

TAHOE REGIONAL PLANNING AGENCY  
OPERATIONS AND GOVERNANCE COMMITTEE

North Tahoe Events Center/Zoom Webinar

February 28, 2024

**Meeting Minutes**

CALL TO ORDER AND DETERMINATION OF QUORUM

Chair Ms. Laine called the meeting to order at 8:36 a.m.

Members present: Ms. Bowman (for Mr. Aguilar), Mr. Bass, Ms. Gustafson, Ms. Hill, Ms. Laine

I. APPROVAL OF AGENDA

**Agenda approved.**

II. APPROVAL OF MINUTES

November 15, 2023 Operations and Governance Committee Minutes

**Minutes approved.**

III. [Agenda Item No. 3 Recommend Approval of January Financial Statements](#)

Mr. Chris Keillor, TRPA Finance Director, presented the item. He began by talking about state budgeting and said California are still having significant problems with the Legislative Analyst's Office (LAO) now predicting a deficit of \$73B for the current fiscal year. Mr. Keillor said we don't have any BCPs in front of them for the next fiscal year, but we do have money at risk for attaining staff salary increases. The immediate cutbacks are also affecting some TRPA programs. We have two housing HIT grants, and the State have capped us at 25% of the total grants. For the bigger grant that's less of a problem because we have only just started spending it and believe we can still do most of the important upfront activities. The smaller grant is a problem because we've already spent more than 25%. Mr. Keillor said that we will comply going forward but are already over that cap. He is working with the state on two invoices, one of which they will pay, and the second they may not.

Mr. Keillor said that the Nevada budget is more positive. They will be kicking off their biennial budget process on March 6, 2024. This will be Governor Lombardo's first budget so we may see some redirection and reprioritization.

Looking to the financial highlights on slide 2, Mr. Keillor said we are just over halfway through the year and planning fees have come back up to 6% above the last three years average so he is less concerned about those. Regarding the two big LTRA grants, Mr. Keillor said they have been slow to ramp up, so we may not hit the revenue target for the year but since they are effectively passthrough funds from the forest service it will not affect TRPA overall financials.

Looking at the revenues, Mr. Keillor said everything is on target with the exception of the grant revenues where we are behind. He said that the only remaining money in the state revenue

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category is TSAC (Tahoe Science Advisory Council) money, which is billed on a cost reimbursement basis. Moving to cash flow charts on slide 5, Mr. Keillor said they recently transferred \$3.7M in Excess Coverage Mitigation funds to CTC for the Motel 6 acquisition project.

### Committee Comments

Mr. Bass asked about the TRPA revenue split between California and Nevada. Mr. Keillor said that under the bi-state compact, TRPA are required to request money in a 2/3 California, 1/3 Nevada ratio. Mr. Bass asked if the California funds were protected or if the state could claw some back. Mr. Keillor said they are protected conditionally - the bulk of our money doesn't come from the California general fund; most comes from the environmental license plate fund and about half a million dollars comes from the Harbors and Watercraft revolving fund. Those funds should be good going forward, with the caveat that we don't know what the Department of Finance will do, if they will raid the special funds to balance the general fund for example.

Referring to the HIT grant billing issue, Ms. Hill asked if California TRPA board members had reached out to legislators to let them know of the situation. Mr. Keillor said it is currently being handled at staff level, but they intend to enlist board members as needed.

Regarding the Nevada budget Ms. Hill asked if we will be asking again for Tahoe Transportation District (TTD) funds, as requested by the legislature. Mr. Keillor affirmed that we would be asking a second time and added that they need to decide whether to embed that as a permanent ask, as opposed to a biannual request. Mr. Keillor suggested they could set up TTD as an entity in the Nevada budget system so they could access funds directly. Ms. Hill said she thinks it will be difficult to create TTD as an entity and people feel more comfortable going through TRPA because it is so well known.

Mr. Bass added that the transportation funds are coming out of the gas tax, and they are protected from any of these budget cuts. As he sees it California will believe they are contributing the two thirds because of TDA transit funds going into the basin. Ms. Hill said she is concerned that those funds are not going to TTD's operations and wants to ensure that we are living up to the 7-7-7 transportation funding strategy. Mr. Keillor clarified that the 7-7-7 funding was intended to be in addition to existing TTD STF funds.

Mr. Keillor added that the compact that created TRPA established a mechanism for TRPA to be funded just from general operations, it did not include anything for that in TTD. He said TTD need about \$1M per year for basic operations. Mr. Keillor said this request was intended to cover that. This is separate from the 7-7-7 funding.

### Public Comment

None.

### Motion

Mr. Bass made a motion to recommend the Governing Board approve the January 2024 Financials

Ayes: Ms. Bowman, Mr. Bass, Ms. Diss, Ms. Gustafson, Ms. Hill, Ms. Laine

**Motion passed.**

VI. [Agenda Item No. 4 AIS Watercraft Inspection Fees](#)

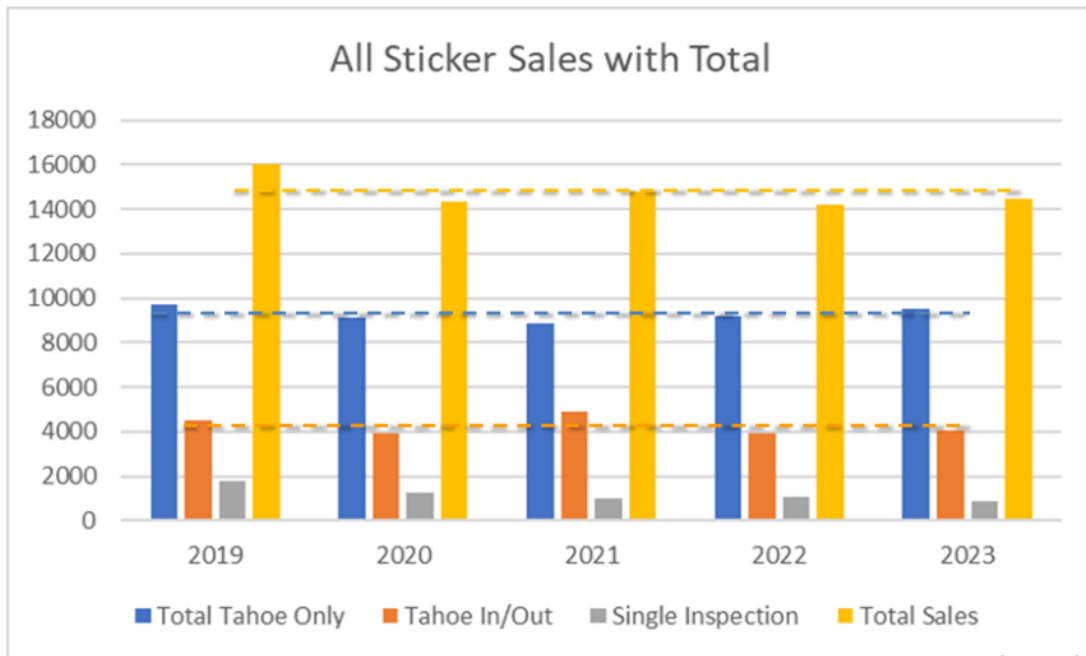
Mr. Tom Boos, TRPA Aquatic Invasive Species (AIS) Prevention Coordinator presented the item. Mr. Boos said the TRPA Code states that the Governing Board shall approve the watercraft fees annually, and staff are recommending that the board approve the proposed 2024 fee schedule.

Mr. Boos began with a background on the program (slide 3). Watercraft are required to be inspected at one of three watercraft inspection stations before entering Lake Tahoe. If they do not pass inspection due to detection of mud, plants, animals, or water they are decontaminated. At that point a sticker is sold, and a seal is installed to link the boat to the trailer – indicating to the ramp staff that the boat has not launched elsewhere. The boater then proceeds to the launch ramp where certified seal inspectors check the seal and allow launch. When the boat comes out of the water another seal is applied. An intact seal allows the boat to come back to the ramp without another inspection at the watercraft station.

Mr. Boos said TRPA contracts with the Tahoe Resource Conservation District (Tahoe RCD) who implement the process and are a great partner. The sole purpose of the program is to prevent the introduction of invasive species into the lake, and they have been incredibly successful over the last 15 years.

The AIS prevention program is one of the most critical EIP programs to protect the lake, and fees are charged for inspection and decontamination services. A boater can select from 3 different stickers. The Tahoe In and Out sticker is for boats that may visit other water bodies and return to Lake Tahoe. With the purchase of a Tahoe In and Out sticker the boater can come back to the inspection station as many times as they want for inspection at no additional cost, although an additional charge is levied if decontamination is required. The Single Inspection Pass works the same way but is limited to a 7-day period. The Tahoe Only sticker is for boaters who have been inspected and previously had a Tahoe In and Out sticker. The Tahoe Only sticker can be purchased at the inspection stations, or boat ramps for boaters with an intact seal.

Describing the program funding and budget (slide 6) Mr. Boos said 35% of funding comes from the prevention fees, 32% comes from California and Nevada General Funds, 19% comes from California Division of Boating and Waterways grants, 11% comes from the LTRA, and 3% comes from the ANS Task Force. The overall program budget is \$2.4M, and the Tahoe RCD contract accounts for \$1.6M. Drilling into the prevention fees (sticker sales) on slide 7, Mr. Boos said that sales over the last five years have remained steady but there have been other budget impacts.



Agenda Item 4

The cost of labor has increased from \$14 per hour in 2016 to \$20 per hour in 2024. The program has lost grant funding from the California Division of Boating and Waterways due to increased competition for funds. Other general operating costs have also increased, such as propane, decontamination supplies, increasingly complex boats. There are also some new operating costs in response the recent discovery of New Zealand Mud Snails in Lake Tahoe. They plan to hire three roving inspectors whose primary role will be interacting with non-motorized users to bridge a gap in education and outreach.

Mr. Boos said the proposed fee increases are intended to find a balance between fair pricing for boaters and sustaining the program. He described the proposed increases on slide 10 and 11.

Inspection Fees	2023	2024 Proposal	Amount of increase
Tahoe Only	\$45	\$50	\$5
In/Out: PWC & up to 17	\$60	\$70	\$10
In/Out: 17 and up	\$100	\$115	\$15
Single: PWC & up to 17	\$55	\$65	\$10
Single: 17 and up	\$80	\$95	\$15

Fees should reflect amount of work to inspect

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Decontamination Fees	2023	2024 Proposal	Amount of increase
Decontamination (single system, jet ski)	\$25	\$30	\$5
Decontamination (2-3 systems)	\$50	\$60	\$10
Complex Decontamination (4 or more systems)		\$110	\$110
<b>Ballast Boats (in addition)</b>			
Drained Ballasts	\$25	\$30	\$5
Undrained Ballasts	\$50	\$60	\$10
<b>Attached Mussels</b>	\$250	\$350	\$100

Mr. Boos said that there were no fee increases between 2015-2018. From 2019-2023 targeted fee increases reflecting the work required to implement the program were introduced:

- 2019 - Tahoe Only stickers \$3 increase
- 2021 - Tahoe In/Out and Single Inspection pass \$5 increase
  - Multiple system decontaminations increased \$10
  - Attached mussel fee increased \$50.
- 2022- Single system decontaminations \$5
  - Created new decontamination category for ballast tanks

Mr. Boos said they will continue to apply for grants and pursue federal & state sources, and they will continued to review operations to identify efficiencies. Mr. Boos advised that two permanent inspection stations (Spooner and Meyers) are also in the works, and the intention is to include workforce housing onsite. These stations are in the planning stage so its early days but an exciting development that may save program funds in the future.

Committee Comments

Ms. Laine thanked Mr. Boos for his presentation and stressed the importance of the prevention program.

Mr. Bass asked about fines or recourse for boaters who don't adhere to the regulations. Mr. Boos advised there is an enforcement program, with an up to \$5K fine, for an illegal watercraft launch. It does happen, but the program is now so well established that it's a very rare occurrence.

Ms. Laine asked for clarification on the line item for Complex Decontamination (4 or more systems). Mr. Boos advised that this was a whole new category which explains why there was no 2023 comparison.

Public Comment

None.

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Motion

Mr. Bass made a motion to recommend the Governing Board adopt the Resolution approving the 2024 Watercraft Inspection Fee Schedule

Ayes: Mr. Bass, Ms. Bowman, Ms. Diss, Ms. Gustafson, Ms. Hill, Ms. Laine

V. Upcoming Topics

Mr. Keillor said they are beginning the budget cycle and will be making some assumptions about the work plan ahead of the Governing Board planning retreat in May 2024. If the Governing Board makes changes during that meeting, staff will ensure those changes are updated and reflected in the budget.

VI. Committee Member Comments

None.

VII. Public Comments

Ms. Ellie Waller said her questions are related to future issues based on the reliance of the 7-7-7 budget as well as the LTRA (Lake Tahoe Restoration Act). Just looking at what will happen if some of those funds do not come in at the projected necessary requirements and needs. On the TTD discussions you are having, are there any future issues where the compact may need to be revised based on how funding sources are coming in.

X. Adjournment

Mr. Bass made a motion to adjourn.

Ayes: [All]

Chair Laine adjourned the meeting at 9:26 a.m.

Respectfully Submitted,

*Tracy Campbell*

Tracy Campbell  
Executive Assistant

*The above meeting was recorded in its entirety. Anyone wishing to listen to the recording of the above mentioned meeting may find it at <https://www.trpa.gov/meeting-materials/>. In addition, written documents submitted at the meeting are available for review. If you require assistance locating this information, please contact the TRPA at (775) 588-4547 or [virtualmeetinghelp@trpa.gov](mailto:virtualmeetinghelp@trpa.gov).*