

## **EXECUTIVE DIRECTOR'S REPORT**

### **A. Budget**

**Fiscal Year (FY) 2013/14:** The Conservancy's proposed Governor's Budget for FY 2013/14 includes a total of \$5,015,000 for capital outlay and local assistance. This would allow continued funding of projects to meet resource and public access needs under the Environmental Improvement Program (EIP). It includes a mixture of funding from Proposition 84, the Habitat Conservation Fund, and revenues from the Lake Tahoe License Plate and the Conservancy's Land Bank. The Conservancy's baseline support budget would continue at a level of \$4,922,000 and 41.0 positions, available from various special funds and revenue sources dedicated to the Conservancy. These proposals have been approved through the budget subcommittee level in both the Senate and Assembly with no major issues raised. Staff will keep the Board informed of FY 2013/14 budget cycle progress.

### **B. Asset Land Sales Update**

See Agenda Item 8b.

### **C. Major Conservancy Projects Recently Completed or In Progress, El Dorado County**

#### **1. Public Access and Recreation**

**Sawmill II Bike Trail:** Since May 2005, the Conservancy has awarded a total of \$821,000 (\$460,000 from the Public Access and Recreation Program and \$361,000 from the Erosion Control Program) to El Dorado County to design and permit a Class 1 bike trail and erosion control improvements.

In March 2012, an additional grant of \$85,000 was awarded to the County to acquire easements associated with the bike trail. Construction of the initial phase of the trail beginning at the intersection of Lake Tahoe Boulevard and Sawmill Road and ending at the entrance to Echo View Estates took place in summer 2012 and is now complete. The County has requested \$350,000 in site improvement funding from the Conservancy's Public Access and Recreation Grant program, which is being recommended for award at the June 2013 Board meeting.

**Lake Tahoe Boulevard Enhancement:** The Project originally evaluated the feasibility of removing auto travel lanes and using that disturbance corridor for a bike path and environmental/SEZ restoration. Design alternatives evaluated lane removal and, were found to be environmentally and financially feasible; however, the County encountered significant public opposition to lane removal. Therefore, the County is moving forward with a bike path located on the west side of Lake Tahoe Boulevard within an old dirt-road prism, and erosion control spot treatments along Lake Tahoe Boulevard. The current Project does not remove auto travel lanes from the intersection of Sawmill Road and LTB, northward into "Y" area of the City of South Lake Tahoe at the intersection of LTB and D Street. Construction is anticipated in 2015.

The Conservancy grant agreement with El Dorado County expired in June 2011. Conservancy staff, however, remains involved as a participant on the project's Technical Advisory Committee. The path's design recently advanced to the 90% level and environmental documents were circulated for public comment (the comment period closed on April 26, 2013). The County may move forward with construction of this project in summer 2015.

**Lake Tahoe Water Trail:** The Lake Tahoe Water Trail is a 72 mile route along the shoreline of Lake Tahoe. Conservancy staff completed the initial interpretive outreach signage to improve communication with paddlers about important safety, stewardship, and wayfinding messages. This sign and new kiosk was placed at Waterman's Landing this spring and serves

as a model for other Conservancy sites and other public littoral lands. Conservancy staff also led a region-wide effort to define a new wayfinding paddle access image to alert paddlers to a variety of messages, including identification of public property and on-site directions for appropriate launching and landing locations. This new access image was placed at Waterman's Landing this spring, to be followed by other Conservancy properties as appropriate. Upcoming activity will include coordinating messages on the protection of Tahoe Yellow Cress and wildlife habitat.

The Lake Tahoe Water Trail was a featured trail at this year's California Trails and Greenways Conference, held May 9-10 in Tahoe City. Conservancy staff participated in a Water Trail tour and on a panel discussion of water trail development issues.

## **2. Soil Erosion Control**

The Conservancy has awarded El Dorado County \$4,435,626 in grants for the active erosion control projects highlighted below. These projects capture and treat stormwater from public rights-of-way (ROWs), address sediment sources, and improve water quality by reducing the amount of sediment and nutrients delivered to Lake Tahoe.

**Montgomery Estates Erosion Control, Areas 1, 2, & 3:** The Board has authorized a total of \$369,000 in grant funds for the planning of this project. The County expended the planning grant with the completion of preliminary plans for Area 1 in spring 2011. Area 1a was completed in 2011, and construction of Area 1b was completed in summer 2012. Construction of improvements in Area 2 is scheduled for this season. Planning continues for Area 3 with funding from the U.S. Forest Service, Lake Tahoe Basin Management Unit (LTBMU). The County applied for license agreements on several Conservancy parcels to construct water quality improvements in Area 2, which is recommended for approval at this meeting.

**Sawmill II Erosion Control:** The Board has authorized erosion control grant funds totaling \$361,000 for this project. The project is planned in concert with the bike trail project along Sawmill Road. The County is implementing the project in two phases: Phase A (Sawmill Road to Echo View Drive), followed by Phase B (Echo View Drive to U.S. Highway 50). Phase A and the Echo View 2 Erosion Control Project, an offshoot of this project, completed construction in 2012. Phase B is scheduled for construction during the 2014 season.

**Christmas Valley Erosion Control:** The Board has authorized grant funds totaling \$2,685,626 for this project. The County completed Phase 1 of this project along Grass Lake Road in 2007, Phase 2A along Cornelian and Shakori Drives in 2009, and Phase 2B primarily on the west side of State Route 89 in 2010. In addition, the County has completed Best Management Practices (BMPs) on their maintenance yard in the Project area, which received Tahoe Regional Planning Agency's (TRPA's) 2012 Best in the Basin Award for this BMP retrofit project. Construction of Phase 2C, which includes four disconnected project areas running the length of Christmas Valley, is almost complete and will be finished this year.

**County Service Area #5 Erosion Control Project Phase A:** There has been no change in this project since the March 2013 meeting. In December 2012, the Board authorized up to \$395,000 for the design and construction of the County Service Area #5 Erosion Control Project Phase A (CSA #5). Currently, a storm drain pipe from the upper watershed of the Tahoe Cedars Subdivision conveys stormwater runoff directly into Lake Tahoe. CSA #5 will stabilize eroding slopes and ditches within the rights-of-way of existing roadways and incorporate infiltration systems within the current storm drainage infrastructure to reduce the volume of stormwater runoff and fine sediment that reaches Lake Tahoe. This project originated from analysis of the County's Pollutant Load Reduction Strategy. Final plans are expected in spring 2014, and the project will be constructed in fall 2014.

**Forest View Water Quality Project:** There has been no change in this project since the March 2013 meeting. In December 2012, the Board authorized up to \$400,000 for the design and construction of the Forest View Water Quality Project. In the project area, two urban outfall pipes currently discharge untreated stormwater runoff directly into Lonely Gulch Creek. The Forest View Water Quality Project proposes to treat and infiltrate this stormwater runoff before it reaches Lonely Gulch Creek. The project will complement existing BMPs for conveyance in the subdivision by incorporating offline infiltration systems, within the County rights-of-way (ROW) on existing roadways, to reduce the volume of stormwater runoff and fine sediment that reaches Lake Tahoe. Final plans are expected in spring 2014, and the project is scheduled for construction in fall 2014.

**Golden Bear Erosion Control Project:** There has been no change in this project since the March 2013 meeting. The Board has authorized up to \$225,000 for the design and construction of the project. The Golden Bear Erosion Control Project was initiated to address outfall pipes that directly discharge untreated stormwater runoff into Trout Creek, eroding slopes, and traction abrasive accumulation on the roads within the project area. The project will stabilize eroding slopes and drainage ditches and install an infiltration system, within the existing ROW, to reduce the volume and treat stormwater runoff that currently discharges directly to Trout Creek. Final plans are expected in spring 2014, and the project is scheduled for construction in fall 2014.

**Comprehensive Facility Erosion Control:** There have been no changes since December 2012. The Cold Creek Filter Plant BMPs and Ralph Tank Removal Stream Environment Zone (SEZ) Restoration Projects were constructed in fall 2011 using LTBMU and South Tahoe Public Utility District (STPUD) funding. The Board authorized \$450,000 to STPUD to plan improvements and develop SEZ restoration components within the County. This planning effort will help control sediment

sources and treat stormwater runoff at 18 different STPUD facilities. STPUD incorporated the BMPs Toolbox, a collection of techniques and strategies to restore and address runoff from multiple STPUD facility sites, into the Draft Alternatives Analysis for Technical Advisory Committee (TAC) review.

### **3. Natural Resources**

**Upper Truckee River Sunset Stables Reach:** The project site is located along the Upper Truckee River near the Lake Tahoe Airport, between Meyers and South Lake Tahoe. The Conservancy Board approved the environmental document for this project in March 2012. The project will restore natural river processes, enhance SEZs, improve wildlife habitat and fisheries, and improve water quality in the 254 acre planning area. To date, the Board has authorized \$2,479,728 for planning activities.

The Conservancy is implementing this river restoration project in partnership with the LTBMU, since the project will be carried out on both State and federal lands. The project will be constructed in two phases, Reach 5 and Reach 6. To provide LTBMU access to Conservancy-owned land for activities required for construction of the Reach 5 project, the Conservancy entered into a five-year Wyden Participating Agreement with LTBMU in May. This agreement expires in October 2017.

Construction of Reach 5 by LTBMU began in summer 2012 with the staging and stockpile site. The stockpile site is ready to accept fill to be used for the river restoration project from the City of South Lake Tahoe's Bijou Project in June 2013. Reach 5 channel construction will begin in early summer 2013, after receiving TRPA Board approval in April. The project is not expected to be completed until 2016 to allow for adequate establishment of revegetation in the new channel. No Conservancy funds are requested for the construction of Reach 5.

Final design and construction of Reach 6 is currently on hold to allow the Conservancy Board and staff the ability to discuss the findings of the Upper Truckee River Restoration Workshop and related Conservancy priorities. Up to \$1,000,000 from the Southern Nevada Public Land Management Act (SNPLMA) Round 12 funding is available through LTBMU and \$400,000 in Tahoe Keys Mitigation funds through the Lahontan Regional Water Quality Control Board to assist with construction should the project move forward. An agreement with the U.S. Army Corps of Engineers (USACE) provides up to \$5,000,000 for Reach 6, but this funding has yet to be obligated by the USACE. Conservancy staff is exploring whether the above funding could be used for other projects along the river depending on the Board's direction after the workshop.

**Upper Truckee Golf Course Reach:** There have been no changes since December 2012. The project will restore natural river processes, resulting in enhanced Stream Environment Zones (SEZs), improved wildlife and fisheries habitat, and improved water quality. The project site is located approximately 1.5 miles north of Meyers and 2.5 miles south of the South Lake Tahoe city limits. The project area encompasses both California Department of Parks and Recreation (DPR) and Conservancy properties, slated for transfer to DPR, and includes the Lake Valley State Recreation Area and a portion of Washoe Meadows State Park.

The project and some park unit boundary modifications were approved by DPR in early 2012. Project opponents have filed a lawsuit against DPR. Discussions between DPR staff and these project opponents continue.

**Erie Circle SEZ:** There have been no changes since December 2012. This project encompasses a severely eroding slope within a SEZ on Conservancy-owned properties south of Pioneer Trail near Meyers. To date, the Conservancy has expended \$44,080 for an existing conditions analysis and plan development. Conservancy staff finalized design with the consultant in summer 2010, but the major stabilization and conveyance work has been placed on hold until funding becomes

available. Minor slope stabilization work began in fall 2010 using Conservancy crews and was completed in 2012. This stabilization work has been very effective at preventing erosion. Conservancy crews will continue monitoring and adaptively managing this work into the future.

**Tahoe Pines Campground Restoration Project:** The eight acre site at the confluence of Echo Creek and the Upper Truckee River in Meyers was acquired by the Conservancy in 2007 with financial assistance from the California Wildlife Foundation. The project represents a significant opportunity to restore SEZ in the Basin's most degraded watershed. In January 2011, the Board authorized the acceptance of \$200,000 from the U.S. Bureau of Reclamation (BOR) for planning, design, and environmental review of a restoration project that includes a pedestrian bridge and coverage removal, among other things. Preliminary designs, resource surveys, and monitoring activities have been underway to determine the scale of necessary improvements and support future project construction.

Staff plans to bring a project authorization recommendation along with associated environmental documentation forward for the Board to consider in fall 2013. The proposed approval would authorize Conservancy site improvement funding for a restoration and public access project to be implemented in 2014. In addition, staff intends to recommend acceptance of a portion of the U.S. Highway 50 right-of-way abutting the subject property from the California Department of Transportation (Caltrans), which would offer further opportunities for comprehensive site restoration and public access.

#### **4. Forest Habitat Enhancement**

The Forest Habitat Enhancement Program focuses on preserving, enhancing, and restoring forested habitats on Conservancy-owned property. These projects are designed to improve habitat, reduce fire threat, and promote natural processes. Staff worked with the Lake Valley Fire Protection District (LVFPD) and the Meeks Bay Fire Protection District (MBFPD) to plan and



implement the Conservancy's forestry activities in El Dorado County for the 2013 field season and the annual authorization for the forestry program is on the agenda of this meeting.

The Conservancy is engaged in various monitoring projects to determine the effectiveness of program activities. Between 2002 and 2006, the Conservancy and the California Department of Forestry and Fire Protection (CalFire) established a series of permanent forest inventory plots across the Conservancy's ownership. The Conservancy will use information derived from the inventory to aid in the development of management objectives and strategies. The Conservancy initiated a second round of data collection on these plots in 2009 and continued the effort over the next several summers. Moving forward, the Conservancy will focus on monitoring plots within annual treatment units. Finally, Conservancy staff plans to continue stocking surveys on proposed quaking aspen stands in El Dorado County. Staff will revisit these transects periodically after the removal of encroaching conifers to measure the success of such treatments.

**Lake Valley Fire Protection District (LVFPD):** Conservancy staff plans to work collaboratively with LVFPD to plan, implement, and fund the restoration of 90 acres of urban lots in 2013.

The California Conservation Corps (CCC), with the assistance of Proposition 84 funds, plans to complete the Meyers 5 Project, Phase 5. Meyers 5 Project Phases 1 through 4 were completed in previous years. In addition, CCC crews plan on completing the Stump Alley 2 Project (along North Upper Truckee Road near the intersection of Lake Tahoe Boulevard) this field season.

The Tahoe Resource Conservation District forestry crews plan on completing the Tahoe Mountain Project (along Tahoe Mountain Road near the intersection of Angora Lakes Road) as well as the Meyers Urban 2 Project (north of U.S. Highway 50 and east of the Upper Truckee River in Meyers) in 2013 field season.

The Conservancy, in collaboration with LVFPD, was awarded a SNPLMA Round 13 grant for the 2013 field season. The grant will fund the planning and implementation of the Sunset Fuel Reduction Project (between the Lake Tahoe Airport and Onnontioga Drive) on Conservancy-owned property.

**Meeks Bay Fire Protection District (MBFPD):** With the help of MBFPD, the Conservancy intends to plan, implement, and fund 90 acres of restoration treatment for the 2013 field season. The California Conservation Corps (CCC), with the assistance of Proposition 84 funds, plans to complete the Meeks Bay Urban Project, which was initiated in the 2012 field season.

The Tahoe Resource Conservation District forestry crews plan on completing the hand crew portion of the General Creek Project (directly west of the Tahoma community) this field season. The mechanical portion of General Creek is planned on being implemented through a successful bid by a local mechanical harvesting contractor.

The Conservancy, in collaboration with the MBFPD, was awarded a SNPLMA, Round 13 grant for the 2013 field season. The grant will fund the planning and implementation of the Sugar Pine Point Fuel Reduction Project (Sugar Pine Point State Park) on DPR-owned property.

**D. Major Conservancy Projects Recently Completed or In Progress, Placer County**

**1. Public Access and Recreation**

**Homewood Bike Path:** The Conservancy awarded \$165,000 to the Tahoe City Public Utility District (TCPUD) in May 2008 to finalize the design and procure the necessary permits for this project, which seeks to bridge a one-mile gap in the West Shore Trail. This planning grant expires in June 2013. Conservancy staff is working with TCPUD staff to ensure

grant deliverables are completed prior to the expiration date. TCPUD has approached the Conservancy about potentially contributing towards the construction of this path but has not made formal application for funding.

**Lakeside Bike Trail (Phases V through VII):** There has been no progress to report since the last board meeting. In March 2010, the Board authorized \$2,500,000 as well as 9,300 square feet of Stream Environment Zone (SEZ) Restoration Credit and 2,100 square feet of Class 5 coverage to TCPUD to complete Phases V through VII of the Lakeside Bike Trail through Tahoe City. Construction of Phases V through VII is complete. A wetland mitigation phase has been completed as well, and monitoring and potential adaptive management actions to ensure adequate functionality of the constructed wetland may occur over the next few summer seasons. Conservancy staff continues to work with TCPUD to ensure timely submission of required grant deliverables and release of grant retention.

**Dollar Creek Bike Trail (North Tahoe Bike Trail):** The Board authorized \$435,000 in planning grant funds to Placer County for this project.

County staff contracted to evaluate and design the proposed 2.2 mile trail alignment between Dollar Point and the southern boundary of LTBMU land terminating just west of Fulton Crescent Road, a county street. The project kicked off its planning effort in August 2011. The Placer County Planning Commission recommended approval of the project in July 2012; on October 23, 2012 the Board of Supervisors approved the project. The Conservancy Board approved the grant of an easement to Placer County in December 2012. The easement traverses the Conservancy's Dollar Property, which is slated for transfer to the California Department of Parks and Recreation as authorized by the Board in September 2012. The County has submitted required grant deliverables and Conservancy staff has approved release of grant retention.

## 2. Soil Erosion Control

The Board has authorized \$11,386,338 in grant funds to Placer County for active erosion control projects. These projects address sources of sediment and capture and treat stormwater runoff from public rights-of-way. The projects improve water quality by reducing the amount of sediment and nutrients delivered to Lake Tahoe.

**Homewood Erosion Control:** There have been no changes to the project since the March 2013 Board meeting. The Board has authorized \$580,000 in planning funds and \$200,000 in site improvement funds for this project. Phases 1 and 1a were constructed during the summer of 2012. Planning for future phases will resume when resources are available.

**Brockway Erosion Control:** The Board is being requested to consider a grant augmentation for this project in June 2013 to supplement the construction contract's revegetation elements, including irrigation. To date, the Board has authorized \$1,974,655 for this project. Construction was completed during the summer of 2012 with revegetation establishment still underway. The next phase will involve plumbing co-mingled flows from the Stateline area to the new improvements. Storm water from public and private lands in Nevada and California co-mingle, necessitating a joint treatment and cost-sharing agreement between Placer County, Boulder Bay LLC, Washoe County, and the States of Nevada and California.

**Kings Beach Commercial Core and Watershed Improvement Projects:** There have been no changes to the project since the March 2013 Board meeting. The Board has authorized \$600,000 to plan the Commercial Core Improvement Project (CCIP) and \$1,123,000 for the Watershed Improvement Project (WIP). These projects address aging infrastructure, water quality, and transportation facilities in central Kings Beach.

The County completed environmental documentation for both projects. Final design has been completed for the CCIP and two phases of the WIP (Coon Clean Water Pipe and Lower Chipmunk phases). In March 2012, the Board authorized grant easements across eleven Conservancy-owned properties for the CCIP.

Given current funding opportunities, the County split both the WIP and CCIP into phases in order to construct portions of the project as funding becomes available. It is anticipated that construction of the CCIP and the Lower Chipmunk phase of the WIP will begin in 2013 and 2014. The \$24,000,000 "Core of the Core" CCIP project will install full streetscape improvements from Secline to Minnow, Class II bikeways from State Route 267 to Chipmunk, five storm drain systems/crossings, three satellite parking lots, 103 on-street parking spaces, 13 additional speed humps, and improved transit facilities and shelters.

**Lake Forest Erosion Control:** There have been no changes to the project since the March 2013 Board meeting. The Board has authorized \$4,216,976 for this project, comprised of Areas A, B, and C. The County constructed Area A improvements in the summer of 2008. Construction of the first phase of Area B, the Highlands Subdivision, was completed in fall 2012. Final design for water quality improvements in the Lake Forest Subdivision of Area B is nearing completion, and construction is scheduled for 2014. The County has applied for 319h grant funds to assist with the construction of this phase. The County completed construction of the SEZ restoration and wildlife enhancement portion of Area B in fall 2010, which provides a polishing treatment for storm water from the Highlands Subdivision.

**West Sunnyside Erosion Control:** There have been no changes to the project since the March 2013 Board meeting. The Board has authorized \$2,891,707 for this project. The County completed construction of Phase 1 in fall 2010. Final design for Phase 2 is underway, and construction is scheduled for 2014.

**Unpaved Access Roads and Trails Erosion Control:** The Board authorized \$150,000 to the North Tahoe Public Utility District (NTPUD) to address water quality issues associated with unpaved roads and trails that access NTPUD facilities. NTPUD has retained the services of a consultant to complete environmental documentation and permitting for high priority sites in preparation for construction of improvements. Revised easements from the Conservancy will be required in order to implement the improvements. The Board will be requested to consider authorization of such easements at a future date.

### **3. Natural Resources**

**Lower Blackwood Creek Restoration:** This project is located along Blackwood Creek and includes Eagle Rock on the west shore of Lake Tahoe, north of Tahoma. The project will enhance aquatic and riparian habitat conditions and provide water quality benefits by reducing sediment sources in the watershed that contributes more fine sediment per acre than any other watershed in the Basin. Since 2005, the Board has authorized \$4,250,000 for planning, final design, and implementation of the project.

Conservancy and CCC crews worked together to complete the realignment of a popular, but eroding, trail accessing Eagle Rock, under the direction of Conservancy staff in summer 2011. Additional work on the trail network north of Eagle Rock is planned for the 2013 field season. Construction of the stream enhancement and aspen release components of the project began in June 2012 and were completed in fall 2012. Final site restoration, irrigation, plant establishment, and monitoring are planned to occur at the stream project site in 2013 and in subsequent years. Initial site inspections in 2013 have provided encouraging results, as the stream improvements wintered well during their first season.

USACE funding will reimburse up to 75% of planning and implementation costs for restoration activities, excluding trail realignment. Through a competitive, statewide grant process, the

Conservancy also received Proposition 84 funded CCC crews valued at \$77,310 to complete the trail work.

**Lake Forest Stream Environment Zone (SEZ) and Wildlife Enhancement Phase of the Lake Forest Erosion Control Project**

**Area B:** There have been no changes since the March 2013 Board meeting. The SEZ and Wildlife Phase restored a stream that had been placed in a culvert and enhanced adjacent meadow, riparian, and aquatic habitats. The completed phase is a part of the larger project being implemented by Placer County, approximately two miles east of Tahoe City, adjacent to Lake Tahoe on mostly Conservancy-owned property.

The Conservancy signed an agreement with USACE to provide \$2,075,000 in federal funds to reimburse implementation costs. This USACE funding was granted to the County at the May 2009 Board meeting. The County began construction in fall 2009 and completed the project in 2010 by connecting the new channel and abandoning the subsurface culvert. Despite a low water year, the channel saw its first flows in April 2012.

**Ward Creek Watershed Assessment and Restoration:** The Conservancy is implementing the projects defined in the Ward Creek Watershed Assessment and Restoration (Project) in coordination with LTBMU, DPR, Placer County, and Alpine Meadows Ski Resort (Alpine Meadows), among other entities. The Project was initiated by the Conservancy in 2004, and the Board has authorized \$1,115,000 through four different annual planning authorizations for planning activities. The Project area encompasses the entire 9.74 square-mile watershed located on the west shore of Lake Tahoe, south of Tahoe City.

The Ward Creek Dam Removal was completed in 2006. Conservancy crews constructed the main improvements of the Drainage and SEZ Restoration Project near the Stanford Rock Crossing in 2010 and some additional improvements in 2011 and 2012 to prevent sediment discharge to Ward Creek and Lake Tahoe. Multiple new outfalls to Ward Creek were constructed to replace a single, heavily eroded outfall with a

network of dispersed flows. In 2013, adaptive management actions will be implemented and the seasoned new outfalls will be permanently activated while the eroded outfall will be permanently decommissioned. This project requires additional funding for materials and hand crews, as described in the Urban Land Management Annual Authorization that is before the Board for consideration at this meeting.

Also in the Ward Creek watershed, Alpine Meadows contacted the Conservancy in July 2012 regarding their lease requirement to complete environmental improvements on Conservancy-owned lands they lease by October 15, 2014. In August 2012, a landslide occurred on these lands, necessitating emergency repairs to an access road and two drainages. Repairs and improvements to reduce the likelihood of future impacts were completed in October 2012. Staff is working with Alpine Meadows to develop a comprehensive plan for improving and protecting additional areas leased from the Conservancy. Surveys and construction of improvements will resume this summer.

#### **4. Forest Habitat Enhancement**

The Forest Habitat Enhancement Program focuses on preserving, enhancing, and restoring forested habitats on Conservancy-owned property. These projects are designed to improve habitat, reduce fire threat, and promote natural processes. Staff worked with the North Tahoe Fire Protection District (NTFPD) to plan and implement the Conservancy's forestry activities in Placer County for the 2013 field season.

The Conservancy is engaged in various monitoring projects to determine the effectiveness of program activities. Between 2002 and 2006, the Conservancy and CalFire established a series of permanent forest inventory plots across Conservancy-owned lands. The Conservancy will use information derived from the inventory to aid in the development of management objectives and strategies. The Conservancy initiated a second round of data collection on these plots in 2009 and continued the effort over the next several summers.



Moving forward, the Conservancy will focus on monitoring plots within annual treatment units.

**North Tahoe Fire Protection District (NTFPD):** In 2013, Conservancy staff will collaborate with NTFPD to plan, implement, and fund the restoration of 100 acres, including the Windsor Project near Brockway Summit, and the Mark Twain and Ward Creek Projects south of Tahoe City.

The Conservancy, in collaboration with NTFPD, was awarded a SNPLMA Round 13 grant for the 2013 field season. The grant will fund the planning and implementation of the Fairway/Bunker Fuel Reduction Project (immediately northwest of Tahoe City). This project will occur on Conservancy-owned property.

Depending upon the outcome of a Federal Emergency Management Agency (FEMA) grant proposal submitted by NTFPD in collaboration with the Conservancy, the agencies may implement the first year of urban lot fuel treatment of approximately 100 acres in 2013 and 2014.

## **E. Major Conservancy Projects Recently Completed or In Progress, City of South Lake Tahoe**

### **1. Public Access and Recreation**

**El Dorado Beach to Ski Run Boulevard Bike Trail and Lake Access Enhancement:** A grant agreement with the City of South Lake Tahoe (City) that funded planning and design of a three-quarter mile gap that extends from El Dorado Beach to Ski Run Boulevard terminated in June 2011. Due to an existing Caltrans project in the same area, there have been no changes to the project since the December 2012 board meeting. Conservancy staff anticipates continued involvement with the project as a source of guidance for the City. Construction may begin in 2014 should all necessary easements be obtained.

**El Dorado Beach Lakefront Enhancement (Phase 2 of Lakeview Commons Project):** There have been no changes since the March 2013 Board meeting. The Conservancy awarded a \$6,000,000 site improvement grant to the City for Phase 1 of this project, which increased and enhanced public access to El Dorado Beach in central South Lake Tahoe. Construction began in May 2011 and was completed in July 2012. Conservancy staff is working with the City to complete the grant deliverables requirements to ensure a timely release of retention.

The second phase of construction is not yet funded. Another four to five million dollars in capital funding is necessary to complete construction of the full design that has been permitted through local and regional entities. The City and El Dorado County have yet to develop a strategy to procure the additional funds.

**South Tahoe Greenway Shared Use Trail:** The 3.86-mile South Tahoe Greenway Shared Use Trail Project will provide the backbone of the bicycle network in the core of South Lake Tahoe between the Sierra Tract Subdivision and Van Sickle Bi-State Park. The project received Conservancy, Tahoe Regional Planning Agency (TRPA), and City of South Lake Tahoe approvals in late 2011. Recommended authorization for several actions related to construction of Phase 1a, the segment between Glenwood Way and Herbert Avenue, and securing access rights to other Phase 1 segments are included in this month's Board meeting.

## **2. Soil Erosion Control**

The Board has authorized \$9,702,387 to the City for active erosion control projects. These projects improve water quality by addressing sources of sediment and stormwater runoff from public rights-of-way and by reducing the amount of sediment and nutrients delivered to Lake Tahoe.

**Sierra Tract Erosion Control:** The Board has authorized \$4,717,884 since 2000 for this multi-phased project. The City constructed Phase 2 in

2005, Phase 1A in 2007, and Phase 1B in 2010. Construction of Phase 1C is postponed due to lack of funding.

After completion of an analysis using the new Pollutant Load Reduction Model, the City modified the boundaries of Phase 3 to address the highest-priority problems. Phase 3 lies adjacent to U.S. Highway 50, so the City and Caltrans are coordinating the design of their adjacent water quality projects to efficiently address the stormwater runoff pollutants from both project areas. The City, with help from TRPA, is also engaging private property owners in the project area. The environmental document for the Phase 3 is scheduled to be released for public comment by the City in June 2013. The City plans to go out to bid for the Phase 3 construction in fall 2013 with construction scheduled for 2014. Phase 4 is being planned in conjunction with the City's Sierra Boulevard Streetscape Project, a comprehensive project proposed to include water quality improvements, a bike trail, and neighborhood enhancements like sidewalks. As part of this effort, Liberty Utilities has completed their underground line project.

**Al Tahoe Erosion Control:** The City completed construction of Project Area 1 in 2010, funded entirely with LTBMU and American Recovery and Reinvestment Act funds. The Board authorized \$1,675,000 in May 2011 for implementation of the Al Tahoe Erosion Control Project Area 2. Construction was completed for Project Area 2 in summer 2012, and awaits final notice of completion.

**Bijou Erosion Control:** The Board has authorized a total of \$2,288,526 for the project. Phase I of the project addresses the highest priority water quality problems in the Bijou Creek watershed by developing advanced treatment in the commercial core and by pursuing cooperative cost sharing between public and private contributors. The City of South Lake Tahoe (City) continues to develop an optional buy-in Community Facilities District (CFD) to provide private funding for the project. Property owners who choose to participate in the CFD will receive a

TRPA BMP compliance certificate in exchange for their contributions to this shared water quality facility.

Phase I of the erosion control project also includes the replacement of old and undersized pipes currently under the Bijou Commercial Core with properly-sized infrastructure to improve conveyance and stabilize the existing deteriorating pipe system. Replacing these pipes will assist the project in achieving its water quality objectives while also allowing the City to pursue future water quality improvements throughout the entire watershed. Caltrans installed the portion of the new culvert under U.S. Highway 50 in summer 2012, which resulted in significant implementation cost savings for the City.

The City has secured all necessary easements and permits for the project's construction, and the project went out to bid in February, 2013. Due to concerns related to the initial bids received, the City re-bid the project and recently awarded the contract to Preston Pipelines, Inc. for \$10,921,349 with a 10% construction contingency. Phase I project construction is planned to start June, 2013 and continue through the 2014 construction season.

The City has accepted \$4,735,000 from Caltrans for Phase I, and additional construction funds totaling \$5,197,000 have been awarded to this project from the SNPLMA program. The City was awarded \$3,000,000 in Proposition 84 stormwater grant funding for Phase I project construction; this funding assists the City by providing adequate support to complete all construction activities.

**East Pioneer Erosion Control:** Water quality monitoring is complete in the Keller Canyon portion of the project. To date, the Board authorized \$1,020,977 in planning funds for this project. The City submitted the pre-project monitoring report, and has determined that the environmental benefits proposed by the project do not match the anticipated expenditure to implement the project. Remaining funds in the grant will not be used.

### 3. Natural Resources

**Upper Truckee River, Airport Reach:** There have been no changes since the March 2013 board meeting. The project restores natural river processes, resulting in enhanced SEZs, improved terrestrial and aquatic habitat, and improved water quality. The project is located on the Upper Truckee River, on City property adjacent to the South Lake Tahoe Airport.

The Board authorized \$5,899,500 for planning and site improvement grants for this project. The City also received a grant of \$2,000,000 from Bureau of Reclamation (BOR). The Conservancy has received funds from USACE to reimburse up to \$1,500,000 in planning, monitoring, and construction management costs.

After postponing the project one year to allow vegetation establishment, project construction was completed in fall 2011. The old channel is filled, and the new channel is now active. Irrigation will continue through 2013 to establish newly-planted vegetation. The project saw its first peak flow event in April 2012, and some private citizens have questioned whether the project is degrading water quality. The City and Conservancy coordinated adaptive management activities to address some bank erosion in fall 2012.

**Upper Truckee River, Middle Reaches 1 and 2, SEZ and Wildlife Enhancement:** There have been no changes to this project since the September 2012 Board meeting. The project aims to improve water quality by filling a highly erosive gully channel in the meadow that formed during the flood of 1997. The project also includes bank stabilization treatments and habitat improvements along the main channel of the river. Depending on the outcome of the acquisition discussions, additional restoration and public access features may be incorporated into the project design as appropriate.

This project has been temporarily placed on hold to pursue full fee acquisition of the property by LTBMU. The Conservancy is working with LTBMU and other partners to develop a shared funding strategy for acquiring and restoring this important and environmentally sensitive property. Public acquisition of the property would improve the restoration and public access opportunities onsite and would provide a critical linkage between the largely publicly-owned Upper Truckee River meadow and floodplain areas. Restoration planning will resume once the future potential project and status of the acquisition are more clearly understood.

The project site is located downstream of the Lake Tahoe Airport, upstream of U.S. Highway 50 in South Lake Tahoe, and adjacent to the Sierra Tract Subdivision. The majority of the project area is currently located on private property, so public property acquisition efforts need to progress to enable the project to move forward.

**Upper Truckee Marsh Restoration:** The Upper Truckee Marsh filters all runoff from the two largest watersheds in the Tahoe Basin, and its restoration is likely to be one of the most significant actions leading to the improved clarity of Lake Tahoe. To date, the Board has authorized \$6,500,000 for project planning and design and \$10,500,000 for the implementation of the first phase of the project, the Lower West Side Project. This project is located at the mouth of the Upper Truckee River on the south end of Lake Tahoe and is being implemented by the Conservancy primarily on Conservancy-owned lands. The objectives of the project include enhancing sensitive wetland habitat, restoring natural hydrologic processes, improving water quality, and providing appropriate recreational opportunities.

In September 2010, the Board authorized the acceptance of up to \$1,162,000 in federal reimbursements from BOR to fund the completion of preliminary plans and environmental review. The Conservancy, with assistance from consultants hired by the California Department of General

Services, has developed four alternatives, all of which recently went through the draft environmental document public comment process. A series of workshops and public hearings were conducted, and the Conservancy received over 65 comments from private citizens and agencies. The project will now move towards selecting a preferred alternative, taking into consideration the project's goals and objectives, the public comments and the environmental analysis.

#### **4. Forest Habitat Enhancement**

The Forest Habitat Enhancement Program focuses on restoring forested habitats on Conservancy-owned property. Projects are designed to improve habitat, reduce fire threat, and promote natural processes. Staff worked with the City of South Lake Tahoe Fire Department (SLTFD) to plan and implement the forestry activities for the 2013 field season.

The Conservancy is engaged in various monitoring projects to determine the effectiveness of program activities. Between 2002 and 2006, the Conservancy and CalFire established a series of permanent forest inventory plots across Conservancy ownership, including Conservancy-owned lands in the City. The Conservancy will use information derived from the inventory to aid in the development of management objectives and strategies. The Conservancy initiated a second round of data collection on these plots in 2009 and continued the effort over the next several summers.

**City of South Lake Tahoe Fire Department (SLTFD):** In 2013, Conservancy staff worked collaboratively with SLTFD and LVFPD to plan, implement, and fund the restoration of 60 acres within the Van Sickle Bi-State Park. Staff anticipates completion of the hand crew project this summer. The project is within and around the parking area and on both sides of the main road leading to the Nevada side of the park.

The Conservancy, in collaboration with SLTFD, was awarded a SNPLMA Round 13 grant for the 2013 field season. This grant allows for the planning and implementation of the Airport Fuel Reduction Project on

City of South Lake Tahoe-owned property. Conservancy staff is awaiting receipt of the City's environmental document on the project for review by the Board before an agreement can be entered to provide the funds for the project's implementation.

## **5. Land Exchange**

The Board-approved land exchange with the City closed escrow in April 2012. The Conservancy transferred approximately 1.2 acres of commercially-zoned property to the City in return for approximately 32.7 acres to assist the Conservancy with meeting Land Bank and Upper Truckee Marsh restoration objectives. Specifically, the Conservancy transferred the former Unocal property along Lake Tahoe Boulevard and land at the corner of Modesto and Harrison Avenues to the City in return for the former drive-in movie theater along Glenwood Way and land within the Upper Truckee River floodplain west of Sunset Drive. The transaction involved land assets of equal value, based upon independent appraisals.

## **F. Urban Land Management Program**

### **1. Special Use Requests**

Pursuant to Board authority dated January 20, 2011, staff is authorized to enter into license agreements consisting of three years or less provided the Board is notified. Staff is providing notice of six recent licenses as described below:

Very-short-term (five-day) license granted to The Patient Finder executed on May 13, 2013. The Patient Finder filmed a television commercial for clinical research studies at North Tahoe Beach. The fee for this license was \$100. Evidence of insurance listing the Conservancy as additional insured was provided.

Very-short-term (five-day) license granted to The Orvis Company executed on May 19, 2013. This is the sixth time The Orvis Company has



photographed their Women's Winter catalog at Lake Forest Meadow. The fee for this license was \$100. Evidence of insurance listing the Conservancy as additional insured was provided.

Short-term license granted to the Tahoe Regional Planning Agency (TRPA) executed on May 20, 2013. This is an annual license to TRPA for Noise Monitoring stations throughout the Lake Tahoe Basin. In lieu of a license fee, the TRPA will apply the sum of \$900 (\$100 per location) toward efforts to meet the goals for Threshold Categories identified in the Regional Plan. Evidence of insurance listing the Conservancy as additional insured was provided.

Very-short-term (three-day) license granted to Ferguson Excavating, Inc. executed on May 21, 2013. Ferguson Excavating, Inc. was granted temporary storage of fill dirt and access to transport it across Conservancy-owned property in the Bijou neighborhood. The fee for this license was \$100. Evidence of insurance listing the Conservancy as additional insured was provided.

Very-short-term (one-day) license granted to The League to Save Lake Tahoe (League) executed on May 22, 2013. The League held a volunteer weed pull event at Van Sickle Bi-State Park. In lieu of a license fee, the League provided the removal of weeds. Evidence of insurance listing the Conservancy as additional insured was provided.

Short-term license granted to Big Blue Adventure, LLC executed on May 29, 2013. Big Blue Adventure, LLC will be holding a number of mountain bike and hiking competitions and community events throughout the summer months on the Dollar Property in Tahoe City. The fee for this license was \$600 (\$100 per event). Evidence of insurance listing the Conservancy as additional insured was provided.

## **2. Upper Truckee Marsh and Van Sickle Bi-State Park**

On May 1, 2013 the annual seasonal dog closure on the Upper Truckee Marsh resumed. It ends on July 31, 2013. City leash ordinances are in effect the remainder of the year (August 1, 2013 through April 30, 2014). The El Dorado County Sheriff's Office is currently under contract to enforce ordinances on the marsh property, as well as at Van Sickle Bi-State Park (Van Sickle). Van Sickle opened for the season on May 1, 2013 and gates are scheduled to close for the 2013 season on October 31, 2013. In cooperation with the Tahoe Rim Trail Association, Van Sickle hosted National Trails Day activities on June 1, 2013. This volunteer day enabled an additional lakeview loop trail, built to trail standards, to be added to Van Sickle's trail system.