

Forest and Watershed Restoration Act

FY21 Report

Prepared by
Energy, Minerals and Natural Resources Department, Forestry Division
December 2020

The Forest and Watershed Restoration Act (FAWRA) is in its second year of implementation after being signed into law by Governor Michelle Lujan Grisham on March 15, 2019. FAWRA allocates funding annually to the Energy, Minerals and Natural Resources Department, Forestry Division for the purpose of restoring forests and watersheds and directs the Forestry Division to administer, implement and report on the projects. The Act also established a Forest and Watershed Advisory Board to evaluate and recommend projects to the Forestry Division.

Accomplishment Summary

- 14 projects underway in high priority watersheds.¹
- 1,570 total acres restored with thinning as of November 1, 2020.

Advisory Board and Public Engagement

The Advisory Board held three meetings in calendar year 2020 as described below. The minutes of each meeting are attached.

- May 27, 2020 the Advisory Board met and heard presentations about 11 projects proposed for funding in FY21. The Advisory Board had a chance to ask questions about the proposed projects before submitting their project scores.
- June 26, 2020 the Advisory Board met to review the project scores and make recommendations for project funding to the Forestry Division. Nine projects were selected including three projects that continued or expanded projects funded in FY20.
- October 6, 2020 the Advisory Board met to finalize the guidelines for FY22 project selection (see attachments).

The Advisory Board meetings are open to the public to attend in accordance with the New Mexico Open Meetings Act. Typically, a few people do attend, often representatives of non-governmental organizations. In addition, the Forestry Division hosts quarterly meetings of the statewide Forest and Watershed Health Coordinating Group, attended by 50 to 100 agencies organizations and individuals, and where updates on FAWRA are provided.

¹ High priority watersheds are defined in the state Forest Action Plan. The plan was updated in 2020 with a science-based assessment, strategy development and stakeholder engagement. The assessment ranked the 12th code hydrological units, of which there are 3,219 in New Mexico, and assigned the high priority rank to 500 units based on the risk of wildfire transmission to communities, provision of water, and value as fish and wildlife habitat and to biodiversity. The plan and maps are available at <http://www.emnrd.state.nm.us/SFD/statewideassessment.html>.

Projects Selected for FY21 Funding:

Zuni Landscape Restoration – (Received \$500,000 in FY20 and continued in FY21 with \$300,000 additional)

- Cross-boundary, large landscape project is to reduce the risk of uncharacteristic wildfire and restore fire-adapted forested ecosystems that provide critical water supply to Bluewater reservoir, and important wildlife habitat.
- Zuni Landscape Restoration is also the wood supply for manufacturers in Milan and other southwestern New Mexico sawmills and the thinning conducted provided wood that secured more than 40 jobs while the court-ordered injunction to halt forest management in Mexican spotted owl (MSO) habitat was in place.
- 590 acres treated to date and an estimated 450 acres remaining with current funding.
- Leverage of other funding including capital and federal funding exceeds \$700,000.

Turkey Mountain Watershed – (Received \$520,000 in FY20 and continued in FY21 with \$476,880 additional)

- Watershed restoration project in the Turkey Mountains that is based on a multi-landowner fire management plan for the entire mountain range.
- Protects the watersheds that supply the Mora and Canadian Rivers which feed into Conchas Dam reservoir and Ute Reservoir.
- 740 acres treated and an estimated 500 acres remaining with current funding.
- Leverage of other funding including capital and federal funds exceeds \$500,000.

Upper Coyote Creek, Elk Ridge – (Received \$100,000 in FY20 and continued in FY21 with \$400,000 additional)

- Forest restoration project on state trust lands in the vicinity of White Peak, adjacent to communities, and in the upper reaches of the Cimarron, Mora and Upper Canadian River watersheds.
- Work plan has been completed and the project is just underway. An estimated 252 acres will be treated with current funding.
- Expands and leverages prior treatments funded by capital and in partnership with the State Land Office.

Socorro Escondido Wildlife Management Area – (Received \$204,969 in FY21)

- Riparian restoration of the Escondido Wildlife Management Area in the Rio Grande Bosque near Socorro, removing invasive species, reducing wildfire risk, and restoring riparian habitat.
- Environmental clearances and work plan are completed.
- Leverages \$600,000 of federal Pittman-Robertson funding in partnership with the New Mexico Department of Game and Fish.

Cebolla-Nutrias Watershed – (Received \$250,000 in FY21)

- Forest restoration project on private lands in an area that provides water for communities and a watershed with active ranching and wood utilization for traditional home building and firewood.
- Contracting is in process.
- Leverages many years of planning with funding from the New Mexico Environment Department and U.S Environmental Protection Agency.

Sandia Pueblo Bosque Restoration – (\$75,000)

- Riparian restoration of the Rio Grande Bosque within Sandia Pueblo, removing invasive species, reducing wildfire risk, and restoring riparian habitat.

- Project implementation delayed by COVID-19 restrictions at Sandia Pueblo.
- Leverages of other funding invested in Rio Grande Bosque restoration.

Rio Grande Bosque Albuquerque – (\$135,000)

- Riparian restoration of sections of the Rio Grande Bosque up and downstream of Albuquerque, removing invasive species, reducing wildfire risk, and restoring riparian habitat.
- Contracting is in process.
- Leverages funding invested by many partners in Bosque restoration including the Middle Rio Grande Conservancy District, Bernalillo and Valencia Counties, Village of Corrales and others.

Rio Chama Watershed Restoration – (\$158,100)

- Establishes forest management objectives, wildfire risk reduction and restoration plans for private landowners in the Upper Chama watershed, which provides more native water to the Rio Grande than any other tributary in New Mexico.
- Leverages and provides critical non-federal match for the \$3.2 million of Natural Resources Conservation Service Regional Conservation Partnership Program funding awarded to the East Rio Arriba Soil and Water Conservation District.
- Rio Chama Watershed was ranked as number two in the nation by the Collaborative Forest Landscape Restoration Program and as such is eligible to receive \$4 million annually of federal funding through the USDA Forest Service for 10 years.

Update on Other Projects Selected in FY20:

Encino Vista Landscape Restoration – (Original allocation \$500,000; slowed by MSO injunction; funding reduced to \$300,000)

- Final phase of planning under the National Environmental Policy Act for an area of the Santa Fe National Forest that is adjacent to Rio Puerco de Chama and Abiquiu Reservoir.
- Funds will be used for cultural resource surveys that will enable 106,040 acres to be approved for restoration with thinning and prescribed fire.

Gallinas Watershed Restoration Phase IV and V – (Original allocation \$500,000; halted by MSO injunction; restarted with \$188,000 in November 2020)

- Watershed restoration project is part of the Gallinas Municipal Watershed Wildland Urban Interface Project.
- To date approximately 4,900 acres have been treated within the project area and full funding of this project would add another 500 acres to protect the drinking water for the City of Las Vegas, New Mexico from degradation by severe wildfire.

Northside-Rio Hondo Source Water Protection – (Original allocation \$200,000; reduced to \$0 when water rights to the Bull of the Woods spring were not substantiated by the Village of Taos Ski Valley)

- Thinning project to protect 200 acres around Bull of the Woods spring and in the Rio Hondo corridor that was identified as a key component of the Taos Valley Watershed Coalition's Landscape Restoration Plan.
- The thinning adjacent to Bull of the Woods Spring will not move forward and thinning of the Rio Hondo corridor was halted by the MSO injunction.

Red Cabin, No Name Springs #1 – (Original allocation \$500,000)

- Watershed restoration project located on the southern part of the Mescalero Apache Reservation.

- The project outcomes are to improve water reliability for the Mescalero Apache Tribe and people in adjacent communities. The project will also provide wood supply to local businesses.
- Project implementation was delayed with discovery of nesting Mexican spotted owls in the project area, followed by COVID-19 restrictions on activities within the Mescalero Apache Reservation.

Santa Clara Creek Wetland Restoration – (Original allocation \$44,400)

- Wetland restoration project that will work to restore seeps, springs, and riparian areas along Santa Clara Creek that were severely damaged by Las Conchas fire in 2011 and post-fire flooding.
- The wetland restoration will help protect Santa Clara Pueblo from future fire and post-fire flooding events and enhance the water quality for communities downstream of the confluence of Santa Clara Creek and the Rio Grande.
- Leveraged with capital funds to expand the project to add treatments and pile burning upstream of the wetlands and prescribed fire in other Santa Clara upland areas.

Small-Diameter Wood Products Business Planning – (Original allocation \$25,000)

- Economic development and feasibility study to determine the viability of a wood products cooperative in Taos County.
- This project could improve the cost efficiency of forest restoration projects in areas that supply water to more than 300 acequias, three reservoirs, and drinking water providers and private well owners across Taos County.
- The survey phase was completed in August 2020 and the feasibility study of a wood sort-yard was initiated in September 2020.

FAWRA requires annual distributions be made to the Forest Land Protection Revolving Fund from the Rio Grande Income Fund and the New Mexico Irrigation Works Construction Fund, totaling \$2,000,000.00. The FY21 funds were transferred to the Energy, Minerals and Natural Resources Department, Forestry Division in August 2020 and a Budget Adjustment Request was processed in September 2020 to authorize expenditure of the remaining funds from FY20.

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- B. 2020 Meeting Minutes
- C. Overview Map
- D. Project Maps
- E. Project Photos

APPENDIX A: ADVISORY BOARD ROSTER

FOREST AND WATERSHED RESTORATION ADVISORY BOARD

New Mexico Public Regulation Commission

John Kondratick, Acting State Fire Marshal
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Economic Development Division

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New Mexico Environment Department

Rebecca Roose, Division Director
Water Protection Division
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New Mexico Department of Game and Fish

Stewart Liley, Chief
Wildlife Management Division
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Phone: (505) 476-8038
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Office of the State Engineer

Julie Valdez
Water Use Office
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New Mexico State Land Office

Mark Meyers, SLO Forester
310 Old Santa Fe Trail
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Appointed Public Member, Conservation

Kathleen Holian
Email: kathleensholian@gmail.com

Appointed Public Member, Local Government

Steven Hernandez
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Appointed Public Member, Industry

Brent Racher
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APPENDIX B: 2020 MEETING MINUTES

Forest and Watershed Restoration Act (FAWRA) Advisory Board Meeting Minutes May 27, 2020

1. Call to Order

A virtual WebEx meeting of the Forest and Watershed Restoration Act (FAWRA) Advisory Board (Board) was called to order at 9:00 a.m. on May 27, 2020 and presided over by Laura McCarthy, State Forester, Energy, Minerals and Natural Resources Department (EMNRD), Forestry Division.

- **Board Members and Delegates Present**

Laura McCarthy, State Forester, EMNRD, Forestry Division, FAWRA Chair
Lucia Sanchez, Water Planning, Office of the State Engineer
Mark Myers, Forester, State Land Office
Abe Franklin, Environment Department, Surface Water Quality Bureau
Rebecca Roose, Environment Department
Stewart Liley, Chief of Wildlife, Department of Game and Fish
Randy Varela, Deputy Fire Marshal, Fire Marshal's Office, Fire Service Support
Kathy Holian, Public Member
Steve Hernandez, Public Member
Brent Racher, Public Member

- **Board Members Absent**

Mark Roper, Division Director, Economic Development Department

- **Invited Federal Agencies Present**

Elaine Kohrman, Deputy Regional Forester, US Department of Agriculture (USDA), Forest Service
Kristen Graham Chavez, Programs Director, USDA, Natural Resources Conservation Service
Tim Spisak, Acting State Director, Bureau of Land Management (BLM) New Mexico
Lisa Bye, Fuels Specialist, Bureau of Land Management (BLM) New Mexico

2. Welcome

Laura McCarthy, State Forester and FAWRA Chair, recognized the Board, public members, and guests. Board members, non-voting participants, and members of the public introduced themselves via round robin.

3. Board Business

Approval of Agenda

Rebecca Roose moved to approve the agenda and Stewart Liley seconded the motion. The meeting agenda for May 27, 2020 was unanimously approved.

Set Term for Chair and Hold Election

Kathy Holian moved to approve a two-year term for the FAWRA Advisory Board Chair position and to extend current Chair, Laura McCarthy, through a second year. Brent Racher seconded the motion. The motion was unanimously approved.

Approval of Open Meetings Act Resolution

Rebecca Roose moved to approve the Open Meetings Act Resolution for 2020, which was seconded by Steve Hernandez. The Open Meetings Act Resolution was unanimously approved.

Approval of Minutes

Stewart Liley moved to approve the minutes of the November 13, 2019 FAWRA Advisory Board meeting, which was seconded by Kathy Holian. The minutes were unanimously approved.

4. Update on Mexican Spotted Owl (MSO) Injunction, COVID-19 Impacts, and Fiscal Outlook

Laura McCarthy provided an update on the impacts of the MSO injunction and COVID-19, which are ongoing simultaneously. Laura explained that the MSO injunction is still in place as of today, May 27, 2020, and this continues to have a significant impact on projects. The EMNRD Forestry Division is performing multiple projects, many with the help of local landowners, in order to assist the local wood industry and rural economies during the MSO injunction. Although the natural resource extraction industry has been deemed “essential,” the COVID-19 pandemic is also affecting workers and slowing work down. As for fiscal impacts, the Forestry Division will not know until the June 2020 Special Session of the New Mexico Legislature whether or not FAWRA FY21 funding will be available.

5. Status of FY20 Projects

Andrew Frederick provided an update on the status of FY20 projects as follows:

- Red Cabin 2019 No Name Springs #1
 - Under contract, work is ongoing
- Turkey Mountain Watershed Restoration
 - Under contract, work is ongoing
- Zuni Mountain Bluewater Phase I
 - Under contract, work is ongoing
- Santa Clara Creek Wetland Restoration & Rx Burn
 - Under contract, work is ongoing
- Small Diameter Wood Products in Taos
 - Under contract, project is ongoing
- Encino Vista Landscape Restoration Planning
 - Seeking Request for Proposals (RFP) for arch surveys, expect to implement in FY21
- Gallinas Watershed Restoration Phase 5
 - On hold due to MSO injunction

- o Working toward implementation in FY21
- Northside- Rio Hondo Corridor
 - o VTSV does not have water rights so Northside cancelled; Rio Hondo Corridor is in MSO habitat
 - o Working toward implementation in FY21

Abe Franklin asked if the Santa Clara Creek Project originally included a prescribed burn in the plan. Laura explained that the prescribed burn was added to the project with capital funding for watershed restoration and while we have the work under one contract it was only included in the handout for information.

Kathy Holian asked if board members can see the projects in person. Laura and Andrew said yes, field trips can be planned with COVID-19 guidelines in place possibly in August 2020.

Caleb Stotts, member of the public and Executive Director of the Chama Peak Land Alliance, asked why water rights were necessary for the Northside-Rio Hondo Corridor project to proceed. Laura and Cimarron District Forester Arnie Friedt responded (Arnie via chat) that to comply with the anti-donation clause of New Mexico's Constitution, the general public must benefit from the project and not just the landowner. The Northside project was designed to protect forest surrounding a spring on private land that is considered a water source for the Village of Taos Ski Valley. However, since the Village does not hold the water rights to the spring, that component of the project cannot move forward. The Rio Hondo Corridor component will still be viable if and when the MSO injunction is lifted.

6. Recap of Scoring and Spreadsheet

Forestry Division Forest and Watershed Health Coordinator Susan Rich presented information on FY21 project scoring and criteria. Andrew Frederick suggested sending project maps to the board, which they agreed would be helpful in scoring projects. Scores are to be submitted by June 19, 2020.

7. Project Presentations (11 total)

Bernalillo District Forester Todd Haines presented four projects to the FAWRA Advisory Board for FY21 funding consideration.

- Rio Grande Bosque Project
 - o Amount requested: \$135,000
 - o Proposed acreage: invasive plant removal along Albuquerque reach of Rio Grande Bosque and its tributaries.
- Pueblo of Sandia Rio Grande Bosque Restoration
 - o Amount requested: \$55,000
 - o Proposed acreage: treatment of invasive plants (grasses/trees) along Rio Grande Bosque
- Zuni Bluewater Landscape Restoration
 - o Amount requested: \$300,000
 - o Proposed acreage: 4,500 over next 10 years

- Zuni Puerco Landscape Restoration
 - o Amount requested: \$200,000
 - o Proposed acreage: 4,500 over next 10 years

Kathy Holian asked how many acres could be done with \$300,000 on the Zuni Bluewater Collaborative Forest Restoration Landscape Program (CFLRP) project. Todd replied 300 acres. Kathy also asked why there is no federal funding. Todd replied that the CFLRP project and funding are all on public land. Laura also said that additional capital or other federal funds could be added to the FAWRA Zuni Bluewater project, and that would mean the project could be completed in fewer than 10 years.

Brent Racher asked about the number of New Mexico residents who will be employed by the Zuni Landscape Project. Todd answered that five of the 30 workers currently on the project are NM residents and all mill workers are local.

Socorro District Forester Jack Dickey presented three projects for FY21 funding consideration. Additional presenters supporting the projects: Zebb Andrews, Bureau of Land Management (BLM) for Chupadera Mesa project; Gina Dello Russo, Save Our Bosque Task Force (SOBTF) for Escondida Wildlife Management Area Fuels Reduction project; and Sarah Anderson, (SOBTF) for Conceptual Restoration Plan Update.

- Chupadera Mesa
 - o Amount requested: \$270,000
 - o Proposed acreage: 3,467 (including RX of 2,700 acres)
- Escondida Wildlife Management Area Fuels Reduction Project (NM Game & Fish Land)
 - o Amount requested: \$204,969
 - o Proposed acreage: 106
- Save Our Bosque Task Force (SOBTF) Conceptual Restoration Plan (CRP) Update Phase II
 - o Amount requested: \$158,895
 - o Proposed acreage: planning project

Kathy Holian, Brent Racher, and Mark Myers had multiple questions for the BLM representative for the Chupadera Mesa project, including how many local residents it will employ; whether or not this is more than a one-year project; and whether or not there are plans to manage grazing before and after the project.

Zebb replied approximately 20 locals will be hired for mastication and thinning; he clarified that Chupadera Mesa is a multi-year project; and there are plans for grazing management.

Laura pointed out the small number of acres for the Escondida project, and Gina replied that the river has altered course allowing the reestablishment of invasive tamarisk (trees and shrubs) in the area in need of treatment.

Regarding the Conceptual Restoration Plan (CRP) Update Phase II, Steve asked Sarah what a prior Bureau of Reclamation (BOR) grant was used for, which Sarah replied was put toward planning for Phase I.

Chama District Forester Mary Stuever presented two projects for FY21 funding consideration. Additional presenters supporting the projects: Jessica Johnson, Cebolla/Nutrias Watershed Group for Cebolla-Nutrias

Watersheds Forest Fuels Project; and Caleb Stotts, Chama Peak Land Alliance for Rio Chama Landscape Forest Management Plan.

- Cebolla-Nutrias Watersheds Forest Fuels Project
 - o Amount requested: \$250,000
 - o Proposed acreage: 200
- Rio Chama Landscape Forest Management Plan
 - o Amount requested: \$158,150
 - o Proposed acreage: planning project

Laura asked Mary if FAWRA funding is used for the Cebolla-Nutrias project, is she prepared to do title work, and Mary replied yes. Cheryl Bada voiced concerns about the small number of acres, Mary replied that this is a historic area for land grant families and landowners are committed to the long-term. Mary says her district is planning to go after a full 2,000 acres on federal and private land in the area over the next 12 years. Laura said if this project is funded, there must be a commitment to 2,000 acres over 10 years due to New Mexico's anti-donation clause.

Cheryl asked if there is a contract out for the proposed website for the Rio Chama Landscape Forest Management Plan. Mary replied that there is a contract out and this would not be a Forestry Division website, it includes partners who can also host it but it's not necessary.

Steve pointed out that for him, the Rio Chama Landscape Forest Management Plan is harder to score because "we don't know how many potential acres there are."

Cimarron District Forester Arnie Friedt presented one project for FY21 funding consideration. Additional presenter supporting project: Mark Myers, Forester for the NM State Land Office (SLO).

- New Mexico State Trust Lands Elk Ridge FAWRA
 - o Amount requested: \$400,000
 - o Proposed acreage: 250

Kathy Holian asked if locals will be employed for the Elk Ridge project, Mark Myers replied that local contractors will be used.

Brent Racher asked Mark about commitment of SLO funds. Mark replied that Elk Ridge has several project areas and the SLO has made substantial investments in adjacent project areas.

Las Vegas District Forester Shannon Atencio presented one project for FY21 funding consideration.

- Turkey Mountain Watershed Restoration -Continuing Status
 - o Amount requested: \$300,000 annually for 10 years
 - o Proposed acreage: 4,500

No questions from the Board on this project.

8. Timelines and Final Comments

Kathy Holian asked who the Board can direct comments to if they have questions. Laura responded that questions can be directed to her or Andrew Frederick by email.

Rebecca Roose asked for a follow up on setting a meeting date as discussed in the WebEx chat. Laura proposed June 26, 2020 as the next meeting date. Stewart Liley motioned to accept the date of June 26, 2020, which was seconded by Kathy Holian. The board unanimously voted to hold the next meeting virtually on Friday, June 26, 2020 at 9:00 a.m. via Zoom.

9. Adjournment

Steve Hernandez moved to adjourn the meeting, which was seconded by Kathy Holian. The Board unanimously voted to adjourn.

Minutes submitted by: Wendy Mason

Approved by: Laura McCarthy

Approved by the Advisory Board on June 26, 2020

Forest and Watershed Restoration Act (FAWRA) Advisory Board

Meeting Minutes

June 26, 2020

1. Call to Order

A virtual Zoom meeting of the FAWRA Advisory Board (Board) was called to order at 9:00 a.m. on June 26, 2020 and presided over by Laura McCarthy, State Forester, Energy, Minerals and Natural Resources Department (EMNRD), Forestry Division.

- **Board Members and Delegates Present**

Laura McCarthy, State Forester, EMNRD, Forestry Division, FAWRA Chair
Mark Myers, Forester, State Land Office (SLO)
Rebecca Roose, Environment Department (ED)
Stewart Liley, Chief of Wildlife, Department of Game and Fish (DGF)
Julie Valdez, Office of the State Engineer (OSE)
Kathy Holian, Public Member
Steve Hernandez, Public Member

- **Board Members Absent**

Mark Roper, Division Director, Economic Development Department
Randy Varela, Deputy Fire Marshal, Fire Marshal's Office, Fire Service Support
Brent Racher, Public Member

- **Invited Federal Agencies Present**

Sandy Watts, Acting Regional Forester, United States Department of Agriculture (USDA), Forest Service
Kristen Graham Chavez, Programs Director, USDA, Natural Resources Conservation Service (NRCS)

2. Welcome

Laura McCarthy, State Forester and FAWRA Chair, recognized the Board, public members, and guests. Board members, non-voting participants, and members of the public introduced themselves via round robin.

3. Board Business

Approval of Agenda

Steve Hernandez moved to approve the agenda and Kathy Holian seconded the motion. The meeting agenda for June 26, 2020 was unanimously approved.

Approval of Minutes

Kathy Holian moved to approve the minutes of the May 27, 2020 Board meeting, which was seconded by Rebecca Roose. The minutes were unanimously approved.

4. State Forester's Update

Laura McCarthy provided an update on fiscal impacts of the June 2020 Special Session of the New Mexico Legislature on FAWRA FY21 funding. The funding for FARWA is in statute. The balance can be swept, so far it

has not been, and none of the forest and watershed restoration money, whether capital or FAWRA, was swept. The Forestry Division will work to get as many projects encumbered as possible and as many expenditures against those projects processed within the next three months. FY21 funding needs to be transferred from OSE to EMNRD. There is nothing in the current fiscal situation or resulting from the special session that the Forestry Division sees as preventing the funding transfer from happening for FY21.

Laura McCarthy also provided an update on the Mexican spotted owl (MSO) injunction, which has impacted some FAWRA projects that were approved in 2019. With the injunction still in place, funding from those projects was switched to other projects, including making private lands in the Zuni Mountains a top priority to help offset work stoppage on federal, national forest lands. The Center for Biological Diversity filed a notice of intent to sue in April that could result in an extended shut down period even if the WildEarth Guardians lawsuit is settled. To prevent that from happening, an MSO Leadership Forum comprised of the New Mexico and Arizona state foresters; DGF and Arizona Game and Fish Department; WildEarth Guardians; Center for Biological Diversity; and the USDA Forest Service Southwest Regional Forester was formed to begin discussions about how to continue restoration projects and protect the MSO. Laura explained that the discussions have been productive because there is a shared goal of preserving habitat and increasing populations of the spotted owl while also preventing the loss of our forests to catastrophic fire.

Sandy Watts added that the conversations with the MSO group have been going well and that the USFS is getting closer to an agreement, although she could not go into detail due to the ongoing litigation.

Stewart Liley added that there are some misconceptions out there and a lot of data from numerous projects to gather, but he feels that progress is being made regarding the MSO.

5. Project Rankings and Recommendations

Laura McCarthy told the Board and attendees that there are a total of 11 projects for potential funding. DGF abstained from scoring two projects and the SLO abstained from scoring one project. Due to this, ranking projects by total score would not work because it would penalize projects for which a Board member felt they needed to abstain. Forestry Division Forest and Watershed Health Coordinator Susan Rich developed a method that takes the sum and divided by the number of Board members who were ranking the projects to come up with an average score. The projects were then ranked 1-11 based on their average score. Laura asked if there were any comments on the method of scoring and average ranking and there were none.

Laura explained that it appears the \$2 million in FY21 funding will be sufficient for projects ranked 1-9. Laura went on to say that the projects ranked 10 and 11 -- SOBTF Conceptual Restoration Plan and Chupadera Mesa projects -- scored substantially lower than the others.

The rankings with funding requests are as follows presented on slide #3 of Laura's PowerPoint presentation (next page):

Project Ranking by Advisory Board

Project Name	Ranking Based on Average Score	Funding Request
Zuni Landscape Restoration	1	\$300,000
Turkey Mountain Watershed Phase 2	2	\$125,000 - \$300,000
Zuni Landscape Restoration Phase 2	3	\$200,000
Upper Coyote Creek – Elk Ridge 2	4	\$400,000
Rio Chama Watershed Restoration Planning	5	\$158,150
Cebolla Nutrias Watershed	6	\$250,000
Rio Grande ABQ Bosque Restoration	7	\$135,000
Sandia Pueblo Bosque Restoration	8	\$75,000
NMDGF Socorro Escondido WMA	9	\$204,969
SOBTF Conceptual Restoration Plan	10	\$158,895
Chupadera Mesa	11	\$270,000

Kathy Holian asked if doing a plan fits within the [FAWRA Guidelines](#) and how important is it to fund planning vs project work? Laura explained that the legislation does allow for planning to be funded.

Cheryl Bada replied that it is one of the categories and it's up to the committee (Board) to rank it and put in their input. There is nothing that prohibits it and it was one of the criteria for funding.

Laura McCarthy added that landscape scale planning is needed to get to good projects and to make progress at a significant scale on cross-boundary work. The Turkey Mountains and Zuni project were both able to go forward because of prior investment in landscape scale planning. Laura also pointed out that the Rio Chama Watershed Restoration Planning scored very high likely because of the importance of the Rio Chama to the state's water supply.

Stewart Liley commented that a lot of work that DGF does is paying for planning because once you get planning in it seems to bring a lot more partners to the table to get implementation done. DGF is in favor of planning and pays for a lot of it because without it, projects stay in conceptualization and never get off the ground.

Rebecca Roose agreed that planning is important, and ED developed its own way to score the planning projects without disadvantaging them in the process. ED ultimately looks at planning projects objectively as they would an implementation project when applying criteria to each individual project.

Julie Valdez is also important to OSE and they tend to score planning projects higher than some of the others.

Kathy Holian responded that she is impressed with all of the projects and also the fair number of local jobs it creates.

Laura McCarthy opened it up for discussion and asked why OSE scored Chupadera Mesa so high. Julie Valdez did not have the answer readily available in her notes. Laura moved on and asked ED if they had anything further after Rebecca had asked to see the slide again and she did not.

Mark Meyers commented that criteria number three in the FAWRA Guidelines pertaining to utilization made it challenging to rank Chupadera project which is predominantly prescribed fire without generating any wood products. He suggested that in revisiting criteria for FY22 with the board consider how to ensure prescribed fire projects are not negatively affected because of a lack of utilization.

Rebecca Roose commented that ED scored Chupadera low because of criteria two in the FAWRA Guidelines which pertains to water benefits. There are no irrigation systems or drinking water systems that use surface water downstream from the project area; and the average priority for the project area in the 2010 Forest Action Plan is low to medium-low.

Steve Hernandez motioned to accept the rankings on slide #3 (above) as prepared. Kathy Holian seconded the motion. The rankings as decided by the Board were unanimously approved.

6. Review of FY21 Guidelines and Process

Laura McCarthy proposed the Board have a meeting at the end of October 2020 to vote on the final guidelines for FY22, release the guidelines on December 1, 2020 with revised criteria, give until April 15, 2021 for projects to be submitted, deliver project packets on May 3, 2021, conduct a Board meeting in May 2021 with project presentations, scoring deadline of June 21, 2021, Board meeting June 24, 2021 to go over project rankings and recommendations.

Rebecca Roose asked if there was any feedback on the timeline when project proposals were prepared this cycle and how does the new timeframe compare to the current cycle. Laura McCarthy responded that the new cycle is the exact same as the prior timeline and she did not hear of any feedback good or bad. Forestry Division Deputy Director of Forests Lindsey Quam and Forest and Watershed Health Coordinator Susan Rich commented that most people started on project development right after the FY21 guidelines were issued. Lindsey said questions he did get were about what would be considered "good projects," how planning sits in the realm of the intent of the FAWRA funding, they liked the timeframe and opportunity to make corrections to make their case stronger.

Steve Hernandez asked if the possibility of the Legislature sweeping funds affects the timeline if we're still in the same budget crunch next year. Laura McCarthy said it's uncertain, but if FY20 or FY21 funds get swept and we're not able to get all of the projects on the current list going, we would prioritize any projects to which a commitment has already been made, which would be Zuni and Turkey Mountains. Anything that has been started would need to keep going. It would call into question whether or not new projects would be needed for FY22. The Legislature can sweep the fund balance if it's unspent but must put money into the FAWRA fund by statute.

Stewart Liley commented that it depends on what the enabling legislation says on what the Legislature can and can't do.

Cheryl Bada added that money already obligated tends to be safe because they've already done the work, but contracts can be cancelled on future work that is not done.

Laura McCarthy said the one thing that could help with FAWRA fund retention is the study recently completed for the Rio Grande Basin that documented that 26-27 jobs for every \$1 million spent, so if the Legislature sweeps the money, they are also sweeping rural jobs.

Rebecca Roose commented that the 2021 Legislative Session ends March 20th and that's when the Board would know if legislative actions and decisions were made. The Governor's deadline to veto is April 9th and that is when there is certainty about fund availability for the FY22 cycle. As for the timeline, it works from a session standpoint.

Cheryl Bada replied that if anything is going to be swept it would be during the session so if they haven't after April 10th the Board can vote.

The following dates were developed for the FY22 FAWRA timeline:



Rebecca Roose motioned to approve the FY22 timeline. Julie Valdez seconded the motion. The FY22 timeline was unanimously approved.

Laura McCarthy opened discussion on Guidelines and Process. She brought up Mark Myer's point that the utilization criteria conflicts if scoring a prescribed fire project. This might be able to be fixed by having an exemption in the criteria or something like that. Laura said Forestry Division staff can work on that.

Mark Myers commented that a key piece of the process is that many times the utilization happens on the front end and then is maintained through prescribed fire. There may be a component of protecting valuable timber resources through managing fuels so there is clearly a connection.

Rebecca Roose commented that the way criterion three is written is about "potential" for utilization and not an actual plan for utilization. She suggested there may be a better way to bridge what we're hoping the projects achieve and the actual wording of the criterion so we're not giving ourselves permission to read into what's actually going to happen. Laura McCarthy explained that one of the challenges is that wood utilization is market based and the project proponent can't specify where the wood will go.

Susan Rich and Lindsey Quam said they can work with the ideas the Board has provided to edit the FAWRA Guidelines for FY22 with an emphasis on the need to score based on how the project proponent is describing

their plan for utilization, what's their best foot forward for this piece of the project and build in the flexibility for market conditions and unanticipated issues.

Laura McCarthy moved on to open discussion on FY20 funding. The Board gave a very high ranking to the Encino Vista Landscape Restoration Plan and the intent was to pay for archeological surveys as part of the planning process, but there is no state price agreement for archeological surveys. Fortunately, there were no applicants for FY21, and the Forestry Division is thinking of cutting this out for FY22. There is discussion with EMNRD about creating a statewide price agreement because other division's use archeological surveys in their work.

Laura McCarthy asked for feedback on on the May 27 presentations of the project proposals. Steve Hernandez said it would work better in person. Rebecca Roose commented that the presentations were helpful. It was a lot at once, but she prefers that to breaking the presentations up over two days. Rebecca also suggested the presenters be alerted that the time allotted for each presentation would be enforced. Laura mentioned putting the presentation requirements that into the guidelines, along with the time limit and guide to use more photos than text in the slides to tell the story of the proposed project. Kathy Holian said she found it difficult to follow the presentations that had a lot of text and bullet points.

Rebecca Roose commented that on the first criterion in the FAWRA Guidelines ED inserted "will", as in "the project will essentially lead to these outcomes." The project plan itself isn't doing the protecting. The Forestry Division may consider building planning into criterion one and criterion two for consistency across multiple reviewers/scorers.

7. Discussion of Field Trip in Summer/Fall 2020

Laura McCarthy opened up discussion on a possible field trip in the fall with COVID-19 protocols in place. Kathy Holian said for her, it's better to see what's taken place on a project or what needs to be done in person rather than reading about it so she can decide whether to fund them or not. Laura said that the top two candidate projects for a visit are Zuni or Turkey Mountains because there is long-term commitment to those projects.

The consensus was to visit the Zuni project with a tentative date of Thursday, September 17, 2020.

8. Other Business

No other business was discussed.

9. Next Steps and Next Meeting Date

Laura McCarthy reviewed next steps, including sending the notification of selection to everyone who provided projects, sending June 26th minutes, creating calendar invites, revising the guidelines for FY22, organizing the field trip, and working with OSE on funds transfer for FY21.

Rebecca Roose commented that she would like to do more with spreading the word about the opportunities for potential FAWRA projects. She suggested adding an agenda item to the October 6th meeting to discuss a communications rollout. Laura McCarthy responded that a point of confusion in FY19 and FY20 outreach was that FAWRA is not grant money and projects are to be implemented by the Forestry Division. One of the

goals of the FAWRA creators was to use the funding to create new opportunity for interagency relationships and coordination. Laura said that this will be an action item to take in revising the guidelines for FY22.

The next meeting of the Board is scheduled for October 6, 2020.

10. Adjournment

Rebecca Roose moved to adjourn the meeting. Mark Myers seconded the motion. The Board unanimously voted to adjourn the meeting.

Minutes submitted by: Wendy Mason

Approved by: Laura McCarthy

Approved by the Advisory Board on October 6, 2020

Forest and Watershed Restoration Act (FAWRA) Advisory Board
Meeting Minutes
October 6, 2020

DRAFT

1. Call to Order

A virtual Zoom meeting of the FAWRA Advisory Board (Board) was called to order at 9:00 a.m. on October 6, 2020 and presided over by Laura McCarthy, State Forester, Energy, Minerals and Natural Resources Department (EMNRD), Forestry Division.

- **Board Members and Delegates Present**

Laura McCarthy, State Forester, EMNRD, Forestry Division, FAWRA Chair
Mark Myers, Forester, State Land Office (SLO)
Stewart Liley, Chief of Wildlife, Department of Game and Fish (DGF)
Julie Valdez, Office of the State Engineer (OSE)
Lucia Sanchez, Interstate Stream Commission (ISC)
Rebecca Roose, Environment Department (ED)
Abe Franklin, Office of the State Engineer (ED)
Kathy Holian, Public Member
Steve Hernandez, Public Member

- **Board Members Absent**

Mark Roper, Division Director, Economic Development Department
Randy Varela, Deputy Fire Marshal, Fire Marshal's Office, Fire Service Support
Brent Racher, Public Member

- **Invited Federal Agencies Present**

Steve Wells, Acting State Director, Bureau of Land Management (BLM)
Kris Graham Chavez, Natural Resources Conservation Service (NRCS)

2. Welcome

Laura McCarthy, State Forester and FAWRA Chair, recognized the Board, public members, and guests. Board members, non-voting participants, and members of the public introduced themselves via round robin.

3. Board Business

Approval of Agenda

Lucia Sanchez moved to approve the agenda and Kathy Holian seconded the motion. The meeting agenda for October 6, 2020, was unanimously approved.

Approval of Minutes

Steve Hernandez moved to approve the minutes of the June 26, 2020 Board meeting, and Rebecca Roose seconded the motion. The minutes were approved.

4. State Forester's Update

Laura McCarthy provided a Forestry Division update on three main topics, including the [Forest Action Plan](#), priority maps, and potential prescribed fire legislation in the 2021 New Mexico Legislative Session.

- Forest Action Plan (FAP) – Laura shared two maps via PowerPoint showing the risk of fire to watersheds and statewide priorities.
 - Fire Risk Map – considerations for the map included watersheds that are in active use for irrigation, municipal water supply, or mutual domestic water systems either in the watershed or downstream. Colored portions of the map highlight these important water sources. Reservoirs are not shown as physical features, but they are included in the composite for the risk to water supplies and used in the ranking for the priority watersheds.
 - Statewide All Priorities Map – shows three different values at risk -- water sources, communities/structures, and biodiversity, which is a combination of wildlife, fisheries, and rare plants.
 - There are more than 3,000 HUC 12 watersheds in the state (local, sub-level watershed) and 1,500 forested watersheds. The FAP prioritizes the top 500 watersheds.
- Laura pointed out that the Bureau of Land Management (BLM) Chupadera Mesa project was not considered for FAWRA funding last year primarily because it didn't fall within the priorities as they were defined in the 2010 Forest Action Plan.
 - Link to the Forest Action Plan and interactive map components are available at <http://www.emnrd.state.nm.us/SFD/statewideassessment.html>. Laura suggested anyone considering or preparing a project proposal should use the priority map to show that the project is important to New Mexico.
 - The Forest Action Plan is centered around ten strategies: Restore Forests and Watersheds; Fire Management; Private Lands Stewardship; Utility Rights of Way; Rare Plants; Reforestation; Urban and Community Forestry; Land Conservation; and Outdoor Recreation.

Laura provided an update on two current projects underway in the Zuni Mountains and Turkey Mountains. Kathy Holian and Steve Wells requested copies of the slides, which will be posted to the Forestry Division Website. Steve Wells also asked how much money goes to the administrative side of projects and how much goes on the ground. Andrew Frederick explained that with a lot of our state funds 100% of the funding goes to work on the ground. We do not charge salaries, and while there are some title search costs with FAWRA they may only add up to a few thousand dollars.

5. Discuss FY22 Guidelines

The Board discussed numerous suggestions and edits for the FY22 Guidelines. The draft document was shared live on screen so that the Board and the viewing public could see the edits in track changes in real

time. Steve Hernandez moved to adopt the edits to the FY22 Guidelines and Mark Myers seconded the motion. The FY22 Guidelines were approved unanimously with the changes as marked.

6. Reschedule Field Trip

The planned September field trip to the Zuni Mountains that was cancelled due to COVID-19 restrictions was rescheduled for July of 2021.

7. Other Business

Laura explained to the Board that there could be some action items from a recent report presented to the Governor and the Legislature on prescribed fire in the state that could end up in the 2021 Legislative Session. One possibility is a “Prescribed Fire Act” that could address major issues that were raised in the report, including liability for prescribed burns, which is not currently addressed in state law, and setting a standard for ignition permitting.

8. Next Steps and Next Meeting Date

Laura McCarthy reviewed the next steps, including accepting the FY22 Guideline changes by October 13, 2020, creating a PDF of the slides shown during today’s meeting and posting them online, preparing the meeting minutes, and planning for a tentative field trip to the Zuni Mountains in July 2021.

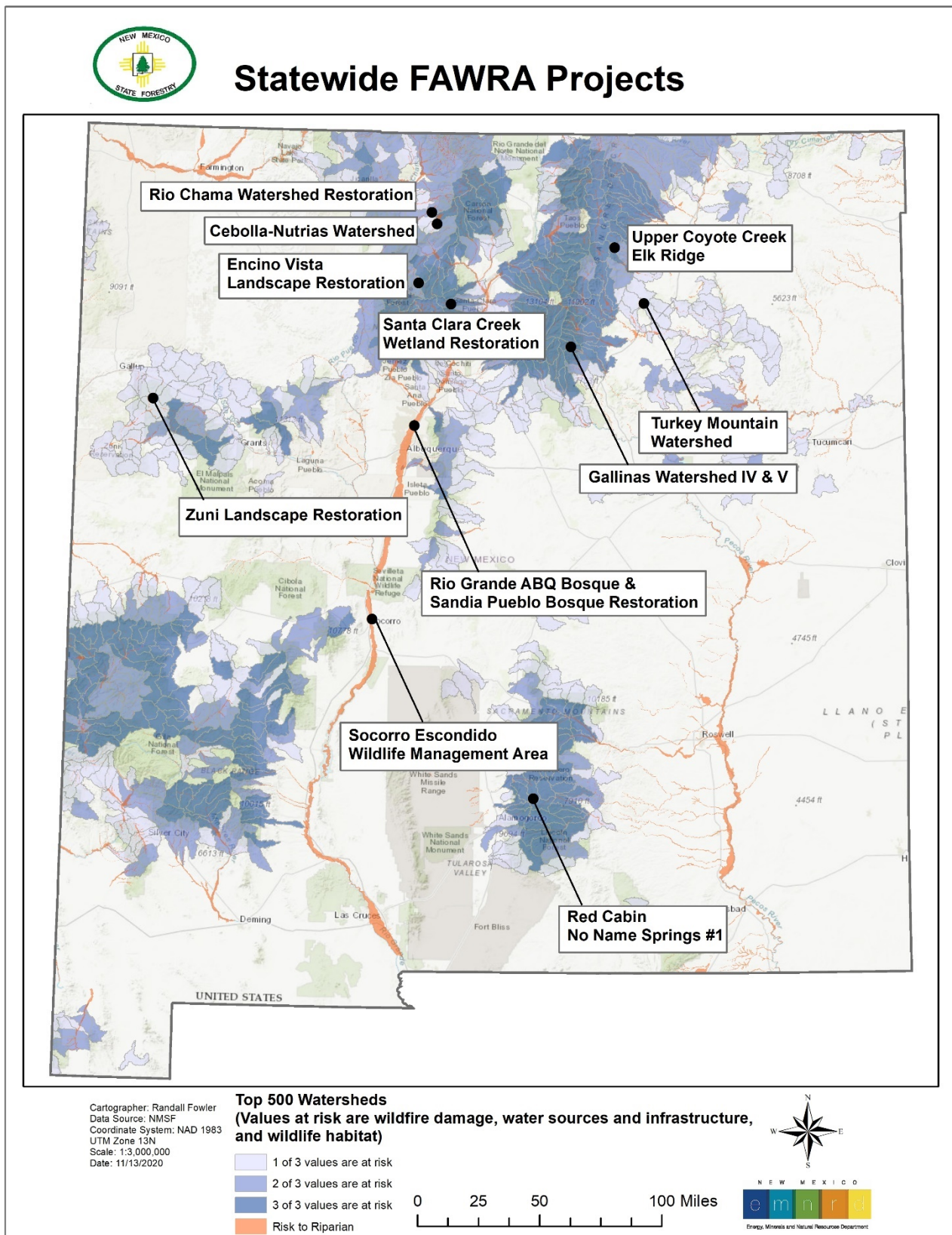
9. Adjournment

Rebecca Roose moved to adjourn the meeting. Steve Hernandez seconded the motion. The Board unanimously voted to adjourn the meeting. The next meeting of the Board is scheduled for April 16, 2021.

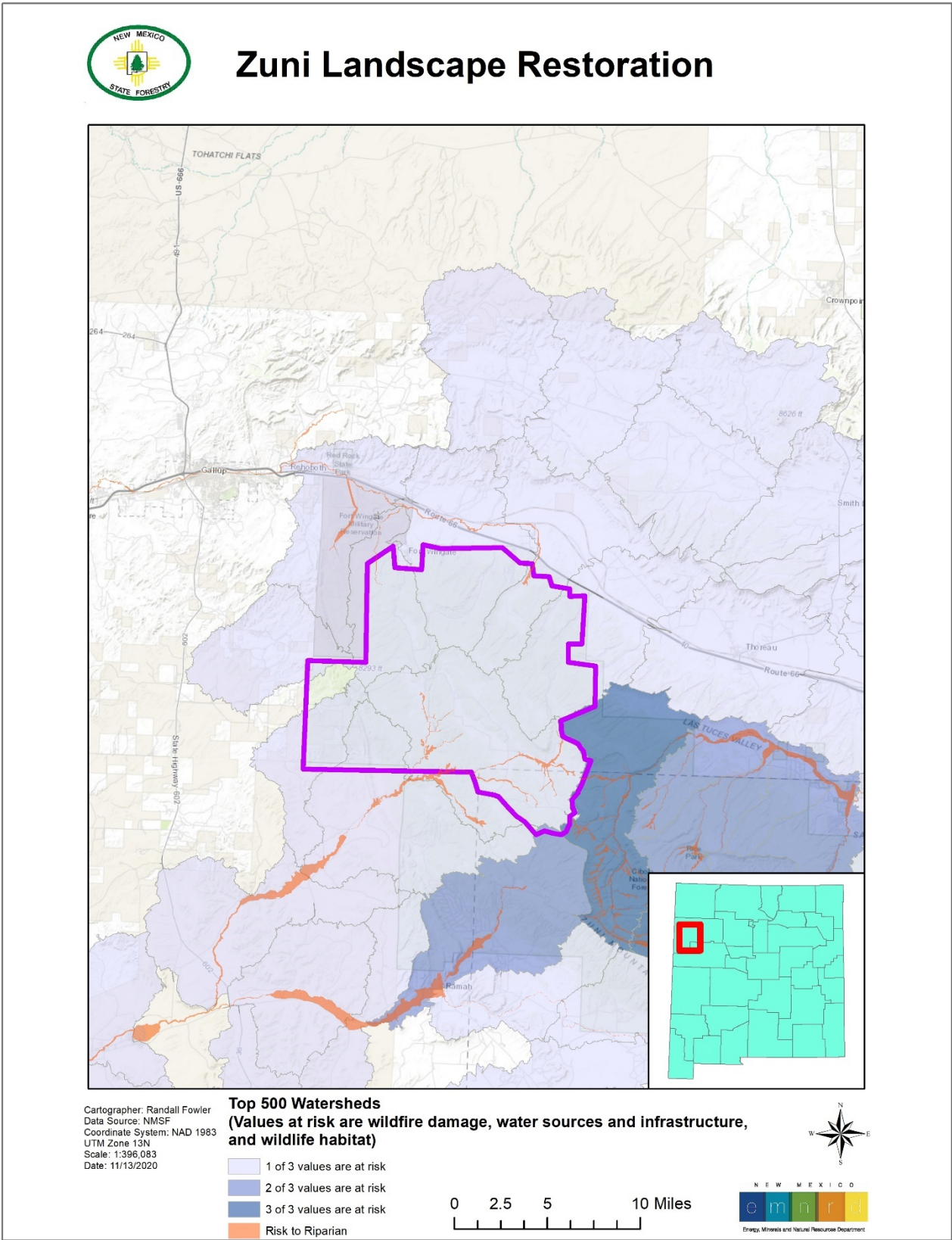
Minutes submitted by: Wendy Mason

Approved by: Laura McCarthy

APPENDIX C: OVERVIEW MAP

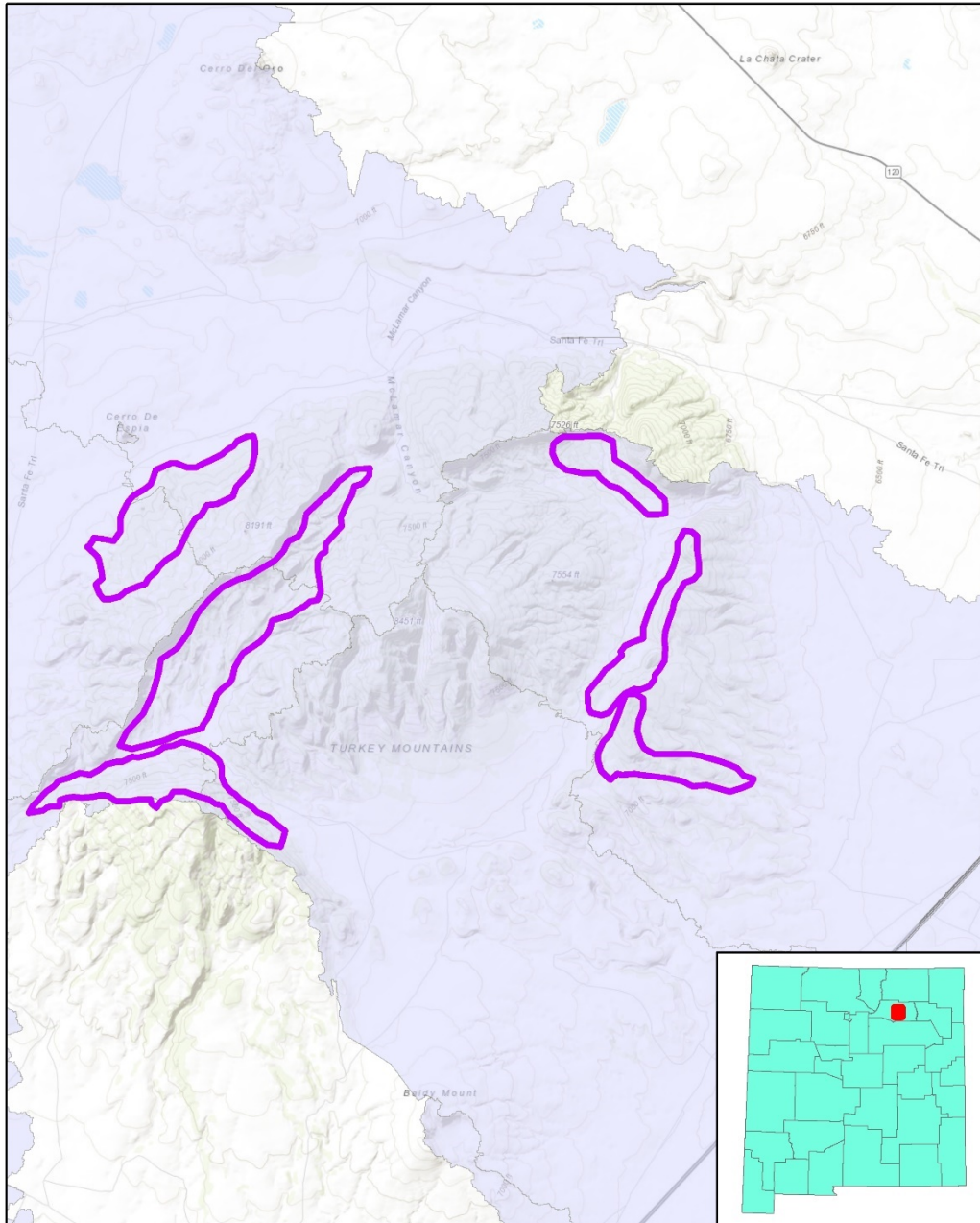


APPENDIX D: PROJECT MAPS





Turkey Mountain Watershed



Cartographer: Randall Fowler
Data Source: NMSF
Coordinate System: NAD 1983
UTM Zone 13N
Scale: 1:107,960
Date: 11/13/2020

Top 500 Watersheds (Values at risk are wildfire damage, water sources and infrastructure, and wildlife habitat)

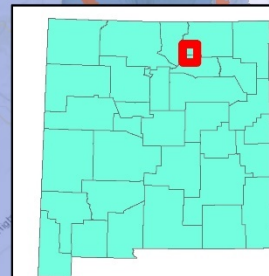
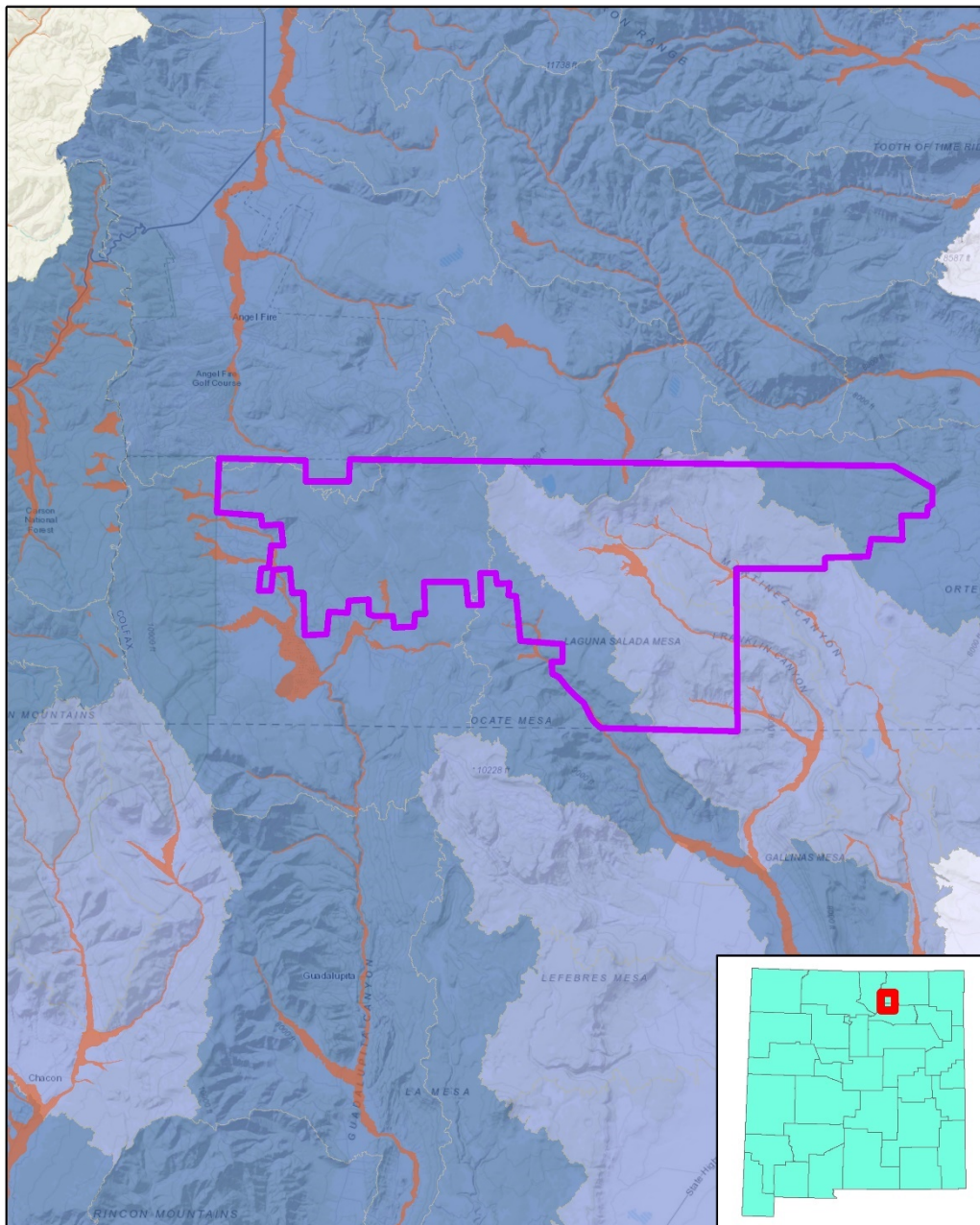
- 1 of 3 values are at risk
- 2 of 3 values are at risk
- 3 of 3 values are at risk
- Risk to Riparian

0 0.5 1 2 Miles





Upper Coyote Creek, Elk Ridge



Cartographer: Randall Fowler
 Data Source: NMSF
 Coordinate System: NAD 1983
 UTM Zone 13N
 Scale: 1:1,500,319
 Date: 11/13/2020

Top 500 Watersheds
 (Values at risk are wildfire damage, water sources and infrastructure,
 and wildlife habitat)

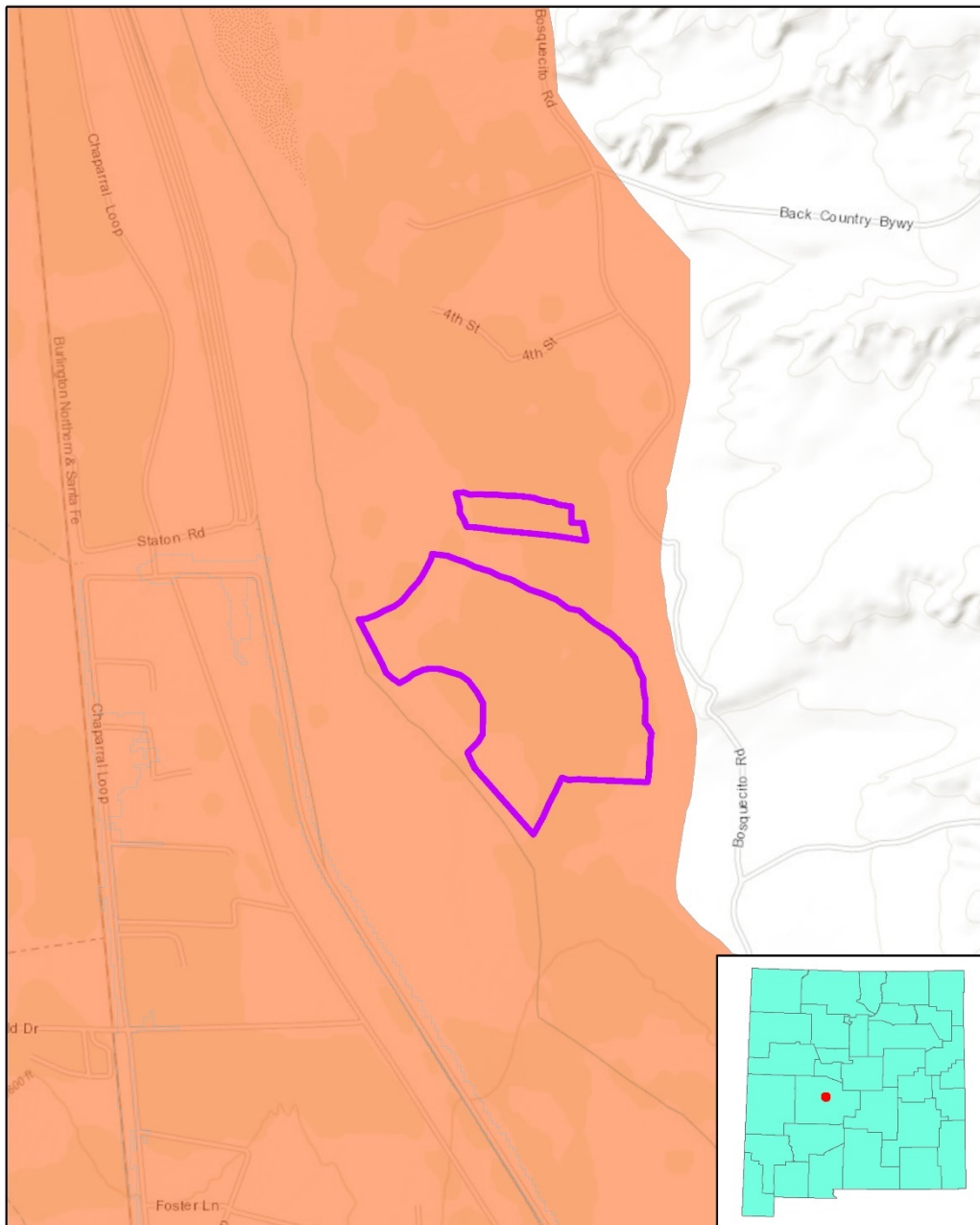
- 1 of 3 values are at risk
- 2 of 3 values are at risk
- 3 of 3 values are at risk
- Risk to Riparian

0 1.25 2.5 5 Miles





Socorro Escondido Wildlife Management Area



Cartographer: Randall Fowler
Data Source: NMSF
Coordinate System: NAD 1983
UTM Zone 13N
Scale: 1:17,917
Date: 11/13/2020

Top 500 Watersheds
(Values at risk are wildfire damage, water sources and infrastructure,
and wildlife habitat)

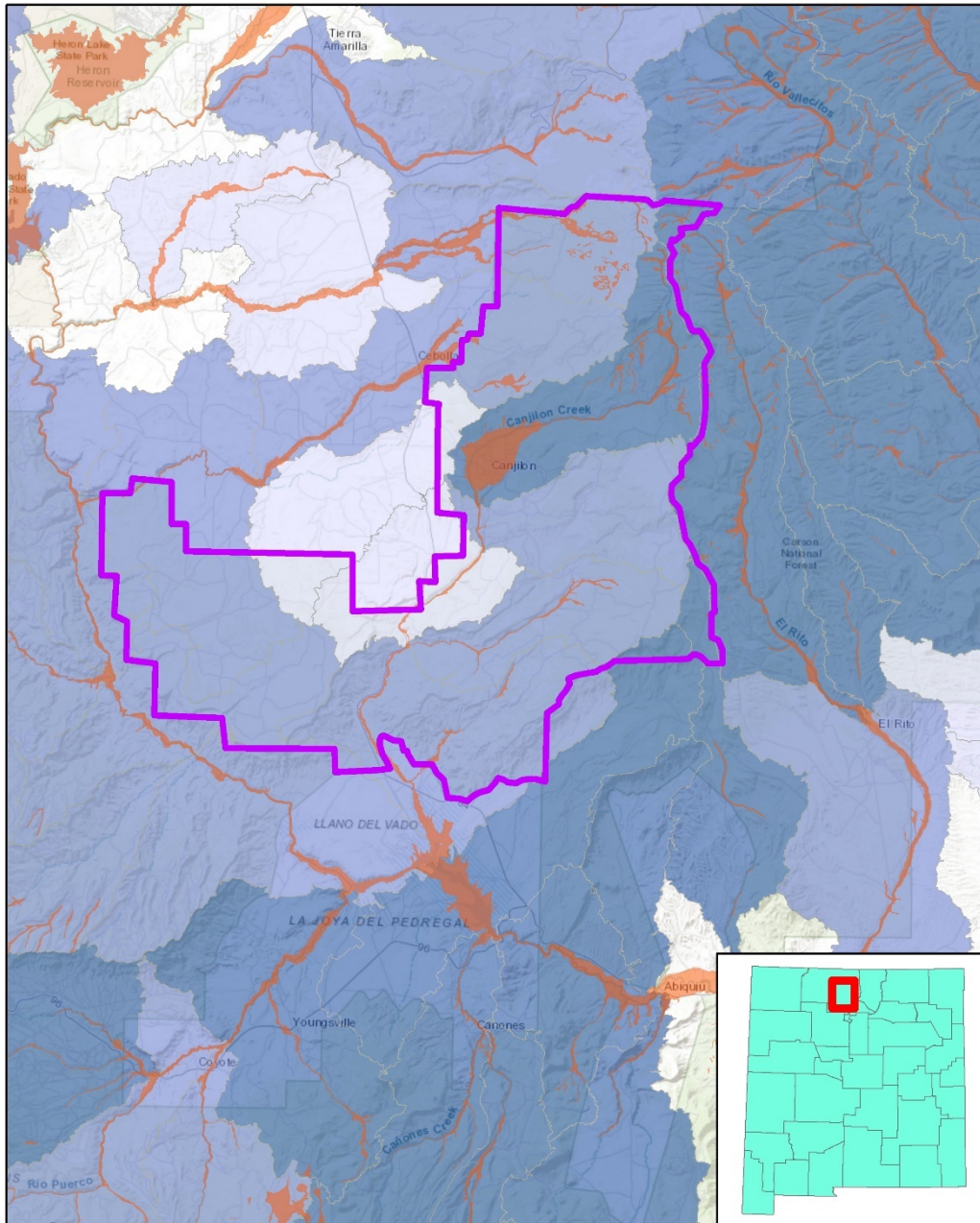
- 1 of 3 values are at risk
- 2 of 3 values are at risk
- 3 of 3 values are at risk
- Risk to Riparian

0 0.125 0.25 0.5 Miles





Cebolla-Nutrias Watershed



Cartographer: Randall Fowler
Data Source: NMSF
Coordinate System: NAD 1983
UTM Zone 13N
Scale: 1:336,742
Date: 11/13/2020

Top 500 Watersheds (Values at risk are wildfire damage, water sources and infrastructure, and wildlife habitat)

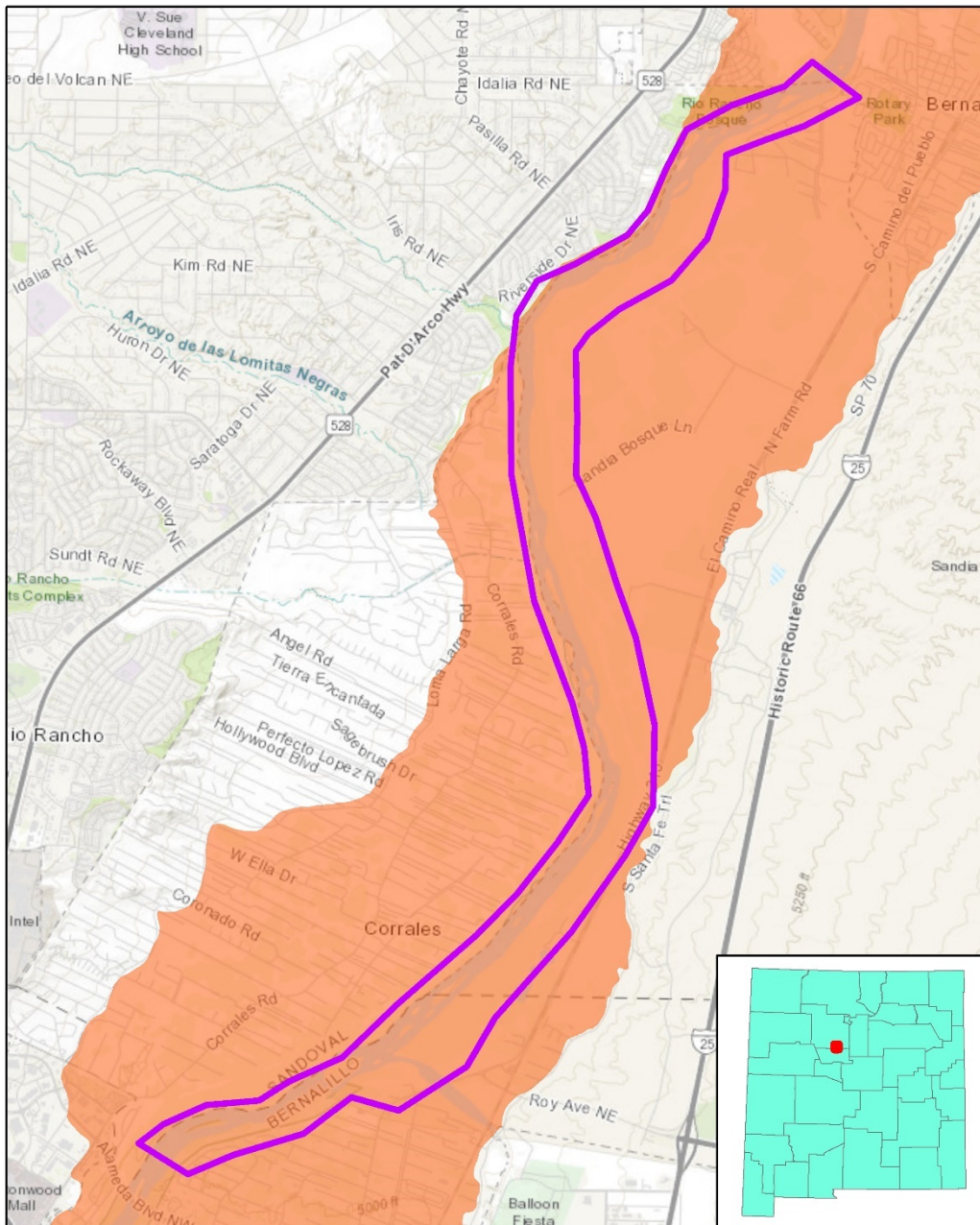
- 1 of 3 values are at risk
- 2 of 3 values are at risk
- 3 of 3 values are at risk
- Risk to Riparian

0 2.5 5 10 Miles





Sandia Pueblo Bosque Restoration & Rio Grande Bosque Albuquerque



Cartographer: Randall Fowler
Data Source: NMSF
Coordinate System: NAD 1983
UTM Zone 13N
Scale: 1:62,845
Date: 11/13/2020

Top 500 Watersheds
(Values at risk are wildfire damage, water sources and infrastructure, and wildlife habitat)

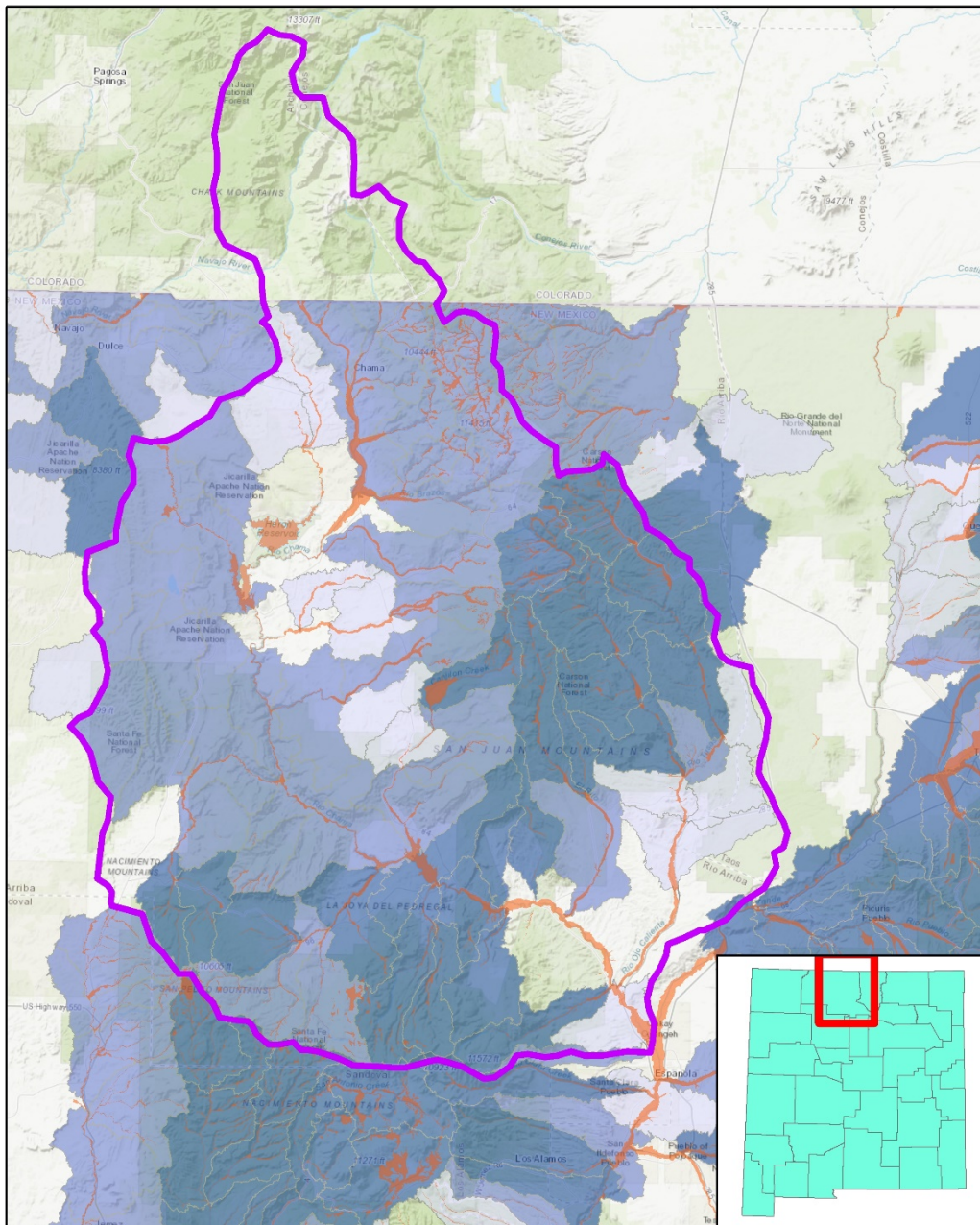
- 1 of 3 values are at risk
- 2 of 3 values are at risk
- 3 of 3 values are at risk
- Risk to Riparian

0 0.5 1 2 Miles





Rio Chama Watershed Restoration



Cartographer: Randall Fowler
Data Source: NMSF
Coordinate System: NAD 1983
UTM Zone 13N
Scale: 1:834,895
Date: 11/13/2020

Top 500 Watersheds
(Values at risk are wildfire damage, water sources and infrastructure, and wildlife habitat)

- 1 of 3 values are at risk
- 2 of 3 values are at risk
- 3 of 3 values are at risk
- Risk to Riparian

0 5 10 20 Miles



APPENDIX E: PROJECT PHOTOS



Zuni Landscape Restoration forest condition before thinning. Credit: Todd Haines



Zuni Landscape Restoration in progress with thinned area on the right. Credit: Todd Haines



Zuni Landscape Restoration with thinned area, retention of large and old trees, and log decks of small diameter wood that supplied mills in Milan and Reserve. Credit: Todd Haines



Turkey Mountain Watershed with thinned area in the foreground and overgrown, dense forest in the background. Credit: Shannon Atencio



Turkey Mountains Watershed had a naturally ignited wildfire that reduced ground-fuels such as grass, shrubs and seedlings, shown with a fire engine monitoring the fire. Credit: Shannon Atencio



Turkey Mountains Watershed wood utilization from the thinning provided commercial firewood. Credit: Shannon Atencio



Turkey Mountain Watershed after treatment and ready for wildfire or a prescribed burn. Credit: Shannon Atencio