



STATE OF NEVADA
SAGEBRUSH ECOSYSTEM COUNCIL
201 South Roop Street, Suite 101
Carson City, Nevada 89701-5247
Phone (775) 684-8600 - Fax (775) 684-8604

APPROVED MINUTES

Date: Friday, February 12, 2016
Time: 8:30 AM
Place: PEBP Conference Room, Carson City, NV

A full audio recording of this meeting is accessible through the following website -
http://sagebrusheco.nv.gov/Meetings/Sagebrush_Ecosystem_Council_Meeting/

Council Members Present: Jim Barbee, Allen Biaggi, Steven Boies (via telephone), Cheva Gabor for Bill Dunkelberger, JJ Goicoechea, Mary Grimm (via telephone) and Ted Koch, Gerry Emm, Starla Lacy (via telephone), Bevan Lister, Chris MacKenzie, John Ruhs, Tina Nappe, Sherman Swanson, Jim Lawrence for Leo Drozdoff, and Tony Wasley (left at 10:53 a.m. and returned at 12:34 p.m.)

Council Members Absent: Leo Drozdoff and Bill Dunkelberger

1. **CALL TO ORDER** – Chair Goicoechea called the meeting to order at 8:32 a.m.
2. **PUBLIC COMMENT** – No public comment.
3. **REVIEW AND CONSIDERATION OF APPROVAL OF AGENDA - *FOR POSSIBLE ACTIONS**

A. Member Swanson moved to approve the Agenda for February 12, 2016; seconded by Member Biaggi; motion passed unanimously. ***ACTION**

4. **REVIEW AND CONSIDERATION OF APPROVAL OF MINUTES – *FOR POSSIBLE ACTIONS**

A. Member Biaggi moved to approve the meeting minutes from December 10 & 11, 2015; seconded by Member Nappe; Chair Goicoechea abstained as he was not present at the meetings; motion passed. ***ACTION**

5. COUNCIL MEMBER ITEMS AND CORRESPONDENCE

A. Member Emm provided an update on the Traditional Ecological Knowledge (TEK) Conference. Due to weather concerns for an on-site tour, and the inclusion of a youth component, the new conference dates are June 28 thru June 30, 2016, the location is still the Stewart Indian School.

A full account of the discussion is captured in the audio recording, which is available on the Sagebrush Ecosystem Program website.

6. PRESENTATION ON NEWMONT'S SAGEBRUSH ECOSYSTEM CONSERVATION PROGRAM

A. Jeff White, Newmont Mining Corporation (Newmont), introduced himself and provided some background on Newmont and their conservation experience. He reviewed the goals of their sage-grouse conservation efforts and provided a description of Newmont's conservation bank program. In creating the bank program, Newmont's concern was not that the State Plan would not be developed, but it was about timing of the State Plan. They have projects that needed credits prior to the State Plan being in place. The State Conservation Credit System (CCS) is a key component to what Newmont is doing and they plan to participate in the CCS at a significant scale. Extensive monitoring and data collection and analysis are two important aspects of their conservation efforts.

Mr. White addressed Councilmembers questions and/or comments.

Member Lister requested Mr. White provide an overview on how Sage-grouse Focal Areas (SFAs) will affect Newmont's efforts. Mr. White stated Newmont's land position in Nevada is significant. They own or control the mineral component of approximately 2.5 million acres. Newmont has engaged with the Department of Interior (DOI) in regard to the request for information and scoping concerning the segregation order, however current plans would be affected and strained by the withdrawal for mineral entries should they go forward. A lot of it revolves around valid and existing rights and what the ultimate definition and interpretation of valid and existing rights turns out to be. Newmont, in addition to working with federal agencies, has been working with state agencies in conveying their concerns. There is an opportunity for success by adjusting some of the boundaries so they can continue mineral access as well as achieve conservation of sagebrush habitats.

Member Nappe stated her concern about the 30 year minimums on mine properties that will reflect mine activity in virtual perpetuity, particularly when it is prime habitat. The concern is about the permanency of any improvements or land acquisitions that will have conservation easements on them or be transferred over to the BLM to reflect that perpetuity. Mining is not short-term and has permanent impacts.

Mr. White noted that Member Nappe's point about the long-term nature of mining is correct. Current permitted disturbances are at approximately 200,000 acres in Nevada for mine related activity and the industry has approximately 2.5 billion dollars of reclamation financial assurances in place to assure the public they will not be impaired should any of those companies fail to meet their reclamation obligations.

Vice-chair MacKenzie noted Newmont's credit system is a self-contained unit and Newmont will do credit development on their own controlled lands.

Mr. White stated this was the initial concept when the effort was started prior to the development and maturity of the CCS. Newmont is working with others to address any concerns. Their intent would be to rely heavily on the State CCS.

Jim Lawrence, Nevada Department of Conservation and Natural Resources (DCNR), noted there has been a question on how to get the long-term durability to match up with the length of the impact and what the minimum requirements should be for the CCS. Thirty years was the time period decided upon to ensure there is encouragement for participation; however that does not necessarily mean that a 30-year credit will offset a 99-year impact. Mr. Lawrence also noted that many of the concerns Newmont has about the CCS will be addressed.

Over the last couple of years there have been conversations with The Nature Conservancy (TNC) on their forecasting tool which is robust. It is a forecast and modeling method that allows landowners to make good decisions on how they want to invest. The Habitat Quantification Tool (HQT) will be used as verification that the uplift actually occurred and that is when credits will be released.

Ted Koch, US Fish and Wildlife Service (The Service), acknowledged the quality of the conversations that have been had with Newmont. There have been a couple of recent meetings with partners. Newmont is thinking carefully at higher levels strategically and long-term about their role in the sagebrush ecosystems. There was agreement on the shared goals of conserving ecosystems and providing business certainty. Newmont's goals are obtaining business certainty and conserving ecosystems. They are ultimately the same goals. Mr. Koch has a fair amount of experience working with private companies in conservation and he has seen the good and the bad of that and Newmont is breaking on the good side. He asked about minimization and avoidance and how Newmont is addressing these in their equations.

Mr. White stated that an ore body is fixed on the landscape, however, how it is developed and how they locate and operate insularly and support facilities provides some flexibility in regard to avoidance. On minimization, under collective efforts, not only from an environmental management standpoint, but from a mineral economic standpoint the less disturbance they make the less expensive it is. The more compact their footprint is typically the less expensive it is.

Member Biaggi noted that Newmont, like all mines, has an obligation under state and federal law to conduct reclamation of operational disturbances. He asked how this fits into Newmont's overall system, working with the state and federal agencies in sage-grouse habitat.

Mr. White noted that in the context of the 175,000 to 200,000 disturbance acres related to mining, Newmont is responsible for approximately 55,000 acres. Some of these acres are currently under reclamation. They hold 1.2 billion dollars in reclamation financial assurances for bonds and sureties.

Member Biaggi asked for clarification on if Newmont is working with the state through the CCS or other means to ensure reclaimed lands are credited appropriately on Newmont's behalf. Mr. White noted they will be working with the state as they move forward. Mr. Koch asked if credit for reclaimed lands implies the HQT would be used to measure the effectiveness of the reclamation from a habitat perspective. Mr. White noted the HQT or an equivalent ecological matrix will be used.

There was discussion concerning reclamation and its proper definition.

Tony Wasley, Nevada Department of Wildlife (NDOW), noted there are some opportunities to do more than what the State requires as far as reclamation, because you could meet the state requirements and still do nothing for sage-grouse. He asked if in the areas with deeper soils, is it Newmont's perspective to try to regain and restore, reclaiming those lands to where they will be beneficial to sage-grouse. Mr. White stated that is the case. They have committed significant resources both fiscally and physically to do research, including how to reduce cheat-grass on some landscapes.

Member Emm asked if there was an agreement with the state to do more than the minimum requirements (restore versus reclaim) when possible. Mr. White noted there is currently no formal agreement in regard to anything beyond the regulatory requirements, however based upon Newmont's relationships and reputation, they work to exceed expectations. Member Emm stated that perhaps the state should review their minimum standards for reclamation.

There was discussion about reclamation versus restoration, and going beyond minimum requirements. The discussion included incentives and/or credits for going beyond the minimum requirements, reclamation and restoration in the CCS, and defining net conservation gain.

Mr. Koch asked if a mine site is not be able to be restored does that mean Newmont is paying to maintain a mitigation site in perpetuity. Mr. White noted that is possible.

Member Boies asked about water management and dewatering practices of Newmont. Mr. White noted the current mine plan for Long Canyon is that current mining stays above the water table therefore there is no classic mine dewatering activity.

Mr. White invited Councilmembers out to Newmont's properties, especially the ranches and rangelands to see firsthand what they are doing in regards to sage-grouse conservation.

Kacey KC, Sagebrush Ecosystem Technical Team (SETT), introduced a new member of the team, Chris Katopothis, who is representing the Division of Forestry on the SETT. Mr. Katopothis provided background on his experience.

A full account of the discussion is captured in the audio recording, which is available on the Program's website.

7. PRESENTATION ON IMPLEMENTATION STRATEGIES OF LUPA (TO INCLUDE DISTURBANCE CAP CALCULATIONS, TABLE 2-2 IMPLEMENTATION, WAFWA MITIGATION COMMITTEE UPDATE) – *FOR POSSIBLE ACTION*

A. Raul Morales, Bureau of Land Management (BLM), provided an overview of his PowerPoint presentation, including Table 2-2, disturbance calculations and BLM's planning efforts. For their trainings, the BLM invited The Service, NRCS, NDOW, and the SETT. The SETT also presented their CCS/HQT processes to the BLM field staff.

Mr. Morales reviewed the BLM plan's goal, objectives and management decisions.

Mr. Koch asked about avoid, minimize and mitigate to avoid adverse effects noting that he knows the BLM has a net conservation gain standard and asked how that fit into the BLM's goals and objectives. Mr. Morales noted net conservation gain is the goal. Mr. Koch noted he did not see it under the goals and objectives listed during the presentation and wondered if it was in a different part of the plan or where it fits in. Mr. Morales noted net conservation gain is listed throughout the plan.

Mr. Morales stated Table 2-2 applies to more than just livestock grazing; it applies to many other BLM Programs.

Mr. Koch noted in Mr. Morales' presentation post-fire management is expected to meet Table 2-2. This sounds like a major shift in federal land management agencies' approach to Emergency Stabilization and Rehabilitation (ES&R). Mr. Morales stated that is correct and that Secretarial Order (SO) 3336 did look at how the BLM did ES&R, how they are going to manage their landscapes post-fire and if funding may need to be adjusted. Typically the funding is for a three year period after the

fire for stabilization of the site. Looking at the objectives of Table 2-2 with components beyond the three year period, funding for the BLM to work beyond the three year period will be provided. Mr. Koch asked if that meant the BLM and the US Forest Service's fire programs will be looking to move away from using non-native seed mixes and towards native seed mixes. Mr. Morales noted that native seed is definitely an emphasis for the BLM and in the past they would use native seed mixes where available. They will however look at the non-invasive seed mixes particularly if they are trying to get the site stabilized and move it to a trajectory of using native seed mixes in the future. Mr. Koch noted The Service has invested heavily within the last year and a half in working towards developing more native seed derived locally. The native seeds sources they have now are from other states.

There was discussion on seed mixes and stabilization and rehabilitation.

Mr. Morales noted Table 2-2 has habitat objectives and desired future conditions. If the BLM is already meeting Table 2-2, they want to maintain this, but if they are not, they would like to put management actions in place to start trending upward to Table 2-2.

Member Swanson stated in the section on grazing and seven inch stubble height there is a long-standing thought the problem is overgrazing when in reality the problem is often under-management and the better management tool is the movement of animals to provide a recovery period. Mr. Morales noted Member Swanson may be addressing a topic for a bigger conversation in the future as the BLM moves forward.

Mr. Morales reviewed Table 2-2 including the seven inch desired condition was based upon science with the sources referenced in the table. He noted a key aspect of the table is the footnotes. He reviewed Footnote 1 and stated the BLM is looking at the seven inches as it applies to upland habitat and is working closely with the NDOW on the seasonal habitat maps, which is what the BLM will be looking at to assess where the area needs to be and how it will be managed to achieve it. He reviewed Footnote 2, stating you have to look at the chart and apply it to the local level and what the ecological site description says the area can support. If it states that it cannot get to seven inches they will not apply the seven inch standard.

Mr. Morales reviewed how the BLM will use the information they collect in the field and how they look at it from a landscape scale perspective.

Chair Goicoechea asked who makes the determination on what are "major" factors for the landscape. Mr. Morales stated the managers at the local levels will be assessing and evaluating the impacts. If it cannot be addressed at the local level, it will be moved to upper levels of the BLM. The BLM is looking at setting up regional oversight boards, because during implementation there will be things that will need help to be resolved.

Member Swanson noted whatever is used for short-term monitoring concerning needs to be targeted to the strategy used to meet objectives. If the strategy is the movement of animals, then the recovery period and the length of the time the animals were present needs to be monitored, not the utilization level. Therefore, the thing to monitor is the level of use in order to avoid the over-grazing and the length of the recovery time. Mr. Morales noted it all needs to be tied back to Table 2-2.

Mr. Wasley spoke about a conversation at a Western Governor's Sage-grouse Taskforce meeting where the same points that Member Swanson is discussing were brought up. The BLM Director was present as well as the former BLM Nevada State Director Amy Leuders. There was broad recognition for the need of that type of flexibility and there was no intent on the part of the DOI or the BLM to not allow for that kind of flexibility.

Mr. Koch asked Chair Goicoechea to explain what he felt is wrong with Table 2-2. Chair Goicoechea noted he is still waiting to see where the state and transition model comes in, and the recovery period, because it is not in Table 2-2. Mr. Koch noted that he believes Table 2-2 addresses the needs Chair Goicoechea is talking about. Mr. Goicoechea stated the words are not there and a judge will not agree with Mr. Koch. Mr. Koch noted this is an essential point and he is confused at how Chair Goicoechea does not see the needs from what Mr. Morales has presented. Chair Goicoechea asked Mr. Koch to point out the words "state and transition" as they appear in Table 2-2. Mr. Koch asked Mr. Morales if that is a component of Footnote 2. Mr. Morales noted it is not, however it is a component of the BLM's Land Health Assessments, which is why he made the connection between Table 2-2 and the Land Health Assessments. Mr. Koch noted that to him what Mr. Morales said addresses Chair Goicoechea's concerns and Table 2-2 is simply a recitation of facts. He understands why it is so scary, as seven inch stubble height looks scary, but really it is as if people, like Shawn Espinosa, over a 20 year time period went out and saw sage-grouse standing somewhere so they stuck a ruler in the grass and wrote it down and that is all Table 2-2 is. How it is interpreted or implemented is what he is hearing concerns Chair Goicoechea. Member Ruhs spoke about developed alternatives and stated they will have to encompass all the scientific processes and the research the BLM has and the broad scope of tools they have so they can develop the right kind of scenario to get to the desired condition. The key to remember is this is just a starting point. This is an objective. Objectives are broad things.

Mr. Morales reviewed Land Health Standards, including the fundamentals of land health, the minimum standards to be met, guidelines, livestock grazing and permits, the need to take appropriate action if not meeting standards, and what has changed due to the sage-grouse plan. He reviewed ecological sites, including the definition. He answered Council questions and/or concerns during this section of the presentation, including the concerns over the wording in Table 2-2 especially when it comes to grazing.

Mr. Koch noted Member Swanson said there is the problem with the language in Table 2-2 he asked if someone would point to a phrase in the table that they would change and how they would change it.

Member Swanson stated Footnote 2 should say, "...appropriate to the state of the ecological site." Mr. Koch noted that in his mind he equates the two different phrases to mean the same thing. He reiterated the change and asked Mr. Morales and Mr. Ruhs if they saw the wording differently. Mr. Ruhs noted there needs to be review of the language and the way it is currently worded. There needs to be clarification. The site potential is a defined potential, therefore, that is not defining what "state" it is in or whether or not it can go back to its original potential. Mr. Koch asked if there were a lot of other things to change in Table 2-2. Member Swanson stated the other change he referred to has to do with the seven inch guideline. He is concerned people will go out with rulers and cause actions to happen without embracing the long-term goal. Mr. Koch asked Member Swanson how he would change Table 2-2. Mr. Morales stated the footnotes take care of Member Swanson's concern on the seven inch guideline. Mr. Koch noted this is where he is going on this, because what he really hears is the concern, which he believes is broadly shared by everyone including the BLM, is how Table 2-2 is interpreted. It is not the fact that where you see sage-grouse grasses on average seven inches tall, it is how that is applied in a management context. Mr. Koch agrees this is a very healthy discussion The Service wants to be a part of the discussion because they helped build the table.

Chair Goicoechea noted Footnote 6 also needs to include the change. This change needs to be addressed throughout the plan, not just in one sentence in the document. If you talk about "ecological site" you must include "state in transition." They have to go together. Mr. Koch stated he was going to write it down. He asked for a specific edit to both footnotes to help him understand. Chair Goicoechea stated, "...appropriate to the state and ecological site potential." Member Swanson

noted the order should be reversed, "...ecological potential and state..." Mr. Koch repeated the change should be made to Footnote 2 and Footnote 6 and Mr. Ruhs already stated the BLM was looking at this. He also noted if Table 2-2 is looked at as a recitation of facts and then the focus will be on how it is going to be interpreted and implemented The Service is supportive of the Council on this. They have sat in the trainings with each of the BLM districts and he believes it is fair to say BLM staff charged with interpreting and implementing Table 2-2 has similar questions. He thinks that all is just fine. If we all work as a team to answer questions, he feels pretty good about the outcome.

Member Lister stated his concern with Table 2-2 is when specific numbers are determined to anything without specific management guidelines as an objective it takes all of the ecological site variability out of the equation. Mr. Morales noted if Member Lister looks at Footnotes 6 and 7 they say, "...relative to ecological site potential..." They are operating under NRCS. There was discussion on this with Mr. Ruhs acknowledging this is a big concern, anytime you have a plan that says specific numbers that is what people focus in on, the BLM knows this and that is the importance of the training the BLM is doing with internal staff and others to try to educate internally. They have to ensure as an organization that they capture that. If it continues to be an issue, the BLM will have to come out some with a clarifying process that allows them to say, this is just an objective number, rely on the science to tell you whether or not the objective number fits in each case. Member Lister stated in front of a judge, when being sued, if the standards and guidelines say that non-attainment is the fault of either livestock grazing or "other" they say livestock grazing is the causal factor and it needs to stop. There is no consideration on what animal is grazing (e.g. elk, wild horses, rabbits, etc.) livestock grazing is blamed.

Mr. Koch noted this is an important conversation. It has been important to the Service and they have been participating in the conversation for the last two years when they contributed to developing the table along with the BLM. All these questions are being asked internally already. He feels this conversation needs to continue beyond this meeting period. Mr. Ruhs stated it has to be a constant conversation and there is a need to find the words and the tools to make sure everyone understands what it means and everyone is in agreement with what it means. Mr. Koch noted this is where The Service and the NDOW can help if they are on board especially in writing in Mr. Ruhs' administrative record on a grazing decision that is the right decision and that these caveats have been interpreted fairly given the state and ecological site potential. The grazing permit decision is going to be even more likely to stand up in court.

Chair Goicoechea asked Mr. Ruhs if the BLM planned to release a document clearly stating the intent and how it should be implemented. Mr. Ruhs stated he was not sure there would be a document from the DOI, however conversations need to happen about it and there needs to be a clear solution. He is not sure what that will be. It may be a memo from the state director stating this is what this means, however it may be bigger than that as well, because it is not just a problem in Nevada.

Mr. Morales provided a presentation on disturbance cap calculations, addressing Council questions/concerns and providing an example of a project.

Meaghan Brown, Nevada Department of Agriculture (NDA), asked if a fire went through and the land is already disturbed from a bird biology perspective wouldn't you want to put the disturbance there if it is already disturbed. Mr. Morales noted there is the "avoid, minimize, mitigate" concept. Not every fire is a bad fire. Even if it burned and it is not functioning today the question is if there is potential for the area to recover and be good habitat in the future, the BLM will look into that versus the potential for the habitat not to get there, which hopefully is not the case. However, if you are going to put a project some place and there is a big burned area and you have the ability to move it

around, those are the things that need to be discussed at the local level. That will come from conversations with the NDOW and other stakeholders. It depends on the local site situation.

Mr. Morales continued with his presentation concerning three percent disturbance calculations. Member Biaggi asked if a project was just outside the public land boundary into private land, does the same calculation move forward. Mr. Morales noted the BLM would not be involved on private land, however if a project came in on the BLM side they would be looking for disturbance on the private land site. If the private land was disturbed it would come into that three percent calculation. If the mine was all on private ground and is adjacent to public land and is in the four mile project boundary those acres would count.

Debbie Struhsacker, Nevada Mineral Resources Alliance, asked Mr. Morales to clarify his statement on if the mine has a valid and existing right to exceed the three percent disturbance cap that would be on the existing plan of operations boundary. She noted this happens all the time. A mining operation makes a new discovery and it is adjacent to the mine however it is outside the current plan of operations boundary so the proposed action is an expansion and also a change or expansion of the plan of operations boundary.

Ms. Morales reviewed Table 2.1. If you are in PHMA, where the BLM only does disturbance calculation, and look at Locatable Minerals it is open. Therefore, for mining whether you have an existing plan in place or you have a new plan in PHMA, it is still open to minerals.

Ms. Struhsacker clarified a new mine or an expansion of a plan of operations. Mr. Morales asked do you have that valid and existing right. Ms. Struhsacker stated she is talking within the disturbance cap.

Mr. Morales noted whether they are at a three percent or above a three percent, it will not stop a valid and existing right. The BLM just has to divulge it in NEPA that they exceeded the three percent cap.

Mr. Morales reviewed a project through the process of a disturbance cap analysis. There was discussion about the PHMA and the disturbance cap.

Member Biaggi asked Mr. Morales where in the plan it refers to "safety issue." Mr. Morales noted that he had not come across that however if it is clearly a safety issue and it is not clearly written in the plan, it needs to be discussed. He asked if anyone disagreed. Chair Goicoechea stated he would be afraid there would be an injunction because it was not in the plan. Mr. Morales noted these are things that need to be worked through. Mr. Lawrence stated he did not recall any specific language for exceptions for safety issues. There are specific variances or exceptions specific to Nevada in the ROD that allows for exceeding the three percent cap based on different factors perhaps that is where the safety issues could come in. Mr. Morales noted it does not speak to the safety aspect.

Mr. Morales stated the BLM is still working through the plan and implementation. It is complex. The BLM is trying to prepare their field units the best way and trying to get their stakeholders to know how things will work. The way things are done today will look different a year from now. As they learn from the examples and issues that come up through the regional executive board who will make decisions on what needs to be done to address the unforeseen issues, such as the word "safety" in the plan.

There was discussion on timeframe and data points.

Member Lister asked who is accountable for meeting the goals and objectives. Mr. Morales noted the BLM is responsible.

Mr. Ruhs stated it is all of us. The BLM is charged with the management of the public lands, but they have to rely on others that have permits, the users, the mines, everyone has to work together. That was the glory of what happened in September when the decision was made to not list because of the efforts of the larger group, not the effort of one agency. This is how we have to keep moving forward. He hears the concerns and understands the ownership that he has to have in the weaknesses of what the BLM has done in the past. He asked for help moving forward so that it can be worked on together.

Ms. KC noted it is the communication and the collaboration. The reason for the creation of the Council, and the Program, is the Governor saw why communication and collaboration is so important. He made a Council of interagency stakeholders and that is why Nevada is more successful than other states. The Council also brings state agencies together.

Mr. Koch noted he agreed with the concerns of accountability and timing. He was inspired when the Governor and the state legislature provided leadership to create this Council, which should be striving to achieve the goals of Table 2-2 in a way that works for everyone. This is everyone's job. He wondered if the Council will wait till the next Council meeting to have these informative conversations again or is the Council going to do better than that. He would like to see better than that.

Mr. Lawrence stated he struggles with the utilization of a three percent cap at the project level. This needs to be reviewed. The concept of the four mile buffer around a project and the methodology of if a lek is within the four mile buffer, another four mile buffer around that lek is drawn, and so on and so forth. It creates an incentive to put disturbances in areas with a lot of leks because then you are increasing the project area which gives you a greater opportunity to be within the three percent cap. There is concern on how this will work in application.

Mr. Morales noted there is a variance in the ROD that allows the BLM to exceed the three percent disturbance. The condition of the variance is the NDOW, The Service and the BLM have to agree that it makes sense to do versus putting it outside the three percent. There can be discussion about the variance in the future.

Chair Goicoechea stated he agrees with Mr. Koch, but wondered how to work together. He noted that his local government entity submitted over 100 pages of comments on all the issues that are being discussed today before the ROD was finalized, and although he will work to fix things, he would hope next time it will be done correctly the first time and won't need fixing after it is done.

Mr. Koch noted Chair Goicoechea has a good point concerning expectations that come with submitting 125 pages of comments however it is incredibly hard to distill the kernels of each comment and figure out how to incorporate them into the NEPA process. Instead of thinking about them not being honored he would encourage everyone to think of it as maybe the BLM with their decision last September got as far as they could with the tools at hand and hopefully they've left the doors open enough to continue to work together. He would not say that Chair Goicoechea is wrong, but encouraged him to be less disappointed and more hopeful to continue to have dialogue. He asked for Mr. Ruhs' opinion.

Mr. Ruhs stated there needs to continue to be dialogue. Implementation is where everyone needs to come together and make things work for the best.

Mr. Koch emphasized again that the Service has remarkably similar questions. Perhaps, they are coming at it from different angles, but he is heartened to see how drilled down the Council is on

some of the issues and he guarantees Mr. Ruhs and Mr. Morales do not have the answers written down on the palms of their hands and would frankly welcome continued dialogue. He is excited.

A full account of the discussion is captured in the audio recording, which is available on the Program's website.

8. UPDATE AND DISCUSSION ON STATE SOLICITATION FOR CONSERVATION CREDIT SYSTEM PROJECTS - *FOR POSSIBLE ACTION*

Mr. Lawrence provided background and an update on this item. In January, thanks to the help of Environmental Incentives (EI), the SETT set up a webinar. There was good participation. The deadline for the letter of interests was February 8, 2016. The SETT received 22 applications. The 22 projects are across five different counties and include different types of projects and a mix of public lands and private lands. Some are smaller projects; however some have thousands of acres in the project areas. The next step is the SETT will review the submissions through basic eligibility criteria. After the screenings, the SETT will work directly with the project applicants to get full project proposals submitted to be considered by the Council. They will use the HQT to get information on projects with the best net environmental gain. The goal is to come back to the Council in either late March or early April with some recommendations for funding and to get the recommendations done in time for the data collection season.

Member Lister stated he has heard people are concerned with the complexity of the CCS and have decided to wait and see how it works.

Mr. Koch noted he has also heard of perspective customers of the CCS both from the debit and credit side concerned with the complexity of CCS. During the meeting to be held the following week, he will have a lot of questions, including how to simplify it.

Mr. Lawrence stated the SETT shares that concern. When building the CCS, we built an annual Adaptive Management process in recognition that we will want to make adjustments as we learn more from implementation as well as from science and research. There is an opportunity to make it simpler as we move on.

A full account of the discussion is captured in the audio recording, which is available on the Program's website.

9. REVIEW OF ACTION ITEMS AND FUTURE AGENDA ITEMS DRAFTED ON FLIPCHARTS DURING THIS MEETING

A. With staff assistance, the Council reviewed items discussed, as well as items acted upon during this meeting, and items directed to the SETT.

Approved Items

- Approved Agenda for February 12, 2016
- Approved meeting minutes from December 10 & 11, 2015

B. The Council determined specific items they would like to work on at their next scheduled Council meeting.

- Governor Sandoval's Proposal to DOI on Land Swap, Sheila Anderson, Governor's Office
- SETT Project Proposals, SETT
- US Forest Service Implementation Plan, Cheva Gabor, US Forest Service

- Report on What Other States are Doing for Sage-grouse Mitigation

Member Biaggi noted there have been a lot of activities related to SFAs, mineral withdrawals and the Governor's proposal to swap certain lands that have mineral potential out for other lands. He noted it would be beneficial to have an Agenda Item on this topic at the next meeting. Ms. Anderson stated she would be happy to update the Council and clarified it is a proposal to change the mineral withdrawal boundary, not the SFA boundary.

Cheva Gabor, US Forest Service, noted the Forest Service is using a region-wide approach to implementation and are a little behind the BLM, but suggested at some point for their implementation lead to travel from Ogden, Utah and to present to the Council on where the Forest Service is. Ms. Gabor will check on the timeframe.

Ms. Anderson stated the Council should put a date or group together to continue the conversation from today's meeting. Chair Goicoechea noted that he will work with Ms. Anderson, Ms. KC, and others to see if they can determine what will work best for this. Chair Goicoechea would like to keep it a small group at this time to determine a plan and bring it to the Council for review. The Council can schedule the next meeting now and at any point can schedule another meeting if needed in the interim.

Member Nappe stated she would like more information on the damages being incurred on a mining property in relation to a 30-year project on private land or how it will be handled on public land. Ms. Anderson noted in the Governor's comments to the SFAs mineral withdrawals scoping they proposed a couple of different things. Member Nappe noted one of them states there will be a net conservation gain for sage-grouse. Ms. Anderson stated Member Nappe may be referring to the alternative mineral withdrawal boundary and there is a net conservation by protecting 44 more leks. Mr. Wasley and the NDOW delineated those areas that would be added into the mineral withdrawal. Member Nappe noted she is looking at another area of the Governor's letter that dealt with the CCS. Ms. Anderson stated this is concerning the pilot project with Western Lithium that came out because lithium is an important mineral to the nation. In this area, there are two critical resources that could be competing for the same use. The suggestion is to bring the management of the area to the local level and create a pilot project that brings in the BLM, The Service and Western Lithium and because of a phased and long-term approach to their mining plan there is opportunity to achieve mitigation in advance of disturbance and actually work out the mitigation at the local level. Member Nappe would like to have more conversation on what is going to happen and the value on concerning high quality habitat. Ms. Anderson noted it is an attempt to try to come to a collaborative process where both resources can be managed. There was discussion. Mr. Ruhs stated things are in an infancy stage. They are just concepts. The net result they would like to get out of any pilot project is to have a net conservation gain, but they aren't there yet. .

The Council decided the date of their next meeting:

- Thursday, April 7, 2016, with carry over to Friday, April 8, 2016, if required, with a possible late start (9:30am), location to be determined

Items still needing dates for a future agenda:

- Strategic Action Plan (SAP) – On the Ground Communication/Action
- MOU with Federal Agencies
- Review how Powerlines are Weighed in the CCS
- Review Debit Projects, Processes, and Demand
- Public Relations, Communications Concerning CCS

- Federal Update – Congressman Amodei
- FIAT Working Group Update
- Reports from Different Agencies on Sage-grouse items
- Review adding areas of the Bi-state to be eligible for the CCS
- Review a comparison between the BEA and the State Plan, specifically looking at ratios
- Concept of SETT to host a central database for the State on conservation actions
- Establish measurables for the next two years

A full account of the discussion is captured in the audio recording, which is available on the Program's website.

10. FEDERAL AGENCY UPDATES AND COMMENTS:

- A. US Fish and Wildlife Service (The Service) – Mr. Koch noted the Service received a notice of intent to sue from environmental groups on their decision to not list the Bi-state Sage-grouse. They are in the process of submitting a response. Secondly, they are working with the SETT on the CCS. They are interested in seeing the CCS work successfully and will work with the team to share their ideas, observations and criticisms in an effort to get there together. Third, it has been the position of his office to support the successful implementation of the BLM and the US Forest Service's resource management plans and just this week they have affirmed that more broadly across the Service in 11 sage-grouse states. Lastly, The Service is working pretty hard in implementing the National Seed Strategy. It is going to require support from the state, including the Department of Agriculture. They want to share what they have been working on. They are eager to engage and have conversations that involve more people. The BLM has commitments under the seed strategy as well that tie in to the Secretarial Order on fire.
- B. Bureau of Land Management (BLM) – Mr. Ruhs noted the BLM in Nevada continues to work on implementation of the ROD. They have been doing the internal training and will continue to educate. They need to start working with local area working groups so it can all get to a point where everyone is seeing things consistently. They are continuing to work with the Governor's Office and other state agencies on some of the other proposals the Secretary and the Governor have on the table. They continue to work with the SETT and the US Forest Service on the MOU for the CCS. They have had good conversations with state agencies. He appreciates being able to participate on the Council.
- C. US Forest Service – Ms. Gabor noted the US Forest Service and the BLM are meeting next week with the SETT to finalize the MOU. They are also doing phased implementation for the Greater Sage-grouse ROD. This will be over the next 18 to 36 months. Their first step is individual habitat assessment of grazing allotments. This will occur in April. They are coordinating with the NDOW. Regarding Greater Sage-grouse, there is an informational meeting for the Fire and Invasive Assessment process for Greater Sage-grouse on the NFS lands. The purpose is to identify priority habitat areas and management strategies to reduce threats to Greater Sage-grouse from invasive annual grasses, wildfires and conifer expansion. The meeting is on March 17, from 1 p.m. to 3 p.m. at the Forest Supervisor's office. She will share the information via email. The US Forest Service is working with the BLM to review the last round of public comments on purposed changes to the Bi-state Sage-grouse Plan Amendment. The BLM went out for comment after their protest period. They expect to simultaneously release RODs in April 2016. There were a number of comments on the OHV issue.
- D. Other – No update.

A full account of the discussion is captured in the audio recording, which is available on the Program's website.

11. STATE AGENCY UPDATES AND COMMENTS:

- A. Department of Conservation and Natural Resources (DCNR) – Mr. Lawrence noted at the direction of the Council, and per the conversation with the Council last December, that there will be a meeting with the Service regarding use of the CCS and regulatory assurances. The goal is to get to a comfort level where the SETT can provide regulatory assurances for people using the system in the event there is a future listing decision. There is a meeting set up next week to finalize the MOU with public agencies to use the CCS. The Program put in for an RCPP Grant a few months ago in partnership with multiple region wide partners, including Nevada Conservation Districts, State of Colorado, Colorado Cattlemens and EI. The request was for 2.3 million dollars, with 1.4 million dollars specifically earmarked for Nevada for projects utilizing the HQT and \$150,000 to the Conservation Districts so that the districts can start planning for projects utilizing the HQT. They were awarded 1.9 million dollars for the larger project. It is not clear at this point how much will be coming to Nevada. He also noted Ms. KC will be promoted to the Deputy Administrator position for the Division of Forestry. He appreciates all the hard work and dedication that Ms. KC has shown to the Program.
- B. Department of Wildlife (NDOW) – Mr. Wasley noted Lara Niell left the NDOW and her position on the SETT needs to be filled. The majority of the NDOW's time in the sage-grouse arena has been spent with the seasonal habitat designation process. They are also working with the BLM to develop an MOU. He has heard comments about the NDOW developing a separate MOU. If there are questions or concerns about this and what may or may not be contained in the MOU, and if there is a desire from the Council to see the MOU, it is a transparent formalization of the NDOW's roles and statutory responsibilities specific to implementation of the land use plan or above and beyond sage-grouse and the NEPA arena. The NDOW is not trying to do anything to circumvent the SETT or the state's plan or process.
- C. Department of Agriculture (NDOA) – Jim Barbee, Department of Agriculture, noted some staffing changes, including Meghan Brown as their new Deputy Division Administrator for Plant Industry. He provided an overview of her responsibilities. There was a meeting between Mr. Barbee and Mr. Wasley a few days before looking at ways they can cross share work with the BLM so when they have some of their inspectors out in the field they can identify the priority areas where there needs to be some ground-proofing and some monitoring and have this happen across the agencies. The NDOA continues to work on the monitoring app. They will have testing on it this spring. They continue to work with the BLM to refine and get all the data points they possibly can. They will do some tweaks in the off season before it is rolled out again next year. The app will be owned by the NDOA, but they will be opening it up for other states to use. They will be conducting training this summer when the Western US Departments of Agriculture meet in Lake Tahoe. Also, Mr. Barbee stated Chair Goicoechea will be starting on Tuesday, February 16, 2016, as the Nevada State Veterinarian for the NDOA. This has been reviewed by the Attorney General's Office and should not interfere or affect his duties on the Council.

There was discussion about the NDOA's app and how it will be used for data collection and storage.

Member Swanson provided an update on the Third Edition of the Nevada Rangeland Monitoring Handbook.

- D. Conservation Districts (CD) Program – No update.

- E. Sagebrush Ecosystem Technical Team (SETT) – Ms. KC noted the SETT has been doing the BLM training and there have been multiple staff present from the NDOW. There are a lot of questions about complexity of the CCS. When it is rolled out as a usable system to users it looks a lot different. They have been receiving a lot of comments that it is less complex than people thought. They attended the SRM meeting in Elko. They have received a lot of calls from people who would like to sign up for both the credit and debit sides of the CCS. The SETT is still working on the verifiers training, which is coming out in March. They are working with state purchasing on the contract for this and getting the training on the ground. The December approved maps will be available on the website. Ms. Gabor will be housed at the SETT offices.

Chair Goicoechea thanked Ms. KC for her work with the Council and the Program.

- F. Office of the Governor – Ms. Anderson noted the Governor’s Office did submit comments to the SFA withdrawal scoping process for the EIS. They received a lot of comments from concerned constituents. The Governor’s Office facilitated bringing the NDOW together with Rich Perry, Nevada Division of Minerals, to look at developing an alternative withdrawal boundary. What they developed takes out 98 percent of the existing claims in the proposed withdrawal area and results in adding acreage into the withdrawal area that has no mineral potential while protecting 44 additional leks. The Governor’s Office also commented on the definition and the need for clarification on valid and existing rights. She also discussed the Western Lithium pilot project where site-specific data could be used to develop appropriate site-specific mitigation. The last thing they proposed in their comments was the need for an economic analysis using models that are populated with specific economic data from the counties that are affected and bringing the analysis down to a more local level. They did develop a lot of maps and shape files to go with their proposed adjustment for the mineral withdrawal piece. Ms. Anderson is happy to share this information. Chair Goicoechea asked if the maps approved in December were used in the process. Mr. Wasley noted they were used.

- G. Other – Member Nappe expressed appreciation to Ms. KC and Ms. Niell for their hard work and dedication.

A full account of the discussion is captured in the audio recording, which is available on the Program’s website.

12. PUBLIC COMMENT – No Public Comment.

13. ADJOURNMENT – Member Biaggi made a motion to adjourn; seconded by Member Swanson; meeting adjourned by acclamation at 1:13 p.m. ***ACTION**