

BOARD MEETING MINUTES

SEPTEMBER 15, 2011

The Board convened at The Riva Grill in South Lake Tahoe. Vice-Chairman Hooper called the meeting to order at 9:50 a.m.

1. Roll Call

Vice-Chairmen John Hooper and Board Members Todd Ferrara, Angela Swanson, Ken DaRosa, Norma Santiago, and Nancy Gibson were present. Mr. Hooper noted that Lynn Suter was expected to arrive shortly. Chairman Larry Sevison was not present.

2. Approval of Minutes

The minutes were approved on a voice vote.

3. Chairman's Report

Mr. Hooper noted that former Staff Counsel John Gussman would be joining the meeting later for a closed session agenda item and that the Board would present a resolution honoring him. Per Staff's request, he removed Item 12, the Upper Truckee River Sunset Reach, from the agenda, noting that the item would likely be brought before the Board at a subsequent meeting.

4. Deputy Attorney General's Report

Ms. Moe stated that, in August, Attorney General Kamala Harris announced a new Chief Assistant Attorney General for the Public Rights Section, which is the division that houses the Land Law Section and provides services to the Conservancy. She identified Mark Breckler as the new Chief Assistant, noting that he comes from 10 years in the AG's office with the Corporate Fraud Section. Ms. Moe indicated that Mr. Breckler's predecessors were Mark Rodriguez and Rick Frank.

Ms. Moe further noted that the Board would later go into a Closed Session pursuant to Government Code Section 11126(e).

Ms. Suter joined the meeting at 10:00 a.m.

5. Executive Director's Report and Major Projects Update

Mr. Wright indicated that much has happened in the Basin since the last meeting, in particular, the annual Tahoe Summit. He noted that the Summit hit a high point in several respects, including the attendance of both governors, as well three senators. Mr. Wright suggested that the Summit resulted in a commitment from both States to help address Tahoe issues, noting that Basin issues haven't generated a lot of attention in the past, particularly on the California side. He further noted that the Tahoe Fund, the Conservancy's sister non-profit, held a fundraiser – attended by both governors and Senator Feinstein – the night before the Summit. Mr. Wright indicated that the money raised far exceeds expectations, with well over \$800,000 contributed toward the organization's target of one million dollars during its first year.

Mr. Wright further noted that significant advances have been made toward achieving sustainability in the Basin. Specifically, the Conservancy – working with TRPA and local agencies – led a grant proposal to the California Strategic Growth Council's Sustainable Communities Grants Program and the partnership was successfully awarded those funds earlier this year. He explained that, in support of that grant, the Conservancy again worked with the TRPA and local partners to issue an RFP for consultant services – and that the new Tahoe Prosperity Center was selected to lead a team of consultants in support of the grant's objectives.

Dana Dapolito of the Staff provided a brief update to the Board regarding the Upper Truckee Marsh Management Strategy, including the May 1 through July 31 Seasonal Closure to dogs.

Mr. Hooper invited questions from Board members.

Ms. Swanson noted that, after an initial response to the seasonal closure, the City had received no further complaints or ongoing protests.

6. Public Comment

There was no public comment.

7. Consent Items

Mr. Hooper stated that Consent Items 7a and 7b were next on the agenda. The two items were approved on a voice vote.

8. Administrative Items

Mr. Hooper invited presentation of the 2012-13 Fiscal Year Budget Requests.

Mr. Gregorich of the Staff presented the 2012-13 Fiscal Year Budget Requests, including the recommendation to approve Resolution 11-09-03.

Mr. Hooper inquired whether the Board members had any questions.

Ms. Suter asked Mr. Gregorich to explain how the \$5 million in Federal bonding authority works. Mr. Gregorich answered that the State provided the Conservancy with the authority to seek and accept Federal funding.

Ms. Suter asked if the agency would have the necessary authority to accept more than \$5 million, if it was available. Mr. Gregorich indicated that additional money could be added through a Section 28.

Ms. Suter asked if the figures provided included any money from Caltrans. Mr. Gregorich explained that no money from Caltrans was included directly in the Conservancy's appropriations.

Mr. Wright explained that Caltrans funding is included in the EIP budget and not in the figures presented by Mr. Gregorich, which are specific to the Conservancy. He indicated that these numbers could be provided at the next Board meeting, further explaining that an overview of the California EIP budget – similar to what is summarized at the Annual Summit – would include targeted spending by the Conservancy, Caltrans, State Parks, etc.

Ms. Swanson noted that such an overview would be helpful in the context of future budget presentations.

Ms. Santiago inquired as to the remaining amount of bond funding available to the Conservancy. Mr. Wright explained that the amounts shown represent the amount of money that the Conservancy is requesting authority to spend next fiscal year, noting that the figures do not reflect either the amount of bond money remaining or unspent carryover from previous years.

Ms. Santiago inquired whether, in the event that additional State funding becomes available, there is flexibility to revisit this budget. Mr. Wright answered that he does not anticipate any additional funding that would assist with preserving salaries.

Ms. Santiago clarified, stating that she wanted to ensure there was a process in place to respond in the event funding was more or less than the budget the Board was being asked to approve. Mr. Wright answered that there is a State fiscal process that allows budget revisions.

Mr. DaRosa added that it is possible and there are mechanisms in the active budget that allow for amendments to both the capital side and the support side.

Ms. Swanson inquired of Mr. Wright how he works with the Board in determining what personnel changes to make in the face of a mandated salary reduction. Mr. Wright responded by saying that there are a variety of ways to address a reduction in the support budget. For example, he noted that, at this time, the Conservancy is filling only key vacancies. He acknowledged that there would likely be challenges in sustaining staffing levels over the long term.

Mr. DaRosa asked if the positions being considered for elimination were those needed to conform to the workforce cap reduction. Mr. Gregorich answered affirmatively. Mr. DaRosa clarified that budget has been reduced to align with currently available funding and the required 5% salary reduction – and that the number of authorized positions align with the level of available funding.

Mr. Hooper asked whether there were any more questions from the Board or from members of the public. Seeing none, he brought the item back to the Board for a vote.

The Board approved Resolution 11-09-03 on a voice vote with abstentions from Mr. DaRosa and Mr. Ferrara.

9. Environmentally Sensitive Lands

Mr. Hooper invited Item Number 9, Environmentally Sensitive Lands.

As a way of introducing Staff's presentation, Mr. Lacey noted that, in recent years the Board has seen environmentally sensitive lands transactions – typically a small parcel or two of targeted acquisitions – on Consent. He stated that, in this case, one of the parcels was larger and more significant than was typical of recent transactions – and thus the item was not placed on Consent.

Ms. Cecchettini of the Staff presented Agenda Item 9, Environmentally Sensitive Lands and Lands Necessary to Protect the Environment, along with the recommendation to adopt Resolution 11-09-04.

Ms. Swanson wished to note that a potential future land swap with the City would not necessarily involve the former drive in theatre property on Glenwood Way. Ms. Cecchettini thanked Ms. Swanson for the clarification.

Mr. Ferrara asked for confirmation that the former Unocal site would not be subject to any additional monitoring by the Regional Board or a local board. Ms. O'Daly of the Staff replied that the property has had a clean bill of health since 1994 and, per Lahontan staff, is not subject to any further monitoring.

Ms. Gibson asked what the proposed future outlook is for this piece of property. Mr. Lacey explained that Conservancy acquisition of the property would keep the parcel under public ownership and preserve opportunities within City's Redevelopment area. He further noted that with land values dropping, the value of the marketable rights now exceed the asking price, adding that acquisition at this time will not only assist the City in their redevelopment goals, but also offset the Conservancy's existing land bank deficit in the South Stateline Hydrologic Area. Mr. Lacey further clarified that the funding for this acquisition, if approved, would come from the land bank revenues.

Mr. Ferrara inquired whether acquiring the Unocal property and having it ready for a future transfer is a common practice. Mr. Lacey indicated that it would not be appropriate to characterize it as common. Rather, he explained, it is a tool the agency is now utilizing – given the tough fiscal times – to consider transfers that will provide mutual benefits and management efficiencies.

Mr. Ferrara asked if a fair characterization was that it gives the agency something in its portfolio. Mr. Lacey concurred, noting the need for SEZ restoration credits in the South Stateline Hydrologic Area and adding that it would be a strong asset for the City as well.

Mr. Hooper asked if members of the public would like to comment.

Ms. Cecchettini clarified that the actual acquisition cost for the property is \$375,000.

The item was approved on a voice vote.

Prior to the Closed Session, Mr. Hooper, on behalf of the Board, presented a Resolution of Appreciation to John Gussman.

10. Closed Session

Ms. Moe stated that the Board would be going into Closed Session, pursuant to Government Code Section 11126(e), regarding pending litigation.

Following the Closed Session, Staff Counsel Ryan Davis announced that, in Closed Session, the Conservancy approved the proposed settlement with Lakeview Lodging LLC with respect to El Dorado County APN 027-371-15 and authorized Staff to carry out all necessary actions pursuant thereto.

11. Erosion Control

Mr. Hooper invited presentation of Agenda Item 11, the Bijou Erosion Control Project.

Mr. Roll of the Staff presented the Bijou Phase I Erosion Control Project, including a recommendation to approve Resolution 11-09-05, and stating that he would be happy to answer any questions.

Mr. Hooper asked if there were any questions from the Board or the public.

Ms. Sara Hussong-Johnson, Associate Civil Engineer with the City of South Lake Tahoe, thanked the Conservancy for all the financial and staff support on this project.

The project was approved on a voice vote.

12. SEZ and Watersheds

Mr. Hooper noted that Agenda Item 12 was withdrawn from consideration.

13. Public Access and Recreation

Mr. Hooper invited Agenda Item 13, the South Tahoe Greenway Shared Use Trail project.

Sue Rae Irelan of the Staff presented the South Tahoe Greenway Shared Use Trail project, including the recommendation to approve Resolution 11-09-07.

Mr. Hooper inquired whether there were any questions or comments from Board members.

Ms. Swanson inquired as to whether there was any recent comment from the residents in the Aloha Drive neighborhood. Ms. Irelan responded that one resident had expressed concern, but did not submit a formal comment. Ms. Swanson expressed her appreciation of the Conservancy's flexibility and willingness to look at the issues. She further expressed that, given the key linkages the trail would provide, the City's Chief of Police would like to preserve the opportunity for motorcycle officers to utilize the path when necessary. Ms. Swanson thanked the Conservancy for being a good partner and neighbor.

Mr. Ferrara asked Ms. Irelan to elaborate on the TRPA permitting process and timeline. Ms. Irelan explained that a project permit had been requested from TRPA and that the item was up for consideration at the October 2011 Governing Board meeting. She further stated that the permit, once issued, would be written to allow for phased construction – and that three years would be allowed for construction to begin.

Mr. Hooper asked if there were any other questions or comments.

By way of providing history on the project, Mr. Lacey reminded the Board members about the TALAC report of the early 1980s which identified the need for an agency to take title to the Caltrans freeway bypass right-of-way and turn it into a trail. He noted that it was exciting to see the vision coming to fruition 30 years later.

Mr. Hooper invited public comment. There was none. The project was passed on a voice vote.

14. Public Comment

There was no public comment.

15. Board Member Comment

Mr. Hooper invited Board member comment, himself acknowledging the Riva Grill for providing the meeting venue.

Ms. Santiago noted that the preceding Tuesday there was a community forum sponsored by the Tahoe Resource Conservation District (TRCD), rolling out their Community Watershed Partnership Program. She suggested that this was an incredible opportunity for Basin partners to work with TRCD to establish a partnership whereby the TRCD is the point agency to help deliver the TMDL targets as they apply to residential areas.

Ms. Swanson commended Staff on the South Tahoe Greenway public outreach meeting. She also suggested a future tour of Lakeview Commons, which she had recently toured with Secretary Laird. Finally, Ms. Swanson requested an update from Mr. Wright on the water bond at a future meeting.

Mr. Ferrara echoed Mr. Wright's report about the success of the August 2011 Tahoe Summit, concurring that there is renewed engagement by the State in particular. He explained that Secretary Laird appreciated his recent tour of Basin projects and shows daily interest in what is happening in the Tahoe Basin. Mr. Ferrara noted that Secretary Laird is currently engaging his cabinet counterparts to address cross-cut issues, and that he intends to pursue that level of engagement with Caltrans. He finally stated that Secretary Laird could not attend this meeting, but hopes to attend one in the near future.

16. Strategic Plan Update

Mr. Wright provided an overview of the Conservancy's ongoing effort to develop a Strategic Plan. He explained that the Strategic Plan is intended to guide the agency through the next three to five years and that a draft Plan would be available for Board review as early as December.

After polling fellow Board members, Mr. Hooper noted that the planning process appeared to be on track and that he looked forward to reviewing the Draft Plan.

17. Adjournment

The meeting was adjourned at 2:10 p.m.

California Tahoe Conservancy

Resolution

Adopted: October 28, 2011

APPROVAL OF MINUTES

I hereby certify that the foregoing is a true and correct copy of the minutes of the September 15, 2011 meeting of the California Tahoe Conservancy adopted on October 28, 2011.

IN WITNESS THEREOF, I have hereunto set my hand this 28th day of October, 2011.

Patrick Wright

Executive Director