

Staff Report

for the Regular Meeting of the Board of Directors, February 24, 2016

TO: Board Members

FROM: Timothy A. Crough, Assistant GM
Neysa King, Watershed Resources Planner

DATE: 2/17/2016

SUBJECT: **Scotts Flat Reservoir – Proposed Fuel Treatment (Phase 3)**
Sierra Nevada Conservancy, Watershed Improvement Program
(Proposition 1 Grant Funds)

ADMINISTRATION

RECOMMENDED ACTION:

Adopt Resolution No. 2016-05 (Approving the Application for Grant Funds for the Sierra Nevada Watershed Improvement Program (Proposition 1) under the Water Quality, Supply, and Infrastructure Improvement Act of 2014).

BACKGROUND:

In 2013, the District authorized the preparation of a Timber Harvest Plan to remove timber and woody vegetation on District lands surrounding the Scotts Flat Reservoir. The Timber Harvest Plan subsequently was approved by the California Department of Forestry and Fire Protection (CalFire). In 2014, the District completed the Scotts Flat Biomass Utilization Project under a grant issued to the District by CalFire; this project was the first phase of a series of anticipated projects pursuant to the Timber Harvest Plan.

Recently in 2015, the District applied to CalFire for grant funding for Phase 2, consisting of timber removal and biomass utilization, mostly in the Gate 1 Campground. This grant application is still pending award and execution of a funding agreement.

Currently, the Sierra Nevada Conservancy (SNC) is soliciting applications for grant funding under the Watershed Improvement Program (Proposition 1 Water Bond). Staff has determined that the next logical phase of the Timber Harvest Plan meets the funding criteria for this grant. Refer to the attached Project Description.

As part of the grant application for the Watershed Improvement Program funding, SNC requires a resolution by the governing board of applicants affirming capacity to develop the proposed project, and authorize execution of the necessary documents. Refer to the draft resolution attached.

Staff prepared the attached resolution for consideration by the Board of Directors to continue the District's goals in protecting the watershed for water quality, fire prevention and forest health.

BUDGETARY IMPACT:

Total projected expenses for the Project are estimated at \$350,000, with about \$35,000 to be paid by the District and the remainder funded through the grant. These expenses are not included in the 2016 Budget and a Budget Amendment will be needed should the District be awarded the grant. As such, a proposed amendment will be submitted to the Administrative Practices Committee or the Board of Directors, depending on the award.

tac/nk

attachments(3):

- Draft Project Description
- Vicinity Map
- Draft Resolution

Project Title: Scotts Flat Reservoir Fuels Treatment Phase 3

Funding Agency: The Sierra Nevada Conservancy, Watershed Improvement Program (Prop 1)

Budget: Request amount \$315,000, NID cost share/match \$35,000. Total budget = \$350,000

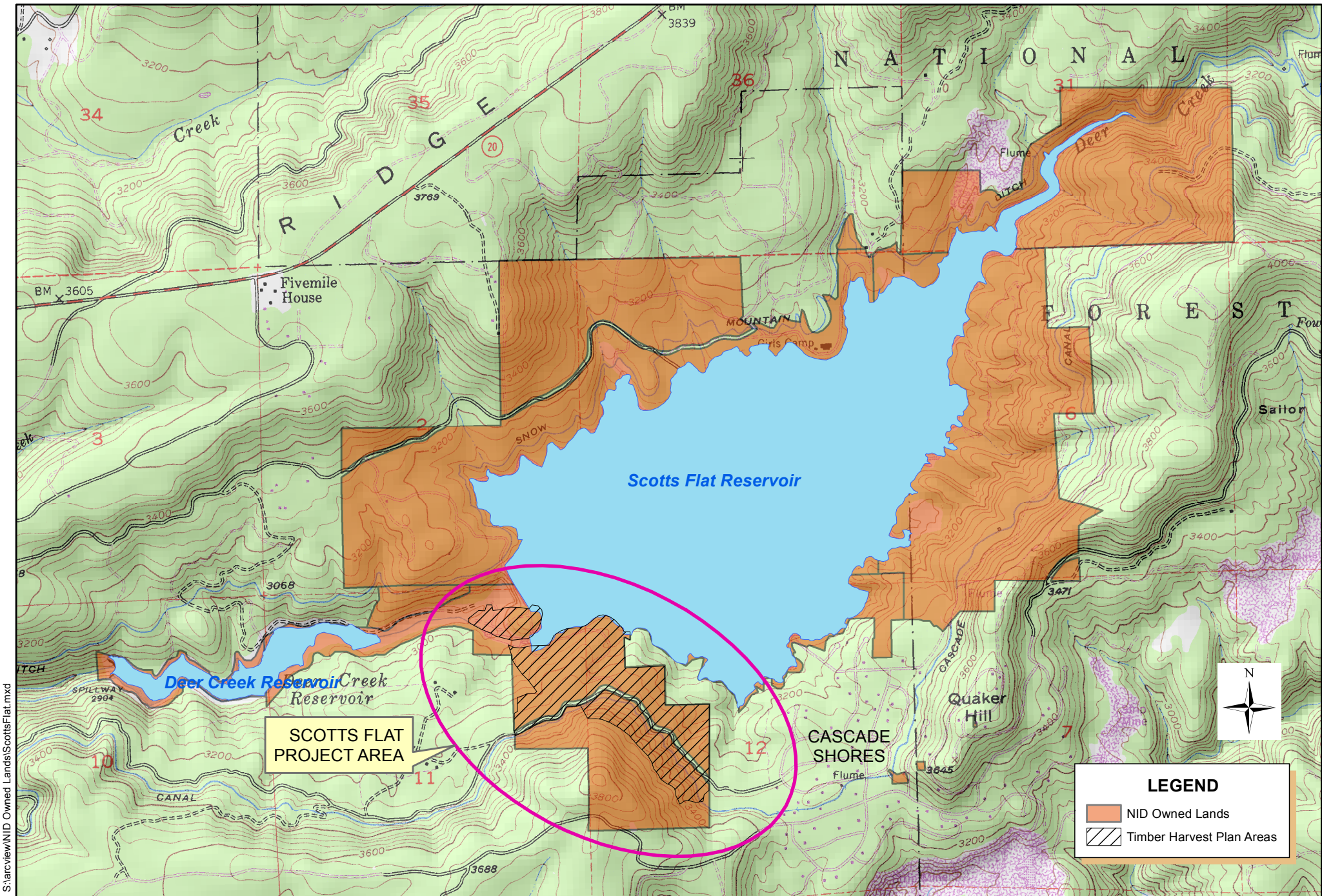
Project Timeline: Jan. 1, 2017 pre-project work initiated; May 1 – Oct. 31, 2017 Project Implementation; Nov. 1-Dec. 31, 2017 Project Reporting and Closure

Project Description:

The Nevada Irrigation District (NID) proposes to treat approximately 100 acres on the shore of Scotts Flat Reservoir, between the community of Cascade Shores and NID's dam and powerhouse (see map), in Nevada County, California. This area includes numerous residential structures, a reservoir, powerhouse and associated powerlines, and public and private roads for ingress and egress. The area experiences increasing residential development and expansion each year, and as a result the wildland-urban interface and associated wildfire issues continue to grow and threaten the future of this region. The project area has numerous small stream crossings and drainages that flow through steep terrain directly to one of NID's most important water supply reservoirs. This reservoir provides source water that currently supports the communities of Nevada City, Grass Valley, and North Auburn.

The properties on which the project is proposed are along the south shore of the Reservoir. The community of Cascade shores is adjacent to the project area and is designated as a "Very High" Fire Hazard Severity Zone as determined by California Department of Forestry And Fire Protection (CAL FIRE). This project will remove hazardous fuel to create a shaded fuelbreak. By removing and thinning ladder fuel, this will help to keep a wildfire from becoming a stand-replacing crown fire, thereby making control more feasible.

The goal of this project is to implement the third phase of the Scotts Flat Fire Fuels Reduction Program, which follows on NID's biomass utilization project completed nearby in 2015. We will primarily focus on harvesting, chipping and if possible, hauling biomass vegetative material from the site to produce biofuels that can be used for energy, mulch or other similar products. This project requires tree thinning from below, and removal of downed woody debris and ladder fuels on approximately 100 acres, and projects removal of 2,000 bone dry tons (BDT) of material. As per the existing Timber Harvest Plan, larger diameter trees may also be removed to create an effective shaded fuels break. If possible, the biomass will be trucked to a nearby biomass generation plant. If this is not possible, we will masticate and spread these chips in the project area. Some parts of the project are within an area that requires security protocols and supervision relative to the Federal Energy Regulatory Commission. The project will also include community outreach and education, and opportunities to partner with local organizations to promote wildfire and fire risk education.



S:\arcview\NID Owned Lands\ScottsFlat.mxd



NEVADA IRRIGATION DISTRICT

NEVADA COUNTY -- PLACER COUNTY
GRASS VALLEY, CALIFORNIA

SCOTTS FLAT RESERVOIR PROJECT LOCATION

Drawn By: D. HUNT Date: 2/4/2016 Scale: 1" = 2000' @ 8-1/2x11 Sheet: 1 of 1

**APPROVING THE APPLICATION FOR GRANT FUNDS FOR
THE SIERRA NEVADA WATERSHED IMPROVEMENT PROGRAM
(PROPOSITION 1) UNDER THE WATER QUALITY, SUPPLY, AND
INFRASTRUCTURE IMPROVEMENT ACT OF 2014**

WHEREAS, the Legislature and Governor of the State of California have provided funds for the Sierra Nevada Watershed Improvement Program (Proposition 1 Water Bond); and

WHEREAS, the Sierra Nevada Conservancy (the “SNC”) has been delegated the responsibility for the administration of a portion of these funds through a local assistance grants program, establishing necessary procedures; and

WHEREAS, said procedures established by the Sierra Nevada Conservancy require a resolution certifying the approval of application(s) by the governing board of each applicant before submission of said application(s) to the SNC; and

WHEREAS, the Nevada Irrigation District (the “District”) has identified the Scotts Flat Reservoir Fuels Treatment – Phase 3 (the “Project”) as valuable toward meeting its mission and goals.

WHEREAS, the District intends to submit an application to SNC for the Project; and

WHEREAS, the District, if selected, will enter into an agreement with the SNC to carry out the Project; and

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Nevada Irrigation District that it does find as follows:

1. The above recitals are true and correct.
2. Approves the submittal of an application for the Project.
3. Certifies that District understands the assurances and certification requirements in the application.

4. Certifies that District will have sufficient funds to operate and maintain the resource(s) consistent with the long-term benefits described in support of the application; or will secure the resources to do so.
5. Certifies that District will comply with all legal requirements as determined during the application process.
6. Appoints its General Manager, or designee, as agent to conduct all negotiations, execute and submit all documents, including but not limited to: applications, agreements, payment requests, and so on, which may be necessary for the completion of the aforementioned project(s).

PASSED AND ADOPTED by the Board of Directors of the Nevada Irrigation District at a regular meeting held on the 24th day of February 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINS:

President of the Board of Directors

Attest:

Board Secretary