Wade Crowfoot, Secretary

RANGE MANAGEMENT ADVISORY COMMITTEE

P.O. Box 944246 SACRAMENTO, CA 94244-2460 Website: www.bof.fire.ca.gov (916) 653-8007



STATE LANDS GRAZING LICENSES AND LAND MANAGEMENT (SLGLLM) SUBCOMMITTEE MEETING MINUTES

Tuesday, April 05, 2022, 11:00 AM

Teleconference

Roll Call:

SLGLLM Members Present and Locations of Attendance

- Jeanette Griffin California Natural Resources Agency, Conference Room 302, 715 P Street. Sacramento 95814
- Rich Ross California Natural Resources Agency, Conference Room 302, 715 P Street, Sacramento 95814
- Larry Ford CAL FIRE San Mateo-Santa Cruz Office, Small Conference Room, 6059 Highway 9, Felton, CA 95018
- Bart Cremers California Natural Resources Agency, Conference Room 302, 715 P Street, Sacramento 95814
- Tracy Schohr Butte County Agricultural Department, 316 Nelson Avenue, Oroville, 95965

SLGLLM Members Absent

Tony Psihopaidas Kevin Conway Lance Criley Katie Delbar

Staff Present and Location of Attendance

Kristina Wolf, Environmental Scientist – California Natural Resources Agency, Conference Room 302, 715 P Street, Sacramento 95814

The Board's mission is to lead California in developing policies and programs that serve the public interest in environmentally, economically, and socially sustainable management of forest and rangelands, and a fire protection system that protects and serves the people of the State.

AGENDA ITEMS:

1) Call to Order, Webinar Meeting Format, Roll Call, and Core Values – Kristina Wolf, Board staff

See roll call, above. Dr. Wolf iterated the importance of compliance with the Bagley-Keene Open Meetings Act, which requires all committee members to attend at a location that is noticed at least 10 days prior to the meeting on the Board of Forestry and Fire Protection's (Board) website. Noticed meetings that are open to the public are a critical component of the public engagement process. This meeting was conducted in person, with audio-visuals webcast via Microsoft Teams to allow for public observation and the opportunity for public participation, and to facilitate communication between committee members present at the three publicly-noticed locations.

2) Additional questions for State Department of General Services (DGS) – Dr. Wolf The committee reviewed the answers to questions submitted to and returned by committee member Tony Psihopaidas with the State Department of General Services. Questions are shown in bold, with answers below. Additional follow-up questions were developed during the meeting, shown in italics:

SLGLLM Committee Questions for Department of General Services (DGS) with follow-up questions produced at/after meeting 04/05/2022

2-1. How are licensees selected from a group of bidders? Do you have to select the highest bid, or the best qualified applicant? And if the latter, how is that determined?

The State has a sole sourcing policy and in order to select a successful bidder the RFP must provide a scoring criterion and the best score is the successful bidder.

Follow-up Questions:

- What are the scoring criteria?
- How can we avoid "cherry-picking" a bidder? Include guidance to avoid these situations as much as possible.
- Does the contract scoring process consider past contracts with a given grazier?
 That is, if there is a "bad actor" that did not comply with the requirements of a grazing license, will that be considered in the assessment of their applications for future grazing contracts?
- How are license fees calculated? Are they based on the contract length, Animal Unit Months (AUMs) utilized (with a maximum AUM designated for dry, average, or above average rainfall years), or other?
 - On a related note, many contracts have a <u>+</u> 2 week turn on/off date; is that the most flexibility that can be accommodated?
 - A month would be much more realistic, particularly with increasing fluctuations in inter- and intra-annual variability in rainfall and range conditions; in fact, a turn on/off date based on rainfall, productivity, and/or range condition would be even more realistic.

Can anything like that be accommodated in a grazing license contract? (note, we understand that hunting date ranges are inflexible, so the flexibility,

Are turn on/off dates required to be ground-truthed to check range condition to ensure goals are being met? E.g., to ensure fine fuels levels (e.g. residual dry matter) are within a pre-determined range/goal?

2-2. Can 5-year leases be renewed or extended, and if so, under what conditions/caveats?

DGS utilizes the Government Code under section 14670 to write leases. This code provides for a 5 year term to coincide with the 5 year plan for the agencies. This code does not provide for options to extend the term of the lease. A new lease can be written under the same code for another 5 years.

Follow-up Questions:

- When we [Kristina Wolf, Board staff with Tony Psihopaidas, DGS Program Director] spoke, there was mention of the possibility of an extension in 5-year increments for up to 20 years total if both parties were in compliance with the license agreement. In what context does this apply, or not apply?
- It sounds like a 5-year term is the maximum. Is there anything that allows for a first right of refusal for the tenant if both parties agree at the end of the contract term, or does it have to go back out for an RFP?
- Livestock feed (forage) needs to be lined up 6–12 months in advance, so the lessee would need to know far enough in advance to plan for that. How is that navigated in terms of the timeline for extensions or contract awards? That is, how far in advance does notification occur that the license has been awarded, and does it accommodate this 6–12 month timeframe?
 - Further, how much notice is given if the license is NOT going to be renewed?

2-3. Is there ever an option to extend a license by one year (or more) due to severe drought or fire, and if so and there is non-use (in the interest of the land) by the lessee, do they still have to pay for that year?

This practice has not been employed during my tenure of 20 years. This would be a legal question at the time.

Follow-up Questions:

- Is there any way to address this question hypothetically, to provide an example of the considerations and processes that would need to be followed in such a case?
- In the US Forest Service, grazing permits allow for up to 3 sequential years of nonuse, generally done for the benefit of the resource (e.g., drought, fire, etc. such that grazing would potentially have detrimental effects for a period of time), at the request of the permittee. This time can be recuperated by tacking it on at the end of the contract date. Could something like this be accommodated, with some kind of

decision-making framework (based on biological status, range condition, rainfall, etc.) that would assist licensees and managers to assess if/when this should occur?

2-4. Can <u>existing</u> licenses and management plans be changed to, e.g., shift from set stocking rates and rotation schedules to assessment criteria that focus on the outcomes/effects of grazing?

This type of change would require a lease amendment and be approved by both parties.

2-5. Can the licensee be given credits against the license fees for work? i.e., Fee-for-service, or value of services rendered, in lieu or partial lieu of payment? This was brought up because many sheep and goat graziers are contract graziers, providing a fee-for-service; whereas, cattle graziers are often paying to graze the land.

This is a sensitive area when it comes to off setting rents or more commonly known as in-lieu benefits. The benefits must be quantified, and a justification must be sent to DGS for review and if approved in-lieu benefit can be applied. This needs to be done at the inception of the lease.

Follow-up Questions:

- Is there any way to address this question hypothetically, to provide an example of the considerations and processes that would need to be followed in such a case?
- Has this been done in the past, and can you provide any examples?
- Can permanent improvements made by the licensee be credited toward fees?
- 2-6. Related to above: Can you provide clarification on the possessory use tax, which applies if you are licensing the ground to graze, but does NOT apply if This is more of a fee-for-service situation?

A lease can trigger a possessory interest tax by the county of jurisdiction whether it is a fee or service or not. This question should be asked to the county. We at the state cannot regulate the taxation in the lease.

Follow-up Questions:

- So at the State level, any potential taxes associated with the license will NOT be stated in the license contract, is that correct?
- In federal grazing leases, and associated RFPs, possessory use tax is addressed;
 do you know why it is not at the State level?
- If the licensee does NOT have exclusive right of possession (as is often the case on State lands), why/when WOULD a possessory-use tax actually be levied?

Note: member of the public Jack Hanson addressed the committee, noting that while he used to get credits against grazing licensing fees in Lassen County, that was stopped due to difficulties with implementation, and the department no longer offers this as an option.

2-7. Are licensees able to utilize NRCS to make capital improvements? (i.e., via EQIP, CSP programs?)

There is a question that because this would be state lands that licensees cannot access federal funds for capital improvements. I do not have an answer to this question as Federal programs have a significant amount of rule and regulations for federal funds.

2-7a. If yes, they can utilize federal funds, would that then authorize federal agencies to come onto the land during the project? Would DGS have an issue with supervision rights on state ground in that case?

A right of entry or license agreement would need to be written for this purpose and it would be dependent on how restrictive the conditions of use are in their contract.

Follow-up Questions:

 It sounds like the answer to this is no, and that a licensee on a State parcel could NOT utilize federal funds for capital improvements. Is that interpretation correct, and if so, in what case would the answer to 1.a (above) apply?

2-8. What does DGS think of the license outline?

The outline covers many of the issues needed to be included in a comprehensive lease or license agreement for the purpose of grazing. The cattlemen's association is very familiar with prescriptive grazing and land conservation methods which makes their members very good tenants.

2-9. What are the "thorniest" issues DGS encounters with such licenses?

The agreements need to be written with very strict terms and conditions regarding animal husbandry, fencing, water, salt licks, ground preservation, animal waste management, death of animal management etc. Non-compliance with the terms and conditions such as fencing which is not maintained allowing cattle to roam onto local streets is a serious liability situation.

Follow-up Questions:

- Does DGS have any boilerplate language that describes codes for fencing? That is, to what level must fencing be maintained, and are there clear definitions for who is responsible for maintenance (labor, cost, materials, and who is responsible for each)?
- **3) Update on development of Grazing License Template Draft** Kevin Conway, Bart Cremers, and Rich Ross

The Guidance Booklet (see agenda item 5, below) is intended to assist users in navigating development and implementation of a Land Management Plan (and license). The Guidance Booklet is not considered part of the Grazing License Agreement; however, the Land Management Plan technically is, as anything referenced in the license will be considered part of the Grazing License Agreement. Some items more appropriate to the Guidance Booklet were suggested and moved from the Grazing License Agreement draft to the Guidance Booklet draft (see agenda item 5). The Grazing License Agreement outline draft will be available in the meeting materials section on the RMAC website (https://bof.fire.ca.gov/board-committees/range-management-advisory-committee/).

Next steps will include incorporation of member-suggested revisions. Members will send comments and revisions using tracked changes in the Grazing License Agreement draft document, and send those to Dr. Wolf for compilation and consideration by the Grazing License Action Team. Once the Grazing License Agreement outline is revised by that Action Team, it will be sent to DGS for review. Other institutions, including non-governmental organizations, could also provide input, and are encouraged to do so by contacting Dr. Wolf at kristina.wolf@bof.ca.gov.

Member Griffin suggested adding a section for existing infrastructure in the Grazing License Agreement outline draft.

4) Update on development of Management Plan Template Outline Draft – Larry Ford, Jeanette Griffin, and Lance Criley

Member Cremers submitted a comment: In the Management Plan Outline, 4.1 mentions Performance Standards. Plan should include how these will be measured/assessed. Need to be quantifiable. Maybe this is covered in the "Monitoring" Section.

The Land Management Plan template outline draft will be available in the meeting materials section on the RMAC website (https://bof.fire.ca.gov/board-committees/range-management-advisory-committee/). Next steps will include incorporation of member-suggested revisions. Members will send comments and revisions using tracked changes in the management plan document, and send those to Dr. Wolf for compilation and consideration by the Land Management Plan Action Team. Once the Land Management Plan outline is revised by that Action Team, it will be sent to DGS for review. Other institutions, including non-governmental organizations, could also provide input, and are encouraged to do so by contacting Dr. Wolf at kristina.wolf@bof.ca.gov.

5) Update on development of Guidance Booklet Outline Draft – Katie Delbar, Tracy K. Schohr

Member Cremers submitted a comment: Do we want to give any general monitoring guidelines in the Guidance Document such as when RDM monitoring would be appropriate vs. vegetation heights, vs. species relevè, etc. or some combination? Or does that start to get too complex?

This comment will be considered by the Action Team. This document is in the early stages of draft, and currently consists primarily of suggested items to cover in the document. The Guidance Booklet planning draft will be available in the meeting materials section on the RMAC website (https://bof.fire.ca.gov/board-committees/range-management-advisory-committee/).

Next steps will include incorporation of additional member-suggested revisions and ongoing development of the Guidance Booklet. Members will send comments and revisions using tracked changes in the Guidance Booklet planning draft, and send those to Dr. Wolf for compilation and consideration by the Guidance Booklet Action Team. Once the Guidance Booklet outline is revised by that Action Team, it will be sent to DGS for review. Other institutions, including non-governmental organizations, could also provide input, and are encouraged to do so by contacting Dr. Wolf at kristina.wolf@bof.ca.gov.

6) Identify and assign action items and timeline - Dr. Wolf

Members will review all documents and provide feedback to Dr. Wolf, who will compile suggestions and revisions and send anonymously to each Action Team, as appropriate. The drafts will be revised by each Action Team, and presented at the next meeting of the State Lands Grazing License and Land Management sub-committee. The next meeting will occur in person, similar to today, on Tuesday April 26th. Meeting locations will be publicly noticed no later than 10 days prior to this meeting; committee members must submit their meeting locations—which must comply with regulations regarding public accessibility, ADA accessibility, audiovisual capability, and internet connections—to Dr. Wolf at kristina.wolf@bof.ca.gov by no later than Wednesday, April 13th.

7) Public Forum

No members of the public addressed the committee at this time.

8) Next meeting and agenda items

The next committee meeting will occur on Tuesday, April 26th in the afternoon. More information will be provided to the committee and the public as to timing and locations by no later than Thursday, April 14th. This information will be available on the Board of Forestry and Fire Protection website (https://bof.fire.ca.gov/) under Upcoming Webinars (bottom of the page), and under RMAC & RMAC Committee Agendas on the RMAC webpage (https://bof.fire.ca.gov/board-committees/range-management-advisory-committee/). Committee members and members of the public may submit proposed agenda items to Kristina Wolf by no later than Wednesday, April 13th.

9) Adjourn

Meeting adjourned at approximately 4:10 PM