

EXECUTIVE DIRECTOR'S REPORT

A. Budget

Fiscal Year 2016/17:

The Legislature passed, and the Governor signed, the Budget Act of 2016. For the 2016/17 fiscal year, it includes the following appropriations for the California Tahoe Conservancy (Conservancy):

- \$9,797,000 for capital outlay and local assistance to fund program priorities and support the Environmental Improvement Program (EIP) for the Lake Tahoe Basin, including:
 - \$4,376,000 in bond funds from Propositions 12, 40, 50, and 84;
 - \$1,421,000 from special funds dedicated to the Conservancy (Habitat Conservation Fund, Lake Tahoe Conservancy Account/Tahoe License Plate, Tahoe Conservancy Fund, and Lake Tahoe Science and Lake Improvement Account [Senate Bill 630]);
 - \$2,000,000 in federal grant authority; and
 - \$2,000,000 in reimbursements.
- \$6,615,000 and 37.7 person years for ongoing support, including:
 - continuing "baseline" funding from various special funds and revenue sources dedicated to the Conservancy.

B. Highlights and Cross-Cutting Programs and Projects

August Lake Tahoe Summit, Associated Events, and Announcements:

On August 31, President Barrack Obama headlined the twentieth annual Lake Tahoe Summit at Harvey's Casino, Lake Tahoe. The event, hosted by Senator Reid, highlighted partnership accomplishments and future actions to protect and restore the Lake Tahoe Basin. Other speakers included Senators Reid, Feinstein, and Boxer, California Governor Jerry Brown, and Department of the Interior Assistant Secretary Janice Schneider. The event concluded with a concert by *The Killers*.

As part of the event, Assistant Secretary Schneider announced the approval of Southern Nevada Public Land Management Act (SNPLMA) Round 16 Hazardous Fuels funding, including over \$25 million for five projects at Lake Tahoe. This funding will implement hazardous fuels reductions on over 9000 acres in and around

communities throughout the Lake Tahoe Basin; support the Programmatic Timberland Environmental Impact Report planning effort; and provide fuels reduction technical assistance to private home-owners in areas where other federal, state and local fuels treatments will be implemented. Together, these five projects will support the Tahoe Fire and Fuels Team efforts to complete hazardous fuels treatments in most of the urbanized areas and protect communities and structures. The Conservancy will receive over \$6.8 million to treat up to 1800 acres in high priority areas on the California side of the Lake Tahoe Basin in partnership with the California Department of Parks and Recreation (DPR) and local fire protection districts.

Other events and announcements around the event included Governor Brown's Tree Mortality Task Force Subgroup meeting, where local forest and fire agencies reported on efforts to proactively address tree mortality at Lake Tahoe and the Central Sierra region. Tahoe Conservancy Executive Director Patrick Wright and Sierra Nevada Conservancy Executive Officer Jim Branham announced a new initiative to address tree mortality using a strategic landscape approach for the central Sierra. California Secretary for Natural Resources John Laird and Mr. Wright provided updates at the annual Senator Feinstein luncheon, which she hosts as an opportunity for the federal, State, and local agencies to discuss actions taken to address climate change, Aquatic Invasive Species (AIS) control and prevention, forest health, and other priority EIP goals and projects.

Forest Health Landscape Planning:

The Conservancy, along with the USDA Forest Service (USFS), DPR, Tahoe Regional Planning Agency (TRPA), and the National Forest Foundation (NFF) continue to make progress on the Lake Tahoe West collaborative landscape level planning effort for the West Shore. NFF recently hired a program manager and facilitator to manage the collaborative planning effort and we anticipate the stakeholder analysis and kick-off meeting will be completed this fall. The USFS submitted a SNPLMA nomination for the Lake Tahoe West effort to make up for funding reduced from the Proposition 1 award and to cover costs associated with developing planning documents. The SNPLMA Executive Committee chose not to forward this project for funding in this round.

TRPA Shoreline Process:

TRPA has embarked on the Shoreline Planning Initiative, a consensus-based multi-stakeholder planning process initiated to bring closure to a 30-year old effort to update ordinances related to activity within the Lake Tahoe shorezone. In order to move forward through critical policy issues and ensure efficient development of Policies, Code, and an Environmental Impact Statement (EIS), TRPA has prepared a

Shoreline Planning Initiative Work Program to complete the general planning effort in three phases by June 2018.

TRPA staff continue to hold meetings with the multi-stakeholder Shoreline Steering Committee and the Joint Fact Finding Committee and make progress on this important effort. Conservancy staff participate on the Joint Fact Finding subcommittee.

Proposition 1 Grant Program:

The Board's Proposition 1 grant awards in the amount of \$7,161,568 authorized in March 2016 are reflected in seven separate planning, acquisition, and implementation grant agreements distributed to the respective grantees including the NFF, Tahoe Resource Conservation District (TRCD), Washoe Tribe, Lake Valley Fire Protection District (LVFPD), and DPR. Conservancy staff and grantees are developing the project workplans and compiling documentation required as preconditions to project implementation (see table below).

Also, at the March Board meeting staff identified three other project nominations that ranked highly but were not ready for Board review because they had not completed the required environmental review under the California Environmental Quality Act (CEQA). The three projects include the El Dorado County Meyers Stream Environment Zone (SEZ) and Erosion Control project presented to the Board at this meeting, Placer County Griff Creek Corridor and Public Access acquisition, which is anticipated to be brought to the Board at a future meeting, and the City of South Lake Tahoe (City) Bijou Park Creek Watershed and SEZ Restoration project.

The City's Proposition 1 application to the Conservancy for the Bijou Park Creek Watershed and SEZ Restoration Project requested \$5.5 million, or fair market value, to acquire the 3.5-acre Knights Inn property near the corner of Ski Run Boulevard and U.S. Highway 50. Upon receipt of the appraisal of the property, dated November 20, 2015, Conservancy staff reduced the requested amount based upon the appraised value (about \$4.67 million). The Conservancy's external review panel ranked the project highly, primarily because of its potential to be a "signature project for the new Regional Plan."

The major focus of the Regional Plan is to provide incentives for the acquisition and restoration of aging developed properties on SEZs. Under the previous Plan, for example, a developer seeking to build a new 100-room hotel had to acquire the rights to 100 rooms (Tourist Accommodation Units, or TAUs) from another development. Under the new Plan, however, if those rights are acquired from a hotel on an SEZ that was restored, TRPA would allocate an additional 200 TAUs as "bonus units" to the new development after the property is restored.

The intent of the new rules is not only to provide incentives for SEZ restoration, but to facilitate new development on less sensitive parcels in the Basin's town centers. Placer County, for example, has been seeking to acquire several hundred TAUs to facilitate new hotels in Tahoe City and Kings Beach, and has been in extensive negotiations with the City to acquire those TAUs by assisting the City in acquiring one or more hotels on SEZs.

Because the Knights Inn is a large (110 rooms), aging development on an historic SEZ, its acquisition and restoration has significant potential to achieve the goals of the Regional Plan. It would remove an aging development, restore an historic SEZ, and provide up to 330 TAUs that could be sold or converted to other development rights. Placer County has been in negotiations with the City to acquire a portion of both the 110 TAUs that would become available following the City's acquisition of the parcel, and the 220 bonus units that would become available after the SEZ was restored.

The project could also be major step towards implementation of the City's Tourist Core Area Plan, which seeks to restore seven acres of SEZ within the highly developed Tourist Core, primarily by taking advantage of TRPA's incentive programs to encourage the removal and transfer of existing development from disturbed SEZs to other high capability, less sensitive areas.

For all of these reasons, the project had such potential that TRPA adopted a pilot program, after more than two years of discussions and meetings, to assure that the City could reserve the rights to the bonus TAUs associated with the project from the limited pool of TAUs available for TRPA to allocate. Without this program, the City and Placer County could not be assured that any TAU bonus units would be left in the pool after the parcel was later restored in order to qualify for the bonus units.

During the period following the review panel's recommendations, however, the City confirmed that it intended to resell some or all of the property acquired with State bond funds. Conservancy staff then notified the City that due to the tax exempt status of Proposition 1 bonds, the State would have to be reimbursed from the proceeds of a sale of the property to a private party or other private revenue generating use. Because this would jeopardize the City's ability to finance the project, Conservancy and City staff met to resolve this issue and keep the project alive. Ultimately, on March 2, 2016 the Conservancy suggested that the City provide supplemental information to refocus its application on the implementation of the restoration elements of the project, and provide its own funds to acquire the parcel. The City submitted the supplemental information, including a budget for \$5,687,967, for an implementation grant on March 3 and 4, 2016.

At the March 2016 Board meeting, Conservancy staff identified this project as one of three that the external review panel and Conservancy staff ranked highly but is not ready for Board review or approval because the City has not yet completed the required environmental review documents under CEQA. Staff indicated that they would prepare recommendations for Board approval of this project once environmental review is completed and all supplemental information is received.

Later this past spring, City staff began negotiating with a potential developer, and circulating conceptual drawings of the proposed project. The concept drawings include development of a new 25,000 square foot building on a portion of the historic SEZ area of the property, a 3,000 square foot building on the high capability, less sensitive area, and 142 parking spaces. The key environmental features of the project include an area-wide stormwater and flood control project that would daylight Bijou Creek, restore about an acre of functioning SEZ, enhance several Conservancy-owned sensitive lots, and collect and treat about 10,851 pounds of fine sediment, which is equivalent to the load reduction of an average stormwater project in the Basin.

Despite the high visibility and importance of the project, and the need for Conservancy land and funding and TRPA bonus units, neither Conservancy nor TRPA staff were involved in shaping the initial design of the project. Nevertheless, City staff invited TRPA, Conservancy, and League to Save Lake Tahoe staff to review the concept plans with the developer, but made it clear that no significant modifications were possible. Staff from all three organizations acknowledged the significant stormwater benefits of the project, but expressed concern that the SEZ restoration elements were far short of what they had anticipated.

TRPA staff then notified the City that the project would not be eligible to receive the maximum number of bonus units, and Conservancy staff expressed concern that the project did not appear to provide the level of environmental benefits described in the City's Proposition 1 grant application. In particular, Conservancy staff emphasized that the project did not appear to provide the SEZ restoration benefits described in the application, and that Proposition 1 could not be used to support a project with a primary focus on stormwater benefits. Stormwater benefits are required by TRPA rules and the Lahontan Regional Water Quality Control Board municipal permit, and Senate Bill 985 requires a Stormwater Resource Plan in order for Proposition 1 funding to be granted for a stormwater project. The City does not have an approved Stormwater Resource Plan. The Conservancy's Proposition 1 funding is required to fund multiple purpose projects that provide benefits well beyond existing requirements or required mitigation.

Despite these concerns, Conservancy staff requested a meeting with City staff to discuss potential next steps. At the meeting, City staff expressed concern that the conceptual drawings did not provide enough detail for the Conservancy to properly evaluate the benefits of the project. The Conservancy staff determined that the project will no longer be considered for funding as part of the Conservancy’s Proposition 1 Round 1. Instead, Conservancy staff agreed to work with City staff in recommending a Conservancy planning grant (from Proposition 50 funds) to expand the scope of the stormwater and restoration elements of the project to include the surrounding neighborhood and to coordinate the planning of this project with the Upper Watershed project that is recommended for funding through the State Water Resources Control Board’s (SWRCB) Stormwater Grants Program. The City may use the results of this planning process to apply for future rounds of competitive Proposition 1 and/or other funding. The staff recommendation for the planning grant is Item 7.d on the September Board meeting agenda.

| CONSERVANCY PROPOSITION 1 GRANT FUNDING AWARDS (MARCH 2016) | | | | | |
|--|--------------------------------------|----------------------------------|-------------------|--------------------|--|
| Project | Grantee | Conservancy Staff Contact | Grant Type | Grant Award | Status of Project |
| Lake Tahoe Aquatic Invasive Plant Control Project | Tahoe Resource Conservation District | Whitney Brennan | Implementation | \$700,000 | Awaiting signed grant agreement |
| Johnson Meadow Acquisition | Tahoe Resource Conservation District | Aimee Rutledge | Acquisition | \$4,234,000 | In process. TRCD has submitted a grant application to the Department of Fish and Wildlife for the remaining costs of the acquisition |
| Meeks Meadow Restoration | Washoe Tribe | Joe Pepi | Planning | \$228,530 | Grant agreement executed, workplan in progress |
| Lake Tahoe West Collaborative: A Multi-Jurisdictional Landscape Restoration Strategy | National Forest Foundation | Juan Carlos Urizar | Planning | \$849,100 | Grant agreement executed, workplan approved |
| Lake Tahoe Basin Wildfire Protection and Water Quality Enhancement Project | Lake Valley Fire Protection District | Milan Yeates | Planning | \$850,000 | In process; recently approved SNPLMA funds will cover |

| | | | | | |
|---|--------------------------------------|---------------|----------|-----------|--|
| | | | | | the costs of this grant |
| Antone Meadows Dam Removal and Restoration, Burton Creek State Park | California Department of State Parks | Jen Greenberg | Planning | \$149,938 | Grant agreement executed, workplan in progress |
| Tahoe Storm Water Resource Plan | Tahoe Resource Conservation District | Scott Cecchi | Planning | \$150,000 | Grant agreement executed, workplan approved |

Aquatic Invasive Species:

The AIS Implementation Plan, a product from the Board’s September 2014 authorization to expend \$300,000 from the Lake Tahoe Science and Lake Improvement Account (Account) and from Proposition 40 consistent with Senate Bill 630, continues to direct the Lake Tahoe Basin’s strategy for AIS control activities. In June 2015, the Board authorized an additional \$200,000 from the Account expanding the TRCD’s AIS plant eradication through the TRCD/Conservancy Joint Powers Agreement. This funding supports AIS eradication and control at the Tahoe City Dam, Emerald Bay, the Lakeside Beach and Marina, the Ski Run Marina and channel and the Fleur de Lac Marina. As noted above, in March 2016 the Board authorized a Proposition 1 implementation grant in the amount of \$700,000 to TRCD for additional plant control phases and projects. Accordingly, TRCD’s staff and its consultants and contractors are working for the remainder of the 2016 field season on multiple projects.

- Location: Lake wide
- Description: Invasive plant control, warm water fish data collection, AIS Implementation Plan
- Conservancy Funding: \$300,000 (2014), \$200,000 (2015), \$700,000 (2016)
- Schedule:
 - 2015: Warm water fish data collection, invasive plant control, implementation plan completed
 - 2016: Invasive plant control, staff reviewing reports for 2015 projects
- Lead Agencies: TRCD
- Partners: University of Nevada – Reno
- Staff Contact: Whitney Brennan

Lake Tahoe Water Trail:

In February 2015, the Board authorized up to \$50,000 from the Conservancy’s private donation funded Beverly Charter Trust Special Deposit Account for a competitively bid consulting services contract with the private non-profit Sierra Business Council (SBC). SBC is leading the Water Trail effort, in close coordination with the Lake Tahoe

Water Trail Association, to provide wayfinding and trailhead signage along with public outreach and education. SBC is incorporating the Lake Tahoe Non-Motorized Boating Framework process and creating a Water Trail oversight committee consisting of recreation and business leaders. This oversight committee will provide policy direction and funding support to produce a safe, high quality lake access experience and reduce public/private use conflicts.

- Location: Lake wide
- Description: Water trail implementation features and a sustainable Water Trail organization
- Conservancy Funding authorized: \$50,000
- Contract Award: \$49,999
- Total Project Cost: \$ 212,696
- Schedule:
 - 2015 – Developed business model and marketing strategy; applied for grants to develop trailhead signage
 - 2016 – Design and install trailhead signage; enter into agreement with partner agencies to support signage efforts, and update the Lake Tahoe Non-Motorized Boating Framework
- Contractor: SBC
- Partners: Conservancy, USFS, City of South Lake Tahoe, Tahoe City Public Utility District (TCPUD), DPR, Nevada State Parks
- Staff Contact: Jen Greenberg
- Project information: http://tahoe.ca.gov/ctc_projects/lake-tahoe-water-trail-79/

Tahoe Fund Visitor Information and Environmental Interpretation Project:

Consistent with the Board’s December 2015 authorization, the Conservancy awarded a planning grant in the amount of \$85,000 to the non-profit Tahoe Fund for development of the Visitor Information and Environmental Interpretation Project. By collaborating with key Lake Tahoe Basin agencies and stakeholder groups, the Tahoe Fund is developing conceptual alternatives for environmental education and interpretation.

- Location: Lake wide
- Description: Planning activities to determine conceptual alternatives
- Conservancy Funding authorized: \$85,000
- Total Project Cost: \$95,000
- Schedule:
 - February 2016 – Tahoe Fund Request for Proposals and agreement with globally recognized Exploratorium, San Francisco-based learning laboratory
 - March – September 2016 – Workshops and design charrette; write report of findings
 - October 2016 – Review Final Report and determine next steps

- Lead Agency: Tahoe Fund
- Partners: Conservancy, USFS, TCPUD, Sierra Watershed Environmental Partnership, TRPA, League to Save Lake Tahoe, Tahoe Institute for Natural Science, UC Davis, NV State Parks, Lake Tahoe Community College, Sierra State Parks Foundation
- Staff Contact: Jen Greenberg

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

1. Natural Resources

Natural resources projects restore natural river processes, enhance SEZs, improve wildlife habitat and fisheries, and improve water quality.

Sunset Stables Reach 5 Construction 2013



Upper Truckee River Sunset Stables Reach Restoration:

The Reach 5 portion of the Upper Truckee River restoration effort will be completed by USFS in 2016. A significant portion of the Reach 5 restoration is under construction on Conservancy-owned land through a cooperative agreement between the USFS and the Conservancy. Restoration includes construction of a new river channel to raise the riverbed and inundate the meadow. The restored channel will improve groundwater, enhance unique habitats, and improve water quality by reducing bank erosion and increasing natural wetland filtration. USFS staff relocated Western Pearlshell mussels and fish from the old channel as the river was diverted and dewatered. They will activate the new channel in fall of 2016 once the final channel tie-in segments are completed.

- Location: Between Meyers and the City of South Lake Tahoe
- Description: 254 acres; Reach 5: 7,500 feet of channel construction in Reach 5; the Reach 6 project is currently on hold pending construction funding
- Conservancy Funding: \$2,479,728 Reach 5 and 6 planning; \$0 construction
- USFS Funding: Reach 5 final design and construction - \$6,510,000
- Schedule:
 - 2013: 3,000 feet of new channel constructed Reach 5
 - 2014: 3,000 feet of new channel construction and related utility line relocation, Reach 5
 - 2015: No active construction, new channel vegetation established and aquatic resource relocation conducted for approximately 70 percent of the Western Pearlshell mussels, Reach 5.
 - 2016: 1,500 feet of new channel construction at tie-in points, river relocation into new channel and backfill of existing channel, Reach 5
- Lead Agencies: USFS, Conservancy

- Partners: U.S. Army Corps of Engineers (USACE) (Reach 6)
- Staff Contact: Joe Pepi
- Project documents:
<http://www.fs.usda.gov/goto/lbmu/UpperTruckeeRestoration>

Tahoe Pines Campground Restoration and Access Project:

Staff completed the preliminary plan stage and received Board authority in July 2014 to move this project forward to final design and construction. In July 2016, the State Public Works Board (PWB) approved preliminary plans and authorized development of working drawings. Staff will continue to work closely with the Department of General Services (DGS) and Department of Finance (DOF) to move the project forward. Staff will be applying for regulatory agency permits in fall 2016 in preparation for construction bid advertisement and project implementation in 2017.

- Location: Confluence of Upper Truckee River and Echo Creek in Meyers
- Description: Eight-acre site to restore SEZ and provide appropriate river-oriented access features
- Conservancy Funding: \$4 million land acquisition, \$125,000 planning; \$650,000 construction
- Total Project Cost: \$975,000
- Schedule: 2017 construction
- State PWB approved preliminary plans in July 2016
- Lead Agency: Conservancy
- Partners: Bureau of Reclamation (BOR), Caltrans, DGS
- Staff Contact: Joe Pepi

2. Forest Improvement

Forest improvement projects are designed to improve habitat, reduce fire threat, and promote natural processes.



Staff works cooperatively with the LVFPD and the Meeks Bay Fire Protection District to plan and implement Conservancy’s forestry activities in El Dorado County, primarily on Conservancy land. Staff, along with public agency partners

such as the California Conservation Corps (CCC), will implement approximately 92 acres of forest health/fuels reduction projects on Conservancy land in El Dorado County. These projects are coordinated through the annual Lake Tahoe Basin Fuels Reduction and Fire Prevention Incident Action Plan by the Tahoe Fire and Fuels Team. In addition, staff is addressing approximately eight acres of fuel hazard reduction and hazard tree removal requests initiated by neighboring private landowners for the current field season.

Due to recent drought conditions, staff is observing increased levels of stressed trees and insect activity. Staff takes appropriate measures to reduce the potential for the spread of these conditions through regular lot inspections.

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

1. Public Access and Recreation

Public access and recreation projects enhance regional public access and recreation.



Homewood Bike Trail, existing conditions

Homewood Bike Trail:

TCPUD is the project lead overseeing trail construction scheduled for completion in 2016. TCPUD began planning and construction for the West Shore Bike Trail in 1971 to provide a separated bicycle and pedestrian route along the developed portions of the West Shore. The bike trail was largely completed between Tahoma and Tahoe City by the end of that decade, except for an approximately one-mile stretch in Homewood. In this stretch, bike trail users must leave the protected trail and travel along the edge of heavily traveled State Route 89, that, in some areas, has no paved shoulder. The Homewood Bike Trail addresses this situation, providing a separated bike trail that links to the larger West Shore trail network.

- Location: Along State Route 89 in Homewood.
- Description: A one-mile paved class 1 trail segment integral to the completion of the west shore bike trail system

- Conservancy Funding: \$325,274 planning grants; \$500,000 implementation grants
- Total Project Cost: \$1,557,970
- Schedule: 2016 – construction
- Lead Agency: TCPUD
- Partners: Conservancy, North Lake Tahoe Resort Association (NLTRA), Placer County, Tahoe Fund, California Natural Resources Agency
- Staff Contact: Scott Cecchi
- Project documents: http://tahoe.ca.gov/wp-content/uploads/2014/06/files/ITEM10a_HomewoodBikeTrail.pdf

Dollar Creek Shared-Use Trail:

The construction of over two miles of paved bike trail funded in part by the Tahoe Transportation District (TTD) originally scheduled for 2016 has been delayed. Placer County elected to include the Dollar Creek Shared-Use Trail as a component within several related projects (i.e., the SR/89 Fanny Bridge Revitalization) combined into a single request for bids. The contractor bids came in well over budget, particularly as they related to the SR/89 Fanny Bridge Revitalization Project.

Board-approved land transactions, including easements through the Conservancy’s 900-plus acre Dollar property and the now-completed fee title land transfer from the North Tahoe Public Utility District (NTPUD) to Placer County for the Conservancy-funded 85-acre Firestone property, provide the necessary land tenure or right-of-way. A Basin-wide Federal Lands Access Program grant awarded to the TTD is the primary source of construction funding.

- Location: Dollar Hill State Route 28 to Fulton Crescent Drive
- Description: 2.2 mile connection extending the Lake Tahoe Bike Trail network
- Total Project Construction Cost: \$3.5 Million
- Schedule:
 - 2015 – Right-of-way acquisition complete
 - 2016 – Construction start
- Lead Agency: Placer County
- Partners: Conservancy, NLTRA, TTD, NTPUD
- Staff Contact: Sue Rae Irelan
- Project documents: <http://www.placer.ca.gov/Departments/Works/Projects/DollarCreekBikeTrail.aspx>

Kings Beach General Plan Revision and Public Pier Rebuild Project:

The DPR is leading a Kings Beach State Recreation Area General Plan (GP) Revision and the Public Pier Rebuild Project (Project) planning process, including environmental review under the provisions of both CEQA and TRPA environmental regulations. The Environmental Impact Report/ Environmental Impact Statement (EIR/EIS) scoping period began on December 22, 2015 and ended on April 15, 2016. DPR, Conservancy, and TRPA staff are evaluating comments received and propose three pier locational alternatives to evaluate in the environmental documents. The Conservancy Board authorized \$525,000 in Proposition 40 funds in April 2015 for this planning effort, in addition to previous Conservancy expenditures and an item being considered on this September Board agenda proposes augmentation of this amount using NLTRA grant funding.

- Location: Kings Beach State Recreation Area, Kings Beach
- Description: Rebuild the existing pier with a combination fixed pier/floating pier design, optimize the location relative to onsite needs, and extend the length to reach the navigational target at the 6,217-foot contour line. Also, revise the GP to provide the planning basis for a rebuilt pier and other recreational needs.
- Conservancy Funding: \$562,700 for feasibility study, preliminary planning, GP development, and environmental review
- Total Project Cost: \$832,339 (GP/preliminary planning/environmental)
- Schedule:
 - 2015 – Complete work on the feasibility study and preliminary plans and initiate GP and environmental review processes
 - 2015-2017 – GP development, pier preliminary plan completion, environmental analysis
 - 2018-2019 – Final Design and Construction
- Lead Agency: DPR
- Partners: Conservancy, DPR, NLTRA, DGS
- Staff Contact: Sue Rae Irelan

2. Forest Improvement

Consistent with Governor Brown's declared State of Emergency on October 30, 2015, regarding the increased mortality of trees statewide, Conservancy staff, its forest health partners, and neighboring property owners are observing increased mortality of sugar pines, including larger diameter trees, specifically within the Carnelian and Agate Bay areas. Staff is taking appropriate measures, including removal of trees using a private contractor to safeguard remaining healthy trees and remove dead, dying or otherwise hazardous trees.



Staff works cooperatively with the North Tahoe Fire Protection District (NTFPD) to plan and implement Conservancy's forestry activities in Placer County. Staff, along with other public partners such as TRCD, will implement approximately 50 acres of forest health/fuels reduction projects on Conservancy parcels in Placer County. These projects are prioritized through the annual Lake Tahoe Basin Fuels Reduction and Fire Prevention Incident Action Plan by the Tahoe Fires and Fuels Team.

In 2010, NTFPD applied for a Federal Emergency Management Agency (FEMA) Hazardous Fuels Mitigation Fund grant to address fuel hazard reduction on 881 Conservancy-owned parcels under one acre in size in Placer County. An agenda item is before you at this meeting to take action on this project.

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

1. Public Access and Recreation

These projects enhance regional public access and recreation

El Dorado Beach to Ski Run Boulevard Bike Trail and Lake Access Enhancement:

Construction of approximately .75 miles of paved bike trail for Phase 1 is scheduled for a 2017 start date. In 2012, the Board approved easements through several Conservancy-owned parcels of land to facilitate the project. The City of South Lake Tahoe has completed easement acquisition needed to complete project implementation through private land. Portions of the trail are also located within the U.S. 50 right-of-way. Although the Conservancy has no active funding in this project, staff monitors implementation to ensure compliance with the terms of the easements and with the planning grant awarded in 2002.

- Location: City of South Lake Tahoe along U.S. Highway 50
- Description: A three-quarter mile segment that will bridge the bike trail gap between El Dorado Beach and Ski Run Boulevard

- Conservancy Funding: \$645,000 planning
- Total Project Cost: \$2,000,000
- Schedule:
 - 2017: Construction between Ski Run and the former Alta Mira Building Site.
- Lead Agency: City of South Lake Tahoe
- Partners: Conservancy, Caltrans
- Staff Contact: Lisa O'Daly

South Tahoe Greenway Shared Use Trail:

Current activities include working with Lake Tahoe Community College and the City of South Lake Tahoe to approve a Memorandum of Understanding and agreement for long-term trail operation and maintenance; multi-party land exchanges involving the City of South Lake Tahoe, the College, and the South Tahoe Public Utility District; coordination with Caltrans on Active Transportation Program Master Agreements related to Federal Highway Administration funding; and oversight by DGS, Project Management Branch, and PWB staff on the land transaction and capital outlay processes.

The approved Greenway project includes the following elements:

- Location: Between the Sierra Tract neighborhood and Van Sickle Bi-State Park
- Description: 3.86-mile trail to provide the backbone of the bicycle network in the core of South Lake Tahoe; planned phased implementation includes Phase 1a, Glenwood Way to Herbert Ave., (0.42 miles, completed in October 2015); and Phases 1b & 2 (approximately 1 mile)
- Conservancy Funding: Preliminary planning - \$585,060; Phase 1a final design and construction - \$881,000; final design and construction for Phase 1b and 2 - \$1,300,000
- Total Project Cost: Estimated \$12-15 million to complete
- Schedule:
 - 2015 – Phase 1a construction completed
 - 2016 – Procedural grant requirement steps (CEQA supplemental, NEPA, Master Agreement development, etc.)
 - 2017/18 – Final design of Phase 1b & 2
 - 2019/2020 – Phase 1b & 2 construction
- Lead Agency: Conservancy
- Partners: Caltrans, Lake Tahoe Community College, City of South Lake Tahoe, TTD, USFS, Federal Highway Administration
- Staff Contact: Chris Mertens
- Project documents: http://tahoe.ca.gov/ctc_projects/south-tahoe-greenway-79/

2. Soil Erosion Control

Soil erosion control projects improve water quality by capturing and treating stormwater to reduce the amount of sediment and nutrients delivered to Lake Tahoe.



Sierra Tract stormwater runoff (pre-project)

Sierra Tract Erosion Control:

The City of South Lake Tahoe commenced construction of Sierra Tract Phase 3/4 in July 2015 and expects to complete construction by the end of September 2016.

- Location: Sierra Tract neighborhood in South Lake Tahoe
- Description: Address stormwater runoff pollutants that discharge directly into the Upper Truckee River using improvements such as infiltration galleries
- Conservancy Funding: \$4,929,497 (all phases)
- Total Project Cost: Estimated \$3.6 million to complete Phase 3/4
- Schedule:
 - 2000-2013 – Phase 1A, 1B, and Phase 2 completed
 - 2014 – Grants awarded for Phase 3/4 final design and construction
 - 2015 – Start of Phase 3/4 construction
 - 2016 – Completion of Phase 3/4 construction by September 30th.
- Lead Agency: City of South Lake Tahoe
- Partners: Conservancy, SWRCB, USFS
- Staff Contact: Joe Pepi
- Project documents: www.cityofslt.us/documentcenter/view/3204

3. Natural Resources

Natural resources projects restore natural river processes, enhance SEZs, improve wildlife habitat and fisheries and improve water quality.



Cove East in winter

Upper Truckee Marsh Restoration:

The Board certified the Final EIR and approved the project in December 2015 and authorized staff to expend funds for project planning, acquisition and construction. TRPA has certified the Project's Joint Final EIR/ EIS/ EIS. Staff continues close coordination with DGS and DOF to hire a design contractor and begin preliminary plan development, and staff is also continuing negotiations with private property owners for acquisitions in support of the Project. Staff is working closely with the USACE to develop a partnership agreement for the Project, and staff is also pursuing other federal and state funding opportunities for the Project, as they arise. Staff and contractors continue comprehensive monitoring of water in the Marsh thanks to partnerships with the SWRCB and the United States Geological Survey (USGS).

- Location: Mouth of the Upper Truckee River on the south end of Lake Tahoe primarily on Conservancy-owned lands
- Description: 600 acre river and marsh restoration project, including the Lower West Side Project
- Conservancy Funding authorized to date: \$4,305,000 planning; \$1,495,000 acquisitions, \$20,760,000 construction (Phase 1 and the future Marsh project)
- Total Project Cost: Estimated \$12.36 million additional to complete the project
- Schedule:
 - 2001-2002 – Lower West Side project constructed
 - 2013 – Draft EIR/EIS/EIS released for public comment
 - 2014 – Preferred alternative presented to Board for discussion
 - 2015/2016 –Final EIR/EIS/EIS certification
 - 2019 – Anticipated start of construction
- Lead Agency: Conservancy
- Partners: BOR, DGS, SWRCB, TRPA, USACE
- Staff Contact: Scott Carroll
- Project documents: http://tahoe.ca.gov/ctc_projects/upper-truckee-marsh-69/

4. Forest Improvement

Forest improvement projects are designed to improve habitat, reduce fire threat, and promote natural processes. The Tahoe Fire and Fuels Team prioritizes these projects through the annual Lake Tahoe Basin Fuels Reduction and Fire Prevention Incident Action Plan.



California Conservation Corps
Crews help fall a tree.

Staff along with other public partners will treat approximately 10 acres of Conservancy land located within the City this year. Staff also expects to complete three acres of fuel hazard reductions and hazard tree removals initiated in response to neighboring landowner concerns. At this time, staff continues to monitor disease and insect activity as part of these forest health efforts and addresses issues where necessary.

Staff continues to coordinate with the South Lake Tahoe Fire Department and LVFPD to implement forest health/fuels reduction projects on 37 acres at the City of South Lake Tahoe's Airport parcels using funding through the Bureau of Land Management SNPLMA grants program. LVFPD will complete the remaining seven acres in 2016.

F. Urban Land Management Program



Eagle Rock film shoot by Loom

1. Special Use Requests:

Pursuant to Board authority (January 20, 2011), staff is authorized to enter into license agreements consisting of three years or less provided the Board is notified. Accordingly staff is providing this notice of recently executed license agreements.

Short-term (two day) license was granted to the University of Vermont – Spatial Analysis Laboratory (UMV) on June 22, 2016 for the purposes of conducting an unmanned aircraft flight. The Conservancy’s license fee was waived in favor of an in-lieu fee of all data collected.

Short-term (four weeks) license was granted to the Lake Valley Fire Protection District on July 18th, 2016 for the purposes of conducting “real life” simulation training exercises within and around the four-plex apartment building. The Conservancy’s license fee was waived in favor of an in-lieu fee of routine monitoring of the site for public safety and security.

Temporary-use (two days) license was granted to the Nevada Interscholastic Cycling League (NICL) on August 17, 2016. NICL hosted mountain biking race events along the existing roads and trails of the Dollar property on August 27th & 28th. The license fee for this activity was \$100.00.

Short-term (three year) license was granted to the League to Save Lake Tahoe (League) on July 28, 2016. The League will survey the Upper Truckee Marsh for aquatic invasive species over the next three years. As an in-lieu fee the League will provide the Conservancy with the data collected.

Short-term (two month) license was granted to Comstock Seed on August 12, 2016. Comstock will collect local source native seed from the Conservancy properties along Upper Truckee River corridor. Comstock will provide a credit to the Conservancy worth 10 percent of the value of the seeds collected to be used toward future seed purchases.

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

The seasonal Upper Truckee Marsh dog closure ended on July 31, 2016. The El Dorado County Sheriff’s Office, in cooperation with the California Highway Patrol, assist with management of the Marsh property, as well as at Van Sickle Bi-State Park. Conservancy volunteers and a TRCD provided land steward also assist with property management. The park reopened to public vehicle access for

the season on May 1, 2016. More information about Van Sickle Bi-State Park is available at: http://tahoe.ca.gov/ctc_projects/van-sickle-bi-state-park-79/