

California Tahoe Conservancy
Agenda Item 2
March 21, 2013

**BOARD MEETING MINUTES
December 14, 2012**

The Board convened at the Lake Tahoe Community College in South Lake Tahoe, California. Chairman Sevison called the meeting to order at 9:37 a.m.

1. Roll Call

Diane Niland of the staff called the roll. Chairman Larry Sevison, Vice Chairman John Hooper and Board members Lynn Suter, Nancy Gibson, Norma Santiago, and Todd Ferrara, designee for Natural Resources Agency were also present. Pedro Reyes, designee for Department of Finance was absent. Angela Swanson was not present for roll call, but joined the meeting at 10:30 a.m.

2. Approval of Minutes

The minutes were approved on a voice vote.

3. Chairman's Report

Chairman Larry Sevison expressed his appreciation for efforts on the Regional Plan Update.

4. Deputy Attorney General's Report

Deputy Attorney General Marian Moe had no report.

5. Executive Director's Report and Major Projects Update

Executive Director Patrick Wright presented the report. He stated that the Governor's budget is expected in January and there should be no surprises from the Conservancy's perspective. Bond funds are dwindling; however, the agency has vacancies but will not fill all of them. Staff is working aggressively in Sacramento to be sure the agency is a part of any new funds that become available. The Water Bond remains uncertain. With respect to Cap and Trade money, the Conservancy is working with the other conservancies. A retreat is planned for January 2013 to discuss better coordination with respect to climate change and sustainability. With the passage of Proposition 30 some of the previously anticipated cuts are no longer a concern. Also, with the passage of the Regional Plan the Basin should find greater ease to make the case that the Basin is speaking with one voice. It is hopeful the Regional Plan Update (RPU) will open doors to greater funding.

On the federal side, the Lake Tahoe Restoration Act may be reintroduced, albeit reduced, by Senator Dianne Feinstein when congress reconvenes in January 2013. Mr. Wright hopes this may be another source of funding.

Penny Stewart presented the Upper Truckee River (UTR) Workshop and Upper Truckee Marsh (UTM) EIR Update. The environmental document on the Upper Truckee Marsh will be released in late January or early February. The UTR Workshop, previously mentioned at the June 2012 Board meeting, is being developed collaboratively with the U.S. Forest Service, State Parks, City of South Lake Tahoe, and the Conservancy. All are major land owners. Maureen McCarthy from the Tahoe Science Consortium is also involved with the planning effort. The workshop event is targeted for late April or early May.

Norma Santiago asked Ms. Stewart who the panelists for the workshop will be. Penny stated that Ms. McCarthy will oversee that portion of the planning effort. She also explained that panelists will not be people who have an involvement in any of the projects due to potential for bias. Suggestions for panelists will be forwarded to Ms. McCarthy.

Todd Ferrara supported the panelist selection criteria. He asked for information on public outreach. Ms. Stewart stated there will be public outreach as soon as the date is set. She also stated that the workshop will be open to the general public, stakeholders, consultants, and any interested party. During one portion of the workshop, discussion may be limited to the panelists and project proponents. This is to facilitate important education for the panelists by project proponents in order to make the discussions more efficient and fruitful. There will be ample time for questions and answers for interested parties.

Lynn Suter asked what the workshop coordinators hope to achieve with the event. Ms. Stewart stated the coordinators hope to get the response and recommendation of the panel to specific questions pertaining to environmental resiliency and adaptation to climate change.

Bruce Eisner presented the Asset Lands Update to bring the Board up to date on Conservancy asset lands status. He reminded the Board of the three main asset lands criteria. He also discussed the six categories of elective criteria stated in the Guidelines. Conservancy asset lands now number approximately 332 parcels. For discussion purposes, Mr. Eisner suggested a modification to the Guidelines may be in order. Currently the Guidelines require and permit only a competitive bid process for the potential sale of any lands. Potentially, in combination with the competitive bid process, a more traditional sale process may be beneficially included. This would allow for more flexibility following the competitive bid process. It would also allow the agency to meet its objectives and remain compliant with State policies.

Patrick Wright elaborated on the context of Mr. Eisner's suggested modification. He emphasized encouraging redevelopment of open space parcels that were not purchased for environmental purposes in areas such as the Y. The second category includes areas where the Conservancy can clearly achieve its purposes without State ownership. For the vast majority of parcels, particularly in neighborhoods where residents believe the parcels will stay in State ownership, the agency has no intent to consider putting those up for sale.

Chairman Sevison expressed concern over this issue while developing the Regional Plan. He also mentioned the Conservancy-owned property at the Alpine Meadows Ski Area. He stated zoning for that property will never change and perhaps the agency might consider pros and cons of private ownership. This might provide cash for more important projects while reducing the workload of the agency. Mr. Eisner reminded the Board that the Alpine property is a strategic asset and it does generate annual revenue. Chairman Sevison thanked Mr. Eisner for the clarification.

Todd Ferrara asked Mr. Eisner to remind the Board how the minimum price for land sales is established. Mr. Eisner explained that fair market value, the agency's investment, and appraisals are all taken into consideration. A minimum bid is established upon these criteria. Occasionally, the agency also consults with the local real estate community.

Ms. Suter asked, and Mr. Eisner explained what he meant by "exploring more traditional real estate methods." Deputy Attorney General, Marian Moe, recommended the Board make this an agenda item for a subsequent Board meeting. Chairman Sevison recommended it be researched by Staff prior to bringing it before the Board.

Vice Chairman Hooper agreed with Mr. Wright, noting that sealed bids and advance notice of the dates could quell public apprehension of this process.

Nancy Gibson requested information regarding the adjacency of the parcels, more specifically, the process for contacting adjacent property owners about the investments of the City of South Lake Tahoe (City) and the U.S. Forest Service (USFS) have made on projects such as erosion control where the project function may be affected by the adjacent properties. She expressed concern for potentially negative aspects of change with respect to the functionality of the projects already in place. She recommended assessment or analysis to ensure the investments are not jeopardized. Mr. Eisner stated there would first be a public notice. If a sale recommendation results, the Board would have to authorize the sale. Mr. Eisner recommended a more robust public notice effort if many properties are affected by the sale.

At 10:30 a.m. Chairman Sevison noted for the record that Angela Swanson had arrived.

Ms. Santiago asked for future discussion on how the Asset Lands Program melds with Land Bank objectives. Mr. Eisner suggested Ms. Santiago's question would be addressed in Agenda Item 7, shortly.

Ms. Swanson commented that the environmental community has concerns regarding the Asset Lands program. She stated the agency should be conservative but the agency does have high capability lands that have benefitted the City earlier in the year. This created opportunity to do vital environmental work and put development where it belongs. She thanked the agency for taking this approach. It made for a more strategic approach for the City and allows a more thoughtful direction forward.

Chairman Sevison and Vice Chairman Hooper concurred with Ms. Swanson's comments and emphasized the positive nature of the approach taken by the agency. Vice Chairman Hooper also asked whether there are special groups or individuals the agency should be reaching out to in order to allay any fears or apprehension.

Mr. Wright assured the Board that partner agencies have been contacted and that the effort toward awareness is ongoing.

Chairman Sevison suggested a series of news articles as a form of outreach on both the north and south shores of the lake.

Mr. Eisner stated the agency has attempted in as many ways as possible to educate the public, including a variety of emails to individuals who expressed concerns. Ms. Swanson expressed appreciation and support for these efforts.

Patrick Wright introduced Sarah Buck from the Tahoe-Baikal Institute (TBI). Ms. Buck gave an update on TBI's 2012 activities. She thanked the Conservancy Board and staff for their support. The Board thanked her for her enthusiastic presentation.

Chairman Sevison stated he had been a delegate to go to Baikal years ago. He asked Ms. Buck if she could give examples of completed projects that have been a result of the

Summer Environmental Exchange (SEE) program. He specifically referenced a project involving a pulp and paper mill on Baikal which Ms. Buck stated had been shut down but now reopened. She indicated there is an ongoing effort to close the mill again and find an economic replacement for it because the town of Baikal was originally built around the paper mill. When the mill closed, it left the population depressed. Economic efforts are focused on ecotourism while development is closely scrutinized to protect the environment and endangered species.

Vice Chairman Hooper thanked Ms. Buck for her involvement and good work with TBI. He asked Ms. Buck whether other lakes and the people representing them might become part of the TBI's picture in the future. Ms. Buck responded that TBI hopes to include a lake in China that is very similar to Tahoe and Baikal. There is also talk of a similar but unrelated exchange program being established at a lake in Guatemala.

After discussion among the Board and Executive staff regarding timing of public comments, Chairman Severson asked members of the public to comment at this time.

6. Public Comment

Lynn Paulson of the Washoe Meadows community expressed her concerns regarding the basis and timeline for the Upper Truckee River Restoration project. She encouraged a process-based restoration and a more aggressive timeline.

Les Wright, a 48 year resident of Lake Tahoe and a member of the Park and Recreation commission for the City of South Lake Tahoe stated he has two projects to comment on. He would like to see a boardwalk with a couple access points crossing the Upper Truckee River and Barton Meadow. He would also like to see a bike path/boardwalk from Venice Avenue to the end of Pope Beach.

Jeremy Thomas, in support of Ms. Paulson's comments, recommended finding a more effective geomorphic approach to the Upper Truckee restoration and golf course reconfiguration project. He stated he is a big proponent of the project.

Mr. Thomas also commented on the proposed UTR Workshop and recommended establishing a technical advisory committee to oversee the more comprehensive and long-term vision for the implementation of the restoration projects.

Nancy Gibson, USFS, thanked Mr. Thomas for his comments. She asked Mr. Thomas to consider giving project particulars for each project referenced. Mr. Thomas' response was inaudible.

Chairman Severson closed the public comment period and called for a five minute break.

7. Information Items

Regional Plan Update

The Tahoe Regional Planning Agency adopted the new regional Plan on December 12, 2012. A summary of key provisions related to Conservancy programs and projects was presented by Bruce Eisner of the staff following Item 10 on the agenda. No action was taken.

The Board agreed to discuss this item following Item 10.

Following Item 10, Deputy Director Ray Lacey introduced Julie Regan, Chief of External Affairs with Tahoe Regional Planning Agency (TRPA). Ms. Regan thanked the Conservancy for the years of support on the Regional Plan Update. She specifically thanked Todd Ferrara and Natural Resources Agency for their efforts with the bi-state process, as well as numerous staff and others for their efforts to move the plan forward to successful completion.

Executive Director Patrick Wright, Deputy Director Ray Lacey, and Bruce Eisner addressed the Board in a panel discussion on the Regional Plan Update. Mr. Eisner provided an update on key provision details of the plan related to Conservancy programs and projects, specifically the Conservancy's land coverage ownership, Land Bank inventory, and the allocation process.

Mr. Wright stated there is a specific public concern as to whether there are constraints in the Regional Plan to prevent the Conservancy from using our inventory for development. Mr. Eisner responded that the Conservancy's potential coverage can not be used for commercial development.

Mr. Wright stated the Conservancy receives excess coverage mitigation fees from those who want to redevelop. The follow-up question is how these recovered fees are reinvested. Under the TRPA rules, the agency has an obligation to mitigate for the proposed development or the previous excess coverage. The agency will work with TRPA to improve the effectiveness of these rules. The Conservancy wants to shift the program from using the fees to buy potential coverage (less expensive) to having the flexibility to buy the most environmentally beneficial coverage possible regardless of hydrologic areas. Potential coverage does not provide the same level of benefit as hard and soft coverage.

Another public concern is the number of Conservancy-owned development rights and whether there is potential to use those development rights to spur development beyond what is anticipated in the Regional Plan? Mr. Eisner stated the answer is no because TRPA rules require one to have an allocation as well. The Regional Plan places a strict limit on the quantity of allowable allocations, both annually and in total. Mr. Eisner clarified that, while it is largely true that a residential parcel of land comes with a development right, the same is not true of commercial parcels. In addition to the strict limits, there is virtually no need for development rights. The need arises mostly in cases of multi-family developments which are restricted to certain areas. The Conservancy owns thousands of development rights but the potential for those rights to be used for unanticipated development is minimal or non-existent because of the Regional Plan's strict limits.

Chairman Severson further addressed the Regional Plan's prohibition on subdivisions. He reiterated there is little to no opportunity to use the development rights.

Mr. Wright stated that in the process of developing the Regional Plan, everyone has been reminded that the Land Bank does exist. The common perception of the Conservancy's role is to acquire land in perpetuity. But the Land Bank also exists, in

part, to facilitate development consistent with TRPA rules. The Conservancy has facilitated and streamlined thousands of conforming development projects around the lake. The agency plans to increase efforts to educate the public on how the program works and what the benefits are.

Chairman Severson complimented Mr. Eisner on his presentation stating it is complicated and difficult to follow.

8. Consent Items

Environmentally Sensitive Lands

The Board considered authorization of \$38,000 plus related closing costs for the purchase of two environmentally sensitive parcels located in Mountain View Estates and Woodvista subdivisions in El Dorado and Placer counties. (Resolution 12-12-01)

There was no discussion. The Board moved, seconded, and passed the consent item on a voice vote.

9. Watersheds

Soil Erosion Control Grants to El Dorado County

The Board considered the authorization to award three site improvement grants to El Dorado County for the Forest View Water Quality Improvement Project, County Service Area 5 Erosion Control Project Phase A, and Golden Bear Erosion Control Project. (Resolution 12-12-02)

Mark Sedlock presented Item 9. Due to the large balance remaining in the Angora III Erosion Control Project funding due to cost savings and reduction in big construction costs at the time, El Dorado County (County) requested three high priority site improvement grants: Forest View (\$400,000), County Service Area 5, Phase A (\$395,000), and Golden Bear Erosion Control (\$225,000). The three projects are part of the Environmental Improvement Program (EIP). Completion of these projects is integral to

the County's pollutant load reduction strategy and is expected to be completed by the Fall of 2014. A lake clarity credit of 63 points is anticipated.

Mr. Sedlock recommended the Board adopt Resolution 12-12-02, making the necessary environmental findings and authorizing the redirection of \$1,020,000 from the Angora III Erosion Control Project towards construction of the Forest View Water Quality Project, the County Service Area 5, Phase A Erosion Control Project; and the Golden Bear Erosion Control Project.

Chairman Severson commented that he would like to include some of these projects in a future Board tour.

Ms. Santiago shared her appreciation for the tremendous stewardship of the Basin provided by the commitment of Conservancy and El Dorado County staff.

Ms. Suter complimented the staff on the project, as did Ms. Swanson. Ms. Swanson asked whether financial flexibility should be built in for broader ability to keep the projects moving forward. Chairman Severson stated he believes the Board has consistently been flexible dealing with project-specific finance circumstances.

Ms. Suter moved approval of Agenda Item 9. The motion was seconded and carried on a voice vote following comments from Dan Kikkert, El Dorado County, Department of Transportation. Mr. Kikkert expressed his appreciation on behalf of his team for the approval to use these funds in a way that the team believe is very effective.

10. Recreation and Access

Dollar Creek Shared-Use Trail Easement

**The Board considered authorization to grant an easement to Placer County for construction, improvements, operations, monitoring, and maintenance associated with implementation of the Dollar Creek Shared-Use Trail Project.
(Resolution 12-12-03)**

Lisa O'Daly presented the easement request to the Board. She emphasized the Conservancy's decision to be made today is whether to grant an easement to Placer County for the trail alignment while the land is still owned by the Conservancy. State Parks supports the granting of a legal easement across the Dollar property for the trail and its long-term maintenance. Placer County released its environmental document in June 2012 for public review and comment. The Placer County Board of Supervisors, on October 23rd, certified the environmental document and made decisions consistent with the Planning Commission's recommendations. Ms. O'Daly reiterated the Board's decision today is whether to grant the proposed easement across the state lands (six parcels). She proposed the Board adopt Resolution 12-12-03.

Ms. Santiago moved the granting of the easement as stated in Resolution 12-12-03.
Mr. Ferrara seconded the motion.

Chairman Severson asked for public comment on the item. Seeing none, the motion was passed on a voice vote.

Chairman Severson redirected discussion to Agenda Item 7, Regional Plan Update, as previously recommended.

11. Public Comment

There was no further public comment.

12. Board Member Comment

Ms. Suter stated all presenters did a stellar job today.

Vice Chairman Hooper recommended that the Board do a performance evaluation of Executive Director Patrick Wright to provide periodic feedback. He suggested this be included in a 2013 work plan. Chairman Severson concurred. Mr. Ferrara offered to provide guidelines and policies relative to this suggestion.

Nancy Gibson thanked staff for their exceptional work throughout the year. She complimented the presenters for their crisp, clean presentations and for the pre-work

that went into developing them. Ms. Gibson specifically thanked Sarah Buck for her excellent work with Tahoe-Baikal Institute and her forward-thinking efforts for youth program development, understanding environmental education, conservation, and moving toward the future. She encouraged Ms. Buck to continue her work and not allow these valuable programs to slip away.

Ms. Santiago encouraged the Board and staff to focus on the implementation of the Regional Plan. She affirmed her belief in the economic, environmental, and social benefits of implementing the plan. Ms. Santiago also thanked the staff for the great Christmas party.

Ms. Swanson thanked staff who attended the City Council meeting last week. She also congratulated all who participated in the Regional Plan efforts. Ms. Swanson expressed her appreciation for the hard work of Mayor Claire Fortier who stepped down from the Council this morning.

Chairman Sevison “seconded” the great time had by all at the Christmas party. He also thanked agency staff for their hard work throughout the year.

Ray Lacey thanked Mr. Eisner for his continuing support and his efforts on behalf of the Conservancy. He then addressed the 2013 Board meeting schedule. The meetings will continue on a quarterly schedule, third Thursdays in March, June, and September. December requires some further confirmation and will be addressed at a later date. He asked all Board members to note the dates on their calendar.

Vice Chairman Hooper stated he suspects that there will be a great deal of interest in the Upper Truckee Workshop. He suggested that the dates for the workshop be scheduled as soon as possible for the benefit of all who desire to attend.

Chairman Sevison thanked everyone and wished all a happy holiday.

13. Adjournment

Chairman Sevison adjourned the meeting at 12:40 p.m.

California Tahoe Conservancy
Resolution

Adopted: March 21, 2013

APPROVAL OF MINUTES

I hereby certify that the foregoing is a true and correct copy of the minutes of the December 14, 2012 meeting of the California Tahoe Conservancy adopted on March 21, 2013.

IN WITNESS THEREOF, I have hereunto set my hand this 21st day of March, 2013.

Patrick Wright
Executive Director