



**NEVADA LEGISLATURE
LEGISLATIVE COMMITTEE FOR THE REVIEW AND
OVERSIGHT OF THE TAHOE REGIONAL PLANNING
AGENCY AND THE MARLETTE LAKE WATER SYSTEM**
(*Nevada Revised Statutes 218E.555*)

SUMMARY MINUTES AND ACTION REPORT

The second meeting of the Nevada Legislature's Legislative Committee for the Review and Oversight of the Tahoe Regional Planning Agency and the Marlette Lake Water System was held on Monday, March 29, 2010, at 10:30 a.m. in the South Room, of the Edgewood Tahoe, 100 Lake Parkway, Stateline, Nevada. A copy of this set of "Summary Minutes and Action Report," including the "Meeting Notice and Agenda" ([Exhibit A](#)) and other substantive exhibits, is available on the Nevada Legislature's website at <http://www.leg.state.nv.us/interim/75th2009/committee/>. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (e-mail: publications@lcb.state.nv.us; telephone: 775/684-6835).

COMMITTEE MEMBERS PRESENT:

Senator John J. Lee, Chair
Assemblyman James A. Settelmeyer, Vice Chair
Senator Mark E. Amodei
Senator David R. Parks
Assemblywoman Peggy Pierce

COMMITTEE MEMBER ABSENT:

Assemblyman Morse Arberry Jr.

LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:

Jennifer Ruedy, Senior Research Analyst, Research Division
Eileen G. O'Grady, Chief Deputy Legislative Counsel, Legal Division
Stephen J. Avillo, Deputy Legislative Counsel, Legal Division
Tracey Wineglass, Senior Research Secretary, Research Division

OPENING REMARKS

- Chair Lee welcomed Committee members and the public to the second meeting of the Legislative Committee for the Review and Oversight of the Tahoe Regional Planning Agency (TRPA) and the Marlette Lake Water System.

APPROVAL OF THE MINUTES OF THE MEETING HELD ON NOVEMBER 2, 2009, IN INCLINE VILLAGE, NEVADA

- The Committee **APPROVED THE FOLLOWING ACTION:**

SENATOR AMODEI MOVED TO APPROVE THE "SUMMARY MINUTES AND ACTION REPORT" OF THE NOVEMBER 2, 2009, MEETING HELD IN INCLINE VILLAGE, NEVADA. THE MOTION WAS SECONDED BY ASSEMBLYMAN SETTELMAYER AND PASSED UNANIMOUSLY.

OVERVIEW OF EDGEWOOD TAHOE'S PRESENCE IN THE TAHOE BASIN: PAST, PRESENT, AND FUTURE

- Brad Nelson, President and Chief Executive Officer, Edgewood Companies, welcomed attendees of the meeting to Edgewood Tahoe and gave a brief background of the Park family members and their contributions in the development of the South Shore at Lake Tahoe. Mr. Nelson explained that the Park Cattle Company was renamed to Edgewood Companies because of the location of the building on Edgewood Creek. He further shared the present status and future objectives of Edgewood Companies based on the current economic conditions. He noted that Montbleu Resort, Casino, and Spa; Horizon Casino Resort; and the parking garage of Harvey's Lake Tahoe are located on property owned by Edgewood Companies. The lease for the Horizon will expire in 2014, and Edgewood Companies is considering various options for the property after it returns to their control.
- Assemblywoman Pierce queried about the current room count at the Horizon Casino Resort and the future vision for the property.
- Mr. Nelson responded there are currently 539 guest rooms, but Edgewood Companies believes there may be capacity for approximately 800 rooms after redevelopment. He pointed out that Edgewood Companies would have to remove a number of rooms equal or greater to the number by which the capacity is increased at the Horizon property from another property.
- Mr. Nelson pointed out that Edgewood Companies has been affected by the downturn in the economy also, employing approximately 25 percent fewer employees during the most recent busy season.

**PRESENTATION OF THE ANNUAL REPORT REQUIRED BY ASSEMBLY BILL 75
(CHAPTER 144, *STATUTES OF NEVADA 2009*)**

- Allen Biaggi, Director, State Department of Conservation and Natural Resources (SDCNR), and Chair, TRPA Governing Board, shared the announcement of his retirement from the SDCNR effective April 30, 2010, and explained he will continue as the Chair of the TRPA Governing Board through December 2010.

Mr. Biaggi provided the Committee with the background for A.B. 75 and explained the impetus for the creation of the California-Nevada Tahoe Basin Fire Commission (Bi-State Fire Commission). He noted that Governor Jim Gibbons created a three-person Successor Commission to ensure that Nevada follows through with the Bi-State Fire Commission's recommendations.

- Ms. Pierce commented that many people who participated in the Bi-State Fire Commission's meetings had remarked that the collaboration between diverse parties in the Tahoe Basin on the issues before the Bi-State Fire Commission was an important precedent and expressed a desire for continued collaboration. She asked whether this collaborative effort continued.
- Mr. Biaggi stated that dialogue continues between interested parties, but no additional meetings have occurred between the two states. He noted that pursuant to recommendations in the Bi-State Fire Commission's final report, Governor Gibbons had created the Successor Commission, and it is continuing to meet. He deferred comment on California's actions to Patrick Wright, Executive Officer, California Tahoe Conservancy for response later in the meeting.
- John Christopherson, Resource Program Manager, Division of Forestry, SDCNR, presented the "Report to Nevada State Legislature-AB 75: Fire-Fuels-Forest Restoration Activities and Accomplishment at Lake Tahoe, NV" compiled by the Division of Forestry, SDCNR ([Exhibit B](#)). He provided an overview of the forest restoration and wildfire hazard reduction/prevention activities and accomplishments at Lake Tahoe as required by A.B. 75 and recommended by the Bi-State Fire Commission. Mr. Christopherson shared examples of the accomplishments and improvements along the South Shore and Incline Village and explained that the visual changes reflect the exemplary work being done by all the agencies involved in the project.

Mr. Christopherson discussed some of the current work required by Senate Bill 94 (Chapter 479, *Statutes of Nevada 2009*), which required the State Forester Firewarden to review and to evaluate Nevada's laws to assess the codes and regulations adopted by other agencies impacting Lake Tahoe and Lake Mead basins to ensure consistency with fire-related codes, rules, and regulations. This review is also to ensure that fire protection districts located in the two basins have adequate authority and proper funding mechanisms to carry out fire-related regulations adopted for the basins.

He noted that most of the research has been conducted and recommendations are being prepared for inclusion in a report.

Discussion ensued about slash piles in Slaughterhouse Canyon, which are on U.S. Forest Service property, the status of biomass in the Tahoe Basin, and the use of the cogeneration power plant at the Northern Nevada Correctional Facility in Carson City. Mr. Christopherson pointed out that since 2007, approximately 26,588 tons of biomass were removed from the Tahoe Basin and burned at the power plant in Carson City.

- Mr. Settlemeyer asked about the use of revenue generated by the additional property tax levied by the Tahoe-Douglas Fire Protection District, as approved by the Douglas County voters in November 2008. The revenue was to be used for wild-land fire protection purposes.
- Mr. Christopherson answered that the Division of Forestry, SDCNR, has worked closely with the Tahoe-Douglas Fire Protection District on various projects. He noted that the additional revenue enabled the Tahoe-Douglas Fire Protection District to assemble a 20-person wildfire hand crew, the “Zephyr Crew,” and to employ a forester for the district.

Discussion ensued about the use of Conservation Camp crews for wildland fuels management, projects on the California side of the Basin, and ongoing fuel reduction work in areas adjacent to but not in the Tahoe Basin.

THE ROLE OF NEVADA’S ATTORNEY GENERAL IN THE TAHOE BASIN

- Wayne Howle, Solicitor General, Bureau of Government Affairs, Office of the Attorney General, provided a brief history of his career with the Office of the Attorney General and shared testimony that supports the mission of the TRPA. Mr. Howle explained that the Office of the Attorney General works in collaboration with TRPA and directly with Nevada’s departments and divisions within the Tahoe Basin regarding enforcement of legal issues and litigation affecting State land and habitats. He pointed out that the Office of the Attorney General does not directly represent the TRPA, instead the TRPA has legal staff in-house.
- Mr. Settlemeyer shared that as the representative of Assembly District No. 39 it is his responsibility to protect each constituent whose property touches Lake Tahoe on the Nevada side, and he expressed interest in being involved with any public trust doctrine discussions as they would affect Nevada’s obligation to manage Lake Tahoe waters.
- Mr. Howle noted that the only discussions involving public trust doctrine that he is currently aware of are taking place in southern Nevada pertinent to the Colorado River, and those are in litigation.

Discussion ensued among Committee members and Mr. Howle regarding the role of the California Office of the Attorney General in policy discussions involving Lake Tahoe. Committee members queried the possibility that Nevada's Office of the Attorney General take a more active role representing Nevada in policy discussions. Mr. Howle explained that Nevada lacks the resources within the Office of the Attorney General to localize involvement in one area of interest but offered his contact information for any person wanting to discuss policy issues affecting the Lake Tahoe Basin area.

- Mr. Settelmeyer shared that the ability to have a representative focus on the issues in the Lake Tahoe Basin would reassure the public that the Legislature is not being bypassed through regulations.
- Mr. Howle offered to meet with the Committee's legal counsel to discuss some of the options available to ensure Nevada law regarding the public trust doctrine protects Nevada's shoreline property owners, and he supports a recommendation to position Nevada in a stronger capacity when it comes to protecting Lake Tahoe.

UPDATE ON TRANSPORTATION-RELATED ACTIVITIES IN THE TAHOE BASIN

- Nick Haven, Transportation Team Leader, Tahoe Metropolitan Planning Organization (TMPO), and Transportation Branch Chief, TRPA, discussed the TMPO and provided a brief history of the organization's federal designation and responsibilities of the transportation plans and funding coordination planning projects. Mr. Haven shared information regarding the bistrate compact and presented a brief overview of the district board. He requested a letter of support to the California and Nevada Congressional Delegations for all areas of the reauthorization of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU.) (Please see [Exhibit C.](#))
- Paul Frost, Chief Hydraulic Engineer, Department of Transportation (DOT), provided a Microsoft PowerPoint presentation addressing the causes of the loss of clarity in the lake, the stabilization of road erosion, and the cleanup process to protect against fine sediment particles that can infiltrate the water system during run off. Mr. Frost gave an overview of the accomplishments of the DOT Lake Tahoe Environmental Improvement Program (EIP). He reviewed the five scheduled slope protection projects to reduce erosion and shared the future clarity challenges and cost estimates associated with the Program. (Please see [Exhibit D.](#))
- Carl Hasty, District Manager, Tahoe Transportation District (TTD), explained that the TTD is a bistrate special purpose district created in 1980 by the Tahoe Regional Planning Compact, specifically authorized by Article IX. Mr. Hasty said the TMPO received federal funding from the Federal Lands Highway Program in 2009, and passed that funding through to the TTD. The increased funding allowed the TTD to increase staff, so he reviewed the newly created organizational chart of the TTD. He presented an overview of the TTD's program of projects which consist of the:

(1) SR 89 Realignment/Fanny Bridge Project; (2) SR 431/28 Intersection Improvement Project; (3) Nevada Stateline-to-Stateline Bikeway Project; (4) US 50 South Stateline Core Project; and (5) Lake Tahoe Waterborne Transit Project. He noted that “Fanny Bridge” in Tahoe City, California, is no longer seismically stable, and will likely be weight restricted in 2013. He shared a list of the federal funding support and member contributions, which contribute to the overall budget of the TTD. In conclusion, Mr. Hasty emphasized that the TTD supports Mr. Haven’s suggestion to send a letter of support to the California and Nevada Congressional Delegations in all areas of the reauthorization of the SAFETEA-LU. (Please see [Exhibit C.](#))

- Assemblyman Settelmeyer requested an update on the US 50 South Stateline Core Project.
- Mr. Hasty reported that the US 50 South Stateline Core Project study report is currently in the administrative draft format and ready for the environmental documentation phase of the Project. He explained the Project charter requirements and advised that the next step will be the completion of the fieldwork and project certification. Mr. Hasty further explained that the final phase is design and permitting.

There was a discussion regarding the population on the busiest days of the year in the Lake Tahoe Basin. Mr. Haven explained the busiest days are during the months of July and August and mentioned that the TMPO is planning a research project to count vehicles entering the area. He will evaluate the number of visitors by checking license plates to compile the demographics of the population.

Discussion ensued among the Committee and Mr. Frost regarding the safety issues involved with the drop inlet grates for bicyclists in the Lake Tahoe Basin. Mr. Frost explained that a bicycle implementation study from the TTD should address the safety issues of the drop inlet grates and that DOT will work to fix the areas and make them safer.

There was discussion among Committee members and Mr. Frost regarding transportation in the Lake Tahoe Basin area as it pertains to bicycle trails, bus service, and parking. Mr. Frost explained that DOT is part of the bistate Tahoe Regional Planning Compact and further explained that some of the projects in the planning process include bicycle trails.

- Mr. Hasty, responding to an inquiry whether bus service is available to ride all the way around Lake Tahoe, Mr. Hasty explained there is commuter service available in certain areas but no connection that encompasses the entire route of the lake. Mr. Hasty shared that the TTD is examining the region to plan future expansion projects, which would include reviewing the availability of transportation in the area.

OVERVIEW OF ACTIVITIES OF THE TAHOE FIRE AND FUELS TEAM

- Elwood Miller, Ph.D., Operations Section Leader, Tahoe Fire and Fuels Team (TFFT), provided a Microsoft PowerPoint presentation ([Exhibit E](#)) describing the three principal foundation-level documents that laid the groundwork for the TFFT: (1) Community Wildfire Protection Plans (CWPP); (2) Southern Nevada Public Land Management Act (SNPLMA) of 1998 (Public Law 105-263) 10-Year Strategy; and (3) approved Annual Plan of Work or Incident Action Plan (IAP). In the early 1980s, wildfire threats to every community in the Tahoe Basin were assessed, and mitigation measures were outlined and prioritized in documents as required by the Healthy Forest Restoration Act. These documents became the CWPPs and were approved by the State Foresters in both California and Nevada. The mitigation measures outlined in the CWPPs form the basis for most of the project work in the Tahoe Basin. The White Pine County Conservation, Recreation, and Development Act of 2006 (Public Law 109-432[H.R.6111]) amended the SNPLMA to provide funding to develop and to implement the 10-year plan to reduce the probability of a catastrophic fire in the Tahoe Basin, known as the Lake Tahoe Basin Multi-Jurisdictional Fuel Reduction and Wildfire Prevention Strategy.

He discussed the three fundamental components to the Basin-Wide Wildfire Threat Reduction Program: (1) effective defensible space for buildings and homes; (2) hazardous fuel reduction in areas directly adjacent to communities known as a fuel break or Community Defensible Space; and (3) hazardous fuel reduction in the general forest.

Dr. Miller explained the structure of the Multi-Agency Coordinating Committee, often referred to as “MAC,” the members who lead the projects from start-to-finish, and the federal funding acquired to implement the projects. He discussed the progress on the yearly schedule for fuels treatment as outlined by the Lake Tahoe Basin Multi-Jurisdictional Fuel Reduction and Wildfire Prevention Strategy to meet the goal of treating approximately 9,000 acres over the 10-year period. He shared photos of work completed by the seven fire divisions responsible for fire protection in urban interface areas.

Dr. Miller described another major component of the TFFT’s efforts, which is the Defensible Space Rebate Program. He explained the steps for a homeowner to qualify for a rebate. First, the homeowner must request an inspection by local fire service professionals of the homeowner’s property. Upon inspection, the fire service professional provides a prescription for treatment. Then the homeowner completes the work required in the prescription for treatment, usually by hiring a contractor. The homeowner may then request a compliance inspection from a Nevada Fire Safe Council project coordinator in the area. Upon a satisfactory inspection, the homeowner may then apply for a rebate in an amount of 50 percent of the total cost expended by the homeowner on the work up to \$1,000. He noted that the total funding received from Rounds 8, 9, and 10 of the SNPLMA grants for the Defensible Space Rebate

Program was a little over \$3 million, of which more than \$1 million has been spent with private matches of about \$2 per every \$1 spent of federal grant money. He said the Defensible Space Rebate Program was to be available up to 2014 and included an initial target of treating 2,200 homes. He noted that approximately 2,000 vouchers had been issued to date, and about 1,200 homes have been successfully treated.

Dr. Miller noted that California Public Resources Code (PRC) 4291 (effective January 1, 2005) mandates defensible space in a wildland area of California, so fire service professionals on the California side must do these inspections. He added that fire service professionals on the Nevada side also do inspections, but primarily as a public education effort to help homeowners mitigate the threat of a wildfire. According to Dr. Miller, the reason most often cited by private landowners for not completing defensible space work is that the homeowner does not have a means of removing the fuels. To this end, the seven fire divisions now offer curbside chipping and removal of fuels. He noted that the biomass transfer stations on the north and south end of the lake have been very beneficial to this program.

The TFFT supports public education programs such as the Living with Fire Program, which began in 1997, and works with many agencies including the Nevada Fire Safe Council. Dr. Miller concluded by requesting the Committee's support for the funding and reauthorization of the Lake Tahoe Restoration Act (LTRA) of 2010.

Discussion ensued among Committee members and Dr. Miller regarding the number of residents taking part in the Defensible Space Rebate Program and the future funding necessary to continue defensible space efforts. Dr. Miller shared that funding from the SNPLMA may not be available to support any future grant for the Defensible Space Rebate Program due to the decline of the Bureau of Land Management public land sales, but the existing grant is not in jeopardy. Dr. Miller clarified that the divisions of fire professionals have performed about 8,600 defensible space inspections in addition to those associated with the rebate program. He said on the California side, the fire professionals must do a follow-up inspection to ensure homeowners are complying with PRC 4291, and this has been somewhat overwhelming with current staffing levels on the California side. In response to a question from the Committee, Dr. Miller noted that roofing is not part of the Defensible Space Rebate program; the program encompasses only natural fuels around the structure, not the structure. He mentioned that the Nevada Fire Safe Council has applied for an emergency management grant to be able to provide a rebate to homeowners for replacing a roof with fire resistant materials.

In response to a question from the Committee, Dr. Miller acknowledged that bark beetles are a significant concern throughout the west, and fuel treatment timing in the Tahoe Basin is often dependent on the status of the bark beetle in the area.

- Chair Lee acknowledged the exceptional work of Andrew List, Executive Director, Nevada Fire Safe Council, and shared that without his leadership the fire safety chapters would not be where they are today.

- Dr. Miller discussed six maps of fuel reduction projects completed by members of the TFFT ([Exhibit F](#)). He referred to one of the six maps, titled “Tahoe Douglas FPD China Gardens Project 2008,” and noted that this project won the TRPA’s “Best of the Basin” award this year for fuel reduction projects. He said the China Gardens Project was formerly referred to as the Slaughterhouse Canyon Project.

PROGRESS REPORT ON ENVIRONMENTAL IMPROVEMENT PROGRAM PROJECTS

- James R. Lawrence, Administrator and State Land Registrar, Division of State Lands, SDCNR, introduced members of his staff in attendance: Charles Donohue, Deputy Administrator and State Land Registrar; Robert Gregg, Lake Tahoe Coordinator; and Dave Marlow, Supervisory Land Agent. Mr. Lawrence reviewed the current status of the EIP implementation and summarized Phase I and II. He acknowledged the importance of local government and the local community regarding water quality and erosion control projects. He said in regard to the discussion earlier in the Committee meeting that the bed of Lake Tahoe is owned by the State of Nevada. As the State Land Registrar, he considers the statutes very clear in pointing out that Lake Tahoe is owned by the State from lake elevation of 6,223 feet, the low water line, and below (*Nevada Revised Statutes* 321.595). He said land above 6,223 feet is owned by the adjacent littoral owner. He explained that if a littoral owner owns land to the meander line than they actually own down to 6,223 feet. Mr. Lawrence said that is how the Division of State Lands applies the statutes when issuing permits for buoys and piers.

Mr. Lawrence provided an update on projects in the areas of watersheds, habitat, and water quality; forest management; aquatic invasive species; and recreation. He discussed Nevada’s strategies in controlling and eradicating Asian clams. (Please see [Exhibit G](#) and [Exhibit H](#).)

- Charles Donohue interjected that the biomass transfer stations mentioned previously by Dr. Miller, particularly the one on the south side of the lake, have enabled the Nevada Tahoe Resource Team to provide a significant amount of biomass material to the Northern Nevada Correctional Center. He commented that without the transfer stations, the transportation of biomass materials on a regular basis to the Northern Nevada Correctional Center would probably be cost-prohibitive. In response to a question earlier in the meeting, he added that the Nevada Tahoe Resource Team uses various hand crews including: the Division of Forestry’s conservation crews, Tahoe-Douglas Fire Protection District’s hand crew, and the North Lake Tahoe Fire Protection District hand crew. Mr. Donohue added that they also have contracts for hand crews with Nevada Conservation Corps, which is a nonprofit through Great Basin Institute.
- Mr. Lawrence said that the State owns approximately 500 urban lots on the Nevada side of the Tahoe Basin encompassing between 250 and 300 acres, which were

purchased in the 1980s and 1990s from willing sellers. Many of the sellers discovered their small lots were not able to be developed. He said that the State is responsible for ongoing management of these lots, which includes fuel treatments, but is also important for water quality, wildlife habitat, and open space. Mr. Donohue added that the State has not had sufficient funds to work on these urban lots, but it received grant funding during Rounds 8, 9, and 10 of the SNPLMA funding. The federal funds will be used for critical needs on these lots so that available State money can be used for maintenance. Mr. Lawrence provided a pamphlet titled "Lake Tahoe Conservation Area Urban Lot Program." (Please see [Exhibit I.](#))

Mr. Lawrence thanked the Committee for its support of Assembly Bill 18 (Chapter 431, *Statutes of Nevada 2009*), which authorized the issuance of not more than \$100 million in general obligation bonds for the State of Nevada's apportioned share of the costs of the EIP. He requested that the Committee, as it has historically, sponsor a bill for the 2011 Session to release the next phase of bonds in an amount of \$12 million to carry out Nevada's portion of the EIP for the 2011-2013 biennium.

Mr. Lawrence provided a brief overview of the Nevada Lake Tahoe License Plate Program and presented a pamphlet, titled "Nevada Lake Tahoe License Plate Program" ([Exhibit J](#)). The License Plate Program was created to encourage residents to support programs for the preservation and restoration of Lake Tahoe through the purchase of the Lake Tahoe license plate. He said that \$5.8 million has been awarded through this grant program since the beginning in Fiscal Year 2000, and there were over 18,000 active Nevada Lake Tahoe License Plates statewide as of March 8, 2010. The Nevada Lake Tahoe License Plate Program complements the EIP by funding many related projects.

- Mr. Donohue shared a pamphlet ([Exhibit K](#)), titled "Nevada Tahoe Resource Team," and offered to have the Nevada Tahoe Resource Team take Committee members to view any of the environmental improvement projects.
- Ms. Pierce queried about the use of plastic on the lake bed to eradicate the Asian clam invasion and about the funding source for the project.
- Mr. Lawrence responded that the pilot project was partially funded by the License Plate Program. The pilot project, which involved suffocating the Asian clam with plastic laid on the lake bed was successful, but there were limitations to the process. He noted that a heavier plastic is necessary because of the wave dynamics. Mr. Lawrence added that the funding for the project is largely from SNPLMA grants in addition to funding and/or collaboration with the United States Fish and Wildlife Service, the TRPA, California partners, and the Lahontan Regional Water Quality Control Board. He noted that he has been advised there is funding in place to move forward to the next phase.

Discussion ensued about the need for additional restroom facilities at Skunk Harbor because the area is becoming degraded from the heavy use during the summer and the

State's interest in acquiring the site of the former Ponderosa Ranch, which remains in private ownership.

UPDATE ON THE CALIFORNIA PROGRAM OF THE EIP

- Patrick Wright, Executive Officer, California Tahoe Conservancy, presented a Microsoft PowerPoint presentation ([Exhibit L](#)) regarding capital projects taking place on the California side of the Tahoe Basin. The capital projects consist of bike trails, erosion control projects, and restoration projects. He shared updates on completed projects and those that are in progress. Mr. Wright spoke about the transformation of Lake Tahoe from a gaming industry to a green ecosystem industry. He briefly discussed the creation of California's Joint Committee for the Protection of Lake Tahoe and California legislation that requires the Joint Committee to meet with Nevada's Legislative Committee for the Review and Oversight of the TRPA and the Marlette Lake Water System to discuss funding from both federal and state governments.
- Chair Lee acknowledged Mr. Wright and the California Tahoe Conservancy for their collaborative efforts to educate the Tahoe Basin community, to offer affordable housing, and to support the joint work ethic in place with Nevada.

PRIVATE AND NONPROFIT EFFORTS TO SUPPORT THE EIP

- Rochelle Nason, Co-Chair, Lake Tahoe Transportation and Water Quality Coalition, and Executive Director, League to Save Lake Tahoe, discussed the efforts of homeowners and landowners to support the EIP. She pointed out that landowners in the Tahoe Basin have a two-fold obligation to do water quality best management practices, generally known as "BMPs," and to create defensible space on their properties. Ms. Nason shared that the community has assisted in addressing the water quality issues and stabilizing soil so there is no water runoff, as well as taking part in the defensible space programs. Ms. Nason explained that the joint efforts of the nonprofit agencies involved in the EIP and the local community developing its own voice have improved the efforts to educate people about watershed work, aquatic invasive species, and defensible space. She specifically acknowledged the efforts of the Tahoe-Baikal Institute in its ability to raise the profile of Lake Tahoe and the Upper Truckee River Watershed Stewardship Group that is responsible for the education of people about watershed work and opportunities for leadership in their communities.
- Andrew Strain, Co-Chair, Lake Tahoe Transportation and Water Quality Coalition, and Vice President of Planning and Government Affairs, Heavenly Mountain Resort, shared the importance of recreation as part of the EIP and the private sector's contribution to the economy of Lake Tahoe. He said that the implementation of the EIP in the private sector includes redevelopment of urbanized areas including education of residents and visitors. He mentioned water quality treatment facilities that were constructed at the Base Lodge and Boulder Lodge at the Heavenly Mountain Resort as part of the private sector's investment in the EIP.

- Chair Lee queried about the involvement of Sierra Nevada College with the EIP program.
- Steve Teshara, Co-Chair, Lake Tahoe Transportation and Water Quality Coalition, and President and CEO, North Lake Tahoe Resort Association, shared the work of the Water Quality Coalition with the Tahoe Metropolitan Planning Organization. He explained there is a partnership between Sierra Nevada College; the University of Nevada, Reno; the Desert Research Institute; the University of California, Davis; and the Tahoe Environmental Research Center, which are involved with environmental work and bringing young people to the Tahoe community. He commented on the expansion of the boat inspection program and the efforts of private industry to educate the public.

Discussion ensued among the Committee and Mr. Teshara regarding the economy in the Lake Tahoe area and the impact on the community. Mr. Teshara shared that the residents did not realize the impact the decline of gaming would have on the revenue base in the Tahoe Basin. He explained that gaming may not be the leading economic driver in the future as it has been for the past two decades. The focus for the future will be on arts and cultural heritage, education, geotourism, green energy, outdoor recreation, science and research, and stewardship of the environment.

PRESENTATIONS FROM THE FOLLOWING PERSONS REGARDING THEIR INTERACTIONS WITH THE TRPA

- Chair Lee proposed the idea of creating an ombudsman to assist landowners in their interactions with the TRPA and to do so in a timely manner without the expense of private attorneys. He has not identified a potential funding source for the ombudsman.
- Mike Young, Realtor, Chase International, Public Policy Chairman for Incline Village Board of Realtors and the President Elect for the Nevada Association of Realtors, shared his concerns regarding the relentless pressure from the California side on policy decision-making in the Tahoe Basin. He opined that TRPA is not able to implement the policy directives in place by the Tahoe Regional Planning Compact. Mr. Young shared that Nevada does not have the staffing necessary to protect landowners' rights on the Nevada side of the Tahoe Basin. He offered to present a recommendation for consideration at the next meeting of the Committee. (Please see [Exhibit M.](#))
- Jenny Reese, Government Affairs Director, Nevada Association of Realtors, addressed the issue of an ombudsman program to assist in mediation and arbitration between the homeowners, landowners, and the TRPA. She requested that the Nevada Association of Realtors be part of an ombudsman program to assist in the investigation of complaints from private citizens against government institutions to improve services and procedures and to streamline the process for TRPA.

- Wayne Ford, Residential Designer, Incline Village, shared his experiences with TRPA and mentioned the need for oversight due to the time required to submit and complete BMPs under TRPA's procedures. Mr. Ford shared two instances that required business owners to fund projects that placed a financial burden on their companies. He offered the Committee some solutions and asked that the business owners in the Tahoe Basin be treated as partners by TRPA. (Please see [Exhibit N](#) and [Exhibit O](#).)
- Dr. William S. Cherry, DDS., Incline Village, shared his experiences with TRPA in 1995 regarding the addition of seven parking spaces and BMPs to reduce ground coverage and soil erosion. Dr. Cherry discussed the cost he incurred to comply with TRPA's requirements in order to make the changes to his property. He shared that the financial burden to business owners of the TRPA's requirements is driving businesses out of the Tahoe Basin.
- Chair Lee inquired about the legal process and the cost if Dr. Cherry had attained an attorney to fight the order in place by TRPA and asked if an ombudsman program would have helped in this situation.
- Dr. Cherry responded that, based on information shared during this meeting, he would have utilized an ombudsman program if it had been in place.
- Mr. Ford explained that micromanagement by the TRPA has created an agency that is counter productive. Many appeals could be avoided if there were an arbitration or mediation process in place. He offered the following solutions: (1) "grandfather" codes for up to six months; and (2) oversight of TRPA staff regarding code changes. Mr. Ford mentioned several examples where homeowners have purchased property with coverage only to be told by the TRPA that they must have the coverage removed due to noncompliance. He suggested that the TRPA accept the Washoe County Assessor's recorded deed as compliance and not allow the TRPA's stringent codes to take precedence for homeowners and landowners in the Tahoe Basin. (Please see [Exhibit P](#).)
- Chair Lee explained the nature of an ombudsman program and his vision of how the program and the TRPA could collaborate in future redevelopment and planning in the Tahoe Basin.
- Ms. Reese shared that additional funding sources are needed to manage an ombudsman program and that her association would like to compile some funding options to submit at the final meeting of the Committee.
- Mr. Young offered some suggestions regarding how the changes in TRPA procedures would assist the Real Estate Division within the Department of Business and Industry. The delays in the inspection process and TRPA guidelines create limitations on the property sale process. Mr. Young explained that many homeowners would like

improved guidelines in place that will prevent delays in determining the cost to improve the property value or to purchase property and be able to assess the cost of improvements based on those guidelines.

- Assemblyman Settelmeyer explained that the uncertainty of the rules is the largest complaint received by his constituents. The changes require legal representation to decipher, and the difference could relate to a cost differential for the homeowner.
- Jennifer Ruedy requested clarification regarding the Committee's discussion of the ombudsman position. She questioned whether the proposed ombudsman would be a position outside of the TRPA solely to represent Nevada's landowners' interests or a position within the TRPA to represent California's and Nevada's landowners under TRPA's jurisdiction.
- Sarah J. Ellis, Government Affairs Director, Carrara Nevada, stated that the ombudsman program would be created outside of the TRPA for Nevada homeowners and landowners within the Tahoe Basin.. The ombudsman would assist the landowner or business owner with Nevada interests with TRPA and any of the other numerous regulatory agencies operating in the Tahoe Basin.

OVERVIEW OF POLICIES AND PRACTICES AFFECTING DEVELOPMENT AND VALUATION OF CERTAIN PROPERTY IN WASHOE COUNTY

- Joshua Wilson, Assessor, Washoe County, provided a brief history of the Washoe County Assessor's Office. He addressed the valuation of property and acknowledged the influence that TRPA has had on assisting his office in applying the guidelines to the value of property in the Tahoe Basin.

Discussion ensued among Committee members regarding the appraisal process and the guidelines that are considered to value property in the Tahoe Basin. Additional discussion focused on the Washoe County Board of Equalization and the challenges facing the Assessor's office concerning the reappraised value of property in the Tahoe Basin.

- Mr. Wilson explained one of the attributes of any property is the view and whether the markets considered the view as a premium in determining property value. He shared that there are different attributes that increase the value of property, and the benchmarks to value property are established by recent sales. Mr. Wilson mentioned he has appeared before the Board of Equalization, and the current challenges are from homeowners around Lake Tahoe in both Douglas and Washoe Counties. Their concerns are related to the methods used by the Assessor in the 2009 reappraisal of their property.

Further discussion continued between Assemblywoman Pierce and Mr. Wilson regarding allowable coverage and the Individual Parcel Evaluation System (IPES) score and the methodology in which the IPES is determined. Mr. Wilson mentioned that before the IPES

score, the Bailey Land Scoring System was used. He said the IPES score and the allowable coverage of a parcel is determined by the TRPA.

- Mr. Wilson explained that the IPES score is determined on vacant parcels. He shared that the TRPA compiles the data from property surveys and considers the buildable threshold and allowable coverage in each parcel. He stated that one of the biggest challenges of the Washoe County Assessor's Office is determining who owns the coverage, where it is, and how much of it exists.
- Assemblyman Settlemeyer stated that the challenges for homeowners derive from the lack of clarification and application of the imposed rules, and he acknowledged the efforts of the Washoe County Assessor's Office in trying to create more certainty for property owners.

UPDATE ON PROGRAMS AND ACTIVITIES ASSOCIATED WITH THE TRPA

- Joanne S. Marchetta, Executive Director, TRPA, addressed the federal LTRA and emphasized the importance of it to the EIP. She shared the priorities for Tahoe's environmental investments as set forth in the LTRA over the next eight years if the bill is passed. Ms. Marchetta further explained that the bill would be voted on before the end of the summer of 2010, and she thanked the Committee for the letter ([Exhibit Q](#)) of support urging the federal government's support of the LTRA. Ms. Marchetta briefly discussed the 40-year history of the TRPA and the journey that has taken place in the Tahoe Basin. She shared that some of the original development decisions that were implemented in the Tahoe Basin over many years were found to be environmentally damaging and that the contributions from federal, state, and local governments allowed the TRPA to implement a change in the lake's decline. Ms. Marchetta provided an overview of the future priorities of the TRPA and the process to achieve the goals for the Tahoe Basin. She explained that the TRPA supports creating partnerships with the private sector and improving community relations. (Please see [Exhibit R](#).)

Ms. Marchetta mentioned the five key projects of the Tahoe Transportation District Program mentioned earlier by Mr. Hasty, previously identified, and explained that the TRPA supports his request for a letter to be written to the California and Nevada Congressional Delegations for project funding in the reauthorization of the SAFETEA-LU.

Ms. Marchetta responded to members of the public and Committee members regarding an ombudsman program and the efficiency and effectiveness of business practices at the TRPA. She shared that the TRPA of today is not the same as five or ten years ago. Ms. Marchetta explained her commitment to improve the relationship between the community and the TRPA is a priority and mentioned that the rules and regulations of the Tahoe Basin do not differ from other areas of the country that have specific criteria for homeowners and landowners to develop and maintain a community character and limit ground coverage for environmental gain. Ms. Marchetta offered that

improvements can be made regarding clarification of TRPA rules and regulations. Ms. Marchetta further explained that there is limited funding to achieve certain goals and that the focus is environmental gain on the ground. She explained that the lack of staffing has created a backlog of cases and that she has directed her staff to apply common sense in delivering environmental gain on the ground and to be problem solvers in order to create efficient business practices and to achieve the objective of lake clarity.

- Julie Regan, Communications and Legislative Affairs Chief, TRPA, shared that her passion is customer service and that the process can be challenging but that the outcome is the reward. She shared her commitment to working with the homeowners and landowners to achieve a stronger relationship with the community. She responded to testimony earlier in the meeting questioning where fines and forfeitures go in the TRPA budget process by explaining that the TRPA cannot fine a property owner. She explained that, technically, the TRPA can only negotiate a settlement. She stressed that regardless of the terminology, she wanted to assure the Committee that those funds are used for directed special research studies, public education, and other functions, not salaries.
- Ms. Marchetta added that the Strategic Plan was originally negotiated through a litigation settlement; the TRPA will review the code and attempt to simplify the plan into laymen terms that will create less need to hire a lawyer to interpret the code. Over time the TRPA will build a set of code interpretations that will assist in maintaining consistency.
- Assemblywoman Pierce inquired about the cap and trade on determining coverage.
- Ms. Marchetta responded on how the coverage system was originally designed and explained that the formula is relatively complex. There are some central rules about allowable coverage on a parcel, then depending upon where the parcel exists whether it is residential or a parcel within a community plan boundary, one can enhance coverage limitations. She added there is not an accounting of coverage per parcel in the Tahoe Basin.
- Ms. Regan added that the rationale behind the land coverage restrictions and regulations are that the Tahoe Basin is over covered. The TRPA is working to restore open space and to remove the pavement in inappropriate places. If a home is purchased in the Tahoe Basin, a formula is used to determine coverage, and the IPES score is used for vacant lots.

Discussion ensued between the Committee and Ms. Marchetta regarding TRPA's distinction between what should be covered and what should be contained in a "grandfather clause." Committee members queried about a building permit that is issued prior to a code change and its priority over a TRPA code change.

- Ms. Marchetta explained that a site evaluation is completed to assess coverage, and sometimes coverage can be “grandfathered” if it existed prior to the existence of the TRPA Regional Plan.
- Nicole U. Rinke, General Counsel, TRPA, explained that the TRPA uses assessor’s maps to verify existing coverage, but not exclusively. So it is a tool that is used to determine if coverage that currently exists on the ground also existed in 1972.
- Chair Lee inquired about the completion date for the TRPA Regional Plan and the ability to amend items in the Plan.
- Ms. Marchetta explained that the Regional Plan is amended as needed.

Discussion ensued regarding transportation alternatives within the Tahoe Basin to address environmental concerns affecting the area.

- Ms. Marchetta stated that the TRPA is in agreement with the TTD and is investigating the ferry system option and related environmental constraints and impacts as part of the environmental review process and the Regional Plan update.
- Chair Lee stated that in an effort to create a bill that includes the needs of the public and considers the vision of the TRPA, he would suggest the formation of a nonpaying working group to consider all sides of the ombudsman program and discuss procedures and regulations with TRPA and the community.
- Ms. Marchetta shared that the TRPA would welcome the opportunity to engage in discussions to facilitate an improved relationship with the community.
- Senator Parks inquired about concerns from constituents in his district regarding the number of inspections required when fishing at Lake Tahoe and suggested some scrutiny be in place when exclusively boating on Lake Tahoe.
- Ms. Marchetta shared that some streamlining has taken place for boaters on Lake Tahoe. Now, if the inspection seal is fully engaged then additional inspections are not required.

PUBLIC COMMENT

- Ann Nichols, Realtor, North Tahoe Preservation Alliance, Crystal Bay, Nevada, stated that the appeals process at TRPA is insufficient. She shared that the process for an appeal is cumbersome and costly, and she supports the need for an ombudsman program. Ms. Nichols commended the TRPA for its positive focus on environmental redevelopment in the Tahoe Basin.
- Heather Bacon, President and Gaming Licensee, Tahoe Biltmore Lodge and Casino, Crystal Bay, shared information concerning the redevelopment of the Tahoe Biltmore as a health and wellness retreat known as Boulder Bay and reinventing the economy at Crystal Bay. Ms. Bacon mentioned the experience she encountered as a Nevada business owner working with the California Office of the Attorney General.

There was discussion regarding Boulder Bay's decision to reduce gaming in the redevelopment plan and focus on health and wellness. Ms. Bacon shared that because gaming has declined about 40 percent, the decision to redevelop the Tahoe Biltmore into a health and wellness facility was an easy decision. She opined that the redevelopment project will create 200 resort jobs and focus on rejuvenation; she explained that it is a better model for the Tahoe Basin community. Ms. Bacon extended an invitation to the Committee to visit the site and to view their redevelopment plans.

- Garry Bowen, Resident, South Shore Lake Tahoe, shared some knowledge regarding energy conservation, a food waste diversion program, and forest health in the Tahoe Basin. He stated that the demographics of the Tahoe Basin and redevelopment of the area into a health and wellness sanctuary would promote a healthier environment. Mr. Bowen suggested redirecting the funds from the "Protect Lake Tahoe" license plate fund to assist in the redevelopment and collaboration of businesses in the Tahoe Basin. He stated he would be making the same request of California, as they have a similar license plate administered by the California Tahoe Conservancy.

ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 5:20 p.m.

Respectfully submitted,

Tracey Wineglass
Senior Research Secretary

Jennifer Ruedy
Senior Research Analyst

APPROVED BY:

Senator John J. Lee, Chair

Date: _____

LIST OF EXHIBITS

[Exhibit A](#) is the “Meeting Notice and Agenda,” provided by Jennifer Ruedy, Senior Research Analyst, Research Division, Legislative Counsel Bureau.

[Exhibit B](#) is a document titled “Report to Nevada State Legislature-AB75: Fire-Fuels-Forest Restoration Activities and Accomplishment at Lake Tahoe, NV,” provided by Allen Biaggi, Director, State Department of Conservation and Natural Resources (SDCNR) and Chair, Tahoe Regional Planning Agency (TRPA) Governing Board, and John Christopherson, Resource Program Manager, Division of Forestry, SDCNR.

[Exhibit C](#) is a Microsoft PowerPoint presentation titled “Transportation Activities at Lake Tahoe,” presented by Nick Haven, Transportation Team Leader, Tahoe Metropolitan Planning Organization, and Transportation Branch Chief, TRPA, and Carl Hasty, District Manager, Tahoe Transportation District.

[Exhibit D](#) is a Microsoft PowerPoint presentation titled “Update on Nevada Department of Transportation Activities in Lake Tahoe,” presented by Paul Frost, Chief Hydraulic Engineer, Department of Transportation.

[Exhibit E](#) is a Microsoft PowerPoint presentation titled “Tahoe Fire and Fuels Team,” presented by Elwood Miller, Ph.D., Operations Section Leader, Tahoe Fire and Fuels Team.

[Exhibit F](#) consists of six Tahoe Fire and Fuels Team site maps presented by Elwood Miller, Ph.D., Operations Section Leader, Tahoe Fire and Fuels Team, and titled: (1) North Lake Tahoe FPD Third Creek Project 2008; (2) Tahoe Douglas FPD China Gardens Project 2009; (3) Meeks Bay FPD Tahoma Defense Project 2009; (4) North Tahoe FPD Chambers/Quail Project 2009; (5) City of South Lake Tahoe FD Cold Creek Project 2009; and (6) Lake Valley FPD Golden Bear Project 2009.

[Exhibit G](#) is a Microsoft PowerPoint presentation titled “Nevada Division of State Lands,” presented by James R. Lawrence, Administrator and State Land Registrar, Division of State Lands, SDCNR.

[Exhibit H](#) is a publication titled “Restoration in Progress, Environmental Improvement Program Update, Planning Horizon Through 2018” presented by James R. Lawrence, Administrator and State Land Registrar, Division of State Lands, SDCNR.

[Exhibit I](#) is a pamphlet titled “Lake Tahoe Conservation Area Urban Lot Program,” presented by James R. Lawrence, Administrator and State Land Registrar, Division of State Lands, SDCNR.

[Exhibit J](#) is a pamphlet titled “Nevada Lake Tahoe License Plate Program,” provided by James R. Lawrence, Administrator and State Land Registrar, Division of State Lands, SDCNR.

[Exhibit K](#) is a pamphlet titled “Nevada Tahoe Resource Team,” provided by Charles Donohue, Deputy Administrator and State Land Registrar, Division of State Lands, SDCNR.

[Exhibit L](#) is a Microsoft PowerPoint presentation titled “Restoration In Progress,” presented by Patrick Wright, Executive Officer, California Tahoe Conservancy.

[Exhibit M](#) is the written testimony of Mike Young, Realtor, Chase International, Incline Village, Nevada.

[Exhibit N](#) is the written testimony of Wayne Ford, Residential Designer, Incline Village.

[Exhibit O](#) is a claim filed with the TRPA, APN# 132-221-11, 132-221-12, regarding “Commercial Project: Dental Office: BMP Retrofit and Additional Parking,” presented by Wayne Ford, Residential Designer, Incline Village, Nevada.

[Exhibit P](#) is a legal file “Verification of coverage appeal for 817 Oriole Way, Incline Village, NV-Owner: D. A. Griscom,” provided Wayne Ford, Residential Designer, Incline Village, Nevada.

[Exhibit Q](#) is a letter written to the California Congressional Delegation on behalf of the Committee, provided by Joanne S. Marchetta, Executive Director, TRPA.

[Exhibit R](#) is the written testimony of Joanne S. Marchetta, Executive Director, TRPA.

This set of “Summary Minutes and Action Report” is supplied as an informational service. Exhibits in electronic format may not be complete. Copies of the complete exhibits, other materials distributed at the meeting, and the audio record are on file in the Research Library of the Legislative Counsel Bureau, Carson City, Nevada. You may contact the Library online at www.leg.state.nv.us/lcb/research/library/feedbackmail.cfm or telephone: 775/684-6827.