

UPPER TRUCKEE RIVER, REACH 6 PROJECT FUNDING

Recommended Action: Adopt Resolution 26-03-04 (Attachment 1) authorizing staff to accept and expend up to \$8 million in state, federal, and other funding and take any other steps necessary to implement the Upper Truckee River, Reach 6 Project (Project).

Executive Summary: California Tahoe Conservancy (Conservancy) staff requests funding authorization for the Project. This funding authorization allows staff to expend available Conservancy funding, accept \$1.4 million in Southern Nevada Public Land Management Act (SNPLMA) federal funding, and accept additional grant funds to advance the Project.

The Conservancy Executive Director will approve the Project in accordance with the Statutory Exemption for Restoration Projects (SERP). The SERP allows qualifying projects to be exempted from the California Environmental Quality Act (CEQA) with the concurrence of the California Department of Fish and Wildlife (CDFW). The Project qualifies for the SERP because it will restore and enhance habitat for California native fish and wildlife. The SERP is a key element of the California Natural Resource Agency's (CNRA) Cutting the Green Tape initiative to accelerate habitat restoration and biodiversity goals.

The Project will address past impacts from development, grazing, and fire suppression that have degraded the Upper Truckee River and adjacent areas. The Conservancy will accomplish this by excavating fill and debris from meadow surfaces, removing conifers, and installing logs along riverbanks in the vicinity of the Conservancy's Elks Club property. The Project will increase climate resilience, enhance wildlife habitat and biodiversity, and improve water quality.

The recommended action advances the Conservancy's Strategic Plan goals to Restore the Basin's Social and Ecological Resilience, Provide Recreational Opportunities and Access for All, and Drive Forward-Thinking Solutions and Accountability. The Project is a critical part of a greater effort to restore the river and watershed, which is the largest and most significant watershed in the Lake Tahoe Basin (Basin). In addition, the Project supports the Lake Tahoe Environmental Improvement Program (EIP) and the State's Pathways to 30x30 strategy, which calls for conserving at least 30 percent of California's land by 2030.

Location: The Project area is in El Dorado County near 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 \$8 million of state (including Conservancy and other sources), federal, or other funding to support Project implementation.

Overview

History

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

The Conservancy, USDA Forest Service Lake Tahoe Basin Management Unit (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 and monitoring within the watershed. The UTRWAG focuses on comprehensively restoring the entire lower river system, including over 11 miles of river channel and 1,000 acres of meadows. The LTBMU restored the section of River just downstream of the Project area (Reach 5) between 2013 and 2017.

In June 2022, the Conservancy Board authorized staff to expend \$500,000 in federal funding from the SNPLMA to plan the Project. Conservancy staff, the California Department of General Services (DGS), and a contracted consultant team developed a design report to identify and evaluate Project restoration opportunities, and then completed schematic Project plans. Conservancy staff engaged with an external science review team, a committee of partner agencies, and the Washoe Tribe of Nevada and California (Washoe Tribe). These discussions resulted in broad support for the Project. Conservancy staff also created a Project web page and hosted two public site walks to inform the public and solicit comments and concerns.

As staff presented at the September 2025 Board meeting, the Conservancy is using the SERP to comply with CEQA. The SERP is a critical tool within the CNRA's Cutting the Green Tape initiative that improves the efficiency of permitting and funding for ecological restoration and

stewardship. Conservancy staff completed the SERP process with the CDFW and received the CDFW's SERP letter of concurrence (Attachment 3).

Detailed Description of Recommended Action

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

Staff requests authorization to accept and expend up to \$8 million from various sources to advance and implement the Project. The Conservancy and LTBMU have already provided funds to plan the Project. This new authorization includes a total of \$4.1 million in available funding, as shown in the table below: \$2.7 million in Conservancy funding and authorization for the Conservancy to accept and expend \$1.4 million of existing SNPLMA funds. The LTBMU previously allocated this amount for Project implementation but separated it from the \$500,000 in previous SNPLMA planning funding for the Project.

This funding authorization positions the Conservancy to apply for and accept grant funding for the Project, as additional external funding is necessary to complete the Project. If funding is not available to complete the entire Project, staff will investigate phasing options.

Staff recommends the Project budget and funding sources as shown below. Staff will seek additional grant funds to fulfill the \$3.9 million funding gap.

Planning expenditures (previously authorized by the Board)	Amount
Conservancy funding	\$120,000
SNPLMA	\$500,000
Previously Authorized Planning Total	\$620,000

Estimated funding needed to complete Project (current Board funding authorization request)	Amount
Conservancy and SNPLMA (existing)	\$4,100,000
Additional external grant funding (to be determined)	\$3,900,000
Recommended Funding Authorization Total	\$8,000,000

Staff will work with the DGS and a consultant team to complete engineering plans, conduct resource surveys, obtain permits, and implement the Project. Staff will engage with the Washoe Tribe and partners while advancing the Project to implementation. The Conservancy will also continue to inform the public about the Project and provide opportunities for community members to engage directly with staff.

2. Overall Context and Benefits

The Project includes excavating fill material and debris to restore meadow, installing logs along riverbanks to enhance aquatic habitat, and restoring a former stables site to reestablish vegetation and improve upland environments. The Conservancy will remove conifers that have

encroached on the meadow to restore much of the Project area back to riparian and meadow habitats. In the area adjacent to the Elks Club parking lot, the Conservancy will consider a river access point to stabilize riverbanks, which can be degraded by people putting boats in the river.

Ever since its inception, the Conservancy has purchased land along the Upper Truckee River, including properties within the Project area. The Conservancy acquires land in these sensitive areas to protect and enhance wildlife habitats and water quality, while providing open space and public access opportunities. The Project advances these goals. The Conservancy and partners have made significant investments in acquisitions, planning, and restoration elsewhere along the river corridor. The Project will complement these other investments, such as the proposed Upper Truckee Marsh South Project and Reach 5, which the LTBMU restored in 2017.

The Conservancy is designing the Project to support regional, state, and federal goals and priorities. The Project does this by enhancing wildlife corridors both up and down the river, slowing down and spreading the water flow across the meadow so less sediment and nutrients flow downstream towards Lake Tahoe, and improving aquatic habitat for fish and other species as they traverse the river. Secondly, the Conservancy will continue to allow river access while considering potential accessibility improvements, and will construct minor trail realignments to protect sensitive resources.

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 advances the Conservancy's Strategic Plan Goals to Restore the Basin's Social and Ecological Resilience, Provide Recreational Opportunities and Access for All, and Drive Forward-Thinking Solutions and Accountability.

Consistency with the Conservancy's Program Guidelines

The recommended action is consistent with the Conservancy's Stream Environment Program Objectives and Forestry Program Guidelines. The potential improvements enhance habitat,

improve water quality, reduce wildfire risk, provide access for passive recreation, and create an environment that is more resilient to climate change. 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.

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 Stream Environment Zone restoration and wildlife habitat environmental thresholds identified by the Tahoe Regional Planning Agency. This recommended action is also consistent with both the 2019 Lake Tahoe Basin Forest Action Plan and the 2025 Lake Tahoe Basin Multi-Jurisdictional Fuel Reduction and Wildfire Protection Strategy. The recommended action also supports several important California state mandates and plans, such as the Pathways to 30x30 strategy, the State Wildlife Action Plan, the Wildfire and Forest Resilience Action Plan, and the Climate Adaptation Strategy.

Compliance with the California Environmental Quality Act

This Project is designed to restore habitat for California native fish and wildlife in the Upper Truckee River, and on the adjacent floodplain and upland. Public Resources Code (PRC) §21080.56 allows for projects that restore habitat for native fish and wildlife and comply with all other requirements of PRC §21080.56 to be exempt from CEQA's requirements. The following steps have been taken to comply with PRC §21080.56. The Conservancy Executive Director determined on December 16, 2025, that the Project is exempt from CEQA under PRC §21080.56. The Conservancy submitted this determination to the CDFW for review on December 17, 2025, and the Conservancy received the CDFW concurrence letter on February 2, 2026 (Attachment 3). The Executive Director will take final action to carry out the Project in accordance with Board direction and staff will file a Notice of Exemption (NOE) (Attachment 4) within 48 hours of the final action pursuant to PRC §21108.

List of Attachments

Attachment 1 – Resolution 26-03-04

Attachment 2 – Project Area Location Map

Attachment 3 – CDFW SERP Concurrence

Attachment 4 – Notice of Exemption

- Exhibit A NOE Map

Conservancy Staff Contact

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