

California Tahoe Conservancy  
Agenda Item 2  
September 12, 2012

**BOARD MEETING MINUTES  
June 20, 2012**

The meeting convened at the Inn by the Lake in South Lake Tahoe. Chairman Sevison called the meeting to order at 9:37 a.m. and welcomed everyone to the California Tahoe Conservancy's June 20<sup>th</sup> meeting. Chairman Sevison extended a special welcome to Secretary Laird and thanked him for attending.

**1. Roll Call**

Diane Niland of the Conservancy called the roll. Chairman Larry Sevison and Board members Nancy Gibson, Angela Swanson, Lynn Suter, and Norma Santiago were present. Natural Resources Agency Secretary, John Laird and Pedro Reyes, designee for Department of Finance were also present. Vice Chairman, John Hooper was absent. Todd Ferrara, designee for Natural Resources Secretary John Laird was also present.

**2. Approval of Minutes**

Pedro Reyes moved approval of the minutes as written. The motion was seconded and approved on a voice vote.

**3. Chairman's Report**

Noting that he expected an unusually lengthy Executive Director's Report, Chairman Sevison suggested that Agenda Item 6, Public Comment on items not on the Agenda, now be considered. With Board concurrence, he asked for public members to address the Board on items not on the agenda. Seeing no one, Chairman Sevison called for Bruce Eisner of the Conservancy to come forward. He thanked Mr. Eisner for his service and presented him with a retirement gift from the Board. Mr. Eisner thanked the Conservancy for the honor of working with them.

At the request of Chairman Sevison, Mr. Lacey reminded everyone of the day's ribbon cutting ceremony for Lakeview Commons to be held at 2 p.m.

#### **4. Deputy Attorney General's Report**

There was no Deputy Attorney General's Report.

#### **5. Executive Director's Report and Major Projects Update**

Chairman Sevison introduced Cindy Gustafson, General Manager of Tahoe City Public Utility District (TCPUD). Ms. Gustafson expressed her gratitude and appreciation to the Conservancy for its leadership, vision, and funding support of the Tahoe City Lakeside Trail. TCPUD Board President, Judy Friedman, presented the Conservancy with a plaque of appreciation and a refund check for \$700,000 in funds not expended on the completion of the \$12 million project.

Ms. Gustafson introduced the new Executive Officer of the Tahoe Fund, Amy Berry. Ms. Berry addressed the Board regarding future collaboration between the Conservancy and the Tahoe Fund.

Patrick Wright presented the Executive Director's Report. He gave an overview of the reports and action items to be presented today.

Susie Kocher, a Registered Professional Forester (RPF) from University of California Cooperative Extension, summarized a five year monitoring report on the restoration of the Angora Fire area.

Pedro Reyes asked what types of trees were planted. Brian Hirt, Conservancy RPF responded that, in addition to sugar pine and jeffery pine, incense cedar were planted over approximately 10 per cent of the area. Ms. Kocher added that the composition is more skewed toward shade intolerant species now. Ms. Kocher added that the project has been successful to this point and has a very good chance of becoming a healthy forest in the future.

Lynn Suter asked what percentage of the forest had been left untreated. She expressed concern about insect infestation in the area as well as in other healthy Tahoe forests. Ms. Kocher stated all areas of Conservancy properties were treated. With respect to other, non-Conservancy properties, Ms. Kocher directed the question to Nancy Gibson, Forest Supervisor for Lake Tahoe Basin Management Unit. Ms. Gibson stated many trees have been left for wildlife habitat, but that she is not aware of any significant insect infestation.

Mr. Wright presented a legislative update regarding budget discussions. He stated we were successful this year making sure our remaining bond funds and other source

monies were appropriated to the Conservancy. In addition, there were special Budget Committee sessions on Tahoe this year that resulted in a budget trailer bill requiring the Conservancy, State Parks, Caltrans and others in the Basin to give a crosscut budget to the legislature in order to see expenditures at a glance. There is a similar revision in the Lake Tahoe Restoration Act that requires a more global coordination between the states, the Federal Government and local entities. These processes will be integrated to provide a collective view of what is happening in the Basin. There are also requirements for State Parks and the Conservancy to develop a plan for land exchanges. The plan is expected to be ready this fall.

Mr. Wright discussed additional trailer bill provisions regarding a science plan between the Tahoe Regional Planning Agency (TRPA) and the Tahoe Science Consortium (TSC), noting he is pleased the legislature sees the benefits of continued investment in Tahoe.

Mr. Wright summarized efforts to finalize the Conservancy's new Strategic Plan. The primary challenge, he noted, is the reduced level of funding. This will require stringent prioritization, focus and strategy moving forward. Additionally, performance standards will carry greater emphasis. A new Executive Order requires performance based budgeting. The Conservancy is acting on this now.

Mr. Wright presented a PowerPoint on the Conservancy's early history and its focus on acquisitions at that time, as well as its growth in programs and related projects over the years. He discussed funding trends from the earliest years, through the downturn in 2008, and on to more recent changes such as the Conservancy being the recipient of Federal grants in support of project implementation.

He stated the agency now plays a more prominent leadership role in the Basin than ever before. This is a key strategy for the Conservancy on behalf of California for basin-wide issues. Project focus will continue to be environmentally-based and will include more sustainability planning, economic development and social projects in the future. Projects will require greater prioritization and working with local agencies on a comprehensive, focused plan.

Mr. Wright explained that working in collaboration with TRPA on land bank issues, working diligently on our urban land management needs, and working to be sure the public is adequately informed of agency mission, goals, and operations, are additional focus areas.

Mr. Wright noted that the agency's operations and support budget require a critical evaluation. By 2013 scaled back operations may be necessary. Land sales, grants, and other options to augment the budget are being pursued. A combination of increased

revenue and reduced expenses is necessary for future operations. Strengthening the agency's human resources effort is also necessary and challenging.

In summary, the Conservancy is gradually evolving from simple project focus to a program focus with stronger, combined regional policy coordination. Previously, the financial focus has been on general funds and bonds. Now grants, asset lands, and potential cap and trade money, if available, must be considered.

Pedro Reyes asked how the effort to align federal, state and local priorities would differ from TRPA's efforts in this area. Mr. Wright responded TRPA is a lead participant in this process. They are responsible for pulling everything together and the Conservancy is largely responsible for coordinating California funding. He explained TRPA chairs the Tahoe Interagency Executives, a group that collaborates on project prioritization methods in the Basin for Sacramento and Washington. At the annual Summit these projects are presented as a joint effort.

Norma Santiago asked Mr. Wright to elaborate on statements on page 11 of the Strategic Plan document as follows:

In the section titled Conclusion - The Conservancy Role, it states the Conservancy should focus its work in two key areas:

- Environmental Improvement Program/Basin-wide priority projects
- Regional policy and coordination needs of the Basin

In the last paragraph of page 11 it states, "It means that the Conservancy will provide less direct oversight to grants, preferring to work with partners on a more strategic level."

Mr. Wright responded by noting that local agencies have experience working with the Conservancy for many years and their respective staffs are quite sophisticated. The Conservancy can now be more effective in a steering role proportionally because these are local projects, not Conservancy projects. The local agencies are taking greater responsibility for their projects.

Ms. Santiago asked how, given this transition, this impacts the Conservancy's eligibility for monies. Is the Conservancy looking for different monies, different opportunities, or expansion of the possibilities of those monies?

Mr. Wright stated the key will be submitting project requests that detail how a given project is consistent with regional or local sustainability plans because a project is more valuable if it is part of a collaborative process. This approach will also help leverage other monies and resources. In addition, sustainability criteria rise every day as a top

priority, whether state or federal. This repositions projects in the context of the plans and builds a network of projects.

Angela Swanson commented on Ms. Santiago's inquiries. She believes this is a healthy progression. It allows more strategic use of Conservancy staff.

Chairman Sevison asked Mr. Wright how the Conservancy will accomplish greater visibility in the Basin. Mr. Wright stated the Lake Tahoe License Plate program is an example of partnering with the Tahoe Fund to make our projects, and Tahoe in general, more visible. He also suggested partnering with local agencies on press releases. He added that we need identification on our parcels to inform the public that we are stewarding the land; similar to what the U.S. Forest Service does to identify its lands. These are some of the things the Conservancy can do to inform the public of our assets and contributions to the Tahoe Basin. Chairman Sevison shared his hope that this type of signage might discourage and reduce the incidents of trespassing on Conservancy lands. Mr. Wright stated any ideas for greater visibility are welcome.

Ms. Swanson asked for further discussion on urban land management and acquisition strategy in the future. She expressed concern for funding, prioritization, and benefits. Furthermore, she requested a detailed discussion at a subsequent Board meeting on obtaining grants and future funding.

Mr. Wright reiterated that we are shifting toward land management as opposed to acquisitions.

Ms. Santiago asked that we make an effort to ensure our policies and plans are well aligned with, rather than in competition with, one another, and that we understand the meaning of sustainability and smart communities. Ms. Santiago also expressed caution regarding use of the term "sustainability" without common understanding.

Penny Stewart presented a PowerPoint on the Upper Truckee River Restoration, and Total Maximum Daily Load (TMDL). The broad overview covered background, Regional Plan thresholds, Tahoe TMDL, fine sediment particle source distribution, EIP/TMDL California implementation strategy, Upper Truckee watershed restoration efforts and projects.

Mr. Wright added that the Conservancy is working with local agencies to pull together something comprehensive. Local agencies are now collaborating on a coordinated implementation plan. The purpose is to collectively move the effort forward. The implementation plan will include watershed and ecosystem focus along with current fine sediment focus. Also, there are multiple issues surrounding the Upper Truckee

including dog issues, golf course operations, and sediment loading. The fall of 2012 will bring together scientists and others to address these and other issues.

Chairman Sevison requested a 10 minute break at 11:35 a.m. and reconvened the meeting at 11:45 a.m.

Pedro Reyes left the meeting at 11:55 a.m.

Bruce Eisner of the Conservancy presented a brief land sales update, as requested by the Board at the March, 2012 meeting. He noted that the Conservancy is making progress on the sale of two of the four properties discussed at the March Board meeting. The Conservancy is working with Department of General Services (DGS) to prepare for these sales. It is hoped the marketing of these properties (the former drive-in theater property and Tallac Vista property) will begin in early July 2012. Restoration of the drive-in property is targeted for Fall 2012. Bids for the drive-in and Tallac Vista properties are expected in November 2012 and March 2013 respectively. Any potential action would then be brought to the Board for consideration. There has been no work done on either the Lyons Ranch East property of the commercial/multi-family residential property at the South "Y".

Ms. Suter asked whether the Conservancy was planning to sell and lease back the Tallac Vista property. Mr. Eisner responded no, it is not.

Ms. Swanson asked Mr. Eisner about the Regional Plan's move to amend the way we look at hydrological boundaries and where land is banked with relation to these boundaries. How will this affect land sales, land banking, values, etc? Mr. Eisner stated the Conservancy has a legal obligation under its current Memorandum of Understanding with TRPA in operating the Land Bank in California for the mitigation fees that have been paid to TRPA through thousands of projects. Mr. Eisner explained we have an obligation to do the best we can to meet the objective for which those fees were paid. Restrictions may change under the new Regional Plan to which we will adapt and continue to meet the Land Bank's charge.

Lastly, Mr. Eisner noted that escrow on the land exchange with the City of South Lake Tahoe had closed within a month of the Board's authorization in March 2012.

Chairman Sevison requested public comment on the items presented.

Mr. Steve Teshara of Sustainable Community Advocates, expressed appreciation to Secretary Laird for his great work and contributions to the Regional Plan Update. He commended the Board and management team at staff level for undertaking the Strategic Plan effort. He encouraged the agency in their new roles, including regional leadership, vision, and bringing people together. He shared appreciation for the efforts to make others aware of funding opportunities as well as efforts with the Regional Plan

and TMDL. He expressed his support of draft Strategic Plan and urged the Board to move forward with adoption. Mr. Teshara closed by stating the Conservancy has a great legacy and a great future.

Lynne Paulson from the Washoe Meadows Community addressed the Board. She expressed appreciation on behalf of her community for the new strategic approach to river restoration which emphasizes the natural river processes and protects ecological processes in the area. Ms. Paulson thanked the Board for their consideration of her comments. Chairman Sevison thanked Ms. Paulson.

Steve Kooyman of the El Dorado County Department of Transportation voiced agreement with Mr. Teshara's comments regarding the Conservancy's strategic plan efforts. He also commended the agency's forward thinking, leadership and staff. Chairman Sevison thanked Mr. Kooyman.

Norma Santiago shared her anticipation of the upcoming workshop in Fall 2012 which will focus on river restoration and the Upper Truckee comprehensively.

Secretary Laird asked to make a brief, global comment in wrapping up the discussion on the strategic plan. He noted the limited availability of bond funds, and spoke about the water bond that will likely be on the 2014 ballot. Secretary Laird commended the agency for its entrepreneurial efforts that put them out ahead of some of the other conservancies in trying to position themselves for the future. He also addressed green buildings and green visitor-serving industry. He encouraged everyone to begin thinking differently as future plans are implemented. Chairman Sevison thanked Secretary Laird for his comments.

Patrick Wright responded to Secretary Laird's comments. He spoke about writing grants and sustainability. He reminded the Board that we are not changing what we are doing but rather repackaging depending on the funding source. Mr. Wright added, specifically, as related to Cap and Trade money, that it is not obvious in Sacramento that the conservancies have a role. He believes the State conservancies need to do a better job educating people in Sacramento.

Secretary Laird responded positively to Mr. Wright's comments. He stated that he has been consulting with other agencies in Sacramento to make them aware of Mr. Wright's concerns.

Mr. Wright then discussed how the State agencies are participating in the Regional Plan. There is strong support for the overall direction of the plan, however, some matters still need to be addressed.

Chairman Sevison and Mr. Wright exchanged comments regarding redevelopment in the Lake Tahoe basin. Mr. Wright believes there is a lot of potential for the Conservancy to help in ways consistent with our mission.

Secretary Laird expressed his appreciation for the value of redevelopment districts. He then spoke on his involvement with the Nevada Resources Secretary as pertains to the Regional Plan update. He indicated they are hoping for more stakeholder involvement to work through the issues and meet all the needs. Secretary Laird expressed hope that people with seemingly disparate positions will continue to find that they are much closer in their thought processes than they might have expected.

Nancy Gibson of the U.S. Forest Service (USFS) introduced USFS staff Denise Downie and Matt Dickinson who proved and update on the Forest Plan.

Lynn Suter asked what the new approach to fuels management will be. Ms. Downie responded that with Alternative C, it might be more aggressive prescriptions to accomplish goals more quickly. With Alternative D, the diameter limits would change outside the defense zone. Cut trees would not be greater than 18 inches in diameter. Ms. Suter asked what the current standard is. Ms. Downie stated it is 30 inches.

Chairman Sevison called for the next agenda item. Patrick Wright introduced Agenda Items 7, 8, and 9 as ministerial. Due to the day's time constraints he recommended the PowerPoint presentations, which are annual updates to the Board, be postponed to a subsequent meeting. Chairman Sevison asked if the Board members had any objection. No objections were voiced.

## **6. Public Comment**

Per Chairman Sevison's request, this item had been heard prior to the Executive Director's Report.

## **7. Administration**

### **Item7. Annual Planning Authorization**

Staff recommended authorization to expend up to \$940,000 for the purposes of program and project development, review, and implementation (including planning activities such as technical studies, conceptual designs, and environmental document preparation); to assist in regional planning efforts including the Environmental Improvement Program, climate change, and sustainability; to advance Conservancy communications, and for outreach and marketing of the Lake Tahoe License Plate.

Ms. Swanson asked for more detail in the future on the License Plate Program.  
Mr. Wright agreed.

A motion for approval of Resolution 12-06-01 was moved, seconded and passed on a voice vote.

## **8. Urban Land Management**

### **Item 8. Annual Property Management and Forest Habitat Enhancement Authorization**

Staff recommended authorization of up to \$2,423,358 for direct property management, forest fuels maintenance, hazard abatement, and property restoration on Conservancy properties during Fiscal Year 2012/2013 throughout the California side of the Lake Tahoe Basin.

A motion for approval of Resolution 12-06-02 was moved, seconded and passed on a voice vote.

## **9. Land Bank**

### **Item 9. Annual Authorization of Land Bank Activities and allocations of Coverage and Other Marketable Rights**

Staff recommended: (1) approval of allocations of land coverage rights for mitigation projects, public service projects, open-market transactions, and other marketable rights in 2012; (2) adoption of the Negative Declaration and Addendum and approval of the assignment of restoration credit to Caltrans' Tahoe City Sand House Project to meet Tahoe Regional Planning Agency permitting requirements; and (3) adoption of a Land Bank Transaction Fee Schedule throughout the six hydrologic transfer areas located on the California side of the Lake Tahoe Basin. No expenditure of funds was proposed under this recommendation.

Ms. Moe called the Board's attention to item (2) under the Land Bank category which includes a site specific approval and assignment of restoration credit for the Caltrans Tahoe City Sand House in addition to the authorization. The resolution includes the approval of the Negative Declaration.

Mr. Lacey noted that this year's Land Bank recommendation includes the implementation of cost recovery fees for staff time on Land Bank transactions.

Ms. Swanson requested a more robust discussion of the Conservancy's Land Bank in the fall. Chairman Sevison agreed.

A motion for approval of Resolution 12-06-03 was moved, seconded, and passed on a voice vote.

## **10. Watersheds**

### **Item 10. Homewood Water Quality Improvement project, Phase 1A**

Scott Cecchi of the Conservancy presented Item 10. He recommended authorization to grant up to \$200,000 to the County of Placer for construction of the Homewood Water Quality Improvement Project, Phase 1A. The project is located in the Homewood Subdivision on the west shore of Lake Tahoe, approximately five miles south of Tahoe City. The project area is generally bounded by Furka Pass Road to the north, Fern Street to the south, Sacramento Avenue to the west, and Lake Tahoe to the east. The project will route runoff from roads, particularly those still unpaved, to treatment areas prior to entering the lake. Currently this runoff deposits large amounts of sediment into the lake.

Mr. Cecchi recommended the Board adopt Resolution 12-06-04 as described in the staff report. Neither the Board nor the public had questions regarding the project.

Chairman Sevison called for a motion on Resolution 12-06-04. Ms. Santiago moved for adoption. It was seconded and passed on a voice vote.

## **11. Public Comment**

There were no further public comments.

## **12. Board Member Comment**

Ms. Swanson thanked the Tahoe Conservancy for their support of the new El Dorado Beach at Lakeview Commons project. She expressed her pleasure in seeing so many locals and tourists utilizing the site on a daily basis. She also thanked Secretary Laird for his attendance at today's meeting and his willingness to participate in the ribbon cutting ceremony this afternoon. She thanked the Conservancy for the recent land exchange with the City of South Lake Tahoe. She encouraged Board members to view the Harrison Avenue area while they are in town so they may see and understand the need for future improvements.

Norma Santiago expressed her enthusiasm for the Strategic Plan. Lynn Suter concurred with Ms. Santiago.

Secretary Laird expressed his pleasure to be here and his hopes to return many more times.

Chairman Sevison announced a lunch break at 1:00 p.m., stating that the Board would reconvene for ribbon-cutting ceremonies at Lakeview Commons at 2:00 p.m. No action was taken at the ribbon-cutting ceremony.

### **13. Adjournment**

The Board adjourned at 2:40 p.m.

California Tahoe Conservancy  
Agenda Item 2  
Minutes  
Adopted: September 12, 2012

**APPROVAL OF MINUTES**

I hereby certify that the foregoing is a true and correct copy of the minutes of the June 20, 2012 meeting of the California Tahoe Conservancy adopted on September 12, 2012.

IN WITNESS THEREOF, I have hereunto set my hand this 12<sup>th</sup> day of September, 2012.

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Patrick Wright  
Executive Director