

**TAHOE CITY PUBLIC UTILITY DISTRICT  
DOLLAR PROPERTY LONG-TERM LICENSE AGREEMENT**

**Recommended Action:** Adopt Resolution 24-09-03 (Attachment 1) authorizing staff to negotiate, execute, and extend a long-term license agreement (Agreement) with the Tahoe City Public Utility District (TCPUD), for an initial five-year term and an optional five-year extension, to use and maintain existing roads and trails for recreational purposes and to groom winter trails for cross-country skiing on California Tahoe Conservancy (Conservancy) properties near Tahoe City.

**Executive Summary:** The recommended action authorizes staff to negotiate and execute an Agreement with the TCPUD to use and maintain existing roads and trails for recreational purposes and to groom winter trails for cross-country skiing at nine contiguous Conservancy properties near Tahoe City, collectively known as the Dollar Property (Attachment 2). The proposed five-year Agreement would include an option to extend the term for an additional five years if Conservancy staff determines that Conservancy lands have been properly managed during the first four years of the Agreement. The Agreement allows the TCPUD to work with a concessionaire to meet the terms of the Agreement. The Conservancy has entered into license agreements with the TCPUD for similar uses of the Dollar Property continuously since 1990.

The recommended action is consistent with the Strategic Plan's goals to Provide Recreational Opportunities and Access for All (Strategies 1, 2, and 3) and to Care for the Basin's Natural, Tribal, and Cultural Resources (Strategies 2 and 3).

If the Board approves the recommended action, staff will proceed with negotiations and execute a new agreement before the current license expires on October 31, 2024.

**Location:** North of 925 County Club Drive in Tahoe City and northeast of Burton Creek State Park, on Placer County Assessment Numbers 092-010-012, 092-010-035, 092-280-001, 092-270-038, 092-260-026, 092-250-025, 092-240-021, 092-010-039, and 092-010-034.

**Fiscal Summary:** The Conservancy anticipates receiving annual revenues of approximately \$11,000. This estimate is an average of funds received over the last five years.

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## Overview

### History

The Conservancy acquired the 940-acre Dollar Property in 1989 for open space, watershed protection and restoration, and passive and active public recreational purposes. The property contains a network of dirt trails, a small reservoir, unpaved roads, and a portion of the paved Dollar Creek Shared Use Trail, but is not otherwise improved. At the time of acquisition, the Dollar Property dirt trails had been part of a cross-country ski area for over 50 years. The Dollar Property is surrounded by California Department of Parks and Recreation's (DPR) Burton Creek State Park (to the west), as well as lands belonging to the USDA Forest Service (Forest Service), TCPUD, and private landowners. A large and heavily used network of trails and roads exists throughout this area (Attachment 3).

Since 1990, the Board has authorized a continuous series of license agreements with the TCPUD for summer and winter uses on the Dollar Property, including year-round trail maintenance and wintertime mechanical grooming of cross-country ski trails. During the summer months, hikers and mountain bikers recreate on the same trails and roads used for skiing in the winter.

The TCPUD has entered into agreements with various concessionaires to operate the cross-country ski area, called Tahoe Cross-Country. The cross-country ski area spans over 50 kilometers and crosses the Dollar Property and land owned by the TCPUD, DPR, and Forest Service. The TCPUD has had an agreement with its current concessionaire, the nonprofit Tahoe Cross-Country Ski Education Association (TCCSEA), since 1999. The TCPUD's concessionaire agreement authorizes the TCCSEA to operate and manage the ski area and provide summertime recreation opportunities such as mountain bike rentals. The Conservancy enters into a license agreement with the TCPUD to use and maintain roads and trails and to groom cross-country ski trails on the Dollar Property, rather than directly contracting with a concessionaire, because the TCPUD can more effectively manage the broader area by coordinating uses across multiple land ownerships and streamlining the concessionaire agreement.

The Board authorized staff to enter into the previous license agreement with the TCPUD in 2009. When that agreement expired in 2019, staff entered into two additional short-term license agreements in 2019 and 2022, respectively. The current license expires on October 31, 2024. Staff did not seek a long-term license agreement in 2019 or 2022 because of impending plans to complete a land exchange between the Conservancy and TCPUD involving some of the Conservancy parcels within the license area. One of the goals of the exchange is to allow the TCPUD to relocate the Tahoe Cross-Country ski lodge. The Board authorized the exchange in 2022, and it should be completed in fall 2024.

## **Detailed Description of Recommended Action**

### **1. Major Elements and/or Steps of the Recommended Action**

Staff recommends that the Board approve a five-year license agreement with the TCPUD to use and maintain existing roads and trails for recreational purposes, and to groom winter trails for cross-country skiing at the Dollar Property. Staff also recommends the Board authorize staff, during the final year of the Agreement, to extend the term of the Agreement for up to an additional five years, if staff determines the Conservancy lands have been properly managed during the first four years of the Agreement and that there are no new policy questions or required environmental findings that make Board review necessary or desirable.

The proposed Agreement will include the following elements:

- A requirement that the public may continue accessing the Dollar Property, free of charge, for their own personal use and separate from any organized event, year-round. The TCPUD or its concessionaire may require cross-country skiers to purchase a trail pass to use the groomed trails during the winter.
- A requirement for the TCPUD, or its concessionaire, to maintain trails and roads in safe and good working condition.
- A requirement that the TCPUD, or its concessionaire, offer reduced rates or free facility use, similar to current programs, which include free skiing for local students, low-cost youth and senior passes, nature education, and initiatives to improve access for people of color.
- A requirement that the TCPUD, or its concessionaire, maintain wayfinding signage to encourage the public to remain on designated trails.
- A base license fee of \$1,150 paid to the Conservancy if the TCPUD's concessionaire's gross receipts do not exceed \$140,000. The fee increases to \$2,300 if gross receipts are between \$140,000 and \$175,000; and to \$3,000 for gross receipts between \$175,000 and \$200,000. If gross receipts exceed the threshold of \$200,000, the fee increases by 1.4 percent of gross receipts over that amount. This fee structure is consistent with fees collected by the DPR for similar uses of Burton Creek State Park.

### **2. Overall Context and Benefits**

The recommended action supports several Conservancy recreation, public access, and land stewardship objectives, and ultimately results in a high-quality, regionally significant, recreational trail network and destination for the residents and visitors of the north Lake Tahoe area.

Partnering with the TCPUD to use and maintain existing trails and roads at the Dollar Property enables Conservancy land to be a part of an important regional trail and recreational network that spans thousands of acres of public lands between Tahoe City and Kings Beach. The TCPUD's coordinated management of a significant portion of the trail network in this area provides a seamless year-round experience for the public that

would otherwise not exist. The partnership with the TCPUD results in consistent wayfinding signage, reliable trail maintenance across multiple land ownerships, and important trailhead amenities like free public parking, equipment rental, and public restrooms.

During winter, allowing the TCPUD or its concessionaire to groom, maintain, and use a network of cross-country ski trails at the Dollar Property significantly increases the number of people who can access public lands in this area, even with the requirement that skiers must purchase a trail pass to use the trails. Without grooming, the vast majority of the public would not be able to recreate on the Dollar Property due to its relative isolation from public access points and the strenuous physical nature of moving across ungroomed snow on snowshoes or cross-country skis. Cross-country trail passes are significantly less expensive than downhill skiing tickets, and therefore more appealing to a wider range of people. Trail passes are not required for off-trail cross-country skiing or for snowshoeing, mountain biking, or hiking.

The license agreement requires the TCPUD, or its concessionaire, to offer reduced rates or free facility use, thereby expanding public access to the Dollar Property. Current programs include free trail access for local ski teams, free skiing for Tahoe Truckee Unified School District youth and their families, low-cost youth and senior passes, nature education, and initiatives to improve access for people of color, which significantly increase the number of people who can enjoy the health and community benefits of outdoor activities.

Partnering with the TCPUD helps the Conservancy maintain and steward the Dollar Property so that it continues providing the environmental and public access benefits described when the Conservancy originally acquired it. Regular maintenance of trails and roads keeps the public safe, reduces erosion, and protects environmentally sensitive areas.

### 3. Schedule for the Recommended Action

Upon approval by the Board, staff will negotiate and execute a new license agreement with the TCPUD by November 1, 2024.

#### **Financing**

No funding is required for this action. Conservancy staff will process the license agreement as part of its regular workload.

#### **Authority**

#### **Consistency with the Conservancy's Enabling Legislation**

The recommended license is consistent with the Conservancy's enabling legislation. Specifically, 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 or control with local public agencies, state agencies, federal agencies, nonprofit organizations, individuals, corporate entities, or partnerships, and to enter into any other agreements authorized by state or federal law.

### **Consistency with the Conservancy's Strategic Plan**

The recommended action is consistent with several Strategic Plan goals and strategies, including:

- Provide Recreational Opportunities and Access for All (Strategy 1: Expand Recreational Networks and Partnerships, Strategy 2: Develop Effective Trail Management Strategies, and Strategy 3: Enhance Equitable and Sustainable Access)
- Care for the Basin's Natural, Tribal, and Cultural Resources (Strategy 2: Steward and Secure Conservancy Lands and Strategy 3: Enhance Community Engagement and Partnerships)

### **Consistency with the Conservancy's Program Guidelines**

The recommended action is consistent with the Conservancy's Special Use Guidelines because the Agreement furthers the purposes for which the Conservancy acquired the Dollar Property, results in the enhancement of on-site resources, facilitates more cost-effective and comprehensive land management in coordination with other public agencies, and is consistent with past uses at the Dollar Property.

### **Consistency with External Authorities**

The recommended action supports the Tahoe Regional Planning Agency's recreation threshold indicator focused on improving the quality of the recreation experience and expanding access to recreational opportunities. The recommended action also supports the California Outdoors for All Strategy because it supports spaces for people and nature to thrive and improves connections between people and nature.

### **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. Pursuant to Public Resources Code sections 21001(f) and 21082, the Conservancy has also adopted regulations to implement, interpret, and make specific the provisions of CEQA. (Cal. Code Regs., tit. 14, § 12100 et seq.) Staff has evaluated the recommended action and has found it to be exempt under CEQA. This action qualifies for a categorical exemption under CEQA Guidelines section 15301, Existing Facilities, and the Conservancy's CEQA regulations, section 12102.1. Staff has prepared a notice of exemption (NOE) (Attachment 4). 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 24-09-03

Attachment 2 – Dollar Property License Agreement Area Map

Attachment 3 – Trail Network at the Dollar Property

Attachment 4 – Notice of Exemption

- Exhibit A – Dollar Property License Agreement Area Map

## **Conservancy Staff Contact**

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