

**Minutes of a Regular Meeting of the Board of Directors of
Bear Yuba Land Trust
Tuesday, January 26, 2016, 5:00 p.m.
BYLT Offices, North Star Property, Grass Valley, California**

Call to Order: A regular meeting of the Board of Directors of Bear Yuba Land Trust (“BYLT”) was held on Tuesday, January 26, 2016 at 5:00 p.m. PST. President Andy Cassano called the meeting to order at 5:10 p.m. and verified the presence of a quorum.

1. **Roll Call:** The first item of business was the roll call of board members. Present and participating in the meeting were the following: Andy Cassano, President; Terry Hundemer, Vice President; Art Thielen, Treasurer (via teleconference); Fran Cole, Secretary; Rebecca Coffman; Brent Fraser; Letty Litchfield; Michael Smiley; Bill Stewart (via teleconference); and Bill Trabucco. Also present were the following staff members: Marty Colman-Hunt, Executive Director; Jean Gilbert, Operations Manager; Erin Tarr, Stewardship Program Manager; Melony Vance, Development and Programs Manager (via teleconference); Christy McCracken, Youth Program Manager; Cathy Shirley, Stewardship Associate; Bill Haire, Trails Coordinator; Shaun Clarke, Trails Coordinator; Michelle Rose, Bookkeeper; and Mariah Simpson, Administrative Assistant and Official Clerk of the Board.

2. **Approval of Consent Agenda:**
Consent Agenda - The next item of business was the approval of the Consent Agenda, which consisted of the approval of the November minutes. **Upon motions duly made and seconded, the list of items in the consent agenda and the consent agenda were approved.**

3. **Staff Reports: 2016 Program Plans**
 - a. Outreach: Melony outlined the outreach and fundraising strategy for the year. Melony stated that the Land Trust will be more strategic and focused on its lands with the fundraising and outreach programs. She also encouraged all board members to make a financial commitment to the Land Trust. Christy reported that her goal is to bring a higher level of professionalism and security to the summer camp than has been the case in past years.
 - b. Stewardship: Cathy reported that she will be conducting baseline studies and conducting Conservation Easement (CE) compliance reviews on BYLT properties this year. She would welcome participation by Board members in the site visits. Erin reported several items:
 - i. The National Civilian Community Corps (NCCC) crew will work with the Land Trust during April and May.
 - ii. Two baseline studies will be conducted this year on BYLT properties.
 - iii. All of the PG&E properties will be visited this year.
 - iv. BYLT staff is working with Jim Gates to install fencing at Garden Bar.

- v. The Land Trust will begin utilizing holistic grazing methods, a recognized best-practices land management technique, on all of its properties.
- vi. The Land Trust will know by June 2016 if it will receive the River Parkways Grant.
- vii. The pollinator garden will be installed on Adam Ryan Preserve this year.
- viii. Sierra Academy for Expeditionary Learning is adopting Mathis Pond again this year. A plan is also being prepared to bring goats in to graze the invasive black berries.
- ix. State Parks will work collaboratively with the Land Trust to secure a fuels reduction grant for Sequoia Challenge. County Supervisors Hank Weston and Nate Beason have signed letters of support.

- c. Trails: Shaun reported that he will be concentrating on building Clover Valley Trail, Yuba Rim Trail, and Burton Homestead Trail this year. Bill reported that he will be concentrating on assisting the City of Nevada City in implementing the Sugarloaf Trail. Bill stated that this year it is likely the Nevada City Planning Commission will approve, in concept, the establishment of a trail up the mountain. BYLT will then be able to submit a plan for review, approval, and development of the trail.

4. **Land Trust Investments – Special Guest Rick Hansen, Baird Investment Advisors**

Brent reported that the BYLT Investment Committee has been working to reallocate the BYLT investment portfolio to a more conservative approach in an effort to protect the funds in the current volatile investment market. This includes portions of both the restricted and unrestricted funds in the portfolio. Brent introduced Rick Hansen, who reported that, relative to the market, 2015 was a challenging year to make a return on investment. He also stated that the Land Trust portfolio is down about 3% year-to-date in 2016.

Rick reported that based on input from the Investment Committee an individual bond ladder portfolio was built for the fixed income portion of the investment accounts, in order to create a stable cash flow. Brent stated that because of volatility in the financial markets, the equities investments were unstable, and that this strategy has helped stabilize returns from the overall portfolio.

5. **President’s Report:**

- a. Officers for 2016 – Andy proposed the following slate of officers for the BYLT Board of Directors: Michael will succeed as Secretary, Fran will succeed as Vice President, Terry will succeed as President. Andy stated that he will remain on the Board and serve on the Executive Committee as Past President. **Upon motion duly made and seconded, the following resolution was adopted by the Board:**

RESOLVED THAT, the officers for 2016, as proposed, will succeed, effective

immediately.

- b. Board Recruitment Plan – Marty reviewed a Board recruitment matrix, a tool to assist in identifying potential new recruits to join the Board. She noted that she has added the need for expertise in hydrology and also emphasized the importance of adding Board members who can help BYLT connect with residents in the Roseville, Sacramento, and higher elevation areas.
- c. Committee structure and participation in 2016 – Marty suggested that all Board members join at least one committee. Bill Trabucco stated that the Governance Committee should be led by an attorney. Fran stated that the roles of the Governance Committee should be more clearly defined. Bill suggested that two types of governance considerations should be included: those within the organization, related to internal operations; and those outside the organization, related to outside regulatory compliance in the fulfillment of the Land Trust mission.

Marty reviewed a proposed organizational chart for Board and staff committees. Michael suggested that there should be a Board-level committee related to lands and, perhaps, trails, as these two subject areas are the primary purpose of the Land Trust's existence. He further stated that the Land Trust should continue to be on the leading edge of land conservation, particularly in the acquisition, stewardship and sustainability of its lands, and that the Board should be more actively engaged at the policy level in determining overall direction. After discussion, it was agreed that the Board will use two hours of the quarterly meetings to discuss issues which will have been selected by the Executive Committee.

- d. Office Space – Michael reported that renovations to improve functionality of the Land Trust office can be accomplished in three stages, beginning with modest, low cost improvements that can be achieved rapidly and leading to larger improvements that will serve the Land Trust over the long term. He described how the improvements could be staged, such that near term investments will not be wasted and can be included in longer term improvements:
 - i. Stage One: Remove and/or relocate a couple of walls and relocate selected functions;
 - ii. Stage Two: Remove nearly all of the interior walls and subdivide the space with partitions.
 - iii. Stage Three: Construct an addition of approximately 800-1000 square feet.

Marty stated that the cost of the remodel would be in lieu of rent, if North Star Historic Conservancy (NSHC) agrees to it, and that the Land Trust could take out a construction loan to finance the rest. It was generally agreed to make the project

a priority.

6. **Financial Report:**

2015 Financial Results – Art stated that 2015 was better financially in every category than 2014. He also highlighted that the Land Trust’s income is 78% from public support; program expenses are 76% of budget and that administrative and fundraising expenses are 13% of budget. Marty stated that, going forward, the goal is to generate additional income from program assets. Marty also reported that stewardship costs are too high and that she will work with Erin to remedy this.

Preliminary 2016 Budget – Marty provided an overview and requested Board approval of the 2016 budget. During her overview, she noted that there will be an increase in staffing, adding \$60,000 in expense for staffing costs. In response to a question from Terry, Jean responded that overhead appears high in part due to renewing the Directors and Operators Insurance in 2015, as well as increased insurance costs due to new land acquisitions. **Upon motion duly made and seconded, the following resolution was adopted by the Board:**

RESOLVED THAT, the proposed 2015 Financial Report and the proposed 2016 Budget are approved.

Marty stated that Board authorization is now needed for the annual release of funds from restriction based on the 2015 budget that was approved by the Board in January, 2015.

Upon motion duly made and seconded, the following resolution was adopted by the Board:

RESOLVED THAT, the 2015 funds are released from restriction.

7. Due to time limitations, the Strategic Topic Update on Strategic Plan: Mission Statement” as noted on the agenda was tabled for discussion at a future meeting.

8. **Executive Director’s Report:**

a. Q1 Outreach

i. Oak Tree Bash – Marty explained the major outreach event for the first three months of 2016 is the Oak Tree Bash, to be held on March 1st. BYLT will announce two awards during the event, the Nickerl Award for Conservation Leadership and the John Skinner award for Trek Leadership. Several potential candidates to receive the award were discussed by the Board. After discussion, it was agreed that the Nickerl award will go to Janet Cohen and the John Skinner award will go to David Lawler.

b. Sierra Nevada Conservancy Grant Resolutions

- i. Resolution 68 - Fuels/Forest Management Assessment - Rice's Crossing – Jean stated that the grant would provide funding for projects which Erin has planned. **Upon motion duly made and seconded, the following resolution was adopted by the Board:**

RESOLVED THAT, the staff may begin the process to apply for the grant.

- ii. Resolution 67 - Fuels/Forest Management Assessment – Sequoia Challenge - Jean stated that the grant would provide funding for fuel reduction and site clean-up for Sequoia Challenge and South Yuba River State Park. **Upon motion duly made and seconded, the following resolution was adopted by the Board:**

RESOLVED THAT, the staff may begin the process to apply for the grant.

- c. Wolf Creek CE/Newmont Mitigation Approval – Marty reported that Newmont Mining Corporation has been the subject of a lawsuit by the State of California related to the discharge of hazardous water from a historic mine. The company has been ordered to redirect water from the underground mine into a new treatment facility that will require a pump station and pipelines on a portion of lands currently subject to a CE held by BYLT. Therefore, the company is requesting an amendment to the easement to allow the installation and use of the needed facilities. Marty stated that the Land Trust will be compensated for twice the appraised value of the loss of habitat in the CE which can be used to invest in a property of similar conservation value. Marty also stated that the Land Trust is requesting that Newmont compensate for staff time needed to process the revision to the CE, to a total of \$15,000. Cathy stated that every year in the annual monitoring reports, the Land Trust reports that trash and undergrowth has returned. Cathy reported that Newmont cleans it up every year but it just comes back. Marty stated that in reaction to this ongoing issue, the Land Trust is requiring that Newmont clear understory vegetation in the area of the project area during and following construction of the project to increase visibility and help limit homeless use of the area. **Upon motion duly made and seconded, the following resolution was adopted by the Board:**

RESOLVED that, the proposal to amend the Wolf Creek Conservation Easement is approved.

- d. Berriman Ranch Mitigation Proposal Approval – Marty stated that the Land Trust is discussing with the property owner the possibility of creating a 40-acre nature preserve with BYLT holding the CE and building a trail. Marty stated that staff recommends the Land Trust accept the property provided that it is brought to good condition, which the Land Trust would offer to do for a fee of \$47,000. The Land Trust would manage fuel reduction and make sure there are funds to care

for the property annually. Marty stated that a conceptual trail alignment has been mapped and that the trail would cost approximately \$10,000 and closing costs for the acquisition of the property would be approximately \$7,500. Marty requested that the Board authorize staff to continue research and negotiations as a potential project. Considerable Board discussion and questions followed. In response to a question from Rebecca, Bill Haire responded that the property fits into the strategic plan as Wolf Creek is part of the watershed and is in proximity to North Star preserve, so there may be a chance for connectivity. Marty added that the property has substantial creek frontage, would provide a buffer between development and the creek, and would be the only Land Trust property within the Grass Valley city limits. Marty summarized that all of these reasons make this acquisition consistent with the objectives of the Strategic Plan. Michael commented that additional information related to the nature of the proposed surrounding development as well as potential access and road impacts was needed before an informed decision about proceeding with the project could be made. He requested that the focus of any initial additional work be the preparation of a conceptual master plan for the project, including potentials for linkages for surrounding areas for discussion with the Board. Andy commented that the project had several positive attributes and is worth further investigation. **Upon motion duly made and seconded, the following resolution was adopted by the Board:**

RESOLVED THAT, the staff may begin to pursue Berriman Ranch as a potential project.

9. **Adjournment:** There being no further business, the meeting was adjourned at 8:13 p.m. PST.

Respectfully submitted,

Michael Smiley, Secretary