

## Deer and Mill Creeks Easement and Acquisition Program

### I. Executive Summary

*a. Project title:* Deer and Mill Creeks Easement and Acquisition Program

*Applicant:* The Nature Conservancy

*b. Project description and primary biological/ecological objectives*

The Nature Conservancy requests \$5,923,000 from the 1997 Category III Program for the acquisition and management of critical riparian habitat along the lower and middle reaches of Deer and Mill Creeks in the upper Sacramento River watershed. The proposed project supports the objectives of the CALFED Bay-Delta Program by focusing on high-risk species and habitats and by providing broad ecosystem benefits. The project has four primary objectives:

- To provide permanent protection of riparian and aquatic habitats by preventing the habitat fragmentation and degradation caused by conversion to more intensive, non-compatible land uses.
- To maintain the long-term sustainability of natural production of anadromous fish populations, in particular spring-run and late-fall run chinook salmon and steelhead trout.
- To ensure long-term adaptive management and to foster agricultural land uses which are in harmony with the protection and preservation of the habitat values of the property.
- To support and encourage local community efforts toward habitat protection and enhancement.

The interests acquired will be conservation easements or fee simple, depending on site-specific ecological and management considerations and the needs of the landowner. Acquisition of conservation easements or fee simple interests will ensure permanent protection of the native riparian and aquatic habitats within these important tributary ecosystems. Funding is also requested in this proposal to provide for start-up stewardship and long-term management needs of the acquired easement and fee properties.

*c. Approach/tasks/schedule*

The Nature Conservancy will negotiate the acquisition of fee simple interests or conservation easements from willing landowners in the project area. Acquisitions will proceed on an as-available basis and will be completed within three years of the grant. The Nature Conservancy will be responsible for management of the acquired fee properties and for cooperative management with the landowners of the easement properties. Start-up stewardship activities will include fencing (as needed), establishment of compliance monitoring for easement properties, and development and implementation of biological monitoring for all acquired fee and easement properties. Long-term management activities will include ongoing compliance and biological monitoring.

*d. Justification for project*

Deer and Mill Creeks are two of several Sacramento River tributary ecosystems which are highly ranked in the CALFED Bay-Delta Technical Team Report (June 1997) and in the U.S. Fish and Wildlife Service's Anadromous Fish Restoration Plan. Protection of these two tributary

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ecosystems supports Category III objectives by protecting high-priority species and habitats:

- spring-run chinook salmon
- steelhead trout
- late-fall run chinook salmon
- shaded riverine aquatic habitat
- instream aquatic habitat

In addition, the project specifically addresses several key stressors identified in the Technical Team Report, including lack of riparian vegetation, land use impacts associated with livestock, and impacts from accelerated erosion.

***e. Budget costs and third-party impacts***

The total request for grant funds is \$5,923,000, which includes a block grant for acquisition and management costs. No third-party impacts are anticipated.

***f. Applicant qualifications***

The Nature Conservancy is an international, private, non-profit membership organization whose mission is to preserve plants, animals and natural communities that represent the diversity of life on Earth by protecting the lands and waters they need to survive. The Conservancy has over 45 years of experience in identifying, protecting, and managing significant natural areas. Its strength and reputation are built on the policy and practice of applying the best conservation science available and of building partnerships with local communities, private organizations, and public agencies to achieve mutual conservation goals.

***g. Monitoring and data evaluation***

The proposed project includes both compliance and biological monitoring components. Compliance monitoring will be designed and implemented on all easement properties to ensure that the terms and conditions of the easements are being met. Biological monitoring will include tracking existing monitoring programs to evaluate the stability of anadromous fish populations and developing protocols for additional monitoring as necessary. The project also includes design and implementation of biological monitoring to evaluate the regeneration of riparian vegetation, grazing impacts, and erosion.

***h. Local support/coordination with other programs/compatibility with CALFED objectives***

The Nature Conservancy has worked with private landowners, public agencies, and the local watershed conservancies to coordinate conservation efforts. On Deer Creek, The Nature Conservancy is negotiating the purchase of two conservation easements, pending a grant from the Central Valley Project Improvement Act (CVPIA). On Mill Creek, The Nature Conservancy, Mill Creek Conservancy, and Los Molinos School District have initiated the Mill Creek Riparian Restoration Project. The Phase I pilot project was funded with a grant from CVPIA. A concurrent proposal by The Nature Conservancy and the Mill Creek Conservancy seeks 1997 Category III funds for Phase II of this restoration project.

Finally, the proposed program is entirely consistent with CALFED objectives by addressing the need to improve and increase aquatic and terrestrial habitats and improve ecological functions in the Bay-Delta in order to support sustainable populations of diverse and valuable plant and animal species.

## **II. Title Page**

**a. Title of project:** Deer and Mill Creeks Easement and Acquisition Program

**b. Applicant:**

**The Nature Conservancy**  
201 Mission Street, 4th floor  
San Francisco, CA 94105  
phone (415) 777-0487; fax (415) 777-0244  
Contact: Peggy McNutt  
phone (916) 527-0410; fax (916) 527-0384

**c. Type of organization and tax status:**

The Nature Conservancy is a District of Columbia non-profit corporation with 501(c)(3) tax-exempt status

**d. Tax identification number:** 53-0242652

**e. Technical and financial contact person:**

Peggy McNutt, Lassen Foothills Programs Manager  
335 Elm Street  
Red Bluff, CA 96080  
phone (916) 527-0410; fax (916) 527-0384

Olen Zirkle, Field Representative  
1330 - 21st Street, Suite 103  
Sacramento, CA 95814  
phone (916) 449-2856; fax (916) 448-3469

**f. Participants/collaborators:**

U.S. Fish and Wildlife Service (CVPIA); Natural Resources Conservation Service; Deer Creek Conservancy; Mill Creek Conservancy

**g. RFP project group type:**

Group 2: Real estate transactions

### **III. Project Description**

#### ***a. Project description and approach***

The Deer and Mill Creeks Easement and Acquisition Program is part of a comprehensive effort by The Nature Conservancy to work cooperatively with landowners, local community members, and the local watershed groups — Deer Creek Watershed Conservancy and Mill Creek Conservancy — to protect a continuous corridor of riparian, aquatic, and associated upland habitat along Deer and Mill Creeks. The project supports the objectives of the CALFED Bay-Delta Program by focusing on high risk-species and habitats and by providing broad ecosystem benefits.

This proposal requests \$5,923,000 from 1997 Category III funds in a block grant for acquisition and management of conservation easements and fee properties along the lower and middle reaches of Deer and Mill Creeks. Acquisition will focus primarily on conservation easements in order to provide permanent conservation benefits while maintaining land in private use and ownership. In some cases, purchase of fee simple interests may be preferred, depending on site specific management needs and/or the willingness of the landowner. Therefore, this proposal requests flexibility to apply the form of protection which best protects a subject property in the most cost-effective way.

Easement or fee interests will be purchased only from willing landowners, and the purchase price will be based on fair market value as determined by an independent appraiser. The Nature Conservancy has been in contact with several landowners who are willing to move forward provided funding is available. The terms of the easements will be relatively consistent but may be adjusted to fit a particular property or a landowner's needs. In general, the easements will prohibit subdivision and residential development, commercial development, mining, dredging, alteration of natural water courses, and severance of water rights. In most cases, intensive agricultural development such as orchards will be prohibited or restricted.

Certain properties, whether acquired in easement or fee, may present specific management issues. For example, cattle grazing may be allowed, with seasonal or threshold limits specified to prevent overgrazing, erosion, or other negative impacts. These properties might require grazing management plans (to be developed with the landowners) so that cattle grazing can be used as a means of controlling non-native, invasive plant species and of promoting a greater variety and abundance of native species. Another example might be the acquisition of properties with existing orchards; these parcels would be evaluated for their restoration and management needs. Restoration actions are not included in this proposal, but they could be the focus of future funding proposals.

The Nature Conservancy will be responsible for management of the acquired fee properties and for cooperative management with the landowners of the easement properties. Start-up stewardship activities will include fencing (as needed), establishment of compliance monitoring for easement properties, and development and implementation of biological monitoring for all acquired fee and easement properties. Long-term management activities will include ongoing compliance and biological monitoring.

The Nature Conservancy anticipates that fee or easement interests of the properties acquired may be transferred in the future to a qualified agency or organization, at the discretion of the granting agency. In such cases it is expected that a reasonable portion of management funds, if provided

under this grant, may be transferred to the new partner agency or organization for the continuing long-term management of the properties.

The proposed project represents part of a larger, comprehensive conservation program envisioned for the upper Sacramento River watershed. This funding request represents a portion of the total estimated cost of the Mill and Deer Creeks Easement and Acquisition Program. The Nature Conservancy is seeking funds from other public and private sources and expects to submit future proposals for funding from Category III as well. The Deer Creek component of the Easement and Acquisition Program continues work initiated by The Nature Conservancy in 1996 with funding pending from the Central Valley Project Improvement Act (CVPIA) through its Anadromous Fish Recovery Program. The Mill Creek component of the program builds on partnerships with local landowners and the Mill Creek Conservancy through cooperative restoration projects on lower Mill Creek that are also funded through CVPIA.

The Deer and Mill Creeks Easement and Acquisition Program supports an adaptive management approach that will foster compatible grazing practices and encourage community support for watershed conservation. This approach is already being demonstrated on two properties managed by The Nature Conservancy: Vina Plains Preserve and Gray Davis Dye Creek Preserve. The Nature Conservancy will continue to work closely with the local community to identify and implement protection and restoration actions in the tributary streams. Part of that effort will include developing and hosting easement and acquisition workshops for local landowners and local watershed conservancies. Deer and Mill Creeks are an important focus of these conservation efforts because of their highly ranked resource values and because of local support and cooperation.

***b. Location/boundaries of the project***

The proposed project is located in Tehama County in the Deer Creek and Mill Creek watersheds of the Sacramento River. Specifically, the acquisition area is within the lower and middle reaches of Deer and Mill Creeks, from their confluence with the Sacramento River to their upper watersheds at the Lassen National Forest boundary approximately 20 river miles upstream on Deer Creek and 15 river miles upstream on Mill Creek. The acquisition area includes the riparian corridors and related transition or upland habitats within the stream channels and floodplains of Deer and Mill Creeks. (See attached maps.)

***c. Expected benefits***

The Deer and Mill Creek Easement and Acquisition Program has four primary objectives:

- To provide permanent protection of riparian and aquatic habitats by preventing habitat fragmentation and degradation caused by conversion to more intensive, non-compatible land uses.
- To improve the long-term sustainability of natural production of anadromous fish populations, in particular spring-run, fall-run and late-fall run chinook salmon and steelhead trout.
- To ensure long-term adaptive management and to foster agricultural land uses which are in harmony with the protection and preservation of the habitat values of the property.
- To support local community efforts toward habitat protection and enhancement.

The project will benefit spring-run chinook salmon and steelhead by protecting their natal rearing areas, holding areas, and migratory pathways to their spawning grounds at higher elevations. The

project will benefit fall-run and late-fall run chinook salmon by protecting spawning habitat from future degradation and human disturbance and by protecting and enhancing shaded riverine aquatic habitat. In addition, the project provides critical habitat for native resident fish and for neotropical migratory bird species.

The proposed project addresses several key stressors affecting the Deer Creek and Mill Creek tributary ecosystems, as identified in the CALFED Bay-Delta Technical Team report:

*1. Lack of riparian vegetation*

Deer and Mill Creeks are highly ranked tributary streams because of the high quality of their existing riparian and aquatic habitat and the native fisheries they support. Protecting the lower and middle stream corridors by acquiring easements and fee simple interests will provide permanent protection and help to prevent habitat loss and fragmentation.

*2. Land use impacts associated with livestock*

Management of the acquired properties will also prohibit or limit cattle grazing, reducing impacts on native vegetation and utilizing grazing to help control non-native, invasive weed species. Additional management actions may include fencing of sensitive areas of riparian and aquatic habitat and relocation of livestock watering areas.

*3. Impacts from accelerated erosion: roads, hillsides, banks*

The proposed project will address erosion impacts by preventing conversion of land use to intensive, non-compatible uses such as residential or "ranchette" subdivision, orchard development, and gravel mining. In the lower reaches of the watershed, adjacent uplands may be included under the easements to provide a buffer for the riparian corridor and help shield it from negative impacts.

***d. Background and biological justification***

Deer and Mill Creeks are two of several Sacramento River tributary ecosystems which have extremely high quality riparian and aquatic habitats. Both creeks are highly ranked in the CALFED Bay-Delta Technical Team Report, as well as in the Anadromous Fish Recovery Plan prepared by the U.S. Fish and Wildlife Service.

The proposed project addresses two key objectives of the Category III Program by:

*1. Focusing on high-risk species and habitats*

- spring-run chinook salmon
- steelhead trout
- late-fall run chinook salmon
- shaded riverine aquatic habitat
- instream aquatic habitat

*2. Providing broad ecosystem benefits*

- Preventing habitat fragmentation and degradation associated with conversion to non-compatible land uses including residential and commercial development.
- Ensuring long-term adaptive management and fostering agricultural land uses which are in harmony with the protection and preservation of the conservation values of the property.
- Supporting local community efforts toward habitat protection and enhancement.

Protecting and restoring riparian habitat is essential to sustaining native fisheries. Riparian vegetation affects the physical structure of the stream channel, influences stream shading and water temperatures, helps to control erosion and siltation, and provides terrestrial habitat for insect prey of native fish. Furthermore, tributary ecosystems are hydrologically integral to the mainstem of the Sacramento River and therefore have a direct impact on native fisheries throughout the river system. In addition, these tributary ecosystems provide essential breeding habitat, migratory corridors, and dispersal pathways for numerous species of neotropical migrant birds and other wildlife.

One of the benefits of the proposed project is providing permanent ecological protection while retaining land in private ownership. This approach is cost-effective and fosters community support for watershed protection. The alternative of no action would provide no permanent protection, and could allow changes in land use resulting in negative impacts that would eventually require costly restoration.

*e. Proposed scope of work*

The proposed scope of work includes multiple acquisitions over a three year period. We expect to complete approximately ten transactions, and discussions are underway with several interested landowners. Land acquisition tasks include project planning, landowner contact, and negotiation. Once a preliminary agreement is reached with a willing landowner, due diligence tasks will be completed, including the appraisal, survey, hazardous materials survey, title review, and (for easement acquisitions) preparation of Easement Documentation Report. Many of these tasks will be carried out by subcontractors who will be selected by competitive bid. The acquisition phase also includes staff time for negotiation, preparation of documents, and internal review.

The start-up stewardship tasks include establishment of compliance monitoring for easement properties, development of protocols for biological monitoring, evaluation of restoration and management needs, and physical improvements such as fencing. Most of these tasks will be implemented by Nature Conservancy staff, though some tasks may be carried out by subcontractors. Long-term management will consist mainly of compliance monitoring of the easement properties, and biological monitoring of all acquired properties in fee and easement. Long-term management of the easement properties is intended to be a cooperative responsibility of The Nature Conservancy and the landowner as described under the terms of the easement.

The Nature Conservancy will submit quarterly financial and performance reports as required. In addition, The Nature Conservancy will prepare and submit to CALFED, or its designated administering agency, a project budget and request for funds both prior to and upon completion of each acquisition. This request will include a description of property and interest to be acquired (fee, easement), the purchase price (based on appraisal value), and an invoice including all reimbursable costs. We will request that funds be placed in escrow in preparation for closing.

After closing of escrow, The Nature Conservancy will prepare and submit to CALFED a final project budget and invoice for payment of indirect costs to date (salaries, benefits, overhead), start-up stewardship funding for the property or easement acquired, and funding for operations and management.

***f. Monitoring and data evaluation***

Monitoring for the proposed project consists of: 1) compliance monitoring, to ensure that the terms of the acquired conservation easements are being met by landowners retaining fee title and use of the property, and 2) biological monitoring, to evaluate the conservation benefits of the project.

The first component of compliance monitoring is the preparation of an Easement Documentation Report (EDR) at the time the easement is acquired, most likely prepared by a subcontractor. Monitoring of the easement properties will be done on an annual basis (or as needed) and will generally include a site inspection and contact with the property owner. Compliance monitoring reports will be made available to CALFED on request and will be maintained with the Easement Documentation Report as a record of the condition of the property.

The Nature Conservancy intends to track existing monitoring programs in order to evaluate the stability of anadromous fish populations and to develop protocols for additional monitoring as necessary. Existing programs include the Juvenile and Adult Spring-Run monitoring programs conducted by the California Department of Fish and Game. The project also includes design and implementation of biological monitoring to evaluate the regeneration of riparian vegetation, grazing impacts, and erosion. Biological monitoring protocols will be developed in the start-up stewardship phase of the project. A summary of monitoring goals is shown in the table on the following page.

The Nature Conservancy will cooperate with the local watershed conservancies and with local, state, and federal agencies engaged in monitoring and research efforts in the Deer Creek and Mill Creek watersheds.

***g. Implementability***

No permitting or environmental clearance is required to implement the proposed acquisitions. All properties to be acquired, in fee or easement, will be reviewed as to condition of title (e.g., liens, encumbrances or other factors which might limit enforcement of the conservation restrictions), and condition of the property (e.g., due diligence inspection for hazardous materials).

Support of the local community and willingness and interest of landowners are considered very important to the success of the project, particularly since the program seeks to maintain land in private ownership while allowing compatible agricultural uses. The Nature Conservancy has been in contact with several landowners who are willing to move forward provided funding is available.

## Reference Table: Monitoring for Expected Benefits

### I. Long-term Stability of Priority Fish Species (Spring-Run and Fall-Run Chinook Salmon)

|  |  |
|--|--|
|  | Spring-Run and Fall-Run Chinook Salmon   |
| Ecological Indicators  | Density indices  |
| Monitoring Protocol  | Use of ongoing Cal Dept Fish and Game aerial and wier counts   |
| Plans for evaluating selected restoration methodology against alternatives | Comparison to long-term records of fish counts by Cal Dept Fish and Game   |
| Justification of proposed monitoring methodology                           | This approach is cost-efficient because it makes use of existing monitoring efforts by an established management interest. |

### II. Regeneration of Riparian Zone

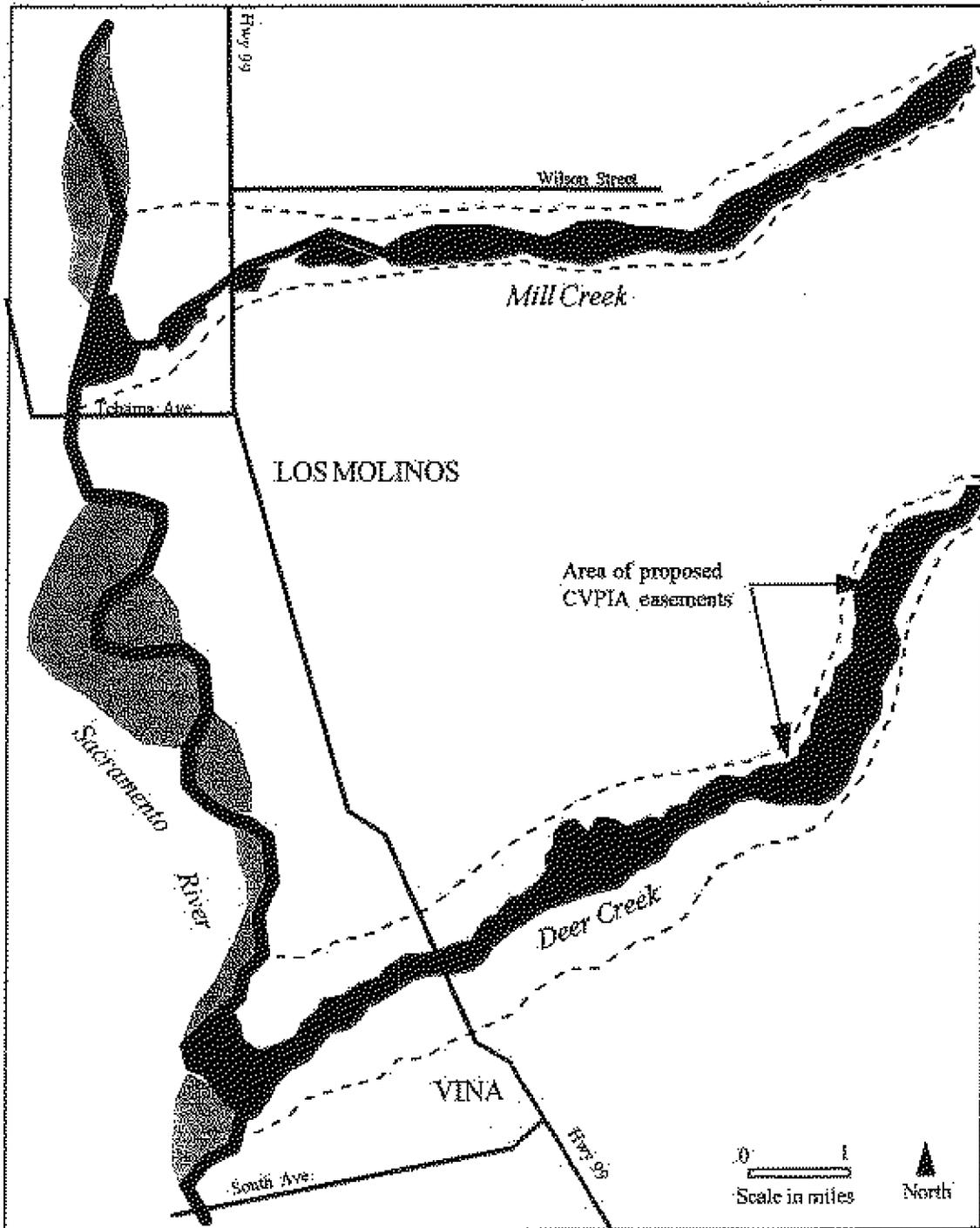
|  |   |   |
|--|---|---|
|  | Shaded Riverine Aquatic Habitat                           | Natural Regeneration of Woody Riparian Species                    |
| Ecological Indicators  | Distance vegetation overhangs creek                       | Aerial extent of woody riparian vegetation                        |
| Monitoring Protocol  | Permanent ground photopoints                              | Aerial photo interpretation                                       |
| Plans for evaluating selected restoration methodology against alternatives | Comparison to conditions at outset of project (baseline). | Comparison to conditions at outset of project (baseline).         |
| Justification of proposed monitoring methodology                           | More cost-efficient than permanent ground transects.      | More cost-efficient than ground measurements of vegetative cover. |

### III. Land Use Impacts Associated with Livestock Grazing

|  |  |   |
|--|--|---|
|  | Controlling Competition from Introduced Plants   | Natural Regeneration of Woody Riparian Species                    |
| Ecological Indicators  | Cover of Himalaya berry  | Aerial extent of woody riparian vegetation                        |
| Monitoring Protocol  | Permanent subcanopy photopoints  | Aerial photo interpretation                                       |
| Plans for evaluating selected restoration methodology against alternatives | Comparison to conditions at outset of project (baseline).                                      | Comparison to conditions at outset of project (baseline).         |
| Justification of proposed monitoring methodology                           | More practical than trying to lay out quadrats or transects in dense stands of Himalaya berry. | More cost-efficient than ground measurements of vegetative cover. |

### IV. Impacts from Accelerated Erosion

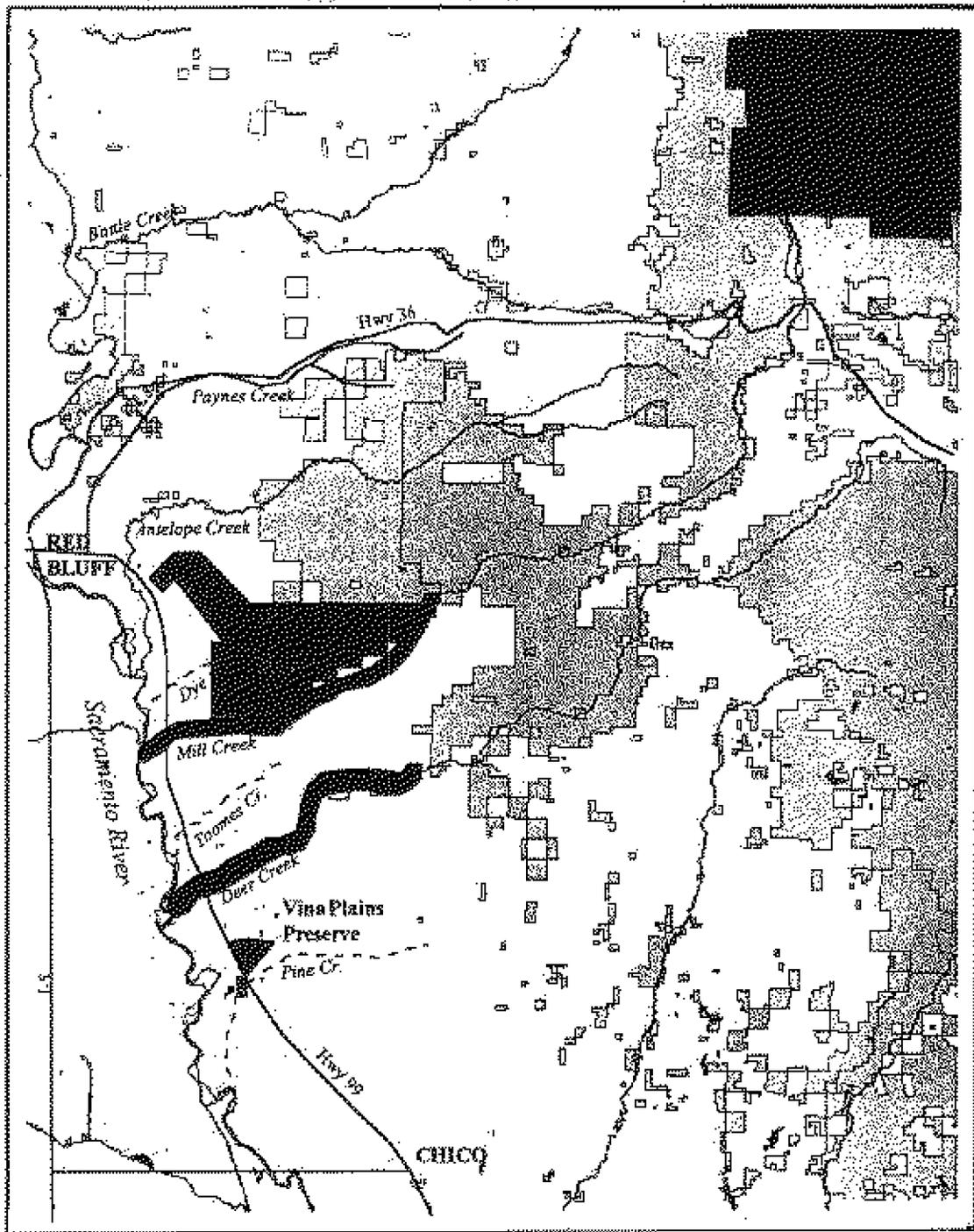
|  |  |
|--|--|
|  | Banks  |
| Ecological Indicators  | Aerial extent of disturbance by cattle, subdivision, mining, and orchard development |
| Monitoring Protocol  | Aerial photo reconnaissance and permanent ground photopoints                         |
| Plans for evaluating selected restoration methodology against alternatives | Comparison to conditions at outset of project (baseline).                            |
| Justification of proposed monitoring methodology                           | More cost-efficient than transect sampling.  |



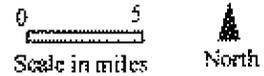
**DEER AND MILL CREEKS  
EASEMENT AND ACQUISITION PROGRAM**

- Deer and Mill Creeks riparian vegetation
- ▨ Sacramento River riparian vegetation
- - - Floodplain limit line





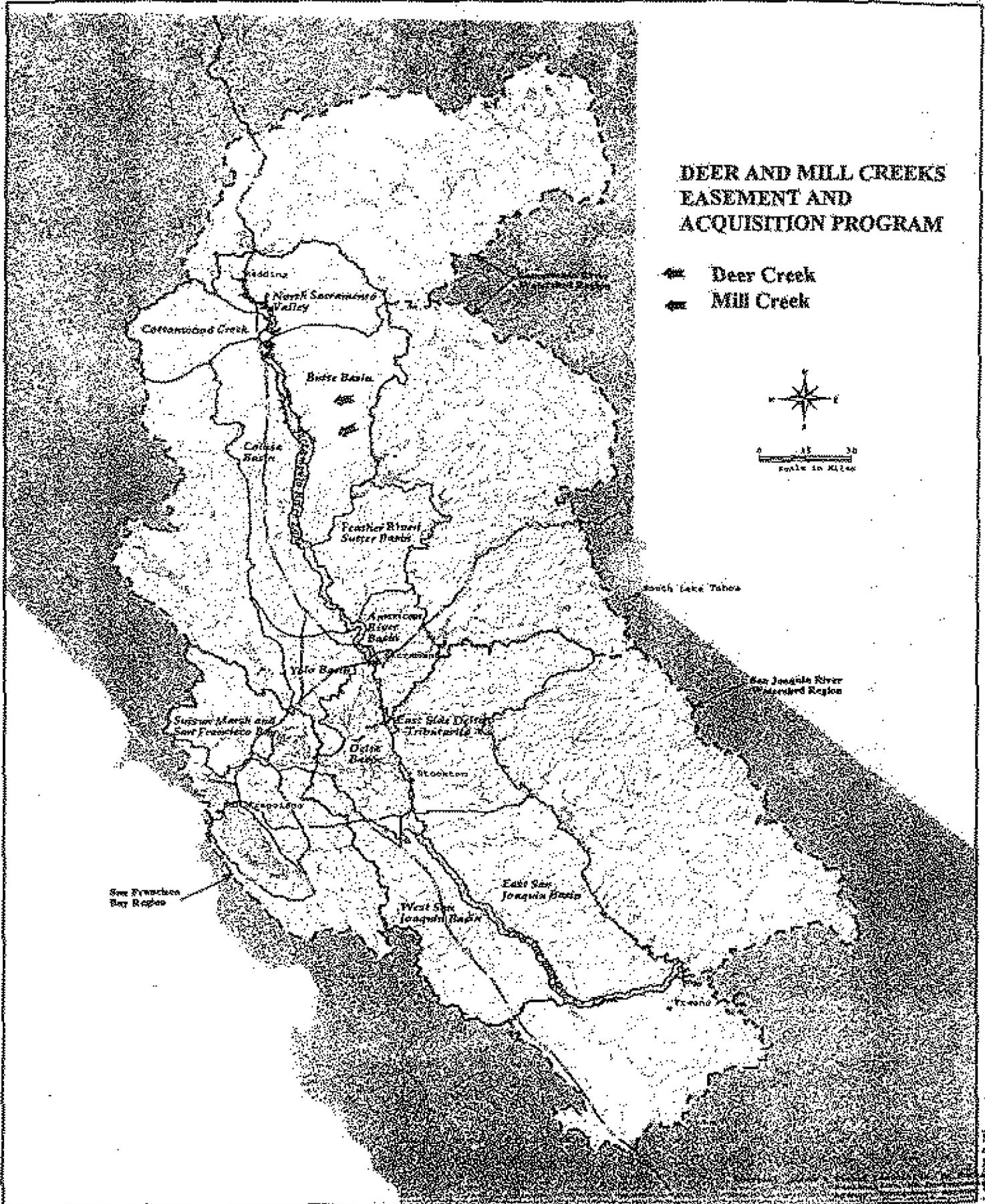
**DEER AND MILL CREEKS  
EASEMENT AND ACQUISITION PROGRAM**



-  Project Areas
-  The Nature Conservancy
-  Lassen National Park
-  Other Public Lands



# GEOGRAPHIC SCOPE OF RFP PROGRAMS AND PROJECTS



## IV. Costs and Schedule to Implement Proposed Project

### a. Budget costs

The total request for grant funds is \$5,923,000, which is requested as a block grant.

| Project Phase and Task | Direct Labor Hours | Direct Salary and Benefits | Overhead Labor (General, admin and fee) | Service Contracts | Material and Acquisition Contracts | Miscellaneous and other Direct Costs | Total Cost  |
|------------------------|--------------------|----------------------------|---|-------------------|------------------------------------|--------------------------------------|-------------|
| Land Acquisition       | 4,186              | \$186,000                  | \$36,000                                | \$95,000          | \$5,000,000                        |                                      | \$5,317,000 |
| Start-up Stewardship   | 1,092              | \$30,000                   | \$6,000                                 | \$70,000          |                                    |                                      | \$106,000   |
| O&M Funds              |                    |                            |   |                   |                                    | \$500,000                            | \$500,000   |
| Totals                 | 5,278              | \$216,000                  | \$42,000                                | \$165,000         | \$5,000,000                        | \$500,000                            | \$5,923,000 |

The proposed budget includes direct salary and benefits for Nature Conservancy staff to carry out the project as described in the Scope of Work. Service Contracts includes the costs of appraisals, toxics studies, easement documentation reports (for easements only), and surveys and/or mapping for the planned acquisitions. Start-up stewardship costs include preparation of compliance monitoring, biological monitoring, and grazing management plans, and fencing as needed. The Operations and management funding is calculated at 10% of the capital cost and is intended to be held in a permanent fund. Annual income from that fund is to be used for ongoing management costs, including compliance and biological monitoring. Overhead is calculated as 19.4% of salaries and benefits only, which is The Nature Conservancy's federally-approved rate.

In addition, The Nature Conservancy is pursuing other public and private funding sources to support acquisition of easements and fee properties throughout the project area. This includes a pending grant proposal to CVPIA for funding the acquisition of two easements on Deer Creek.

If CALFED is able to offer only partial funding for the project, the project applicants would be willing to revise the scope of the project accordingly, either by scaling down the project and/or pursuing additional funding sources.

***b. Schedule milestones***

**FY 1998**

- Identify key parcels
- Contact landowners to assess interest
- Begin/continue negotiations with willing landowners
- Begin due diligence (appraisals, surveys) on selected parcels under negotiation
- Negotiate contracts and easements with willing landowners
- Close acquisition of fee or easement on at least two parcels
- Implement start-up stewardship actions on acquired fee or easement properties

**FY 1999-2000**

- Continue negotiations with willing landowners
- Continue due diligence on selected parcels under negotiation
- Negotiate contracts and easement with willing landowners
- Close acquisition of fee or easement on at least six parcels
- Implement start-up stewardship actions and identify long-term management needs
- Establish compliance monitoring on acquired easement properties

***c. Third party impacts***

Because the acquisition of conservation easements will maintain property in private ownership and use, it should not significantly alter the ownership or land use pattern in the area. No third party impacts are anticipated.

## V. Applicant Qualifications

The Nature Conservancy is an international, private, non-profit membership organization whose mission is to preserve plants, animals and natural communities that represent the diversity of life on Earth by protecting the lands and waters they need to survive. The Conservancy has over 45 years of experience in identifying, protecting, and managing significant natural areas. Its strength and reputation are built on the policy and practice of applying the best conservation science available and of building partnerships with local communities, private organizations, and public agencies to achieve mutual conservation goals.

The Nature Conservancy of California uses a wide variety of tools to help forge solutions to conservation issues. We employ the following four methods most frequently: land acquisition, land management and restoration, land-use planning and conflict resolution, and community education and outreach.

Several of The Nature Conservancy's landmark conservation projects have focused on riparian ecosystems. Conservation efforts for these complex natural communities must include maintaining and restoring the natural processes that are essential to the long-term health of the hydrological system. In addition, The Nature Conservancy strives to balance the protection and restoration of natural communities with compatible human uses.

Specific examples include:

**Cosumnes River Project, Sacramento County.** The Cosumnes River's annual floods keep alive forests and wetlands like those that once covered the Central Valley, providing homes for tens of thousands of waterfowl and migratory birds. Working side by side with the local agricultural community and other partners, the Conservancy is managing and restoring thousands of acres to health. Protection tools here include acquisition, conservation easements, management and restoration, and cooperative arrangements with farmers to develop sustainable agriculture.

**Sacramento River Project, Butte County.** The great Central Valley was once covered by jungle-like riverside forests estimated at nearly one million acres. Today they have been reduced to 20,000 acres. Working with local agricultural interests, TNC is currently staging the largest streamside restoration project in the U.S. Our goal is to replant a continuous 100-mile stretch of forest along the Sacramento River.

**Santa Margarita River Project, Riverside County.** The lands of an historic rancho on the Santa Rosa Plateau, with its rolling hills, stands of rare Engelmann oak, and perennial streams within the larger Santa Margarita River watershed provide the thousands who visit this keystone project area with a remarkable glimpse of California's past. Working with local partners, TNC is committed to safeguarding the plateau and maintaining the health of the adjoining river corridor while meeting the needs of a growing human community through a variety of tools.

## **VI. Compliance with standard terms and conditions**

The applicants acknowledge the requirement of the Standard Clauses for service and consultant service contracts for \$5,000 and over with nonpublic entities (Item 2), as described in the Terms and Conditions of the 1997 Category III Request for Proposal.

The Nondiscrimination Compliance Statement form is attached, as required under the Terms and Conditions of the 1997 Category III Request for Proposal.

NONDISCRIMINATION COMPLIANCE STATEMENT

THE NATURE CONSERVANCY, 201 Mission St., 4th Floor, San Francisco, CA 94105

COMPANY NAME

The company named above (hereinafter referred to as "prospective contractor") hereby certifies, unless specifically exempted, compliance with Government Code Section 12990 (a-f) and California Code of Regulations, Title 2, Division 4, Chapter 5 in matters relating to reporting requirements and the development, implementation and maintenance of a Nondiscrimination Program. Prospective contractor agrees not to unlawfully discriminate, harass or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, disability (including HIV and AIDS), medical condition (cancer), age, marital status, denial of family and medical care leave and denial of pregnancy disability leave.

CERTIFICATION

I, the official named below, hereby swear that I am duly authorized to legally bind the prospective contractor to the above described certification. I am fully aware that this certification, executed on the date and in the county below, is made under penalty of perjury under the laws of the State of California.

Steve McCormick

OFFICIAL'S NAME

7/24/97

DATE EXECUTED

*Steve McCormick*

PROSPECTIVE CONTRACTOR'S SIGNATURE

EXECUTED IN THE COUNTY OF

San Francisco

Regional Director, Vice President

PROSPECTIVE CONTRACTOR'S TITLE

The Nature Conservancy

PROSPECTIVE CONTRACTOR'S LEGAL BUSINESS NAME

**DEER CREEK  
WATERSHED CONSERVANCY**

P. O. Box 307, Vina, California

Phone & FAX (916) 839-2358

July 24, 1997

Lester Snow  
CALFED Bay-Delta program  
1416 Ninth Street, Suite 1155  
Sacramento, CA 95814

RE: Proposal for 1997 Category III Funding  
DEER & MILL CREEKS

Dear Mr. Snow,

This letter is in support of The Nature Conservancy's proposal, which requests funding from 1997 Category III Ecosystem Restoration Projects and Programs for the Deer and Mill Creek Easement and Acquisition Program.

Deer Creek Watershed Conservancy (DCWC), created by the property owners within the drainage, is an organization formed to protect the unique ecological values of Deer Creek through responsible stewardship. The property owners of the watershed have lived and cared for the land for over five generations and wish to maintain this legacy for future generations.

To that end, DCWC prepared and signed a Memorandum of Understanding (MOU) which includes landowners, resource agencies, conservation groups and others. The purpose of the MOU is to serve as a framework to develop a Watershed Management Plan for the Deer Creek watershed and to establish guidelines for a joint and cooperative planning and implementation process. The plan will include, but not be limited to short-term restoration, where appropriate, and long-term maintenance and protection of the anadromous fishery habitat and aquatic resources in Deer Creek.

The Nature Conservancy's proposed project falls within the scope of the MOU. Further, DCWC supports this type of program as part of its overall goal of protecting the riparian and aquatic ecosystem while maintaining private property rights.

We support the approval of The Nature Conservancy's proposal and their support of local control.

Sincerely,

DEER CREEK WATERSHED CONSERVANCY

*Julie Kelley L.K.W.*

Julie Kelley  
President

# MILL CREEK CONSERVANCY

P.O. Box 188 • Los Molinos, CA 96055  
(916) 595-4493 • 384-2734

July 22, 1997

Lester Snow  
CALFED Bay-Delta Program  
1416 - Ninth Street, Suite 1155  
Sacramento, CA 95814

Subject: Proposal for 1997 Category III funding: Deer and Mill Creeks

Dear Mr. Snow:

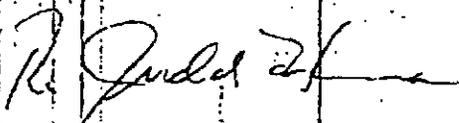
This letter is in support of The Nature Conservancy's proposal; which requests funding from the 1997 Category III Ecosystem Restoration Projects and Programs. This proposal has the potential to provide long term resource protection for the Mill Creek watershed. Our review of the proposal and recommendation for support pertains specifically to the Mill Creek watershed which is our area of expertise and influence.

The Nature Conservancy's proposed project will contribute significantly to the protection of important riparian and aquatic habitat in the Mill Creek watershed. The Mill Creek watershed is unique due to its relatively undisturbed nature and supports a wide variety of native flora and fauna. The area is critically important to sustaining wild anadromous fish and wildlife populations that are found only in this region. The proposal would provide permanent protection to this sensitive area.

The Mill Creek Conservancy is actively engaged in cooperative efforts with The Nature Conservancy in the Mill Creek watershed including a related proposal for funding for the Mill Creek Restoration Project. In addition, the Mill Creek Conservancy coordinated the development of the *Mill Creek Watershed Management Strategy Report (January 1997)*, which recommends the establishment of a voluntary long term resource protection program for the Mill Creek corridor. This proposal would allow the development and implementation of a program which employs an array of approaches to safeguard significant areas within the watershed.

We support The Nature Conservancy's proposal, and urge you to approve the full amount requested in their proposal.

Sincerely,



R. Judd Hanna, Sec./CFO

c: Deer Creek Watershed Conservancy



## **THE NATURE CONSERVANCY**

### **Background Information**

#### **The Nature Conservancy's Conservation Mission**

The Nature Conservancy preserves plants, animals, and natural communities that comprise the diversity of life on Earth by protecting the lands and waters they need to survive. Operating in the United States for the past forty years, the Conservancy also has launched programs in Latin America, the Caribbean, and the Pacific to help protect millions of acres outside the United States. The operator of the largest private system of nature sanctuaries in the world, the Conservancy owns and manages more than 1,500 preserves throughout the U.S.

#### **How The Nature Conservancy Got Started**

The Nature Conservancy emerged in 1951 from a professional association of ecologists seeking to turn their knowledge of nature into positive action for conservation. The Conservancy started its tradition of conservation through private action with a modest 60-acre land purchase in New York state. Today, using the same market-oriented strategy, the Conservancy has protected more than 9.3 million acres of ecologically significant land.

#### **How The Nature Conservancy Identifies Land for Protection**

State Natural Heritage Inventory Programs, usually administered by a state agency, identify rare natural elements and their locations within a particular state. In Latin America these inventory programs are termed Conservation Data Centers. The scientific information gathered by the inventory indicates the relative rarity of plant and animal species, aquatic and plant communities, and whether or not they are protected. Once species are identified and ranked, the areas that house critically threatened species become the target of Conservancy projects.

#### **How The Nature Conservancy Protects Habitat**

The Conservancy uses non-confrontational, market-based economic solutions to protect habitat -- a win-win approach to conservation. Working only with willing sellers and donors, the Conservancy protects land through gifts, exchanges, conservation easements, management agreements, purchases from the Conservancy's revolving Land Preservation Fund, debt-for-nature swaps, and management partnerships. The resulting preserves are managed with the most sophisticated ecological techniques available.

#### **How The Nature Conservancy Manages Protected Areas**

The Conservancy's stewardship staff and volunteers manage the more than 1,500 preserves through restoration techniques such as prescribed burnings, reforestation, fencing, and the removal of alien species. These duties both maintain the preserves and encourage the growth of the endangered plants and animals that live there. Most Conservancy preserves are open to the public for educational uses and recreation such as hiking, nature study, bird watching, and photography.

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### **The Conservancy's International Program**

Because the Conservancy's mission is global, it has expanded its programs to encompass areas outside the United States. The Pacific program, headquartered in Hawaii, is working to identify and protect threatened areas in Indonesia, Melanesia, and Micronesia. In Latin America, the Conservancy has joined forces with over 45 organizations covering 25 countries to provide infrastructure, community development, professional training and long-term funding for legally protected but underfunded areas throughout the continent. The Conservancy has pioneered debt-for-nature swaps in Latin America and worked with partners on projects that demonstrate that conservation and development can be compatible.

### **The Nature Conservancy: A Scorecard (as of December 1996)**

|  |            |
|--|------------|
| <u>Acres Protected in the U.S. since 1953:</u>   | 10,088,000 |
| <u>Acres Protected outside the U.S.<br/>With TNC Assistance:</u>   | 44 million |
| <u>Acres Managed:</u><br>(Counts acres The Conservancy owns or has<br>under conservation easement)   | 1,500,000  |
| <u>Membership:</u>   | 900,704    |
| <u>Corporate Associates:</u>   | 1,500      |
| <u>Preserves Under Conservancy Management:</u><br>(each preserve may be composed of a<br>number of land conservation projects<br>owned in fee, protected by<br>conservation easements) | 1,500      |
| <u>Natural Heritage Inventory Programs<br/>and Conservation Data Centers:</u>  | 86         |



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