

Sagebrush Ecosystem Program

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STATE OF NEVADA
Sagebrush Ecosystem Program

SAGEBRUSH ECOSYSTEM COUNCIL
STAFF REPORT
MEETING DATE: March 3rd, 2017

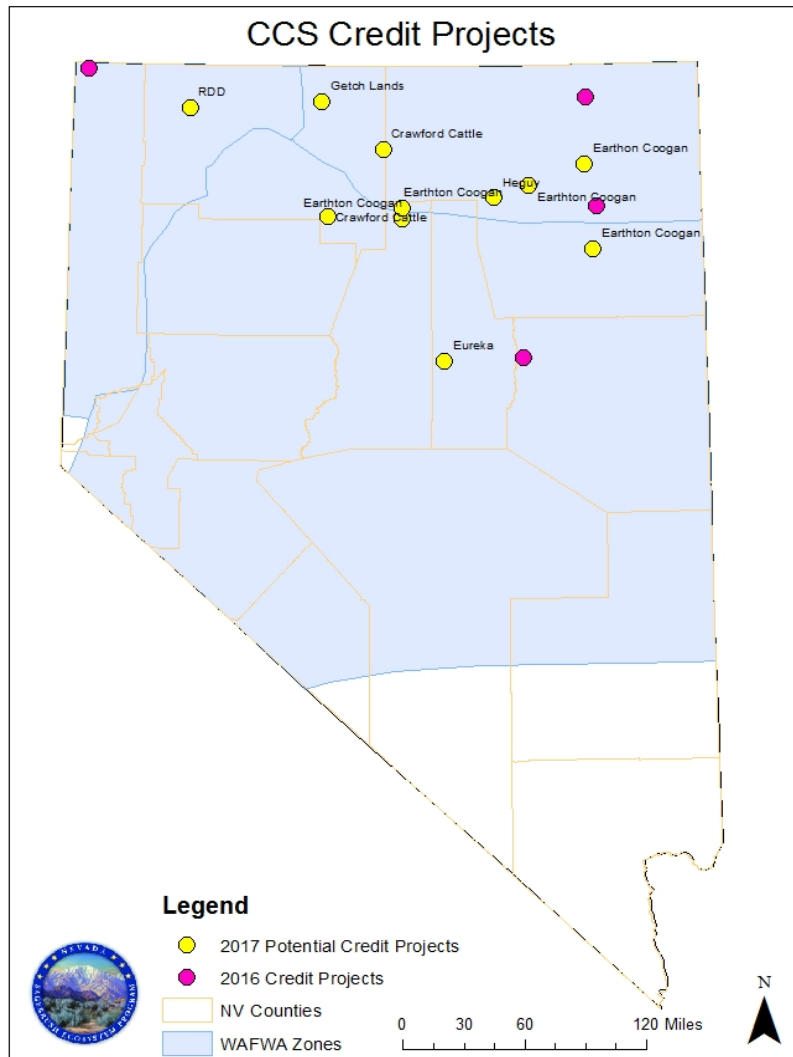
DATE: March 3rd, 2017
TO: Sagebrush Ecosystem Council Members
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SUBJECT: Update on State Solicitation for Conservation Credit System Projects

SUMMARY

The purpose of this item is to discuss moving forward with the selection of six proposed projects to complete full project proposals related to the State Solicitation for Conservation Credit System (CCS) credit projects. These six projects represent the highest ranking projects proposed within the 11 letters of interest which were received. All incorporate greater sage-grouse habitat preservation and enhancement. In total, these projects represent over 30,000 acres of greater sage-grouse habitat across three counties and three WAFWA Management Zones.

BACKGROUND

Below is a map to display the distribution of our 2016 state funded credit projects and the 2017 credit projects we are recommending to develop full project proposals.



In November, the State again announced up to \$1,200,000 in funding through the Sagebrush Ecosystem Program (SEP) for projects that will enhance and restore high quality greater sage-grouse habitat within the State of Nevada.

The purpose of these funds is two-fold:

- (1) Improve greater sage-grouse habitat, and
- (2) Create a supply of “compensatory mitigation credits” to be used in the Nevada CCS.

Private landowners, businesses, conservation organizations, mitigation bankers, and state agencies were all encouraged to apply with potential projects to enhance and protect habitat within the State of Nevada. Each interested project proponent was asked to submit a Letter of Interest (LOI) to the SEP to be considered for funding.

LOI's were due in January, and the State received 11 LOI's from potential project proponents. The Sagebrush Ecosystem Technical Team (SETT) along with representatives from the Nevada Department of Wildlife (NDOW) then worked to evaluate the 11 projects according to defined eligibility requirements which included:

- *Location* – Projects must be in recognized greater sage-grouse habitat as defined by the SEP Management Categories Map.
- *Timeline* – Projects must be able to begin implementation in 2017.
- *Willingness to Participate in the CCS* – Project proponents must be willing to participate in the CCS by enrolling their credits in the system.
- *Habitat Quantity & Quality* – Project size, and expected habitat quality relative to all projects submitted.

From the initial 11 projects, all were determined to meet general eligibility requirements, although one project was eventually withdrawn from consideration. The projects were ranked by the SETT and NDOW, and six are now being recommended by the SETT to be selected to develop full proposals. The SETT will continue to work with each project proponent to collect additional information necessary to further evaluate each project, potential funding needs and amounts, and additional project site information.

The six projects we are recommending for development of full proposals are in consideration for funding to support implementation of habitat improvements, including on the ground enhancements, the development of management plans, analyses of habitat quality through the HQT, and completion of all materials necessary to allow for credit release through the CCS by as early as this fall. In addition, all projects awarded funds must commit to maintaining the post-project habitat function for at least five years and funding for maintenance must be included in the request unless committed to as in-kind project match. The full proposals will be evaluated using the following criteria to ensure selected projects create meaningful benefits to greater sage-grouse and leverage the State's funding:

- 1) *Current Habitat Quality* – Estimated landscape-scale and local-scale metrics in HQT.
- 2) *Assessment of Anthropogenic Disturbances* – Within the vicinity of project areas, anthropogenic disturbances will be assessed that may indirectly impact greater sage-grouse, their habitats, and the potential generation of meaningful credits in the project areas.
- 3) *Habitat Improvement & Risk Reduction* – Estimated increase in habitat function based on proposed conservation actions.
- 4) *Credit Generation Readiness & Probability* – Ability to complete the project this year and commitment to participate in the CCS.
- 5) *Cost Effectiveness of State's Investment* – Estimated credits generated per dollar invested by the State.
- 6) *Other* – Very meaningful characteristics of the project not captured by other criteria.

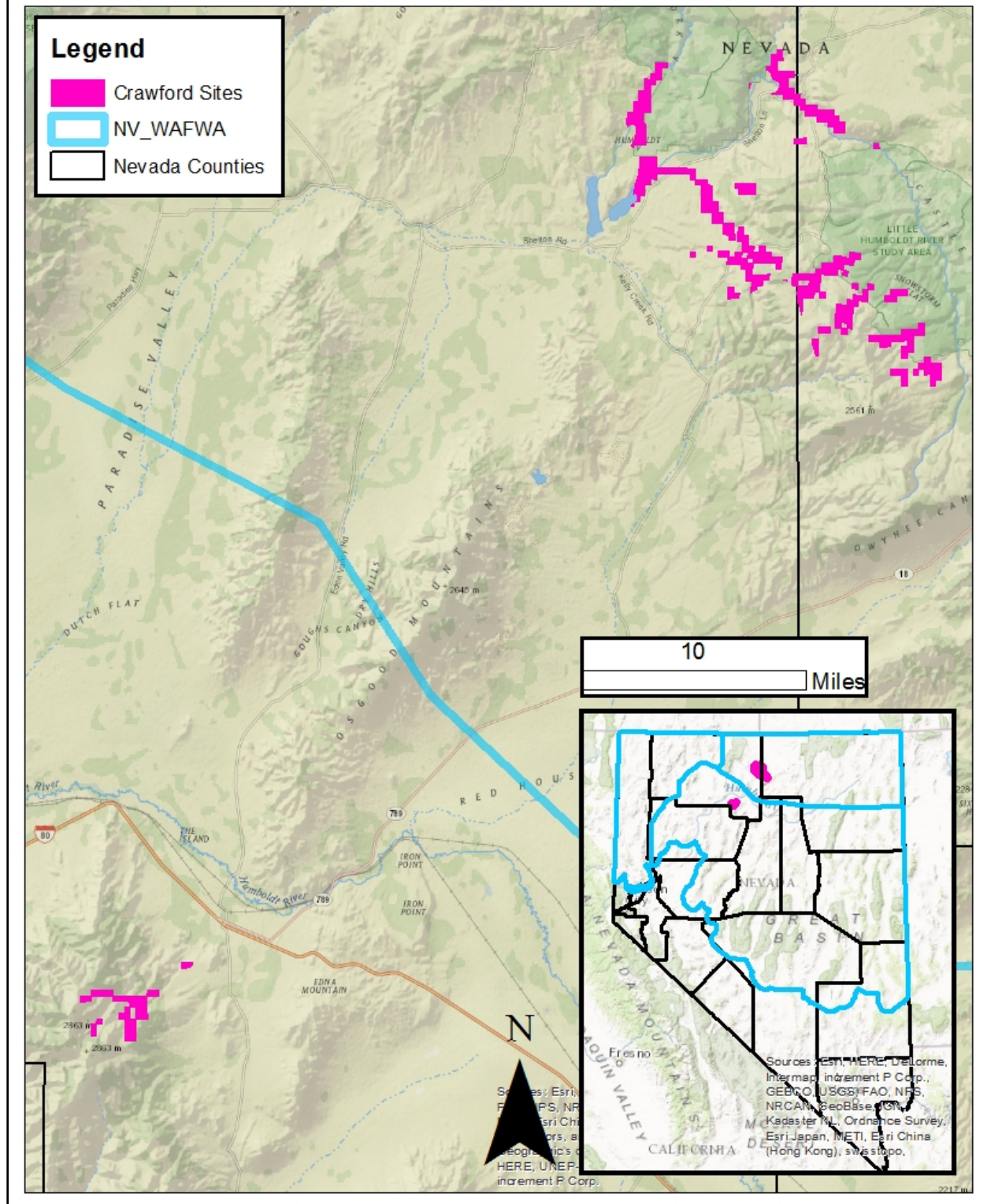
RECOMMENDED PROJECTS FOR FUNDING

The SETT is recommending that the Council approve the six projects listed below for full proposal development. This approval will not be a guarantee of funding, but will allow the SETT to work carefully with a few selected project proponents that have a high probability of generating meaningful credits.

Name	County	Mgmt Cats	Proposed Actions	Acres	Cost
Crawford Cattle Co.	Humboldt Elko	100% PHMA	Protecting high quality habitat, adaptive grazing management, fencing, increasing/protecting forbs in wet meadows, aeration, open up decadent areas, seeding sagebrush.	12,398	\$445,887.00
Earthton Coogan	Elko	91% PHMA, 9% GHMA	Protecting high quality habitat, adaptive management, remove fencing and old telephone poles and raptor perch sites, adding marked fencing, increasing forb/protecting forbs in wet meadows, inter-seeding, aeration, & PJ removal.	1,941	\$151,560.00
Eureka Livestock, LLC.	Eureka	99% PHMA, 1% GHMA	Protecting high quality habitat, adaptive grazing management, not grazing in May and June, four miles of fencing and a cattle guard.	1,650	\$85,000.00
Getch Lands	Humboldt	Approx. 85% GHMA & 15% OHMA.	Protecting high quality habitat, adaptive grazing management, increasing/protecting forbs in wet meadows, fencing six springhead areas, adding two livestock water sources and two miles of fence to subdivide main meadow.	7,050	\$315,000.00
Heguy Ranch	Elko	100% PHMA	Protecting high quality habitat, adaptive grazing management, increasing/protecting forbs in wet meadows, seeding forbs & sagebrush, treating decadent sagebrush, adding piped and liberty fencing, development of three livestock water sources.	6,674	\$227,520.00
RDD	Humboldt	100% PHMA	Protecting high quality habitat, adaptive grazing management, removing 12 miles of fencing, increasing/protecting forbs in wet meadows, establishing new fencing.	1,162	\$399,000.00
TOTALS				30,875	\$1,623,967.00

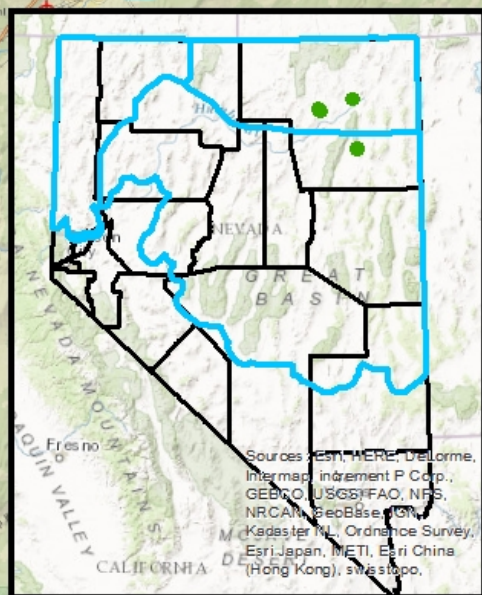
Maps for projects recommended for development of full proposals are provided below.

Crawford Cattle Sites



Legend

-  Earthton Coogan Sites
 NV_WAFWA
 Nevada Counties

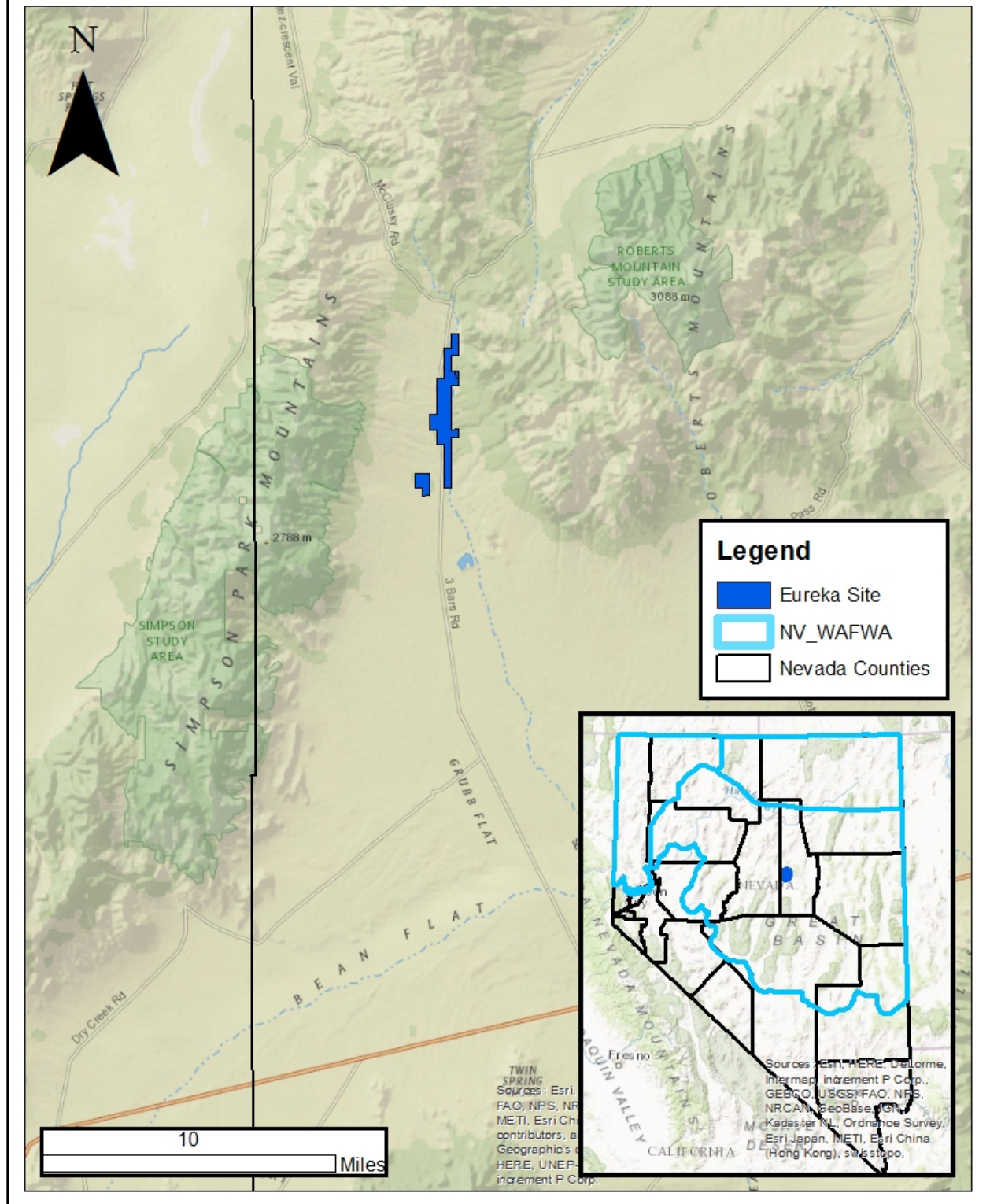


Sources: Esri, HERE, DeLorme, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri (Shanghai) Co., Ltd., Swisstopo, Mapbox, and others. Data may not reflect National Geographic, Esri, DeLorme, Garmin, IGN, GEBCO, NOAA, increment P Corp.

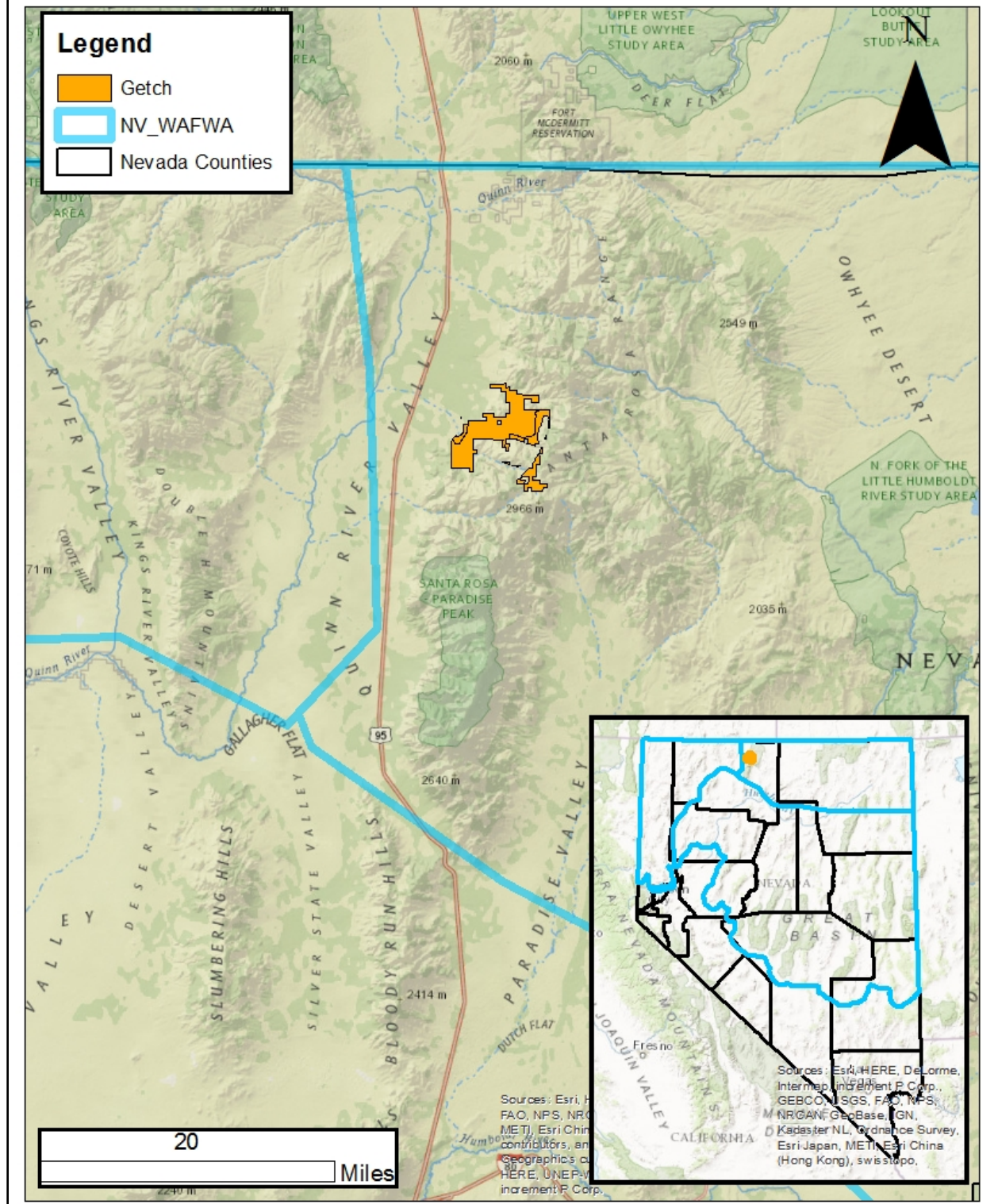
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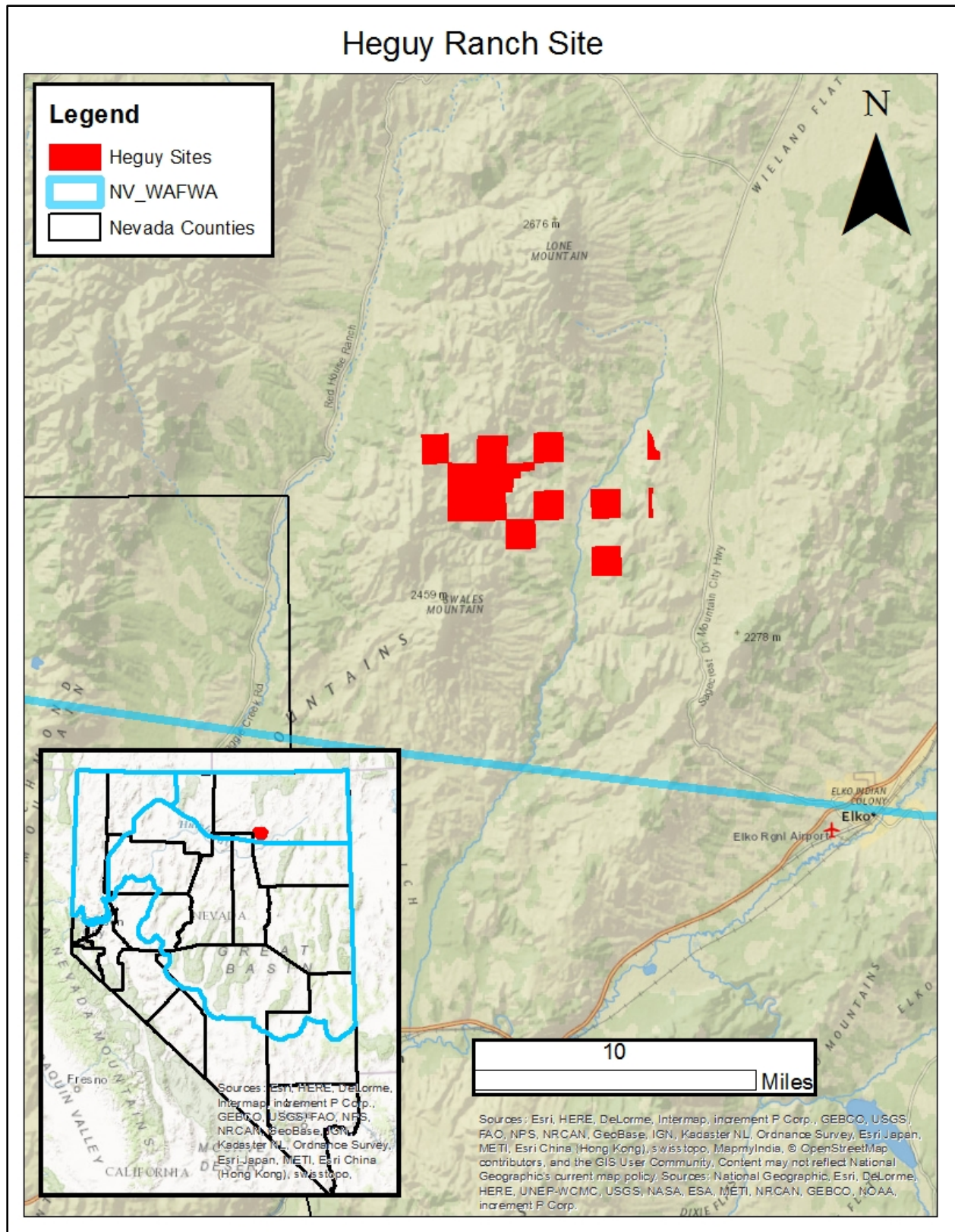
Miles

Eureka Livestock LLC Site

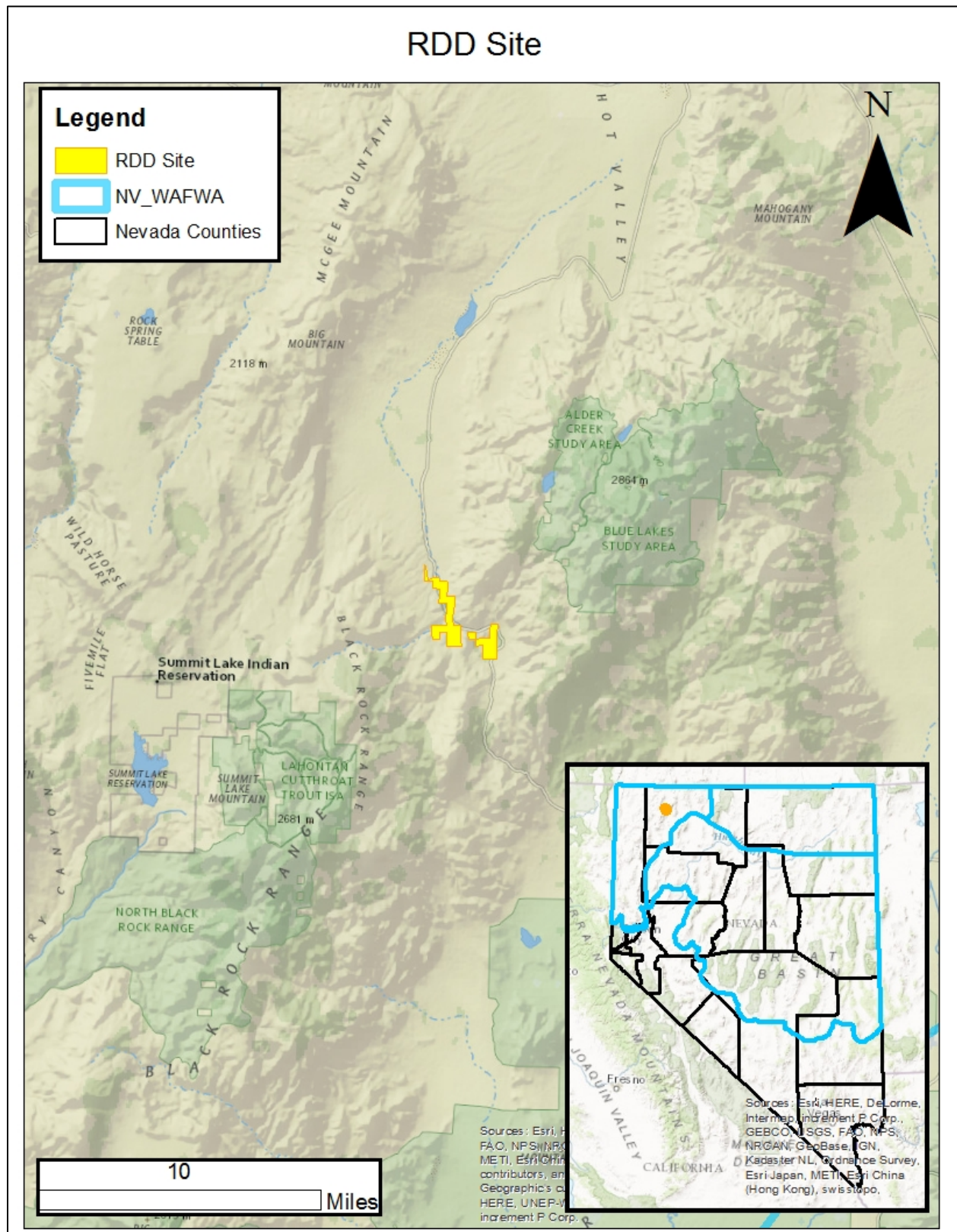


Getch Lands Site





RDD Site



POSSIBLE MOTION

Should the Council agree with the staff recommendation, a possible motion would be, “Motion to have the SETT pursue the development of full proposals for the six recommended projects.”

Next Steps

Assuming the Council agrees to request full proposals for the six projects as recommended, the SETT will contact the project proponents as soon as possible and request full proposals be turned in prior to the next Council meeting. The SETT will then work to fine-tune the anticipated on-the-ground efforts, budgets, and the expectations of the projects that are ultimately funded including eventual reimbursement of the funds to the State of Nevada upon official sale of credits.