

One Water & Stewardship Committee

Watershed partnerships and forest health pilot investigations in the Northern Sierra Nevada



Item 7-4

September 9, 2024

Item 7-4 Watershed Agreements

Subject

Authorize the General Manager to enter into agreements with the Plumas Community Protection I Forest Resilience Bond LLC, North Feather I Forest Resilience Bond LLC, and Upper Butte Creek I Forest Resilience Bond LLC to establish watershed partnerships and forest health pilot investigations in the Northern Sierra Nevada; each agreement is not to exceed \$200,000 per year for a maximum of two years.

Purpose

These agreements would help Metropolitan assess the potential benefits and value of investments in watershed health through pilot investigations, while advancing the relevant science and building relationships within the watersheds.

Recommendation and Fiscal Impact

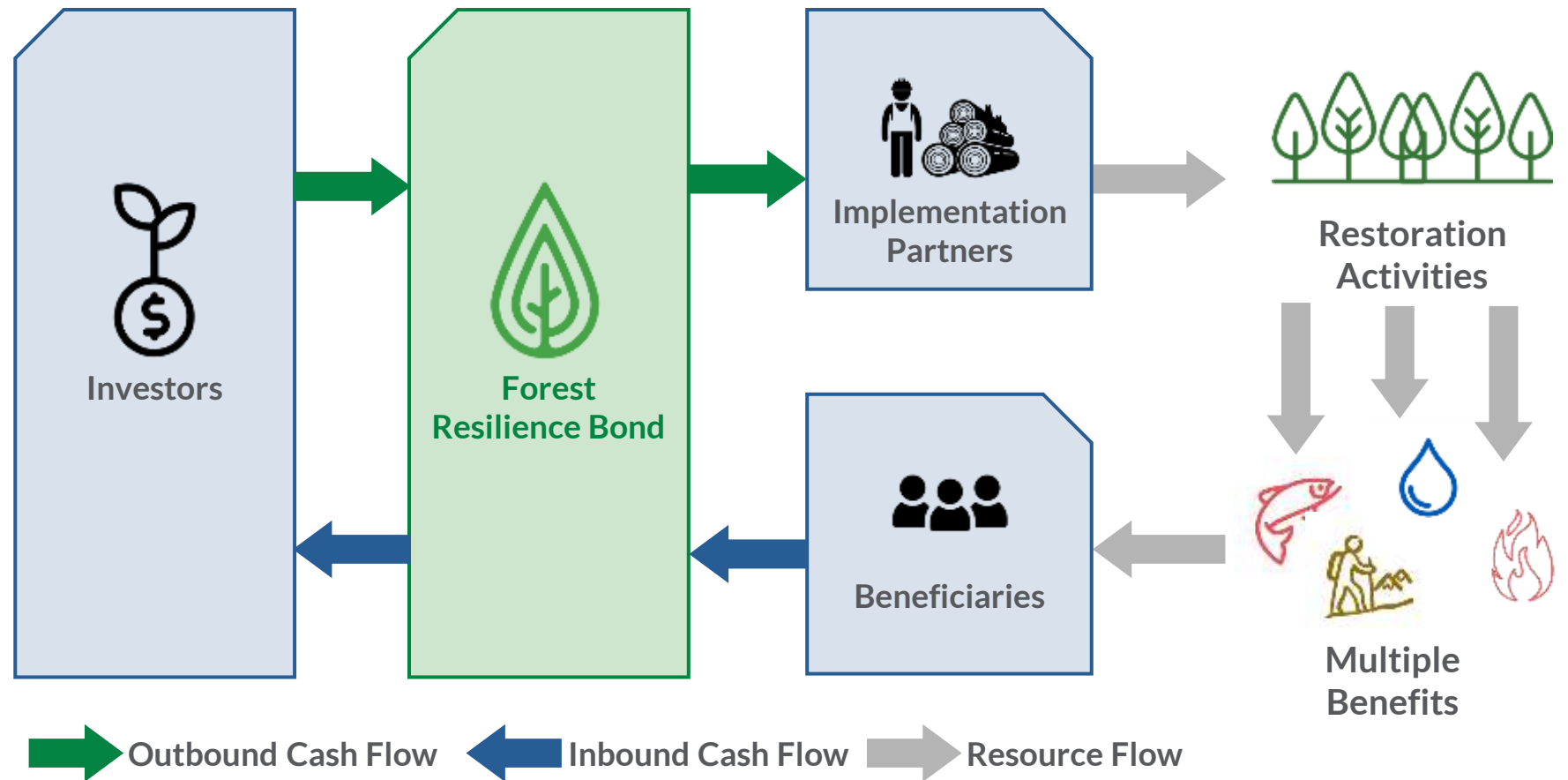
Authorize the General Manager to enter into agreements with the Plumas Community Protection I Forest Resilience Bond LLC, North Feather I Forest Resilience Bond LLC, and Upper Butte Creek I Forest Resilience Bond LLC, each agreement is not to exceed \$200,000 per year for a maximum of two years. These funds were included in the approved FY 2024/25-FY 2025/26 Bay Delta Initiatives Grant/Donation budget and therefore would not require a budget adjustment.

Budgeted

Blue Forest



Forest Resilience Bond



Full Project
20,000 acres

Initial FRB
~\$5 million

Potential FRB
Partners

CalFire, NFWF,
Wildlife Conservation
Board, Sierra Nevada
Conservancy

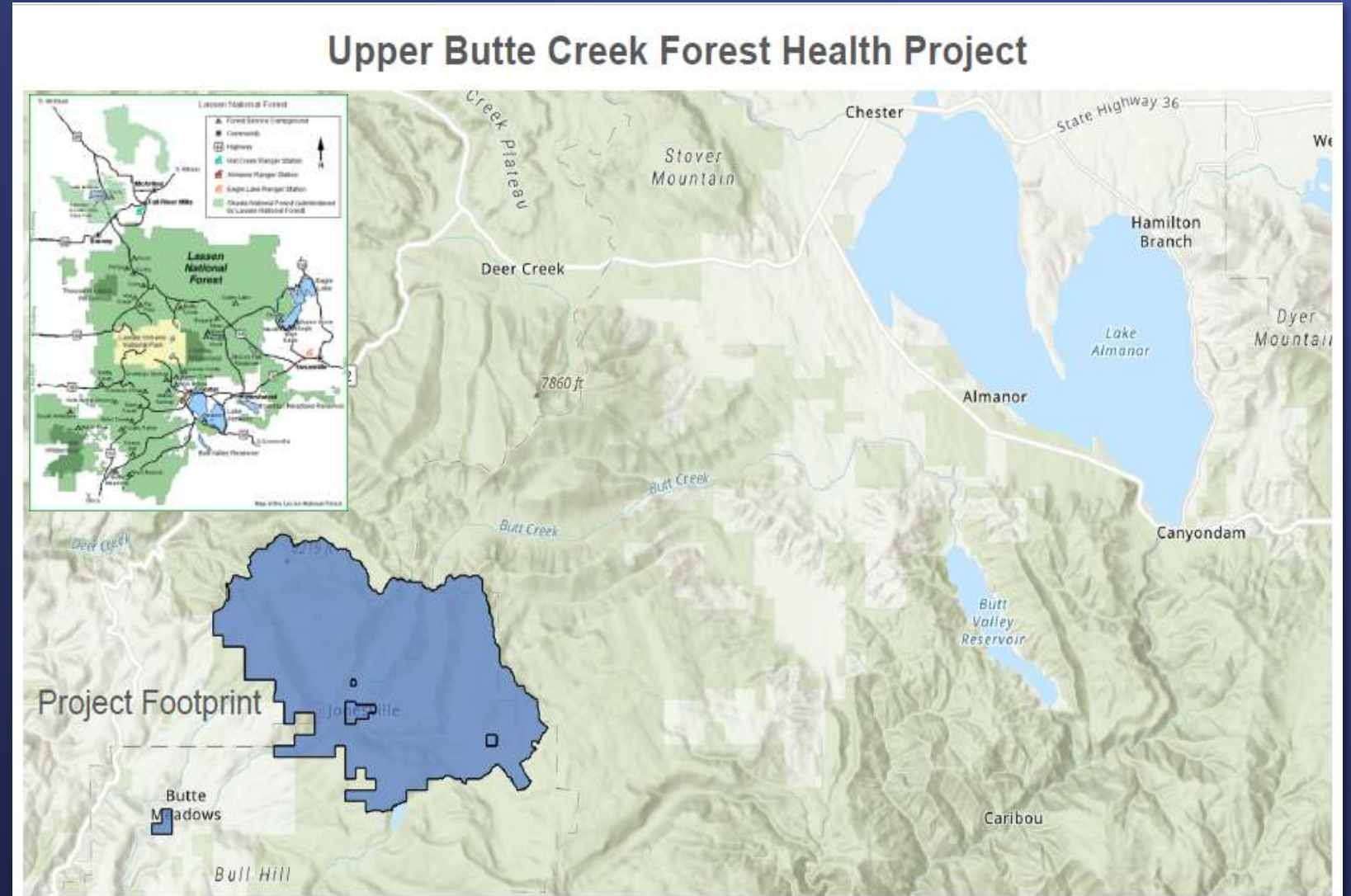
Local Partners

Lassen NF, South
Lassen Watershed
Group, Butte County
RCD

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Upper Butte Creek I Forest Resilience Bond

Focus on potential benefits to aquatic species



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North Feather I Forest Resilience Bond

Focus on potential benefits of post-fire recovery

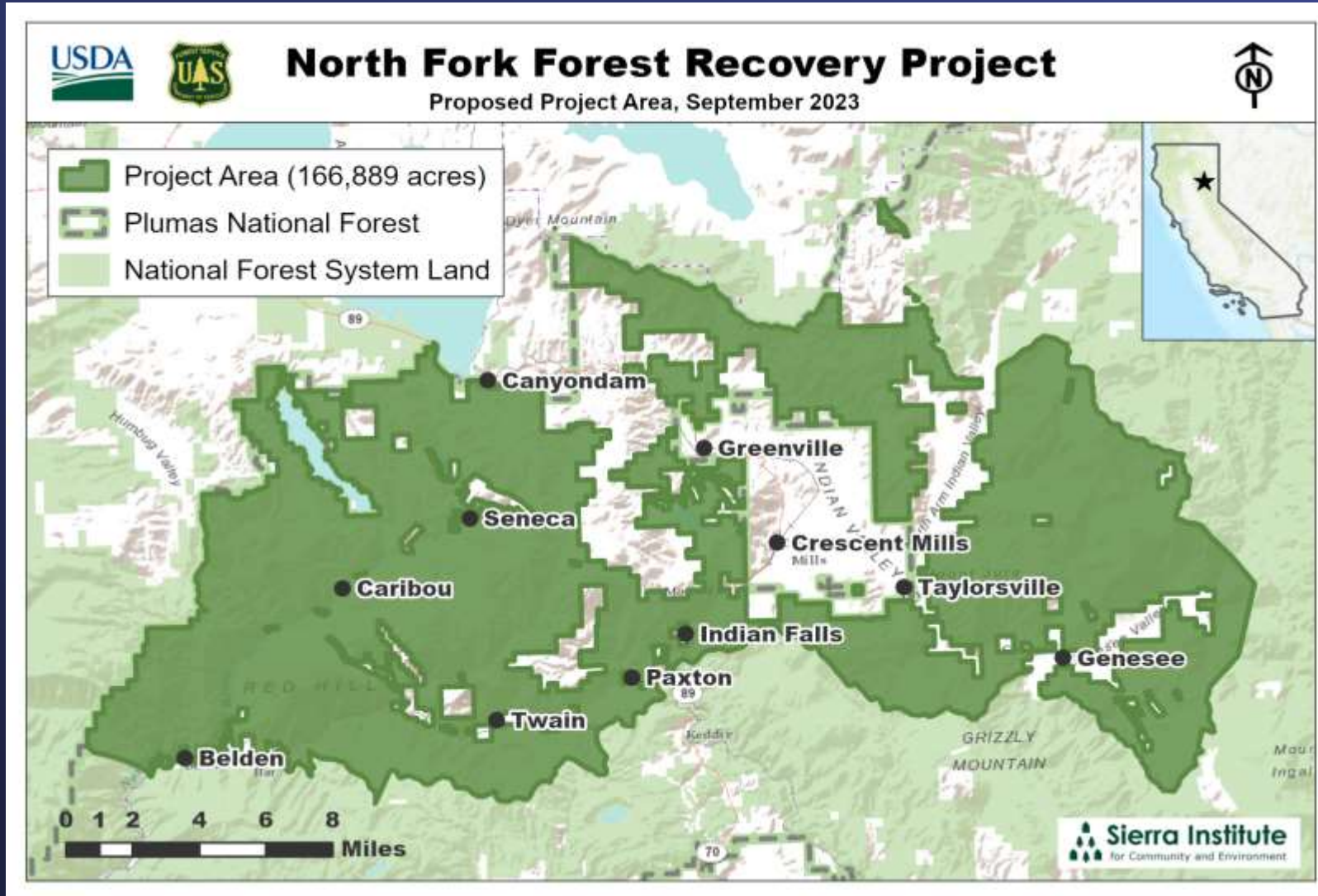
Full Project
167,000 acres

Initial FRB
~\$3.5 million

Potential FRB
Partners

Plumas NF, CalFire,
Sierra Institute,
PG&E, DWR

Local Partners
Sierra Institute,
Plumas NF



Full Project
240,000 acres

Initial FRB
Up to 39,000 acres

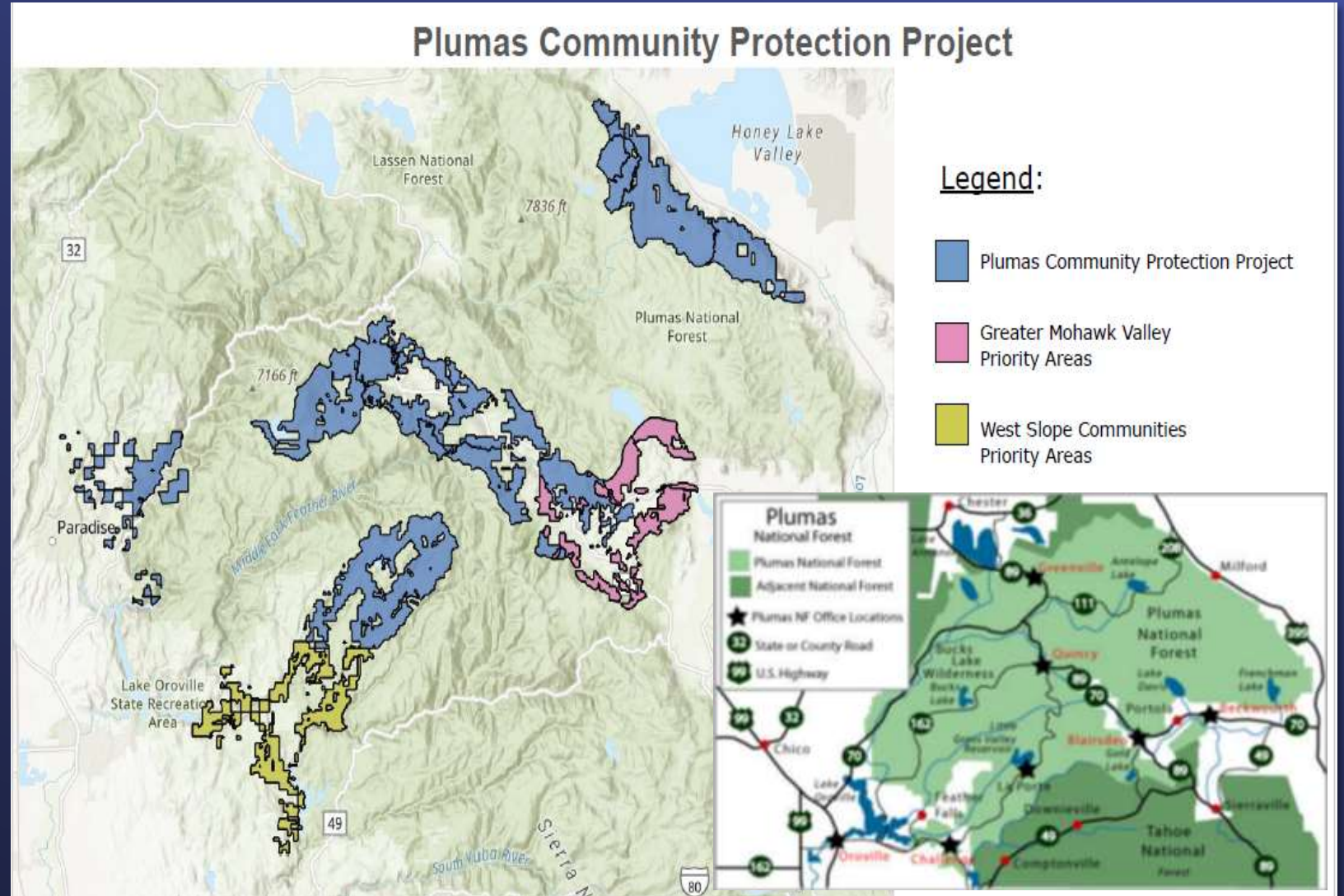
Potential FRB Partners

PG&E, DWR

Local Partners
National Forest
Foundation, Feather
River RCD, Mule
Deer Foundation,
Plumas NF

Plumas Community Protection I FRB

Focus on potential benefits of green forest protection



August Committee Input

- Minimize Financial & Implementation Risk
 - Protections will be provided in contract provisions
 - Spending contingent on successful Forest Resilience Bonds
 - Ensure overhead and administrative costs are minimized
- Ensure Project Outcomes
 - Implementation of restoration and management actions
 - Pilot Investigations will help quantify and value potential benefits
- Be Mindful of Budget Concerns
 - Funding in approved Bay-Delta science budget
 - Future investments should include additional partners (e.g. State & Federal contractors, other PWA's, associations)

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Next Steps

- Updates on implementation progress and Pilot Investigation findings at future One Water & Stewardship Committee meetings

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Board Options

Option 1

- Authorize the General Manager to enter into agreements with the Plumas Community Protection I Forest Resilience Bond LLC, North Feather I Forest Resilience Bond LLC, and Upper Butte Creek I Forest Resilience Bond LLC, to establish watershed partnerships and forest health pilot investigations in the Northern Sierra Nevada; each agreement is not to exceed \$200,000 per year for a maximum of two years

Option 2

- Do not authorize the General Manager to enter into agreements with the Plumas Community Protection I Forest Resilience Bond LLC, North Feather I Forest Resilience Bond LLC, and Upper Butte Creek I Forest Resilience Bond LLC at this time

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Staff Recommendation

- Option 1

