

EXECUTIVE DIRECTOR'S REPORT

A. Budget

Fiscal Year (FY) 2013/14: As reported in September 2013, the Legislature has passed and the Governor has signed the State's 2013 Budget Act. The Conservancy's capital outlay and local assistance appropriations for FY 2013/14 total \$5,015,000. This amount will allow continued funding of projects to meet resource and public access needs under the Environmental Improvement Program (EIP). The appropriations include 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 continues at a level of \$4,922,000 and 41.0 positions, available from various special funds and revenue sources dedicated to the Conservancy.

Fiscal Year 2014/15: As authorized by the Board in September 2013, staff has submitted the Conservancy's budget requests for the 2014/15 fiscal year.

A total of \$3,576,000 was requested for capital outlay and local assistance from funding sources dedicated to the Conservancy to enable continued implementation of the EIP. This includes \$575,000 from various state sources dedicated to the Conservancy; \$440,000 in funding from Conservancy land bank proceeds; \$2,231,000 in bond funds; and up to \$330,000 which may become available pursuant to SB 630. The Conservancy's baseline support budget request totals \$5,368,000 and 39.0 PY. This would entail various special funds and revenue sources dedicated to the Conservancy, along with \$550,000 available from revenues generated under the Conservancy's Asset Lands Program. These requests are currently being reviewed by the Natural Resources Agency and the Department of Finance as part of the development of the proposed 2014/15

Governor's Budget, to be released in early January 2014. Staff will keep the Board informed as the 2014/15 budget cycle progresses.

B. Asset Land Sales Update

The first two asset land properties authorized for sale by the Board on September 19th closed escrow in early October, with the Conservancy receiving \$1,649,700 in net proceeds. These funds have been deposited into the Tahoe Conservancy Fund and staff is working with the Natural Resources Agency and the Department of Finance on an appropriation schedule beginning in FY 2014/15 consistent with Government Code section 66908.2.

In response to comments by board members and the public about the two proposed asset land sale agenda items during the September 2013 meeting, staff will present several proposed modifications to the existing Asset Lands Program Guidelines at the March 2014 meeting.

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 \$1,256,000 (\$895,000 from the Public Access and Recreation Program and



\$361,000 from the Erosion Control Program) to El Dorado County to design, permit, acquire the necessary easements, and construct a Class 1 bike trail and erosion control improvements. 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 complete. The second phase of trail construction, from Echo View Drive to U.S. Highway 50, is anticipated to start and be completed during the 2014 construction season. The Conservancy awarded up to \$350,000 in site improvement funding at the June 2013 meeting to support the construction efforts. Conservancy staff recently reviewed the 90% construction plan set and attended the County's Project Development Team meeting to gain additional clarity on the project design and offer comments.

Lake Tahoe Boulevard Enhancement: The County is moving forward with a bike path located on the west side of Lake Tahoe Boulevard (LTB) within an old dirt-road, and erosion control spot treatments along LTB. As designed, the Project does not remove auto travel lanes from the intersection of Sawmill Road and LTB, northward into the "Y" area of the City of South Lake Tahoe at the intersection of LTB and D Street. Construction is anticipated in 2014.

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 project status has not changed since the September 2013 meeting.

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. Interpretive/wayfinding signs now serve paddlers at Waterman's Landing and North Tahoe Beach. Conservancy staff is



coordinating with the Tahoe City Public Utility District and the City of South Lake Tahoe to spread the use of interpretive outreach signage to other beach launch locations. Conservancy staff involvement with the non-profit Lake Tahoe Water Trail Association will wind down by the end of the year as the organization seeks new partners. For more information visit: <http://laketahoewatertrail.org/>.

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: There has been no change in this project since the September 2013 meeting. 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 was completed at the end of the 2013 construction season. Planning continues for Area 3 with funding from the U.S. Forest Service, Lake Tahoe Basin Management Unit (LTBMU). The County has license agreements on several Conservancy parcels to construct water quality improvements in Area 2.

Sawmill II Erosion Control: The Board authorized erosion control grant funds totaling \$361,000 for this project. Staff has recently reviewed and commented on the 90% plans for phase B. The project is planned in concert with the Sawmill II Bike Trail. 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 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 the BMP retrofit project. Construction of Phase 2C, which includes four disconnected project areas running the length of Christmas Valley was completed this summer. Project monitoring will continue for the next two years.



County Service Area #5 Erosion Control Project Phase A: There has been no change in this project since the September 2013 meeting. In December 2012, the Board authorized up to \$395,000 for the design and construction of 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 (ROW) 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 September 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 (Best Management Practices) for conveyance in the subdivision by incorporating offline infiltration systems, within the County 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 September 2013 meeting. The Board authorized up to \$225,000 for the design and construction of the project. Staff recently reviewed and commented on the project's feasibility report that describes the existing conditions and alternatives analysis. 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.

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. This collaborative project will help restore one of the Lake Tahoe Basin's most degraded watersheds.

The Conservancy Board approved the environmental document for this project in March 2012. The project will restore natural river processes, enhance stream environment zones (SEZ), 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 partnering with the LTBMU on this river restoration project 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 2012. This agreement expires in October 2017. Project documents can be found at: <http://www.fs.usda.gov/goto/ltbmu/UpperTruckeeRestoration>.

Construction of the Reach 5 project by LTBMU began in summer 2012 with the staging and stockpile site. Reach 5 channel construction began in early May 2013, and about 3400 feet of new channel were constructed during the 2013 season. The construction of the remaining 4100 feet of channel and related utility line relocation will take place in 2014. There will be no construction in 2015 while the vegetation in the new channel is established, and the relocation of the river into the new channel is planned for 2016. No Conservancy funds are being used 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 further discuss the findings of the Upper Truckee River Restoration Workshop and related Conservancy priorities.

Upper Truckee Golf Course Reach: There have been no changes since December 2012. The project will restore natural river processes, resulting in enhanced SEZ, improved wildlife and fisheries habitat, and improved water quality, along one of the Basin's most degraded watersheds. 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.

Tahoe Pines Campground Restoration and Access Project: This eight-acre site at the confluence of Echo Creek and the Upper Truckee River in Meyers was acquired by the Conservancy in 2007 with 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 habitat enhancement, coverage removal, and public access improvements. Engineering design services and environmental review activities are currently underway in preparation for project implementation in the fall of 2014.



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

A project overview was presented at the September 2013 meeting for discussion purposes only. No action was taken.

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.

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 is working 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, is completing the Meyers 5 Project, Phase 5 this summer. Meyers 5 Project, Phases 1 through 4, was 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 crew plans on completing Meyers Urban 2 Project (north of U.S. Highway 50 and east of the Upper Truckee River in Meyers) in the 2013 field season.

The Conservancy, in collaboration with LVFPD, was awarded a Southern Nevada Public Land Management Act (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. The contract for the implementation of this project is being written.

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, has completed the Meeks Bay Urban Project, which was initiated in the 2012 field season.

The hand crew and mechanical portions of the General Creek Project (directly west of the Tahoma community) were completed this fall by the

Tahoe Resource Conservation District forestry crew and a private contractor, respectively.

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 on Department of Parks and Recreation (DPR) owned property at Sugar Pine Point State Park. The contract for the work is in progress.

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

1. Public Access and Recreation

Homewood Bike Trail: The Conservancy awarded the Tahoe City Public Utility District (TCPUD) a \$500,000 site improvement grant in June to construct the missing one-mile segment in the west shore bike trail system. The Conservancy and TCPUD completed the grant agreement and the project is now in final design. In October, TCPUD learned that they were awarded a \$350,000 Environmental Enhancement Mitigation Program grant, reducing the outstanding balance needed for construction funding to less than \$90,000.

Lakeside Bike Trail, Phases V through VII (completed): 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. TCPUD has provided the Conservancy with all grant deliverables and has closed the grant. Consistent with all site improvement funding, TCPUD is required to operate and maintain improvements paid for by the State for a minimum of 20 years.

Dollar Creek Shared-Use Trail: The Conservancy awarded Placer County an up-to \$500,000 acquisition grant in June 2013 to acquire a 19.5 acre parcel owned by NV Energy, enabling a trail connection to the neighborhood at Fulton Crescent Drive. The appraisal for the property acquisition is now complete.

2. Soil Erosion Control

The Board has authorized \$11,418,120 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 September 2013 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 summer 2012. Planning for future phases will resume when resources are available.

Brockway Erosion Control:

The Board awarded 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 \$2,006,437 for this project. Construction was completed during summer 2012 and the revegetation component of the project was completed in fall 2013. 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: 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. More information is available on their website, <http://www.kingsbeachcore.info/>.

The County completed environmental documentation for both projects. Final design is complete 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. The County awarded the \$21,000,000 construction contract for the first phase of the "Core of the Core" CCIP to Q & D Construction, Inc.

The County split both the WIP and CCIP into phases in order to construct portions of the project as funding becomes available. Utility relocations for the CCIP began in summer 2013 in preparation for construction in 2014. The Lower Chipmunk phase of the WIP may begin in 2014. The "Core of the Core" 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: The Board has authorized \$4,216,976 for this project, comprised of Areas A, B, and C. The County constructed Area A improvements in summer 2008. Construction of the first phase of Area

B, the Highlands Subdivision, was completed in fall 2012. The 90% final design for water quality and SEZ improvements in the Lake Forest Subdivision of Area B was provided to the Conservancy in fall 2013, and construction is scheduled for 2014. The County is requesting a license agreement for the use of Conservancy owned lands which staff will provide to the Board for consideration at the March 2014 meeting. The County has secured the additional construction funding needed through a 319h grant. 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 September 2013 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 or 2015.

Unpaved Access Roads and Trails Erosion Control: There have been no changes to the project since the September 2013 meeting. 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. This grant was fully expended in June 2013. NTPUD is nearing completion of environmental documentation and construction documents for two 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 enhances aquatic and riparian habitat conditions and provides 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. More project information is available at <http://tahoe.ca.gov/lower-blackwood-creek-restoration-69.aspx>.



Conservancy and the California Conservation Corps (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, including a new trail segment, was completed in July 2013. 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 and plant establishment activities will continue at the stream project site into 2014. Monitoring and adaptive management is underway and will occur in subsequent years. Site inspections in 2013 have provided encouraging results, as the stream improvements wintered well during their first season and current vegetation success is close to 100%.

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.

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, California State Parks, and Alpine Meadows Ski Resort (Alpine Meadows), among other entities. Ward Creek is one of the three highest priority watersheds in Lake Tahoe based on sediment and nutrient discharge. 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 fall 2013, Conservancy crews completed the project.

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 worked with Alpine Meadows to develop a comprehensive plan for improving and protecting additional areas leased from the Conservancy. Alpine Meadows completed the first phase of improvements in fall 2013.

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. At this time the Windsor and Mark Twain projects have been completed and the pile burning treatment at Ward Creek is on hold until late fall/winter for weather conditions that allow this treatment to occur.

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. The contract for the implementation of this project is being written.

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 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: The Conservancy authorized a grant to the City of South Lake Tahoe (City) that funded planning and design of a three-quarter mile trail that will bridge the gap that extends from El Dorado Beach to Ski Run Boulevard. 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. The project status has not changed since the September 2013 meeting.

El Dorado Beach Lakefront Enhancement (Phase 2 of Lakeview Commons Project): There have been no changes since the September 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, fifty percent (50%) of which has been released. More information is available at <http://tahoe.ca.gov/el-dorado-beach-at-lakeview-commons-79.aspx>.

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 project's permits will expire next year unless 'diligent pursuit' of the project is demonstrated by the City of South Lake Tahoe. The City and El Dorado County have yet to develop a strategy to procure the additional funds.

The Conservancy continues to work with State Lands Commission, Tahoe Fund, and other partners to secure funds to acquire and restore the Alta Mira property at the east end of El Dorado Beach.

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. Preliminary final plans and specifications for Phase 1a will be completed by early 2014, allowing sufficient time for final approvals, bidding the construction work, and

initiating construction in late summer 2014. Staff coordination with area agencies continues to meet the terms of the Special Use Permit with LTBMU, project permit with Tahoe Regional Planning Agency (TRPA), and encroachment permit with the City. More information is available at <http://tahoe.ca.gov/south-tahoe-greenway-79.aspx>.

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 (ROWs) 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 environmental document for the Phase 3 project was adopted by the City Planning Commission on August 8, 2013. The City may delay construction of Phase 3 due to other project priorities.

Phase 4 is 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 and street lighting. As part of this effort, Liberty Utilities has

completed their underground line project. Construction funding has not been secured.

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. The City completed Project Area 2 in summer 2012.

Bijou Area 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 Best Management Practice (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.

Phase I of the project started in June 2013 and will continue through the 2014 construction season. Conservancy staff is working closely with the City as several Conservancy properties are being utilized for project improvements. Coordination of landscaping has been ongoing on a

Conservancy-held conservation easement at the beach near the new Lake outfall, which includes habitat protections for Tahoe Yellow Cress.

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 draft pre-project monitoring report, and determined that the environmental benefits proposed by the project do not match the anticipated expenditure to implement the project. Conservancy staff received the final report for the project and is in the process of reviewing it. Once approved, retention will be released. There will be funds remaining in the grant that will not be used.

3. Natural Resources

Upper Truckee River, Airport Reach: 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, which contributes the most sediment to Lake Tahoe, 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 continued through 2013 to establish newly planted vegetation. The project saw its first peak flow event in April 2012, and some private citizens questioned whether the project is degrading water quality. The City and Conservancy coordinated adaptive management activities to address some bank erosion in fall 2012. In June 2013 the Upper Truckee River interagency adaptive management group inspected the project site and developed recommendations for additional adaptive management work that the City implemented in October 2013.

Upper Truckee River, Middle Reaches 1 and 2: There have been no changes to this project since the September 2013 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.

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. Additional restoration and public access features may be incorporated into the project design as appropriate.

This project continues to be on hold as LTBMU pursues full fee acquisition of the property. 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.

Upper Truckee Marsh Restoration: The Upper Truckee Marsh filters all runoff from the two largest watersheds in the Tahoe Basin. Its restoration will significantly improve ecosystem health and lake clarity.

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. 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. More information is available at <http://tahoe.ca.gov/upper-truckee-marsh-69.aspx>.

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 (DGS), has developed four alternatives, all of which went through the draft environmental document public comment process. Currently, Conservancy and DGS staff are working with consultants and partners to select a preferred alternative, taking into consideration the project's goals and objectives, the public comments and the environmental

analysis. The environmental document will be finalized once the preferred alternative is selected.

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 Van Sickle Bi-State Park. LVFPD's hand crew completed cutting and piling of slash material into burn piles with final burning anticipated to be completed in late fall or winter 2013. 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 funds for the project's implementation.

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 five recent licenses as described below:

Very-short-term (five-day) license granted to the Sugar Pine Foundation executed on September 21, 2013. The Sugar Pine Foundation planted native conifer seedlings using community volunteers in the Golden Bear area of El Dorado County and the Dollar Creek and Regency areas of Placer County. In lieu of a license fee, the Sugar Pine Foundation planted native seedlings on Conservancy-owned lands. Evidence of insurance listing the Conservancy as additional insured was not provided, however, volunteers were required to sign waivers.

Very-short-term (two-day) license granted to Glass and Marker, Inc. executed on October 4, 2013. Glass and Marker, Inc. filmed two online commercials at Eagle Rock Vista, near Tahoe City, and at the Dollar Creek property in Carnelian Bay. A Film Permit was also obtained from the Placer County Film Commission. The fee for the license was \$100. Evidence of insurance listing the Conservancy as additional insured was provided.

Short-term (eight-day) license granted to American Conservation Experience (ACE) executed on October 7, 2013. ACE provided assistance to Conservancy crews to complete the General Creek forestry project north of Meeks Bay. In lieu of a license fee, ACE assisted the Conservancy as noted. Evidence of insurance listing the Conservancy as additional insured was provided.

Short-term (three-year) license granted to South Tahoe Public Utility District (STPUD) executed on October 11, 2013. STPUD installed temporary benchmarks and stream gauging stations for the purpose of collecting land survey information necessary for the Truckee Meadows Sewer Facilities Protection Project. The information will be collected in the Trout Creek section of the Upper Truckee Marsh. In lieu of a license fee, STPUD will provide any data collected during the term of this license. Evidence of insurance listing the Conservancy as additional insured was provided.

A short-term (six month) license was granted to Frank Bosch and Linda Cook, executed on November 5, 2013. In lieu of a license fee, the Licensee [will](#) provide services at Van Sickle Bi-State Park to include: regular inspection of the adjacent historic structure area, as defined in the license, for activities that may impact cultural resources; report any vandalism, resource or facility damage, or hazardous situations to Licensor and/or law enforcement; and maintain the premises in a clean and presentable fashion.

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

On August 1, 2013 the annual seasonal dog closure on the Upper Truckee Marsh ended. Information was available online at <http://tahoe.ca.gov/upper-truckee-marsh-annual-seasonal-dog-closure.aspx>, and through press releases at the beginning of the closure. City leash ordinances are in effect from 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 closed for the season on October 31, 2013 and gates are scheduled to open on May 1, 2014. In cooperation with the Tahoe Rim Trail Association (TRTA), Van Sickle hosted National Trails Day activities on June 1, 2013. This volunteer day



added a lake view loop trail, built to trail standards, to Van Sickle's trail system. In addition to TRTA staff and volunteers, the Conservancy's seasonal contract crews and staff were involved in planning and implementation of the project.

In response to increased winter use at Van Sickle, additional staff time has been committed in recent months to address those associated winter activities and management concerns.

More information about Van Sickle is available at <http://tahoe.ca.gov/van-sickle-bi-state-park-79.aspx>