



ATTACHMENT 1

AUTHORIZATION & ELIGIBILITY
REQUIREMENTS



COSUMNES, AMERICAN, BEAR & YUBA RIVER
INTEGRATED REGIONAL WATER MANAGEMENT



CABY Integrated Regional Water Management Plan Proposition 84, Round 2 Implementation Grant

Attachment 1. Eligible Applicant Documentation

Below is the eligible applicant documentation for the Applicant, The Sierra Fund. Attachment 1 includes the authorizing documentation from The Sierra Fund.

1. Is the applicant a non-profit organization as defined in Appendix B of the Guidelines?

Response: Yes. The Sierra Fund, a local agency as defined in Appendix B of the 2012 Guidelines is the Applicant for the CABY Integrated Regional Water Management Plan.

2. What is the statutory or other legal authority under which the applicant was formed and is authorized to operate?

Response: The Sierra Fund is a non-profit corporation qualified to do business in California and qualified under §501(c) (3) of the Internal Revenue Code as an educational non-profit. A copy of The Sierra Fund's certificate of incorporation is included in this Attachment.

3. Does the applicant have legal authority to enter into a grant agreement with the State of California?

Response: Yes. The Sierra Fund was designated on January 17th 2013 by the CABY IRWM Coordinating Committee to enter into and implement an agreement with the State of California and the Department of Water Resources (DWR) on behalf of the CABY IRWM group.

4. Describe any legal agreements among partner agencies and/or organizations that ensure performance of the Proposal and tracking of funds.

Response: Utilizing materials prepared for earlier Proposals, CABY has developed a set of contract materials. These contracts will serve to formalize the relationship between the project applicant and each of the project sponsors. All work conducted under the grant agreement with partner agencies and organizations will be executed by contract with The Sierra Fund. Contract agreements with partner agencies will include DWR required provisions and will be consistent with the grant agreement.

IRWM Eligibility

The projects included in this proposal are eligible for implementation grant funding:

- The CABY Region has been accepted for Implementation funding through DWR’s Region Acceptance Process.
- The CABY Region’s IRWM Plan was adopted prior to September 2008.

Groundwater Management Plan Compliance

The CABY Proposition 84, Round 2 Implementation Grant Proposal is comprised of projects that do not directly involve groundwater management or recharge.

Examples of projects included in this Proposal are projects that remediate the legacy of historic mines, the repair or enhancement of infrastructure related to clean and reliable drinking water and stream water quality, as well as a small model hydro project. These, and the other projects included in this Grant Proposal have very positive impacts on surface water, but are not expected to impact groundwater.

Progress on Meeting Current IRWM Plan Standards

The CABY IRWMG is an innovative, stakeholder-driven collaboration among small and large water agencies, municipal and county governments, state and federal natural resource managers, tribes and national, regional and local non-governmental environmental organizations. The CABY Regional Water Management Plan, (CABY IRWMP) was adopted in 2007.

The CABY IRWMP integrates long term planning and high quality project implementation in an adaptive management framework—fostering coordination and communication between the diverse stakeholders in the region. The CABY IRWMP was drafted as a living document to be continuously reviewed and revised by its members over time. The CABY IRWM Plan is currently in the process of being updated under a Grant received from DWR. Goals and Objectives for the Updated Plan were approved by the IRWM Group in October 2012 and the complete Updated Plan will be finally approved in the summer of 2013. Projects for this Proposal are based on the Objectives formulated by the IRWMG for the Updated Plan. CABY is in compliance with the terms of the Planning Grant agreement and is on schedule submitting regular reports.

The main Programmatic Areas of the CABY IRWMP identified in the Updated Plan are Water Supply, Water Quality, Environment and Habitat, Climate Change and Human-Landscape Interaction. Objectives within each of these programmatic areas are further integrated with the overarching objectives of Education and Outreach, Financial Feasibility, Data Analysis and Monitoring, and Regional Planning and Land Use.

The Updated CABY plan develops an ongoing and comprehensive roadmap to facilitate regional cooperation in providing water supply reliability, water recycling, water conservation, water quality improvement and natural resource improvements while fostering coordination, collaboration and communication among the Region’s stakeholders.

TABLE 1-1 – OVERVIEW OF SELECTED IRWM PLAN STANDARDS

Governance: <i>Will the governance structure need to be altered in the Updated IRWM Plan in order to ensure that balanced access and opportunity for participation in the IRWM effort is provided?</i>
<p>Status/Response: CABY has a well-established governance structure, which will not be changed in the Updated Plan. CABY’s structure is made up of a Planning Committee (PC; the main decision-making body comprised of all participating organizations), a Coordinating Committee (CC; who assist staff with process planning, technical proposals and communication to the stakeholder group) and Workgroups (appointed by the Planning Committee to develop goals, objectives, actions and recommendations for specific management areas). CABY uses consensus as a fundamental principle in all decision-making and has developed a protocol if 100% agreement cannot be reached. This structure has worked well and is the foundation for a successful, collaborative model of genuinely integrated water management.</p> <p>Membership in CABY’s PC is open to any entity, which adopts the CABY IRWMP. Each member entity gets a “vote” when decisions are made. In most cases, any interested party is welcome to participate in a workgroup or technical advisory committee, whether the individual represents a member entity or not.</p>
Regional Description: <i>Has the regional description changed significantly from the current IRWM Plan?</i>
<p>Status/Response: The regional description has not changed significantly in the Updated IRWM Plan. However, various processes have added to our understanding of the region as follows:</p> <ol style="list-style-type: none"> 1) We completed a boundary check as part of the Regional Acceptance Process and removed a section of Sutter Butte creeks from our region. This area is covered by the Yuba Region IRWMP and a portion of the North Sacramento Valley IRWMP, and has adequate representation by an IRWM planning process. 2) Due to information gathered in the FERC relicensing processes in our watersheds we have added some detail with regard to mercury and fish and frog survival. This enhances CABY members’ understanding of the mercury cycle and pollutant levels within the region and potential effects downstream. 3) We have added detail to the section of Habitats of Special Concern to include more detail on Western Placer Creeks and Mountain Meadows. Both of these regions have received additional State and Federal attention in the past few years, and CABY members have done significant work in increasing understanding of the importance and status of these habitats for anadromous fish and water storage, respectively. 4) We have enhanced the CABY IRWMP’s understanding of climactic impacts on and within the region, and have added a section on regional climate vulnerabilities to the region description, complemented by a stand-alone section in the revised document.
Objectives: <i>Will your objectives change from those in the current IRWM Plan? If so, how?</i>
<p>Status/Response: CABY staff and RWMG members carried out a year-long focused effort to refine IRWM objectives for the Updated IRWM Plan. The 2007 version of the CABY IRWMP identified various issues through a PC-centered process, giving specific workgroups responsibility to develop objectives separately from the PC and each other. The CABY Planning Committee (PC) wanted the objectives included in the</p>

Updated IRWM Plan to result from a more deliberative process providing continuity throughout the initial identification of issues, the development of measurable objectives associated with those issues, and the enumeration of regional conflicts that acknowledge the need for continued collaborative planning. The end result of this process is a suite of 41 extremely focused and implementable objectives with clearly spelled out methods of gauging the success and effectiveness of the CABY IRWMP. These objectives were approved by the IRWMG in October 2012 and were used to guide project selection for this Proposal.

For this IRWMP update, issues and objectives were developed together, emphasizing a direct relationship. Because of this, the PC recommended that these two components be placed together in the same chapter. Throughout the 2007 Plan implementation issues often directed project development, while the objectives were so specific that it was difficult to create a nexus with projects. Organizing the Updated Plan through issues and objectives will highlight their correlation, generating project concepts beyond simple off-the-shelf ideas.

In addition, we are adding a programmatic structure to the Updated Plan. This is a concept developed by CABY in 2009 under which to organize projects. These programmatic areas now represent “families” of issues and objectives, enabling users of the Plan greater ease in finding specific information, as well as providing more of a context in which to understand the issues and objectives identified in each programmatic area. This also will allow for greater integration of resource management strategies into decision-making and project formulation.

Another refinement completed during this Plan Update is that of *measurable* objectives. This came about partially as a result of the revised DWR IRWM Guidelines (August 2010 and then November 2012), but it also became apparent to the CABY PC that it was impossible to gauge success of IRWMP implementation based on the 2007 objectives. They desired a much more straightforward set of objectives that would enhance the project development process as well as create an easy metric by which to gauge success. With very few exceptions, the objectives developed in this IRWMP Update are quantitatively measurable and have a “due date”.

While the 2007 set of objectives seemed numerous to many stakeholders at 26, this updated list is made of up 41 distinct objectives. While this is a longer list, stakeholders felt that more objectives allow for a greater diversity in projects that will lead to successful implementation of the IRWMP.

Resource Management Strategies: *Will the Updated IRWM Plan consider the resource management strategies from the California Water Plan, Update 2009?*

Status/Response: All resource management strategies in CABY's Updated Plan were developed with guidance from the California Water Plan Update 2009. CABY members also added two significant strategies that they felt had been and would continue to be instrumental in managing resources in the region: Education and Outreach, and IRWMP Coordination. Education is essential to implementing the CABY IRWMP for the long term, both in the education of resource managers and planners and in educating the public. IRWMP coordination was added because CABY members identified some actions as more powerful if implemented across IRWM regions (such as mercury remediation or drought planning).

Integration: *Will the process used in the Updated IRWM Plan allow, encourage, and actively pursue*

integration in both the planning process and project formulation and implementation?

Status/Response: CABY staff and stakeholders spent more than a year implementing a comprehensive process to improve involvement in the planning process and the integration of issues and objectives and projects in the Updated IRWM Plan.

- 1) CABY staff made a concerted effort to expanded outreach to new stakeholders in the region and to integrate them into the Planning process. Their involvement in the planning process has led to the integration of a wider range of goals, issues and objectives and better understood and agreed upon list of stakeholder concerns and needs. These issues have been integrated throughout the objectives, resource management strategies, project implementation, and impacts and benefits of implementing the Plan.
- 2) The Updated Plan includes a fully integrated suite of Issues and Objectives, as described above, replacing the "wish-list" of objectives in the 2007 Plan. These issues and objectives are focused and targeted to measurable and achievable outcomes and are well-understood by all stakeholders. The objectives are clearly linked to the performance measures section, allowing CABY stakeholders to assess regional success in implementing the Plan, as well as identify real impacts and benefits to Plan implementation. It is this integration of issues-objectives-performance measures that makes this assessment possible and feasible on such a large regional scale.
- 3) With greater understanding of each other's issues and expertise, the Updated Plan encourages cooperation between stakeholders with diverse agencies and organizations. This is illustrated in the increased outreach efforts put into the integration of land use interests and concerns into the updated CABY IRWMP. This was identified as a "conflict" in the 2007 IRWMP; the fact that stakeholders identified it as a supported implemented task in the update process shows how far CABY members have come in both their level of mutual trust and commitment to integration throughout the region.

Project Review Process Will the project review process consider climate change vulnerabilities and greenhouse gas emissions (for both construction and operation)?

Status/Response: Because the CABY Region is a source water area, resiliency to climate change is of utmost importance. Hydrologic and environmental changes have the potential to completely change the face of resource availability patterns and habitat and species makeup throughout the region. The new Project Review process will take into account climate change vulnerabilities that CABY's Climate Change Technical Advisory Committee identified during the planning process for the Updated Plan. One demonstration of the integration of these vulnerabilities is the number of fire and fuels management projects making it into CABY's Tier 1 – catastrophic fire is a major vulnerability identified by the climate change technical advisory committee in the Plan Update, and the suite of projects addressing this topic support this finding. The Updated Plan will also include an assessment of Greenhouse Gas Emissions associated with project implementation and/or construction for each project.

Technical Analysis: Have any data gaps been identified and how will the Updated IRWM Plan help fill the gaps?

Status/Response: CABY's IRWM Updated Plan includes a thorough analysis of data gaps and identifies actions to address them. A general, high-level vulnerability assessment was done in the process of

identifying data and documents. In this process, two major gaps in regional knowledge were noted: 1) the region’s groundwater resources and how the fractured rock aquifers are connected and might respond to climate change and/or increased development pressure, and 2) the occurrence, behavior, risk, and future costs to the region of catastrophic fire and fuels management. While the climate change work done in the Plan Update fills in some academic knowledge to regional understanding of catastrophic fire, on-the-ground effects on hydrology and occurrence effects have not been studied. The Updated IRWM Plan includes goals and objectives identifying these gaps, and implementation projects to increase the RWMG’s knowledge in both these areas

Relation to Local Water Use Planning: *Will changes to the existing IRWM Plan be needed in order to improve coordination with local water use planning efforts?*

Status/Response: All the major water agencies in the CABY region are active participants in the IRWM process and due to extensive outreach over the past 18 months, CABY has added smaller agencies to its stakeholder list. The Updated Plan does not change CABY’s coordination processes but adds new objectives relevant to this question as follows:

“Encourage the adoption of drought preparedness plans specific to every water delivery service area by 2018, and plan for interregional, coordinated drought and emergency management by 2020.”

“The CABY organization will convene periodic (at least quarterly) meetings of interested parties discussing water transfers in and out of the Region; progress will be brought to the PC annually, with the goal of developing a CABY ethic and approach to water transfers by January 2015.”

The Updated Plan also identifies a new CABY role of coordinating regular communication between smaller and larger agencies to share expertise and knowledge about common concerns including topics such as CEQA and project design.

Relation to Local Land Use Planning: *Will changes to the existing IRWM Plan be needed in order to improve coordination with land use planning efforts?*

Status/Response: In the 2007 version of the CABY IRWMP, the topic of land-use was avoided due to the fact that it was felt that consensus would never be reached in a productive way. At the time, the stakeholders wrote that “[b]ecause the CABY IRWM planning effort was jointly conceived and initiated by a broad coalition of stakeholders, we have confidence that the CABY IRWM Plan, our governance structure, and our founding charter will serve as a strong guide to reach understanding of each of the resource conflicts.” This is largely the case today.

In the process of writing the Updated Plan, CABY staff interviewed all the Region’s land use planning agencies and water agencies to identify common challenges. The Updated Plan now addresses land use issues and coordination in the region in the Water and Land Use Planning chapter and identifies further communication, discussion and coordination which will be needed to manage the region’s resources as a whole -- collaboratively and respectfully.

Coordination between agencies has already begun with a meeting between NID and the Nevada County planning department. This meeting was extremely informative, identifying places where the agencies can

share costs and increase implementation efficiencies and effectiveness. This meeting will be repeated on a regular basis, spearheaded by the stakeholders themselves.

Stakeholder Involvement: *Will changes or improvements to the stakeholder involvement process be needed to ensure effective stakeholder participation?*

Status/Response: No changes or improvements to the stakeholder involvement process will be needed in the Updated Plan. Since its inception, CABY’s existing stakeholder involvement process has been successful in ensuring open and effective stakeholder participation.

CABY staff undertook a concerted outreach effort in the fall and winter of 2011, which resulted in 15 additional stakeholders being more actively involved in the PC and IRWMP planning process. At least four of these new participants adopted the IRWMP, becoming CABY members. Many of these new stakeholders represent small, rural water districts in DACs and small non-profits, which hadn’t previously been involved in the CABY process. The addition of these new members has increased the interest and enthusiasm of the group as a whole and has brought new issues and new projects to the table.

Coordination: *Has the RWMG identified a need for changes/improvements to the ongoing coordination efforts?*

Status/Response: No changes or improvements to ongoing coordination efforts have been identified. The RWMG and its committees and TACs have regular meetings, and CABY outreach is targeted and well planned. CABY staff is informed and easily accessible and they ensure that meetings are well-noticed with materials available in advance. There is also regular communication between meetings and a regularly updated website containing all materials and publications.

Coordination also occurs on an interregional basis, with ongoing communication with and participation in the Sierra Water Work Group (including all IRWMPs in the Sierra Nevada and meeting on a bi-monthly basis), the Sacramento Hydrologic Region Funding Area (meeting quarterly), and the Roundtable of Regions (meeting periodically, as needed).

CABY formalized its coordination with State and federal entities early in the Plan Update process, and that coordination has worked well. CABY has two National Forests active in its Plan Update, and several State representatives regularly attend meetings, including the Department of Water Resources and the Sierra Nevada Conservancy.

Climate Change: *Will the Updated IRWM Plan contain: A climate change vulnerability assessment of the IRWM region that is at least equivalent to the qualitative check list assessment in the Climate Change Handbook for Regional Water Planning (Handbook) ?*

Status/Response: Climate Change has always been a high-energy topic for the CABY PC, and member engagement in the issue is consistent and reliable. The CABY Climate Change Technical Advisory Committee (TAC) was established in January 2012 to allow a place for member-based, technical, direct, and specific input to the project team regarding how climate change should be considered within the Updated CABY IRWMP. Participation recruitment for the TAC occurred at the November 2011 PC meeting and the first TAC meeting was held on January 27th, 2012.

The TAC identified early on that creating a foundational review of literature relevant to a climate change assessment of the CABY Region would be an essential step in enhancing regional understanding of on-the-ground climate change effects. The documents identified in this analysis consisted of approximately 80% peer-reviewed journal articles and 20% federal, State, and locally-produced documents. Each item considered for use in the literature assessment was reviewed for quality within the group and became part of the IRWMP bibliography.

In this way, the Climate Change Vulnerability Assessment (which includes determinations of vulnerability and adaptation strategies and priorities) included in the Updated Plan, is based on a foundation of material that has been assessed for quality in an “outside” arena, such as academia and/or the public sector. Using documents that have gone through these rigorous processes made it virtually impossible to make use of spurious or incorrect information.

The Climate TAC made use of the DWR-EPA *Climate Change Handbook for Regional Water Planning* (particularly Appendix B) to aid in the identification of vulnerabilities. While most of the items had been considered previously, the effect of using a physical list elicited some nuances and connections that hadn’t been fully described in earlier discussions. Accordingly, CABY has a well-developed list of vulnerabilities, prioritized for effect on the region. It includes many of the items listed in the Climate Change Handbook, but also includes vulnerabilities that the TAC felt were too important to the region to ignore and specific to source water areas.

Climate Change: *Will the Updated IRWM Plan contain: A list of prioritized vulnerabilities derived from the vulnerability assessment and the IRWM’s decision making process?*

Status/Response: The Climate TAC identified a list of climate change vulnerabilities for the region through an investigation into the types and results of research and assessments completed within the CABY Region and for biomes similar to the Sierra Nevada. This list is included in the Updated Plan and includes six major vulnerabilities: water supply, habitat and environment, air quality, water quality, fire, and recreation. All of these are all listed in the Updated Plan as broad issues with multiple vulnerabilities and adaptation strategies. Those strategies identified as adding greater flexibility and resiliency to the region in light of a changing climate are highlighted to indicate a higher priority or weight. Prioritization was done in order to indicate strategies with greater applicability to a wider array of implemented projects, funding opportunities, and management agencies. These are strategies that can best be implemented using CABY’s diverse array of management agencies, resource management strategies, and funding mechanisms.

Climate Change: *Will the Updated IRWM Plan contain: A plan, program, or methodology for further data gathering/analyzing of the prioritized vulnerabilities?*

Status/Response: The Updated Plan contains a comprehensive list of strategies to monitor prioritized vulnerabilities and to identify potential new vulnerabilities. The CABY TAC will be meeting in April 2013 to discuss future modeling strategies and how to address several data gaps identified through the process of climate data assessment. The identified process will be integrated into the Plan Update.

PROPOSITION 84 ROUND 2 PROJECT PRIORITIZATION AND SELECTION PROCESS

In 2011-2012, CABY assembled a project team to conduct the formal IRWMP Update process. Given the expansive geographic scope and the great number of stakeholders in the region, CABY employed a three-pronged strategy to recruit projects through: 1) individual meetings and interviews to identify or develop projects consistent with both the members' internal priorities and the CABY IRWMP; 2) existing work groups to identify projects addressing priority or high profile issues within the region; and, 3) watershed- scale workshop sessions bringing together a diverse group of stakeholders to develop regionally focused, multi-objective, multi-stakeholder projects. This manifold approach to project recruitment proved successful in engaging existing CABY members, garnering new CABY members and in recruiting a far greater number of projects than in the past. It also resulted in a systematic update of the projects that had been included in the 2007 IRWMP and in the 2009 Update.

As a result of this successful outreach, CABY received more than 125 new projects by early 2012. Consultants completed an initial project review and categorization to create multi-stakeholder, multi-benefit integrated projects that effectively address complex watershed management issues employing multiple Resource Management Strategies. The project development process was so highly integrated that most Tier 1, ready to proceed projects were integrated into multi-stakeholder, multi-objective projects. Therefore, in many programmatic areas, only one highly integrated project remained. In essence, the CABY group accomplished the task of project ranking through its detailed and exhaustive integration process. By definition, a single integrated project is the highest ranking project in its programmatic area.

In Fall 2012, the Planning Committee developed a process and approach to select projects for this round of DWR Proposition 84 funding. This process included development of guiding principles for project selection, identification of sponsor/proponent requirements for participating in the application and affirmation that the list of projects met with a wide complement of CABY's objectives. In December 2012, the CABY Coordinating Committee created draft Guiding Principles for project selection. The recommended principles were forwarded to the Planning Committee for confirmation in January 2013. At that time, the Planning Committee applied them for the first time to select projects for the Proposition 84 Implementation Grant package. The Guiding Principles are as follows:

Guiding Principles for Project Selection

- Projects must be relevant to the CABY IRWM Plan.
- Projects reflect a balance between natural resources, water supply efficiency and infrastructure to illustrate a truly integrated approach to regional water and watershed management.
- Where appropriate, multi-project packages should include a fire and fuels project component given its relationship to CABY's approach to Climate Change and the demonstrated high fire risk to the region.
- Preference will be given to projects demonstrating "Bang for the Buck" in relation to impact, integration, and number of objectives met.

- On balance, consideration should be given to projects reflecting direct benefits to disadvantaged communities and groups.
- All projects must be able to stand alone on their own merits and not be included in a package to be inclusive of all stakeholder groups.
- Projects selected for a package must have a story, reflecting an integrated narrative.

Application Qualifications

- Project sponsors must have the capacity to generate the required materials within a prescribed timeline and meet all deadlines.
- Project sponsors **MUST** have the expertise for the proposed projects, and must have the staff and capacity to accomplish the work plan, if funded.
- Projects selected should be ideally matched to the funding source.

TABLE 1-2 PROCESS FOR INCLUSION IN PROP 84 PROPOSAL

Date	Activity
October 2011-July 2012	Call for projects
Spring 2012	Initial consultant Project review and categorization
Spring 2012	Presentation to Planning Committee
November/December 2012	PC adopts Guiding Principles for project selection
April 2012-February 2013	CABY staff aid project development
January 2013	Final Project List presented for inclusion into Updated Plan Project List and focus approved for Round 2 Implementation Grant and application materials (i.e., work plans, budgets, schedules, performance measures) adopted.
February/March 2013	Detailed project materials developed
March 2013	Prop 84 Implementation Grant Round 2 submitted

PROJECTS IN THIS PROPOSAL

On January 9, 2013, the CABY Planning Committee met to review and consider the recommended slate of priority projects and the slate was unanimously approved. This Attachment includes the January 9, 2013 meeting summary that records this decision.

All projects are included in the Updated CABY IRWM Plan. All of them individually and comprehensively address the goals and objectives of the CABY IRWM Updated Plan, as well as

DWR’s preferences and statewide priorities. Following is a list of Priority Projects and their project proponents approved for inclusion in the CABY IRWM Proposition 84, Round 2 Implementation Grant proposal.

Each of the projects has been reviewed, adopted, and chosen for this Prop 84 IRWMP Implementation Grant proposal by the CABY PC. The vetting, adoption, and approval process is detailed below and corresponding meeting minutes are attached as documentation.

TABLE 1-3 – PROJECTS INCLUDED IN THIS PROPOSAL

Project	Proponent
Camptonville Water System Improvement Project	Camptonville community Services District
City of Placerville Waterline Replacement	City of Placerville
El Dorado County Small Hydroelectric Development Program	El Dorado Irrigation District
Water Efficiency, Water Quality and Supply Reliability in the CABY Region	Nevada Irrigation District/Placer County Water Agency
Wolf Creek Watershed: Restoration, Stormwater Source Control, and Flood Management	American Rivers
CABY Mercury and Sediment Abatement Initiative	The Sierra Fund
Meadow Restoration, Assessment and Prioritization in the American, Bear and Yuba Watersheds	South Yuba River Citizens League

CONSISTENCY WITH ADOPTED IRWMP

The CABY IRWMP was drafted as a living document to be continuously reviewed and revised by its members over time. The IRWMP’s project identification and development process in the Updated IRWM Plan was specifically designed to be dynamic, to allow for progressive refinement and expansion.

The Priority Projects included in the CABY IRWMP Proposition 84, Round 1 Implementation Grant proposal were added to the CABY IRWM Plan after its adoption in 2007, in accordance with the procedures in the plan identified in the approved Regional Acceptance Process for the CABY IRWMP. Further, the soon to be adopted 2013 CABY IRWMP Update includes all of the projects in this Proposal.

The vetting, approval, and adoption process described above included an analysis of each project’s consistency with the CABY IRWMP’s guiding principles, management strategies, goals, and objectives.

Each project’s consistency with the Updated CABY IRWM Plan is illustrated in Table 1-4 below.

TABLE 1-4 – EACH PROJECT’S CONSISTENCY WITH THE UPDATED IRWM PLAN’S PRIMARY GOALS, ISSUES AND OBJECTIVES

PROJECT	CABY UPDATED IRWM PLAN PRIMARY ISSUES	CABY UPDATED IRWM OBJECTIVES
Camptonville Water System Improvement Project	Water Supply: Aging Infrastructure. Conservation, Water Storage	<i>WS-2: Help Regional water agencies to upgrade aging infrastructure associated with urban, rural and agricultural water supply treatment and delivery by participating in the implementation of at least five site-specific projects and lining and piping of at least ten miles of canal/ditches by 2020</i>
	Water Quality: Sedimentation Management	<i>WQ-3: Increase the number of water bodies that can achieve water quality objectives by working with affected parties to restore a natural balance to river systems via the implementation of at least 5 projects by 2020.</i>
	Environment and Habitat: Fire and Fuels	<i>EH-5: Reduce risk of environmental and property damage by working with regional agencies to conduct fuels management on at least 10,000 acres to address loss from catastrophic fire by 2017.</i>
	Human Landscape Interaction: Native American Uses	<i>HL2: Stakeholders value the participation of tribal entities</i>
	Human Landscape Interaction: Disadvantaged Communities	<i>HL-5: Work with DACs to develop high scoring projects</i>
	Overarching Objective: Education and Outreach	<i>OV1: Where possible, education and outreach will be integrated into all CABY projects and programs; this will both school education and public and community outreach</i>
	Overarching Objective: Data Analysis and Monitoring	<i>OV2: Share useable data and information across the region</i>

TABLE 1-4, cont.

	<p>Overarching Objective: Regional Planning and Land Use</p>	<p><i>OV-3: Encourage all planning in the region to be completed in a coordinated fashion that ensures communication and shared solutions for the benefit of the region, emphasizing school and community education regarding stormwater run-off and the positive effects of low-impact design.</i></p>
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PROJECT	CABY UPDATED IRWM PLAN PRIMARY ISSUES	CABY UPDATED IRWM OBJECTIVES
<p>City of Placerville Waterline Replacement</p>	<p>Water Supply: Conservation</p>	<p><i>WS1: Help water agencies implement urban water conservation programs, including conveyance and delivery system leak detection and control, in at least five communities by 2020</i></p>
	<p>Water Supply: Aging Infrastructure</p>	<p><i>WS2: Help Regional water agencies to upgrade aging infrastructure associated with urban, rural and agricultural water supply treatment and delivery by participating in the implementation of at least five site-specific projects and lining and piping of at least ten miles of canal/ditches by 2020</i></p>
	<p>Water Quality: Sedimentation</p>	<p><i>WQ4: Encourage the implementation of projects designed to restore the natural sediment transport regime.</i></p>
	<p>Climate Change</p>	<p><i>CC1: By 2020, implement (or encourage the implementation of, as appropriate, the top three adaptive strategies coming out of the 2012 IRWMP Update to help in making the CABY Region more climate resilient.</i></p>
	<p>Overarching Objective: Education and Outreach</p>	<p><i>OV1: Where possible, education and outreach will be integrated into all CABY projects and programs; this will both school education and public and community outreach</i></p>
	<p>Overarching Objective: Data Analysis and Monitoring</p>	<p><i>OV2: Share useable data and information across the region</i></p>

TABLE 1-4, cont.

	<p>Overarching Objective: Regional Planning and Land Use</p>	<p><i>OV-3: Encourage all planning in the region to be completed in a coordinated fashion that ensures communication and shared solutions for the benefit of the region, emphasizing school and community education regarding stormwater run-off and the positive effects of low-impact design.</i></p>
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PROJECT	CABY UPDATED IRWM PLAN PRIMARY ISSUES	CABY UPDATED IRWM OBJECTIVES
<p>El Dorado County Small Hydroelectric Development Program</p>	<p>Climate Change</p>	<p><i>CC1: By 2020, implement the top three adaptive strategies coming out of the 2012 IRWMP update to help make the region more climate resilient</i></p> <p><i>CC2: Work with interested parties/agencies to increase alternative energy and energy efficiency, including small-scale hydropower, biomass, solar power, wind energy, and other clean energy options by implementing at least two projects by 2025.</i></p>
	<p>Human Landscape Interaction: Hydropower</p>	<p><i>HL7: Work with interested agencies to increase alternative energy generation, including small-scale hydropower projects and existing hydropower efficiency improvement by implementing at least two projects by 2015 and an additional two by 2020.</i></p>
	<p>Overarching Objective: Education and Outreach</p>	<p><i>OV1: Where possible, education and outreach will be integrated into all CABY projects and programs; this will both school education and public and community outreach</i></p>
	<p>Overarching Objective: Data Analysis and Monitoring</p>	<p><i>OV2: Share useable data and information across the region</i></p>
	<p>Overarching Objective: Regional Planning and Land Use</p>	<p><i>OV-3: Encourage all planning in the region to be completed in a coordinated fashion that ensures communication and shared solutions for the benefit of the region, emphasizing school and community education regarding stormwater run-off and the positive effects of low-impact design.</i></p>

TABLE 1-4, cont.

PROJECT	CABY UPDATED IRWM PLAN PRIMARY ISSUES	CABY UPDATED IRWM OBJECTIVES
Water Efficiency, Water Quality and Supply Reliability in the CABY Region	Water Supply: Conservation	<i>WS1: Help water agencies implement urban water conservation programs, including conveyance and delivery system leak detection and control, in at least five communities by 2020</i>
	Water Supply: Aging Infrastructure	<i>WS2: Help Regional water agencies to upgrade aging infrastructure associated with urban, rural and agricultural water supply treatment and delivery by participating in the implementation of at least five site-specific projects and lining and piping of at least ten miles of canal/ditches by 2020</i>
	Water Supply Interties	<i>WS3: In order to allow for connectivity within and between delivery systems in the case of a catastrophic infrastructure failure, work with regional water agencies to complete three major strategic interties to allow for back-up supply and/or conduit to provide water for water treatment plants, urban and municipal drinking water supplies, and/or irrigation and agricultural water by 2017</i>
	Water Quality: Sedimentation Management	<i>WQ4: Monitor and publicize the work being done and encourage the implementation of projects designed to restore the natural sediment transport regime in at least three river reaches by 2020</i>
	Overarching Objective: Education and Outreach	<i>OV1: Where possible, education and outreach will be integrated into all CABY projects and programs; this will both school education and public and community outreach</i>
	Overarching Objective: Data Analysis and Monitoring	<i>OV2: Share useable data and information across the region</i>
	Overarching Objective: Regional Planning and Land Use	<i>OV-3: Encourage all planning in the region to be completed in a coordinated fashion that ensures communication and shared solutions for the benefit of the region, emphasizing school and community education regarding stormwater run-off and the positive effects of low-impact design.</i>

TABLE 1-4, cont.

PROJECT	CABY UPDATED IRWM PLAN PRIMARY ISSUES	CABY UPDATED IRWM OBJECTIVES
Wolf Creek Watershed: Restoration, Stormwater Source Control and Flood Management	Water Quality: Contamination	<i>WQ3: Increase the number of water bodies that can achieve water quality objectives by working with affected parties to restore a natural balance to river systems via the implementation of at least 5 projects by 2020</i>
	Water Quality: Wastewater Management	<i>WQ5: CABY will work with regional agencies providing wastewater services to assess the level of preparedness and prevention measures in place.</i>
	Water Quality: Headwaters Protection	<i>WQ7: Work with stakeholders in the affected areas to develop at least two projects annually that make the forests in these watersheds more resilient to identified threats (including removing structures, eradication of non-native plants, decommissioning unneeded roads, re-vegetate streambanks, and/or improve the water-holding capacity of wetlands, riparian areas, meadows</i>
	Environment and Habitat: Terrestrial Invasive Species	<i>EH7: Work with affected regional organizations to implement coordinated non-native plant education, prevention and control actions to specifically treat 50 acres, provide at least one annual training and survey a minimum of 50 acres annually for prevention through rapid detection and treatment</i>
	Human Landscape Interaction: Native American Uses	<i>HL2: Stakeholders value the participation of tribal entities</i>
	Human Landscape Interaction: Flooding	<i>HL3: Work with affected areas to implement flood management and/or reduction projects in Placerville, Nevada City and Grass Valley that remove flood risk from at least 50% of the FEMA inundation zone.</i>
	Human Landscape Interaction: Disadvantaged Communities	<i>HL5: Work with DACs to develop high scoring projects</i>

TABLE 1-4, cont.

	Climate Change	<i>CC1: By 2020, implement the top three adaptive strategies coming out of the 2012 IRWMP update to help in making the CABY Region more climate resilient.</i>
	Overarching Objective: Education and Outreach	<i>OV1: Where possible, education and outreach will be integrated into all CABY projects and programs; this will both school education and public and community outreach</i>
	Overarching Objective: Data Analysis and Monitoring	<i>OV2: Share useable data and information across the region</i>
	Overarching Objective: Regional Planning and Land Use	<i>OV-3: Encourage all planning in the region to be completed in a coordinated fashion that ensures communication and shared solutions for the benefit of the region, emphasizing school and community education regarding stormwater run-off and the positive effects of low-impact design.</i>

PROJECT	CABY UPDATED IRWM PLAN PRIMARY ISSUES	CABY UPDATED IRWM OBJECTIVES
CABY Mercury and Sediment Abatement Initiative	Water Quality: Legacy Mining Toxins	<i>WQ1: Work with to annually select one abandoned mine land site and collaboratively work with the landowner/land manager to develop/implement/fund remediation on the site.</i>
	Water Quality: Contamination	<i>WQ2: Work with stakeholders to remove 500 pounds of legacy mining contaminants by 2020.</i>
	Water Quality: Abandoned Mine Run-Off	<i>WQ3: Increase the number of water bodies that can achieve water quality objectives by working with affected parties to restore a natural balance to river systems via the implementation of at least 5 projects by 2020.</i>
	Water Quality: Sedimentation Management	<i>WQ4: Monitor and publicize the work being done and encourage the implementation of projects designed to restore natural sediment transport regime in at least three river reaches by 2020.</i>

TABLE 1-4, cont.

Water Quality	<i>WQ-6: By 2014, work with stakeholders to identify the watersheds that are the most critical for production of surface drinking water for the major urban areas in the CABY region and identify the major threats to those important watersheds (including wildland fire, development, insects and disease, climate change, or other threats).</i>
Water Quality	<i>WQ-7: Work with stakeholders in the affected areas to develop at least two projects annually that make the forests in these important watersheds more resilient to the identified threats (including removing structures, eradication of non-native invasive plants, decommission unneeded roads, revegetate steam banks, and/or improve the water-holding capacity of wetlands/riparian areas/meadows).</i>
Water Supply: Water Storage	<i>WS4: By 2020 facilitate discussion with at least one agency to assess the need and determine the economic and environmental feasibility of alternatives accomplishing multiple benefits.</i>
Climate Change	<i>CC1: By 2020, implement the top three adaptive strategies coming out of the 2012 IRWMP update to help in making the CABY Region more climate resilient.</i>
Human Landscape Interaction: Native American Uses	<i>HL2: Stakeholders value the participation of tribal entities</i>
Overarching Objective: Education and Outreach	<i>OV1: Where possible, education and outreach will be integrated into all CABY projects and programs; this will both school education and public and community outreach</i>
Overarching Objective: Data Analysis and Monitoring	<i>OV2: Share useable data and information across the region</i>
Overarching Objective: Regional Planning and Land Use	<i>OV-3: Encourage all planning in the region to be completed in a coordinated fashion that ensures communication and shared solutions for the benefit of the region, emphasizing school and community education regarding stormwater run-off and the positive effects of low-impact design.</i>

TABLE 1-4, cont.

PROJECT	CABY UPDATED IRWM PLAN PRIMARY ISSUES	CABY UPDATED IRWM OBJECTIVES
Meadow Restoration, Assessment and Prioritization in the American, Bear and Yuba Watersheds	Water Quality: Headwaters Protection	<i>WQ7: Work with stakeholders in the affected areas to develop at least two projects annually that make the forests in these watersheds more resilient to identified threats (including removing structures, eradication of non-native plants, decommissioning unneeded roads, re-vegetate streambanks, and/or improve the water-holding capacity of wetlands, riparian areas, meadows.</i>
	Environment and Habitat: Meadows	<i>EH4: Support stakeholders in the annual development, implementation and/or funding of five projects to maintain and enhance wet meadow complex function.</i>
	Environment and Habitat: Terrestrial Invasive Species	<i>EH7: Work with affected regional organizations to implement coordinated non-native plant education, prevention and control actions to specifically treat 50 acres, provide at least one annual training and survey a minimum of 50 acres annually for prevention through rapid detection and treatment.</i>
	Climate Change	<i>CC1: By 2020, implement the top three adaptive strategies coming out of the 2012 IRWMP update to help in making the CABY Region more climate resilient.</i>
	Human Landscape Interaction: Native American Uses	<i>HL2: Stakeholders value the participation of tribal entities</i>
	Overarching Objective: Education and Outreach	<i>OV1: Where possible, education and outreach will be integrated into all into all CABY projects and programs; this will both school education and public and community outreach.</i>
	Overarching Objective: Data Analysis and Monitoring	<i>OV2: Share useable data and information across the region</i>
	Overarching Objective: Regional Planning and Land Use	<i>OV-3: Encourage all planning in the region to be completed in a coordinated fashion that ensures communication and shared solutions for the benefit of the region, emphasizing school and community education regarding stormwater run-off and the positive effects of low-impact design.</i>



**CABY Integrated Regional Water Management Plan
Proposition 84, Round 2 Implementation Grant**

The Sierra Fund: Authorizing Resolution

The Sierra Fund Board of Directors

RESOLUTION
March 15, 2013



Resolved by the Board of Directors of The Sierra Fund that application be made to the California Department of Water Resources to obtain an Integrated Regional Water Management Implementation Grant pursuant to the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Public Resource Code Section 75001 et seq.), and to enter into an agreement to receive a grant for the project "CABY Upper Watershed Resiliency Program."

432 Broad Street
Nevada City, CA 95959
P: 530.265.8454
F: 530.265.8176
E: info@sierrafund.org
www.sierrafund.org

The CEO of The Sierra Fund is hereby authorized and directed to prepare the necessary data, conduct investigations, file such application, and, if the proposal is awarded, execute appropriate sub agreements with each of the grant partners and a grant agreement with California Department of Water Resources.

Passed and adopted by the Board of Directors of The Sierra Fund on Friday, March 15, 2013.

Ayes: Adrienne Alvord, Alison Harvey, Patty Brissenden, Robert Meacher, John Regan, Tim Seward

Nays: none

Abstain/Absent: none

Authorized Original Signature: _____

Printed Name: John Regan

Title: Secretary of the Board



**CABY Integrated Regional Water Management Plan
Proposition 84, Round 2 Implementation Grant**

The Sierra Fund: IRS 501c3 Letter of Determination

Date: **MAR 22 2006**

THE SIERRA FUND
409 SPRING ST
NEVADA CITY, CA 95959-0000

Employer Identification Number:
68-0485725
DLN:
17053063820066
Contact Person:
GREGORY S PAJDA ID# 31533
Contact Telephone Number:
(877) 829-5500
Public Charity Status:
170(b)(1)(A)(vi)

Dear Applicant:

Our letter dated January 2002, stated you would be exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code, and you would be treated as a public charity, rather than as a private foundation, during an advance ruling period.

Based on the information you submitted, you are classified as a public charity under the Code section listed in the heading of this letter. Since your exempt status was not under consideration, you continue to be classified as an organization exempt from Federal income tax under section 501(c)(3) of the Code.

Publication 557, Tax-Exempt Status for Your Organization, provides detailed information about your rights and responsibilities as an exempt organization. You may request a copy by calling the toll-free number for forms, (800) 829-3676. Information is also available on our Internet Web Site at www.irs.gov.

If you have general questions about exempt organizations, please call our toll-free number shown in the heading.

Please keep this letter in your permanent records.

Sincerely yours,



Lois G. Lerner
Director, Exempt Organizations
Rulings and Agreements



**CABY Integrated Regional Water Management Plan
Proposition 84, Round 2 Implementation Grant**

Further Documentation for Consistency with Adopted Plan

The following meeting agendas and minutes provide supporting documentation for the process described above. Where possible, items referring directly to this process have been highlighted in yellow.



Cosumnes, American, Bear & Yuba River
Integrated Regional Water Management

**CABY Planning Committee
Meeting Outcomes and Action Items
January 9, 2013**

Participating Members

Anno Nakai, Sierra Native Alliance
Bill Center, Sierra Nevada
Conservancy
Bjorn Jones, City of Grass Valley
Dave Eggerton, EDCWA
Elena DeLacy, American River
Conservancy
Jerry Dion, SYRCL
Joanne Drummund, Fire Safe
Council of Nevada County
Kathy Van Zuuk, Tahoe National
Forest
Keri Rinne, American Rivers

Kim Morales, Eldorado National
Forest
Laurie Oberholtzer, Sierra County
Land Trust
Lesa Osterholm, NID
Linda Frost, DPUD
Lisa Frankel, Sierra Streams
Institute
Loren Nakai, Sierra Streams
Institute
Luke Hunt, American Rivers
Marie Davis, PCWA
Mark Egbert, Georgetown Divide
RCD

Mark Jokerst, Camptonville CSD
Matt Lasser, RCD
Peggy Daigle, DPUD
Richard Dickard, Camptonville CSD
Tracey Eden-Bishop, EDCWA

Interested Public:

Bori Touray, BP World

Project Team:

Katie Burdick
Elizabeth Betancourt
Tania Carlone

Funding Decision – SRFA funding agreement and what CABY should go for

DWR is releasing a total of approximately \$10 million to the SRFA for Round 2 Implementation funding. Based on a voluntary funding agreement between and among the various IRWMs in the SRFA, CABY’s maximum request should be approximately \$5.5M based on approximate funding requests in the two other IRWMs in the SRFA who intend to apply for Round 2 funding.

OUTCOME: The consensus of the group was to pursue the maximum amount of funding possible in Round 2.

Description of Process

Guiding Principles developed to help in project selection (handout). Additional principles were solicited and no new ones submitted. No participant provided feedback or comment on the list of the principles.

Sponsors were asked immediately before the December CC meeting to prioritize their own projects, if they had more than 1. This was done for several sponsors and the results aided the CC in identifying projects recommended for funding consideration.

One of the outcomes of the discussion was that small agencies would like there to be an opening with larger water agencies for assistance in engineering and project development; maybe even with implementation. Several agencies in the room have these agreements with local small agencies (EDCWA, EID, and PCWA), so these smaller agencies were encouraged to approach their regional agency with a request/question. The CABY project team will work on facilitating this kind of conversation in late February/March of 2013.

CC Discussion Outcome

The table below displays the projects identified by the CC as recommended for funding consideration by the PC. The discussion following is outlined below the table.

CABY Projects Recommended by CC for Funding Consideration by PC

Project Name	Watershed	Primary Sponsor and Partner Organizations	Grant Request
Natural Resources			
Meadows			
1. Meadow Enhancement and Restoration in the Yuba, Bear and American River Watersheds: Deer (assessment), Rucker, Pendola, Black Jack, Butcher Ranch (hand treatment), Upper Bear Valley meadow/Discovery Trail, Elliot Ranch (design), Gold Hill Ranch and; Meadow Assessment Prioritization in the American River Watershed	Bear, Yuba and American	South Yuba River Citizens League (primary), Tahoe National Forest (Yuba River and American River Ranger Districts), American Rivers, American River Conservancy	\$242,000
Forest Health			
2. Hazardous Fuels Reduction and Forest Health Improvement in the Deer Creek Environs: SugarLoaf Mountain Fuels Reduction; Deer Creek and Tribute Trail Forest Health Initiative; Hazardous Fuels Reduction in the Deer Creek Environs, and Removal of Scotch broom in the CABY Region	Yuba and Region-wide	Fire Safe Council of Nevada County (primary), City of Nevada City, American Rivers	\$283,000
3. Native Conservation Corps	Region-wide	Sierra Native Alliance	\$150,000
4. Raintree Forest Health Project	Cosumnes	El Dorado County Resource Conservation Districts	\$415,000
Working Lands/Agriculture			
5. Fish Friendly Farming Program	Cosumnes	El Dorado County RCDs	\$243,000
Legacy Mining Issues			
6. Mercury and Sediment Abatement Initiative	Region-wide/Yuba focus for remediation	The Sierra Fund (primary), Tahoe National Forest, South Yuba River Citizens League, Yuba Watershed Institute, Bureau of Land Management, Nevada Irrigation District	\$1,753,750
Infrastructure/Water use Efficiency/Green Infrastructure and Flood Management			
7. Peabody Creek: Flood Management, Creek Restoration and Green Storm water Infrastructure in a Disadvantaged Community (DAC)	Bear	American Rivers (primary), City of Grass Valley	\$500,000
8. Camptonville Water System Infrastructure Improvement Project (DAC)	Yuba	Camptonville Community Service District	\$800,000
9. Water Efficiency, Water Quality and Supply Reliability in the CABY Region: Locksley Intertie and Mt. Vernon Interties; Canal Lining, Gauging Stations and Water Efficiency Education	American, Bear, Yuba	NID, PCWA	\$1,052,000
10. City of Placerville Water and Sewerline Replacement: Pardi/Big Cut/Sacramento Street)	American	City of Placerville, EDCWA	\$1,600,000
11. Renewable Energy with Micro and Small Hydro: El Dorado County Small Hydroelectric Development Program Tank 7 In-Conduit Hydroelectric Project	American	EID, EDCWA	\$872,500
Total Funds Requested for Recommended Projects:			\$7,911,250

Discussion:

- There is a question regarding the funding status for projects in the Cosumnes watershed – do those go into the San Joaquin Funding Area and, if so, how are they scored?

- **ACTION ITEM:** project team will look into this question with DWR and give the answer to Mark Egbert (project sponsor) asap.
- There were three additional projects put forward for consideration:
 12. Allegany Water District
 13. WAG Bag
 14. AIS in the North Yuba
- The principles discussion was revisited, and participants did not make any adjustments or change the list in any way.

Activity: meeting participants put together their own “ideal” project list within the recommended budget, then each table worked together to create one comprehensive list.

- Activity outcomes:
 - Consensus projects (all tables): 1, 6, and 9
 - 5 out of 6 tables: 2, 3, 5, and 8
 - Projects with fewer than 3 votes: 4 (if it’s in the Sacramento Region Funding Area), 13, and 14 – remove these from consideration
 - Sum of projects 1, 2, 3, 5, 6, 8, and 9 = \$4,469,000
- Entities lobbied for the inclusion of several infrastructure projects, as these are what DWR traditionally looks to fund (though there was a suggestion that these can be funded through ratepayers)
- Also, several of the infrastructure proponents have been part of CABY for many years and have contributed funds to the organization and haven’t seen any projects get funded
- There was a suggestion for phasing of all projects which are able to do so

OUTCOME:

- Infrastructure (Grass Valley Flood Control (7), Water Efficiency (9), Camptonville (8), and Placerville Main Line (10) and Micro-hydro (11) for a combined \$1.4M) and Natural Resources (Meadows (1), Hazardous Fuels (2), NCC (3), and Mercury Abatement (6) (for less)); total cost is **\$5.8M**
 - VOTE: *unanimous* thumbs up
- **ACTION ITEM:** Project team will send work plan and budget templates out to sponsors by the end of this week

Consensus on the project theme:

- Headwaters resiliency and preparing for the future
 - Emphasize:
 - Water supply and quality – this is a different way to approach climate change than throughout the rest of the state
 - Source water area providing water and power to the rest of the state
 - Climate change

Did not get to the following agenda items:

- Project proposal development support
- Cost/benefit discussion
- Next steps
- IRWMP review process

These items will be covered by the CC at their 1/17 meeting.