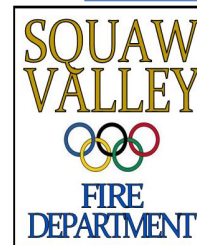




## SQUAW VALLEY PUBLIC SERVICE DISTRICT



### OLYMPIC MEADOW PROPERTY ACQUISITION

**DATE:** April 30, 2019

**TO:** District Board Members

**FROM:** Mike Geary, General Manager

**SUBJECT:** Olympic Meadow Property – Project Update

**BACKGROUND:** The discussion section below provides information on the Olympic Meadow Property (OMP) Acquisition. It is included in the District's monthly agenda to allow discussion of the project without violating the Brown Act's requirement that there be no discussion undertaken on any item not on the agenda. This report is prepared to provide new information and recent progress on issues that are not the subject of a separate report. This item is informational only and there is no action requested of the Board.

**DISCUSSION:** Presentations:  
Director Hudson, Perry Norris and Mike Geary presented at Good Morning Truckee, hosted by the Truckee Chamber of Commerce, Tuesday, April 9, 2019 at 7:00 a.m. at the Truckee Tahoe Airport in Truckee.

TOT Funding Application:  
Staff applied for \$1M in grant funding from Transient Occupancy Tax (TOT) revenue. On Thursday, April 25, 2019, the Placer County Capital Projects Advisory (CAP) Committee unanimously recommended the project application advance to the next step in the approval process, in which the Committee will interview project applicants. The District and Land Trust will present on Thursday, May 30<sup>th</sup> in Tahoe City. The Committee will make final recommendations on which projects should receive TOT funding on June 5<sup>th</sup>. Those approved recommendations will be submitted to the County's Board of Supervisors for their consideration and final approval in late June, 2019.

Discovery / Due Diligence:  
Structural, general home, and hazardous materials (e.g., asbestos, lead and mold) inspections were completed and the results are informing the budgets for required capital improvements and ongoing maintenance. The District Engineer

and Operations Supervisor are finishing internal efforts to develop budgets for operations, maintenance and capital replacements. Larry Young is completing his architectural study and provided a memo summarizing findings from a *Condition Assessment of the Swimming Pool for Public Use*. These costs will be used to inform the financial analysis being completed by NBS to determine the tax burden for property owners and inform the team of private/corporate fundraising targets.

The voter survey has been completed. The initial results show strong support for the project.

The property appraisal is complete and the purchase price will be made public as soon as the provisions of the agreement allow.

**ALTERNATIVES:** This report is for information only.

**FISCAL/RESOURCE IMPACTS:**

Existing Property Tax Revenue and Funding Parks & Recreation Services:

The District currently does not have a budget or available property tax revenue to fund Parks and Recreation services. Property tax revenues received by the District are used to fund Fire Department operations and support utility operations.

Use of *existing* property tax revenue for Parks and Recreation services would have negative impacts on the District's currently high levels of service provided to its water, fire, EMS, and sewer customers as fewer funds would be available to deliver those services. Since property tax supports utility services, the use of *existing* property tax revenue for Parks and Recreation could also result in higher water and sewer rates, or user fees; since there would be a greater reliance on user fee / rate revenue.

As such, identifying and securing funding to meet the anticipated costs of Parks and Recreation services is required prior to the Board's decision to get further into the Parks & Recreation business.

This process is consistent with how the Board, in 2011, considered the District's participation and implementation of the Bike Trail Snow Removal Program. Placer County and the North Lake Tahoe Resort Association provided TOT funding, and matching funds were provided annually by generous in-Valley contributors. No property tax revenue, or water or sewer rate revenue, was used to fund snow removal services on the trail.

### Scope and Cost of Parks & Recreation Services for the OMP:

The proposed revenue measure, in addition to providing funds necessary for acquisition, is being evaluated as the source of annual property tax funding to provide Parks and Recreation services to own and operate the property.

Services anticipated to be provided by a new employee(s) in a new Parks and Recreation Department include maintenance, repairs and capital replacements of:

- The house and caretaker's residence including electrical systems, heating and ventilation systems, lighting, windows and doors, walls, furnishings, kitchens, bathrooms, carpets, wood and tile flooring, garage doors, etc.
- The pool, locker rooms and bathrooms including filtration systems, pumps, heating and ventilation systems, deck surfaces, etc.
- Outdoor park amenities including trails, park benches, picnic tables, barbecues, lawn, irrigation well, interpretive signs, bear-proof garbage receptacles, etc.

To be able to provide these services, staff is anticipating and preparing cost estimates for the following expenses:

- staff wages, benefits, training, equipment (computer, cell phone, etc.);
- materials and supplies for maintenance and repair of trails, home, and pool;
- procurement, leasing and maintenance expenses for park (trails, home and pool) maintenance equipment and tools such as lawn care equipment, utility task vehicle (UTV) Tool Cat, snow blower, pick-up truck, tree care equipment, pressure washer, pool cleaning equipment, etc.;
- snow removal;
- house cleaning;
- utilities (e.g., propane, power, internet, phone, sewage treatment, garbage collection); and
- portable toilets.

### Four (4) Scenarios:

Staff is currently analyzing the scope and costs of four (4) different potential scenarios. They are:

1. Keep the house, caretaker's residence / garage, and the swimming pool.
2. Keep the house and caretaker's residence / garage but remove, backfill and convert the swimming pool into a room.
3. Keep the caretaker's residence / garage but demolish the house and swimming pool.
4. Demolish the house, caretaker's residence / garage, and the swimming pool.

Along with the costs to operate and maintain the facilities on the property, staff is coordinating with Larry Young at Ward-Young Architects to estimate the costs for one-time capital improvements required to comply with ADA accessibility, fire and life safety, and energy efficiency requirements. Structural improvements are also required to convert the residence's use from residential to public. Mr. Young is also estimating the cost to upgrade the kitchen to commercial standards.

Decision:

Staff intends to present the cost estimates for these four different scenarios to the Board of Directors at a Special Board Meeting in early May. The goal of the Special Board Meeting is to get the District's final decision on the scope of services to be provided by the District at the OMP. As the scope and cost of services is largely shaped by the facilities requiring capital improvements, operations and maintenance, and capital replacements, the Board will be asked to select from one of the four scenarios, or some variation.

Considerations and Concerns:

The primary issue staff recommend the Directors of the Board consider is the costs associated with improving, operating and maintaining the structures and pool. These costs will directly impact the amount of the parcel tax to be considered for approval by the Valley's voters and to be ultimately paid by the Valley's property owners.

Directors should consider if these costs, in addition to the cost to purchase the property, will negatively impact the outcome of the election scheduled for November 5, 2019. Will these extra costs inflate the parcel tax so much that voters will vote "no"? Staff will provide an estimate of the parcel tax under each of the four scenarios at the Special Board Meeting.

Alternatives:

Operations and maintenance through the District is more expensive than the Truckee Donner Land Trust (TDLT). While neither organization has a Parks and Recreation Department, the TDLT can provide services at a lower cost than the PSD because the District would hire an employee(s) dedicated to the management, operation and maintenance of the OMP. Wages and benefits paid by the District may be higher than those paid by the TDLT. TDLT will likely be more successful engaging volunteer labor. Furthermore, the District is a public agency required to comply with prevailing wage laws.

That said, District staff would likely be present on-site more frequently than TDLT staff; the District may take a more hands-on approach than the TDLT. Visitors to the OMP may experience a higher level of service with the District managing the

property. The Board should consider the value of this level of service; how important is it?

At the Special Board Meeting, District and TDLT staff will discuss alternatives to:

- managing the property;
- ownership of the property; and
- leasing the property.

This conversation will explore how these management and ownership alternatives could impact local control of the property and how the OMP's ultimate use is determined.

Expenses to Date:

Since inception of the OMP Acquisition project, staff has spent \$16,503 in labor costs and \$171 on meetings. The TDLT has borne many additional expenses including staff time, appraisal fees, escrow deposits, and consultant contracts. It is the mutual goal of the District and Land Trust that these costs will be reimbursed by project funds.

**RECOMMENDATION:** This report is for information only.

**ATTACHMENTS:** Tourism Master Plan Grant Applications; FY 2018-19 Allocation; CAP Committee Chair and Co-Chair Application Recommendations.

**DATE PREPARED:** April 26, 2019



## Capital Projects Advisory Committee (CAP Committee)

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### Tourism Master Plan Grant Application FY 2018-19 Allocation Chair and Co-Chair Application Recommendations

#### Proposal Summary

Number of Applications Received: 20

Number of Completed Applications Received: 20

Total TOT Request: \$3,494,161

Number of Applications Recommended for Interviews: 14

Total TOT Recommended: \$3,253,071

#### Proposals Recommended for Interviews

(See attached spreadsheet)

#### Proposals Not Recommended for Interviews

The applications listed below are not recommended for interviews the following reasons:

1. Project is not identified in the Tourism Master Plan.
2. Project is for routine maintenance.
3. The proposal is for work on a private road.

- Infrastructure Modifications for EV Charging Stations - \$18,900
- Secondary Dwelling Fee Waiver Pilot Program - \$135,000
- North Tahoe Fire Unmanned Aircraft System (Drone) Program - \$17,800
- Trail Rescue UTV Program - \$45,390
- Skylandia Park - Stair and Retaining Wall Replacement - \$20,000
- Northstar Drive Crosswalk Signage - \$4,000

Tourism Master Plan Grant Proposals Recommended for Interviews										
Entity	Project Name	Submitted A Complete Application	Estimated Date of Completion	TOT Request	Matching Funds	In-Kind	Total Project Amount	Chair and Co-Chair TOT Recommendations	Chair and Co-Chair Project Recommendations	Reason
Squaw Valley Ski Holdings, LLC	Infrastructure Modifications for EV Charging Stations	Complete	September 2019	\$ 18,900.00	\$ 2,100.00	\$ 44,000.00	\$ 65,000.00	\$ -	Exclude	Project is not identified in the Tourism Master Plan
Northstar California / Vail Resorts	Northstar Drive Crosswalk Signage	Complete	October 2019	\$ 4,000.00	\$ 500.00	\$ 500.00	\$ 5,000.00	\$ -	Exclude	The proposal is for work on a private road
North Tahoe Public Utility District	North Tahoe Regional Park Snowcat Replacement	Complete	November 2019	\$ 70,000.00	\$ 10,000.00	\$ -	\$ 80,000.00	\$ 70,000.00	Recommend	Needs further discussion from the CAP Committee
North Tahoe Public Utility District	Wayfinding and Destination Signage Project	Complete	June 2021	\$ 78,000.00	\$ 12,000.00	\$ -	\$ 90,000.00	\$ 78,000.00	Recommend	
Placer County Facilities	Tahoe City Firehouse Properties (TCFP) Develop-ability Studies	Complete	July 2019	\$ 26,400.00	\$ 7,700.00	\$ -	\$ 34,100.00	\$ 26,400.00	Recommend	Needs further discussion from the CAP Committee
The Related Companies of California, LLC ("Related")	Dollar Creek Crossing Trails and Traffic Planning	Complete	August 2021	\$ 767,500.00	\$ 120,060.00	\$ -	\$ 887,560.00	\$ 767,500.00	Recommend	Needs further discussion from the CAP Committee
Donner Summit Association	Donner Summit Visitors' Center Stage 2	Complete	Fall 2019	\$ 115,000.00	\$ 11,500.00	\$ -	\$ 126,500.00	\$ 115,000.00	Recommend	
Donner Summit Association	Public Use and Recreation Master Plan for Donner Summit	Complete	Fall 2019	\$ 107,511.00	\$ 11,945.00	\$ 15,544.00	\$ 135,000.00	\$ 107,511.00	Recommend	
Tahoe Rim Trail Association	Watson Lake Area Trail Improvements	Complete	Fall 2020-2021	\$ 9,000.00	\$ 4,410.00	\$ 790.00	\$ 14,200.00	\$ 9,000.00	Recommend	
Squaw Valley Business Association	HWY 89 / Squaw Valley Road Gateway Destination Wayfinding Signage Plan	Complete	September 2020	\$ 99,000.00	\$ 11,000.00	\$ -	\$ 110,000.00	\$ 99,000.00	Recommend	
Tahoe City Public Utility District	Skylandia Park - Stair and Retaining Wall Replacement	Complete	October 2019	\$ 20,000.00	\$ 2,975.00	\$ -	\$ 22,975.00	\$ -	Exclude	Project is for routine maintenance
Tahoe City Public Utility District	Commons Beach Power Upgrades	Complete	September 2019	\$ 10,660.00	\$ 2,210.00	\$ -	\$ 12,870.00	\$ 10,660.00	Recommend	
Tahoe Public Art	Ursa Mater (penny Bear) Heritage Plaza	Complete	July 2019	\$ 40,000.00	\$ 55,000.00	\$ 6,000.00	\$ 101,000.00	\$ 40,000.00	Recommend	
Placer County Executive Office, Lake Tahoe	Secondary Dwelling Fee Waiver Pilot Program	Complete	June 2021	\$ 135,000.00	\$ 12,750.00	\$ 2,250.00	\$ 150,000.00	\$ -	Exclude	Project is not identified in the Tourism Master Plan
Northstar Community Services District	Martis Valley Trail (MVT)	Complete	October 2022	\$ 250,000.00	\$ 4,425,885.00	\$ -	\$ 4,675,885.00	\$ 250,000.00	Recommend	
Squaw Valley Public Service District & Truckee Donner Land Trust	Olympic Meadow Preserve Acquisition	Complete	December 2019	\$ 1,000,000.00	\$ 14,000,000.00	\$ 10,300.00	\$ 15,010,300.00	\$ 1,000,000.00	Recommend	Needs further discussion from the CAP Committee
Placer County Public Works	Fanny Bridge Project	Complete	October 2020	\$ 500,000.00	\$ 49,415,794.00	\$ 2,325,000.00	\$ 52,240,794.00	\$ 500,000.00	Recommend	Needs further discussion from the CAP Committee
Placer County Parks Division	Squaw Valley Park - Winter Access and Wayfinding	Complete	October 2020	\$ 180,000.00	\$ 20,000.00	\$ -	\$ 200,000.00	\$ 180,000.00	Recommend	
North Tahoe Fire Protection District	North Tahoe Fire Unmanned Aircraft System (Drone) Program	Complete	September 2019	\$ 17,800.00	\$ 2,200.00	\$ -	\$ 20,000.00	\$ -	Exclude	Project is not identified in the Tourism Master Plan
North Tahoe Fire Protection District	Trail Rescue UTV Program	Complete	December 2019	\$ 45,390.00	\$ 5,610.00	\$ -	\$ 51,000.00	\$ -	Exclude	Project is not identified in the Tourism Master Plan
				<b>Total</b>	<b>\$ 3,494,161.00</b>	<b>\$ 68,133,639.00</b>	<b>\$ 2,404,384.00</b>	<b>\$ 74,032,184.00</b>	<b>\$ 3,253,071.00</b>	