

TAHOE REGIONAL PLANNING AGENCY
OPERATIONS AND GOVERNANCE COMMITTEE

TRPA/Zoom Webinar

February 22, 2023

Meeting Minutes

CALL TO ORDER AND DETERMINATION OF QUORUM

Chair Ms. Aldean called the meeting to order at 8:31 a.m.

Members present: Ms. Aldean, Mr. Di Chiara (for Mr. Aguilar), Ms. Diss, Mr. Hoenigman, Ms. Laine

I. APPROVAL OF AGENDA

Ayes: Ms. Aldean, Ms. Diss, Ms. Hill, Mr. Hoenigman

Agenda approved.

II. ELECTION OF VICE CHAIR

Chair Aldean asked if there were any questions, comments, or nominations for this item. Hearing none, Chair Aldean nominated Brooke Laine as Vice Chair of the Operations & Governance Committee.

Public Comment

None.

Committee Comments & Questions

Ms. Diss made a motion to elect Ms. Brook Laine to serve as Vice Chair of the Operations and Governance Committee.

Ayes: Ms. Aldean, Mr. Di Chiara (for Mr. Aguilar), Ms. Diss, Mr. Hoenigman, Ms. Laine

Motion carried.

III. APPROVAL OF MINUTES

Minutes approved as amended.

IV. RECOMMENDATION ON JANUARY 2023 FINANCIALS

TRPA Financial Director Mr. Chris Keillor presented the item, and began with an update on TRPA's budget status with the two States. He said that TRPA had their first hearing before the joint subcommittees of the Senate Assembly in Nevada on January 14, 2023. Mr. Keillor said that he, Julie Regan, and Carl Hasty had all testified, and he believes the hearing went well. He added that TRPA

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did receive support from other parties, and that there was no real pushback on any of their requests. Subsequent to the meeting, Mr. Keillor has been working with the Governor's finance office and TRPA have received two formal questions from the subcommittee. The first question, concerning transportation, requested an update on the status, and the funding mechanism for transportation in the Basin, which is quite complicated. The second question concerned TRPA's turnover rates and vacancies in reference to the request for additional money for staffing. TRPA HR Director Angela Atchley has responded to the second question, and Nick Haven, Devin Middlebrook and Carl Hasty will provide a response to the transportation question. Mr. Keillor added that it is on the record that the data in the Nevada Executive Budget System (NEBS) is incorrect, so that will be adjusted/modified with a later update to Nevada Executive Budget System (NEBS). Mr. Keillor added that Governing Member Ms. Hill has arranged a meeting with the Governor's office for the week commencing February 27, 2023.

Moving on to the California side, Mr. Keillor said that things are much worse. He said that when Governor Newsom released his initial budget in February, he was talking about a 21 billion dollar deficit. Last week, the California Legislative Analyst's Office (LAO) said they think the revenue will be 10 billion dollars less than that, and estimated the deficit at about 7 billion dollars higher - in the 28 billion dollar range. All TRPA budget requests in California have been put on hold or are not included. Mr. Keillor explained that TRPA are not in the California General Fund, which has the budget problems - TRPA are in the Environmental License Plate Fund, and the Harbor's and Watercraft Revolving Fund. He added that there is no chance of getting a good hearing in Sacramento right now, when California are dealing with an almost 30-billion-dollar shortfall.

Referring to Mr. Keillor's comprehensive knowledge of the California budget, Ms. Aldean asked if it was possible that the California funds that TRPA rely on could be raided, and applied against the deficit. TRPA Executive Director, Julie Reagan, responded that she had been in Sacramento yesterday, where this question was discussed. It is her understanding, that while there is still some uncertainty until the Governor's budget is released in May (the May Revise), the Environmental License Plate Fund, where TRPA drives most of its general fund appropriations, is stable and not looking at a deficit. Ms. Regan said they are feeling fairly confident that the baseline is secure. The Harbors and Watercraft Fund that funds the invasive species program and the watershed and water education program are in good shape. Ms. Regan added that while it is possible that could change following final budget negotiations, having spoken with their delegation, the Senate, the Assembly, and with the Secretary of Natural Resources, Wade Crowfoot, she feels confident that the baseline is secure, but with no additional budget change proposals to be considered.

Referring to the chart on slide 1, Mr. Keillor said they have a positive fund balance for all funds, having just billed all the second quarter grant invoices. He said that the balance in the State and local columns will obviously go down over time as they spend down through the balance of the year. Looking at 'performance against budget' on slide 2, Mr. Keillor said everything is on track and where they would expect to be at this point in time. Grants are on track on expenditure. Compensation is pretty much where it would be given the turnover and vacancies. Contract costs always lag, but they're slowly building up as expected.

Addressing Mr. Hoenigman, Mr. Keillor apologized that he had not had a chance to amend the cash flow chart on slide 3 to remove the Excess Coverage Mitigation & Mitigation Funds. He will try to include that next month. So right now, the chart shows a negative cash flow for the month, but the 3.8 million dollars of disbursements include 2.7 million dollars going to the Nevada Division of State Lands (NDSL) for Excess Coverage Mitigation (ECM). In reality, if you take out the mitigation funds, they are actually positive \$800,000 for the month. That's because they build a bunch of grants in January, and using a program called ASAP they can electronically draw down on funds for most of the Forest Service grants. Mr. Keillor said they get paid on those grants much faster than would normally be the case - by comparison, transportation grants will take a month or 2 to get to get the cash in the door. So basically, cash flow is fine except for the Excess Coverage Mitigation Funds. If the California Tahoe Conservancy (CTC) transaction closes, there will be an additional, larger disbursement to them.

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Committee Comments & Questions

Referring to page 70 of the staff report, Ms. Aldean said it was indicated that TRPA had a positive cash flow of \$900,000. She asked if that had been drawn down in the interim. Mr. Keillor responded that was just a rounded figure.

Public Comment

None.

Motion

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

Ayes: Ms. Aldean, Mr. Di Chiara (for Mr. Aguilar), Ms. Diss, Mr. Hoenigman, Ms. Laine

Motion carried.

V. Recommendation on TRPA Application Filing Fee Schedule

Mr. Chris Keillor, TRPA Finance Director presented the item. Mr. Keillor explained that in October 2023, staff had brought planning rates to the Governing Board for an inflation adjustment of 8.3%. When they did that, they did not realize that the 2022 rates had not been converted from a calculation to a fixed number. So when they plugged in the 8.3 escalation factor, it escalated both years. 2022's escalation was only about 5%, so they wound up putting in a rate schedule that was about 3% higher than it should have been. Unfortunately, those rates got into Accela before it got caught – although it did get caught within a matter of days.

Mr. Keillor said they are using a provision in the Rules of Procedure that allows the Executive Director to reduce the rates if they are recovering too much money. So they have corrected the rates in Accela in order to minimize overcharging and any refunds, but they now need the Governing Board to approve the corrected version of the rate chart, which is attached to the staff report.

Committee Comments & Questions

Ms. Aldean asked if refunds have been issued to all of the affected applicants. Mr. Keillor responded that overall, there were about 23 applicants who were overcharged by about \$475. Some of them were very small, so they would like to set a limit, and refund everything over \$20.

Public Comment

None

Motion

Ms. Laine made a motion to recommend the Governing Board approve the attached Resolution 2023-____, as show in Attachment A, and Exhibit 1, amending the TRPA application filing fee schedule

Ayes: Ms. Aldean, Mr. Di Chiara (for Mr. Aguilar), Ms. Diss, Mr. Hoenigman, Ms. Laine

Motion carried.

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VI. Upcoming Topics

Mr. Keillor said next month's items will include the monthly financials and a Water Quality Mitigation Fund Request from El Dorado County. Longer term, conversations will continue on state and TRPA budgets, and staff are working towards the April retreat, where the Governing Board will set the strategic direction for the agency.

Public Comment

None.

VII. Committee Member Comments

None.

VIII. Public Interest Comments

None.

ADJOURNMENT

Ms. Laine made a motion to adjourn.

Ayes: [All]

Chair Ms. Aldean adjourned the meeting at 8:51 a.m.

Respectfully Submitted,



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.