

UPPER TRUCKEE RIVER SUNSET STABLES RESTORATION PROJECT PLANNING

Recommended Action: Adopt Resolution 22-06-02 (Attachment 1) authorizing staff to accept and expend up to \$500,000 in federal funding to plan the Upper Truckee River Sunset Stables Restoration Project.

Executive Summary: The Upper Truckee River Sunset Stables Restoration Project (Project) will restore land along the Upper Truckee River (River) and floodplain, increasing climate resilience, enhancing wildlife habitat and biodiversity, improving water quality, and providing equitable access. This request covers planning activities within a Study Area, primarily on California Tahoe Conservancy (Conservancy) land and a smaller portion of USDA Forest Service land. Conservancy staff will work closely with the USDA Forest Service, Lake Tahoe Basin Management Unit (LTBMU) to do resource assessments and preliminary engineering, engage with partner agencies and the public, and complete environmental documentation. The Project is a critical part of a larger effort to restore the River and watershed, which is the largest and most significant watershed in the Lake Tahoe Basin.

The recommended action advances the Conservancy's Strategic Plan Goals 2 and 4. The Project restores and builds the resilience of forests and watersheds, protects water quality, enhances recreation, and mitigates impacts of climate change. In addition, the Project supports the Lake Tahoe Environmental Improvement Program (EIP) and the State's Pathways to 30x30, which calls for conserving at least 30 percent of California's land by 2030.

Upon Board authorization, Conservancy staff will enter into a federal funding agreement and conduct planning activities. Staff anticipates returning in the future to recommend the Board approve the Project and authorize implementation.

Location: The Project Study Area is in El Dorado County near the Lake Tahoe Airport, adjacent to U.S. Highway 50 and in the vicinity of Elks Club Drive (Attachment 2).

Fiscal Summary: Staff requests authority to accept and expend up to \$500,000 of federal funding to support Project planning.

Overview

History

The Upper Truckee River is Lake Tahoe's largest inflowing stream and is a major source of sediment and nutrients to Lake Tahoe. Logging, grazing, roads, stream channelization, urban development, recreation, and an airport have extensively modified the lower portion of the watershed, resulting in impairments that reduce habitat value, water quality, and climate resilience. In the Study Area, the long history of fire suppression and channel impairment has lowered groundwater elevations and converted a large meadow complex into a thicket of lodgepole pine. Droughts make the area even drier resulting in reduced wetland vegetation, which in turn makes the area more vulnerable to damage from extreme precipitation events.

The Conservancy, LTBMU, Tahoe Resource Conservation District, California Department of Parks and Recreation, City of South Lake Tahoe, and other partners are comprehensively restoring the River to achieve environmental and public access goals. Conservancy staff leads the Upper Truckee River Watershed Advisory Group (UTRWAG), which coordinates restoration work on the lower nine miles of the River. The Conservancy, with partners, also recently completed a synthesis of the Accomplishments and Opportunities for Greater Upper Truckee Watershed Restoration. The document advances landscape-level planning and assists in securing funding for future projects.

The Study Area encompasses Conservancy and LTBMU land in the vicinity of the River's Reaches 5 and 6. The Conservancy and LTBMU previously completed a Negative Declaration/Environmental Assessment/TRPA Environmental Checklist for restoring Reaches 5 and 6. In 2012, the Board adopted the environmental document and authorized the LTBMU to work on Conservancy land while restoring both agencies' land along Reach 5. The LTBMU completed work on Reach 5 between 2013 and 2017. Reach 6 is primarily on Conservancy property.

In early 2022, the LTBMU notified Conservancy staff that up to \$1.9 million in federal funding from the Southern Nevada Public Land Management Act (SNPLMA) grant program is available to plan and implement the Project. The recommended action will finish the planning efforts.

Detailed Description of Recommended Action

1. Major Elements and/or Steps of the Recommended Action
Staff requests authorization to accept and expend funds to plan the Project. The Project includes investigating the preferred alternative from the 2012 environmental document along with other restoration options that incorporate new science and statewide forestry and climate priorities. Staff will explore river restoration through in-channel improvements as a possible alternative to the channel reconstruction concept that staff analyzed in the 2012 environmental document. Further, staff will

consider removing additional conifers within the Study Area, including those that are encroaching on the floodplain, to create more meadow habitat and reduce wildfire risk. Staff anticipates that channel restoration will primarily occur along Reach 6, and additional forestry work and restoration activities may occur throughout the Study Area.

Upon authorization, staff will enter into a funding agreement with the LTBMU and initiate Project planning. Conservancy staff will work with the Department of General Services (DGS) to hire a consultant, develop an interagency team, and move forward with Project development and preliminary engineering. Staff will also engage with stakeholders and conduct public outreach during the planning process. The Conservancy, DGS, and a DGS-managed consultant will then proceed with the environmental review process. Once environmental review is complete, staff anticipates returning to the Board to approve the Project and authorize implementation.

2. Overall Context and Benefits

The Conservancy purchased lands within the Study Area to protect and enhance wildlife and water quality, and to provide open space and public access opportunities. The Project will further these purposes. The Conservancy and partners have also made other investments in acquisitions, planning, and implementation elsewhere along the River corridor. The Project will complement these other investments, including the Upper Truckee Marsh Project, Country Club Heights Erosion Control Project, and previous stream and floodplain restoration along Reach 5.

The Conservancy will design the Project to support regional, state, and federal goals and priorities, such as increasing beneficial inundation, decreasing erosion, and removing fill and encroaching conifers. Secondly, staff will consider public access improvements such as signage, interpretive facilities, and minor trail realignments. Staff will also look at options to use and restore the staging area that the LTBMU used when restoring Reach 5.

Staff will consider opportunities to restore channels and stream environment zones (SEZs) to achieve the following benefits:

1. Raise groundwater and rewet meadows,
2. Enhance aquatic and terrestrial habitats,
3. Improve water quality,
4. Reduce wildfire risk, and
5. Increase resilience to larger precipitation events and droughts expected due to climate change.

3. Schedule for the Recommended Action

Task	Completion Date
Project development, engineering, and initial public and agency engagement	Fall 2022
Environmental documentation	Winter/Spring 2023
Recommend Project approval	Summer 2023

Financing

The LTBMU has indicated that up to \$1.9 million of SNPLMA funding is available to plan and implement the Project. Staff requests authorization to accept and expend up to \$500,000 of this federal funding to plan the Project. Staff is not currently requesting authority to accept the entire amount of federal funding because staff is still determining Project details. For this initial authorization, staff recommends the budget as shown below.

The final budget amounts may vary between individual items from those shown, but expenditures will not exceed \$500,000.

Task	Amount
Project development and engineering	\$250,000
Environmental documentation	\$150,000
Project and contract management	\$100,000
Total	\$500,000

Authority

Consistency with the Conservancy's Enabling Legislation

The recommended action is consistent with the Conservancy's enabling legislation. Specifically, Government Code section 66906.8 authorizes the Conservancy to select and hire consultants or contractors to provide services necessary to achieve the purposes of the Conservancy, including protection of the natural environment at Lake Tahoe. Under Government Code section 66907.9, the Conservancy is authorized to initiate, negotiate, and participate in agreements for the management of land under its ownership and control with local public agencies, state agencies, federal agencies, nonprofit organizations, individuals, corporate entities, or partnerships. Government Code section 66908 authorizes the Conservancy to receive reimbursements and other funds from public agencies.

Consistency with the Conservancy's Strategic Plan

The recommended action is consistent with Goal 2, Strategy B to advance multiple-benefit projects that creatively combine restoring and building the resilience of forests and watersheds with water quality protection, green infrastructure, recreation, and

climate change mitigation and adaptation; and Goal 4, Strategy A to ensure that all Conservancy programs integrate climate change science, mitigation, and adaptation.

Consistency with the Conservancy's Program Guidelines

The recommended action is consistent with the Conservancy's Forest Improvement Program Guidelines and Stream Environment Program Objectives. Conifer removal reduces the risk of property and forest loss from catastrophic wildfire and increases the health and vigor of the retained vegetation and trees. The potential improvements also enhance habitat, improve water quality, reduce wildfire risk, provide access for passive recreation, and create an environment that is more resilient to climate change.

Consistency with External Authorities

The recommended action is consistent with the EIP because it advances implementation of EIP Project #01.02.01.0005. Further the Project helps attain the Lake Tahoe Total Maximum Daily Load objectives set by the Lahontan Regional Water Quality Control Board and the SEZ restoration and wildlife habitat environmental thresholds identified by the Tahoe Regional Planning Agency. This recommended action is also consistent with both the 2014 Lake Tahoe Basin Multi-Jurisdictional Fuel Reduction and Wildfire Protection Strategy and the 2019 Lake Tahoe Basin Forest Action Plan. The recommended action also supports several important California State mandates and plans, such Pathways to 30x30, the State Wildlife Action Plan, the Wildfire and Forest Resilience Action Plan, and the Climate Adaptation Strategy.

Compliance with the California Environmental Quality Act

Pursuant to the California Environmental Quality Act (CEQA) Guidelines (Cal. Code Regs., tit. 14, § 15000 et seq.), certain classes of activities are statutorily exempt from CEQA or are exempt because they have been determined by the Secretary of the California Natural Resources Agency to have no significant effect on the environment. Staff has evaluated the recommended action and has found it to be exempt under CEQA. The recommended action qualifies for a statutory exemption under CEQA Guidelines section 15262, Feasibility and Planning Studies, because it involves only feasibility or planning studies for possible future actions related to the Project and has no legally binding effect on later activities. A notice of exemption (NOE) has been prepared (Attachment 3). If the Board approves the recommended action, staff will file the NOE with the State Clearinghouse pursuant to CEQA Guidelines, section 15062.

List of Attachments

- Attachment 1 – Resolution 22-06-02
- Attachment 2 – Project Study Area Location Map
- Attachment 3 – Notice of Exemption

Conservancy Staff Contact

Scott Carroll, Senior Environmental Planner

scott.carroll@tahoe.ca.gov