

**Partners Working Group
Round 13 Preliminary Recommendation Meeting
April 17-18, 2012**

MEETING SUMMARY

Day 1, April 17, 2012

The Southern Nevada Public Land Management Act (SNPLMA) Partners Working Group (PWG) met to develop the Round 13 Preliminary Recommendation for funding projects from the SNPLMA Special Account. The PWG also considered several decision memorandums for project modifications.

I. PWG Closed Session

The meeting began with an closed session to discuss the request for a scope change and time extension for the Fish and Wildlife Service (FWS) Round 6 Amargosa Pupfish Research Station Phase II: Construction project. The FWS provided clarification and responded to questions from the PWG regarding the request.

II. Proposed SNPLMA Performance Measurement System

The open session began with a discussion of a proposal for a SNPLMA Performance Measurement System. The system would provide performance measures tied to SNPLMA Strategic Plan for each project category in order to provide an easy, efficient, and consistent means of reporting project accomplishments annually and at the conclusion of projects. The presenter agreed to provide definitions to accompany each Performance Measurement and submit the revised document to the PWG for final review at its next meeting.

III. Round 13 Overview

The SNPLMA Division presented an overview of guidelines, issues, and concerns related to Round 13. A significant portion of the discussion centered on revenue projections for Round 13 and forward. Due to continued low land sales and reduced interest income, the projections indicated that each round needs to maintain a total funding allocation between \$6 million and \$8 million to ensure program stability until land sales increase creating higher annual revenue.

Also presented were issues raised by Subgroups for consideration by the PWG for future rounds (consistent maintenance of subgroup operating guidelines between subgroups, possible changes to the Park, Trail, and Natural Area and Hazardous Fuels category criteria and/or processes) and a request that a method be established to track cash and in-kind contribution commitments for Round 13 nominations if approved for funding. The Subgroups decided not to make any recommended changes to the process used in Round 13 for nominating science-based projects in the Conservation Initiatives (CI) and Eastern Nevada Landscape Restoration Project (ENLRP) categories at this time; the two subgroups want to see how the current process works through the Round before suggesting changes.

IV. Round 13 Nominations and Subgroup Recommendations

The SNPLMA Program Managers (PM) provided an overview of the nominations in the categories under his/her responsibility, highlighting subgroup recommendations and any concerns regarding the projects.

ENLRP: There were five nominations totaling \$2,500,380. The ENLRP Subgroup recommended the top three ranked projects for a total of \$1,415,380 and asked the PWG to consider recommending all the nominated projects because all projects support restoring or planning efforts for sage grouse habitat and all are critical for public safety.

Hazardous Fuels Reduction and Wildfire Prevention: The category received nine nominations totaling \$4,877,041. The subgroup recommended funding all of the projects because the projects will protect life and property by reducing hazardous fuels or completing the necessary planning to implement hazardous fuels reduction treatments. Several project proponents are providing contributions of in-kind labor or matching funds to complete the projects, indicating the communities are committed to seeing the projects to completion.

Conservation Initiatives: The CI category received eight nominations totaling \$2,777,612. The CI Subgroup recommended funding the top three ranked projects for a total of \$1,295,113. The Subgroup further suggested that if only two CI nominations are recommended for funding, the BLM be allowed to select which of their two nominations to recommend since both the second and third ranked projects are BLM nominations and the scoring difference between the two projects is just two points out of a possible 290 points. The BLM indicated that the third ranked project is a higher priority than the second ranked project.

Multi-species Habitat Conservation Plan (MSHCP): The two nominations submitted for consideration total \$2,062,672. There is no subgroup for the MSHCP category. The category is a program that receives funding from multiple sources and is managed through a separate process where project nominations are presented to the Clark County Board of Commissioners for approval to be submitted for SNPLMA funding. Therefore, the SNPLMA Division did not receive a recommendation other than the request from the proponent to fully fund both projects.

Capital Improvements: The Capital Improvements (CIP) category received five nominations totaling \$2,841,560. The CIP Subgroup recommended funding the top three ranked projects totaling \$1,395,560. The Subgroup noted that the second and third ranked Bureau of Reclamation (BOR) projects (repair sidewalks on the top of Hoover Dam and restore cultural features on top of Hoover Dam) were only separated by three points. The Subgroup indicated a preference that if only two projects are recommended, the BOR be allowed to determine which of its two projects would be recommended. The BOR noted that the third ranked project, "Complete Restoration/Preservation of Top of Dam Historic Cultural Features," is the highest priority for the Hoover Dam.

Environmentally Sensitive Land Acquisitions: The Land Acquisition category received six nominations totaling \$4,333,050. The Lands Subgroup has made it a practice not to recommend any nomination which receives less than 50 percent of the total available points. In this case, all of the proposed projects received over 62 percent of the available points. The acquiring Federal agencies have confirmed through market research and consultation with their agency appraisers that the asking prices for all nominated lands are reasonable.

The Lands Subgroup recommended funding the top two ranked acquisitions, Leyh Mining Claims and the Wahl Tract, as well as the sixth ranked Mount Rose Wilderness property for a total of \$1,718,350. The Subgroup included the sixth ranked acquisition because it is an inholding in a Wilderness Area. The Subgroup believed strongly that opportunities to acquire wilderness inholdings should be funded whenever possible. In this case the acquisition would prevent development within the Mt. Rose Wilderness Area along an access road that loops through the southern portion of the property.

Parks, Trails, and Natural Areas: The Parks, Trails, and Natural Areas (PTNA) category received seven nominations totaling \$2,888,278. There are two PTNA projects ranked number 3 as a result of each project receiving 74 percent of the total available points. The subgroup noted that PTNA projects have very high public visibility, an immediate public impact at a reasonable and efficient cost benefit ratio, and improve the quality of life for a very large population. Some of the nominations include matching funds from local governments and communities to complete the projects.

The PTNA Subgroup recommended the top four projects based on the high degree of connectivity, partnerships, contributed funding, fulfilling unmet community needs, and renovation of existing facilities or further development of an existing park.

Day 2, April 18, 2012

V. Priorities, Performance, and Capacity

Before discussing which projects to recommend for funding, the PWG discussed areas on which to focus in making their recommendation and the direction provided by the Executive Committee (EC) for consideration during development of the Preliminary Recommendation. The EC directed that Round 13 should be limited to \$8 million with approximately \$6 million for projects and \$2 million for the Special Account Reserve (SAR). The priority focus areas discussed were (a) park, trail, and natural area projects because they provide an opportunity for outdoor activities and benefit a large population; (b) projects that would protect or enhance sage grouse habitat and thereby support multi-jurisdictional and private efforts to avoid listing of sage grouse under the endangered species act; and (c) projects that address life and safety issues.

The PWG also reviewed reports provided by the SNPLMA Division that addressed capacity and performance of the eligible partners across all categories. The PWG agreed that the reports, which currently combined all offices of the partners into one report, should, in certain cases, be broken down to report on distinct offices that operate independently. An example would be to report the National Park Service (NPS) under the Lake Mead National Recreation Area and the Great Basin National Park separately rather than combined under a single NPS report.

The SNPLMA Division provided four reports. The first report addressed total number of projects approved and total funding; number of additional funding requests; number of projects completed and how many were on-time or required time extensions; and number of projects terminated. The next two reports indicated that all of the partners were now reporting progress on projects which had previously been identified as projects of concern and were reporting progress on all other projects. The final report address a few projects that had never reported any status along with an explanation of why that was the case and the action the Division would be taking to ensure reporting in the future.

The PWG's response to the reports was that they indicate a good level of reporting compared to the previous year and that the reports didn't raise any red flags regarding the performance of any specific partner. The PWG also agreed that looking simply at number of completed projects compared to the percent of approved projects still in progress wouldn't necessarily speak to capacity of a partner to take on new projects. It was pointed out that what might raise concern about a newly nominated project would be projects approved for previous phases of the project that are not yet complete. Information on previous phases of a project also speaks to whether or not a nomination for another phase of a project or work in a specific area is urgent or can be delayed to a future round. The PWG agreed that they will continue to rely on the Division to provide background information on performance and capacity, and status of prior phases of projects.

VI. Development of the Round 13 Preliminary Recommendation

The SNPLMA Division provided a spreadsheet of all the nominations with amount requested and the recommendations of the Subgroups, which if accepted would total almost \$14.5 million, far in excess of the \$8 million total target set by the EC. The Division provided four alternate funding scenarios to kick-off the discussion. The first would have funded the number one ranked project in each category plus two million for SAR for a total of just over \$6 million. The second would fund the top two ranked projects in each category with a \$1.5 million SAR for a total of \$9.3. The third would have funded all projects which

identified commitments for cash or in-kind contributions for a total budget of \$8.3. The fourth scenario would fund all projects in the third scenario plus the top ranked ENLRP and MSHCP projects for a total budget of \$9.8 million.

The PWG agreed that the recommendation would not focus on which projects have contribution commitments since every category now awards points at some level for cash or in-kind contributions which already affects the ranking of the projects.

One PWG member provided a fifth funding scenario which became the building block for additional scenarios that eventually led to agreement on the Round 13 Preliminary Recommendation. The scenario allocated \$6.7 million for projects and \$500 for SAR for a total of \$7.2 million. Scenario 5 emphasized PTNA projects, life safety issues, and sage grouse habitat, and still provided some funding in every category except MSHCP. The Scenario was:

- Parks, Trails, and Natural Areas: Fund the top four ranked nominations as recommended by the subgroup and also fund the fifth ranked nomination for the Pioneer Park Phase II due to the high need in Panaca, NV and relatively low cost. Total budget of \$1,722,890.
- Capital Improvements: Fund the top two nominations totaling \$839,560, which would exclude BOR's priority for the third ranked project, but would fund the higher ranked sidewalk repair project which is a health and safety issue.
- Conservation Initiatives: Fund the number one ranked project, skip the second ranked project, and fund the third ranked sage grouse project for a total CI budget of \$858,274.
- ENLRP: Skip the number one ranked project because the NEPA under a prior project has not yet been completed and fund the number two and number three nominations totaling \$961,690.
- Land Acquisitions: Recommended funding the number two ranked Wahl Tract nomination since it is the most time critical for a total recommendation of \$1,137,650.
- Hazardous Fuels Reduction and Wildfire Prevention: Fuels projects represent life safety issues so the scenario looked at funding some work in multiple areas by reducing funding to \$250,000 or lower if the requested amount was lower. The scenario would fund five projects ranked from second to sixth. The number one project was skipped because of the three projects already approved for this area for planning and implementation that are not yet completed. The total Fuels budget would be \$1,188,650.
- MSHCP: No recommendation for funding
- Special Account Reserve (SAR): Fund SAR at \$513,108 which is equal to 15 percent of the CI, CIP, and PTNA recommended amounts.
- Contingency: This proposal has no contingency provision for any category.

The above scenario was first modified to add the number one ranked Leyh Mining Claims land acquisition for \$322,800 and add the third ranked CIP project for preservation of cultural resources at Hoover Dam for \$566,000. This became Scenario 6 and raised the total budget to \$7.8 million.

The PWG discussed the continuing need for SAR funds until the projects in rounds six and prior are completed because the earlier rounds had less precise scoping, estimating, and nomination requirements. It was also recognized that SAR requests are sometimes generated due to the emergence of previously unknown requirements or issues which have to be addressed and are beyond the control of the partner. The PWG also acknowledged that as more projects are completed and with greater emphasis on good estimating and scoping projects for completion within budget, especially in more recent rounds, the need for SAR should gradually decrease from round to round. The PWG agreed to increase the SAR to the extent possible and stay within an \$8 million maximum round after deciding which projects should be recommended.

The PWG agreed to remove the first scenario from consideration because it did not consider the priorities and benefits to funding multiple fuels projects and readiness of other projects. Scenarios three through four were removed from consideration because they all exceeded the maximum \$8 million budget target for the round.

The PWG discussed the fact that the Wahl Tract second ranked land acquisition (\$1,137,650) was also eligible under the Lincoln County Land Act (LCLA). The LCLA is governed by the same PWG and EC as the SNPLMA, so the PWG can recommend that this land acquisition project be funded under LCLA. Shifting the funding recommendation to LCLA would make more funds available for the SNPLMA round while ensuring that this unique opportunity to prevent mining development between the Ash Meadows Refuge and surrounding ACEC is prevented. The property also contains very significant resources and would become part of the Refuge if acquired. Also a factor is that the FWS has contributed funds needed to carry out all acquisition tasks and would be ready to establish escrow and complete the acquisition within weeks of receiving funds.

The PWG developed a funding Scenario 7 that would include everything in the sixth scenario, including not providing for a contingency in any category, but with some changes. The group removed the Wahl Tract land acquisition with the provision that it be recommended for LCLA funding. They added the eighth ranked Old Mill fuels project in the Spring Mountains at a reduced amount of \$250,000 so each of the three legislated fuels areas would have at least one project. They reduced the Bald Mountain ENLRP project from the requested \$730,149 to \$430,149 which was the minimum required to have a viable project. Finally, based on the earlier discussions and agreement regarding the continued need for SAR, the members increased the SAR funding to \$1.5 million. This brought the Scenario 7 funding to \$7.9 million.

The PWG then reviewed Scenario 7 category by category to make final decisions for inclusion of projects and SAR funding in the Preliminary Recommendation. This review by category was to look at any issues, particularly those that involved performance or capacity, that would lead to eliminating a project. It was generally agreed that the performance reports did not reveal anything glaring that would lead to excluding an entity based on capacity or performance.

PTNA:

The five projects proposed for inclusion at a cost of \$1.7 million have contributed funds of \$1.8 million, will accomplish the most for the SNPLMA funding provided, and will have a big public benefit. The PWG agreed that they were comfortable with providing this level of funding to the PTNA category and included the top five ranked PTNA projects in the Preliminary Recommendation at a total of \$1,722,890.

Capital Improvements:

The PWG generally agreed that if the budget would support funding both Hoover Dam projects (sidewalk repair and cultural restoration), the group was not concerned about two projects being a large percent of the category or round. In regard to the number one ranked project, it was noted that the NPS had worked hard to reduce its request from an original estimate of \$600,000 to the final request of \$300,000. With no other questions or comments, the PWG agreed to include the top three CIP projects in its recommendation at a budget of \$1,395,560.

Conservation Initiatives:

The PWG agreed to skip the number two ranked project in order to reach the number three ranked project because it is both a science-based project and it focuses on Sage Grouse Habitat which is a management priority for the partners. Both the number two and number three ranked projects are BLM projects and BLM preferred the number three ranked project if only two could be funded. The number three project

was also a science-based project which had undergone a technical peer review and found to be sound overall. The group agreed to fund the number one ranked NPS Johnson Lake Mine project and number three ranked BLM Sage Grouse Habitat project for a CI preliminary recommendation budget of \$858,274.

Environmentally Sensitive Land Acquisitions:

The PWG agreed to recommend LCLA funding for the Wahl Tract instead of SNPLMA funding with the condition that if the EC doesn't concur, their recommendation is to fund the project in Round 13 of SNPLMA and remove the recommendation for SAR funding. This decision spoke to the importance of the acquisition due to its resource values and opportunity to consolidate the land into the refuge thereby terminating existing mining efforts and preventing future mining expansion. The PWG decided to recommend the number one ranked Leyh Mining Claims that had been included in both the last two scenarios for a total Environmentally Sensitive Land Acquisition budget recommendation of \$322,800.

Hazardous Fuels Reduction and Wildfire Prevention:

The PWG agreed not to recommend the number one ranked project with a request of \$1 million because the planning project and previously approved implementation projects for the area have not yet been completed. The members discussed the reduction in funding for the Bowers fourth ranked fuels project from the requested \$754,758 to \$250,000. The SNPLMA Division program manager for the category reviewed the budget plan in the nomination and determined that given the location, in order to have a viable project, funding would need to be at least \$500,000 which would allow all work in this critical area to be completed except the post treatment weed control spraying. After discussing alternatives to remove or reduce other projects in Fuels, ENLRP, or CIPs, or increase the funding level over \$8 million, the PWG decided to reduce the SAR to \$1,250,000 and put the additional \$250,000 toward the Bowers fuel project so it could be funded at a meaningful level of \$500,000. The result was that other projects could remain funded at meaningful levels while keeping the total round funding between \$7 and \$8 million.

ENLRP:

The PWG agreed not to recommend the number one ranked project because the Round 10 project approved to do NEPA for this effort won't be completed until October 2013, and funding for implementation can be requested in the next round. The PWG's recommendation for ENLRP remained to fund the second ranked Soap Creek project at the requested amount and fund the third ranked Bald Mountain project at the reduced amount of \$430,190 for a total ENLRP budget of \$661,690.

MSHCP:

The PWG decided not to recommend funding for either of the MSHCP projects because there is funding for implementation available in the County's MSHCP account that can be used to fund both the Boulder City Conservation Easement Law Enforcement and the Mojave Max Education Program.

VII. Project Modification Requests for Round 12 SAR Funds

The PWG reviewed four requests for SAR funds needed to complete projects. All four met the two-part test of (1) attempting down scoping to reduce costs and (2) urgency to prevent work stoppages, layoffs, or to issue a contract. Although all four qualified for priority consideration by meeting the two-part test, the total request from the four exceeded the \$1.5 million SAR available for Round 12. Therefore, the PWG addressed them in the order received. After discussing the purpose of each request, the PWG agreed to recommend the EC approve SAR funding of \$62,413 for the CIP Upper Kyle Canyon Day Use Complex (FS14) to address unexpected flood control measures; \$400,000 for safety considerations required by the Nevada Department of Transportation (NDOT) for the CIP Desert View Overlook Rehabilitation project (FS34); and \$500,000 to address both Nevada Energy and NDOT requirements for the PTNA Las Vegas Wash Trail Phase II project (LV20).

The total for the first three requests received is \$962,413 which, if recommended for approval by the EC, would leave a balance in the SAR of \$537,587, less than the FS23 Spring Mountain Recreation & Information Center project (FS23) is requesting. The PWG asked the CIP Program Manager to coordinate with the USFS to see if the paving work could be accomplished with the remaining SAR balance and, if so, that the decision memo be rewritten and resubmitted for consideration.

VIII. Draft Fiscal Year 2011 Annual Report to Congress

The PWG was briefed regarding progress being made in drafting the Fiscal Year 2011 SNPLMA Annual Report to Congress. The members were also advised that the Fiscal Year 2010 report is currently in review with the Department of the Interior Assistant Secretary for Land and Minerals and should be going to the printer in the near future.

IX. June 8 Conference Call

Members offered recommendations for topics for the June 8, 2012, PWG conference call to develop recommendations for the EC for conducting Round 14.

SUMMARY OF DECISIONS

1. The PWG unanimously agreed to have the FW23 Amargosa Pupfish Research Station Construction decision memorandum re-written to address a time extension, clear deliverables to close the project by 2014, to clarify that the funds will not be used for operations and maintenance but to determine the functionality of the facility, and to clarify that funds will not be used for research but only the mechanical function of the refugia.
2. The PWG agreed to review all the Performance Measures system materials on the June 8, 2012 PWG conference call in order to be ready to decide on the final product to submit to the Executive Committee for consideration.
3. The PWG unanimously agreed to discuss any recommendation from the Hazardous Fuels Subgroup regarding the best method of changing the Subgroup membership.
4. The PWG unanimously agreed to a Preliminary Recommendation of \$6,649,864 for projects and \$1,250,000 for SAR with no 10 percent contingency, including a recommendation that the Wahl Tract land acquisition be funded through the Lincoln County Land Act with the condition that if the EC decides to not fund the acquisition through LCLA that it should be funded through SNPLMA by removing the \$1.25 million SAR recommendation.
 - Parks, Trails, and Natural Areas: Fund the top five ranked projects totaling \$1,722,890.
 - Capital Improvements: Fund the top three projects totaling \$1,395,560.
 - Conservation Initiatives: Fund the number one and number three ranked projects for a total CI recommendation of \$858,274.
 - ENLRP: Fund the number two ranked project at the requested amount and the number three ranked project at the reduced amount of \$430,190 for a total of \$661,690.
 - Land Acquisitions: Fund the number one ranked project for \$322,800.
 - Hazardous Fuels Reduction and Wildfire Prevention: Fund the number two and number six projects at the requested amount, fund projects ranked three, five, and eight at reduced amounts of \$250,000, and fund the fourth ranked project at the reduced amount of \$500,000, for a total of \$1,688,650.
 - MSHCP: No recommendation for funding.

- Special Account Reserve (SAR): Fund SAR at \$1,250,000.
 - Preliminary Recommendation Total: \$7,899,864
5. The PWG unanimously agreed to recommend approval of the first three received SAR requests (FS14, LV20, and FS34) for a total of \$962,413.
 6. The PWG unanimously agreed to have the Division contact the FS to determine if they can down-scope the SAR request for the Spring Mountains Recreation & Information Center paying to be within the \$537,587 remaining SAR funds and if so, re-write the decision memo for vote by the PWG members.
 7. PWG agreed to review the FY2011 Annual Report and provide feedback to the BLM State Office and the SNPLMA Division by May 4, 2012.
 8. All members agreed to think of issues or consideration relative to Round 14 for discussion on the June 8, 2012 conference call and forward them to the BLM Special Legislation Program Manager at the Nevada State Office no later than June 1, 2012 to be incorporated into the agenda.
 9. The PWG concurred with a breakdown within agencies by distinct offices presented by the SNPLMA Division for future performance and capacity reporting.