

Staff Report 20

APPLICANT:

Tahoe City Public Utility District

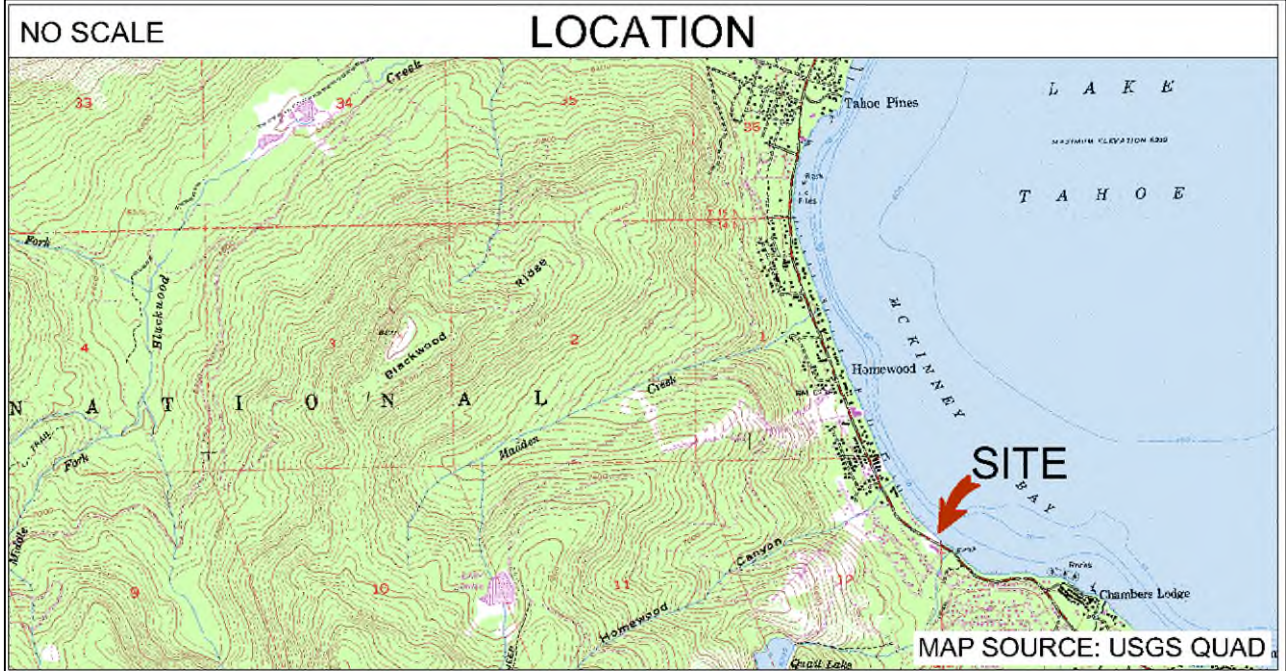
PROPOSED ACTION:

Issuance of a General Lease – Right-of-Way Use.

AREA, LAND TYPE, AND LOCATION:

Sovereign land in Lake Tahoe, adjacent to 5900 West Lake Boulevard, near Homewood, Placer County (as shown in Figure 1).

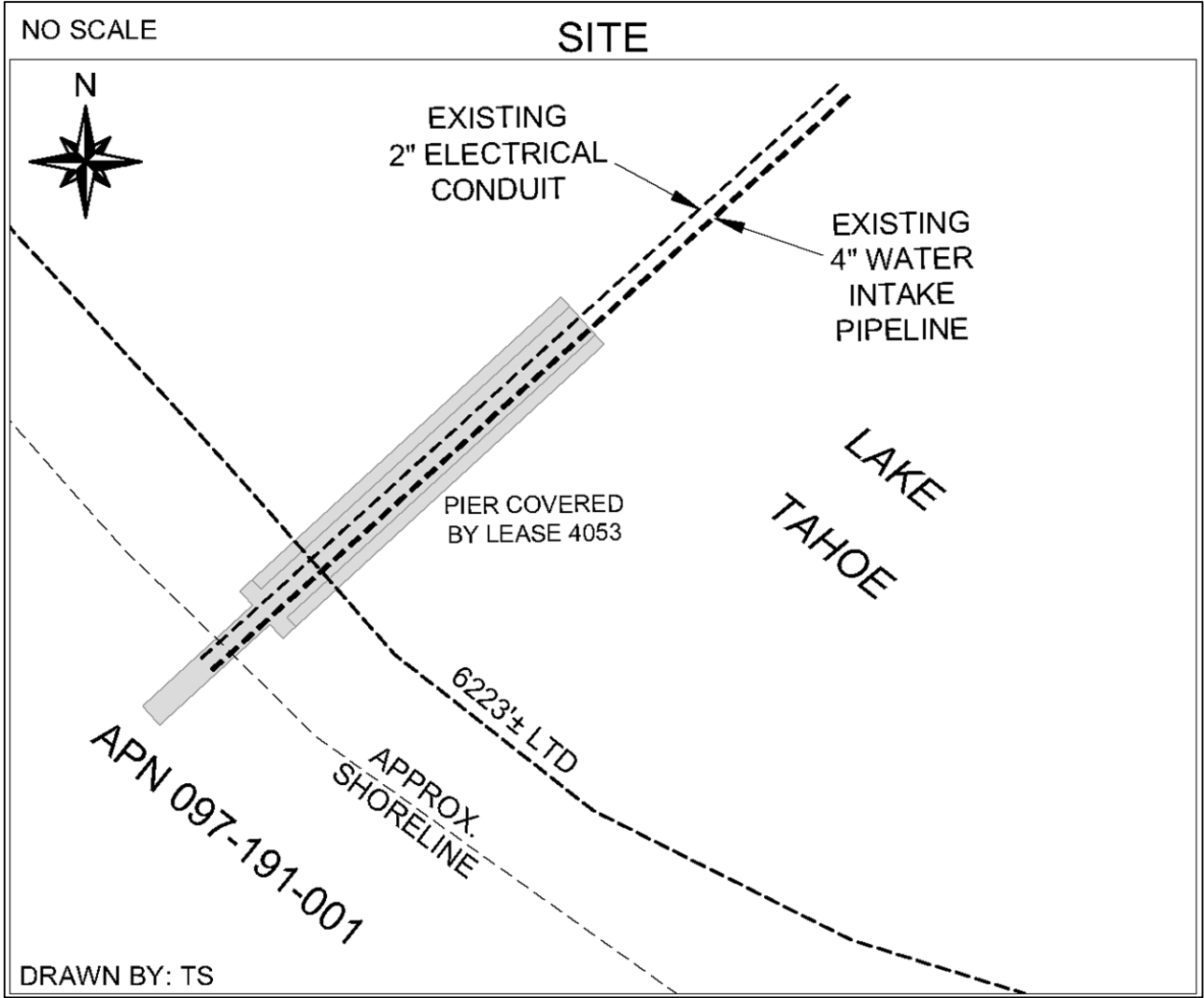
Figure 1. Location



AUTHORIZED USE:

Use of an existing water intake pipeline, electrical conduit, and 15 horsepower pump (as shown in Figure 2).

Figure 2. Site Map



NOTE: This depiction of the lease premises is based on unverified information provided by the Applicant or other parties and is not a waiver or limitation of any State interest in the subject or any other property.

TERM:

20 years, beginning December 17, 2024.

CONSIDERATION:

The public use and benefit, with the State reserving the right to set a monetary rent if the Commission finds such an action to be in the State's best interest.

SPECIFIC LEASE PROVISIONS:

- Liability insurance in an amount no less than \$1,000,000 per occurrence; Lessee may satisfy all or part of the insurance requirements through maintenance of a staff-approved self-insurance program as outlined in the lease.

STAFF ANALYSIS AND RECOMMENDATION:

AUTHORITY:

Public Resources Code sections 6005, 6216, 6301, 6501.1, 6503; California Code of Regulations, title 2, section 2000 and 2003.

PUBLIC TRUST AND STATE'S BEST INTERESTS:

On April 7, 2003, the Commission authorized issuance of a General Lease – Right-of-Way Use, to the Tahoe City Public Utility District for the use of an existing water intake pipeline and appurtenant facilities ([Item 32, April 7, 2003](#)). The lease expired March 12, 2022.

The Applicant is now applying for a General Lease – Right-of-Way Use for the use of an existing water intake pipeline, electrical conduit, and 15 horsepower pump.

The 4-inch-diameter freshwater intake pipeline and 2-inch-diameter electrical conduit are approximately 166 feet in length. The Tahoe City Public Utility District has an easement with the adjoining property owner, McKinney Shores Property Owners Association, for ingress and egress to maintain the improvements. The intake facility provides backup drinking water and emergency fire protection for the surrounding community. The pump is approximately 6 inches wide and 54 inches long, supplying 150 gallons per minute at a pressure of 120 pounds per square inch.

The Applicant has occupied State land without authorization since the previous lease expired. However, both the previous lease and the proposed lease do not require monetary rent because the public benefit derived from the improvements on the lease premises is sufficient compensation for the State. Therefore, staff does not recommend that the proposed lease require monetary compensation for the

Applicant's occupation of State land following expiration of the prior lease. Nevertheless, the proposed lease will require that the Applicant indemnify the State for the entire period of unauthorized occupation prior to December 17, 2024, to ensure that the State is protected from potential liability.

The proposed lease does not alienate the State's fee simple interest or permanently impair public rights. The lease is limited to a 20-year term, does not grant the lessee exclusive rights to the lease premises, and will have no significant impact on Public Trust-consistent uses or resources in the area. Upon termination of the lease, the lessee may be required to remove all improvements from State land and restore the lease premises to their original condition. The proposed lease requires the lessee to insure the lease premises and indemnify the State for any liability incurred as a result of the lessee's activities thereon.

CLIMATE CHANGE:

Climate change significantly affects inland non-tidal lakes such as Lake Tahoe. The frequency and severity of natural disasters like flooding, wildfire, drought, extreme heat, and storms are increasing throughout the state of California, including the Sierra Nevada mountains, and will continue to accelerate through the end of the century. Structures along the shores of inland lakes are particularly vulnerable to the more frequent and extreme weather events and shifts in seasonal characteristics.

According to [California's Fourth Climate Change Assessment](#), released in 2018, the most significant impacts of climate change in the Sierra Nevada Region are more intense heat, precipitation extremes, declining snowpacks, and changes in streamflow timing. The long-term warming trend will lead to warmer and shorter winters, and longer and dryer summers. Successive dry and warm winters are resulting in minimal snowpack, increased winter streamflows and floods, and decreased spring and summer runoff. Prolonged low lake levels will become normal. Low lake level conditions can create more expansive beaches and increased shoreline access in dry months. However, these conditions interfere with boat launching and mooring facilities. This impact is most noticeable where the facilities are sited on shallow, low gradient lake bottom locations.

Dry winters will be punctuated with exceedingly wet years where prolonged and excessive precipitation can produce flash floods. High precipitation in these years will result in higher lake levels, causing beaches to narrow and reducing public access. Extra saturation of the soil can increase erosion, especially following intense

wildfire seasons. Surface runoff water may carry more sediment into the lake, adversely impacting water quality and clarity.

Climate change may also lead to more intense and unpredictable storm events and winds. These storms may deviate from prevailing wind patterns for the region. These winds can accelerate shoreline erosion in some areas or cause erosion in areas not typically subject to erosion. Additionally, these winds can increase wave damage on structures and boats along the lake.

Improvements authorized under this lease may require more frequent inspection and maintenance to ensure they are not displaced during storm events.

CONCLUSION:

For all the reasons above, Commission staff believes the issuance of this lease will not substantially interfere with the Public Trust needs at this location, at this time, and for the term of the lease; and in the best interests of the State.

OTHER PERTINENT INFORMATION:

1. Approval or denial of the application is a discretionary action by the Commission. Each time the Commission approves or rejects a use of sovereign land, it exercises legislatively delegated authority and responsibility as trustee of the State's Public Trust lands as authorized by law. If the Commission denies the application, the Applicant may be required to remove the improvements and restore the premises to their original condition. The lessee has no right to a new lease or to renewal of any previous lease.
2. This action is consistent with the "Leading Climate Activism" and "Meeting Evolving Public Trust Needs" Strategic Focus Areas of the Commission's 2021-2025 Strategic Plan.
3. Staff recommends that the Commission find that this activity is exempt from the requirements of the California Environmental Quality Act (CEQA) as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; California Code of Regulations, title 2, section 2905, subdivision (a)(2).

Authority: Public Resources Code section 21084 and California Code of Regulations, title 14, section 15061 and California Code of Regulations, title 2, section 2905.

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that the activity is exempt from the requirements of CEQA pursuant to California Code of Regulations, title 14, section 15061 as a categorically exempt project, Class 1, Existing Facilities; California Code of Regulations, title 2, section 2905, subdivision (a)(2).

PUBLIC TRUST AND STATE'S BEST INTERESTS:

Find that the proposed lease will not substantially impair the public rights to navigation and fishing or substantially interfere with Public Trust needs and values at this location, at this time, and for the term of the lease; and is in the best interests of the State.

AUTHORIZATION:

Authorize issuance of a General Lease – Right-of-Way Use to the Applicant beginning December 17, 2024, for a term of 20 years, for the use of an existing water intake pipeline, electrical conduit, and 15 horsepower pump; consideration being the public use and benefit, with the State reserving the right to set a monetary rent if the Commission finds such an action to be in the State's best interests; and liability insurance in an amount no less than \$1,000,000 per occurrence with ability to satisfy all or part of the insurance requirements through maintenance of a staff-approved self-insurance program.