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GOVERNING BOARD

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Madera County Board of Supervisors

Mike Karbassi,
Councilmember, City of Fresno

Steve Brandau,
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Carl Janzen, *Director*
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Paul Gibson
Vacant
Vacant
Vacant
Citizen Representatives

John M. Shelton, *Executive Officer*

250.20

STATE OF CALIFORNIA
Gavin Newsom, Governor

MINUTES

WEDNESDAY, FEBRUARY 2, 2022
SAN JOAQUIN RIVER CONSERVANCY

Board Meeting Location:

Consistent with Governor Newsom's Executive Order N-1-22, the public and Board members participated in a meeting via Zoom and teleconference. Public comment was accepted per the agenda.

MEETING AGENDA

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Ms. Forhan called the meeting to order at 10:01 a.m. and led the pledge of allegiance.

A. ROLL CALL

Name	Present	Telecon- ference	Absent	Late
Ms. Forhan	X			
Mr. Frazier			X	
Mr. Karbassi	X			
Mr. Brandau	X			
Ms. Evans	X			
Mr. Janzen	X			
Ms. Vance	X			
Mr. Gresham	X			
Ms. Fris	X			
Ms. Scharffer	X			
Ms. Lucchesi			X	
Ms. Lukenbill	X			
Mr. Gibson	X			

Ms. Gavina confirmed a quorum was present.

Legal Counsel Present: Christina Morkner Brown, Deputy Attorney General

Staff Present: John Shelton, Executive Officer
Rebecca Raus, Associate Governmental Program Analyst
Vanessa Gavina, Staff Services Analyst

Erin Aquino-Carhart, Program Manager, San Joaquin River
Conservancy Projects, Wildlife Conservation Board (WCB)

B. POTENTIAL CONFLICTS OF INTEREST

Any Board member who has a potential conflict of interest may identify the item and recuse themselves from discussion and voting on the matter. (FPPC §97105)

None.

C. PUBLIC COMMENT & BUSINESS FROM THE FLOOR

Ten minutes of the meeting are reserved for members of the public who wish to address the Conservancy Board on items of interest that are not on the agenda and are within the subject matter jurisdiction of the Conservancy. Speakers shall be limited to three minutes. The Board is prohibited by law from taking any action on matters discussed that are not on the agenda; no adverse conclusions should be drawn if the Board does not respond to the public comment at this time.

None.

D. CONSENT CALENDAR

All items listed below will be approved in one motion unless removed from the Consent Calendar for discussion:

D-1 ACTION ITEM: Approve Minutes of December 15, 2021

Chairperson Forhan inquired if any members of the Board would like to make a motion to approve the item.

Mr. Brandau moved to approve the minutes from the Consent Calendar; the motion was seconded by Mr. Gibson. The motion passed as follows:

Roll Call Vote:

Name	YES	NO	ABSTAIN
Ms. Forhan	X		
Mr. Karbassi	X		
Mr. Brandau	X		
Ms. Evans	X		
Mr. Janzen	X		
Ms. Vance	X		
Mr. Gresham	X		
Ms. Fris			X
Ms. Scharffer	X		
Ms. Lukenbill	X		
Mr. Gibson	X		
Ms. Forhan	X		
Mr. Gibson	X		

D-2 INFORMATION ITEM: Reminder to File Statements of Economic Interest and Complete Biennial Ethics Training, Due Friday, April 1, 2022

Mr. Shelton mentioned that Statements of Economic Interest (Form 700) needed to be filed, along with the completion of Biennial Ethics Training by the April 1, 2022, deadline. He reminded the Board that there might be different systems in place to file as local officials and as state board members, but if they had any questions, Board members could work with Ms. Gavina to get them addressed. Ms. Morkner Brown would also be available to answer any legal questions.

E.

REGULAR SESSION ITEMS

~~**E-1 ACTION ITEM:** Adoption of Resolution No. 22-01, Delegation of Authority to Executive Officer~~

E-2 ACTION ITEM: Authorize Amendment to the Lease with Vulcan Materials to Specify Lease Term for Reclamation Activities and Rental Rate

Staff Recommendation: It is recommended the Board authorize the Executive Officer to finalize and execute an amendment to the lease with Vulcan Materials to specify the lease term for reclamation activities and rental rate.

Mr. Shelton stated that the Conservancy assumed the existing gravel plant lease with Vulcan Materials when it acquired the Gibson property in 2008. In June 2013, the Board approved the Second Amended and Restated Lease (Lease) with the CalMat Company, the owner of Vulcan, which was effective January 1, 2014, when the prior lease expired. Mr. Shelton explained that the lease provides for two phases of operations. These include: the First Lease Term, which continues mining and processing activities, and the Second Lease Term, which consists of reclamation measures necessary to comply with the Surface Mining Reclamation Act. The First Lease Term was set to expire on December 16, 2016; while the Second Lease Term would commence no later than December 31, 2016 and continue for a maximum of five years. However, there is a provision to extend the lease terms by mutual agreement by both parties, and a month-to-month hold-over provision for mining activities to apply after the expiration of the First Lease Term.

In September 2016, the Board approved an extension of the First Lease Term on a month-to-month basis to September 10, 2017. The Second Lease Term was to begin no later than September 30, 2017, and to continue for five years to complete reclamation activities (First Amendment to Lease). Month-to-month rent was \$235,000 annually and prorated at \$650 per calendar day, commencing January 1, 2017. In November 2017, the Conservancy's Executive Officer, Melinda Marks, sent a letter to Vulcan acknowledging total rents paid through September 8, 2017, and requested a continuation of the month-to-month tenancy at \$650 per day. Those numbers are significant because as we move through this next lease, we are much less than the \$650 a day, and it is because of what the lease is now going to be based on. Since September 10, 2017, Vulcan has been operating on a month-to-month basis under the lease hold-over provision. Vulcan recently

notified the Conservancy that it had ended gravel mining activities and would like to enter the Second Lease Term for reclamation activities. Vulcan Material's reclamation requirements include removing structures and unnecessary infrastructure, distributing stockpiled "overburden" soils to recreate adequate planting surfaces, planting a range of native plants, and irrigation and monitoring to achieve required plant survival rates.

To enter into phase two, staff is recommending that the Board authorize the Executive Officer to execute an amendment to the lease specifying the dates of the Second Lease Term (Second Amendment to Lease). This would commence March 1, 2022, and continue for a maximum of five years, to February 28, 2027, unless otherwise extended or terminated by mutual agreement. In discussions with Vulcan's vice-president, Michael Linton, he expressed Vulcan would be able to get everything done within these five years. Mr. Shelton stated if they are getting close to that term and extra time is needed, this can always be brought back to the Board Staff also recommends that the Board authorize the Executive Officer to negotiate the rental rate. The existing lease specifies Vulcan may maintain an office to perform administrative services. Rent is to be based on the current fair market month rental rate for land occupied by Vulcan's portable office buildings, Vulcan's active management, reclamation operations and maintenance, and monitoring are agreed upon as constituting fair consideration for occupancy of the remainder of the premises. A rental rate in the amount of \$6,000 per year is based on what Vulcan had in their original lease that specified once it entered a reclamation phase, the reclamation would cover the cost of most of the property. Vulcan has already moved forward on doing some planning, and staff is hopeful that it will be way beyond their reclamation requirements and get us to the point where we have something that is an appealing part of the parkway, not just Conservancy property, but the full area.

Ms. Vance commented that it seems unsuitable to let the lease only cover the office building because, through the act of reclamation, Vulcan is still occupying the entire site and precluding it from being fully used by the Conservancy while they do reclamation. She understands why they are doing reclamation as they are required to, but they are not only occupying the office space, they are also fully occupying the site doing different activities than mining. It might not have the same appraised value while conducting mining versus reclamation, but regardless, Vulcan is using much more than the office site. She said the \$500 monthly rent seems very low for what they are still occupying. She noted that for her agency, leases have to be processed by the Department of General Services (DGS). She asked if it would be signed off by DGS.

Mr. Shelton replied that staff has discussed this issue with Deputy Attorney General, Christina Morkner Brown. and staff at the Wildlife Conservation Board (WCB). When the Conservancy purchased the property, there was a grandfathered lease that allowed Vulcan to operate, which included a phase one and two. The Conservancy purchased the property under the notion that it would be leasing the portion of land where Vulcan's office is located, and they would have the ability to keep the office in place and continue running it. It was bought with those preexisting lease terms, in which it would be based on where the office is located and not the rest of the area. He added that the reclamation would be the value that the Conservancy would get for leasing the rest of the area. Since the next

phase was already specified in the lease, Mr. Shelton was under the impression that the Conservancy would not need to go back to DGS.

Ms. Morkner Brown commented that although she cannot speak on the DGS aspect of this issue, she can confirm that the lease that was restated in 2013, which specifically says that phase two would be the current market value for the land occupied by the portable building, and it would be agreed upon between the lessor and lessee. If Vulcan did not agree on that fair amount market value, Vulcan could get an appraisal, and the lessee's active management operations and maintenance would constitute fair consideration for the occupancy of the remainder. She explained to the Board that if they chose to reopen that, it would be reopening the entire lease which was not proposed by staff or Vulcan.

Mr. Shelton mentioned that the value was based on recent appraisals done for both of the Conservancy's Slenders and Lanes properties. The Lanes property appraisal was utilized as the basis because it was closer in location, more applicable, and higher of the two values per acre. He stated that Vulcan was amenable to that evaluation.

Mr. Janzen emphasized the importance of the Conservancy's communication with the Board concerning this lease. He does not endorse tearing down the parking lot and gravel area where the office is located, just to have to rebuild it again when this area becomes open to the public. It is important we keep what we can use in the future.

Mr. Shelton replied that Vulcan is currently going through a planning process. They are interested in going beyond their reclamation requirements and doing a mitigation-style effort. During the planning process, they will be conferring with environmental consultants and fishery and habitat experts. Mr. Shelton will also be there as a representative. He agreed with Mr. Janzen's comments and stated that we can figure out a way to continue to use the paved parking and area where the office is located as public parking in the future. He mentioned that Vulcan is also looking at the potential to do some salmon habitat work. To do that, he would like to facilitate meetings with the State Lands Commission (SLC) because they border the state lands area and the Conservancy area of the Vulcan site. There is quite a bit of work. Vulcan indicated that they will be using their own capital to get this in place and do the process. Conservancy staff will work with them.

Mr. Shelton mentioned that there was a meeting a week prior, and the California Department of Fish and Wildlife (CDFW) had two staff that participated along with other known fisheries, and UC Merced. There are a lot of government and local agencies and non-governmental organization (NGO) nonprofits that are currently helping with this endeavor or would like to be involved. Mr. Shelton reminded the Board that Vulcan could merely do what is required in their reclamation plans and hand over the property, since it is not written in the lease agreement that Vulcan has to do any of the habitat improvements they are planning. However, they have been very good partners to the Conservancy and the San Joaquin River Parkway and Conservation Trust (Parkway Trust) and want to collaborate for the betterment of the Parkway. Mr. Shelton believes we have a good plan going forward. He stated that these five years will go quickly, and since they are able to spend their own funding without going through the state budget process, they can cover a lot much quicker and more in-depth than a government agency. There is the ability to

take advantage of the mitigation bank and get potential funding for long-term operations and maintenance (O&M). However, that needs to be strategized as we collaborate on this. At the very least, we will have a very comprehensive plan so that if we do have to fund our own work down the line for anything beyond the reclamation, the Conservancy will have a thorough planning document already in place that fits comprehensively with the rest of the program.

Ms. Vance said this seems unusual to her based on how CDFW and other state agencies typically go through the process. She explained that when DGS has to approve an original lease, her agency has to go through them for a subsequent amendment and not the opposite; so, this feels incorrect to her. She asked if there was a reason that the Conservancy did not specifically have an appraisal done for the cost.

Upon inquiry from Ms. Vance, Mr. Shelton answered that the main reason for this was just timing, and moreover, we have a parcel of land that is contiguous to the Vulcan site that was just appraised a year ago, and he felt it would suffice as a comparable appraisal. It is possible that the price might have increased slightly because of land values and housing. However, he believes that once calculations are done and considered, this would only be a small monetary value and not anything significant. The difference between what the Conservancy is bringing in now and what it is getting out of this lease for just an acre of land is much more substantial. We are already taking a huge step in that direction, so our biggest push is to get this going so we can open it up and make it accessible.

Ms. Vance stated she would recommend that the Conservancy talk to DGS and get an appraisal.

Mr. Shelton clarified that the Conservancy has had conversations with DGS, and it was recommended to get an appraisal that this can be based on. An appraisal was not done on the property along the office. However, that can be done. He reminded the Board that an appraisal is going to cost a significant amount of money.

Mr. Karbassi inquired how long will this appraisal take, and how long will it keep us from opening this area up.

Mr. Shelton replied that is depending on the cost of the appraisal. Also, it could take longer if it has to go out to bid, as opposed to doing a direct service. Right now, the Conservancy's agreement process going through the Department of Parks and Recreation for contracts is approximately four to five months, and for a direct agreement, it is typically a couple of months. Another thing to consider is that with limited staff and the backlog of administrative work, this may not be in place by our next meeting.

Ms. Forhan asked Ms. Vance if she deems going through DGS on this process is a requirement for this to move forward in terms of protocol.

Ms. Vance responded that CDFW follows the same rules as most state agencies. When DGS has been a signatory or approver of an original lease, any subsequent modification would then need to go to them for review, as well; and she believes an appraisal would be

required. The reason for that, aside from the administrative rules and manuals that state agencies must follow, is it is important to make sure that the State is getting the best possible deal and that there is no gift of state property.

PUBLIC COMMENT:

Ms. Sharon Weaver, Executive Director of the San Joaquin River Parkway and Conservation Trust (Parkway Trust) expressed concern stating that DGS informed Mr. Shelton that an appraisal should be done, and he has chosen not to do that because of the Conservancy's administrative capacity. She stated she did not understand how that could be disregarded. She asked Mr. Shelton if he could provide more clarification.

Mr. Shelton explained the Conservancy did not get direction from DGS that an appraisal needed to be done, but rather, we can base it on a similar appraisal we had obtained. The Conservancy followed suit. The appraisals that are used are generally based on comparable appraisals, and we had one nearby with the Lanes property. It is very similar land and has a paved driveway just like what is at the Vulcan office.

Ms. Forhan queried if there were any other comments from the public, and with none, she brought it back to the Board for further discussion.

Ms. Vance asked Mr. Shelton if DGS specifically indicated that they did not need to approve an amendment to this agreement.

Mr. Shelton stated that question was not asked specifically about this agreement. We asked them about the ability to set a lease value, and they indicated if we had comparables, they could be used to set the lease value. We used what was in the grandfathered lease to be able to ensure we can negotiate through this base, and it was based on the most recent information possible.

Ms. Vance maintained that she was not comfortable with approving this item because she did not believe this was following the right process. She has had lots of experience with old leases that have interesting elements in them from many years ago, but she strongly believes DGS should review and approve this amendment.

Ms. Fris agreed and suggested making sure that the Conservancy is following the appropriate state processes. If we do not plan to go through DGS, she recommends making sure we are documenting very clearly what is being done just to minimize the risk for the Conservancy.

Ms. Lukenbill concurred with the previous statements and expressed concerns regarding consulting with DGS on the terms of the lease and reviewing the amendment. She stated that is typically what the Department of Finance does as a normal course of business, and she would recommend that the Board wait to approve until those conversations occur with DGS.

Ms. Forhan asked the Board if they would like to recommend conversations with DGS occur primarily before bringing this back to the next board meeting. She asked Mr. Shelton how this would work with timing.

Mr. Shelton stated he was uncertain how long this could take if an appraisal had to be done. Staff can reach out to DGS to specifically ask about the existing lease in place. However, according to Vulcan's existing lease, when the Conservancy receives notification that they are no longer doing gravel extraction, Vulcan is not required to pay the higher lease amount. Consequently, if this gets extended for another three or four months, Vulcan would be paying at a higher rate than what they are required to under the existing lease. Those are questions and issues that would have to get worked out. Staff has already examined this and asked these questions, and it culminated with reviewing the existing lease which gave us grounds to proceed. Nevertheless, staff can contact DGS to get more feedback. For the state agencies, we may get an answer back from DGS relatively quick; and if their answer is that it is okay to proceed, then staff can easily bring it back to our next meeting. Conversely, if this is going to take some time to review, then we can give them that time. If the Conservancy does need to get a new appraisal, there is a potential to have Vulcan do the appraisal and carry on that process, but typically, the appraisal is something that needs to be agreed upon as a state agency. This is currently what we have with the Conservancy's two existing appraisals with Slenders and the Lanes property, but we can see if the appraisal comes out to be something similar or if we agree on an appraiser. Mr. Shelton mentioned in regard to keeping things documented, there are emails, and we have the appraisals in files from previous purchases.

Mr. Janzen mentioned that he would like to make a motion that we proceed as presented with the caveat that the Conservancy, along with legal counsel consult with DGS. If they give the Conservancy the approval to move forward, then proceed.

Mr. Karbassi seconded.

Ms. Vance stated she understands the need to move this along given the outstanding issue that Vulcan is paying the higher amount, but she would advise holding off on having the Conservancy do an appraisal because when they consult with DGS, they might find that the appraisal footprint might need to be different than what was anticipated. That may or may not happen, but she would hate for there to have to be a second appraisal or a modified one. Ms. Vance had one issue with Mr. Janzen's proposal because there would not be any circling back with the Board in terms of what was discussed with DGS because the way the motion reads in the board packet is that the Executive Officer is allowed to finalize and execute.

Ms. Forhan clarified if Ms. Vance was indicating, with respect to the current motion, that she is not in support of the flexibility that is given to the Executive Officer and whether he will follow through with consulting with DGS.

Ms. Vance agreed.

Mr. Brandau said he is in support of Mr. Janzen's motion that the Conservancy proceeds with the direction to the Executive Officer that he confers with DGS on this lease and gets approval.

Mr. Gibson stated he also agrees with Mr. Janzen's motion; however, he would like to check with Ms. Morkner Brown about the legality of breaking a lease that we accepted as part of a sale agreement. He understands there has been an amendment, but unless there is some precedent or there is some weakness in the way we inherited this clause and this lease payment, then he believes the Board should honor its agreements. He asked Ms. Morkner Brown if she is able to comment on what she has seen in the lease and subsequent amendments.

Ms. Morkner Brown stated that she can comment that there is a clause in the lease that the Board agreed to in 2013 that does specify what was discussed in which the rental rate for the second lease term is limited to the then current fair market value rental rate for the land occupied by the portable buildings. Consequently, if the Board started to charge them for more than that, then that would be contrary to the lease terms, and it would be a violation of the existing lease and could be problematic. She stated in terms of appraisals for the fair market value that is anticipated in the lease and whether or not DGS needs to approve this lease amendment, that is all suitable, it is just more about state process.

Mr. Janzen moved to approve the action item with the direction for the Executive Officer to consult and seek approval with DGS on using a comparable existing appraisal or moving forward with a new appraisal; the motion was seconded by Mr. Karbassi. The motion passed as follows:

Roll Call Vote:

Name	YES	NO	ABSTAIN
Ms. Forhan	X		
Mr. Karbassi	X		
Mr. Brandau	X		
Ms. Evans	X		
Ms. Auston	X		
Mr. Janzen	X		
Ms. Vance		X	
Mr. Gresham	X		
Ms. Fris	X		
Ms. Scharffer	X		
Ms. Lukenbill	X		
Mr. Gibson	X		

E-3 ACTION ITEM: ~~Authorize Agreement with the San Joaquin River Parkway and Conservation Trust for Parkway Ambassador~~

E-4 INFORMATION ITEM: Report on the 15 Million for the San Joaquin Conservancy from the State's General Fund to use on Operations and Maintenance Developing Priorities and Strategies for this funding.

Mr. Shelton stated that after the discussion of our last board meeting, staff had a meeting with Chair Forhan and Vice-Chair Frazier to develop priorities and strategies for spending the 15 million on operations and maintenance that was allocated from the State's General Fund.

To streamline this process, Mr. Shelton put together a table illustrating the categories of expenditures. The categories consisted of personnel/administration, equipment, direct services or procurement (services that require Invitations for Bid), services that require a Request for Proposal (RFP), permitting, microgrants, and grants.

Personnel/administration includes expenses for personnel, both temporary and permanent. Staff is working through the process to be able to get term positions or temporary positions for two Park Maintenance Worker IIs and a Staff Park and Recreation Specialist (SPRS) to supervise the Maintenance Workers. Possible security or law enforcement has also been discussed, and there may be the ability to do some as public entity contracts. For instance, the Conservancy has an agreement with the Department of Parks and Recreations to operate and maintain Friant Cove. The Conservancy can do similar things for some of its other properties, including with the City of Fresno where they run our Jensen River Ranch. For these positions, they would not be hired on as state civil service positions for the Conservancy, instead, we would be doing a public entity contract with the City and/or the Counties to go through this process.

Equipment is a very broad category and can consist of tools, supplies, etcetera. In the past, Mr. Shelton has mentioned landscaping equipment like mowers and power equipment. A bigger expense item to consider is if we get new field staff, they will also need vehicles. state agencies realize that this can be a difficult path because a fleet acquisition plan would need to be put together, which we cannot plan until we actually hire the staff that needs the fleet suggested. When we hire new staff, the Conservancy will work on getting field vehicles, but in the meantime we will either have to lease vehicles or have them use their personal vehicle. Along with new vehicles are the vehicle expenses. For instance, even if staff uses personal vehicles or leased vehicles, there are expenses for the operation. If purchasing electric vehicles, we would have to account for the cost of installing chargers. Staff has already reached out to DGS about some of those issues, but we wanted to ensure we had the budget to cover this. Another significant purchase would be gates and signs. The Conservancy is interested in updating our gates at several properties.

Next, Mr. Shelton discussed services. They were broken into three categories: direct services, services that require Invitation for Bids, and services that require a Request for Proposal. Direct services are services that are below \$10,000. When they are below \$10,000, we can go directly to vendors. It is a smoother and easier process. Services that require Invitation for Bid are services that require a bid. They are typically something that

are simple or common routine services that may require personal and mechanical skills. Little discretion is used in performing the work. For instance, at Wildwood Park we have a paved parking lot that has not been resurfaced in several years. We can outline what needs to be paved and what materials will be needed, and then it is just a bid process. Mr. Shelton gave another example such as installing an automatic gate with a sensor. Services that require Request for Proposal (RFP) are larger more complex services in which professional expertise is needed and may vary. Different methods and approaches may be applied during the performance. For instance, we are going out to Request for Proposal for concessions for Sycamore Island, to turn it from three days a week operation to seven days a week, and for Ball Ranch/Ledger Island. Another idea is to do an RFP to remove the pieces of the old bridge abutment near the Friant Dam. We would like to work with the County of Madera on that process.

Permitting was discussed. Permitting includes: lake and streambed alteration agreements (F&G Code 1600 etc.), California Environmental Quality Act (CEQA), Division of the State Architect Certification, California Endangered Species Act consultation, Federal Endangered Species Act consultation, California Air Board, and others. For the operation and maintenance activities that go on, permits still need to be secured. A few examples were given of types of permitting that would be pertinent for the Conservancy such as obtaining a long-term lake and streambed alteration agreement for maintenance activities. CEQA is another permit that we can do in-house to some degree, but Mr. Shelton believes with the limited bandwidth of staff, it would be more efficient to hire staff and get a service agreement with environmental organizations or engineering organizations. This can be used for bringing some Conservancy-owned houses up to code, such as our Gibson and Wagner properties.

Mr. Shelton discussed grants and micro-grants. Grants are similar to our bonds and likely to be \$50,000 or more and will come to the Board for discussion and approval. Micro-grants are small grants to partner organizations for supplies like paint, hand tools, etcetera or equipment. The range of micro-grants is typically \$100 to \$25,000. For instance, we were in discussions with the Parkway Trust about doing a project, and instead of using some of the bond funds, there may be the ability to buy a piece of equipment with our operations and maintenance and then loan it as part of a long-term agreement with the Parkway Trust to use it as they are doing their project.

Mr. Shelton showed the detailed budget for the \$15 million operations and maintenance funding given by the State's General Fund, which is provided in the staff report. It was categorized by fiscal years. The Conservancy also received \$1.3 million in the climate package, and this was for local assistance. There is one more board meeting in May, and with the way that our contracts and service agreements are going now, if the Board approves something in May, it will not be until the next fiscal year before we can encumber it; so we hope to have something to spend in May. Mr. Shelton then gave an overview of spending strategies for each year. For this fiscal year, the projected shown was \$1.5 million, but he does not foresee we are going to get there with the administrative backlog. The whole concept was to start off a little slow and then keep building to the amount of encumbrance. We can write a contract that specifies for the next three years we will spend \$500,000 a year, so that means we have just encumbered \$1.5 million but only spent

\$500,000 that year. The idea is to get some of this moving forward into encumbrances as soon as possible. At the start of fiscal year 24/25, the Conservancy can no longer encumber, according to the way that the budget was written on this item, but we can still spend. We have until 2024 to encumber, and another two years to spend that, which is a total of five years. The numbers are all subject to change. For fiscal year 21/22, service agreements and term positions were discussed. If a term position was approved now, we would only have a few months of the fiscal year to be able to start expending this.

For fiscal year 22/23, he is more confident that we will be able to start spending this money. The subtotals are relatively high as shown, \$5.5 million are allocated for the encumbrances and \$4 million for the expenses. It would be ideal to purchase vehicles next fiscal year for potential field staff, but it is looking like that may not happen. Some of this funding could be used to have the Conservancy's Wagner and Gibson properties brought up to code and made more climate resilient. Staff is looking into moving the office to the Lanes property. Those are a few projects that have been discussed for funding. There are larger projects, like repaving, that needs to be done. Gate services can be moved either towards the end of this year or into the beginning of the next fiscal year, so we believe we can start moving a lot of this funding. The hardest thing to figure out is the grants and microgrants because they take partners willing to step up and do the work. Staff has had conversations with different partnerships about overseeing projects. Fiscal year 22/23 will be the last year that we can encumber, so by the end of this year, the aim is to have all the funding encumbered

Fiscal year 24/25 and 25/26 will be funding that the Conservancy is expending at that time. At this point, there will be no more encumbrances that we can do. Mr. Shelton mentioned in the last meeting that if we can get a Joint Powers Authority created, we can contract with them to do multiple years' worth of operation and maintenance. This can be done with other organizations including local governments and state agencies.

Ms. Forhan stated this is a starting point to understanding where the \$15 million may be allocated. The April 6, 2022, workshop will be very important for further board input as well as the public. This is the opportunity to be able to weigh in specifically on this issue. She asked if there were any questions or comments from Board members, and with none given, she moved to public comments.

PUBLIC COMMENT:

Ms. Weaver appreciated the detailed report and the initial spending plan. She understands there are some administrative hurdles, and she hopes at this next workshop in April there will be some time spent talking about how to overcome those issues.

Ms. Forhan inquired if there were any further questions from the public. With no additional questions, she brought it back to the Board. Ms. Forhan announced that the Board received communication from Ms. Clary Creager via an emailed letter sent by the Clerk of the Board, Ms. Gavina. The email was regarding her visit to Ball Ranch and Ledger Island over the previous weekend, and there were a few questions that were raised. Ms. Forhan stated that because of time constraints, we did not have the time today to be able to go

through each one, but she believes at the workshop where we will be discussing the general questions about the \$15 million in O&M, we can also address Ms. Creager's comments at that time.

Mr. Shelton added that some of the issues that were raised in Ms. Creager's letter might be addressed in his Executive Officer's report. Time might not allow for an overview of the report, but he invited Ms. Creager to reach out to him directly if she had any questions.

E-5 INFORMATION ITEM: Report on the Central Valley Salmon Recovery Project by Kearns and West

Mr. Shelton introduced the team for Kearns and West, Ms. Lyndsey Tryba, Mr. Gary Bobker, Mr. Rafi Silberblatt, and Mr. Barry Thom, to give an overview of their project.

Mr. Barry Thom, Regional Administrator for Kearns & West, explained that this project is being carried out by the Collaborative Science and Adaptive Management Program which is a coalition of state and federal agencies, water agencies, and non-governmental organizations (NGO). This program will focus on salmon recovery in a broader sense and recovery across the central valley.

Mr. Gary Bobker, from The Bay Institute, provided a project overview and outlined stakeholder engagement opportunities. There are three phases to this project. The first phase is to define what salmon recovery means in a way that is quantifiable and identifies where science stops, and value judgments come in. A group of the state's best salmon biologists convened to help define salmon recovery and develop a strategy. Phase two and three engages agencies interested in salmon recovery in Northern and Central California to gather information on what actions should be considered to support salmon recovery and what data is needed to be able to best evaluate and model the impacts of doing salmon recovery actions. This process is going to build on several existing processes, in which the framework identified can be used to develop watershed specific targets. They are going to cover the entire life cycle of salmon, knitting together all these different processes and actions to address different parts of the life history.

Mr. Rafi Silberblatt, from Kearns & West, spoke about the stakeholder engagement process and mentioned that over the summer, they convened scientists from many different agencies and led them through twelve workshops to develop a recovery framework definition. It was a collaborative space and indicative of what they are hoping to achieve in the next phase with a broader set of stakeholders. They will dive more deeply into the initial recovery framework which will be discussed more in-depth in the webinars that are coming up. The webinars will be held on March 3, 2022, from 10:30 am to 12:30 pm, and March 30, 2022, from 9:00 am to 11:00 am. They are hoping to get input on perspectives related to values of salmon recovery, and this will help them with their kickoff meeting where they are hoping to share perspectives and interests and start developing an understanding of what our respective interests and values are in this space. They are seeking from stakeholders to have ongoing engagement through the third phase, through the decision-making process stage.

Ms. Jennifer Pierre, General Manager for the State Water Contractors, stated that what makes their organization novel is that they are looking at the entire lifecycle of fish. She thinks this is an important piece of the larger picture, and it does require more people to participate. The more they have that holistic participation across the state, the more efficient and effective they can provide support. It is about finding a collaborative space moving forward with salmon that can comprehensively inform actions now and in the future.

Ms. Vance asked if they are closely coordinated with the staff doing the San Joaquin River Restoration Program.

Mr. Rafi Silberblatt responded they have reached out to them and hope to present to their team in the near future.

Ms. Vance stated that she would ask some of her local CDFW staff that have data and studies on the San Joaquin River to reach out to get added to their list to get more local input. She inquired if there was a publication generated from phase one that they can share.

Mr. Rafi Silberblatt answered they should have a rough draft of the phase one final report coming out soon.

Chair Forhan asked if there were any other questions from board members, and with none, she moved on to the next informational item.

E-6 INFORMATION ITEM: Status and Progress Report on River West Fresno, Eaton Trail Extension Project.

Mr. Shelton showed a table of expenses that was put into the City of Fresno's application that was filed with the Conservancy. They are currently getting the final engineering and permitting done. This will result in a bid packet. Initially, the Conservancy brought this item to the Board for approval at the September 1, 2021, meeting. Upon approval, it subsequently went to the Wildlife Conservation Board, where it was approved by their Board. WCB and the City worked together to do both the CEQA filing and put together and execute the grant. Currently, the City is in the process of preparing its Request of Qualifications, to be able to hire consultants for design and it will be released in mid-February. City staff will also need to get approval from the city's council and outline it in a contract. Mr. Shelton noted that we are coming up on an important part of the project soon. In September 2022, plans, specs, estimates, and permitting will occur. So far, the City has been on track and sticking to the deadlines. However, in future board meetings, we will continue to give regular status updates. The other thing to note, the Chair and Vice-chair recommended that this be a continuous item on our agenda each meeting to keep everyone up to date, so the Conservancy will keep reporting on this.

Ms. Forhan asked if there were any questions or comments from the Board.

Ms. Vance commented it was exciting to see this move forward. She said she knows the horizon seems far, but we are closer than we have ever been, and there is finally a path forward.

Ms. Forhan asked if there were any other questions from the Board, and with none, she went to public comment.

PUBLIC COMMENT:

Mr. Barry Bauer, member of the San Joaquin River Access Corporation, stated that there seems to be a lot of activity at the intersection of Del Mar and Audubon. He asked if the City was still moving forward with a stoplight at that intersection.

Mr. Karbassi responded they are currently working on that. The increased activity is due to fiber optic installation being done at Del Mar. However, he and Councilmember Bredefeld recently met with the administration, specifically to talk about safe access initiatives from Fort Washington and Friant, and Friant to Audubon through Del Mar in response to the multiple accidents that have occurred there. They are going to announce some rapid infrastructure changes within the next week or two. Additionally, his office budget paid for a survey, which is going to be conducted by a private organization, to ask residents from Audubon to Del Mar what they would like to see. They will have an announcement on that soon, but all the other mitigations are going to be a part of the study.

Ms. Forhan stated that she saw no other questions from the Board or the public. She suggested that we forgo the organizational reports for the sake of time. The Executive Officer report update has been provided to the Board and is available to the public on the Conservancy's website.

F. ADMINISTRATIVE AND COMMITTEE REPORTS

Information Items. No action of the Board is recommended.

F-1 Organizations' Reports: If time allows, the following oral reports will be provided for informational purposes only and may be accompanied by written reports in the Board packet.

F-1a. San Joaquin River Parkway and Conservation Trust
None.

F-1b. River Tree Volunteers
None.

F-1c. Central California Off Road Cyclist (CCORC)
None.

F-1d. San Joaquin River Access Corporation (SJRAC)
None.

F-1e. San Joaquin River Socials
None.

F-2 Deputy Attorney General Report
None.

F-3 Executive Officer Report
Report provided on website.

F-4 Board Members' Reports and Comments
None.

G. CLOSED SESSION

Before convening in closed session, members of the public will be provided the opportunity to comment on Executive Session agenda items.

H-1 Government Code Section 11126 (a) (1)
Public Employee Performance Evaluation
Title: Executive Officer

Ms. Christina Morkner Brown reported out of close session there was no reportable action to be reported.

H. NOTICE OF ADVISORY AND BOARD COMMITTEE MEETINGS, OTHER PUBLIC MEETINGS RELATED TO CONSERVANCY MATTERS

None.

I. NEXT BOARD MEETING DATE

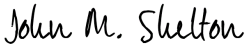
The next Board meeting is scheduled for 9:30 a.m. Wednesday, April 6, 2022, location to be determined.

J. ADJOURN

Ms. Forhan adjourned the meeting at 1:11 p.m.

Board meeting notices, agendas, staff reports, and approved minutes are posted on the Conservancy's website, www.sjrc.ca.gov. For further information or if you need reasonable accommodation due to a disability, please contact the Conservancy at (559) 253-7324.

Respectfully Submitted,

DocuSigned by:

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John M. Shelton
Executive Officer- San Joaquin River Conservancy