

**MEMORANDUM
OFFICE OF THE
COUNTY EXECUTIVE OFFICER
COUNTY OF PLACER**

TO: Honorable Board of Supervisors

FROM: David Boesch, County Executive Officer
By: Brett Storey, Senior Management Analyst

DATE: June 3, 2014

SUBJECT: FUEL REDUCTION MANAGEMENT PROGRAM

ACTION REQUESTED

Approve a Fuel Reduction Management Program to award funds to organizations providing fire-related fuel reduction activities in qualified Middle Fork project areas based on established Program Guidelines. The program will award eligible projects up to twice annually with funding available pursuant to the Middle Fork Project Memorandum of Agreement with Placer County Water Agency, at no net County cost.

BACKGROUND

Beginning in 2006, after Placer County (County) and the Placer County Water Agency (PCWA) created the Joint Powers Authority (JPA) for the Middle Fork Project (MFP) to ensure that the MFP would be operated, protected, and improved; a series of studies were performed that would be part of the Federal Energy Regulatory Commission (FERC) and California State Water Board (SWB) relicensing process. The information from the studies, environmental and economic plans, are currently under review so that a new license can be obtained for the project. One of the studies performed examined the recreation usage that may come to the project area over time due to the improvements. It is on that basis that any nexus relationships are accomplished.

In 2013, PCWA and the County signed an agreement to provide funding to ensure that services that protect and enhance the project would be continued through the life of the project as annual operational costs based upon the nexus to the project. Staff has developed budget item funding that will be available to perform those various services such as public safety (Sheriff and fire); public accessibility services such as road repair, fuel reduction maintenance, and communications upgrades; as well as other impact on County revenues. This program and others that will utilize the agreement funding have been planned to designate reserve funds to accommodate growth of recreation as the project begins to implement new flows and opportunities per the new FERC license agreement. Staff expects the license agreement to be final as soon as 2016. This first year, a lower amount of funding is being recommended to assist in building that reserve.

Program Overview

This Fuel Reduction Management (FRM) program will utilize funds to award projects that perform fuel management activities that support a reduction in potential fire in the MFP nexus area. This area is a critical forested watershed and protection of it is of paramount importance. The MFP is a multi-purpose water supply and hydro-generation project designed to conserve and control waters of the Middle Fork American River, the Rubicon River, and several associated tributary streams. Beginning in 2014, and for the duration of the federal license for the MFP, an annual amount of funds will be made available to organizations that propose projects or have programs that 1) have a direct nexus to the project area and 2) show the potential to reduce fire danger through some form of fuel management projects. There are applications, matching fund requirements, agreements and documentation results that must be met in order to be eligible to receive funding awards. Those details are outlined in the attached Program Guidelines.

Area of Potential Projects

The MFP project area is quite large but this FRM program focuses on land that has a high potential to catch fire due to human interaction. The nexus area, which is being recommended, is shown in the accompanying map but generally represents the areas south of private residences below Auburn around Rattlesnake Road extending up through areas south of Foresthill Road down to the Middle Fork of the American River/Placer County boundary. This MFP fuel reduction management funding will not be used for projects that are with USFS, BOR, BLM or Auburn State Recreation areas. There is already annual funding to support activities on those lands from the MFP being paid for by the County and PCWA in separate funding agreements.

Grant Agreements Recommendation for Projects and Timing

Staff proposes to allow for two separate grant funding opportunity dates (provided there is funding still available) per year. This is to facilitate both the opportunity for organizations to secure other matching grant funds and to allow for a date after many of the federal and state funds are allocated. Staff would like to have the authority to write letters of support for recognized project opportunities on behalf of this program for those projects that are within agency-approved plans. This would allow for greater opportunities for local agencies to secure funds from outside sources. Staff would propose to bring back, up to twice annually (February and July), recommendations for funding of projects. If this program is approved, staff will provide one recommendation opportunity in July for this calendar year.

FISCAL IMPACT

There is no net County cost associated with the action requested. The funds related to MFP nexus "projects" are recommended as part of the appropriation in Community and Agency Support in the FY 2014-15 Proposed Budget. The resources for this agreement are to be paid from a fund that has been established and fully funded from the MOA between the County and PCWA for costs related to the MFP.

cc: Holly Heinzen, Chief Assistant CEO
Rob Sandman, Deputy County Counsel

ATTACHMENT

Fuel Reduction Management Program



Middle Fork Project

Fuel Reduction Management Program Funding Guidelines

Program Overview

Through an annual funding agreement between Placer County Water Agency (PCWA) and Placer County, funds are to be expended to perform fuel management activities that support a reduction in potential fire in the Middle Fork Project (MFP) area. This area is a critical forested watershed and protection of it is of paramount importance. The MFP is a multi-purpose water supply and hydro-generation project designed to conserve and control waters of the Middle Fork American River, the Rubicon River, and several associated tributary streams. The location is generally located in the Tahoe National Forest and private land well above the community of Foresthill and continues down the American River near the community of Auburn. See attached map of the MFP area.

Beginning in 2014 and for the duration of the federal license for the MFP an annual amount of funds will be made available to organizations that propose projects or have programs that 1) have a direct nexus to the project area and 2) show the potential to reduce fire danger through some form of fuel management projects. There are applications, matching fund requirements, agreements and documentation results that must be met in order to be eligible to receive funding awards.

Staff Contact and Program Manager: Brett Storey, (530) 745-3011 bstorey@placer.ca.gov

Background

Placer County and PCWA formed a Joint Powers Authority for the MFP (Authority) in 2006 to obtain the license from the Federal Energy Regulatory Commission (FERC) for the MFP. The Authority began operations in May of 2013 taking over from Pacific Gas and Electric. As a part of that licensing process studies were accomplished to understand the potential costs to the Authority for an increased number of visitors to the project. Various operational costs were developed and one of those was to dedicate some annual funding for the purpose of ensuring that fuel management activities would take place to support the area known as the MFP. In all of the studies an adherence to a "nexus" or direct relationship to the project area was maintained. In this way the costs can be shown to be fair and have the appropriate proportion to the activity and prepared as operational costs to the project and included into their annual budget. PCWA and Placer County signed an agreement in 2013 to allow Placer County to implement and distribute these funds to assist in protecting the MFP from potential fire damage.



Available Project Area

The attached MFP fuel management map represents the area that has been defined as the MFP area and the adjacent locations that are within a nexus to the project. Annual funds are to be made available to projects and programs within these boundaries. Much of this land is owned by the USFS, BOR (including Ca State parks) and BLM and separate nexus funding to each of those agencies is provided annually. Therefore those lands are NOT available for this program funding and interested groups that have projects on those lands should petition those agencies for funding to support their activities.

Program Details

Goals:

The goals for this program are as follows:

- 1) Accomplish an on-the-ground project or program that can directly be related to a reduction in the potential for fire in the MFP area.
- 2) Prepare a plan for a program that could lead to a greater management of the MFP nexus area fuel management.

Annual Funding:

The annual amount of funding for this Program will be set by January 1 each year and be based on a Calendar year. 2014 annual funding will be \$150,000

Maximum Award Value:

In order to ensure that multiple awards are possible and all required work will be accomplished in the funding year a maximum amount of \$49,500.00 is available per project or program. Organizations are allowed to submit and receive multiple awards each year but only one award per project per year.

Matching Funding Requirements:

Because the MFP does not bear full responsibility for the nexus, a requirement of 60 % matching funds of the total project, which can be a combination of direct and in-direct matching funds, will be required in order to meet the requirements of this program. The attached Appendix A describes the definition of matching funds that will be accepted.



Project/Program Types:

The definition of acceptable fuel management project (original project or maintenance of an original project) or program types will consist of the following:

- 1) Part of an approved plan from an agency located within Placer County (Provided the project area has a nexus to the project).
- 2) Part of an on-going or new program that has been funded in support of an approved plan or project within Placer County (Provided the project area has a nexus to the project).

Funding Process:

Project Assistance Review

The Program Manager or designee will be available to meet with anyone who believes they want to prepare an application. Guidance will be provided and questions will be answered to assist in the preparation of an application.

Application Period

The attached application will need to be completed to be considered for any funding from this program. Two separate application periods will be provided annually. The first period would require all Applications to be submitted in hardcopy or electronically to Brett Storey, 3091 County Center Dr. Auburn, CA 95603 or bstorey@placer.ca.gov (no facsimiles accepted) and are due by 5 PM PST, February 28 of each year. The second period would require applications to be submitted by June 30 of each year.

Award

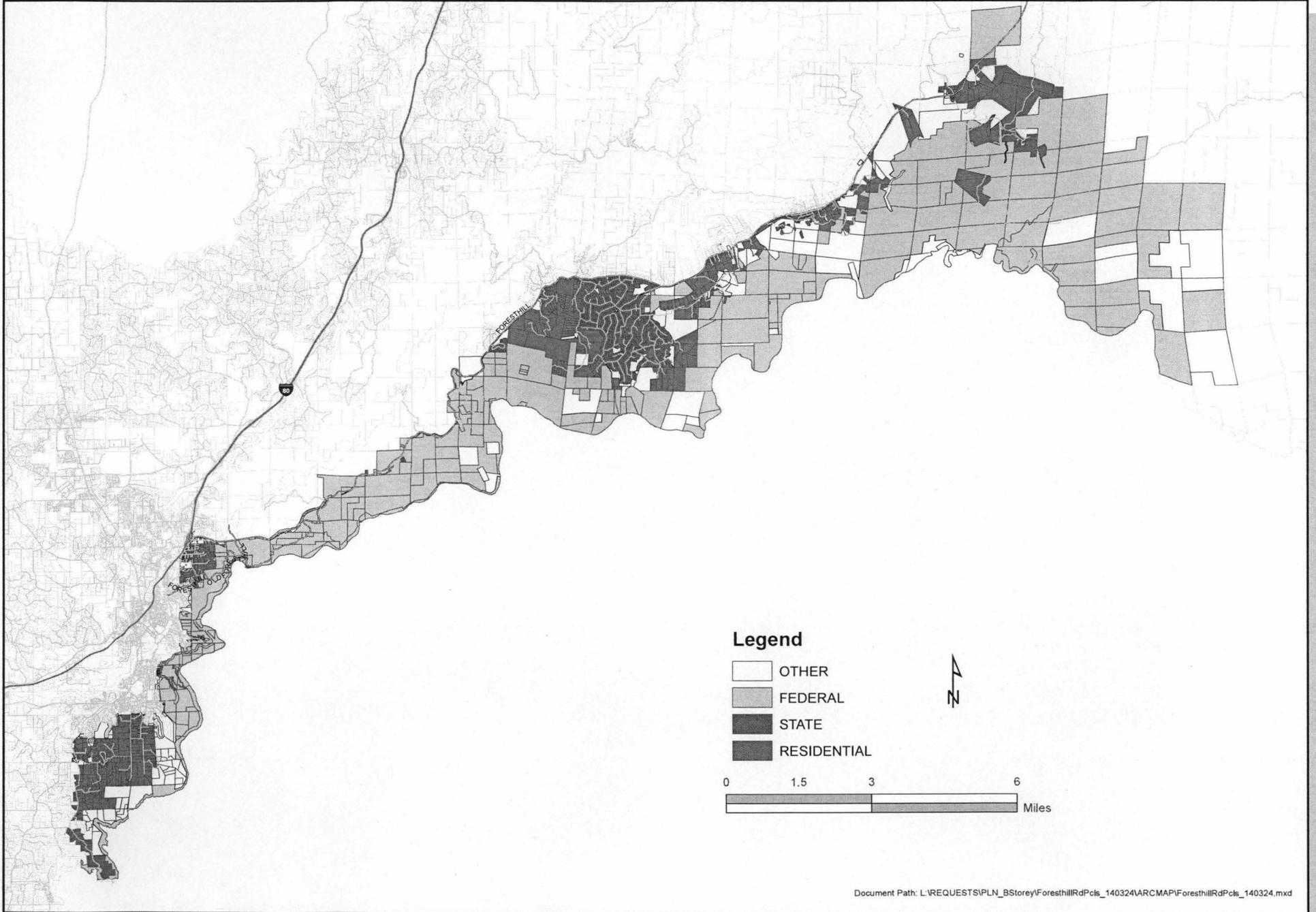
Funding awards for period 1 will be determined by March 31, period 2 by July 1 of each year and a notification of award letter and agreement will be sent to successful applicants. Projects will be judged primarily on their scope and impact of reducing potential fire in or adjacent to the MFP area.

Agreement

The attached agreement will need to be signed upon acceptance of any funding from this program.

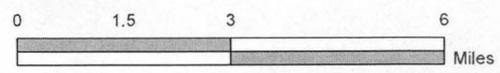
Documentation Requirements

A "Project Completion Report" must be submitted to the Program Manager by January 31st of the following year. If documentation is not completed within this timeline the organization will NOT be eligible for funding during the following year. Extensions may be granted under certain circumstances. Delays caused by weather or abnormally long environmental approval processes are examples of acceptable reasons for extensions.



Legend

-  OTHER
-  FEDERAL
-  STATE
-  RESIDENTIAL



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Appendix A:

The following description of contribution matching funding is at the discretion of the Program Manager but will reflect the intent of the program to provide for fuel reduction funding to worthy projects. In general, each category can provide up to one third of the total contribution requirements.

Contributory Funding requirements:

Because the MFP does not bear full responsibility for the nexus, contributory funds will be required in order to meet the requirements of this program. This appendix defines the type of contributory funds that may be accepted.

Direct Contribution: These are funds received from other granting agencies for past and present work performed on the specific project where new or maintenance work is being performed. These funds can be used as a dollar for dollar contribution. Dollars from most private, public and government agencies would be accepted.

Examples:

- Sierra Nevada Conservancy, California Fire Safe Council Clearinghouse, Placer County SRS Title III Firewise, Cal Fire Prop 40 WUI grants and private companies such as PG&E and State Farm.

Indirect Contribution: This type of funding is generally in-kind funding. This includes time and dollars spent on funded positions and volunteer labor focused on past and present work performed in areas or on projects with a direct nexus to the project area.

Examples:

- Fire Safe Council and Fire Safe Alliance effort on the project (Plans and project work)
- Title III funded positions time and project work dollars spent on the project (FMC, grant and Firewise coordinator)

Associated Project Contribution: In the case where multiple property owners have developed contiguous projects but cannot cross property lines to continue their portion of the project, the dollars used for the project on the adjoining property can be used to provide a contribution towards MFP dollars.

Examples:

- ZOB dollars spent on adjoining property to the nexus area (ZOB 178, Monte Verdi)
- State and Federal government projects on properties with a direct nexus to the MFP (BOR and State Parks work on adjoining projects)

**MFP Nexus area Fuel Reduction Management Funding program
Project Proposal Form**

Choose Either:

Category 1: Fuels Management

Category 2: Pre-Project/Program Activities

Project Title: _____
(Limit to 10 words or less)

ORGANIZATION INFORMATION

Organization: _____
(Including legal name)

Address _____

City, State, Zip: _____

Phone Number: _____ Fax Number: _____

Organization Type _____
(Either: Non-profit Organization; Government (specify agency))

Organization Website: _____

PROJECT CONTACT INFORMATION

Authorized Representative/Title: _____
(Authorized to sign grant agreement, requests for payment etc. as required)

Email: _____

Address _____

City, State, Zip: _____

Phone Number: _____ Fax Number: _____

Day-to-Day Grant Project Manager (Person/Title): _____
(Only include if different from the Authorized Representative)

Email: _____

Address: _____

City, State, Zip: _____

Phone Number: _____ Fax Number: _____

**MFP Nexus area Fuel Reduction Management Funding program
Project Proposal Form**

PROJECT DETAILS

Project Description (to be attached as a MS Word document)

Is this project part of the local Community Wildfire Protection Plan, Local Hazard Mitigation Plan, Biomass & Wildfire Protection Strategic Plan or other established wildfire mitigation programs adopted within Placer County? (Choose either: **Yes** or **No**)

If yes, provide details: _____

Are there any letters regarding your project? (Choose either: **Yes** or **No**)

If yes, provide any such letters: _____

Has this project been previously considered by the MFP? (Choose either: **Yes** or **No**)

If so, list the name, project number and outcome. _____

Identify all entities and potential funding partners

Would partial funding of project be ok? (Choose either: **Yes** or **No**) _____

Approximate beginning project date: _____ ending project dates: _____

Amount requested \$ _____ Total project cost: \$ _____

Project location: _____
(List specific project location, city (list nearest), county, and zip code and APN #)

Project latitude and longitude: _____

Provide a Map of the Project; 8.5 inch by 11 inch black and white suitable for reproduction.

**MFP Nexus area Fuel Reduction Management Funding program
Project Proposal Form**

PROJECT AUTHORIZATION INFORMATION

Do you have authorization to complete fuel management activities on this location?
(Choose Either: **Yes** or **No**)

If **Yes**, please provide authorization information from legal owner of property (attach documentation)

What supporting documents and permits have been created (or what is the expected timeframe for the creation of these documents?)

NOTE: Application will be available for public review per government code 6250 es.