City Council Chambers
South Lake Tahoe, California

June 26, 1996

REGULAR MEETING MINUTES

I. PLEDGE OF ALLEGIANCE

Chairman John Upton called the regular June 26, 1996, meeting of the Governing Board of the Tahoe Regional Planning Agency to order at 9:35 a.m. and asked Vice Chairman Drake DeLancy to lead in the Pledge of Allegiance to the Flag.

II. ROLL CALL AND DETERMINATION OF QUORUM

Members Present: Mr. DeLancy, Mr. Waldis, Dr. Miner, Mr. Sevison, Mr. Cole, Mr. Esquage (for Nevada Secretary of State Dean Heller), Ms. Bennett, Mr. Cronk, Mr. Westberg, Ms. Neft, Mr. Bradhurst, Mr. Wynn, Mr. Upton

Members Absent: Mr. Neustadt, Mr. Hime

III. PUBLIC INTEREST COMMENTS

Mr. Robert McDowell, representing the U.S. Forest Service, updated the Board on the recent Autumn Hills fire, which started last Sunday in the Carson Valley. The latest figures showed the fire covered 3,400 acres; 77 percent of the acres were private and under the jurisdiction and protection of the Nevada Division of Forestry; 23 percent were National Forest. The fire was now 70 percent contained; full containment was expected at 6:00 p.m. on June 27. The weather (snow and rain) was hampering fire crews but was helpful in suppressing the fire. Revegetation planning was underway. There were eight minor injuries, and 500 people were working in the field now constructing fire lines and mopping up. At one point, there were up to 1,100 people assigned to work on the fire, including 41 fire engines from cooperating agencies (Reno, Sparks, Minden-Gardnerville, Carson, South Lake Tahoe). The fire started at 2:00 p.m. close to the junction of Kingsbury Grade and Foothill Road and burned two to three miles in seven hours. Fortunately, the fire never reached the summit of the Tahoe Basin.

Mr. Al Bulk, representing an electric railway project proposed along the Highway 50 corridor, introduced Mr. Ed Smeloff, an elected member of the Sacramento Municipal Utility District.

Mr. Ed Smeloff noted his utility served 1,2 million people in Sacramento. One of the District's main concerns was regional air quality and a regional approach to solving Sacramento's air quality problems. The District was committed to the electrification of single occupant vehicles and, more importantly, electrification of mass transit. The Utility was interested in working with agencies outside Sacramento to encourage this effort. He was present to learn more about what TRPA was doing and hopefully to build some partnerships for the future. The electric utility industry was changing dramatically and utilities were looking for opportunities to use electricity beneficially. Clearly one of the most promising areas was transportation.
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Chairman Upton introduced El Dorado County District 1 Supervisor Sam Bradley.

IV. APPROVAL OF MINUTES

MOTION by Mr. DeLancy to approve the regular May 22, 1996, meeting minutes. The motion carried unanimously.

V. APPROVAL OF AGENDA

Deputy Director Jerry Wells noted that discussion and action on the Heavenly Ski Resort environmental document and master plan (item VIII.D.) would be taken up at 1:45 p.m. The Tahoe Regen presentation (item X.B.) was scheduled for 1:30 p.m. The policy on Placer County’s request to use water quality mitigation funds to pave unpaved roads (item XII.A.1.) was to be continued at the request of Placer County. The Rules Committee would be meeting during the lunch recess. Item 9. on the consent calendar (expanded project area for Tyrolian Village Units 1 and 5 and Bitterbrush Unit 2 for purposes of coverage relocation) was to be continued, as noted in the packet.

Chairman Upton noted that California Senator Tim Leslie would be at the meeting at 11:00 a.m. (item XI.B.1.). Also, Board members Steve Wynn and Don Miner would be gone for an extended time during the lunch hour for a Tahoe Douglas Chamber of Commerce luncheon.

VI. CONSENT CALENDAR

Mr. Westergard asked if the time to file challenges to land capability determinations (Naccarato item 1. and Field item 8.) had expired.

Mr. Wells explained that land capability challenges under the Bailey System could be processed. The appeal period for Individual Parcel Evaluation System (IPES) scores had expired.

MOTION by Mr. Cole to approve the consent calendar. The motion carried unanimously.

VII. PROJECT REVIEW

A. Seven Summits Corporation, Pier Extension and Modifications, Anchorage Marina, Camp Richardson, 1900 Jameson Beach Road, El Dorado County APN 32-110-01

Associate Planner Jim Lawrence presented staff’s recommendation for approval of a 475 foot permanent floating pier extension to the existing 235 foot long public pier at Camp Richardson. The project area was private property, although the buoy field did extend in front of Forest Service property adjacent to the west. The Forest Service was co-applicant on the buoy field portion of the proposal. The existing facilities included the marina, 18 boat slips, a 230 foot long fixed pier, 110 buoys, a boat launch ramp and a restaurant. In April 1991, the Board approved a temporary 37' foot long floating pier extension, with a condition requiring that if be removed once lake level reached 6226.5’. That had occurred, and this application was to make what was existing more permanent and to respond to fluctuating lake levels. The resulting pier length would be 710 feet. The proposal also called for removal of the existing 18 boat slips and relocation of 5 of the slips to the end of the pier. Six slips would be converted to buoys, and the remaining 7 would be retired. The proposal also included a 130 foot long boat launching ramp for fork lift boat launching and relocation of the fuel and pump-out facilities to the end of the pier. The site was not in a fish habitat, and the proposal met Coast Guard navigational safety standards. The plan would include a 100 foot wide navigational corridor to facilitate boaters coming into the pier through the buoy field. The Army Corps of Engineers had received no negative comments on the proposal. With regard to scenic quality, the project would be visible from the shoreline and two recreation areas: Camp Richardson and Kiva Beach. This was mitigated by the floating pier and piling design which would fluctuate with the lake’s level. To open up scenic views of the sandy beach area and reduce clutter associated with concessions, there would also be screening of the kayak racks and removal of canopies.

Mr. Lawrence responded to Board questions about the floating nature and length of the pier, a requirement to remove the buoys in the winter months, pier length in relation to lake elevation, granting project approval prior to completion of a master plan, and the number and configuration of the buoys.

Mr. Jay Kniep, the agent for Camp Richardson, used a wall display to explain the need to extend the pier into the lake. The lake bottom in this area stayed relatively level 500 feet out from the shoreline. Only the last 100 to 110 feet of extension got out to water deep enough to keep the pier operable in all lake levels. The experience of several years ago showed that 6223 was no longer necessarily a low water level. The objective was to create a pier available for emergency use. The pier was the closest one to Emerald Bay and provided an emergency evacuation point for the Coast Guard and Sheriff’s Department. The solution to the functional and scenic requirements was determined to be a floating pier; the designers constructed piers for high wind and wave action in marine environments with high tidal fluctuations. Such piers needed to be flexible and adjustable on a daily basis. Mr. Kniep presented more information on the proposed changes from the existing structure, uses, and buoy field. The pier could be a destination for regularly scheduled transit for special events at Camp Richardson and/or the
nearby Valhalla. Public transit was not proposed at this site presently, but if that developed, the pier was available. The pump-out and gas facilities were small compared to a boathouse-type structure; the structure was as low as it possibly could be. The pier would sit 18" off the water; during the daylight hours it would be visible to boaters; at night there would be lights marking the navigational channel and a lighted marker at the end of the pier.

Ms. Bennett noted that TRPA was in the process of drafting shoreside regulation requirements. She was concerned how this proposal was compatible and consistent with the direction of those recommendations and with the marina master plan requirement.

Mr. Kniep responded that the Code had specific requirements for what would trigger preparation of a master plan. Expansion of a marina was one of those triggers and was defined in terms of the number of slips and buoys. The proposal was to extend the pier, not to expand the marina per se, as defined by TRPA in terms of slips and buoys. The marina was also not proposing a change or intensification in the uses. The proposal was to extend the pier to accommodate existing uses better in all water levels. This approval if granted was conditioned on Anchorage Marina's completion of a future master plan.

Mr. Waldie suggested modification of the current condition requiring the dropping of the buoys in the winter and retrieving and reattaching chains in the spring. This would be more in line with the current thinking of the Shorezone Partnership Committee. Because it cost approximately $60 per buoy for a diver to disconnect and reattach the buoy chains, a better interim solution may be to remove the buoys from the visible surface of the lake in the winter but to suspend the chain ten feet below the surface on a shorter chain. He questioned whether TRPA permits being issued currently would reflect future recommendations coming out of the shoreside consensus process. The consensus group was also discussing whether a private pier owner would be entitled to extend his or her pier out to deep water or whether the ability to extend a pier was granted only to public pier operators.

Deputy Director Jerry Wells responded that the condition as worded today would allow the buoy marker concept to occur. After hearing yesterday's Shorezone Partnership discussion, he felt that suspending the buoy chain below the surface may be a better solution than dropping the chain altogether and having to relocate it next year for reattachment, especially in the sandy substrate of this location. The idea of suspending the chain below the surface was very workable and could be done on this project. Previous direction given to staff by the Governing Board's Shorezone Committee and the full Board was that while the shorezone process was proceeding staff would proceed with the project review process and move applications forward so long as they were consistent with the existing ordinances. Staff would keep an eye on the draft EIS so projects would not totally miss a major issue raised in the document. Staff in its review would rely primarily on the current ordinances.

Mr. Cole noted that the reduction in conflict between boating and beach uses was a significant benefit. Currently there was conflict and the potential for real problems between boaters and swimmers. The pier would also provide a real lake experience by getting people out on the water. The conditions
applied to this project were more than enough to mitigate its impact and would significantly improve the area.

Ms. Bennett noted she was a member of the Tahoe Transportation District (TTD), and waterborne transit would one day be a reality. She asked the applicant if he envisioned this as a future stop on a waterborne transit system. It was tempting for project proponents to avoid going through the EIR/EIS process if they could break up a project into pieces over time - the pier being one, the master plan being another. There were others who had to jump through the hoops and prepare the required environmental documents. She wondered if a phased approach was in the applicant’s plan.

Mr. Kniep noted that the waterborne transit study did not identify Camp Richardson as a primary destination. The concept was for a waterborne taxi to take people from South Shore to the North Shore. He did not see transit coming to this location right now. This facility was designed to accommodate such a system should it come along. The Tahoe Queen had in the past gotten separate permits to go from Ski Run to Camp Richardson for special events at Valhalla. If this happened on a regular basis, the marina would expect to go through the permitting process to identify impacts and mitigation.

Ms. Rochelle Nason, for the League to Save Lake Tahoe, noted the League did not oppose the construction of a pier of this type per se but strongly agreed with Ms. Bennett that this should be a part of a master plan and not as a separate project. Clearly, the intent of the pier was to make this a more attractive area for motorized boat recreation and to minimize conflicts with the Jameson Beach and the beach to the north. As she had mentioned previously, the League had a major concern with whether this summer would see the loss of one of the highest quality lake experiences available at the southern end of the Lake - the kayak rentals. What should occur here in conjunction with any development proposal was a review of the uses. How many jet skis and how many boats would be out on the lake, and how much motorized craft would be on the lake? Would there be a place for transit, for tour boats and what about the low impact recreationist? What provision was made for people who did not own boats to get on the lake? This application should not be segmented off from the master plan process.

Mr. Cole noted that the conditions required the applicant to prepare a master plan for Anchorage Marina for TRPA adoption. The plan would be designed in conjunction with the Camp Richardson Resort plan. All uses would be evaluated at that time.

Ms. Nason explained that by the time the master plan came in for review the marina would have built the structure with certain purposes in mind. The situation would have been set up in advance to accommodate certain uses, creating a pressure to accept those uses rather than to consider them objectively.

MOTION by Mr. Cole to make the findings necessary to approve the Anchorage Marina pier extension. The motion carried with Ms. Bennett voting in opposition.
MOTION by Mr. Cole to approve the pier extension with the conditions. The motion carried with Ms. Bennett voting in opposition.

Ms. Bennett explained that she had opposed the motions for the reasons set forth in the discussion.

VIII. PUBLIC HEARING

A. Certification of the Final EIR/EIS for Park Avenue Development Project

Mr. Rick Angelooci, Chief of Project Review, noted that the final environmental document was mailed earlier to the Board members. The draft document was discussed at a public hearing before the Advisory Planning Commission (APC) and the Board. The final contained all the comments and the responses. Last night, the City Council certified unanimously and without comment the final EIR for the project. The APC on June 12 unanimously forwarded a recommendation for certification to the Board.

Mr. Angelooci discussed letters he had distributed to the Board members. These included: 1) A letter dated April 6 from Brian Stack; the letter went to Agency Counsel because TRPA currently was in litigation with Mr. Stack. The letter raised the issue of the commercial floor area available for this project and a concern with transfer of coverage from Mr. Kjer's property in Nevada. 2) The June 25, 1996, response to Mr. Stack's letter written on consultant Balloffet's letterhead noting there was a good deal of commercial floor area in this project dependent on transfer as disclosed in the EIR/EIS; all transfers would conform to the code. The issues raised in Mr. Stack's letter were more appropriate to the current litigation and not to the merits of the environmental document. 3) A June 11, 1996, letter from Baker & McKenzie on behalf of the KOAR Group regarding the potential for noise and operational impacts of the transit center with the existing Embassy Resorts. 4) A draft memorandum which resolved the issue raised by KOAR provided that the transit lane located next to Embassy Suites would be closed to all vehicular traffic from 9:00 p.m. until 8:00 a.m. 5) A June 18 letter from Caltrans relating to Level of Service (LOS) F and to the earlier Caltrans comment. The Coordinated Transit System (CTS) would assist in resolving the traffic and air quality issues. Because it would take a few years for CTS to become totally effective, however, some intersections would reach LOS F - solely as a function of CTS and the time needed to bring the system completely on line. 6) A June 19 letter from McDonough, Holland & Allen, on behalf of the Wallace Theatre Corporation, suggesting that the parking was not sufficient to alleviate project impacts. A letter from another commenter suggested the opposite. Staff felt that the parking analysis and information in the draft and final analyses were factual and the project would have the appropriate amount of parking. 7) A June 24 letter from Tahoe Meadows on the subject of water quality. The proposed water quality improvements for this proposal were extensive and a large improvement to the area. Staff felt the concern had been addressed.

Mr. Wynn questioned Attorney Lew Feldman, legal counsel for the Park Avenue project, on cost, timing, and review requirements for the environmental document.
Mr. Feldman explained that the project had been in the planning stages for approximately five years. The costs for the regulatory, environmental, and legal aspects of the process to date could not be backed out of the architectural costs because they all responded to TRPA requirements. All costs, including architectural and site planning, came up to roughly $2 million. The road was somewhat bumpy in the first four years of the experience. There were regulatory issues that arose that were unduly time consuming and expensive. It was a learning curve issue, in part, for some of the regulatory agencies. A change in the process and an acceleration occurred when Executive Director Jim Baetge became active in the process and facilitated getting the document before the Board today. There appeared to be a conceptual and philosophical shift. For the last 19 years TRPA appeared to have more of a roadblock attitude than a problem-solving and facilitating approach to projects. Certainly TRPA was in a position to facilitate good projects by being active problem solvers - as opposed to being problem creators. That change in philosophy had been a significant benefit to this and other projects in recent times. If this new philosophy had been in effect for the total time, the process would likely have cost $1 million and taken 2-1/2 years. While this, too, may seem excessive, there were other parties and agencies involved who had their own needs and regulations. The consensus building process for projects of consequence was an expensive and time consuming one. That was a reality. There clearly was a lot of duplication handling projects with the consensus approach. The City did much of the same things as TRPA in the way of design review and rules. There had been a significant effort to streamline the process and avoid the level of duplication, but that level of duplication was still a very real and expensive factor and needed to be eliminated to facilitate good projects. To a large extent, it did not add to the responsible review of projects.

In view of the discussion, Mr. Cole noted it was appropriate to point out that a year and a half ago the Board adopted the philosophy as set forth by Mr. Baetge that projects were the fix. That really was what had turned things around to a great extent; it was a quiet revolution within the Agency. This redirected the Board's focus and created a new attitude on approaching proposals. This project was looked at as one of the mechanisms to attain thresholds. A variety of projects were being looked at with a view toward seeing what they could accomplish as opposed to trying to determine whether thresholds had reached a point where a project could be considered for development. The latter approach would see nothing done. The Board recognized this and had adopted a philosophy that allowed projects to be looked at in terms of assisting with the attainment of thresholds. This was a significant change.

Mr. Feldman explained that a significant issue was raised by the Lahontan Regional Water Quality Control Board with respect to some water quality consequences in response to the draft EIS. The proponents were able to resolve those issues and improve the project in 30 days. On the other hand, the applicant spent close to two years dealing with scenic issues, incorporating items of visual minutia relating to subjective interpretation. This accounted for much of the architectural expense and delay. This caused the applicant to struggle in the resolution of these concerns with the subjective aspects of the scenic issues. The time and money spent caused a great sense of frustration which would have overrun a lesser proponent. He
was fortunate that the proponents had the staying power to endure. Many others would not have. He was encouraged, optimistic, and hopeful that the philosophical change that had occurred was not a blip in the horizon of TRPA’s role and would occur in the upcoming project review process.

Ms. Rochelle Nason, for the League to Save Lake Tahoe, presented the Board with some history on the process in this case. She had spoken to the Board previously as portions of the project came before the Board and had suggested that the procedure being followed was completely wrong. There was a much simplified procedure for bringing the project to the Board at once – including the scenic, below grade and design issues. Chapter 15 was set up to accomplish this, but the proponents did not choose to take advantage of that process. They elected instead to bring the issues out one by one. This likely added greatly to the time and expense of getting the project approved. It was not a failure of the Code but of the selected procedure. The thing that took the most time was scenic. For some reason, this was brought forward as a Code amendment applicable to the redevelopment areas of both the North and South Shores and therefore was a major environmental impact to be examined – rather than being brought forward as project specific under Chapter 15 – as was intended when the Code was drafted. This would have been a much simpler approach.

Mr. Bill Crawford, a City resident, spoke in favor of improving the urban environment and expressed interest in consequence assessment and the public end of the project’s finances. Environmental improvements could not be divorced from certain things that needed to be done. Otherwise the desired consequences would never happen. The City already had a debt of $21 million as set forth in the auditor’s 1994-95 report. There was a debt service of $3.6 million, and the City sold $8 million more in bonds last April. This project, according to the City, would require $21 million more in bonds. The City possibly did not have the revenue to sell any additional bonds. California Assemblyman Brett Granlund said earlier this month that local governments had been horribly abusive of their ability to issue revenue bonds without any revenue. The City of South Lake Tahoe may be reaching that point, and the Board should be conscious of that as it made decisions that would have a long-term impact.

**MOTION** by Dr. Miner to certify the Park Avenue EIR/EIS. The motion carried unanimously.

Mr. Wynn asked that Mr. Angelocci and Mr. Feldman collaborate when they had time and as appropriate in the next few months in preparing a short memo to the Board members reviewing the process and describing how it could have been done better or more quickly. If it was critical of one side or the other, that was fine; it was constructive criticism.

Dr. Miner asked that this assessment also include positive steps which had been taken to affect the change in approach.
XI. ADMINISTRATIVE MATTERS

B. California Budget Request and Conference Committee Supplemental Budget Language

1. Comments by California Senator Tim Leslie

Senator Tim Leslie thanked the Board for giving him an opportunity to speak and expressed appreciation for the job the Board members had. The members went through a lot of agony and dealt with a lot of people. It was an act of love for an area or region and everyone shared the ultimate desire for Lake Tahoe to be the best it could be. Some members by law were required not to live in the Tahoe Basin; others did live in the Basin. Tahoe was a national, state and regional treasure. California had gone through some interesting budget times in the last few years. There had been multi-million dollar deficits and also a change in the composition of the State Assembly. This led to different people making appointments to different agencies and different people having a say in the budget. This process had become more bipartisan than before, and more views needed to be taken into account. The Assembly and the Senate had been for approximately the past 30 years under the majority of one party. Now it was a shared representation. This year in the course of putting the budget together, the Assembly in a rather dramatic move reduced the budget for TRPA and the Conservancy by approximately 50 percent. The reason for this could be debated by some, but he felt it was well intended to send a message that there was something that was not working quite right, and changes needed to be made.

Mr. Leslie explained he represented all of the California portion of the Tahoe Basin; his district extended from Mammoth Lakes to the Oregon border. His immediate thought on the reason for the proposed cut was to recognize people’s frustration. The result of the cut, however, could be counter-productive and, in fact, have the opposite effect from what was initially intended. How would an agency that still had the authority, responsibility, and requirement to issue permits continue to function if it was emasculated? In essence, the result would be a moratorium on everything that was going on at Tahoe. Many people on whom he relied for advice were concerned about TRPA for various reasons. His approach to the situation was to look at a compromise, where those with concerns could come forward and make their views known and have some input. At the same time, the Agency’s budget would be preserved so that the important work could continue without any negative, unanticipated consequences. The compromise he had forged was with both the Assembly and Senate, Republicans and Democrats. The result was good; the purpose was to give the Board a chance or leverage to do things that it had wanted to do.

Senator Leslie explained that there were accurate and inaccurate perceptions among those who lived and worked in the Basin and among those whose livelihoods were based on what TRPA did. Everyone’s reality was what was perceived. The perception was that TRPA was user unfriendly; it was too difficult to do business with the Agency. It was a bureaucratic nightmare to try to weave the way through the process. The Agency majored in the minors rather than the majors. There were unjustified delays and difficulty in processing projects, resulting in costly attorney and consultant fees. There were too many structural obstacles to making decisions. This could relate to
the fact there was no variance procedure. It appeared that little things could only be resolved by moving mountains. These were all perceptions, some of which he shared. After people went through all the perceived frustration, justified or not, they called him. Board members likely got the same calls. What the Assembly’s compromise language would do would be to provide an opportunity for constructive, positive change to meet the Agency’s mission of protecting the Lake while providing a more user friendly, less bureaucratic process. One way to approach this change would be to be defensive and in denial. There likely would be some of that. He hoped none of his comments were taken that way. Executive Director Jim Bastge was doing a good job; he had taken on a difficult assignment. He had sensed a change in direction over the last few years at the Agency. People were starting to feel a little better, but there was still the underlying concern that was strongly and deeply felt by many people. The problems were deep rooted and had existed for years. Some may be structural and related to the fact that TRPA by law did not have direct elections. This was not the issue being addressed. The point was that TRPA was not directly elected but it had control over people’s property and income. That added a dimension that made things interesting and difficult.

Senator Leslie explained the compromise language approved by the Legislature and explained that adoption of the language restored completely the Agency’s and the Conservancy’s budgets. The language set forth reporting requirements on the outlined tasks in time for next year’s budget hearings. He was out on a limb on this, since he had expressed his confidence to others that TRPA would accomplish and report back on the outlined tasks. He would assist TRPA in accomplishing the tasks. The preamble asked TRPA to recognize that its primary commitment was to water quality and clarity. He was sure all Board members would agree that the quality of the Lake’s water was the first priority for TRPA. When people said they had to spend $10,000 in attorney fees to process a sign relocation, one wondered if TRPA was spending too much time on projects not related to water quality. The notion here was to reaffirm and reflect in the work program the importance of water quality and clarity. The next task called for TRPA to contract through competitive bidding or by arrangement with the bureau of state auditors for an independent performance audit of operations. The notion here was that the Board needed to be in control. He was sure the staff was hard-working and dedicated, but the perception among the public was that some staff had an agenda different from the Board’s. This budget item was designed to have the Board get an independent evaluation of the Agency by management auditors who would meet and report back to the Board. They were not to be influenced by staff. Staff would be important in this process in providing information, but the audit would be directed by the Board. He had discussed the audit with the State Auditor and the possibility of having the Joint Legislative Audit Committee do the work. This was a bipartisan, independent group who reported to legislators. This group performed management audits of government agencies all the time and understood the requirement for confidentiality. He recommended that this group conduct the audit; it would save money, and there possibly would be no cost at all to TRPA. The evaluation would recommend to the Board methods of properly prioritizing resources and streamlining operations to best achieve water quality and clarity goals, as well as other Agency responsibilities. The audit should include confidential interviews with a sampling of recent applicants and other knowledgeable parties.
Mr. Leslie explained the language relating to the streamlining of the permit process and action on permits within 120 days of submission or completion of an EIS if one was required. He recognized this may not be possible, but any permit not acted on in this time period would be placed on the next Board agenda for action as deemed appropriate by the Board. This would do wonders in terms of psychology for staff and for the public, by giving everyone an opportunity to know that if the process seemed unreasonable the public would have its day in court. Finally, by April 1, 1997, TRPA was to report to the California Legislature regarding the action it had taken relative to the compromise language. It would be reviewed and considered by the joint legislative budget committee. This committee, of which he was a member, was made up of Assembly and Senate members of both parties. It would be a perfect forum to have a degree of oversight, similar in some ways to what existed in Nevada.

At the conclusion of Senator Leslie's comments, Mr. Wynn noted that in his two years on the Board he had learned a lot and he did not argue with the fact that there was a perception in the public's mind about TRPA. What he had learned was that TRPA was under the control of a federally mandated compact that was very specific and peculiar. If TRPA strayed away from the instructions of that document, it would expose the Basin and the entire economic structure to a disaster similar to what had occurred in the 1980s. This resulted in a temporary restraining order which was in effect pending the outcome of a lawsuit filed by those who felt TRPA was not diligent enough in executing its responsibilities to achieve environmental thresholds. The federal statute did not prioritize thresholds to make water quality and clarity of primary importance. Unfortunately, the compact left the thresholds with a certain parity. This placed a specific obligation on the Agency which was a bit murky. The Board made its decisions by reviewing applications processed by the staff. The very heart and soul of the problem described by Senator Leslie had not been staff's attitude or separate agenda but rather the fact that the body of regulations, policies, and goals created in the 1980s as a result of the lawsuit created a mountain of paper that was so complex and difficult to administer that the public, the 15 Board members, and especially the staff were caught in a very uncomfortable and abrasive situation of trying to sort everything out. Almost any answer could be found in the pile of documents. Streamlining was not the total answer. To accomplish what was expected and what should be done, TRPA needed to reform its regulatory body of information. The regulations needed to be simplified. Once that had occurred, the staff could process applications in a simplified way. When the Board took up the job of streamlining or reforming and simplifying regulations, it was obliged in order to avoid the disaster of the 1980s to follow a very formal, almost minutistic type of choreography - public hearings and input, partnerships, consensus efforts, environmental documents. The minute the Board did not follow this rather strained and formal procedure it was opening itself up to the risk of a lawsuit by some crazed tree hugger who was against any form of development. It was the Board's job to wade through the streamlining process. Mr. Wynn commented further on the current shorezone review process and the effort to address and come to some resolution on all the issues raised in that complex area. He was pleased that the Senator was so sensitive to the position in which the Board members found themselves and that he was leading the way to introducing his legislative colleagues to the situation at Tahoe.
Mr. Cole expressed thanks and appreciation to Senator Leslie for all his efforts for Lake Tahoe in general and for TRPA specifically. He had been a real friend to the Tahoe Basin; the Tahoe license plate was a prime example. His effort at forging this compromise was something that deserved a lot of recognition by everyone in the Tahoe Basin, because TRPA was moving in the right direction. It had a long way to go. He viewed the compromise as an opportunity, and he was excited about it. It was appropriate for every organization to reflect upon its mission and to shake things up a bit, to question the status quo. The changes that would result would be very positive. The education that would result from the process was perhaps the most important feature, since it would provide an opportunity for the legislators in Sacramento to better understand what was going on at Tahoe so they could feel more comfortable with funding the Agency. The Nevada Legislature was much more supportive of TRPA after it had learned through the Oversight Committee process about what was happening at Tahoe, what the issues were, and what progress had been made. This may provide an opportunity to educate the California legislators on what was happening at Tahoe; hopefully it would benefit the Lake’s water quality. He was confident TRPA would not let the Senator down.

Mr. Waldie, speaking as one of Senator Leslie’s constituent and as a member of the Board, expressed appreciation for his appearance today and for his work in effecting the compromise. The compromise was responsible, and the presentation today was quite positive and productive. It was worth noting that at least in his five years on the Board the Senator was the first legislator from California who had appeared before the Board; that was strange, given the fact that legislators and representatives of the area had apparently dealt with TRPA from afar. His attendance at the Board meeting was a very healthy and productive thing, and he hoped he would continue it in the future.

Mr. Cronk echoed the comments of appreciation to Senator Leslie and more broadly asked that everyone recognize the extraordinarily bold leadership provided by the Senator. He was aware intimately of the philosophical tidal wave that was approaching the Senator. TRPA’s budgetary matters could be viewed as relatively insignificant in the financial maneuvering going on in Sacramento. It would have been very easy for the Senator to bow out and let it pass with no loss of political equity. It was his honest and forthright concern for the Lake and for the people who lived and worked at Lake Tahoe that motivated him. His actions were bold and agile and all Board members and, more importantly, the people who lived and worked at Tahoe should be most appreciative of the magnificent performance.

Mr. Sevison thanked Senator Leslie not only for his work on behalf of TRPA but also for the California Tahoe Conservancy, on whose Board he also sat.

Dr. Miner expressed hope that the Senator’s action would lead to a summit with Nevada and eventually with Washington. The Compact was a federal mandate, and federal monies were needed to accomplish the goals that the Agency had set forth.

Chairman Upton expressed appreciation for the Senator’s work and for his creativity. In the final analysis, his drafting of the language showed an
extraordinary level of ownership of the resolution - as opposed to leaving the solution to staff or anyone else. The other part of the message was that there clearly was an action pattern to be followed by the Board. It was the most important thing for the Board to deal with and get done in the next six months. The Senator had made that very clear. He felt that there certainly was a future threat to TRPA if it did not perform. He agreed that the Senator had sought a win/win situation out of this, and there was a great opportunity in the problem that was laid forth. He had been in the Basin for 36 years, and TRPA was now in its third era. The first era stopped everything - both good and bad. The second era forged out of the 1987 Regional Plan saw a process of consensus and compromise. The third and current era looked at projects as the fix to environmental problems. The issue raised earlier in the meeting was how much of the work done in bringing projects to realization for protection of the Lake was wasted effort. Addressing this issue, conducting the evaluation, and ending up with an action plan was the goal. The question now was responding to the challenge. Senator Leslie had offered to have the Bureau of State Audits do the analysis. If that organization was capable of doing the job, and it would be up to the Board to make that decision, it should do the work. Other options had been put forth. The first decision was to decide whether that organization could do the job. He would like to establish a subcommittee to draft a proposal and meet with the evaluator to see if the job could be accomplished. The process should move rapidly.

Senator Leslie noted that the Bureau of State Audits group was used by state legislators when they wanted audits conducted independently and honestly. He had used this non-partisan, unbiased organization on several other occasions and had been pleased with the work. The group had the credibility in the eyes of the Legislature. He would be happy to arrange a meeting of a Board subcommittee with the director of the State Audits to see if there was agreement.

Mr. Westergard asked if it was possible for someone from the Nevada Legislative Audit group to participate in this so there would be a truly bistate evaluation. Would there be an objection to that?

Senator Leslie responded he certainly would have no objection to that approach. He wished the Board well in the process at it moved along.

2. Establishment of Committee to Prepare Request for Proposals for TRPA Performance Audit

Chairman Upton proposed that the committee be set up to define the specifications of what would be done in the evaluation. Staff had done some preliminary work on an RFP, and the subcommittee could work with that.

Mr. Waldie suggested that the Nevada legislative audit participation should be considered, as suggested by Mr. Westergard.

After discussion, Chairman Upton directed that the committee consist of himself, Larry Sevison and Roland Westergard. The group would likely be faxing its thinking on this to the rest of the Board members and would be looking into the issue of Nevada involvement.
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VIII. PUBLIC HEARING

B. Amendment of Chapter 15, Redevelopment Plans, Relating to Projects Within Redevelopment Plan Areas

C. Amendment to Stateline/Ski Run Community Plan Relative to Permissible Uses

Mr. Rick Angelocci, Chief of Project Review, explained that items B. and C. came out of modifications needed to both the Code of Ordinances and the Stateline/Ski Run Community Plans. Item B. dealt with lock-off units; it was similar to what was proposed in the Ski Run/Embassy Vacation Resorts.

No one wished to comment in the public hearing on item B.

MOTION by Mr. Wynn to make the findings to amend Chapter 15 as proposed. The motion carried unanimously.

MOTION by Mr. Wynn to adopt Ordinance No. 96-11.

Chairman Upton read the ordinance by title:

An Ordinance Amending Ordinance No. 87-9, as Amended, of the Tahoe Regional Planning Agency, by Amending Chapter 15 Relating to Redevelopment Projects; and Providing for Other Matters Properly Relating Thereto.

The motion carried unanimously.

Mr. Angelocci explained that item C. would add uses proposed in the Park Avenue project to the Community Plan. These were inadvertently left out. Staff recommended adoption.

No one wished to speak during the public hearing.

MOTION by Ms. Neft to make the findings to amend the Stateline/Ski Run Community Plan as proposed. The motion carried unanimously.

Mr. Upton read the ordinance by title:

An Ordinance Amending Ordinance No. 87-9, as Amended, by Amending the Regional Plan of the Tahoe Regional Planning Agency, as Amended; Amending Chapter II of the Stateline/Ski Run Community Plan; and Providing for Other Matters Properly Relating Thereto

MOTION by Ms. Neft to adopt Ordinance No. 96-12. The motion carried unanimously.

The meeting recessed for a lunch break from 11:45 a.m. to 1:30 p.m. The Rules Committee met during the lunch recess.

Mr. Wynn was not present for the afternoon session of the Board meeting. Dr. Miner was present at 2:10 during Mr. Yost’s presentation on Heavenly’s
Cumulative Watershed Evaluation.

X. PLANNING MATTERS

B. Presentation on Tahoe Re-Green Program

Senior Planner Mike Solt introduced this item and presenter Dick Thomas. The Tahoe Re-Green was a very successful, coordinated effort to remove dead and dying trees and to remove the fire hazard in the Tahoe Basin.

Mr. Dick Thomas, part of the Tahoe Re-Green team, distributed Re-Green information, described the ongoing project in the Basin and presented a short video describing the speed of and communication problems encountered in the Oakland fire. In that fire, power lines went down, 790 homes were lost in one hour. Tahoe Re-green was working on getting some of the dead and dying trees out of the Basin and to encourage people to provide defensible space around all structures. Mr. Thomas showed a map of high priority problem areas within the Tahoe Basin. Of particular concern was the Angora/North Upper Truckee area. So far the effort had been successful and he was pleased with what had been done.

Chairman Upton thanked Mr. Thomas for his dedication to the effort.

VIII. PUBLIC HEARING

D. Heavenly Ski Resort, Certification of the Final BIR/EIS and Adoption of the Ski Area Master Plan; Including Related Amendments to Plan Area Statements 086, Heavenly Nevada, and 087, Heavenly California, to Revise Special Policy #1 of PAS 086 and to Transfer Additional Developed Outdoor Recreation Capacity from PAS 087 to PAS 086

Senior Planner Andrew Strain itemized the documents being considered: 1) Volume 5, Final BIR/EIS, included response to comments; and 2) Volume 5, Appendix 8G, Final Mitigation and Monitoring Plan. He also outlined the proposed order of and topics for discussion and the proposal to adopt Alternative 3. The Board was being asked to find the document was technically adequate, to approve the master plan (and Alternative 3), to amend the PAS for minor changes, and to amend the land capability maps in accordance with field studies. Staff recommended in favor of these actions. The APC heard the matter in May and June and recommended certification of the document and approval of the master plan and related PAS amendments. Comments had come in in the last few days on the final EIS; staff was not as responsive in the staff report to these comments as it would have wished because of the lateness of their receipt. Mr. Strain addressed and responded to the issues raised by the commenters; these included: accuracy of demand analysis, the effectiveness of water quality protection; correctness of the visual impact analysis; potential congestion from transportation impacts along the Highway 50 corridor; effectiveness of traffic mitigation and timing of CTS; impacts to wildlife, and lack of different alternatives.

Mr. Andy Hauge, project manager with Harland Bartholomew and Associates, introduced the team members who were present to respond to any questions. The team had reviewed all letters, and nothing new had been presented that had not
been addressed in the final EIS. If the Board wanted further clarification, the team members were present for that. Mr. Hauge introduced consultants Rob Brueck (project management), Ford Frick (socio-economics and demand analysis), Jim Brennan (noise), John Dowden (traffic and CTS coordination), Nick Haskle (visual), Jim Yost (water quality and water rights), Gary Rubenstein (air quality), and Bob Harris, Ken Karkula, Sherry Hazelhurst and Carrie Lukacic (Forest Service).

Mr. Jim Yost, of West Yost and Associates, presented a detailed computerized slide program describing the CWE (Cumulative Watershed Evaluation), the CWE model and how it was used, suggested Best Management Practices and restoration projects modeling, the results of the model runs for Heavenly under existing and master plan conditions, the comprehensive monitoring program, and the analysis conclusions.

Chairman Upton opened the public hearing.

Mr. Strain responded to Ms. Rochelle Nason's inquiry on the status of the APC's question regarding the feasibility of accelerating the water quality improvements from years 3 through 7.

Ms. Rochelle Nason, for the League to Save Lake Tahoe, noted there was much about the master plan that the League applauded, particularly the CTS and construction of the gondola. In terms of water quality, however, approval of the master plan was premature and potentially destructive of the ultimate goal of achieving water quality objectives in the Basin. The CWE model on which the tables were based was a good model, but it was just that. This is the first time that it will have ever been used on a ski area, and the Board was being asked to approve many acres of ski run construction, the type of construction that historically had been the most damaging, on the basis of a model that projected water quality benefits that may or may not materialize. By the time it would be known whether these benefits would materialize, the key features of the project would already have been constructed, the key feature being the gondola, scheduled to open in 1999. It would take a number of years before the success of the water quality restoration efforts would be known. For these reasons, the League felt approval of the master plan was premature prior to the restoration of the existing water quality problems at Heavenly Valley. Realizing that the Board would not likely accept this recommendation, the League suggested an alternative to protect water quality while permitting the project to proceed. This alternative would be to require a bond assuring that water quality projects were constructed, that they perform to the levels projected, and that, in the event they did not, money would be available to do what was needed to assure water quality protection. The League also recommended an annual public monitoring review before the Board to review what had been done for comparison with what was promised. This should be in a user friendly way that could be understood by the general public, not just by water quality experts. The League also hoped the Board would follow up on the APC discussion relating to acceleration of water quality improvements so there would be rational relationship between restoration and construction work. Restoration work should take place as quickly as it realistically could be done. The League planned to watch every bit of this project and to keep a very careful eye on it. The League would not be hesitant to force by whatever means may be necessary the Forest Service
to do its job if it chose not to. The League did not believe that would occur, but it would do what was necessary to assure that the restoration would indeed take place. The League did not want to be put in a position where it would be the enforcer. A bond and a reporting requirement were requested.

There was further discussion between Ms. Nason and the Board members on methods of bonding, monitoring and reporting requirements to the Board, specific project review of individual phases of the master plan, phasing of erosion control and restoration improvements with project construction, and assurances that benefits would be successful.

Mr. Jim Hildinger, resident of South Lake Tahoe, asked that his earlier submitted written comments dated May 22, 1996, be included in the record. (Chairman Upton noted they were included in the staff summary materials.) Mr. Hildinger addressed the lack of demand for the project, significant air quality threshold violations caused by additional automobiles, increases in vehicles coming into the Basin over Echo Summit without a comparable change in new traffic, Level Of Service F over Echo Summit and the potential for traffic to extend 18 miles back into the Basin. The gondola would not replace the tram as suggested; the tram would be replaced with a high-speed lift with a higher capacity than the tram. The gondola would be in addition. The gondola was not a traffic saver but a creator. On the subject of cumulative effects, a 1979 report stated that 5 mm of water clarity would be lost per 100 people; 19" of Tahoe's clarity would be lost as a direct result of this one project. The proposal would increase the number of people (residents, visitors and employees) in the Basin by 10,000 without the demand being present. Because of its impacts, Heavenly may be the trigger project that would send the Lake on a nosedive from which it would never recover. The environment at Lake Tahoe was worth preserving, and this project represented one more nail in her coffin with no advantages, economic or otherwise. Heavenly should be encouraged to upgrade its operation; if that included the gondola, the compromises were worth it.

Mr. Bill Frick, from South Lake Tahoe, noted that the prime factor to consider in the Board's action was whether the master plan would benefit or degrade the Lake. While rehabilitation of Ski Run and roads was undeniably needed and the gondola would be an improvement, the prospect of up to an increase of 10,000 people a day needed to be carefully considered. TRPA was entrusted with the responsibility to protect Lake Tahoe, and this was important to remember in making this decision.

Mr. Steve Teshare, with the Lake Tahoe Gaming Alliance, complimented Heavenly for its leadership with the master plan process and the cost to significantly advance water quality protection and planning at Lake Tahoe. Experts had worked hard to advance the cause of water quality planning. These were significant contributions to the community. Heavenly was a guinea pig in this master plan process and had showed leadership in defining the process. The project would be of significant benefit to the environment and to the economy. The Board was urged to approve the master plan.
Mr. Bob Harris, Lake Tahoe Basin Forest Service Supervisor, noted the master plan did not authorize any construction; it set forth a programmatic approach to the occurrence of development and set forth a commitment to a monitoring and restoration plan. The analysis contained the assessment of restoration work and the monitoring plan. Mr. Harris distributed a copy of the 1995 monitoring plan as an example of reporting done on the mountain. This would be contained in each project analysis and set forth consistent approaches to reviewing effectiveness of monitoring. More than two years of restoration and monitoring work had occurred already, and Heavenly was spending $70,000 per year for monitoring. The responsibility for water quality under the Clean Water Act rested with the land owner, the Forest Service. The Forest Service was required to comply with its commitment under NEPA and under the Clean Water Act. Under the National Forest Management Act, the Forest Service had an adopted forest management plan with standards and guidelines which were exactly compatible with TRPA’s thresholds and the ordinances. The Forest Service had an MOU with Lahontan and with TRPA to comply with monitoring and restoration requirements. With regard to the suggestion that only 30 percent of BMPs committed to be done by 1987 in the Upper Truckee River had been completed, Mr. Harris responded that the Forest Service relied principally on the permittee except in the lower reaches of the hill. It was a question of funding. In relation to the current assessment, there was currently available a better methodology to get a handle on the amount of work that was needed and the time needed to accomplish the work.

Mr. Stan Hansen, representing Heavenly Ski Resort, noted that past work and analyses were evidence of the commitment by Heavenly. In 1989, the Board adopted master plan guidelines for ski resorts which include Cumulative Watershed Effects requirements. The CWE analysis was completed in 1992 and since that time the mountain had been analyzed using that methodology. During this process, Heavenly had waste discharge permits issued by Lahontan; Heavenly complied with these requirements and had spent over $750,000 to comply with Lahontan’s requirements on the California side alone. Heavenly had worked hard to build a reputation of standing behind its commitments. Each phase under the master plan would require filing of an application, approval and posting of security bonds. Attainment with water quality standards would have to be proven through the monitoring. This process had been underway for seven years and there had been numerous public hearings. It was of concern that the letters submitted just recently were not submitted earlier in the process. It was time to move ahead.

Ms. Mason offered a clarification to her earlier comment on what may occur at Heavenly. She was not talking about anything being wrong with the commitment to the present management of Heavenly Valley. The League was impressed with Heavenly’s leadership in the area of the CTS and was impressed with the commitment of the last few years on the master plan completion and more work done on the mountain. This plan and permit would run with the land, and in the event the ski area was sold, the League was concerned with protection of Lake Tahoe in the future.

Mr. Harris responded that, in the event of the transfer of the ski area to a new permittee, the conditions of the permit would move forward and be required of the new owner. The change in commitment would not change because of change in ownership.
Mr. Lew Feldman, for the Park Avenue project, noted that the master plan was programmatic. Each component, such as the gondola, would come in with its own conditions of approval, mitigation and securities. This morning the Park Avenue project was certified. That project would not go forward without the Heavenly master plan project. The level of science provided to the Board on this proposal was likely unparalleled in the area of ski area master planning. The Board should be assured on the technical adequacy of the document. He urged the Board to certify the document and approve the master plan.

More discussion followed among Board members on bonding, security requirements, monitoring, reporting requirements, the ability to address problems should monitoring show there were water quality problems, and the format and results of monitoring reports.

Ms. Sherry Hazelhurst, with the Forest Service, noted that the report distributed to the Board was the first annual report for the comprehensive monitoring program. This report addressed all components monitored for the year; it was hoped that future reports would be clearer and easier to work with. The report clearly stated whether standards were or were not met for every station that was monitored.

Chairman Upton closed the public hearing.

Mr. Cole commented he was quite comfortable with the documentation and felt the science fully addressed all the concerns. This was clearly a situation where the status quo was not desirable. The master plan would facilitate accomplishments.

**MOTION** by Mr. Cole to make a finding of technical adequacy for the Heavenly master plan final EIR/EIS/EIS as modified by attachments A, H, and K (in the packet material). The motion carried unanimously.

**MOTION** by Mr. Cole to make a finding of overriding consideration for certain transportation and air quality mitigation measures as shown on Attachment I (in the packet material). The motion carried unanimously.

**MOTION** by Mr. Cole to certify the Heavenly Ski Resort Master Plan Final EIR/EIS/EIS based on the findings shown in Attachment I. The motion carried unanimously.

**MOTION** by Mr. Cole to make Chapter 6 and Chapter 16 findings as shown in Attachment J. The motion carried unanimously.

**MOTION** by Mr. Cole to adopt Ordinance No. 96-13 adopting the final Heavenly Master Plan and related PAS and land capability amendments.

Chairman Upton read the ordinance by title:

An Ordinance Amending Ordinance No. 87-9, as Amended, by Amending the Regional Plan of the Tahoe Regional Planning Agency, as Amended; Adopting the Heavenly Ski Resort Master Plan; Amending Plan Area Statements 086 and 087; Amending Related Land Capability Overlay Maps; and Providing for Other matters Properly Relating Thereto.
The motion carried unanimously.

(Dr. Miner left the meeting at 3:30 p.m.)

E. Draft EIS for the Lake Tahoe Shorezone Development Cumulative Impact Analysis

No one wished to comment during the public hearing. Chairman Upton closed the hearing.

IX. MEETING OF THE REGIONAL TRANSPORTATION PLANNING AGENCY (RTPA)

A. Resolution Approving Caltrans/TRPA FY 1996-97 Transportation Overall Work Program (OWP)

Senior Planner Richard Wiggins distributed copies of the OWP and noted OWP approval was requested annually. He summarized changes from the previous year including funding, grant and program modifications (modeling capabilities, air quality monitoring, participation in California sesquicentennial program, parking management programs, CTS, and social transportation programs).

MOTION by Mr. Waldie to approve RTPA Resolution No. 96-8 approving the OWP. The motion carried unanimously.

Ms. Bennett, a member of the TTD, thanked Richard and Bridget Mahern for their continuing work on transportation programs.

B. Public Hearing on Unmet Transit Needs for Placer County, Adoption of Resolution

C. Public Hearing on Unmet Transit Needs for El Dorado County, Adoption of Resolution

Mr. Wiggins noted that if Local Transportation Funds and State Transit Assistance funds were used for something other than transit the RTPA was required to conduct an unmet transit needs hearing. TRPA sitting as the RTPA did not use these funds for other purposes and basically the hearing was simply an opportunity for the public to come to the Board and express any comments or concerns relative to transit.

No one wished to speak on either items B. or C. The hearing was closed.

MOTION by Mr. Severson to adopt RTPA Resolution No. 96-9 (Placer County) and No. 96-10 (El Dorado County) regarding unmet transit needs. The motion carried unanimously.

X. PLANNING MATTERS

A. Report on Potential Amendments to the Thresholds Resulting from the 1996 Threshold Evaluation

Principal Planner Gordon Barrett explained that in response to discussions last month he had presented more information in the staff summary on 14
possible threshold amendments and needed studies. Five amendments were considered minor. One technical and minor amendment related to water quality indicators and monitoring locations. Another minor amendment related to converting the methodology for monitoring air quality from photography to a nephelometer. The fish habitat threshold should be amended to correspond to more accurate fish habitat maps. The stream habitat maps were being updated by contract with the Forest Service and would result in changes to evaluation rating techniques. The cumulative noise threshold for wilderness was also in need of amendment. Staff recommended these five minor amendments.

The more significant amendments related to VMT, coverage, and SEZs. Staff was requesting a $470,000 grant from the Federal Government for water quality modeling to replace the very crude water quality models now being used. Such a model to predict future conditions existed for VMT and transportation. TRPA today could not monitor water quality with the same accuracy it could transportation and VMT conditions. It may take two to three years to get the funding and two to three years to complete the study. The VMT threshold although tied to air quality was actually related to the nutrient budget to the lake and, ultimately, water quality. A certain amount of input to the lake came from vehicle emissions and other contributors both in the Basin and outside of the Basin. All these inputs and issues needed to be assessed and addressed, and an updated water quality model would assist in that effort. There had been numerous debates about levels of coverage, SEZ restoration, and tracking. At this point, TRPA did not have up-to-date information to determine whether coverage could be increased, decreased, or shifted from one watershed to another. While it would make things flow smoother if coverage rules could be adjusted, TRPA did not at this point have the basis for doing so. The target date for achieving the water clarity threshold could not yet be predicted. Without this kind of information, TRPA was not able to resolve these major questions. Staff felt strongly that it needed more factual information before major amendments could be made. The amount of funding available for the threshold review this year dictated that major threshold changes could not be considered. The focus of the recommendations were instead on the Environmental Improvement Program (EIP), completion of an Environmental Assessment (EA), and getting improvement projects on the ground.

Ms. Bennett expressed concern that the approach outlined by staff appeared to be business as usual. Things would not be changed, more expensive studies were needed, and all of this would take more years to accomplish. It was clear why the public got upset with TRPA.

Executive Director Jim Baetge responded that the California Legislature in the last budget cycle cut TRPA’s environmental threshold review budget. The reduced budget did not include funding for the types of studies and models described by Mr. Barrett. The handling of the process today was dictated by the budget approved a year ago.

Mr. Barrett noted that business as usual was not the approach being taken in this evaluation. The last threshold evaluation focused on the regulations. The focus this time was on getting projects on the ground and getting environmental improvements through projects. Cove East was an example. It was not a question of modeling in this case. Currently the economy was stable; many of the Community Plans had been completed; and things had reached
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a balanced level. Instead of starting to argue about the rules again, the Board had agreed previously to focus on improvements. This was a new direction for TRPA. There were two different areas of concern here - one was the daily administrative procedures, coordination and partnership. There was room for improvement in the permit processing and Code sections. The other area related to basic principles on which the thresholds were based. In this case the scientific justification for amendment was not available.

Chairman Upton agreed with Ms. Bennett’s frustration but noted that the Board had taken the direction of trying to most expeditiously get through the threshold review process without reinventing the wheel. The Board had taken that policy direction and had a work plan for dealing with the programs in the future. He was not sure that revising the regulatory procedures and structures was necessarily precluded by leaving thresholds in place. There were two separate tracks here. Out of the performance audit, there may be a case for more rapidly developing the funding and methodology to more rapidly get to the threshold revision issues. At this point, staff had provided the information that had been requested.

Mr. Cole agreed that there was a need to review thresholds based upon developing science. That was appropriate. At the same time, however, he felt that what the Board should focus on was the Code of Ordinances, as opposed to thresholds. It was the process, not the goal, that was the concern.

A. Three Year Strategic Plan (July 1996-June 1999) and Program of Work for FY 96-97

Deputy Director Jerry Wells explained that the approach on the strategic plan was to update only the text now and to wait for completion of the 1996 threshold evaluation and a Governing Board retreat for a complete update and revision. The adopted core policy statement had been added to the strategic plan. The strategic plan included priority objectives pulled from the work program; goals were retained from the previous strategic plan. The work plan had been streamlined and consolidated from 48 work elements to 29. The tasks were based on work priorities stemming from the strategic plan as well as the work load model and the budget from the two states. Staff would continue to provide quarterly status reports to the Board on the priority objectives listed in the strategic plan. The work program was an evolving document and would continue to be modified as necessary through the year.

Chairman Upton noted that absent comments from Board members the staff was on the right track with the strategic plan and program of work. (The Board took no formal action.)

C. Authorization for Executive Director to Execute Pre-Development Agreement for Meeks Relocation

Mr. Baetge noted he had sent the Board members a draft pre-agreement on the Meeks relocation. If executed this would give Meeks Lumber and others the ability to cost out what it would take to move from its current location to a new location near the "Y." There were a few changes to what previously was mailed to Board members. The real issue here was that by agreeing to let him sign something in the next few days the Board was saying that the relocation
concept made sense and there would possibly need to be some Code modifications
to make it happen. A lot of progress had been made, and the City of South
Lake Tahoe authorized signing of the pre-development agreement. Based on the
agreement, if executed, he hoped that everyone would know what the money gap
would be between Meeks relocating its operation and restoration of the site.
There may be some other players interested in filling the money gap, but the
final number figures were needed before the process could continue. He
strongly endorsed approval of the pre-development agreement.

Chairman Upton noted that approval would give Meeks a sense of TRPA’s
willingness to proceed on with the process if all other factors came together.

Agency Counsel R. J. Nicolle clarified that the agreement would not commit the
Board to making Code amendments. It would commit staff to bringing forward
Code amendments for consideration.

Mr. Cole suggested this was a perfect example of TRPA doing something right.
He heard people beating up on TRPA all the time, and that, frankly, was not
always appropriate. This was a good example of recognition that this was the
right thing to do and it should be pursued in earnest. The process should not
get bogged down in the rules which would preclude the right thing from
happening. What staff was asking the Board to do was to bring forward some
potential changes in the rules that would allow the right thing to happen.
This was the right direction.

Mr. Waldie suggested that in the future a document of this nature should be
run by the Legal Committee.

MOTION by Mr. Sevison to authorize the Executive Director to enter into the
pre-development agreement on the Meeks relocation. The motion carried with
Mr. Upton abstaining. (Members voting in favor: Sevison, Bradhurst, Neft,
Bennett, Waldie, Erquiaga, Cronk, Delanoy, Westergard, Cole)

XII. COMMITTEE RECOMMENDATIONS AND BOARD ACTION

   A. Finance Committee Report

   1. Receipt of May Financial Statement and Check Register
   2. Revisions to 1995-1996 Operating Budget
   3. FY 1996-97 Operating Budget
   4. Policy on Placer County’s Request to Use Water Quality
      Mitigation Funds to Pave Unpaved Roads
   5. Resolution Authorizing Expenditure of 319 Funds ($144,000) for
      BMP Retrofit Program
   6. Revision of Fiscal and Administrative Procedures Manual to
      Revise Mileage Reimbursement Rate

Finance Committee Chairman Kay Bennett noted that the Finance Committee had
recommended receipt and approval of items 1., 2., 3. 5. and 6. earlier in the day. Item 4 was postponed to the next meeting.

Chairman Upton noted that the mileage rate in item 6. was now $.31 per mile.

Deputy Director Wells asked that the action on item 6. also include the making of findings.

MOTION by Ms. Bennett to approve items 1 (May financial statement and check register), 2 (revisions to 1995-96 operating budget), 3 (FY 1996-97 operating budget, 5 (resolution authorizing expenditure of $19 funds for BMP retrofit program), and 6 (findings and approval of revision to fiscal procedures manual to revise mileage reimbursement rate). The motion carried unanimously.

B. Legal Committee Report - no meeting

C. Capital Financing Committee Report - no meeting

D. Rules Committee Report

1. Amendment of Personnel Policy Manual Relating to Temporary Work Assignments; Application Interview and Selection; and Recognition Program; and Performance Appraisals

Committee Chairman Bradhurst advised that the Rules Committee had recommended amendment of the Personnel Policy Manual, specifically Policies 1.3 (Application), 1.10 (Performance Appraisal), and 3.1 (Wage and Salary Administration), and addition of Policy 3.13 (Employee Recognition).

MOTION by Mr. Wadie to make the findings and to adopt Resolution No. 96-12 amending the Personnel Policy Manual as recommended by the Rules Committee. The motion carried unanimously.

E. Shorezone Policy Committee Report

Comments presented earlier in the meeting.

F. Local Government Committee Report - no meeting

XIII. REPORTS

A. Executive Director Monthly Status Report

Executive Director Jim Baetge advised that in early August Secretary of the Interior Bruce Babbitt was going to be in the Reno area to discuss issues relating to the Truckee River Operating Agreement. Carol Brower from EPA would also be in the area. In conjunction with this, Nevada Senator Harry Reid and Presidential Appointee Peter Chase Neumann were working on getting General Williams from the Army Corps of Engineers, a representative of the Federal Highway Administration, and President Clinton or Vice President Gore out as well for a Tahoe summit. The only down side was that notice of the meeting would be short.
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Mr. Waldie suggested that John Garamendi, Deputy Secretary of the Interior, should also be included.

B. Legal Division Monthly Status Report

Agency Counsel R. J. Nicolle explained that legal staff was attempting to conduct as much litigation in-house as possible. It was not correct that the Barbieri case was being handled by outside counsel. She was handling as much as possible of that matter in-house and was collaborating, as necessary, with outside counsel. Outside counsel was used only if she and Agency Special Projects Attorney Susan Scholley were overloaded with work and deadlines. The only case handled by outside counsel was Suitum v. TRPA, a case involving an SEZ lot. Ms. Nicolle reported on the Barbieri and Hellman cases.

Mr. Westergard suggested that the continuing actions in the Hellman case were beyond frivolous and TRPA should not have to continue to spend public monies to defend the action. He questioned if there was any procedure to serve notice of intent to collect attorney fees.

Ms. Nicolle explained that TRPA had the right to request costs if the appellate court accepted the writ. It was very unusual for an appellate court to accept a writ. TRPA would have to wait for a determination on whether the court would accept the appeal or not. TRPA did ask for the costs in the Suitum case but was unsuccessful. In the future, Agency counsel would explore collecting attorney fees to make sure that future motions would contain a request so that a ruling on the issue could be obtained.

Ms. Nicolle reported on continuing mediation in the TSPC v. TRPA case. Ms. Scholley had prepared a memorandum on that case.

Ms. Nicolle advised that Board member Steve Wynn wanted to resign from the Finance Committee.

Chairman Upton asked that filling the vacancy be placed on the July agenda.

C. Governing Board Members

Mr. Severson suggested that the water in Lake Tahoe was being kept at its maximum water level with the gates at the dam being almost totally closed. It seemed like this was totally contradictory to the effort to stabilize and correct erosion control problems in the shorezone; the shoreline now was being devastated by high water and wave action. The river past the dam was now almost totally dried up. Was there anything that could be done?

Mr. Westergard responded that the Compact directed that TRPA could not in any way affect the prerogatives of storage, distribution, or exercise of water rights. The reservoir elevation and releases and the determination on releases were being handled in accordance with federal decrees that had been in existence for years. There was in process now discussions on the Truckee River Operating Agreement, and impacts of any increase in storage at Tahoe.
were being evaluated in the environmental process. The process would authorize the exchange of water between reservoirs. Right now there was no capacity anywhere to put extra water. He would relay Mr. Sevison’s concern to the discussion group.

XIV. ADJOURNMENT - The meeting adjourned at 4:40 p.m.

Respectfully submitted,

[Signature]
Julie D. Frame
Clerk to the Board

This meeting was taped in its entirety. Anyone wishing to listen to the tapes may call for an appointment at (702) 588-4547. In addition, written materials submitted at the meeting are on file and may be reviewed at the TRPA office, 308 Dorla Court, Zephyr Cove, Nevada.

[Handwritten note]
These Minutes were approved as presented on July 24, 1996.