# CALENDAR ITEM C84

A 4 06/19/14 W26466 W30005 S 1 J. Ramos

REQUEST AUTHORIZATION FOR THE EXECUTIVE OFFICER TO SIGN, ON BEHALF OF THE COMMISSION, THE MEMORANDUM OF UNDERSTANDING BETWEEN THE TAHOE REGIONAL PLANNING AGENCY (TRPA), CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD (LAHONTAN), AND THE CALIFORNIA STATE LANDS COMMISSION (CSLC) FOR PREPARATION OF THE SUBSTITUTE ENVIRONMENTAL DOCUMENT (SED)/ENVIRONMENTAL IMPACT STATEMENT (EIS), THE TRPA SHOREZONE ORDINANCE UPDATE, AND LAHONTAN BASIN PLAN AMENDMENT; COLLECTIVELY THE SHOREZONE UPDATE, LOCATED EXCLUSIVELY AT LAKE TAHOE, PLACER AND EL DORADO COUNTIES

### **PARTIES:**

California State Lands Commission (CSLC or Commission)

Tahoe Regional Planning Agency (TRPA)

California Regional Water Quality Control Board (Lahontan)

### **BACKGROUND**:

The Tahoe Regional Planning Compact charges the TRPA with attaining and maintaining environmental threshold carrying capacities (thresholds) to protect the unique values of the Lake Tahoe Basin. The TRPA is a bi-state regional planning agency that has authority within the Lake Tahoe Region. Planning for, and the regulation of, the shorezone of Lake Tahoe as required by Articles V and VI of the Compact is necessary to achieve and maintain many of the thresholds. In addition, Lahontan and the CSLC have jurisdiction over the California portion of the Lake Tahoe shorezone. The Commission's statutory authorities and responsibilities are as set forth in Public Resources Code sections 6216, 6301 et seq.

In 2008, a series of shorezone ordinance amendments were adopted and an associated EIS was certified by TRPA. The 2008 amendments followed years of studies, analyses, and several previous Draft EISs that were never finalized.

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Following certification of the 2008 EIS, a lawsuit was filed, and in 2010 the EIS was decertified and the 2008 amendments were vacated.

The TRPA plans to propose a series of amendments to the TRPA Shorezone Ordinances (TRPA Code of Ordinances Chapters 80 – 86), and Lahontan plans to propose corresponding amendments to the Basin Plan. The CSLC is working closely with TRPA and Lahontan to ensure the development of a coordinated set of shorezone regulations and programs consistent with CSLC's public trust and land ownership interests and responsibilities.

Lahontan, as California Environmental Quality Act (CEQA) lead agency and as joint lead agency under 40 CFR 1501.5(b), has determined that a SED will be required for the Shorezone Update, as set forth in the regulations for the State Water Resources Control Board's implementation of CEQA, including its certified regulatory program for Water Quality Control (Basin)/208 Planning (Pub. Resources Code § 21080.5; 14 Cal Code Regs. § 15250; 23 Cal Code Regs. §§ 3775 et seq.). The SED must meet the requirements set forth in Title 23, section 3775 et seq. of the California Code of Regulations, in addition to any CEQA requirements not exempted as part of the certified regulatory program. The SED will be used by the CSLC pursuant to CEQA Guidelines section 15253.

The TRPA will serve as the lead agency under the Tahoe Regional Planning Compact, Pub. Law 96-551, 94 Stat 3233, Cal Gov. Code §§ 66891 et seq., Nev. Rev Stat. §§ 277.200 et seq. (1980), and its implementing regulations, and has determined that an EIS will be required for the Shorezone Update. The EIS must meet the substantive and procedural requirements of the Tahoe Regional Planning Compact as set forth in TRPA's Chapter 3 of the TRPA Code of Ordinances, Article 6 of the TRPA Rules of Procedure, and other applicable TRPA ordinances, rules, and regulations.

### OTHER PERTINENT INFORMATION:

The staff recommends that the Commission find that the subject authorization for the Executive Officer's execution of the Memorandum of Understanding does not have a potential for resulting in either a direct or a reasonably foreseeable indirect physical change in the environment, and is, therefore, not a project in accordance with the CEQA.

Authority: Public Resources Code section 21065 and California Code of Regulations, Title 14, sections 15060, subdivision (c)(3), and 15378.

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### **EXHIBIT:**

A. Memorandum of Understanding June 2014.

### **RECOMMENDED ACTION:**

It is recommended that the Commission:

### **CEQA FINDING:**

Find that the subject authorization for the Executive Officer's execution of the Memorandum of Understanding is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the subject activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations, Title 14, section 15378.

### **AUTHORIZATION:**

Authorize the Executive Officer to sign, on behalf of the Commission, the Memorandum of Understanding, substantially in the form attached as Exhibit A, between the Commission, TRPA and Lahontan, to facilitate the Commission staff participation in the preparation of the SED/EIS, TRPA Shorezone Ordinance Update, and Lahontan Basin Plan amendment.

# MEMORANDUM OF UNDERSTANDING Between The TAHOE REGIONAL PLANNING AGENCY And The STATE OF CALIFORNIA, LAHONTAN REGIONAL WATER QUALITY CONTROL BOARD And The STATE OF CALIFORNIA, STATE LANDS COMMISSION

This MEMORANDUM OF UNDERSTANDING (MOU) is hereby made and entered into by and between the Tahoe Regional Planning Agency, hereinafter referred to as "TRPA", the Lahontan Regional Water Quality Control Board, hereinafter referred to as "Lahontan", and the California State Lands Commission, hereinafter referred to together as the "CSLC." These three agencies are hereinafter referred to collectively as the "Parties".

### Background:

The Tahoe Regional Planning Compact charges the TRPA with attaining and maintaining environmental threshold carrying capacities (thresholds) to protect the unique values of the Lake Tahoe Basin. The TRPA is a bi-state regional planning agency that has authority within the Lake Tahoe Region. Planning for, and the regulation of, the shorezone of Lake Tahoe are required by Articles V and VI of the Compact and are necessary to achieve or maintain many of the thresholds.

In addition, Lahontan and the CSLC have jurisdiction over the California portion of the Lake Tahoe shorezone. Lahontan is working closely with TRPA to develop amendments to the Water Quality Control Plan for the Lahontan Region (Basin Plan). The CSLC is working closely with TRPA to ensure that the development of a coordinated set of shorezone regulations and programs is consistent with CSLC's land ownership interests.

In 2008, a series of Shorezone Ordinance amendments were adopted and an associated EIS was certified by TRPA. The 2008 amendments followed years of studies and analysis and several previous Draft EISs that were never finalized. Following certification of the 2008 EIS, a lawsuit was filed, and in 2010 the EIS was decertified and the 2008 amendments were vacated.

The TRPA plans to propose a series of amendments to the TRPA Shorezone Ordinances (TRPA Code of Ordinances Chapters 80-86), and Lahontan plans to propose corresponding amendments to the Water Quality Control Plan for the Lahontan Region (Basin Plan), collectively referred to as the proposed "Shorezone Update". Among other changes, the Shorezone Update is expected to result in the removal of prohibitions on the placement of structures within specific types of fish habitat within Lake Tahoe, and the replacement of that prohibition with regulations governing the development of shorezone structures.

A private firm, hereinafter referred to as the "Contractor," is to be awarded a contract, hereinafter referred to as the "Contract," for the purpose of preparing the required environmental documentation to support consideration of this project. The environmental document to be prepared by the Contractor is hereinafter referred to as the "Environmental Document," inclusive of the administrative draft, draft, and final Environmental Document.

Lahontan, as California Environmental Quality Act (CEQA) lead agency and as joint lead agency under 40 CFR 1501.5(b), has determined that a Substitute Environmental Document (SED) will be required for the Shorezone Update, as set forth in the regulations for the State Water Resources Control Board's implementation of CEQA, including its certified regulatory program for Water Quality Control (Basin)/208 Planning. (Pub. Resources Code 21080.5; 14 Cal Code Regs. 15250; 23 Cal Code Regs. 3775 et seq.). The Environmental Document must meet the requirements set forth in Title 23, section 3775 et seq. of the California Code of Regulations, in addition to any CEQA requirements not exempted as part of certified regulatory program. The SED will be used by the CSLC pursuant to CEQA Guidelines Section 15253.

The TRPA will serve as the lead agency under the Tahoe Regional Planning Compact, Pub. Law 96-551, 94 Stat 3233, Cal Gov. Code §§ 66891 et seq., Nev. Rev Stat. §§ 277.200 et seq. (1980), and its implementing regulations, hereinafter referred to as the "Compact." The Environmental Document must meet the substantive and procedural requirements of the Tahoe Regional Planning Compact as set forth in TRPA's Chapter 3 of the TRPA Code of Ordinances, Article 6 of the TRPA Rules of Procedure, and other applicable TRPA ordinances, rules and regulations.

<u>Title:</u> Framework of Cooperation – Lake Tahoe Shorezone Update

### I. PURPOSE:

The purpose of this MOU is to document the cooperation between the Parties and to provide a framework for the lead agencies for this Project in preparing and completing a joint environmental analysis and Environmental Document that is in compliance with CEQA, TRPA's Compact and Code, and all other applicable laws, regulations, direction, guidelines, and in accordance with the following provisions.

### II. STATEMENT OF MUTUAL BENEFIT AND INTERESTS:

CEQA Guidelines Sections 15222 and 15226 encourage cooperation by state and local agencies with federal agencies when environmental review is required under CEQA and other statutes. Under these conditions, the Parties shall develop one Environmental Document that complies with all applicable laws.

This MOU meets the intent of these regulations and provides guidance on the roles each lead agency will take.

# III. IN CONSIDERATION OF THE ABOVE PREMISES, THE PARTIES AGREE AS FOLLOWS:

### 1. THE TRPA SHALL:

- A. as lead agency under the Compact, be responsible for ensuring compliance with TRPA's Compact and regulations;
- B. ensure that the scope and content of the joint Environmental Document prepared for the Shorezone Update meets the requirements of TRPA's Compact and regulations;
- C. in consultation with the Parties, solicit the services of a Contractor, and through joint selection by the Parties, draft and execute the Contract with Contractor;
- D. ensure that the approved Contractor will complete the environmental analysis and prepare the Environmental Document in a form and in substance that is agreeable to the Parties;
- E. have the primary responsibility for managing the Contract, including the assignment of work in consultation with the parties, and review and payment of invoices for approved work;
- F. act as the intermediary, when necessary, for communications between the Parties and the Contractor related to the Environmental Document;
- G. ensure that Contractor participates as requested by TRPA in the requisite public meetings (to be specified in the Contract);
- H. in cooperation with the Parties and the Contractor, be responsible for conducting joint public hearings in accordance with the Compact; and,
- I. attempt to negotiate the Contract, so that it incorporates all of the following conditions:
  - a. To the maximum extent permitted by relevant law, the Contractor agrees to hold harmless and indemnify the Parties with respect to any and all claims, demands, cause(s) of action, and liabilities which may arise from the Contractor's performance, purchases, or services utilized in the preparation of the Environmental Document.
  - b. The Contractor may employ and/or substitute subcontractors and/or experts only after it notifies the Parties.

- c. The Contractor and any subcontractors shall sign a disclosure statement specifying that they have no financial or other interest in the outcome of the Environmental Document or the Project.
- d. The Contractor shall be available to cooperate in the defense of any appeal and/or suit involving the legality or adequacy of the Parties compliance with the TRPA compact and implementing regulations or CEQA with regard to this Environmental Document.
- e. The Contractor shall provide graphic handouts and presentations for public meetings/hearings. The Contractor shall submit any such graphic presentations and/or handouts to the Parties for approval prior to distributing them at public meetings/hearings.
- f. The Contractor shall produce an internal administrative Environmental Document for review by the Parties prior to publication of the Draft Environmental Document. The administrative draft shall include all text, maps, appendices, tables, charts, and other materials that will be incorporated in the Draft Environmental Document for publication. As determined by the Parties, the Contractor shall provide copies in a MS Word format to each party to meet internal review needs.
- g. The Draft and Final Environmental Document will be prepared to satisfy the requirements of both the TRPA Compact and CEQA. The Draft and Final Environmental Document will describe and address any difference between TRPA and California requirements as they pertain to the proposed Shorezone Update.
- h. the Contractor shall have primary responsibility for writing and rewriting all sections, parts, and chapters of the Environmental Document, unless the parties agree to assume primary responsibility for writing or rewriting discrete sections, parts, or chapters of the Environmental Document. In writing the Draft and Final Environmental Documents, the Contractor will take into consideration all of the Parties' comments and concerns raised by the public and other agencies.

### 2. LAHONTAN SHALL:

- A. as lead CEQA agency, have lead responsibility for ensuring compliance with all requirements of CEQA and shall be responsible for the scope and content of the CEQA portion of the joint Environmental Document;
- B. in cooperation with the Parties, participate in the solicitation and selection of a Contractor;

- C. as required, be responsible for consulting with the California Department of Fish and Wildlife and any other relevant agencies; and
- D. in cooperation with the Parties and the Contractor be responsible for conducting joint public hearings in accordance with CEQA and the State Water Control Board's regulations.
- E. engage the Contractor, as needed, for independent analysis of data, scoping, project impact assessment, and preparation of the joint Environmental Document; and
- F. coordinate with the other parties to identify which party is responsible for implementing mitigation and monitoring provisions adopted in the Final Mitigation, Monitoring, Compliance and Reporting Program (MMCRP).

### 3. THE CSLC SHALL:

- A. as a trustee and responsible state agency, provide input, review, comment and technical assistance consistent with the Commission's statutory authorities and responsibilities set forth in Public Resources Code sections 6301, 6216, et seq. This includes assistance with the scope, content, analysis, and mitigation measures pertaining to the Environmental Document, Shorezone Ordinances, and Basin Plan amendment as it pertains to the Commission's statutory authorities and responsibilities referenced above.
- B. as a trustee and responsible state agency, provide input, review, comment and technical assistance to aid in developing and evaluating potential alternatives, impact assessments, mitigation strategies and environmental documentation pertaining to the Commission's statutory authorities and responsibilities referenced in Item III, 3, A above;
- C. participate in joint public hearings in accordance with CEQA requirements;

# IV. IT IS MUTUALLY UNDERSTOOD AND AGREED BY AND BETWEEN THE PARTIES THAT:

A. <u>Contractor Selection.</u> The TRPA has prepared and noticed a Request for Proposal (RFP) for the preparation of the Environmental Document in accordance with TRPA contracting requirements. The TRPA, Lahontan, and CSLC shall evaluate the qualifications and proposals of the prospective Environmental Document

contractors based on the RFP evaluation criteria. The TRPA, Lahontan, and CSLC shall have mutual responsibility for final selection of the Contractor. The selection process will be governed by provisions of the TRPA contracting procedures and California law. If for any reason, a change in the Contractor or subcontractor becomes necessary, the TRPA, Lahontan, and CSLC will jointly engage in selection procedures for a new Contractor or subcontractor.

- B. <u>Schedule of Deadlines</u>. A draft detailed schedule will be created by the Contractor at such time that selection has been made and appropriate information is available. The Parties agree to work collaboratively to reach a final agreement on the details of this draft schedule. This schedule will establish deadlines for expected deliverables from the Contractor, in addition to deadlines for the Parties to provide agreed upon data or other materials and respond to all materials provided by the Contractor. All Parties commit to adhere to this schedule in completing their respective obligations under this MOU.
- C. <u>Regular Consultation Between Parties</u>. The successful preparation of the Environmental Document requires communication between all Parties involved. Each Party shall designate an individual or individuals, hereinafter referred to as the "Agency Project Representative," to coordinate such communication. It is the duty of the Agency Project Representatives to ensure close consultation throughout the document preparation and review process. Accordingly:
  - (a) The Agency Project Representatives shall keep each other advised of the developments affecting the preparation of the Draft Environmental Document. Toward this end, and to ensure close consultation and coordination, the Agency Project Representatives shall participate in interagency coordination meetings and/or conference calls as necessary.
  - (b) In the event that any Agency Project Representatives are unable to participate in any scheduled conference call or meeting, an alternate shall be delegated to represent that Party in said call or meeting.
  - (c) Consistent with existing laws and regulations, the Parties agree to share all relevant information.
  - (d) Any and all media releases and/or public mail-outs shall be made with the joint approval and at the direction of the Parties.
- D. Attend relevant interagency coordination meetings, and provide input to lead agencies on scoping comments and pertinent documents, and responses to public comments in a timely manner.
- E. <u>Scope and Content of Environmental Document.</u> The lead agencies and the Contractor shall jointly schedule and conduct scoping meetings with the public and other agencies at the beginning of the process. These meetings will be held to

determine the areas of public and agency concerns pertaining to the proposed Project, and guide the Parties in scoping the Environmental Document. The designated lead agencies shall determine the final scope of the Environmental Document. The Parties determine:

- (a) the content of the Environmental Document, and ensure that the respective requirements of the various federal and state statutes are met;
- (b) whether the work performed by the Contractor is satisfactory, and if not, how best to correct the deficiencies in the work; and
- (c) the division of responsibilities among the lead agencies and the CSLC.
- F. Administrative Draft Environmental Document. The Contractor shall produce an internal administrative Environmental Document for review by the Parties prior to release of the Draft Environmental Document to the public. The administrative draft shall include text, maps, appendices, tables, charts, and other materials that will be incorporated in the Draft Environmental Document for publication. As determined by the Parties, the Contractor shall provide electronic copies in an MS Word format to each party to meet internal review needs. The Parties shall review the administrative Draft Environmental Document and provide comments to the Contractor in writing by the agreed upon deadlines. The Parties may provide suggested revisions or request revision of the Draft Environmental Document with further review by the Parties.
- G. <u>Draft and Final Environmental Document.</u> The lead agencies and the Contractor shall jointly schedule and conduct public meetings to receive comments on the Draft Environmental Document during the public review period. The Contractor will receive and log written comments submitted on the Draft Environmental Document during the public comment period. The Parties will work cooperatively with the Contractor to prepare preliminary responses. The Parties will review all responses for accuracy and identify any necessary revisions before they are incorporated into the Final Environmental Document. The Final Environmental Document will be prepared and reviewed in the same manner as the Draft Environmental Document.
- H. <u>Consultation with Other Agencies</u>. Each Party reserves the right to consult directly, without notice or report, with other federal, state, and local officials during the preparation of the Environmental Document. The Parties will immediately notify each other and the Contractor if they identify an issue or issues that will require significant changes in the development of the Environmental Document or require additional studies.
- I. <u>Privileged and Confidential Information.</u> The Parties will provide to the Contractor all available data or information, which may assist with developing the Environmental Document including but not limited to resource studies,

monitoring reports or data. The Contractor will, upon request, provide the Parties with procedures and underlying data used in developing submitted sections of the Draft and/or Final Environmental Document including, but not limited to, final reports, subcontractor reports, and interviews with concerned private and public parties, whether or not such information is contained in the working papers or the Draft or Final Environmental Document. The Parties agree that any information and communication that is otherwise protected from disclosure under the attorneyclient privilege, work-product privilege, and deliberative process privilege and/or any other applicable privilege may be exchanged without waiving or compromising such privileges or doctrines. The Parties agree that privileged information received from the other Parties shall be treated and maintained as confidential to the extent allowed by federal and state laws, regulations, and policies. Parties agree to label as "Confidential" documents that they believe are privileged and should not be disclosed. In the event that privileged information provided by one party (the "providing party") to another party (the "receiving party") is the subject of a request for disclosure, the receiving party will consult with the providing party and shall withhold the record from disclosure, if the providing party determines that the record is not subject to disclosure. The Parties agree to notify all other Parties on receipt of a discovery request or Public Records Act request for documents that may include confidential information.

J. AGENCY PROJECT REPRESENTATIVE. Individuals listed below are authorized to act in their respective areas for matters related to this instrument.

### **Agency Project Representative: Lahontan**

Agency Project Representative	Administrative Contact
Name: Mary Fiore-Wagner	Name: Doug Smith
Address: 2501 Lake Tahoe Blvd	Address: 2501 Lake Tahoe Blvd
City, State, Zip: So Lake Tahoe, CA	City, State, Zip: So Lake Tahoe, CA
96150	96150
Telephone: (530) 542-5425	Telephone: (530) 542-5453
FAX: (530) 544-2271	FAX: (530) 544-2271
Email: mary.fiore-	Email: doug.smith@waterboards.ca.gov
wagner@waterboards.ca.gov	

### **Agency Project Representative: TRPA**

Agency Project Representative	Administrative Contact
Name: Ken Kasman	Name: Adam Lewandowski
Address: 128 Market St., PO Box	Address: 128 Market St., PO Box
5310 City, State, Zip: Stateline, NV	5310 City, State, Zip: Stateline, NV
89449 Telephone: 775-589-5253	89449 Telephone: 775-589-5233
FAX: 775-588-4527	FAX: 775-588-4527
Email: kkasman@trpa.org	Email: alewandowski@trpa.org

### **Agency Project Representative: CSLC**

Agency Project Representative	Administrative Contact	
Name: Jason Ramos	Name: Eric Gillies	
Address: 100 Howe Ave, Suite 100-South	Address: 100 Howe Ave, Suite 100-South	
City, State, Zip: Sacramento, CA 95825-	City, State, Zip: Sacramento, CA 95825-	
8202	8202	
Telephone: (916) 574-1814	Telephone: (916) 574-1897	
FAX: (916) 574-1885	FAX: (916) 574-1885	
Email: jason.ramos@slc.ca.gov	Email: eric.gillies@slc.ca.gov	

- K. <u>NON-LIABILITY</u>. The Parties do not assume liability for any third party claims for damages arising out of this MOU.
- L. <u>NOTICES</u>. Any communications affecting the operations covered by this MOU are sufficient only if done in writing and delivered in person, mailed, or transmitted electronically by e-mail or fax to the Agency Project Representative designated above. Notices are effective when delivered in accordance with this provision, or on the effective date of the notice, whichever is later.
- M. <u>PARTICIPATION IN SIMILAR ACTIVITIES</u>. This MOU in no way restricts Parties from participating in similar activities with other public or private agencies, organizations, and individuals.
- N. <u>ENDORSEMENT.</u> Any Party's contributions made under this MOU do not by direct reference or implication convey endorsement of any other Party's products or activities.
- O. <u>NONBINDING AGREEMENT</u>. This MOU creates no right, benefit, or trust responsibility, substantive or procedural, enforceable at law or equity. The parties shall manage their respective resources and activities in a separate, coordinated and mutually beneficial manner to meet the purpose(s) of this MOU. Nothing in this MOU authorizes any of the Parties to obligate or transfer anything of value.
  - Nothing in this MOU is intended to alter, limit, or expand the agencies' statutory and regulatory authority.
- P. <u>FREEDOM OF INFORMATION ACT (FOIA)</u>. Public access to this MOU and related records must not be limited, except when such records must be kept confidential and would have been exempted from disclosure pursuant to TRPA's public records regulations and the California Public Records Act (Gov. Code §6250 et seq.).

- Q. <u>ACKNOWLEDGMENT IN PUBLICATIONS, AUDIOVISUALS AND ELECTRONIC MEDIA.</u> A Party shall acknowledge the support of the other Parties to this MOU in any publications, audiovisuals, and electronic media developed as a result of this MOU.
- R. <u>TERMINATION</u>. Any of the Parties, in writing, may terminate this MOU in whole, or in part, at any time before the date of expiration.
- S. <u>MODIFICATIONS</u>. Modifications within the scope of this MOU must be made by mutual consent of the Parties, by the issuance of a written modification signed and dated by all properly authorized, signatory officials, prior to any changes being performed. Requests for modification should be made, in writing, at least 30 days prior to implementation of the requested change.
- T. <u>COMMENCEMENT/EXPIRATION DATE</u>. This MOU is executed as of the date of the last signature and is effective through **December 31, 2016** at which time it will expire.
- U. <u>AUTHORIZED REPRESENTATIVES</u>. By signature below, each Party certifies that the individuals listed in this document as representatives of the individual Parties are authorized to act in their respective areas for matters related to this MOU. In witness whereof, the Parties hereto have executed this MOU as of the last date written below.

Lahontan Regional Water Quality Control Board	Date
Patty Z. Kouyoumdjian Executive Officer	
Tahoe Regional Planning Agency	Date
Joanne Marchetta Executive Director	
California State Lands Commission	Date
Jennifer Lucchesi Executive Officer	