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**STAFF REPORT**

Date: January 17, 2024

To: TRPA Governing Board

From: TRPA Staff

Subject: Approve release of Tahoe Keys Water Quality Mitigation Fund interest (\$200,000), to match pursued grant funds and to initiate planning for the Tahoe Keys Lagoons Long Term Water Quality Improvement Project (EIP# 01.02.01.0106).

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Summary and Staff Recommendation:

Staff recommends, subject to the conditions cited below, that the Governing Board approve the Tahoe Keys Property Owners Association (TKPOA) request for the release of Tahoe Keys Water Quality Mitigation Fund interest in the amount of \$200,000 to match pursued grant funds and to assist in initiating planning on the Tahoe Keys Lagoons Long Term Water Quality Improvement Project ([EIP# 01.02.01.0106](#)). The request is consistent with the Environmental Improvement Program objectives, Regional Plan Goals and Policies, TRPA Code of Ordinances, and the Governing Board's policy guidelines for the release of mitigation interest funds.

Required Motions:

To approve the requested release, the Board must make the following motions:

- 1) A motion to approve the release subject to the conditions specified in this staff summary.

For the motion to pass, an affirmative vote of any eight Board members is required.

Project Description:

The Tahoe Keys neighborhood is located on a former portion of the Upper Truckee Marsh on the southern shore of the California side of Lake Tahoe. First established in 1959, the Tahoe Keys dredged and graded portions of the Upper Truckee Marsh to create a suburban residential development with eleven miles of backyard "lagoon" waterways. The lagoons receive urban stormwater runoff and are more than 90 percent covered with aquatic invasive weeds. The proposed project aims to identify strategies that will improve overall water quality in the Keys lagoons and reduce the risk to adjacent federal lands and Lake Tahoe from water quality impacts and spread of aquatic weeds. The project will analyze existing conditions and identify opportunities and constraints to help develop strategies and formulate action alternatives that mitigate local and regional non-point source nutrient and pollutant inputs to Pope Marsh and Lake Tahoe from the Tahoe Keys and upgradient South Lake Tahoe developments. See Attachment A for more detail.

Of the requested \$200,000 Tahoe Keys Water Quality Mitigation Fund interest, half (\$100,000) will provide matching funds for two grant proposals (if awarded) and the other half (\$100,000) will support

stakeholder engagement and coordination, and initiate planning to formulate project alternatives. If awarded, grant funding would further evaluate the feasibility of these alternatives. See Attachment A for more detail on the Work Program. The mitigation fund release request will supplement dedicated TKPOA funds generated through property owner approved special assessment that fund a share of planning activities. The project proposal aligns with the EIP [Stormwater Quality Improvement Committee \(SWQIC\)](#) project delivery and formulating and evaluating alternatives (FEA) processes for stormwater improvement projects and was approved by the Lahontan Regional Water Quality Control Board, see Attachment B for more detail.

Tahoe Keys Water Quality Mitigation Fund Background:

In 1982, at TKPOA's request, the California Tahoe Regional Planning Agency (CTRPA) and the State of California Regional Water Quality Control Board (Lahontan) passed resolutions (Lahontan 82-8 and CTRPA 82-10) reclassifying most of the lots in the Keys from a "SEZ" classification to a "man-modified SEZ" classification. This change allowed the construction of homes that would have otherwise been prohibited, at a time when structures had been built on roughly two-thirds of the lots.

In seeking the change, TKPOA proposed a mitigation fee which would pay for "projects that offset the pollution of Lake Tahoe caused by the Tahoe Keys development". In response, CTRPA and Lahontan established a fund, to be financed by a \$4,000 mitigation fee, paid by lot owners applying for building permits. This \$4,000 fee included a \$750 fee charged to all lakefront Tahoe Keys owners by TRPA for its general mitigation program. Initially fees collected by CTRPA went into a Tahoe Keys Water Quality Mitigation Fee Account inherited by TRPA. Today, mitigation fees for all new single-family permits in the Keys collected by TRPA are deposited in the City's general water quality mitigation fund account.

In 2001, Lahontan approved the allocation of approximately \$2 million from the Tahoe Keys Water Quality Mitigation Fee Account for projects at Angora Creek (\$100,000), Pioneer Trail (\$175,000), Trout Creek (\$812,300), and the Upper Truckee Wetlands (\$669,000), which expended most of the fund principal. However, a balance of \$447,000 remains in the Tahoe Keys Mitigation Fund interest account.

The balance of the Tahoe Keys Mitigation Fund interest account is unencumbered and sufficient to cover the request. Lastly, the proposed project is consistent with TRPA Governing Board policy guidelines for the release of mitigation funds, which permits the use of mitigation fund interest for project planning. See Attachment C for more detail.

Conditions:

Staff recommends approving the release of these funds subject to the following conditions of approval:

1. TKPOA shall only use the funds for the project cited above and as approved by TRPA.
2. TRPA reserves the right to withhold funds to ensure project priorities, goals, and objectives are consistent with those of the Environmental Improvement Program and TRPA's Regional Plan.
3. TKPOA agrees to follow all laws, codes, and regulations adopted by federal, state, and local authorities/agencies.

4. TKPOA agrees to maintain a report detailing the use and expenditures of all funds used on the project. These records shall be made available for review and audit by TRPA within thirty (30) calendar days upon written request.
5. All mitigation funds not used as described above shall be returned to TRPA. TRPA will not release match funds unless grant proposals are awarded. Upon written approval from TRPA, these funds may be re-allocated to another project.
6. TRPA approved signage shall be used on all projects during future construction to identify TRPA as a funding source and shall include the EIP logo.
7. TKPOA agrees to report the applicable EIP Performance Measures achieved by this project.

Regional Plan Compliance:

The proposed release is consistent with TRPA Regional Plan Water Quality and Conservation Policies as well as with Chapter 60 of the TRPA Code of Ordinances.

Contact Information:

For questions regarding this agenda item, please contact Shay Navarro, Watersheds & Water Quality Program Manager, at (775) 589-5282 or [snavarro@trpa.gov](mailto:snavarro@trpa.gov).

To submit a written public comment, email [publiccomment@trpa.gov](mailto:publiccomment@trpa.gov) with the appropriate agenda item in the subject line. Written comments received by 4 p.m. the day before a scheduled public meeting will be distributed and posted to the TRPA website before the meeting begins. TRPA does not guarantee written comments received after 4 p.m. the day before a meeting will be distributed and posted in time for the meeting.

Attachments:

- A. TKPOA Project Proposal Mitigation Fund Release Request
- B. Lahontan Acceptance Letter
- C. TRPA Mitigation Fund Release Policy Guidelines

Attachment A

TKPOA Mitigation Fund Release Request



# TAHOE REGIONAL PLANNING AGENCY MITIGATION FUND RELEASE REQUEST FORM



Please submit a form for each individual project  
Submit completed form and any supplemental information to the EI Division Manager at TRPA  
Please allow 30 to 60 days to process the request

Date \_\_\_\_\_ Requesting Entity \_\_\_\_\_

Contact Name \_\_\_\_\_ Phone/Email \_\_\_\_\_

New Request or Transfer of Previously Released Funds? \_\_\_\_\_

Amount Requested \_\_\_\_\_ Mitigation Fund Account \_\_\_\_\_

*If using funds from multiple accounts use additional line below.*

Amount Requested \_\_\_\_\_ Mitigation Fund Account \_\_\_\_\_

Funds will be administered by? \_\_\_\_\_

O&M Local Match Amount \_\_\_\_\_ O&M Local Match Funding Source \_\_\_\_\_

Project Name \_\_\_\_\_ Project EIP Number (required) \_\_\_\_\_

**Project Description**  
*(Please include what the funds will be used for specifically, environmental benefits the project intends to achieve, and how it is consistent with the Environmental Improvement Program)*

What phase of the project will these funds be expended on? \_\_\_\_\_

Project/Construction Schedule Start/End Dates \_\_\_\_\_

Indicate any other funding sources  
and amounts for this project  
\_\_\_\_\_

Is this project required as part of a mitigation requirement? \_\_\_\_\_

*Please attach Board/Council approval or any other supplemental information if applicable.*

Date Received \_\_\_\_\_

For Internal Use Only

Approved by Staff Member \_\_\_\_\_

Date of GB Approval \_\_\_\_\_

Amount Approved \_\_\_\_\_ Account Code \_\_\_\_\_

Amount Approved \_\_\_\_\_ Account Code \_\_\_\_\_

Confirmed Funds Available

☐ through Trial Balance  
(attach report)

Date Invoiced \_\_\_\_\_

Date of Payment \_\_\_\_\_

Check # \_\_\_\_\_

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**REQUIREMENTS FOR RELEASE OF AIR AND WATER QUALITY FUNDS  
as per Policy Guidelines approved by the TRPA Governing Board on June 23, 2010**

Project must be on the EIP 5-year list

Cannot be released for projects that are required as part of project mitigation

Mitigation fund requests must have:

- o Project description
- o Description of project readiness
- o Project priority
- o Project schedule
- o Amount and type of funds requested
- o Any other funding sources covering the project

Up to 25% may be used for administration and O&M but require a 1:1 local funding match

Air or Water quality mitigation funds cannot be used for ongoing administrative costs such as design studies, environmental documents, application costs, or other pre-design tasks

Accrued interest may be used for project planning and effectiveness monitoring associated with implementation of projects on the 5-year list

Funds can be used for the purchase of certain equipment or vehicles such as high-efficiency street sweepers, clean technology transit vehicles, and vector trucks, provided the local jurisdiction commits to funding the ongoing maintenance of the equipment or vehicles

Before release of funds, the requesting entity must show documentation that all mitigation funds collected have been paid to TRPA (required monthly)

## **Air**

Funds are available to local jurisdictions or as authorized by local jurisdiction to transfer to the Tahoe Transportation District (TTD)

Project must be consistent with the

- o Regional Transportation Plan
- o Environmental Improvement Program
- o 1992 Air Quality Plan

Accrued interest may be used for air quality projects /program or for effectiveness monitoring associated with projects on the 5-year list

As an alternative to distributing air quality mitigation funds to the jurisdiction of origin, a portion of the air quality mitigation funds may be distributed across jurisdictional boundaries to support projects of regional priority that are specifically identified in a regional capital improvement program developed in cooperation with local jurisdictions, such as the Five Year Environmental Improvement Program (EIP) Priority Project List.

## **Water**

Given to local jurisdictions for water quality related EIP Projects

Project must be consistent with

- o TRPA's 208 Water Quality Management Plan
- o Environmental Improvement Program

Accrued interest may be used for water quality improvement projects, water quality planning, or effectiveness monitoring associated with projects on the 5-year list

At least 25% of the water quality mitigation funds shall be set aside for Stream Environment Zone (SEZ) projects

- o This jurisdictional set-aside shall be individually evaluated and may be waived if TRPA determines that there are no more SEZ restoration projects identified in a given jurisdiction.

**2024 – 2025 Work Plan for the Tahoe Keys Lagoons**  
**Long-Term Water Quality Improvement Project (EIP Project No. 01.02.01.0106)**

**Overview**

The Tahoe Keys Property Owners Association (TKPOA) requests that the Lahontan Regional Water Quality Control Board (Lahontan) and Tahoe Regional Planning Agency (TRPA) Board release \$200,000 of the Tahoe Keys Development Mitigation Account interest funds to support the planning for the multiple benefit Tahoe Keys Lagoons Long-Term Water Quality Improvement Project (Project), EIP No. 01.02.01.0106.

The Tahoe Keys neighborhood is located on a former portion of the Upper Truckee Marsh on the southern shore of the California side of Lake Tahoe. First established in 1959, the Tahoe Keys dredged and graded portions of the Upper Truckee Marsh to create a suburban residential development with eleven miles of backyard “lagoon” waterways. The lagoons receive urban stormwater runoff and are more than 90 percent covered with aquatic invasive weeds. The proposed project aims to identify strategies that will improve overall water quality in the Keys lagoons and reduce the risk to adjacent federal lands and Lake Tahoe from water quality impacts and spread of aquatic weeds. The project will analyze existing conditions and identify opportunities and constraints to help develop strategies and formulate action alternatives that mitigate local and regional non-point source nutrient and pollutant inputs to Pope Marsh and Lake Tahoe from the Tahoe Keys and upgradient South Lake Tahoe developments.

TKPOA will use the requested funds to match grant funding proposals pursued by TKPOA (if awarded) and to perform specific planning and stakeholder engagement tasks to scope the environmental, technical, project participant, and regulatory issues that would shape the future purpose, objectives, and description of the Project. This project planning phase follows the Stormwater Quality Improvement Committee (SWQIC) project delivery process to refine goals and objectives with key stakeholder input, analyze and compile existing site conditions, identify opportunities and constraints, and to formulate alternatives for TKPOA and other stakeholder actions to mitigate the loss of Upper Truckee River Marsh ecosystem services that resulted from development of the Tahoe Keys, and improve overall water quality in the Keys lagoons and Lake Tahoe.

One-half of the requested funds (\$100,000) would help support TKPOA to lead the 2024-2025 work plan summarized above and presented in the below-described task descriptions. The remainder of the requested funds (\$100,000) would be reserved to fulfill grant program match requirements of grant applications that TKPOA would prepare and submit using its own funding. TKPOA has identified the CA Department of Fish and Wildlife (CDFW) Watershed Restoration Grant Program and the State Water Resources Control Board (SWRCB) Clean Water Act Non-Point Source Grant Program as grant opportunities closely aligned with the Project. A CDFW grant (if awarded) would help fund planning and scoping activities related to restoration actions that could reduce risk and impacts to Pope Marsh and Lake Tahoe in 2024 and 2025, and a SWRCB grant (if awarded) would help fund technical evaluations of alternatives and development of Project design elements of a future preferred alternative that could mitigate

**2024 – 2025 Work Plan for the Tahoe Keys Lagoons**  
**Long-Term Water Quality Improvement Project (EIP Project No. 01.02.01.0106)**

local and regional non-point source nutrient and pollutant inputs to Lake Tahoe from the Tahoe Keys and upgradient South Lake Tahoe developments.

The environmental and technical issues and actions to be addressed through the stakeholder planning process would include:

1. Reducing non-point stormwater nutrient and pollutant inputs to the Keys Lagoons that in turn impact Pope Marsh and Lake Tahoe, both from the Tahoe Keys development and from upgradient surface stormwater and shallow groundwater inflows,
2. Identifying and evaluating infrastructure and treatment options to restore hydrologic and wetland functions, -mitigate climate change impacts on the water quality in the Keys Lagoons (e.g., harmful algal blooms) and reduce risks and impacts to Pope Marsh and Lake Tahoe, and
3. Exploring additional, multiple-benefit Project objectives and actions that could address related water resource management and policy goals related to Lake Tahoe, Pope Marsh, Tahoe Valley South Groundwater Basin, Upper Truckee River Marsh, and Tahoe Basin's climate resiliency.

**Participant Roles and Responsibilities**

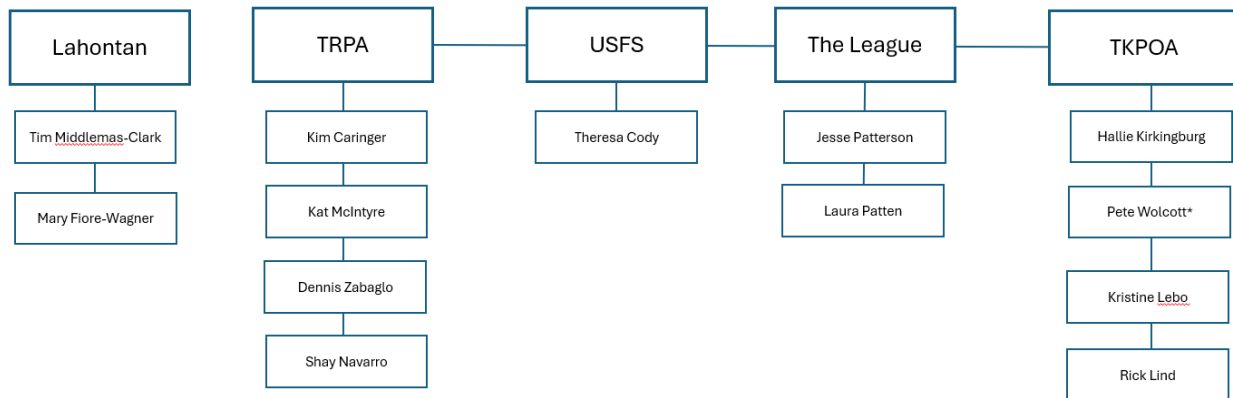
TKPOA proposes to lead the Project and be supported by planning and facilitation consultants, science experts and its Waterways Committee representatives.

TKPOA also anticipates a Project Management Review Group (Figure 1) that initially would include representatives from Lahontan, TRPA, the U.S. Forest Service (USFS) and the League to Save Lake Tahoe (League). This management review group would be charged with guiding the planning process and would likely change composition in 2025 or later based on a more refined focus of the Project.



# **2024 – 2025 Work Plan for the Tahoe Keys Lagoons** **Long-Term Water Quality Improvement Project (EIP Project No. 01.02.01.0106)**

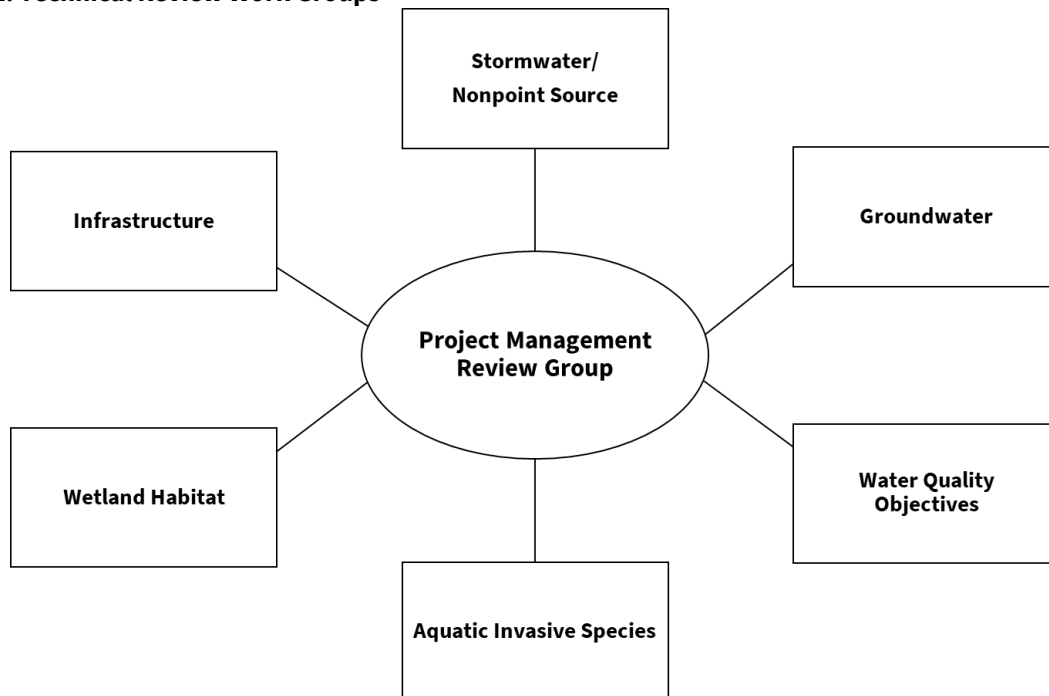
**Figure 1. Project Management Review Group**



\* Pete Wolcott is the current Chair of TKPOA’s Waterways Committee.

Technical Review Work Groups would be established and consist of resource, regulatory, engineering, and scientific specialists. These groups would review environmental resource issues, technical data collected through the TKPOA Control Methods Test (CMT) Project, and previous and new technical papers that will serve as the basis for stakeholder meetings and discussions regarding development of the Project. Figure 2 shows the proposed Technical Review Work Groups.

**Figure 2. Technical Review Work Groups**



**2024 – 2025 Work Plan for the Tahoe Keys Lagoons**  
**Long-Term Water Quality Improvement Project (EIP Project No. 01.02.01.0106)**

**Relationship to Existing Projects and Programs**

The environmental and technical issues to be addressed by this Project are related to several resource management projects and policy programs underway in the South Lake Tahoe region. For TKPOA, this Project would address nutrients that are a known contributor to aquatic invasive plant growth, the management of which is being tested through the Tahoe Keys Lagoons CMT Project. Although the primary contributor of nutrients to the Keys Lagoons is the annual life cycle of the weeds themselves, surface stormwater and shallow groundwater inflows of phosphorous and nitrogen are also known to be substantial contributors of nutrients to certain parts of the lagoons.

Other resource management projects and policy programs that relate to this Project address stormwater, groundwater, regulatory standards for water quality in the Keys lagoons, and wetlands restoration. Known projects and programs that could be supported by this initiative are listed in Table 1. Whether or not this Project could support those identified in Table 1 would be evaluated as part of this Project’s planning process.

**Table 1. Relevant South Lake Tahoe Projects and Programs**

<b>Agency/ Program</b>	<b>Stormwater/ Non-Point Source</b>	<b>Groundwater</b>	<b>Water Quality Objectives</b>	<b>Aquatic Invasive Species</b>	<b>Wetland Habitat</b>	<b>Infrastructure</b>
LRWQCB - Lake Tahoe Total Maximum Daily Load	X		X		X	
LRWQCB - Climate Change Mitigation and Adaptation	X	X	X		X	X
TRPA - Lake Tahoe AIS Management Program			X	X		
U.S.F.S. - Pope Marsh Management Plan			X		X	
CSLT - Model Water Efficient Landscape Ordinance (MWELO) Program	X	X	X			
STPUD - TVS Subbasin Groundwater Management Plan (GWMP)	X	X	X			X
CTC - Tahoe Climate Adaptation Action Portfolio	X	X	X	X	X	X
CTC - Greater Upper Truckee Watershed Restoration Program		X			X	

**2024 – 2025 Work Plan for the Tahoe Keys Lagoons**  
**Long-Term Water Quality Improvement Project (EIP Project No. 01.02.01.0106)**

**Stakeholders Group**

Figure 3.3.3-1 from the CMT Project Draft EIR/EIS (Figure 3 below) shows the surface and groundwater interrelationships between the Tahoe Keys, City of South Lake Tahoe, Upper Truckee Marsh, Pope Marsh, and Lake Tahoe. To fully consider the issues defining the scope of this Project, and thereby identify actions that most benefit water quality to mitigate the displacement of the Upper Truckee Marsh from Tahoe Keys development, a broad Stakeholders Group is suggested that includes, at a minimum, those organizations shown in Figure 1 and Table 1 above.

**Figure 3. Schematic of the Water Budget Model of the Tahoe Keys Lagoons**



Source: Tahoe Keys Lagoons Aquatic Weed Control Methods Test Draft EIR/EIS (July 6, 2020)

**Proposed Tasks and Deliverables**

The following tasks and deliverables are preliminary and subject to revision based on guidance supplied by the Project Management Review Group. These tasks and deliverables may also be subject to change based on TKPOA's annual budgeting process and future applications for grant funding support for the Project. Future changes to the scope and deliverables for the Project would also be subject to review by the Project Management Review Group.

*Task 1: Project Management and Organization*

TKPOA would work with TRPA, USFS, the League, and Lahontan to develop and reach agreement on the participants involved in the project management, technical review, and stakeholder groups. Preliminary organization of the Project Management Review Group and the Technical Review Work Group structures are shown in Figures 1 and 2. Determining the

**2024 – 2025 Work Plan for the Tahoe Keys Lagoons  
Long-Term Water Quality Improvement Project (EIP Project No. 01.02.01.0106)**

frequency, scope, and schedule for the project management meetings would also be established as part of this task. Monthly meetings are assumed for this scope of work. The deliverables that would be produced from this task are listed below.

1. Final Project Management Review Group Chart
2. Final Technical Review Work Group Chart
3. Final Schedule for Project Management Meetings
4. Meeting Notes and Final Stakeholder Summary Memo

Throughout the Project, TKPOA would also prepare quarterly progress reports that contain Project updates and supplemental information relating to the Project. Descriptions of milestones achieved and future objectives to be achieved would be included, along with schedule and budget updates.

*Task 2: Stakeholder Coordination/Engagement*

Early in the project, TKPOA would facilitate outreach for engaging stakeholder participation in the Project. In addition, TKPOA would help organize and then participate in a total of four stakeholder meetings. The first three stakeholder meetings would be dedicated to refining project goals and objectives with key stakeholder input, reviewing planning and technical topics to analyze and compile existing site conditions and identify opportunities and constraints, while the final meeting would be dedicated to formulating a range of alternatives of stakeholder and TKPOA actions to mitigate the loss of Upper Truckee River Marsh ecosystem services that resulted from development of the Tahoe Keys, and improve overall water quality in the Keys lagoons and Lake Tahoe. These alternatives will serve as the basis for scoping associated with future CEQA/ NEPA processes . TKPOA and its consultants would prepare and present technical review papers, as outlined in the Task 4 planning and technical topics. Draft slides would be reviewed by the Project Management Review Group prior to the meetings. TKPOA would also participate in discussions related to the planning/technical papers and follow-up on applicable action items. The deliverables that would be produced from this task are listed below.

1. Draft/Final Planning/Technical Papers (See Task 4)
2. Draft/Final Meeting Presentations (4)
3. Stakeholder Meetings to Review Planning/Technical Topic Presentations (3)
4. Final Stakeholder Meeting to Formulate Project Components/Alternatives (1)
5. Final Stakeholder Summary Memo (See Task 1)

*Task 3: Facilitate Stakeholder Meetings*

The facilitator would be contracted by TKPOA and take the lead in developing the Stakeholders Group structure with input from the Project Management Review Group. The facilitator would also coordinate, schedule, conduct, record, and document three separate stakeholder meetings on planning/technical issues (see Task 4), and a final meeting on formulation of Project components/alternatives. Review and tracking of the status of milestones, deadlines, action items and logistics would be a component of the facilitator's duties. Preparation and

**2024 – 2025 Work Plan for the Tahoe Keys Lagoons**  
**Long-Term Water Quality Improvement Project (EIP Project No. 01.02.01.0106)**

distribution of meeting agendas, notes, and other handouts are also elements of this task. The facilitator would be responsible for preparing the following deliverables:

1. Schedules, agendas and meeting notes for three stakeholder meetings and a fourth (final) meeting on formulation of Project components/alternatives
2. Annotated list of resource issues for future technical studies
3. Project Components/Alternatives Report

*Task 4: Preparation of Planning/Technical Review Papers*

TKPOA would work with its consultant and science advisors to prepare six (6) summary technical review papers and present them at three (3) stakeholder meetings. Using existing studies, evaluations, and data, the papers would summarize the current knowledge and unknowns for each of the topics. Each technical review paper would summarize resource/technical issues, mitigation action options, data gaps, and recommendations for further study. The identified topics and deliverables would be finalized with input from the Project Management Review Group, and would be expected to include the following:

1. Final West and East Lagoon Water Quality and Lake Tahoe Water Quality Goals and Objectives Memo
2. Lake Tallac Lagoon Water Quality and Pope Marsh Existing Conditions Memo
3. Circulation and Treatment System Assessment and Possible Approaches and Treatment Methods for the Lagoons Opportunities and Constraints Memo
4. Formulation of Alternatives Memo

The Technical Review Work Group(s) would review the draft technical papers and provide input and comments regarding the summaries. TKPOA would then finalize the papers for distribution to the Stakeholders Group in advance of the meetings on each of the topics.

*Task 5: Prepare Grant Applications*

Using TKPOA funds, TKPOA's planning and science advisor consultants would prepare and submit documents needed to apply for both of the identified CDFW and SWRCB grant opportunities. This would include arranging consultation meetings with agency staff from CDFW and SWRCB to discuss proposal concepts, preparing concept papers, and writing proposals. These grant opportunities would help fund anticipated planning, engineering technical, and environmental assessments for identifying the components and design of the Project alternatives. If TKPOA is awarded grant funding for the Project, one half (\$100,000) of the requested Tahoe Keys Development Mitigation Fund release would be reserved for cost share match requirements associated with the grant awards. The deliverables that would be produced from this task are listed below.

1. Pre-Application Consultation Meetings
2. CDFW Watershed Restoration Grant Proposal
3. SWRCB Clean Water Act Non-Point Source Grant Application

**2024 – 2025 Work Plan for the Tahoe Keys Lagoons  
Long-Term Water Quality Improvement Project (EIP Project No. 01.02.01.0106)**

**Proposed Schedule**

A preliminary schedule for the proposed tasks and deliverables described above is presented below in Figure 4 for 2024 and 2025.

**Figure 4. Preliminary Schedule for Proposed Tasks and Deliverables**

<b>LT WQ IP - Planning Phase</b>	<b>2023</b>	<b>2024</b>					<b>2025</b>
Project Activities	4th Quarter	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	-	
	<b>Oct. - Dec.</b>	<b>Jan. - Mar.</b>	<b>Apr. - Jun.</b>	<b>Jul. - Sept.</b>	<b>Oct. - Dec.</b>	<b>Jan. - Dec.</b>	
<b>Project Organization and Agreements</b>							<b>TBD</b>
Lahontan/TRPA Mitigation Fund Release							
Project Agreements							
Project Management Review Group Kick-off							
<b>Stakeholder Group Meetings</b>							<b>TBD</b>
Stakeholder Group Formation							
Environmental/Technical Issue Meetings (3)							
Alternatives Identification Meeting (1)							
Final Stakeholder Summary Memo							
<b>Planning/Technical Topics/Papers</b>							<b>TBD</b>
West and East Lagoon WQ/ Lake Tahoe WQ Goals & Objectives Memo							
Lake Tallac Lagoon WQ/ Pope Marsh Existing Conditions Memo							
CTS Assessment/ Possible WQ Treatments/ Opportunities & Constraints Memo							
Project Components/Formulation of Alternatives Memo							
<b>Grant Applications</b>							<b>TBD</b>
CDFW Watershed Restoration Program							
SWRCB Clean Water Act Non-point Source Program							
<b>Grant Funded Technical Study Implementation</b>							<b>TBD</b>

Preliminary Work Program, subject to revisions. January 16, 2024

**2024 – 2025 Work Plan for the Tahoe Keys Lagoons**  
**Long-Term Water Quality Improvement Project (EIP Project No. 01.02.01.0106)**

**Preliminary 2024-2025 Budget and Funding Sources**

The scope and timing of the proposed 2024 to 2025 tasks and deliverables described above are based on several funding assumptions. This includes TKPOA's approval of funding for consultant, science advisor, and facilitator support contracts. This scope of work and budget do not include funding associated with grant awards from the CDFW Watershed Restoration, SWRCB Clean Water Act, or similar grant programs. Such additional scope activities and budget would be determined following the scope of the final applications to be developed for the CDFW and SWRCB grant funding. However, TKPOA's estimated costs and scope of work for preparing and submitting the applications are included in this scope of work, although the grant application activities would be solely funded by TKPOA.

For planning purposes, Table 2 shows the preliminary estimates of funding sources and budgets for the proposed tasks, schedule, and deliverables for 2024 and 2025. If CDFW and SWRCB grant applications are successful, then the funding (and associated task activities) from those grants would be in addition to the funding shown in Table 2.

**Table 2. Preliminary 2024-2025 Budget and Funding Sources\***

	<b>TKPOA Funding</b>	<b>Mitigation Fund</b>
Task 1: Project Management and Organization (2024)	\$15k	\$15k
Task 2: Stakeholder Coordination/Engagement (2024)	\$10k	\$10k
Task 3: Facilitate Stakeholder Meetings (2024)	\$25k	\$0k
Task 4: Preparation of Technical Review Papers (2024)	\$20k	\$75k
Task 5: Prepare Grant Applications (2024)	\$30k	\$0k
Tasks TBD (2025)	\$100k	\$0k
Tahoe Keys Development Mitigation Funds to be held for TKPOA grant application match requirements (2024/2025)	--	\$100k
Total	\$200k	\$200k

\* Budgets and tasks subject to change based on Project Management Review Group input. Additional tasks and budgets may be identified for 2024 and 2025 through agency consultations, grant program funding, or TKPOA budget authorizations.





# Tahoe Keys Lagoons Long Term Water Quality Improvement Project Planning

Project Number	01.02.01.0106
Action Priority	Restore Priority Meadows, Wetlands, and Lake Tahoe Tributaries
Implementers	Tahoe Keys Property Owners Association
Primary Contact	Rick Lind (Rick@SierraEcos.com)
Stage	Planning/Design
Duration	2023 - 2031

## Watershed Restoration Program ➤ Restore Priority Meadows, Wetlands, and Lake Tahoe Tributaries

The Tahoe Keys Property Owners Association proposes to plan, address technical challenges, and engage stakeholders on improvements to the long-term quality and beneficial uses of waters of the Tahoe Keys Lagoons (i.e., the Marina, West, and Lake Tallac lagoons). Evaluations will focus on water quality, lagoons circulation, and control of algae/HABs and invasive aquatic plant fragments. Depending on TKPOA and stakeholder interests, project planning could also include interrelated environmental issues, such as: 1) reduced nutrient inflow to/outflow from Lake Tallac Lagoon, and 2) reduce water quality & AIS impacts and threats to Pope Marsh.

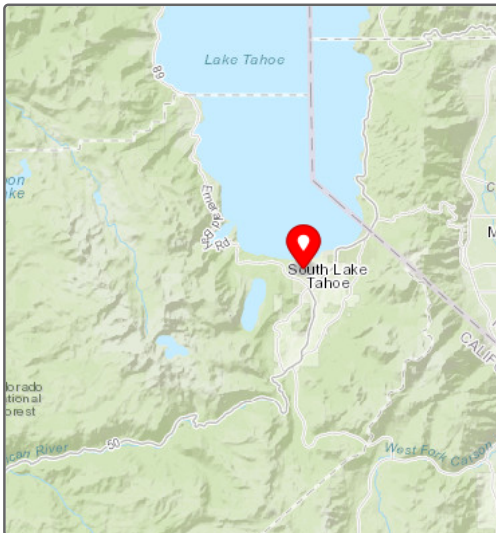
### Key Accomplishments

*Accomplishments to be provided upon completion of project*

### Threshold Categories

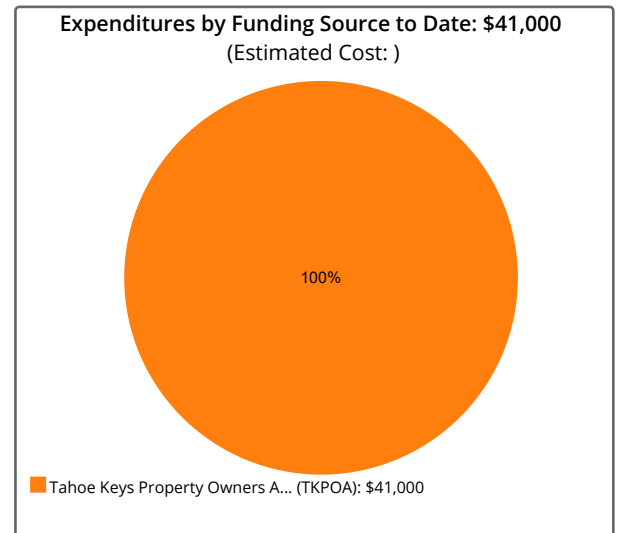
- Fisheries
- Scenic Resources
- Water Quality
- Recreation
- Vegetation Preservation
- Wildlife

### Location



Harmful algae blooms (HABs) are occurring more frequently in the Tahoe lagoons.

### Expenditures





## Photos

Before



Tahoe Keys homeowners have 11 miles of waterways "lagoons" in their backyard.

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Project Fact Sheet Data as of 01/16/

Attachment B

Lahontan Acceptance Letter



## Lahontan Regional Water Quality Control Board

Dec 5, 2023

Kat McIntyre  
Tahoe Regional Planning Agency  
PO Box 5310  
Stateline, NV 89449

### **Lahontan Water Board Acceptance for the Tahoe Regional Planning Agency to Release Interest from the Tahoe Keys Mitigation Fund to Support Development of the Tahoe Keys Property Owners Association's Long-Term Water Quality Improvement Project**

The purpose of this letter is to provide my acceptance for the Tahoe Regional Planning Agency (TRPA) to release \$200,000 in interest from the Tahoe Keys Mitigation Fund to support planning and development of the Tahoe Keys Property Owners Association's (TKPOA) 2024-2025 Work Plan for the Tahoe Keys Lagoons Long-Term Water Quality Improvement (Project). In the following paragraphs, are conditions that should be considered when releasing the requested funds.

#### **Conditions of Approval**

From the overview of TKPOA's Project, TKPOA indicates that the requested funds will be used to support (1) TKPOA's preparation of the Project, and (2) to fulfill TKPOA's grant program match requirements for future grant proposals to support additional planning. TKPOA indicates that it will apply for the California Department of Fish and Wildlife's (CDFW) Watershed Restoration Grant Program and for the United States Environmental Protection Agency's Clean Water Act section 319(h) grant program (319 Grant Program) - a program which is administered by the State Water Resources Control Board (State Water Board) for the state of California.

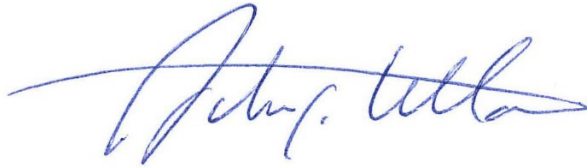
While we support the release of the requested funds, the following should be considered before allowing the requested funds to fulfill grant program match requirements. Conditions on the use of the funds may be required.

- (1) Project should be consistent with the objectives identified for the Integrated Management Plan for Aquatic Invasive Weeds and the Non-Point Source Water Quality Management Plan required by [Board Order R6T-2014-0059](#).

DR. AMY HORNE, ACTING CHAIR | MICHAEL R. PLAZIAK, PG, EXECUTIVE OFFICER

- (2) Released funding should not be used to investigate and prepare technical review papers associated with the South Y PCE Investigation and any point sources of pollutants affecting drinking water wells and the distribution system within the TKPOA residential development.
- (3) Released funds should primarily be used to identify approaches/mitigation action options to reduce non-point sources of nutrients and sediments entering or generated from within the Tahoe Keys residential development, which could include restoring the hydrologic and wetland functions of Pope Marsh and rehabilitating and operating the circulation and treatment system.
- (4) Before allowing funds to support TKPOA's grant match contribution associated with a future 319 grant award, TKPOA must become familiar with the eligibility requirements and allowable work permitted for planning grants, which can be viewed at [https://www.waterboards.ca.gov/water\\_issues/programs/nps/319grants.html](https://www.waterboards.ca.gov/water_issues/programs/nps/319grants.html). For the 2023/2024 grant cycle, the funding minimum is \$50,000 and the maximum is \$250,000 for planning projects. Additionally, all projects must provide a 25% match. These amounts are subject to change for future grant funding cycles.
- (5) If elements of the Project are not permissible tasks for planning projects under the 319 Grant Program, released funds should be dedicated toward additional planning tasks needed to fulfill full Project development. TKPOA's Project should identify contingency tasks beyond Tasks 1-4 that will assist with the necessary planning, technical, and environmental assessments for identifying the components and design of Project alternatives.
- (6) Lahontan Water Board staff involvement with the Project Management Review Group will depend on prioritization of our limited resources to achieve the region's identified goals and top priority projects/topics as detailed in the Lahontan Region Strategic Narrative and associated Divisional Objectives. Currently Aquatic Invasive Species Management has been identified as top priority for the Tahoe Basin and the entire Lahontan Region.

If you have any questions regarding this notice, please contact Mary Fiore-Wagner, Senior Environmental Scientist – Supervisor, at (530) 542-5425 ([mary.fiore-wagner@waterboards.ca.gov](mailto:mary.fiore-wagner@waterboards.ca.gov)), or Ben Letton, Assistant Executive Officer at (530) 542 5436 ([ben.letton@waterboards.ca.gov](mailto:ben.letton@waterboards.ca.gov)).

A handwritten signature in blue ink, appearing to read "Michael R. Plaziak". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

for Michael R. Plaziak, PG  
EXECUTIVE OFFICER

cc: Shay Navarro, TRPA  
Rick Lind, Sierra Ecosystem Associates  
Rob Tucker, Lahontan Water Board

Attachment C

TRPA Mitigation Fund Release Policy Guidelines



## ATTACHMENT C: MITIGATION FUND RELEASE POLICY GUIDELINES

DECEMBER 8, 2021

## Attachment C

### Mitigation Fund Release Policy Guidelines

#### Background

TRPA collects mitigation fees from project applicants to mitigate the impacts of project development. These fees are kept in TRPA accounts and may be requested for use by the region's local jurisdictions to implement Environmental Improvement Program (EIP) projects on the 5-year EIP priority list and/or projects included in the Regional Transportation Plan.

#### Procedure

Each local jurisdiction (City of South Lake Tahoe, Douglas County, El Dorado County, Placer County and Washoe County) is required to update its EIP projects and Regional Transportation projects annually in LT Info online: <https://laketahoeinfo.org/>.

Local jurisdictions submit mitigation fund requests to TRPA staff for initial review and TRPA Governing Board approval.

Local jurisdictions must use the standard Mitigation Fund Request Form which includes the following:

- EIP project number
- Project description
- Project stage and schedule for completion
- Amount and type of mitigation funds requested
- Details of any other funding sources targeted or secured for the project

Before TRPA approves a release of funds, the requesting jurisdiction must show documentation that all mitigation funds collected by their jurisdiction on behalf of TRPA have been paid to TRPA.

The local jurisdiction must report to TRPA annually through the EIP reporting process online (<https://laketahoeinfo.org/>) on the progress, performance measures, and funding expenditures of each EIP project and/or Regional Transportation project for which mitigation funds were authorized.

#### Policies

##### Mobility Mitigation Funds:

TRPA may disperse funds from the mobility mitigation fund to the local jurisdictions, or the Tahoe Transportation District (TTD) upon approval from the appropriate jurisdiction, for Vehicle Miles Travelled (VMT) mitigating transportation projects/programs.

The project/program must also be consistent with the most recently approved Regional Transportation Plan constrained project list.

The intended use of mobility mitigation funds is for implementation and project delivery activities for shovel-ready projects (e.g., project-level environmental review, preliminary engineering/design, construction phase, etc.). Principal account funds cannot be used for project planning which includes design/feasibility studies, environmental impact documents, or application or permitting costs.

Mobility Mitigation Interest Funds: Accrued interest may be used for VMT mitigating transportation projects as outlined above, and/or:

- Project planning including design/feasibility studies, environmental impact documents, or application or permitting costs.
- Monitoring or project-specific research
- Special one-time project costs (to be reviewed and approved by TRPA legal counsel)

Note: The balance of fees collected under the previous Air Quality Mitigation Fee (AQMF) program can be used for VMT and air quality projects by local jurisdictions until expended. Examples of projects eligible for the AQMF, and not the MMF, are high efficiency street sweepers, vector trucks, wood stove retrofit programs, and other directly related air quality projects.

##### Water Quality Mitigation Funds:

TRPA may disperse funds from the water quality mitigation fund to the local jurisdictions for water quality Environmental Improvement Projects/programs on the EIP 5-year list.



The project/program must also be consistent with TRPA's 208 Water Quality Management Plan and the Environmental Improvement Program.

The intended use of water quality mitigation funds is for the implementation of shovel-ready projects. Funds can also be used to purchase equipment to improve water quality, such as vector trucks, high efficiency street sweepers, etc., provided the local jurisdiction commits to funding the ongoing operations and maintenance costs of the equipment or vehicles.

Principal account funds cannot be used for project planning which includes design/feasibility studies, environmental impact documents, or application or permitting costs.

Water Quality Mitigation Interest Funds: Accrued interest may be used for water quality projects/programs as outlined above, and/or:

- Project planning including design/feasibility studies, environmental impact documents, or application or permitting costs
- Monitoring or project-specific research
- Special one-time project costs (to be reviewed and approved by TRPA legal counsel)

Stream Environment Zone (SEZ) Funds:

As provided in Section 82.6 of the TRPA code, at least 25% of the water quality mitigation funds shall be set aside in a separate account for SEZ restoration projects that are consistent with TRPA's 208 Water Quality Management Plan and the Environmental Improvement Program. This jurisdictional set-aside shall be evaluated annually and may be waived if TRPA determines that there are no more SEZ restoration projects identified in a given jurisdiction.

Operations and Maintenance (O&M) Funds:

Up to 25% of the mobility mitigation and water quality mitigation funds received, may be set aside for EIP project/program related administration, regular operations and maintenance costs or monitoring expenditures.

- All O&M mitigation fund releases require a 1:1 local funding match. This is funding provided by the local jurisdictions, exclusive of state or federal funds. Matching funds may include in-kind general fund expenses provided which are directly related to EIP project/program implementation.
- O&M mitigation funds cannot be used for project planning such as design/feasibility studies, environmental impact documents, or application or permitting costs.

Restrictions

Mitigation funds cannot be used to fund mitigation measures that are required as conditions of project approval if a project is required to fully fund implementation of the mitigation measure. For example, water quality mitigation funds cannot be used to finance an SEZ restoration project, if that restoration is a required condition of project approval.