

**MEYERS STREAM ENVIRONMENT ZONE
AND EROSION CONTROL PROJECT**

Recommended Action: Adopt Resolution 16-09-04 (Attachment 1) authorizing up to \$1,100,000 for a Proposition 1 implementation grant and a long-term license agreement on 19 California Tahoe Conservancy (Conservancy) parcels to El Dorado County in support of the Meyers Stream Environment Zone and Erosion Control Project (Project).

Location: The Project is located in the Meyers Community of El Dorado County in the Lake Tahoe Basin. The Project area is bounded by the Upper Truckee River to the west and Lake Tahoe Golf Course to the northwest, U.S. Highway 50 to the south, and Pioneer Trail to the east. The long-term license agreement includes 19 Conservancy parcels within the Project area (El Dorado County Assessor Parcel Numbers 033-582-05, 033-601-04, 033-602-03, 033-603-01 to 03, 033-603-06, 033-611-01, 034-020-24, 034-215-08, 034-221-14, 034-221-16, 034-270-39, 034-401-03, 034-401-15, 034-401-22, 034-402-02, 034-791-01, and 034-802-01) (Attachment 2).

Fiscal Summary: Staff recommends up to \$1,100,000 in Proposition 1 funding for award at this time. The proposed license agreement does not involve any receipt of funds by the Conservancy, and it will result in minor incidental staff costs related to the preparation and processing of the agreement.

Overview

Description of Recommended Action

Staff recommends the Board authorize a grant to El Dorado County (County) for construction of the Project. The County will use the recommended funding to complete final design, construction, and monitoring.

Staff also recommends that the Board authorize a long-term license agreement on 19 Conservancy parcels to facilitate implementation of the Project. The proposed license agreement will provide the County with access rights to construct, operate, and maintain stream environment zone (SEZ) and water quality improvements.

The Project will result in ecosystem and watershed benefits while also improving water quality discharging to the Upper Truckee River and Lake Tahoe. The County will reconnect Meyers Creek to its floodplain, restoring approximately nine acres of SEZ along U.S. Highway 50. By increasing flows to the meadow, the Project will enhance riparian and wildlife habitats, increase groundwater recharge, improve water quality, and sequester carbon. The County will also improve water quality by stabilizing eroding channels, and by installing infiltration basins and swales, and flow spreading devices. The County will construct improvements within the County right-of-way and on parcels owned by the Conservancy and U. S. Forest Service, Lake Tahoe Basin Management Unit (LTBMU).

Staff intends to enter into a Proposition 1 implementation grant agreement and a license agreement with the County in the fall/winter of 2016.

History

In the 1960s, the County channelized Meyers Creek into a drainage ditch at the edge of a meadow to accommodate future development of the Meyers Community. The drainage ditch conveys surface water away from commercially zoned parcels along Santa Fe Road and the U.S. Highway 50 frontage. The ditch disconnects Meyers Creek from its floodplain, drying out the meadow and negatively affecting riparian vegetation, wildlife habitat, and water quality. The parcels zoned for commercial development in this area are unsuitable for building sites due to site conditions and environmental regulations. The Conservancy purchased the environmentally sensitive meadow parcels for open space, water quality, and resource protection.

County staff plans their environmental improvement projects with active agency and stakeholder participation. In February of 2016, the County released a feasibility study and preferred alternative report documenting existing conditions, potential Project alternatives, and alternatives evaluation. The County also held a public meeting at that time, and the Project received broad support. The County anticipates constructing the Project in 2017. Post-construction monitoring activities to document the Project benefits will continue into 2019.

Financing

In fall of 2015, the County applied for Project funding from the Conservancy's competitive Proposition 1 grant program. An External Review Team (External Team) individually scored the Proposition 1 applications based on the evaluation criteria in the Conservancy's Proposition 1 Guidelines. These criteria included project benefits/State priorities, readiness/feasibility, leveraged funding, innovation and science, organizational capacity, and public and stakeholder support. Conservancy staff compiled the External Team's individual scores, and the External Team met on January 15, 2016 to discuss the scoring and develop funding recommendations. The External Team recommended the Project for funding, but also noted that the Project is eligible for other funding sources and that a partial award may be appropriate.

In March of 2016, the Board authorized seven Proposition 1 grants for high priority planning, acquisition, and implementation efforts. At that time, staff notified the Board that three additional projects, including this Project, ranked highly but were not ready for Board review or approval because they had not completed the required environmental review under the California Environmental Quality Act (CEQA) or provided other supplemental information. The County has since completed the CEQA process.

The County succeeded in securing \$1,394,454 in Project funding from other sources as shown in the table below, and with this grant, adequate funding will be available to complete the entire Project.

Other Project Funding

Funding Source	Planning	Construction
LTBMU	\$400,000	\$662,000
Tahoe Regional Planning Agency SEZ Mitigation Funds	\$208,728	\$100,000
Conservancy's Lease Revenue	\$23,726	0
Totals	\$632,454	\$762,000

Proposed Grant Budget

Staff recommends the grant budget as shown below. The budget may be adjusted between line items, but total expenditures under this grant will not exceed \$1,100,000.

Design and Administration	\$145,000
Construction Administration	\$285,000
Construction	\$508,000
Monitoring	\$25,000
Contingency	\$137,000
Total	\$1,100,000

Authority

Consistency with the Conservancy’s Enabling Legislation

Implementation of this Project is consistent with the Conservancy’s enabling Legislation (Government Code Title 7.42). Specifically, section 66907.7 authorizes the Conservancy to award grants to local public agencies for purposes consistent with its mission.

Section 66907.8 authorizes the Conservancy to lease, rent, or otherwise transfer, including through license agreements, any real property interest to fulfill its purposes of protecting the natural environment and promoting State planning priorities. Section 66907.9 authorizes the Conservancy to initiate, negotiate, and participate in agreements for the management of land under its ownership or control with local public agencies.

Consistency with the Conservancy’s Strategic Plan

The recommended action is consistent with the Strategic Plan because it would invest in a high priority conservation Environmental Improvement Program (EIP) project (Strategy II). In addition, the recommended license for use of Conservancy land for Project improvements facilitates the efficient management of Conservancy land (Strategy III).

Consistency with the Conservancy’s Program Guidelines

The recommended action is consistent with the Conservancy’s Proposition 1 Grant Guidelines and Special Use Guidelines. The Project provides multiple benefits, meets State and regional priorities, and is consistent with the External Team’s recommendations. The action furthers the Conservancy’s overall agency and Lake Tahoe Acquisitions Bond Act purposes by allowing the County to construct and maintain Project infrastructure designed to improve water quality.

The Conservancy acquired the license agreement parcels under the Environmentally Sensitive Lands Acquisition Program for protection of the natural environment and the water quality improvements proposed on these parcels are consistent with protecting natural resources. The license agreement will contain standard language requiring contractor insurance, indemnification, and restoration of any damage to the Conservancy parcels. The County will be required to maintain the restoration and water quality improvements for 20 years after installation.

Consistency with External Authorities

The recommended action is consistent with the EIP because it completes implementation of EIP project # 01.01.01.0025.

Compliance with the California Environmental Quality Act (CEQA)

The County, acting as the lead agency, prepared an Initial Study (IS) and Mitigated Negative Declaration (MND) for the Meyers Stream Environment Zone and Erosion Control Project (Project) to comply with CEQA. The County adopted the MND on July 19, 2016, and filed a Notice of Determination (NOD) on July 22, 2016.

A copy of the IS and MND is provided to the Board on an attached CD and is available for public review at the El Dorado County Department of Transportation, 924 B Emerald Bay Road, South Lake Tahoe, CA 96150 (Attachment 3).

As a responsible agency, the Conservancy must consider the MND prepared by the County and reach its own conclusions on whether and how to approve the Project. Staff has reviewed the MND and believes that the Project is adequately analyzed in this document. Staff has determined that the Project, as mitigated, would not cause a significant effect on the environment. The mitigation measures for the Project are on pages 2-19 of the MND checklist and the Errata Sheet.

Staff recommends the Board review and consider the MND adopted by the County as lead agency, together with any comments received during the public review process; certify that it has independently considered and reached its own conclusions regarding the potential environmental effects of the Project; make the findings as set forth in the attached resolution; and authorize the Project. If the Board considers and concurs with the MND and authorizes the funding and license agreement, staff will file an NOD with the State Clearinghouse pursuant to CEQA Guidelines, section 15096. Attachment 4 contains the Conservancy's proposed NOD.

List of Attachments:

Attachment 1 – Resolution 16-09-04

Attachment 2 – Project Location Map

Attachment 3 – El Dorado County Mitigated Negative Declaration (on attached CD)

Attachment 4 – Conservancy’s Notice of Determination

Conservancy Staff Contact:

Mark Sedlock

mark.sedlock@tahoe.ca.gov

ATTACHMENT 1

California Tahoe Conservancy
Resolution
16-09-04

Adopted: September 15, 2016

MEYERS STREAM ENVIRONMENT ZONE AND EROSION CONTROL PROJECT

Staff recommends that the Conservancy make the following findings based on the accompanying staff report pursuant to Public Resources Code section 21000 et seq.:

“The California Tahoe Conservancy, in its role as a responsible agency under the California Environmental Quality Act, has reviewed and considered the Meyers Stream Environment Zone and Erosion Control Project (Project) Initial Study and Mitigated Negative Declaration (IS/MND) certified by El Dorado County on July 19, 2016.

The Conservancy finds, on the basis of the whole record before it, that there is no substantial evidence that the Project, as mitigated, will have a significant effect on the environment. The Conservancy incorporates the mitigation measures described in the MND as a condition for approval of the project. The Conservancy hereby directs staff to file a Notice of Determination with the State Clearinghouse for this Project.”

Staff further recommends that the Conservancy adopt the following resolution pursuant to Government Code sections 66907.7, 66907.8, and 66907.9:

“The California Tahoe Conservancy hereby authorizes staff to award a Proposition 1 implementation grant in the amount up to \$1,100,000 to El Dorado County for the Meyers Stream Environment Zone and Erosion Control Project; enter into a long-term license agreement with El Dorado County, over portions of El Dorado County Assessor Parcel Numbers 033-582-05, 033-601-04, 033-602-03, 033-603-01 to 03, 033-603-06, 033-611-01, 034-020-24, 034-215-08, 034-221-14, 034-221-16, 034-270-39, 034-401-03, 034-401-15, 034-401-22, 034-402-02, 034-791-01,

and 034-802-01; and take all other necessary steps consistent with the accompanying staff recommendation.”

I hereby certify that the foregoing is a true and correct copy of the resolution duly and regularly adopted by the California Tahoe Conservancy at a meeting thereof held on the 15th day of September 2016.

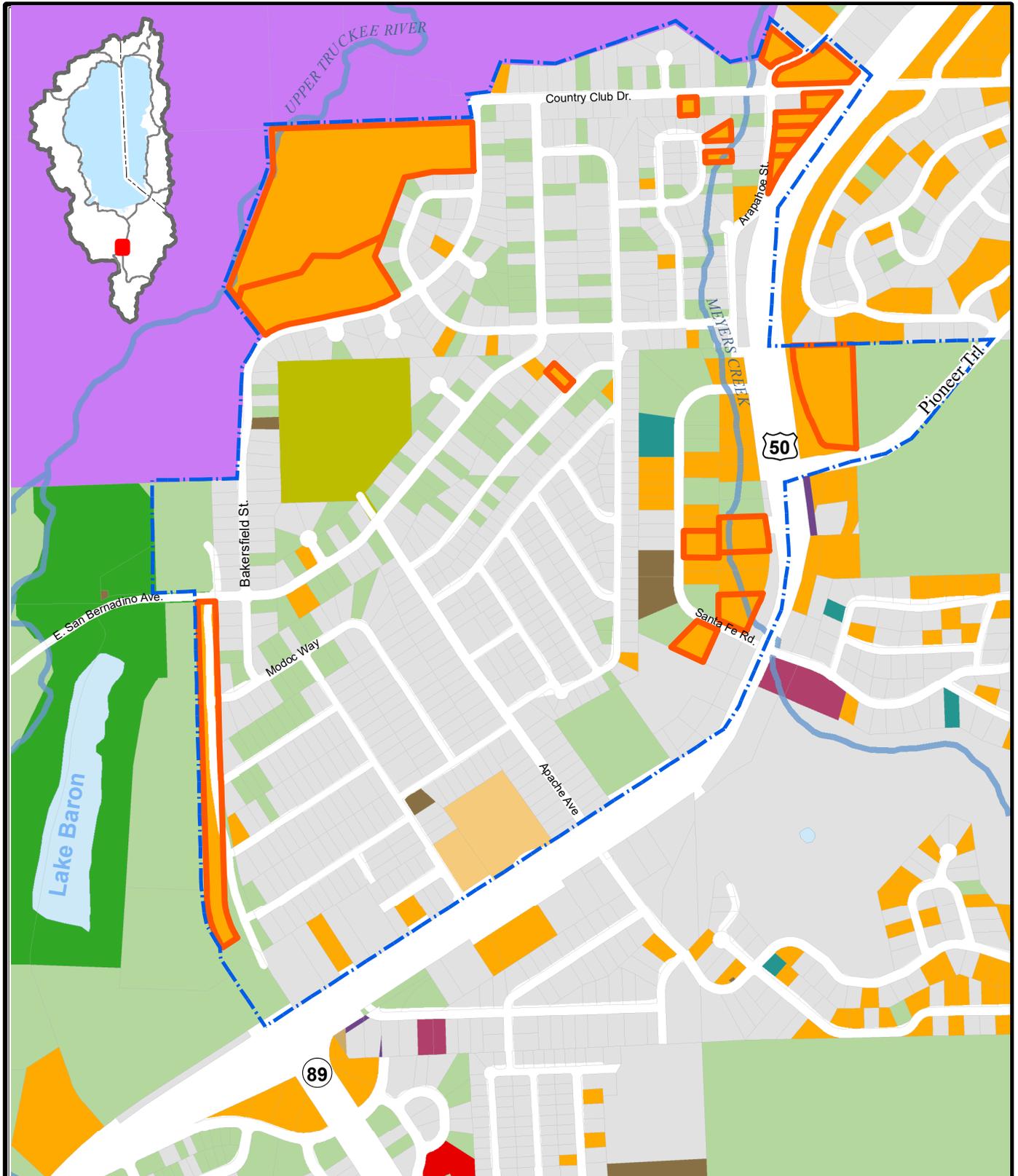
In WITNESS THEREOF, I have hereunto set my hand this 15th day of September 2016.

Patrick Wright
Executive Director

ATTACHMENT 2

Project Site

Meyers Stream Environmental Zone and Erosion Control Project

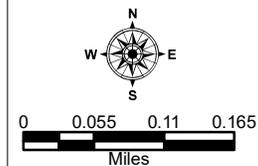


Proposed Items

- Proposed License Agreement Parcels
- Project Area

Ownership

- | | | |
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| <ul style="list-style-type: none"> CA Conservation Corps CA Highway Patrol CA Tahoe Conservancy CA Dept of Parks and Recreation CA Dept of Transportation | <ul style="list-style-type: none"> El Dorado County Lake Tahoe Unified School District Lake Valley Fire Protection District Private South Tahoe Public Utility District | <ul style="list-style-type: none"> State of California Tahoe Paradise Resort Improvement District US Forest Service |
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Sources:
TRPA, CTC

California
Tahoe Conservancy



September 2016

*Map for reference purposes only.

ATTACHMENT 3

MEYERS STREAM ENVIRONMENT ZONE AND EROSION CONTROL PROJECT

El Dorado County Initial Study
Mitigated Negative Declaration and Errata Sheet
County's Notice of Determination

Department of Fish and Wildlife
Environmental Filling Fee Receipt

On attached CD

ATTACHMENT 4

NOTICE OF DETERMINATION

TO: Office of Planning and Research
1400 10th Street, Room 121
Sacramento, CA. 95814

FROM: California Tahoe Conservancy
1061 Third Street
South Lake Tahoe, CA. 96150

Subject:

The filing of a Notice of Determination in compliance with section 21108 of the Public Resources Code.

Project Title:

Meyers Stream Environment Zone and Erosion Control Project

State Clearinghouse Number:

2016032081

Contact Person:

Mark Sedlock

Telephone Number:

(530) 543-6048

Project Location:

The project is located in the Meyers Community of El Dorado County in the Lake Tahoe Basin. The project area's border is the Upper Truckee River to the west and Lake Tahoe Golf Course to the northwest, U.S. Highway 50 to the south, and Pioneer Trail to the east. License agreements are proposed on 19 Conservancy parcels (El Dorado County Assessor Parcel Numbers 033-582-05, 033-601-04, 033-602-03, 033-603-01 to 03, 033-603-06, 033-611-01, 034-020-24, 034-215-08, 034-221-14, 034-221-16, 034-270-39, 034-401-03, 034-401-15, 034-401-22, 034-402-02, 034-791-01, and 034-802-01) within the Meyers Stream Environment Zone and Erosion Control Project area in the Lake Tahoe Basin, as shown on the attached map (Exhibit 1).

Project Description:

The primary goal of the project is ecosystem and watershed management. El Dorado County intends to restore approximately nine acres of meadow habitat and stream environment zone along Santa Fe Road and U.S. Highway 50, in addition to reducing and treating storm water runoff from 5 miles of roadway in the subdivision before it reaches the Upper Truckee River and Lake Tahoe. The project proposes to stabilize eroding channels, install infiltration basins/swales, and flow spreading structures to restore ecosystem function of the meadow and improve water quality.

This is to advise that the California Tahoe Conservancy, acting as a responsible agency, has approved the above described project on September 15, 2016 [Agenda Item 7.c] and has made the following determinations regarding the above described project:

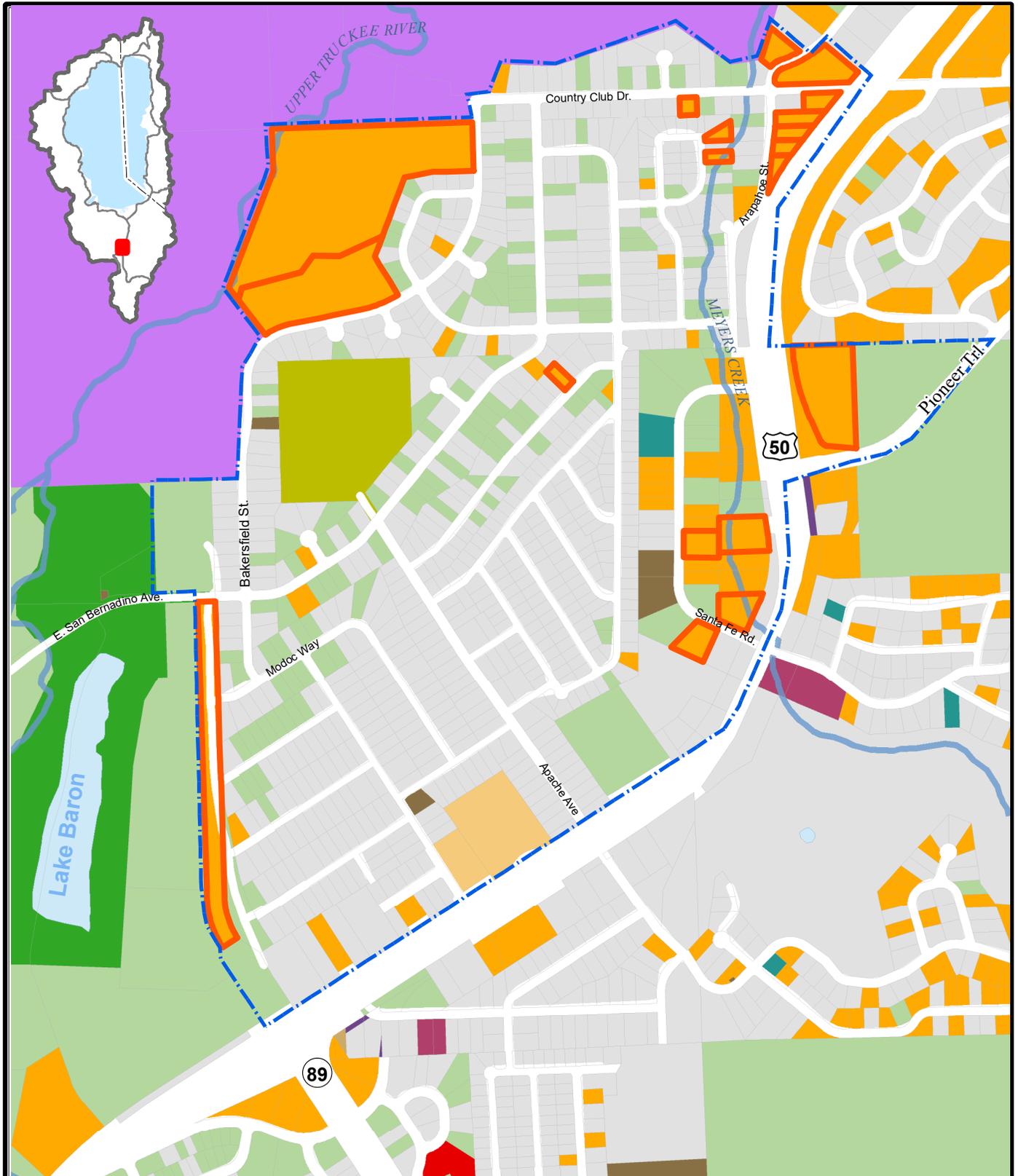
1. The project will not have a significant effect on the environment.
2. A Mitigated Negative Declaration for the project was prepared and approved by El Dorado County on July 19, 2016 and a Notice of Determination was filed on July 22, 2016. The Notice of Determination, Mitigated Negative Declaration, and record of project approval may be examined at El Dorado County Department of Transportation, 924 B Emerald Bay Road, South Lake Tahoe, CA 96150. The California Tahoe Conservancy reviewed and considered the Mitigated Negative Declaration prior to project approval.
3. Mitigation Measures were made a condition of the approval of the project by El Dorado County and the California Tahoe Conservancy.

Fish and Game Fees: A California Department of Fish and Wildlife Environmental Filing Fee was paid for this project by the lead agency. A copy of the receipt will be filed with this notice.

Date Received for Filing:

Patrick Wright
Executive Director

EXHIBIT 1 Project Site Meyers Stream Environmental Zone and Erosion Control Project

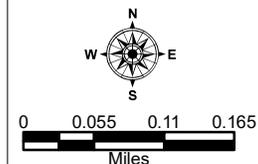


Proposed Items

- Proposed License Agreement Parcels
- Project Area

Ownership

- | | | |
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September 2016

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