

California Tahoe Conservancy
Agenda Item 5
September 21, 2017

EXECUTIVE DIRECTOR'S REPORT

A. Budget and Accounting

Budget Fiscal Year 2017/18: The Legislature passed and the Governor signed the Budget Act of 2017. For the 2017/18 fiscal year, it includes the following appropriations for the California Tahoe Conservancy (Conservancy):

- \$7,497,000 for capital outlay and local assistance to fund various programmatic priorities and support the Environmental Improvement Program (EIP) for the Lake Tahoe Basin (Basin), including:
 - \$2,621,000 in bond funds from Propositions 12, 40, 50, and 84;
 - \$1,658,000 from special funds dedicated to the Conservancy (Habitat Conservation Fund, Lake Tahoe license plate proceeds, Tahoe Conservancy Fund, and Senate Bill 630); and
 - \$3,218,000 in federal grant and reimbursement authority.
- \$6,638,000 for ongoing support, including continuing "baseline" funding from various special funds and revenue sources dedicated to the Conservancy.

Accounting: The California Department of Finance (DOF), Office of State Audits and Evaluations has completed an audit of the Conservancy's Proposition 84 bond funds. The audit identified needed improvement in the areas of interim, closeout, and post closeout monitoring processes of grant-funded projects to ensure they stay within scope and cost, and achieve the intended outcomes. The Conservancy will submit a detailed corrective action plan to the DOF addressing the findings and recommendations, including milestones and target dates to correct all deficiencies.

Bond Unit and Capital Outlay Staff Tour: On August 11, 2017, Conservancy staff led bond unit and capital outlay staff from the DOF, State Treasurer's Office, Department of Water Resources, and California Department of Parks and Recreation (DPR) on a tour of projects funded with bond and capital outlay funding. Department of General Services (DGS) staff also attended given their role in some of the Conservancy's capital outlay direct projects. The group visited the Sawmill Bike Trail and the Meyers Erosion Control and Stream Environment Zone (SEZ) Restoration Project, which are grant funded projects implemented by El Dorado County. The tour also included visits to projects and acquisitions performed directly by the Conservancy, including

forestry treatments and the Upper Truckee River and Marsh (Marsh) Project site. Staff from the various visiting agencies found the project tours very informative and helpful in understanding the breadth and complexities of various Conservancy efforts.

B. Legislative Update

Assembly Bill 1191: On July 24, 2017, Governor Brown signed Assembly Bill 1191 (Bigelow), which amends section 66906.1 of the Government Code to clarify that elected officials, city council members, or members of county boards of supervisors may serve on the Conservancy Board. The legislation clarifies the original intent of Government Code section 66906.1 by expressly providing for elected members of the City Council of the City of South Lake Tahoe (City), the Board of Supervisors of Placer County, and the Board of Supervisors of El Dorado County to serve on the Board. The legislation also clarifies that elected officials from these jurisdictions may serve on the Tahoe Regional Planning Agency (TRPA) Governing Board. The bill received unanimous bi-partisan support from the Legislature and is effective immediately.

Lake Tahoe Summit: The annual Lake Tahoe Summit was held at the Tallac Historical Site in South Lake Tahoe on August 22 and hosted by U.S. Senator Dianne Feinstein. The theme for this year's summit was "2017 – A Pivotal Point for the Future of Lake Tahoe." Former U.S. Secretary of the Interior Bruce Babbitt delivered the keynote address. He called Lake Tahoe a national treasure and discussed how unique it is that private and public groups work together to preserve the lake. Secretary Babbitt noted, "it has come not from the top down but from the bottom up."

Several elected officials also spoke at the event, including U.S. Senators Feinstein (CA), Kamala Harris (CA), Catherine Cortez Masto (NV), and Dean Heller (NV); U.S. Representatives Tom McClintock (CA) and John Garamendi (CA); and Nevada Governor Brian Sandoval. This was the first summit for Senators Harris and Cortez Masto and we hope they will become champions for Lake Tahoe.

Responding to climate change, overstocked and dying forests, and the threat of aquatic invasive species and wildfires were common themes in speeches given by lawmakers. Several speakers acknowledged the unique and overwhelmingly successful public-private partnership, which has resulted in hundreds of completed EIP projects since the first Lake Tahoe Presidential Summit in 1997.

During the Lake Tahoe Summit, the Conservancy and U.S. Army Corps of Engineers (USACE) entered into an agreement for up to \$4.2 million in federal funding for the Marsh. This funding will support project design, construction, and monitoring and

the Conservancy will continue working with partners to secure the additional funding necessary to complete the project.

C. Highlights and Cross-Cutting Programs and Projects

Project Tours: Conservancy staff led multiple tours of Conservancy funded efforts in August. In addition to the tour mentioned above for bond unit and capital outlay staff, tours included a visit to the Marsh with representatives of the Washoe Tribe to discuss tribal opportunities and partnerships as part of this project. Other tours involved staff and high-ranking officials from the U.S. Bureau of Reclamation (Reclamation) and the USACE, who fund numerous Basin efforts.

US 50/South Shore Community Revitalization Project: This Tahoe Transportation District (TTD) project, commonly referred to as the Loop Road Project, would relocate U.S. Highway 50 to the south from its current location near the California/Nevada state line. The preferred alternative would impact Van Sickle Bi-State Park (Park). Conservancy staff met multiple times over the past several years with Nevada Division of State Parks (NDSP) and TTD staff to discuss impacts to the Park and proposed project elements that will minimize these impacts. Staff coordinated with NDSP staff to submit comments on the draft environmental document in July 2017. Staff anticipates meeting with TTD and NDSP staff this fall to continue coordination efforts.

Forest Health Landscape Planning: The Conservancy, along with the U.S. Forest Service (USFS), DPR, TRPA, Tahoe Fire and Fuels Team, and National Forest Foundation (NFF) continue to make progress on the Lake Tahoe West Restoration Partnership (LTW), a collaborative landscape level planning effort for the West Shore. Members of the public and other stakeholders participate in stakeholder committees that are providing input to the landscape assessment and strategy. The Interagency Design Team and Stakeholder Science Committee have developed resilience indicators and completed a draft landscape assessment that was reviewed by stakeholders on September 6, 2017. Additionally, planning scenarios were developed that include a range of future climate and management assumptions. When coupled with the landscape assessment, these planning scenarios will inform development of a restoration strategy. The Board will hear more about this effort at this Board meeting.

Discussions continue regarding implementation of a new landscape level effort, the Tahoe-Central Sierra Initiative (TCSI). TCSI aims to accelerate large landscape forest health projects and development of biomass utilization infrastructure throughout the central Sierra to improve forest ecosystem health and resiliency. The LTW project is included within this larger TCSI. The Conservancy, with the Sierra Nevada Conservancy (SNC), USFS, NFF, and The Nature Conservancy are spearheading TCSI

and recently signed a memorandum of understanding solidifying their commitment to collaborate throughout this region. To help facilitate TCSI and any other future efforts, staff is seeking Board authorization to enter into a Joint Powers Agreement with SNC at this Board meeting.

SNPLMA Round 16 California Regional Hazardous Fuels Reduction: In December 2016, the Board authorized acceptance of \$6,814,500 from the Bureau of Land Management Southern Nevada Public Land Management Act (SNPLMA) program to facilitate 1200-1800 acres of hazardous fuels reduction treatments on State owned (Conservancy and DPR) land as well as land owned by local jurisdictions and large private landowners within the Defense Zone of the Wildland Urban Interface on the California side of the Basin. At that time, the Board authorized expenditure of up to \$1,969,000 for planning, monitoring, and assessment and related direct and indirect costs.

Staff has initiated negotiations with the USFS Pacific Southwest Research Station (PSW) to provide a framework for monitoring and assessment. Due to the large project area and the overlap with other current Basin initiatives, such as LTW and the California Programmatic Timberland Environmental Impact Report, the monitoring and assessment will most likely be done using remote sensing technology. LIDAR flights are scheduled for the Basin in fall 2017 and 2019. This multispectral imagery will be paired with on the ground terrestrial LIDAR data taken from sample plots that directly correspond to the path of the aerial LIDAR flights. These two data sets will be combined to form 3-D models of forest stand structure and composition. This new monitoring method will be able to capture a much larger sample area than traditional ground based field monitoring, thus making larger landscape level monitoring possible.

In June 2017, the Board authorized a site improvement grant to DPR for hazardous fuels reduction projects at Sugar Pine Point State Park and Tahoe State Recreation Area. The amount of the award was \$414,072 and included \$17,795 in previously authorized planning money. Staff is drafting the grant agreement and expect it to be executed in fall 2017.

TRPA Shoreline Process: TRPA has embarked on the Shoreline Planning Initiative, a consensus-based multi-stakeholder planning process to update ordinances related to activity within the Lake Tahoe shorezone. 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 has initiated the EIS effort and issued a notice of preparation for the EIS that required comments by August 16, 2017. Conservancy staff

submitted comments related to the current efforts for the Kings Beach Pier Project. 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 Committee.

Tahoe Keys Property Owners Association Corporation Yard Relocation:

Conservancy staff began meeting with representatives from the Tahoe Keys Property Owners Association (TKPOA) in 2015 to re-initiate discussions about the potential relocation of TKPOA's corporation yard. This facility is located within a 99 year leased area in the Marsh, and the land transferred to the Conservancy as part of the Marsh acquisition. Approximately 58 years remain in the current lease term.

There is a long history of discussions related to relocating this facility out of the Marsh. Currently, Conservancy and TKPOA staff have discussed relocating the facility to a less-sensitive Conservancy parcel on Venice Drive near the Tahoe Keys Marina. TKPOA continues to perform conceptual planning on this new location to determine if the relocation is feasible.

At this time, TKPOA expects to have their membership vote on the relocation this fall. If the relocation is approved by their membership, Conservancy staff will begin preparing the environmental documents necessary to bring this topic to the Board for action.

Tahoe Valley Area Plan (TVAP) Asset Lands Authorized for Pre-Sale:

2070 Lake Tahoe Boulevard Assessor's Parcel Numbers (APNs) 023-231-03 & 023-381-01, 3.67 acres

1860 Lake Tahoe Boulevard APN 032-291-28, 9.75 acres

1029 Tata Lane APN 032-291-31, 1.6 acres

833 Emerald Bay Road APN 023-171-09, 0.51 acres

981 Tata Lane APN 023-481-17, 0.53 acres

Staff has coordinated with Civilis consultants and various interested parties on ideas for each of these sites. Ideas include affordable, workforce, or tiny housing; cooperative office space; government service centers; and/or local maker/retail space. Staff has identified 2070 and 1860 Lake Tahoe Boulevard, 1029 Tata Lane, and 833 Emerald Bay Road as the highest priority parcels.

Staff has been in exclusive negotiations concerning a sale of the 2070 Lake Tahoe Boulevard parcels with Sutter Capital Group, owners of the adjacent Tahoe Valley Crossing parcel (The Crossing). Staff will provide a status of those negotiations at this Board meeting.

The TTD, El Dorado County, and several private developers and builders have expressed interest in working with the Conservancy on affordable, workforce, or market-rate housing, and/or a government service center on our TVAP Asset Lands, specifically 1860 Lake Tahoe Boulevard, 1029 Tata Lane, and 833 Emerald Bay Road. TTD is partnering with various local jurisdictions in California and Nevada on transit oriented development, separate from any project or mitigation requirements, and might be interested in using part or all of 1860 Lake Tahoe Boulevard, 1029 Tata Lane, or 833 Emerald Bay Road. El Dorado County is seeking to consolidate various human services (Child Protective, Senior, Family, Employment and Cash Aid Services, among others), currently at different locations in South Lake Tahoe, at one location. El Dorado County has approached the Conservancy about constructing a new, consolidated human services center at 1860 Lake Tahoe Boulevard and/or 1029 Tata Lane. Various private developers and builders have expressed interest in building mainly market-rate or workforce housing.

Staff is working on project requirements and site plans for the four highest priority parcels and we continue to explore partnerships with the TTD and/or El Dorado County and other developers.

Proposition 1 Grant Program: Recommendations for Proposition 1, Round 2 grant awards are on this meeting’s agenda.

The Board’s Proposition 1, Round 1 grant awards, totaling \$9,461,568 and authorized in 2016, are reflected in nine separate planning, acquisition, and implementation grant agreements. Grantees include the NFF, Tahoe Resource Conservation District (Tahoe RCD), Washoe Tribe, Lake Valley Fire Protection District (LVFPD), El Dorado County, Placer County, and DPR. Conservancy staff and grantees continue to move the projects forward (see table below).

CONSERVANCY PROPOSITION 1, ROUND 1 GRANT FUNDING AWARDS (2016)				
Project	Grantee	Conservancy Staff Contact	Grant Award	Status of Project
Lake Tahoe Aquatic Invasive Plant Control Project	Tahoe RCD	Whitney Brennan	\$700,000	Grant agreement executed, work in progress
Johnson Meadow Acquisition	Tahoe RCD	Aimee Rutledge	\$4,234,000	Grant agreement executed, work in progress. The Department of Fish and Wildlife has also awarded a \$4 million grant for the acquisition.
Meeks Meadow Restoration	Washoe Tribe	Joe Pepi	\$228,530	Grant agreement executed, workplan approved, work in progress

LTW Collaborative: A Multi-Jurisdictional Landscape Restoration Strategy	NFF	Juan Carlos Urizar	\$849,100	Grant agreement executed, workplan approved, advance authorized, work in progress
Lake Tahoe Basin Wildfire Protection and Water Quality Enhancement Project	LVFPD	Milan Yeates	Award amount reduced to \$350,025 in March of 2017 due to LVFPDs successful award of SNPLMA 16 grant.	Grant agreement executed, workplan approved., work in progress
Antone Meadows Dam Removal and Restoration, Burton Creek State Park	DPR	Jen Greenberg	\$149,938	Grant agreement executed, workplan approved, work in progress
Tahoe Storm Water Resource Plan	Tahoe RCD	Scott Cecchi	\$150,000	Grant agreement executed, workplan approved, work in progress
Meyers SEZ Restoration and Erosion Control Project	El Dorado County	Mark Sedlock	\$1,100,000	Grant agreement executed, final plans complete and construction to begin in July
Griff Creek Corridor and Public Access Project	Placer County	Scott Cecchi	\$1,200,000	Grant agreement executed, work in progress.

Aquatic Invasive Species: The Board authorized a \$260,128 grant in Marsh 2017 to Tahoe RCD to implement a pilot project using new ultraviolet (UV) light technology for aquatic invasive species plant control. The work commenced in May 2017 and preliminary results are promising. Tahoe RCD will complete project monitoring in fall 2018 and the final report by December 2018.



UV Light Pilot Project Boat – Lakeside Marina

D. 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.



Upper Truckee River Sunset Stables Reach 5 new channel

Upper Truckee River Sunset Stables Reach Restoration: The USFS nearly completed the Reach 5 portion of the Upper Truckee River (UTR) restoration effort in October 2016 before several rain events ended the construction season. A significant portion of the Reach 5 restoration is on Conservancy land through a cooperative agreement between the USFS and the Conservancy. Restoration included 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. The fall rain and winter flood events have impacted the project and necessitate the need for corrective actions. The USFS intends to complete this corrective work and other project elements in 2017 and 2018, and will monitor the project in coming years to demonstrate performance and resource benefits.

- Location: Between Meyers and the City
- Description: 254 acres for Reaches 5 and 6;
 - Reach 5: 7,500 feet of channel construction;
 - Reach 6: 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 - \$8,000,000
- Reach 5 Schedule:
 - 2013: 3,000 feet of new channel construction
 - 2014: 3,000 feet of new channel construction and related utility line relocation
 - 2015: No active construction, new channel vegetation established and

aquatic resource relocation conducted for approximately 70 percent of the Western Pearlshell mussels

- 2016: 1,500 feet of new channel construction at tie-in points, aquatic relocations, river relocation into new channel, partial backfill of the upstream half of the old channel and complete backfill of the downstream half
 - 2017 and 2018: Implement corrective actions, stabilization, adaptive management, and project monitoring
 - Lead Agencies: USFS, Conservancy
 - Partners: 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 is working closely with the DGS and DOF to move the project forward. Property and contracting challenges have caused a delay in project implementation. A design consultant is currently completing working drawings and specifications. Staff anticipates bid advertisement in winter 2018 and project implementation in 2018. At the June 2017 Board meeting, the Board authorized staff to enter into a Reclamation grant for reimbursement of construction expenses. The Conservancy recently learned that Reclamation is awarding \$300,000 for this project.

- Location: Confluence of UTR and Echo Creek in Meyers
- Description: Eight-acre site to restore SEZ and provide appropriate river-oriented access features
- Conservancy Funding: \$1,180,000 land acquisition; \$125,000 planning; \$650,000 construction
- Total Project Cost: \$975,000
- Schedule: State PWB approved preliminary plans in July 2016; 2018 construction
- Lead Agency: Conservancy
- Partners: Reclamation, California Department of Transportation (Caltrans), DGS
- Staff Contact: Joe Pepi

2. Forest Improvement

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



Staff works with the LVFPD, DPR, and the Meeks Bay Fire Protection District to plan and implement Conservancy's forestry activities in El Dorado County, primarily on Conservancy land. Staff, with the California Conservation Corps, have implemented 15 acres of forest health/fuels reduction projects on Conservancy land in El Dorado County to date in 2017 and plan to implement another 15-20 acres in fall 2017. 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 addresses hazard tree and fuel loading concerns raised by the public.

E. 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.

Dollar Creek Shared-Use Trail: Approximately two miles of paved bike trail is currently under construction. The Board approved land transactions that provide the necessary right-of-way for the trail, including easements through the Conservancy's Dollar property and a land transfer from the North Tahoe Public Utility District (NTPUD) to Placer County for the Conservancy-funded 85-acre Firestone property. A Federal Lands Access Program grant awarded to the TTD is the primary source of construction funding. The wet winter disclosed larger areas of SEZ than were previously mapped, necessitating a minor trail reroute to avoid the sensitive area.

- Location: Dollar Hill State Route 28 to Fulton Crescent Drive
- Description: 2.2 mile connection extending the Lake Tahoe Bike Trail network
- Conservancy Funding to Placer County: \$807,200 for planning and acquisition; \$0 construction (past expenses to NTPUD for planning and acquisition for the longer North Tahoe Bike Trail: \$1,889,200)
- Anticipated Total Project Construction Cost: \$3.5 Million

- Schedule:
 - 2015 – Right-of-way acquisition complete
 - 2017 – Construction start
- Lead Agency: Placer County
- Partners: Conservancy, North Lake Tahoe Resort Association (NLTRA), TTD, NTPUD
- Staff Contact: Lisa O'Daly
- 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 planning process, including environmental review under the provisions of both the California Environmental Quality Act (CEQA) and TRPA environmental regulations. In April 2015, the Board authorized \$525,000 in Proposition 40 and Placer County funds granted through NLTRA for this planning effort. A September 2016 augmentation from the NLTRA grant provided an additional \$69,575 for consideration of a third pier location alternative. In addition, DPR has committed \$442,646 towards the planning effort. The environmental impact report/ environmental impact statement (EIR/EIS) scoping period began in late 2015, early 2016. The preferred alternative for the project was released in January 2017. The draft EIR/EIS will be circulated for comment in late fall or early winter.

- Location: Kings Beach State Recreation Area, Kings Beach
- Description: Revise the GP to provide the planning basis for a rebuilt pier and other recreational needs. 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.
- Conservancy Funding: \$562,700 for feasibility study, preliminary planning, GP development, and environmental review in addition to \$94,575 in grant funding from NLTRA
- Total Project Cost: \$1,099,921 (GP/preliminary planning/feasibility/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, NLTRA, Placer County, DGS

- Staff Contact: Lisa O'Daly

2. Forest Improvement

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

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. The private contractor has removed 33 hazard trees since January 2017. The Tahoe RCD field crew has completed fuel hazard reduction efforts on 21 parcels this field season.

Staff works cooperatively with the North Tahoe Fire Protection District (NTFPD) to plan and implement the Conservancy's forestry activities in Placer County. Staff plans to permit and prepare approximately 64 acres of forest health/fuels reduction projects on Conservancy land in Placer County in 2017. Implementation is projected to start in the 2018 field season. Funding for this work is from a Federal Emergency Management Agency Hazardous Fuels Mitigation Grant to NTFPD.

F. 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 is underway. In 2012, the Board approved easements through Conservancy land to facilitate the project. The City also completed easement acquisition needed for project implementation through private land. Portions of the trail are also located within the U.S. Highway 50 right-of-way. Although the Conservancy has no active funding in this project, staff monitors implementation to ensure compliance with the terms of its easements and with the planning grant awarded in 2002.

- Location: the City 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: Trail construction
- Lead Agency: City
- Partners: Caltrans
- Staff Contact: Lisa O'Daly

South Tahoe Greenway Shared Use Trail: At the June 2017 meeting, the Board authorized a \$60,277 augmentation for Phase 1a of the project, supplementing the remaining Phase 1a authority of \$169,723. The total authorization of \$230,000 is supporting the construction of improvements to complement the project work accomplished in 2015 and to address drainage concerns.

Phases 1b and 2 of the project continue to move forward. Conservancy staff is working with Caltrans to develop a National Environmental Policy Act (NEPA) document for Phases 1b and 2.

The land exchange and memorandum of understanding between the Conservancy, City, and Lake Tahoe Community College District (LTCC) are nearly complete. During the next four to six months, staff will focus on coordinating with DGS and Caltrans in preparation for required authorizations from the PWB and California Transportation Commission allowing the working drawings phase to commence.

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 - \$941,227; final design and construction for Phase 1b and 2 - \$1,300,000
- Partner funding for Phases 1b and 2:
 - \$1,928,000 in Active Transportation Program funds (State and federal funds, administered by Caltrans and California Transportation Commission);
 - \$700,000 in Measure F funds (LTCC);
 - \$399,000 in Congestion Mitigation and Air Quality funds (federal funds administered through TTD)
- Total Project Cost: Estimated \$12-15 million to complete
- Schedule:
 - 2015 – Phase 1a construction completed
 - 2016/17 – Procedural grant requirement steps (CEQA supplemental, NEPA, master agreement development, etc. for 1b and 2)

- 2017 – Construction of additional drainage improvements within Phase 1a to complement the work accomplished in 2015
- 2018/19 – Final design of Phase 1b and 2
- 2020/21 – Phase 1b and 2 construction
- Lead Agency: Conservancy
- Partners: Caltrans, LTCC, City, TTD, USFS, Federal Highway Administration
- Staff Contact: Chris Mertens
- Project Documents: http://tahoe.ca.gov/ctc_projects/south-tahoe-greenway-79/

2. Natural Resources

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



Upper Truckee Marsh

Upper Truckee Marsh Restoration: The Board certified the final EIR and approved the project in December 2015 authorizing staff to expend funds for project planning, acquisition, and construction. The design contractor is progressing with engineering activities to develop preliminary plans. A team of scientists and resource experts is providing guidance and assistance to the project design and monitoring development efforts.

Staff is also continuing negotiations with private property owners for acquisitions in support of the project. With USACE, staff recently entered into a partnership agreement for the project, and pursuing other federal and State funding opportunities for the project, as they arise. Staff and contractors continue comprehensive monitoring in the Marsh thanks to partnerships with the Tahoe RCD and the U.S. Geological Survey.

- Location: Mouth of the UTR on the south end of Lake Tahoe primarily on Conservancy 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 (Lower West Side 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: Reclamation, DGS, State Water Resources Control Board, TRPA, USACE
- Staff Contact: Scott Carroll
- Project Documents: http://tahoe.ca.gov/ctc_projects/upper-truckee-marsh-69/

3. Forest Improvement

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



Tahoe Conservation Partnership Crews chip wood for a forest improvement project.

Within the City, staff expects to complete five acres of priority fuel hazard reduction and hazard tree removal initiated in response to neighboring landowner concerns in 2017. 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 36 acres at the City Airport with funding from the Bureau of Land Management SNPLMA grants

program. LVFPD has completed 30 acres to date and will complete the remaining six acres in fall 2017.

G. Urban Land Management Program

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.

The Conservancy granted two short-term (three-year) licenses to Placer County Department of Public Works on July 5, 2017 to provide access for the construction of the Dollar Creek Shared-Use Trail using a different trail alignment. A minor trail realignment was necessary to avoid a sensitive area discovered during construction.

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

The seasonal Marsh dog closure ended on July 31, 2017. The California Highway Patrol assists with management of the Marsh property and the Park. Tahoe RCD seasonal staff also assist with property management.



Tahoe RCD and State staff patrolled and managed the Marsh and other Conservancy beaches on the Fourth of July.

The Park opened public vehicle access for the season on May 1, 2017. Conservancy and NDSP staff will lead a tour of the Park during the morning session of this Board meeting. Eric Johnson, NDSP Administrator, will provide an update on Nevada management and operations, including results of the 2017 legislative session related to the Park, new State of Nevada funding and staffing, and next phase planning and development. The Park was selected as a “must visit” destination in South Lake Tahoe by FlipKey, a TripAdvisor company, and featured in an article: <https://www.flipkey.com/blog/2017/02/06/beautiful-little-lake-towns-across-america/>.