023**

<i>Fiscal Year 2023 (beginning Oct. 1, 2022)</i>	Assessment, Grants & USFS	Budget FY 2023	Actual		
			Current Quarter	YTD	YTD %
<b><i>General Assessments &amp; Operating Revenue</i></b>					
Amador Agencies Funding	39,537	39,537	-	39,537	100%
Calaveras Agencies Funding	46,035	46,035	-	46,035	100%
EBMUD Funding	86,122	86,122	-	86,122	100%
Member Agencies Contribution	171,694	171,694	-	171,694	100%
Prior Year Unspent/Carry forward	182,150	182,150	-	-	0%
Applied Indirect Fee Revenues	15,000	15,000	-	-	0%
Interest/Misc income	-	-	1,077	1,863	
Applied Operating Reserve (Adjusted Bal. \$428,217)	66,806	66,806	-	-	0%
Misc Revenue	263,956	263,956	1,077	1,863	1%
<b>Total Assessments &amp; Operations Funding</b>	<b>435,650</b>	<b>435,650</b>	<b>1,077</b>	<b>173,557</b>	<b>40%</b>
<b><i>IRWM Grant Funding</i></b>					
CCWD - West Point WTP (Prop 1)	390,129	390,129	77,067	104,906	27%
CPUD - Jeff Davis WTP	TBD	TBD	-	-	
<b><i>Forestry/Watershed Funding</i></b>					
Sierra Nevada Conservancy - Forest Projects Plan (#1280)	16,239	16,239	20,000	34,616	213%
Sierra Nevada Conservancy - RFFCP (#969)	178,017	178,017	33,121	134,954	76%
CalFire Grant (8GG21607)	4,999,967	4,999,967	241,199	423,258	8%
CalFire Grant #2 (8GG22614)	6,999,934	6,999,934	-	-	0%
Wildlife Conservation Board	627,317	627,317	97,447	133,437	21%
<b>Total Grants and Other Funding</b>	<b>13,211,603</b>	<b>13,211,603</b>	<b>468,834</b>	<b>831,171</b>	<b>6%</b>
<b>TOTAL REVENUES &amp; FUNDING</b>	<b>13,647,253</b>	<b>13,647,253</b>	<b>469,911</b>	<b>1,004,728</b>	<b>7%</b>
<b>ASSESSMENT EXPENDITURES</b>					
<b>General Assessment (Administration)</b>					
Executive Officer		50,000	25,517	63,769	128%
Administrative Officer		50,000	27,324	77,004	154%
Document Storage & Sharing System (Woodard & Curran) (w/\$8,000 carry forward)		19,000	17,708	23,418	123%
Streamline Website		1,000	-	1,080	108%
<b>General Assessment (Operations)</b>					
MLLT - STE Watershed Program CY 2022/23 (w/\$7,769 carry forward)		24,269	-	16,283	67%
Inter-agency Liaison & Board Support (LEI, Inc)		5,000	3,219	5,058	101%
Forest-related Grant Applications/Project Development (LEI, Inc)		50,000	45,122	75,090	150%
Phase 1 FPP Completion (LEI, Inc) (w/\$10,000 carry forward)		20,000	-	-	0%
FPP-1 Implementation Plan (LEI, Inc)		20,000	410	410	2%
Forest Projects Plan - Phase 2 Support (Regine/LEI)		15,000	18,768	23,852	159%
Forest Projects Plan - Phase 2 (Stantec/Cardno) (w/\$44,959 carry forward)		169,959	119,225	165,679	97%
IRWM Grant Application/Project Development		3,582	-	-	0%
DWR Grant Support (Woodard & Curran)		7,840	-	-	0%
<b>TOTAL ASSESSMENT EXPENDITURES</b>		<b>435,650</b>	<b>257,293</b>	<b>451,643</b>	<b>104%</b>
<b>GRANT and FORESTRY/WATERSHED FUNDING EXPENDITURES</b>					
<b>DWR Prop 1 Implementation Grant</b>					
CCWD - West Point WTP		TBD	72,390	154,736	
Woodard & Curran - invoicing & reporting		14,869	2,451	7,281	49%
WRA - agreement administration		4,000	-	-	0%
<b>DWR Prop 1 Grant - Round 2</b>					
CPUD - Jeff Davis WTP		TBD	-	-	
Woodard & Curran - invoicing & reporting		17,160	-	-	0%
WRA - agreement administration		TBD	-	-	
<b>SNC - RFFCP</b>					
Landmark Environmental Inc.		107,674	22,679	105,622	98%
InContext (RFP 22-01)		52,541	45,000	(32,978)	-63%
Insert L. Lucke (ACCG Support)		2,000	3,684	3,684	184%
<b>WCB - Aspen Restoration Project</b>					
Landmark Environmental Inc.		252,401	7,057	21,358	8%
Institute For Bird Populations		221,099	90,295	102,278	46%
Reserved for technical field work		139,500	-	-	0%
<b>SNC - Forest Projects Plan</b>					
Landmark Environmental Inc.		16,239	-	30,187	186%
<b>CalFire Grant (Hwy 88 Project)</b>					
Landmark Environmental Inc.		4,841,685	115,519	175,627	4%
InContext		107,338	-	107,338	100%
Pyramid Botanical		50,944	50,944	50,944	100%
Reserved for Contractors		TBD	-	-	
<b>TOTAL GRANT EXPENDITURES</b>		<b>5,827,450</b>	<b>410,019</b>	<b>726,077</b>	<b>12%</b>
<b>Total Project Expenses</b>		<b>6,263,100</b>	<b>667,312</b>	<b>1,177,720</b>	<b>19%</b>



# Upper Mokelumne River Watershed Authority

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Agenda No: **3**

Meeting Date: January 26, 2024

Title:

Forest Projects Plan – Phase 1 Implementation Report

Recommendations:

- (1) Approve Loan and Services Agreement with Blue Forest
- (2) Approve Consulting Services Agreement with Pyramid Botanical Consulting to provide botanical services for FPP-1 Arbor project with a not-to-exceed fee of \$60,000.
- (3) Authorize staff to initiate RFQ processes for Botanical and Archeological Services as needed to advance UMRWA's next-in-line FPP-1 treatment projects.
- (4) Authorize staff to initiate the RFP process for Forest Contractors to perform Arbor Project and Birch Project fuel reduction treatments.
- (5) Approve Resolution 2024–01 for Cal Fire Forest Health Grant application.

Summary:

This Forest Projects Report – Phase 1 (FPP-1) Implementation Report presents updates and recommendations on the Blue Forest – Forest Resilience Bond loan agreement, and on FPP - Phase 1 implementation activities scheduled for 2024. The report concludes with a table titled 'UMRWA Forest Project Grants' which summarizes awarded forest project grants and pending applications.

FPP-1 Financing Elements:

The FPP-1 Funding Strategy presented to the Board on July 28 assumes all funding applied by UMRWA to FPP-1 implementation costs are from non-repayable sources (largely non-repayable state or federal grant funds). However, with annual cash flow requirements in some years potentially exceeding \$10M, and with grant payments in some cases taking up to 90 days or longer, UMRWA will require bridge financing (short-duration loan and/or a line of credit) to ensure UMRWA has sufficient cash on hand to timely pay treatment contractors. Over recent months staff has worked with Blue Forest and EBMUD to formulate two tentative sources of bridge financing for UMRWA's forest project work.

*Blue Forest Loan and Services Agreement.* The Forest Resilience Bond (FRB) includes a feature that allows the FRB to extend a line of credit to UMRWA. The associated financial instrument is the recommended Loan and Services (L&S) Agreement between UMRWA and Upper Mokelumne I FRB LLC. This Agreement is set to expire on December 15, 2028, with extensions possible. The maximum loan amount under the proposed interest-free loan agreement is \$4M. UMRWA pledges to repay loans from Cal Fire grant proceeds (with other future grants potentially subsequently pledged).

The UMRWA FRB is a wholly owned LLC subsidiary of Blue Forest Finance Inc., a 501(c)(3) nonprofit. The Upper Mokelumne I FRB LLC serves as the dedicated business entity for a small number of key agreements related to the Upper Mokelumne Forest Resilience Bond. As a dedicated business entity, the Upper Mokelumne I FRB LLC holds those agreements separate from other agreements (such as agreements related to other FRBs, or related to other Blue Forest or UMRWA activities), which serves to reduce risk and produce clarity



about sources and uses of cash flow. The recommended L&S Agreement between the FRB and UMRWA is one of those key agreements. The others are expected to be:

- A grant agreement between the FRB and UMRWA
- Payment agreements between certain beneficiaries (PG&E, Pepsi, and any others who join) and the FRB, and
- A loan agreement between the FRB and other potential investors.

\* A copy of the recommended Loan and Services Agreement with Blue Forest is included in the Supplemental Materials packet.

### *EBMUD Line of Credit:*

UMRWA Staff continue to work with EBMUD on an additional line of credit that would be used to supplement the Blue Forest LOC if needed. Agreement language has not yet been drafted but is expected by the April UMRWA Board Meeting.

### 2024 Implementation Activities:

With a second Cal Fire grant recently secured (\$6.4M for Phase 1 – Arbor treatments) and an SNC grant scheduled for award in March (with an additional \$4.8M for Phase 1 - Birch treatments) staff is proceeding with various tasks to initiate these next two implementation projects. [As an aside, Arbor and Birch are the first two projects using an alpha-based project naming convention that is now being applied to UMRWA forest implementation projects]. The primary activities necessary to advance the Arbor and Birch FPP -1 implementation projects are summarized below.

Before any forest treatment work may begin, the forest lands slated for treatment must first be surveyed and/or flagged to protect archeological and cultural resources, and certain botanical species per NEPA and CEQA mitigation measures. These protection measures must be carried out by qualified professionals. To fulfill these measures UMRWA requires the services of qualified professionals.

*Botanical Services* – For botanical services associated solely with Arbor, a consulting services agreement with Pyramid Botanical Consultants is recommended for Board approval today. Because UMRWA recently administered a Request for Proposals process (completed in April 2023) by which Pyramid was selected to provide services on the Highway 88 project, a new solicitation process is not required for Arbor. With Pyramid having completed the contracted Highway 88 project work on time, within budget, and to the satisfaction of UMRWA and Eldorado NF staff, Pyramid is recommended to provide botanical services for Arbor. A copy of the recommended Pyramid consulting services agreement is included in the Supplemental Materials packet.

For botanical services required for subsequent UMRWA forest projects Birch, Cedar, and Dogwood, a Request for Qualifications process is proposed. The preliminary schedule for completing a Request for Qualifications process for botanical services calls for RFQ issuance Feb. 7, with Board approval on April 26 of a ranked list of best qualified botanical consulting firms. These firms will then be approved for use on these future projects subject to specific scopes of work as requested consistent with approved grant budgets.

*Archaeological Services* – For archeological services associated with Arbor, Birch and Cedar, a Request for Qualifications process is also recommended. The schedule for completing a Request for Qualifications process for archeological services is expected to follow the same botanical services schedule described above.

*Forest Treatment Contractors* - To secure contracts with qualified contractors to perform Arbor and Birch fuel reduction services beginning in 2024 a Request for Proposals process is planned to begin in April and conclude with the Board award of contracts at the July 26 meeting.

For reference, the table below displays the series of planned FPP-1 implementation projects and their initiation seasons, the associated sources of funding and grant expiration dates, and number of acres to be treated.

	Hwy. 88	Arbor	Birch	Cedar	Dogwood	Evergreen	Fir
<b>Season</b>	2023	2024	2024	2025	2025	2026	2026
<b>Grant Expires</b>	March 2026	March 2029	January 2028	TBD	March 2030	TBD	TBD
<b>Source (Amount)</b>	Cal Fire (\$5M)	Cal Fire (\$6.4M)	SNC (\$4.8M) *	WCB (\$6.8M) *	Cal Fire (\$7M) *	TBD	TBD
<b>Acres</b>	2,255	3,133	1,952	2,220 +/-	2,165 +/-	TBD	TBD

\* Award pending or application submitted

Grants Awarded and Applications Pending:

The status of UMRWA’s forest-related grant procurement efforts (for both implementation and planning/environmental compliance projects) is shown in the table below. Over the past 3 years, the Authority has been awarded five grants totaling \$13,204,311 in forest project funding. Presently, UMRWA has 5 active grant applications in varying stages of progress seeking a total of \$20,306,480 in additional grant funding. These are summarized below.

**UMRWA FOREST PROJECT GRANTS**

Completed	Approved/Ongoing	Pending
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Grant	By	Amount	Tasks/Deliverables	Key Dates
Forest & Watershed Health (# 1280)	SNC	\$200,000 (13% indirect)	- FPP Phase 1 Plan - NEPA/CEQA documentation	Execute: 6/22/21 Completed: 4/1/23
WIP Capacity Program – Early Action (# 969-RFFCP)	SNC	\$354,944 (10% indirect)	- NEPA documents - ACCG consultation/Tribal - Decision Memo	Executed: 5/23/22 Complete: 12/1/24
WCB – Prop 68 (# WC-2262CR)	WCB	\$649,400 (5.6% indirect)	- Aspen inventory - Prioritization/design plan - Environmental compliance	Executed: 6/10/22 Complete: 3/31/25
Forest Health Program (Greenhouse Gas Reduction Fund)	Cal Fire	\$4,999,967 (10% indirect)	- NEPA/CEQA clearance - Hwy 88 Project fuel treatments >2,255 acres	Executed: 7/25/22 Complete: 3/31/26
Forest Health Program (GGRF)	Cal Fire	\$7,000,000 (10% indirect)	- Arbor Project fuel treatments >3,133 acres	Executed: 8/30/23 Complete: 3/30/29
WIP Capacity Program (RFFCP)	SNC	\$180,000	- ACCG & Tribal outreach - Monitoring	Full Ap: August 2023 Award: March 2024
Wildfire Recovery & Forest Resilience (Planning)	SNC (#1646)	\$700,000	- Develop FPP Phase 2 Plan - NEPA/CEQA documentation	Full Ap: 9/29/23 Award: Spring 2024

Wildfire Recovery & Forest Resilience <i>(Implementation)</i>	SNC (#1636)	\$4,876,480 (12% indirect)	- Birch Project fuel treatments on 1,952 acres	Full Ap: 9/29/23 Award: Spring 2024
Forest Health Program (GGRF) <i>(Implementation)</i>	Cal Fire	\$7,000,000	- Dogwood Project fuel treatments on +/- 2,500 acres	Full Ap: 1/15/24 Award: Spring 2024
Forest Health Research Grant <i>(Planning)</i>	Cal Fire	\$750,000	- Wildfire and forest research related to modeling, experimental treatment options, technology testing.	Concept: 1/31/2024 Full Ap: 4/17/24 Award: May 2024
WCB – Prop 68 (#2) <i>(Implementation)</i>	WCB	\$6,800,000	- Cedar Project fuel treatments on +/- 2,220 acres	Full Ap: 2/15/24 Award: Mid 2024

Resolution 2024-01 is required for UMRWA to apply to the Cal Fire Forest Health Grant Program. Approval of this resolution is recommended by staff to ensure access to this important source of funding. The Cal Fire grant application for Phase 1 Dogwood was submitted on January 12, 2024. The project area includes acreage adjacent to the Phase 1 acreage for which the USFS has completed NEPA, but CEQA has not yet been completed. UMRWA will process a notice of exemption (NOE) for this work consistent with the provisions of SB 901 (Dodd) which allows for an NOE to comply with CEQA for selected forest health activities if the provisions of NEPA have been satisfied. Staff will report to the board on the NOE at the April UMRWA board meeting.

**UPPER MOKELUMNE RIVER WATERSHED AUTHORITY**

**RESOLUTION 2024-01**

**RESOLUTION OF THE BOARD OF DIRECTORS**

**FOR FUNDING FROM THE FOREST HEALTH GRANT PROGRAM AS PROVIDED THROUGH  
CALIFORNIA CLIMATE INVESTMENTS**

WHEREAS, the Governor of the State of California in cooperation with the California State Legislature has enacted State of California Greenhouse Gas Reduction Funding, which provides funds to the State of California and its political subdivisions for Forest Health programs; and

WHEREAS, the State Department of Forestry and Fire Protection has been delegated the responsibility for the administration of the program within the State, setting up necessary procedures governing application by local agencies and non-profit organizations under the program, and

WHEREAS, said procedures established by the State Department of Forestry and Fire Protection require the applicant to certify by resolution the approval of application before submission of said application to the State; and

WHEREAS, the applicant will enter into an agreement with the State of California to carry out a Forest Health project.

NOW, THEREFORE, BE IT RESOLVED that the Upper Mokelumne River Watershed Authority (UMRWA) Board of Directors:

1. Approves the filing of an application for Forest Health grant program funds; and
2. Certifies that applicant UMRWA has sufficient funds to operate and maintain the project; and,
3. Certifies that funds under the jurisdiction of this Board of Directors are available to begin the project, and
4. Certifies that said applicant will expend grant funds by or before 2029, and
5. Appoints the UMRWA Executive Officer, or his designee, as agent of the UMRWA Board of Directors to conduct all negotiations, execute and submit all documents including, but not limited to applications, agreements, amendments, payment requests and so on, which may be necessary for the completion of the aforementioned project.

Approved and adopted by unanimous vote this 26th day of January 2024.

\_\_\_\_\_  
John Coleman, Board Chairperson

Attest:

\_\_\_\_\_  
Lorna Barfield, Authority Secretary



# Upper Mokelumne River Watershed Authority

Agenda No: 4

Meeting Date: January 26, 2024

Title:

Forest Projects Plan – Phase 2 Planning Report

Recommendations:

- 1) Approve Resolution 2024–02 for Cal Fire Forest Health Research Grant application.
- 2) Approve Consulting Services Agreement with Megan Layhee.

Summary:

UMRWA’s FPP-2 planning initiative is now fully underway. This 250,000 +/- acre landscape-level planning and environmental compliance program, which spans Stanislaus and Eldorado NF lands within and flanking the Upper Mokelumne watershed, was initiated in September 2022. Over the past four months key program elements have been refined and funding secured to facilitate significant advancements in 2024 on all phases of the planning process. Summarized below are key program phases and the status of each.

Plan Development:

Phase 2 planning is underway and the UMRWA/USFS team is meeting regularly. The Technical Advisory Group and Stakeholder Group meetings have started, data collection and consolidation is in progress, the modeling consultant has been retained and the modeling team is now working on preliminary analyses. The team is poised to perform landscape assessments and begin to develop project alternatives in early 2024.

Organization:

The FPP-2 planning effort is organized into several groups and teams, each with defined roles and expected contributions. These are displayed in the table below.

<b>Group</b>	<b>Members</b>	<b>Purpose and Role</b>
Core Group	UMRWA and Stantec Leads	- Directs and implements day-to-day actions on the project (meets weekly)
Partnership Team	Core Group and USFS Leadership	- Core Group provides monthly high-level updates to Partnership Team, key decision making body - USFS provides official decisions and guidance
Interdisciplinary (ID) Team	Core Group and USFS Technical Experts	- Works through technical details related to project planning and NEPA process (meets monthly)
Modeling Working Group	Core Team, SIG, PSW, USFS	- Provide reports and technical updates to the ID Team

Technical Advisory Group (TAG)	Selected technical experts	- Provides strategic/scientific input to Partnership and ID Teams (meets quarterly)
Stakeholder Group	Interested stakeholders	- Receives information from Core Team - Provides feedback, comments, and suggestions (meets quarterly)

In addition to the groups and activities above, UMRWA has been very engaged with the Amador Calaveras Consensus Group on Phase 2. This includes routine briefings at nearly every ACCG general membership meeting and focused discussion and recommendations on selected topics with the ACCG Planning and Monitoring Work Groups and new Ad Hoc groups specifically providing input on Phase 2 issues.

Funding and Schedule:

In August 2022, UMRWA executed its original \$50,000 contract with Stantec (at that time Cardno, Inc.) with the intention of using this firm for Phase 2 project management and environmental documentation as funding became available. Subsequently, two amendments to the Stantec agreement were approved that added \$525,000 and additional program tasks to the Stantec Scope of Work. Project funding sources include SNC and Cal Fire grants, along with UMRWA contributions. As a result, the FPP – Phase 2 project in 2024 will accomplish key milestones including completing the Notice of Intent, contracting with a modeling consultant, initiating landscape assessments, continuing Technical Advisory Group and stakeholder meetings, and other tasks articulated in the Stantec Scope of Work.

Staff is pursuing several paths to obtain the additional funds needed by 2025 to complete Phase 2. Staff has received word SNC staff is recommending award of a \$646,000 grant at the March 7/8 SNC Board meeting. With that SNC award in hand, the remaining unfunded amount needed to complete the Phase 2 program is estimated to be in the range of \$1 million.

Additionally, staff is evaluating potential applications to Cal Fire’s Forest Health Research Program (FHRP). This program was established as part of Cal Fire’s plan for implementing the California Forest Carbon Plan. One research focus is Wildfire and Forest Research. Eligible projects must include original research and focus on California lands that are relevant to the goals and objectives outlined in the California Wildfire and Forest Resilience Action Plan or other large-scale forest, fire or ecosystem management planning documents for areas within the state. The FPP – Phase 2 initiative is viewed as a good candidate for research funding. The FHRP intends to award a minimum of \$4,500,000 with the maximum allowable award of \$750,000. Concept proposals are due January 31. UMRWA and the ACCG Monitoring Work Group are working on the concept proposal which will focus on the development and implementation of a monitoring program for the FPP.

Staffing:

From its inception in mid-2022 the Authority’s FPP – Phase 2 planning program has been managed by the Executive Officer with periodic support by several Landmark Environmental forestry team members. With the FPP-2 effort now fully underway additional dedicated support is required. It is recommended the Board approve a Consulting Services Agreement with Megan Layhee with a total initial fee of \$26,000. Ms. Layhee’s fees will initially be paid from Cal Fire grant #2 funds. The specific tasks Ms. Layhee will perform include providing day-to-day consultant oversight, liaison to ACCG, participating in various Group and Team meetings, and providing technical/GIS support. The Cal Fire #2 grant will be the funding source for this agreement.

\* A copy of the recommended Megan Layhee consulting services agreement is included in the Supplemental Materials packet.

**UPPER MOKELUMNE RIVER WATERSHED AUTHORITY**

**RESOLUTION 2024-02**

**RESOLUTION OF THE BOARD OF DIRECTORS  
FOR FUNDING FROM THE FOREST HEALTH RESEARCH GRANT PROGRAM AS PROVIDED  
THROUGH CALIFORNIA CLIMATE INVESTMENTS**

WHEREAS, the Governor of the State of California in cooperation with the California State Legislature has enacted State of California Greenhouse Gas Reduction Funding, which provides funds to the State of California and its political subdivisions for Forest Health programs; and

WHEREAS, the State Department of Forestry and Fire Protection has been delegated the responsibility for the administration of the program within the State, setting up necessary procedures governing application by local agencies and non-profit organizations under the program, and

WHEREAS, said procedures established by the State Department of Forestry and Fire Protection require the applicant to certify by resolution the approval of application before submission of said application to the State; and

WHEREAS, the applicant will enter into an agreement with the State of California to carry out a Forest Health project.

NOW, THEREFORE, BE IT RESOLVED that the Upper Mokelumne River Watershed Authority (UMRWA) Board of Directors:

1. Approves the filing of an application for Forest Health grant program funds; and
2. Certifies that applicant UMRWA has sufficient funds to operate and maintain the project; and
3. Certifies that funds under the jurisdiction of this Board of Directors are available to begin the project, and
4. Certifies that said applicant will expend grant funds by or before 2029, and
5. Appoints the UMRWA Executive Officer, or his designee, as agent of the UMRWA Board of Directors to conduct all negotiations, execute and submit all documents including, but not limited to applications, agreements, amendments, payment requests and so on, which may be necessary for the completion of the aforementioned project.

Approved and adopted by unanimous vote this 26th day of January 2024.

\_\_\_\_\_  
John Coleman, Board Chairperson

Attest:

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Lorna Barfield, Authority Secretary





# Upper Mokelumne River Watershed Authority

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Agenda No: 5

Meeting Date: January 26, 2024

Title:

Special District Risk Management Authority Insurance

Recommended Actions:

- 1) Adopt Resolution No. 2024-03 approving, and authorizing execution of, the Sixth Amended SDRMA Joint Powers Agreement, and authorizing UMRWA's participation in the SDRMA Property/Liability Program.
- 2) Authorize submittal of the California Special Districts Association (CSDA) Membership Application with the \$1,281 annual membership dues payment.

Summary:

The expanded pace and scale of the Authority's forest treatments program has made it prudent for UMRWA to acquire general liability insurance. With the assistance of Authority Counsel and Amador County's Risk Manager, staff has searched potential general liability insurance options available to provide that coverage. As presented below, it is recommended UMRWA secure general liability insurance through the California Special District's Risk Management Authority (SDRMA).

Discussion:

SDRMA is a public agency formed in 1986. It offers property and general liability programs (among others) for special districts and other California public agencies. (Jackson Valley Irrigation District is a participating member). It has been recognized by several accreditation organizations for employing industry best management practices and complying with AGRIP (Association of Governmental Risk Pools) Advisory Standards. SDRMA undergoes an annual financial audit and an annual actuarial review to assist with rate setting to maintain pool stability. It is governed by a seven-member elected (from its membership) Board of Directors.

The SDRMA Property/Liability Program that is recommended for UMRWA includes the following coverages. The annual premium for coverage limits and deductibles listed on the next page is \$4,802.

*General Liability:* Coverage for Third-Party claims and losses arising from members' operational exposures for Bodily Injury and Property Damage. Coverage is provided for such exposures as: Recreational Activities; Premises Liability; and Operational Breaches. Coverage included for Boards, employees and volunteers.

*Auto Liability:* Coverage protects members from lawsuits for bodily injury and property damage to the public arising out of ownership, maintenance or use of a covered vehicle. Coverage includes owned vehicles, non-owned and hired vehicles and uninsured and underinsured motorists.

*Auto Physical Damage:* Comprehensive and collision damage coverage provides protection for damage or loss to a member's owned vehicle. Provides coverage for repair or

replacement for like kind, type and condition based on actual cash value. Comprehensive coverage includes fire, theft, vandalism, windstorm, hail, flood, glass breakage, damage caused by riot or civil commotion and damage from hitting or being hit by birds and animals. Collision coverage includes damage caused by colliding with another vehicle or object.

*Public Officials and Employees Errors and Omissions:* Coverage for public officials and directors “wrongful acts”, alleged or actual negligence, errors or omissions, breach of duty, misfeasance, malfeasance, non-feasance and defamation.

*Elected Officials Personal Liability:* This specialized coverage protects elected and/or appointed officials from claims and settlements arising outside the course and scope of their duties. Coverage includes invasion of privacy, libel, slander, defamation of character, discrimination, false arrest and malicious protection.

*Employee and Public Officials Dishonesty:* Coverage protection for member losses resulting from fraudulent or dishonest acts committed by employees, volunteers or board members. Coverage includes larceny, theft, embezzlement, forgery and wrongful misappropriation.

Coverage Limits and Deductibles:

	<b>Deductible (\$)</b>	<b>Limit (\$)</b>
<b>General Liability</b>		
Bodily Injury	0	5,000,000
Property Damage	500	5,000,000
Public Officials Personal	500	500,000
Employee/Public Officials E & O	0	5,000,000
Employee/Public Officials Dishonesty (Crime)	0	1,000,000
<b>Auto Liability (includes non-owned auto)</b>		
Auto Bodily Injury	0	5,000,000
Auto Property Damage	1,000	5,000,000
Non-Owned Auto Bodily Injury	0	5,000,000
Non-Owned Auto Property Damage	1,000	5,000,000
Uninsured Motorist	0	1,000,000

SDRMA Requirements:

To secure Property/Liability insurance coverage from SDRMA, UMRWA membership in the California Special Districts Association (CSDA) for a minimum three years is required. Additionally, UMRWA must submit certain applications and other membership documents to SDRMA. Board Resolution 2024-03 authorizing completion, execution and submittal of these required documents is recommended for Board approval today.

**UPPER MOKELUMNE RIVER WATERSHED AUTHORITY**

**RESOLUTION 2024-03**

**RESOLUTION OF THE BOARD OF DIRECTORS**

**APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF THE SIXTH AMENDED JOINT POWERS AGREEMENT AND AUTHORIZING PARTICIPATION IN THE SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY PROPERTY/LIABILITY PROGRAM**

WHEREAS, the Special Districts Risk Management Authority (SDRMA) is a public agency formed in 1986, under California Government Code Section 6500 et seq., to provide property and liability coverage protection and risk management services statewide exclusively for California public agencies; and

WHEREAS, procedures established by the SDRMA require submittal of a Resolution of the UMRWA Board of Directors expressing its interest and intentions with respect to membership in the California Special Districts Association and participation in the SDRMA Property/Liability Program; and

WHEREAS, the Upper Mokelumne River Watershed Authority (UMRWA) is a Joint Powers Agency formed in 2000 to address water quality, water supply and environmental matters; and

WHEREAS, UMRWA is comprised by Amador Water Agency, Calaveras County Water District, Calaveras Public Utility District, East Bay Municipal Utility District, Jackson Valley Irrigation District, Alpine County Water Agency and the counties of Amador, Calaveras and Alpine; and

NOW, THEREFORE, BE IT RESOLVED that the Upper Mokelumne River Watershed Authority (UMRWA) Board of Directors:

1. Approves the form of and authorizes the Chairperson to execute the Sixth Amended Joint Powers Agreement; and
2. Authorizes UMRWA's participation in the Special District Risk Management Authority Property/Liability Program; and
3. Authorizes the Executive Officer to complete the Alliant Insurance Crime Application for employee and public officials' fidelity blanket bond; and,
4. Authorizes the Executive Officer to complete the California Special Districts Association (CSDA) Membership Application, including annual membership dues made payable to CSDA; and
5. Authorizes the Executive Officer to take any other administrative actions necessary to complete UMRWA's requirements to fulfill SDRMA membership terms.

Approved and adopted by unanimous vote this 26th day of January 2024.

\_\_\_\_\_  
John Coleman, Board Chairperson

Attest:

\_\_\_\_\_  
Lorna Barfield, Authority Secretary



# Upper Mokelumne River Watershed Authority

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Agenda No: **6**

Meeting Date: January 26, 2024

Title:

Biomass Management JPA Initiative

Summary:

At the October 6 UMRWA Board Meeting, Christiana Darlington presented the Board with an update regarding the California Forest Residual Aggregation for Market Enhancement (Cal FRAME) Pilot Study to consider the development of joint powers authorities (JPAs) to increase the utilization of biomass and improve the economics of forest health work in the Sierra Nevada. Work has progressed on this pilot project with two reports to be completed in the near future. One report is an organizational study to determine economics and the financial approaches that might be used to make progress in this area. The second report is a feedstock availability study which evaluates and estimates feedstock and reviews possible sites for biomass processing plants. These reports should be completed in the next several months and Ms. Darlington is scheduled to provide an update on this effort at UMRWA's April board meeting.



# Upper Mokelumne River Watershed Authority

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Agenda No: **7**

Meeting Date: January 26, 2024

Title:

Legislative Issues Update

Recommended Action:

For discussion and possible action.

Summary:

As directed by the Board at its October 6 meeting, the EO submitted a letter on behalf of UMRWA requesting the Governor veto AB 338 direction. Governor Newsome subsequently signed that legislation.

EBMUD recently developed its state and federal legislative initiatives for 2024. These documents are included for your information in the Supplemental Materials packet. EBMUD has included forest health advocacy via UMRWA in these initiatives.

No other legislative matters are included in this update. The EO may summarize any relevant legislative information that may be obtained prior to the Board meeting. Additionally, Board directors and/or agency staff may have legislation of interest and this agenda item is intended to facilitate discussion of it.