

CALIFORNIA STATE PARK and RECREATION COMMISSION

Clubhouse of the Lake Tahoe Golf Course at Lake Valley State Recreation Area
2500 Emerald Bay Road
South Lake Tahoe, California

Minutes of the Meeting - Friday, October 21, 2011

COMMISSIONERS PRESENT

Caryl Hart, CHAIR
Maurice Johannessen
William "Bill" Kogerman, VICE CHAIR
Tommy Randle
Paul Junger Witt
Elva Yanez

COMMISSIONERS ABSENT

Alice Huffman

CALIFORNIA STATE PARKS STAFF

Ruth Coleman, DIRECTOR
Matt Green, ACTING SUPERINTENDENT, SIERRA DISTRICT
Jim Luscutoff, CHIEF, CONCESSIONS, RESERVATIONS, AND FEES DIVISION
Ann Malcolm, CHIEF COUNSEL
Louis Nastro, ASSISTANT TO THE STATE PARK AND RECREATION COMMISSION
Dan Ray, CHIEF, PLANNING DIVISION
Roy Stearns, DEPUTY DIRECTOR, COMMUNICATIONS
Kathryn Tobias, SENIOR STAFF COUNSEL
Cyndie Walck, PROJECT MANAGER, UPPER TRUCKEE RIVER RESTORATION & GOLF COURSE RECONFIGURATION

SPEAKERS REGISTERED/REPRESENTING

Jenny Albanese/Self
Lori Alessio/Self
Laurel Ames/Self
Bob Anderson/Tahoe Area Sierra Club
Harold Anino/Self
Patricia Ardavany/Self
Elizabeth Baker/The Council of Elders
Doug Bigelow/Self
Stew Bittman/Self
Casey Blann/Self and Tahoe Chamber.org
Mike Bradford/Self
Jay Brazil/Self
Carol Chaplin/Self
Theresa Cody/USDA Forest Service-Lake Tahoe Basin Management Unit
Darrel Cruz/Washoe Tribe of Nevada & California
Taylor Currier/California Trout
John Dayberry/Self

Hillary Dembroff/Self
Jerry Dion/Self
Janet Domas/Self (registered but did not speak)
Carl Fair/Self
Jack Francis/Self (registered but did not speak)
John Gooding/Self
Kim Gorman/Self
Nancy Graalman/Defense of Place
Patricia Handal/Self
Jim Hildinger/Self
Rick Hopkins/Self
Deb Howard/Self
Huey D. Johnson/Resource Renewal Institute
Brian Judge/Tahoe Regional Planning Agency
John Klimaszewski/Self
Monica Kohs/Self
Robert Larson/Lahontan Water Board
Joann Marchetta/Tahoe Regional Planning Agency (registered but did not speak)
Nancy McDermid/Self
Gary Mennel/Self
Jeff Miner/Self and Washoe Meadows Community
Karen Miner/Self
Patrick Moeszinger/California Department of Fish & Game
Steve Noll/Self
Lisa O'Daly on behalf of Darren Johnson
Lynne Paulson/Self
Joe Pepi/California Tahoe Conservancy
Jeff Perry/American Golf Corporation
JoAnn Robbins/Self
Doug Ross/Self (registered but did not speak)
Glen Russell/Self (registered but did not speak)
Krissi Russell/Self
Norma Santiago/El Dorado County Supervisors (registered but did not speak)
Emily Sefelo/Self
Kathy Strain/Self
Rachel Swain/Self
North Swanson/Tahoe Area Naturists
Linda Thompson/Self
Keith Wagner/Washoe Meadows Community
Dr. Ken Weitzman/Self
Neil Wolf/Self
Holli Wright/Self
Daunelle Wulstein/Self
Katarina Wulstein/Self
Nicole Zaborsky/Self

CALL TO ORDER

Legal notice having been given, Commission Chair Caryl Hart called this meeting of the California State Park and Recreation Commission to order at 9:05 a.m. The Chair thanked everyone attending the meeting and then introduced the commissioners and California State Parks staff who were present.

AGENDA ITEM 1:

APPROVAL OF MINUTES OF THE JULY 8, 2011 MEETING IN SACRAMENTO

Chair Hart asked if there were any changes to the draft minutes of the Commission’s July 8, 2011 meeting in Sacramento. There being none, the Chair noted that reading of the minutes would be waived and the draft minutes hereby approved by the Commission.

REPORT FROM CLOSED SESSION OF OCTOBER 20, 2011 AT D.L. BLISS STATE PARK

California State Parks’ Chief Counsel Ann Malcolm reported that during the Commission’s October 20, 2011 closed session meeting, which was conducted at D.L. Bliss State Park pursuant to California Government Code Section 11126(e)(2)(b), there were no reportable items and no action had been taken by the Commission.

AGENDA ITEM 2:

CHAIR’S REPORT, COMMISSIONER REPORTS/COMMENTS, RECOGNITIONS

The Chair explained that this agenda item provided an opportunity for commissioners to comment on matters of interest, conduct committee business, and provide recognitions. Chair Hart asked if the Commissioners had any matters to discuss or report. There were no comments or reports.

Chair Hart then asked Commissioner Tommy Randle to read the list of employees who had recently retired from careers with California State Parks. This list, representing retirements announced since the Commission’s July 8, 2011 meeting, represented over 547 years of service to the citizens of California:

Jeanne Akin, San Diego Coast District	33 years, 6 months
Laurel Belton, Acquisition & Development Division	21 years, 8 months
Lynda Burman, Central Valley District	4 years, 9 months
Karen Call, Santa Cruz District	11 years, 11 months
Danny Collier, Sierra District	7 years, 1 month
Charles Edgemon, Santa Cruz District	30 years, 6 months
Wayne Fiske, San Luis Obispo Coast District	13 years
Matalie Jackson, Contracts & Assessments	24 years, 10 months
Sheryl Lawton, Diablo Vista District	27 years, 6 months
Diane McGrath, San Luis Obispo Coast District	31 years, 4 months
Dennis McSweeney, Russian River/Mendocino District	12 years, 6 months
Mark Michalski, American River District	26 years, 7 months
Steven Nestor, Orange Coast District	11 years, 7 months
Alphonso Pepito, Angeles District	29 years, 1 month
Rita Perry, Sierra District	3 years, 6 months
Jeanette Pinion, San Luis Obispo Coast District	16 years, 3 months
Joyce Sathre, Headquarters	32 years, 9 months
Joan Schneider, Colorado Desert District	12 years, 10 months
Wallace Schwab, Tehachapi District	10 years, 7 months
William Soule, Office of Historic Preservation	34 years, 3 months
Deborah Viney, Grants & Local Services Division	21 years, 10 months
Gary Waldron, Northern Service Center	26 years, 8 months
Paul Walsh, San Luis Obispo Coast District	9 years, 6 months
Scott Wassmund, Northern Field Division	31 years, 4 months
Suzanne Westover, Russian River Sector	26 years, 9 months
Warren Westrup Jr., Northern Service Center	35 years, 4 months

Commissioner Randle and Chair Hart expressed their gratitude to these employees for their service.

**AGENDA ITEM 3:
APPROVAL OF SPECIAL REDWOOD GROVES**

Chair Hart asked Commissioner Maurice Johannessen to read the requests that had been made to establish special redwood groves in California State Park System units. Commissioner Johannessen read the following grove requests and made a motion to approve these groves, the motion was seconded by Commissioner Paul Junger Witt:

As requested by Save the Redwoods League:

Louis Agassiz and Inez Greene Test Grove
in Humboldt Redwoods State Park
the estate of Frederick H. Test, donor

Sue Ann, Joy and Donald Rhynard Grove
in Butano State Park
Donald and Joy Rhynard, donors

The commissioners voted unanimously to adopt the resolutions establishing these special redwood groves.

**AGENDA ITEM 4:
DIRECTOR'S REPORT**

Chair Hart introduced California State Parks Director Ruth Coleman to present her Director's Report. Director Coleman explained that as each of the commissioners had received a written copy of her report, she would be using this time to provide an update on State Parks' budget situation.

Director Coleman referred the commissioners to her written Director's Report which included a list of park units where successful efforts would keep these parks open despite significant budget reductions. The Director explained that 14 park units that had been slated for closure could be kept open through partnership agreements established with private citizens, cooperating associations, cities, counties, and the National Park Service. She added that given the busy summer season and already-reduced staffing these results had been obtained through efforts that had only been made in earnest since Labor Day 2011. Director Coleman noted that State Parks was particularly pleased with the National Park Service and several counties, including Sonoma County, that had expressed willingness to assist California State Parks.

The Director also explained that Governor Jerry Brown had recently signed legislation (AB42) that provided State Parks with a new tool that permitted operating agreements with non-profit entities. She added that State Parks had created an interdisciplinary team to review the legal, administrative, and other questions that would arise during the creative development of operating agreements to keep parks open.

Director Coleman next explained how the employee layoff process could be implemented at California State Parks. She explained that the first step was to identify positions that could be eliminated. The Director noted that while the process was a slow-moving one it was believed that significant savings would be achieved from the elimination of positions. Director Coleman added that it was expected that in the following year position eliminations would impact all park units. She noted that these position eliminations would be a painful, difficult process, heavily regulated through the state Department of Personnel Administration. Director Coleman added that it was especially challenging for State Parks staff to address potential employee layoffs while at the same time working to develop alternatives to park closures. She called the commissioners' attention to the variety of park closure alternatives included in the written Directors Report, and explained that each park unit required a unique approach. The Director added that while State Parks staff were organizing to address these challenges, it remained a difficult time to be in state service.

Director Coleman noted that State Parks' staff were extraordinary and highly dedicated, as the commissioners had undoubtedly noted. Staff were developing new, innovative strategies to create a revolving fund

for investments that could generate additional revenue to parks. The Director also explained that staff were looking at that development of new special events and other aspects of park operation, including alternative fee schedules and new types of pay machines, that could generate additional revenue.

The Director pointed out that today's California State Parks was much more reliant on revenue generation than it had been in the past. She explained while the 2012-2013 State Parks budget depended on the state's general fund for 28% of its funding, over 90% of the department's budget was supplied by the general fund when Governor Brown was first governor in the late 1970s to early 1980s. Director Coleman noted that in 2011 Governor Brown had inherited a department that is much more heavily dependent on revenue than it had been, even though State Parks received some funds from taxes on gasoline for off-highway vehicles. The Director closed her presentation and asked if there were any questions from commissioners.

Chair Caryl Hart asked if there were any questions. There being none, the Chair acknowledged the terrific work and the incredibly difficult challenges that State Parks staff throughout the state had faced and would continue to face for the foreseeable future. Chair Hart stated that in park closures the department was facing the most difficult challenge of its existence, and she expressed her appreciation to the National Park Service for taking on the management duties of some State Park System units. She added that the time had come to develop new, innovative models for partnerships, as well as creating new ways of conducting all State Parks business.

AGENDA ITEM 5: PUBLIC HEARING

Chair Caryl Hart opened the public hearing portion of the meeting at 9:20 a.m. The Chair explained the speaker registration process and noted that given the large number of speakers who had already registered it was her desire that individuals restrict their comments to two minutes each. The Chair also requested that speakers state their names before they begin. Chair Hart added that the Commission was very interested in what everyone had to say.

ITEM 5A: Consent Items

Noting that agenda items 5A I, II, and III related to concessions operations were being presented to the Commission on consent, the Chair asked California State Parks Director Ruth Director Coleman to provide additional information on agenda item 5A-II.

Director Coleman explained that in anticipation of park unit closures, California State Parks was seeking to obtain authority to enable the department to consider operation by private concessionaires of as many as 29 State Park System units currently listed for closure. The Director stated that this did not mean that the department would be adopting concessions for all 29 of the listed parks, but only that the authority to do so would make this possible should it be determined that such arrangements were appropriate. She also explained that the park units could be operated individually or bundled together as necessary. Director Coleman also explained that no decisions had been made to actually enter into concession contracts for any of the 29 units, as state law required that the Commission first make a determination that the concessions were compatible with park unit classifications and general plans, and that such proposals also be approved by the state Public Works Board. She referred the commissioners to the staff report they had received on this agenda item, and noted that the Commission's Concessions, Enterprise, & Fiscal Committee – Commissioners Bill Kogerman and Paul Junger Witt – had determined that concessionaires should be considered as possible operators of some park units that were slated for closure, and that they had already approved this item, which allowed the item to be presented to the full Commission on consent.

Director Coleman clarified that the reason the department was able to make a compatibility determination now, before proposals for specific concessions had been submitted, was that only concessions that were consistent with current park operations would be considered. She provided the example of parks that

currently offered a visitor center and camping; concessions for such units would only be considered if they provided for the continued operations of these facilities. The Director stated that if a concession proposal involved a change in operation of the unit and a total investment or estimated annual gross sales in excess of \$500,000.00 that project would be brought to the Commission for a separate compatibility determination.

Director Coleman noted that California State Parks had developed a multidisciplinary team to prepare Requests for Proposals (RFPs) that would allow a variety of entities – including cities, counties, and non-profit organizations – to submit proposals to operate elements of a park and groups of park units. She also explained that California State Parks already employed operating agreements that allowed cities and counties to operate units of the State Park System.

The Director stated that through this proposal and other efforts California State Parks was attempting to provide itself the largest variety of opportunities that would keep park units open and available to the public. She concluded by noting that if the Commission approved this item it would be taken to the state Public Works Board in the following month, after which the department would begin developing RFPs.

Chair Caryl Hart thanked Director Coleman and noted that she would be pulling agenda concessions item 5A-II from consent to permit further discussion. The Chair then announced that the Commission would now consider agenda items 5A, I and III.

ITEM 5A-I:

Concurrence on the Director's appointments of Donald Kraemer, Ron Smith, Judy Teunissen, Alan Washburn, and Pati Weir to the board of the California Citrus State Historic Park Non-Profit Management Corporation

ITEM 5A-III:

Determination of compatibility of the concession contract for the operation of the statewide reservation system in accordance with Public Resources Code Sections 5010.1, 5080.03, 5080.20, and 5080.23

There being no registered or unregistered speakers for these items, Chair Hart asked for a motion from the Concessions, Enterprise, & Fiscal Committee to approve items 5A, I and III. Commissioner Paul Witt made a motion for approval. The motion was seconded by Commissioner Bill Kogerman. The commissioners voted unanimously to approve agenda items 5A-I and 5A-II as described above.

ITEM 5A-II:

Determination of compatibility of concession contracts for the operation of multiple state park units slated for closure effective July 1, 2012 in accordance with Public Resources Code Sections 5080.03, 5080.16, and 5080.20

Chair Caryl Hart asked if commissioners wished to comment on agenda item 5A, II. There being no comments or questions, Chair Hart stated that given the importance of this matter she had pulled this item from consent so that the Commission could obtain further information. She explained that this proposal created the potential for concessionaires to manage State Park System units, something that had not been done in the past. The Chair asked State Parks Director Ruth Coleman to comment on the status of negotiations with non-profit organizations in developing operating agreements for parks, and to provide information on how this fit into the larger plan to develop concession proposals for the operation of park units.

Director Ruth Coleman explained that the department was only in the early stages of this process and that the situation varied considerably from park unit to park unit. She noted that while at some parks there already existed well-organized, high-performing non-profit organizations that had demonstrated their capacity to manage a park, other units had no such arrangements. Director Coleman also noted that she wished to make clear that while this proposal was not typical, there had been precedents for the operation of State Park System units by concessionaires. She cited the examples of Lime Kiln State Park, Gray

Whale Cove State Beach, and Turlock Lake State Recreation Area as parks where campgrounds and virtually entire park units had been operated by a concessionaire. Director Coleman added that such operations had not previously been attempted on as large a scale as suggested in the current proposal.

Director Coleman continued that some of California State Parks' existing non-profit organizations appeared to be capable of operating specific parks. She stated that other opportunities with the Central Valley parks slated for closure, for example, did not have existing, organized non-profit partners. The Director explained that a competitive bid process was being developed to find operators for these units. She added that the process would include the encouragement of partnerships between non-profit and for-profit entities, in the hope of taking advantage of their respective strengths. Director Coleman emphasized that the situation at each park unit was different and would be considered on a case-by-case basis. Chair Hart thanked Director Coleman for providing this information.

Again noting the importance of this matter, Chair Hart stated that she wished to appoint an ad hoc committee to consider issues related to the closure of State Parks System units. The Chair announced that she would represent Northern California and that Commissioner Elva Yanez would represent Southern California on this committee. She added that Commissioner Yanez's significant experience in parks, open space, and environmental issues made her uniquely qualified for this appointment. The Chair asked for Commission approval of the establishment of this committee, but was reminded by State Parks Chief Counsel Ann Malcolm that the Commission Chair possessed authority to create committees, meaning that Commission approval was not required to establish such a committee.

Chair Hart stated that she wished to encourage discussion of this matter and recognized Commissioner Bill Kogerman. Commissioner Kogerman requested clarification of the new committee's role. He added that the Commission's Concessions, Enterprise, & Fiscal Committee had already considered the matter of concessions as they related to the operation of State Park System units and recommended that the proposal be approved in order to provide the Director of California State Parks maximum flexibility in establishing contracts for the operation of State Park System units by entities outside of the department.

Chair Hart explained that the ad hoc committee would address issues pertaining to the broader issue of park closures. She added that the committee and the Commission would provide an interface between the commissioners, the public, and the department to ensure that discussion of this subject continued to involve the Commission.

Chief Counsel Ann Malcolm noted that any findings, recommendations or actions of the new committee would need to be brought back to the Commission for approval, as was the case with the Commission's Concessions, Enterprise, & Fiscal Committee.

Chair Hart provided an example: Should it be suggested that the Commission conduct hearings throughout the state on the issue of park closure, the ad hoc committee would work with the department to determine the necessity and appropriateness of such a proposal. The Chair also explained that the committee could work with the department on the development of operating agreements or concession contracts for park operation. Chair Hart stated that she intended the ad hoc committee to provide a mechanism for continuous conversation between the department and the Commission.

There being no further discussion on the ad hoc committee, Chair Hart recommended that the Commission approve agenda item 5A-II, with the understanding that related items would be brought back to the Commission for further discussion of the department's intentions and next steps once approval of the state Public Works Board had been obtained. The Chair asked for a motion confirming this action.

A motion to approve agenda item 5A-II was made by Commissioner Elva Yanez, and seconded by Commissioner Tommy Randle.

Commissioner Bill Kogerman asked for clarification as to whether or not the proposal before the Commission had not already been addressed in this agenda item as approved by the Concessions, Enterprise, & Fiscal Committee.

Chief Counsel Ann Malcolm stated that the item, as presented to the Commission on consent, would have allowed the department to bring the matter to the state Public Works Board and to negotiate potential concession contracts. Ms. Malcolm stated that she understood that after Public Works Board approval, individual proposals would be brought back to the Commission for consideration.

At this point Chair Caryl Hart clarified that her proposal was that once Public Works Board approval had been obtained for these projects, the department would then return to the Commission and present their plans for moving forward. Chair Hart stated that she wished to be informed of the status of Requests for Proposals and operating agreements, adding that it was her intention to encourage communication between the department and the Commission, thereby providing a mechanism to enhance communication with the public on the subjects of park closures, potential concessions, and operating agreements.

Commissioner Elva Yanez noted that it was vitally important to assess the capacity of potential partners as concession and operating agreements move forward. The Commissioner explained that everyone involved should be highly aware of partners' ability to manage the proposed concessions, and that their capacity to do so should be a matter of record. Commissioner Yanez added that the current major budget reductions had a far-reaching affect, and that there should not be unreasonable expectations of partners' abilities; that partner organizations' capacity to manage park units should be continually identified and documented.

Chair Hart stated that the commissioners appeared to be in agreement as to the action on this item. She reminded the commissioners that a motion had been made by Commissioner Elva Yanez, and seconded by Commissioner Tommy Randle. The Chair called for a vote. The commissioners voted unanimously to approve agenda item 5A-II as described above, on the condition that such matters be returned to the Commission once approval had been obtained from the state Public Works Board.

ITEM 5B:

Consideration and possible action on the Department recommendation to Adjust the classifications of Lake Valley State Recreation Area and Washoe Meadows State Park to restore the Upper Truckee River and floodplain by relocating a portion of Lake Tahoe Golf Course out of the river, which involves a transfer of more environmentally sensitive land from Lake Valley State Recreation Area to Washoe Meadows State Park and the transfer of less sensitive land from Washoe Meadows State Park to Lake Valley State Recreation Area

ITEM 5C:

Consideration and possible action on the Department recommendation to review and consider the Final Environmental Impact Report for the Upper Truckee River Restoration and Golf Course Relocation Project and adoption of the general plan amendment for Lake Valley State Recreation Area

Chair Hart stated that in addition to the briefing and materials provided to the commissioners in advance of today's meeting they would now hear a short presentation on this agenda item from California State Parks Planning Division Chief Dan Ray. The Chair added that she wished to have commissioners hold their questions and comments until after all of the public speakers had addressed the Commission.

Mr. Ray described Lake Valley State Recreation Area and Washoe Meadows State Park and the relationship between these two units. He provided background on the parks' long and varied history of development and use. Mr. Ray explained how the properties had been used by the Washoe peoples, and how in more recent times portions of the property had been logged, operated as a dairy farm, and how ranches had been established in the meadow areas. He described how the Upper Truckee River had been straightened to permit more efficient transportation of logs, and how the meadows had been drained and areas quarried for sand and gravel. A strip for automobile drag racing had once occupied a portion of the park, and residential subdivisions separated the park property from adjacent national forest lands.

Mr. Ray further explained that the entire site had been proposed for development in the 1970s, and he described how it was only through the process of settling litigation that the State of California came to purchase the property, which was then transferred to California State Parks. He also described how the property's existing golf course led to the division of the unit into units classified as state recreation area and state park. The purpose identified for Lake Valley State Recreation Area included keeping the 18-hole golf course available to the public as well as providing year-round recreation while restoring the Upper Truckee River and providing a balance between recreation and heightened environmental protection.

Mr. Ray provided statistics related to recreation in the South Lake Tahoe area, noting that approximately 30 thousand rounds of golf were played annually, about two-thirds of these enjoyed by visitors from outside the Tahoe area. He listed details of the recreational opportunities provided by the parks, noting that the cost of an 18-hole round of golf at the Lake Valley State Recreation Area course was presently only around \$80.00 compared to approximately \$200.00 at the nearby privately-owned golf courses.

He further described the resources and attributes of the portion of the property that had been established as Washoe Meadows State Park. Mr. Ray noted that this park's purpose was to preserve and protect the wet meadows around Angora Creek and the Upper Truckee River, adding that the purpose statement for the park also acknowledged the common lodgepole pine forests that surround the meadows, as well as the archeological and historic sites and the recreational uses of the park. He noted that while a general plan had been adopted for Lake Valley State Recreation Area, no general plan existed for Washoe Meadows State Park. Mr. Ray explained that this was not unusual, in that most of the State Park System units in the Lake Tahoe Basin did not have general plans; he added that this was not an indication of a park's importance.

Mr. Ray provided details on the proposal to adjust the classification of Lake Valley State Recreation Area and Washoe Meadows State Park to allow some of the golf course holes to be moved, thereby permitting restoration of the Upper Truckee River. He provided details related to the environmental conditions and explained how the restoration project planned for State Parks' property was one of five components of a comprehensive program to restore the Upper Truckee River. He specified that the adjustment of classifications involved only around 40 acres of the park property; approximately 5% of the total acreage. Mr. Ray also explained that the proposal was consistent with established goals for these parks that had existed since the property was acquired. He provided details of the science that had been employed, and he listed specifics of changes to the two parks, including the additional recreation opportunities and public access that would be provided by the restoration of the Upper Truckee River. Mr. Ray also described the archeological sites and cultural resources on the park properties, and the plans for protecting these resources.

In conclusion, Mr. Ray reiterated that the proposal before the Commission would allow for the restoration of the Upper Truckee River while affecting only about 5% of the park property, allowing the continued operation of an 18-hole golf course, and providing additional recreation opportunities. Mr. Ray informed the commissioners that the environmental impact report (EIR) for the proposal had been certified by State Parks Director Ruth Coleman, and he requested that the Commission consider the EIR as they perform their decisions as a responsible agency.

Commission Chair Caryl Hart thanked Mr. Ray and reminded the Commission that they were being asked to consider two actions: The adjustment of the classifications of Lake Valley State Recreation Area and Washoe Meadows State Park, and a general plan amendment for Lake Valley State Recreation Area. She asked if there were any questions for staff before introducing public comment; there were no questions. The Chair then explained that the Commission would hear public comment on both agenda items 5B and 5C together, and she proceeded to call the 61 persons who had registered to speak on these items (see pages 1 and 2 of these minutes for a complete list of registered speakers).

After the last registered speaker Chair Hart asked if there were any unregistered speakers. There being none, the Chair closed public comment on agenda items 5B and 5C at 12:24 p.m. Chair Hart thanked the speakers and then asked if staff would like to respond to public comment at this time. There being no staff

response at this time, the Chair asked each commissioner in turn to share their comments.

Commissioner Elva Yanez thanked the community members and staff that had participated in this project. She noted that the commissioners faced a difficult decision, and she asked staff to explain the costs of the river restoration project, how it would be funded, and how the phases of the project would proceed.

State Parks Planning Division Chief Dan Ray responded that it was his understanding that the estimated cost of the Upper Truckee River restoration project was approximately \$5 million, and that the project would be funded through the Tahoe Restoration Program and other sources that could not otherwise be used for park purposes. He added that the reconstruction of a portion of the golf course would be funded by the concessionaire that operated the course, and that this funding would be a condition of any new contract for operation of the facility. Mr. Ray also explained that new golf course holes would be constructed prior to the river restoration so that 18-hole play would not be interrupted. This would be followed by excavation of the restored river channels, and the filling-in of the current, altered river channels.

Commissioner Yanez then asked about federal requirements for Total Maximum Daily Load (TMDL) as required by the U.S. Clean Water Act, relating to the value of the maximum amount of a pollutant that a body of water can receive while still meeting water quality standards. Mr. Ray asked one of the public speakers, Robert Larson of the Lahontan Water Board, to address Commissioner Yanez's question.

Robert Larson replied that the restoration of the Upper Truckee River was a component of meeting the federal mandate of the TMDL requirements. Mr. Larson added that the section of the Upper Truckee River that ran through the state park property was one of the most degraded portions of the river, and that State Parks' restoration plan was an important and critical implementation measure for TMDL.

A brief discussion concerning the legal consequences of not completing the river restoration project took place amongst Commissioner Yanez, Chair Hart, Planning Chief Dan Ray, and Robert Larson of the Lahontan Water Board. They reached no conclusion as to the legal consequences of not completing the restoration, though Dan Ray noted that future degradation of the Upper Truckee River could subject State Parks to enforcement action and penalties. Mr. Ray added that grant funds were currently available to aid in the implementation of the restoration, and such funds may not be available at a later time.

Commissioner Tommy Randle stated that he was surprised to hear so many comments suggesting that the subject was still be debated even though discussions of this project had continued through five years and approximately 30 public workshops. The Commissioner added that he would like to see the community completely satisfied with whatever decision was made. He expressed his awareness of the importance of making a decision that the community, those that live nearby, would find acceptable.

Commissioner Bill Kogerman noted that while he understood his concern would be addressed at project-level and not at today's meeting, he opposed the idea of using a single bridge over the restored river. He added that he thought it would be valuable to have a respected golf professional consult on the final design of the reconstructed course to ensure a world-class result. Commissioner Kogerman also asked if equestrian use was currently prohibited in Washoe Meadows State Park. Sierra District Superintendent Matt Green replied that Public Resources Code required a district superintendent's order to allow equestrian use in a state park, and that no such order was currently in place for Washoe Meadows State Park.

Commissioner Kogerman stated that one of the public speakers had commented that staff had not adequately responded to comments. The Commissioner noted that he had read each of approximately 2,300 pages of related documents, and that he believed if anything staff had "gone overboard" in responding to the many letters and comments received. Commissioner Kogerman then asked staff to respond to the legal challenge made by speaker Keith Wagner, representing the Washoe Meadows Community. State Parks Senior Staff Counsel Kathryn Tobias responded.

Ms. Tobias stated in response to Mr. Wagner's comments about the resolutions the Commission would be considering that these had been made available for public review. She added that the resolutions served

essentially as a guide to illustrate findings that have been made, and that if there were issues still being addressed at the time of the Commission meeting – as was the case – resolutions would not necessarily be available for review well in advance of the meeting. Ms. Tobias explained that Commission resolutions were not required to be noticed to the public in the way an environmental impact report would be noticed.

Commissioner Kogerman and Ms. Tobias engaged in a brief conversation concerning the noticing requirements for Commission actions such as this and the process for noticing. Ms. Tobias explained that the action currently before the Commission was somewhat unique. She explained that the Commission had no jurisdiction over the proposed project, but that it did have the authority to approve classifications and general plan amendments. She explained that the proposed project therefore required Commission approval of the park unit classifications and general plan amendment to proceed. Ms. Tobias noted that the California Environmental Quality Act (CEQA) process was separate from approval of the project. She explained that California State Parks was the “lead agency” for the purposes of CEQA and the Commission a “responsible agency.” A final environmental impact report (EIR) which had been certified by the Director of California State Parks was being brought to the Commission, which then, as a responsible agency, must make a decision to allow the project to proceed. If approved by the Commission, authority to approve the project would then be made by the Director of California State Parks. Commissioner Kogerman and Kathryn Tobias also discussed whether or not there existed any legal impediment to the Commission making a decision at this time. Ms. Tobias stated that she did not believe any such impediment existed.

Commissioner Kogerman thanked speaker Huey Johnson for providing copies of publications to the commissioners. The Commissioner then asked if there were sites within the park that were eligible for the National Register of Historic Places. Planning Division Chief Dan Ray explained that 18 of the 22 known archeological sites would remain with the property classified as state park, and that for this reason not all of the sites had been evaluated for their eligibility to the National Register; only the three sites involved in the classification adjustment had been evaluated, and these were determined to be eligible.

Commissioner Kogerman noted the one speaker’s comment that the proposal before the Commission would double the amount of golf course along the river was incorrect, and that in fact the proposal reduced the length of riverside fairways from over 6,000 feet to just over 800 feet.

Commissioner Kogerman also thanked by name several of the public speakers and those who had submitted written comments for their time and insightful observations.

Commissioner Maurice Johannessen stated that his opinions on the decisions before the Commission were conflicted. The Commissioner discussed his concerns regarding the restoration of the Upper Truckee River, noting that he was in favor of this. He added that he was conflicted when it came to classifying portions of Washoe Meadows State Park to allow golf course holes to be constructed there. The Commissioner stated that he hoped those listening would understand the conflict of which he was speaking.

Commissioner Paul Junger Witt thanked all of the meeting attendees for participating. The Commissioner noted that he had heard that some park neighbors believed a decision had already been made, and he assured everyone that this was not the case. He added that the commissioners came to this meeting and the proposals before them with open minds, and that their decisions would be carefully weighed with the knowledge that it was impossible to make everyone happy. Commissioner Witt also talked about the use of environmentally sustainable fertilizer on golf courses, and how State Parks should insist that this and environmentally sensitive construction techniques be employed in the realization of the proposed project.

Chair Hart noted that Commissioner Elva Yanez wished to make additional comments. Commissioner Yanez noted that prior to visiting the park site she had been skeptical of the proposals before the Commission. She thanked the public speakers and representatives of public agencies that addressed the Commission. Commissioner Yanez reminded all that the properties in question had been acquired and had become State Park System units as the result of a development dispute, and that this decision had been made long in the past. She expressed her concern for the archeological sites and the continued protection and access

to these sites by Native California Indians. The Commissioner noted that this was a difficult decision to make, but in considering the revenue generated by the golf course, the need to keep the golf course 18 holes to ensure its survival, and the necessary restoration of the river, the matter before the Commission should be thought of as what had been called the “triple bottom line” – the environment, economic factors, and the social fabric of the community. Commissioner Yanez stated that she wished to honor the hard work and commitment of the community members, State Parks staff, and scientists who played a role in the process that resulted in the proposals before the Commission today.

Commission Chair Caryl Hart asked for clarification regarding funding for the golf course project. Planning Division Chief Dan Ray replied that State Parks would not be loaning funds to the golf concessionaire, and that changes to the golf course would be funded by the concessionaire. State Parks Director Ruth Coleman added that State Parks would prepare a Request For Proposals (RFP) that would concession the operation of the golf course for a specific length of time that would allow the operator to amortize their investment. Director Coleman explained that taxpayers did not pay for developments like this in state parks, rather the state entered into agreements with concessionaires that allowed amortization of investment; at the conclusion of these contracts the state owned the asset – restaurant, golf course, etcetera.

Chair Hart stated that when developing RFPs for concessions such as this any interested party could submit a proposal; such proposals would not be limited to the current golf course operator.

Chair Hart continued her comments, noting that for many years she lived in the Lake Tahoe area, so she was quite familiar with the area and with the proposals before the Commission. The Chair stated that she was very appreciative of those who had been involved in the process to develop these proposals and to those who participated in today’s meeting. She also stated that the commissioners did not merely follow staff proposals, but that they invested considerable time in the consideration of the actions brought before them. She noted that it would have made more sense for the meadow areas, now part of the state recreation area, to be part of the state park, adding that if the science and vision available today had existed when the park was established this would have been the situation when the parks were established. Chair Hart noted that California Trout, the U.S. Forest Service, the California Department of Fish and Game, and the Tahoe Regional Planning Agency all supported the proposals before the Commission. She added that it was unfortunate that park neighbors were in conflict with State Parks over aspects of this matter. The Chair stated that she believed the golf course provided important recreation to the area, and that she supported the compelling proposals before the Commission.

Commissioner Maurice Johannessen asked if the river restoration project could be separated from the golf course proposal. Commissioner Johannessen, Chair Hart, and Dan Ray discussed this matter. Mr. Ray noted that any future RFP for the golf course would come before the Commission for a determination that the concession was consistent with the park classification and general plan. Chair Hart noted that the Commission’s decision was only one step in a process that required additional approvals in order to proceed, and that the proposal’s “Alternative 3” provided for river restoration with a reduced, 9-hole golf course. Commissioner Johannessen stated that though State Parks could face legal challenges once a positive decision was made, staff believed that the proposals before the Commission presented the best available option. Mr. Ray confirmed that this was California State Parks’ position on the matter.

Chair Caryl Hart noted that she would now ask for action on agenda items 5B and 5C. She read aloud agenda item 5B, the proposal to adopt the resolution before the Commission adjust the classifications of Lake Valley State Recreation Area and Washoe Meadows State Park to restore the Upper Truckee River and floodplain by relocating a portion of Lake Tahoe Golf Course out of the river, which involves a transfer of more environmentally sensitive land from Lake Valley State Recreation Area to Washoe Meadows State Park and the transfer of less sensitive land from Washoe Meadows State Park to Lake Valley State Recreation Area. The Chair asked for a motion on item 5B. Motion Commissioner Kogerman, second Commissioner Paul Junger Witt. The commissioners voted unanimously to approve the motion.

Chair Hart then moved to agenda item 5C. The Chair read the item, noting that as a responsible agency

the Commission had reviewed and considered the Final Environmental Impact Report for the Upper Truckee River Restoration and Golf Course Relocation Project, and to adopt the resolution before the Commission to approve the general plan amendment for Lake Valley State Recreation Area. The Chair asked for a motion. Motion Commissioner Kogerman, second Commissioner Witt. The commissioners voted unanimously to approve the motion.

The Chair noted that this concluded the hearing on agenda items 5B and 5C. Unidentified members of the audience began shouting questions at the dais. Chair Hart replied that State Parks legal counsel would attempt to address these questions outside of the meeting, which needed to move to its next agenda item.

ITEM 5D:

Consideration and possible action to adopt a revised Commission policy on alcoholic beverages

Chair Hart explained that this item had been thoroughly reviewed by the Commission's Concessions, Enterprise, and Fiscal Committee, Commissioners Bill Kogerman and Paul Witt. The Chair then asked State Parks Concessions Reservations, and Fees Division Chief Jim Luscutoff to introduce this item.

Concessions Chief Jim Luscutoff explained that the Commission had previously approved a related agenda item concerning Topanga State Park at its May 2010 meeting in Fresno. Mr. Luscutoff stated that in conjunction with that decision, staff had been directed to evaluate the department policy on alcohol sales. He noted that the action before the Commission today was the resulting revised policy on alcohol sales that, if approved, would provide the department with the ability to offer wine and alcohol sales in locations that were not "...historically locations for sale of alcohol..." as required by current policy. Mr. Luscutoff provided the example of a proposed wine tasting concession at Old Town San Diego State Historic Park, where alcohol sales were not permitted in one building but were allowed in another because no evidence could be found to establish that alcohol sales took place in a precise location. He noted that the revised policy being presented to the Commission provided the department with direction as to the authorization of alcohol sales, but also provided the Director of California State Parks with the ability to approve alcohol sales for previously restrictive situations like the wine tasting example at Old Town San Diego State Historic Park. Mr. Luscutoff added that the revised policy also required the Director to consult with the Deputy Director of Park Operations when making alcohol sales decisions, and that it also required that a report of such actions be provided to the Commission.

Chair Hart thanked Mr. Luscutoff and asked if Committee members Kogerman or Witt had anything to add. Commissioner Bill Kogerman read a letter from the Hearst Corporation which the commissioners had each received. The letter stated that the Hearst Corporation had discussed the revised alcohol policy with California State Parks staff. The Hearst Corporation expressed support for the adoption of the revised policy and noted that such a policy would provide new revenue generating opportunities for California State Parks. The letter was signed by Martin Cepkauskas of the Hearst Corporation.

Chair Hart asked if there were any other comments from commissioners. Commissioner Maurice Johannessen asked if the revised policy provided an opportunity for the Director of State Parks to act as gatekeeper, making decisions related to alcohol sales. Director Ruth Coleman replied that this was correct.

Commissioner Elva Yanez asked about liability issues as they related to concessionaires and providing responsible beverage service. Concessions Chief Jim Luscutoff replied that liability was addressed within concessions contracts, and that State Parks concessionaires were liable and required to provide insurance. The Commissioner and Mr. Luscutoff also discussed training in responsible beverage service for concessionaires. Mr. Luscutoff replied that while concessionaires were obligated to meet all requirements of the California Department of Alcoholic Beverage Control (ABC) he did not know if these requirements included training. Commissioner Yanez stated that she would like to see training be a requirement of future concessions contracts.

Commissioner Yanez noted that she had previously worked for many years in alcohol policy development. The Commissioner proposed that in the revised policy, the statement "...enhance public enjoyment of certain units to serve the interest of park visitors..." be changed to "...broaden the appeal of concession services at certain units..." Commissioner Bill Kogerman, Commissioner Yanez, and Director Ruth Coleman discussed the suggested change and the process by which the Concessions, Enterprise, and Fiscal Committee had approved the draft revised policy. They agreed to revise the language as requested by Commissioner Yanez and to at this time present the policy to the Commission in this form.

Chair Caryl Hart then asked for a motion to approve the revised policy. Motion Commissioner Kogerman, second Commissioner Yanez. Chair Hart then asked if there were any speakers on this agenda item. There being none she called for a vote. The commissioners voted unanimously to approve the revised Commission policy on alcoholic beverages as amended by Commissioner Yanez.

**AGENDA ITEM 6:
OPEN PUBLIC COMMENT**

Chair Hart opened the Open Public Comment portion of the meeting at 1:28 p.m. She proceeded to call the single registered speaker:

- North Swanson, representing Tahoe Area Naturists, concerning the designation of clothing optional areas at California State Park System units.

There being no other registered or unregistered speakers, Chair Caryl Hart closed Open Public Comment at 1:30 p.m.

**AGENDA ITEM 7:
ADJOURNMENT**

There being no further comments or questions, Chair Hart adjourned the meeting at 1:30 p.m.

ATTEST: These minutes were approved by the California State Park and Recreation Commission on January 27, 2012, at its duly-noticed public meeting in Brentwood, California.

By: ORIGINAL SIGNED BY Date: 1-27-12

Louis Nastro
Assistant to the Commission
For Ruth Coleman, Director, California Department of Parks and Recreation
Secretary to the Commission



Meeting of the
CALIFORNIA STATE PARK AND RECREATION COMMISSION
Clubhouse of the Lake Tahoe Golf Course, 2500 Emerald Bay Road
South Lake Tahoe, California
Friday, October 21, 2011 - 9:00 a.m.

REVISED AGENDA of the MEETING

1. Approval of minutes of the July 8, 2011 meeting in Sacramento.
2. Chair's Report, Commissioner reports/comments, Recognitions.
3. Approval of Special Redwood Groves – as requested by Save the Redwoods League.
4. Director's Report.
5. Public Hearing
 - A. Consent Items** (*reflecting staff recommendations*)
 - I. Concurrence on the Director's appointments of Donald Kraemer, Ron Smith, Judy Teunissen, Alan Washburn, and Pati Weir to the board of the California Citrus State Historic Park Non-Profit Management Corporation.
 - II. Determination of compatibility of concession contracts for the operation of multiple state park units slated for closure effective July 1, 2012 in accordance with Public Resources Code Sections 5080.03, 5080.16, and 5080.20.
 - III. Determination of compatibility of the concession contract for the operation of the statewide reservation system in accordance with Public Resources Code Sections 5010.1, 5080.03, 5080.20, and 5080.23.
 - B. Consideration and possible action on the Department recommendation to Adjust the classifications of Lake Valley State Recreation Area and Washoe Meadows State Park to restore the Upper Truckee River and floodplain by relocating a portion of Lake Tahoe Golf Course out of the river, which involves a transfer of more environmentally sensitive land from Lake Valley State Recreation Area to Washoe Meadows State Park and the transfer of less sensitive land from Washoe Meadows SP to Lake Valley SRA.
 - C. Consideration and possible action on the Department recommendation to review and consider the Final EIR for the Upper Truckee River Restoration and Golf Course Relocation Project and adoption of the general plan amendment for Lake Valley State Recreation Area.
 - D. Consideration and possible action to adopt a revised Commission policy on alcoholic beverages.
6. Open Public Comment (on subjects other than the above agenda items).
7. Adjourn.

Copies of this agenda and the public notice of the meeting are available on the Internet
at www.parks.ca.gov/default.asp?page_id=936

** The Commission may approve consent items all at once without discussion. Any person requesting an opportunity to be heard with regard to consent items must complete a Speaker Registration Form (names are not required) prior to the announcement at the meeting of agenda item 5A, Consent Items. If such a request is made, the item(s) in question shall be pulled from the consent list for discussion and/or public comment.