



CHIPS Board of Directors Meeting

Minutes
May 19, 2021

Call to Order/Quorum Check

Board role call: Donna Vial, George Dondero, Steve Wilensky, Rick Torgerson, and Robert Zellers.

Additional participants: Regine Miller, Melisa Wilson, Craig Christensen, Kirk Smith, Samuel Simmons, and Megan Layhee.

Review and Adoption of Agenda

Agenda approved by the board.

Review and Adoption of April Board Minutes

April 2021 board minutes were approved.

Public Comment

No public comment.

Financial Report

Cash flow: Currently CHIPS has \$95,534 in main operating fund, of which \$9,600 for bonuses and \$3,500 for future medical and training expenses reserved, and \$96,000 reserved for PPP loan. Majority of funds in the bank is the second PPP loan. CHIPS owes the PPP loan \$4,000, which would equal out the funds reserved for bonuses and future medical and training expenses, as mentioned above.

Also noted that one private landowner still owes CHIPS \$4,900 and \$1400-\$1600 is owed to CHIPS from another private landowner, which should be received very soon. A \$5,000 invoice to Yosemite Conservancy will be prepared soon and a \$15,000 invoice to Butte FSC has been drafted. Transfers to grants for crew time will be occurring soon, as well, which should be fairly substantial. ACCG agreement will be invoiced to the Forest Service soon for \$3,000-\$4,000, approximately.

Important to be aware that there was an over \$18,000 fuel charge from the Washoe tribe for recent fuel charges. This does not include April fuel charges for \$2,274. It was asked if the crew had submitted a current bill, and yes, but that also CHIPS will now receive monthly invoices and copies of receipts for fuel charges directly from the vendor.



Safety incentive update: The West Point crew has been paid out. Chico Crew has donated their safety incentive to the family of CHIPS' deceased foreman, and remaining should go out to the Yosemite and Washoe Crew by next week, waiting for Craig Christensen to allocate bonuses for Washoe crew.

Possible Board action on Community Vision Line of Credit term sheet: Term sheet would commit CHIPS to an application fee of .25% of the loan amount (\$750) and an expense deposit (\$3,000) (both pay up front), an additional 2.5% of 80% of loan (\$6,000) for loan guarantee, and a 2% of loan for commitment and closing fee. The estimated total fees are \$15,750, and the interest rate is 6.75% fixed. It was suggested that these fees would have to be paid in other ways- through admin overhead in other grants or take it out of general operating fund.

It was asked what is the timing for the necessity of this loan. It was noted that the CAL FIRE grant has no retention, but CHIPS' SNC grants have a 10% retainer, including an SNC \$800,000 grant to be completed around February 2022, and SNC 1214 (View 88) which won't be an issue until next year. The immediate issue is WCB grant – will not give any more advances for CHIPS crews, and contractors for mechanical and hand work. CHIPS have included a 60-day reimbursement window in contracts, but even with that it may be difficult to pay contractors and crews, and no cash flow. It was suggested that the board and ED continue researching after the board sees the May cash flow and will know by the next Board meeting whether they will apply for the loan.

It was also noted that Community Vision requires two years of cash flow projections. It was discussed that \$15,000 in fees is a lot, but it was also noted that CHIPS don't have the reserves to not have a loan.

It was suggested that CHIPS explores other opportunities and also research the term sheet more, but the group will look at the projections and may decide to call a special board meeting in a couple of weeks to make a decision on the Community Vision loan. There was a motion to table and to authorize the ED to conduct further research and will represent to the board and any alternatives to that loan and updated 2-year cash flow and work with Community Vision on their projections and how to deal with advances.

It was also mentioned that CHIPS is projected to received \$200,000+ from Phoenix Energy once they have financing, but due to permitting issues with county those funds are not available to CHIPS yet. Steve will reach out to the county.

Motion to table possible board action on Community Vision term sheet passed unanimously.

Executive Director Report



Regine started by noting that the State of California now requires employers to offer their own retirement savings program or that of CalSavers. At the end of June 2021, there is deadline for businesses that have 50+ employees, and by June 2022, businesses with 5-50 will have to comply with state law. It was noted that CHIPS has 58 employees currently, which includes seasonal crews (used payroll allocations to come up with the number). There is no apparent demarcation between seasonal and full-time employees for the CalSavers program, but BBSI will be sending CHIPS more information about the specifics. It was noted that BBSI offers an alternative program that meets state requirements through Merrill Lynch, and CHIPS could have access to that program with no fee to CHIPS. Also noted that fees are paid by employees that participate in the CalSavers program or the program through BBSI. It was noted that in the past CHIPS looked into deferred compensation program, but a certain percentage of the workforce had to enroll which was not possible at the time. It was agreed that it was important to look into these programs and what the options are for CHIPS employees, including looking into a deferred comp program.

Washoe Crew has been working on the Wildlife Conservation Board (WCB) Upper Mokelumne Forest Restoration grant in the vicinity of Bear Reservoir doing roadside thinning work. Looking ahead to building aspen stand fences as part of aspen restoration treatments.

Under the SNC 952 Intertribal Stewardship Workforce Initiative grant, Greenville Rancheria conducted the basic firefighter training for the Chico Crew this past month, believed to have 13 people go through the training, of which, 11 are now certified. Working with Bureau of Indian Affairs to have them be the certifying agency for the Chico Crew, so the crews can earn their Red Card and can begin to gain operational fire experience with federal agencies. Putting in place a S2-12 wildland chainsaw fire training, which every sawyer that must be certified for to work under any of CHIPS federal agreements. It's been a challenge to get trainers because they are already fighting wildfires.

See the Executive Director report for information on the South Fork Mokelumne projects.

The CAL FIRE Arnold Avery Hazardous Fuel Reduction and Fuel Break Maintenance project contracts are being drafted, and most are anticipated to be executed in the next month. Work is expected to begin mid-June or July.

Currently an RFP that is being solicited for PG&E vegetation management project working along Tiger Creek reservoir that connects Lily Gap FB to a FB in Amador Co.

CHIPS ED is revisiting participating and cooperative agreements with Yosemite NP, Lake Tahoe Basin Management Unit, and Stanislaus NF to identify timing and scope of work for crews under these various agreements in this field season. Work in Yosemite is slated to begin June 1 for the restoration crew through September, and for the sawyer crew will extend through first three weeks of January 2022. Work on LTBMU is expected to begin June 14. Work on the Stanislaus NF is pending, need to do more coordination with the field operations.



See the May Executive Director Report for a full list of items.

There was question from Sam Simmons to Regine Miller about how crews will be distributed between the WCB project and the LTBMU work. Regine responded that CHIPS will be inquiring whether any former Washoe Crew members will be continuing work with CHIPS this year. Looking at flexibility to move crews around. It was noted that there is a need to expand the workforce, but it would be best to move crews between projects.

Forestry Fellow Report

Craig Christensen went over his report for the period from 4/21/21-5/18/21.

- Planning and coordinating crews and vehicles for Oakhurst with Steve.
- Participated in Bureau of Land Management Fire Refresher Training and CPR/First Aid/Blood pathogens training, Arduous Pack Test this Friday, All for continued pathway to secure Fire Fighter type II Red Card for future fire related Chips endeavors.
- Conducted employee evaluation sheet for each Washoe crew member as well as updating employee tracker sheet.
- Coordinating vehicle transfers for maintenance and weekly crew supply drops with Dave Brant.
- Groomed and instructed crew member who is now Foreman I for the Washoe Crew.
- Directed and led the start of WCB project as well as communicating project information and additional crew members to View 88 project.
- Trained and instructed crew members to fill out their timesheets, mileage logs, sign in sheets. Instructed and implemented detailed fuel regiment.
- Participated with Yosemite and Big Sandy crews on Fuel's reduction project in Oakhurst. Senior Sawyers and I fell large Hazard Trees in various stages of decay in the Oakhurst worksite to allow crews to complete work safely. As well as fell large hazard trees around and off of structures while navigating multiple powerlines, other structures and natural gas equipment in very close proximity to each other at the facility of our lodging.
- Tracking acreage for WCB work progression.
- Building clearer communications between El Dorado Forestry staff.
- Working on detailed medical plans for WCB project because of remoteness.
- Networking to obtain instructors capable of certifying crews in basic saw operation that is needed to operate a saw in the forest environment legitimately.
- Conducted major vehicle repair in the field successfully.
- Devising process to successfully complete Aspen Stand fencing project currently.
- As well as developing Chainsaw Safety Program document for Yosemite's 2021 field season in the park.



- Working tirelessly to ensure all parties involved with CHIPS are receiving unilateral accurate and real time field operations information to make concise and informed decisions for the benefit of the employees, leadership, administration, and partners.
- And most of all the Earth and Environment.

It was noted that Craig has shown flexibility in terms of field work and projects, and doing administrative functions, as well. It was added that the new foreman was a wise personnel decision.

Field Operations Report

West Point – is completing private work by end of May 2021, and ending \$500 payments to contractor for D-49 at the board’s direction effective June 1st, 2021. There no private contracts planned for the month of June. Crews started under the View 88 SPA agreement with the Forest Service, including some chipping but also lop and scatter. Interviews for new sawyers were conducted today, and those two new hires are certified and start tomorrow, which will allow the West Point Crew to have their 7-10 crew member roster.

Washoe-Woodfords – working on the WCB project and getting ready to work in Lake Tahoe Basin Management Unit (LTBMU), which will require recruitment to have full crews for both areas. It was mentioned that the crew was working as a team, efficient and complete work, and have moved from bottom of project to up the hill, with nothing left behind, which was mentioned that that is because the crew has the equipment they need and look organized.

Yosemite – The veg crews start on June 1 in the valley, and the sawyer crew is looking for more people and is booked from June 1 through December all over Yosemite, including the valley, in and outside of the park near Wawona and the Mariposa Grove. Free housing was negotiated for as many as 20 people, including Big Sandy, Yosemite and Washoe crews, through December in exchange for clean-up at the host campsite. It was noted that the crews have been doing outstanding work on the Yosemite Sequoia Resource Conservation & Development Council (YSRC&DC) project, including burn piles/burning, chipping and sending firewood to tribal families. But because of conditions, the constructed piles will have to be chipped. Sierra Foothill Conservancy has a grant in December 2021 helping to create a river walk in the town of Mariposa; CHIPS will be walking that project next Wednesday to be able to provide a bid. It was noted that the Big Sandy saw crew is outstanding.

Chico – The town of Concow wants traditional ecological knowledge (TEK) as part of their fire recovery efforts. The Chico-Mechoopda crew will be implementing the project, but CHIPS has not signed a contract yet. CHIPS has negotiate three projects with Collins Pine including a California Forest Incentive Program (CFOP) project which is mostly meadow restoration and tree removal on 140 acres. The crew has nearly completed additional work in Magalia under the Butte FSC. The City of Chico Parks and Recreation has requested the crew for the winter.

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Melisa Wilson (said in Zoom chat) - shared the West Point crew has been working View 88 and private land contracts. Todd Lewis will be filling in while Melisa is out at training.

Closed Session

The Board discussed personnel issues in closed session, and assigned the Board Chair, two additional Board members and the Executive Director related tasks.

Next Meeting

The next Board meeting is set for June 9, 5:30pm

Minutes approved by:

Donna Vial
CHIPS Board Secretary

Date