



**TRUCKEE TAHOE AIRPORT DISTRICT
BOARD OF DIRECTOR STAFF REPORT**

AGENDA TITLE: Tahoe Cross Country Lodge Project, Agency Partnership -
Final Project Evaluation Reporting Deadline Extension

MEETING DATE: Wednesday, November 30, 2022

PREPARED BY: Marc R. Lamb, AVCOM Manager

RECOMMENDED ACTION: Approve by consent, the Agency Partnership timeline extension request for the final project evaluation report for the Tahoe Cross Country Lodge Project to August 31, 2023.

DISCUSSION: The Truckee Tahoe Airport District (TTAD) Board of Directors voted to approve an Agency Partnership funding request made by the Tahoe Cross Country Ski Education Association (TCCSEA), at TTAD’s December 1, 2021 board meeting, in the amount of \$153,770. The funding was earmarked towards the \$517,670 budgeted for the initial *Entitlement Phase* of the project (planning, facility design, and certification of the EIR) for the construction of a new “green” cross-country building located near the North Tahoe High School in Tahoe City, California.

Per the *Agency Partnership Funding Agreement*, signed on January 21, 2022 (page 3 section 7), the Entitlement Phase and online final project evaluation report was to be completed one year and one month after the effective date of the agreement which would be February 21, 2023. Due to delays by both TRPA and Placer County offices, TCCSEA is requesting an extension to August 31, 2023.

WHAT’S NEXT: TCCSEA will provide future update reports as requested, to the TTAD Board on the progress of the building completion and the meeting of the funding agreement’s stipulations.

FISCAL IMPACT: None, already funded in TTAD 2021 fiscal budget

SAMPLE MOTION: I motion to (approve, continue, or deny) the Tahoe Cross Country Lodge Ski Education Association’s Agency Partnership project reporting timeline extension request to August 31, 2023.

ATTACHMENTS:

- TCCSEA Formal Request (1 page)
- Agency Funding Agreement (4 pages)

TTAD Partnership Funds: Tahoe Cross Country Lodge Project

Progress Report and Request for Grant Deadline Extension

Request: Extend the grant deadline for completion of the work tasks identified until August 31, 2023.

The Tahoe Cross Country Lodge Project entered the Entitlements Phase of project development in early 2021 with the certification of the project EIR. The Truckee Tahoe Airport District granted partnership funds late that year to address final design features, specifically including those that are newly required project steps for green design, Placer County area plan compliance, and neighborhood compatibility needs. The grant project budget identified final design costs of \$517,670, of which \$153,770 were requested from TTAD. (Thank you again for the award!) Since the time of the application, TCCSEA secured \$151,240 in TOT funding from Placer County, the full amount of design team discounts identified, as well as \$230,000+ private cash contributions. The final design work plan is therefore fully funded.

The project encountered some delay throughout 2022 that has affected the ability to stay on schedule to expend all TTAD funds by the end of December. Initially, the Placer County Board of Supervisors approved the needed match funding in January, yet it took nearly 6 months to complete the funding contract for these match dollars. The project management team requested that the design team work on other parts of the project during the early months of the year, delaying most of the TTAD funded work tasks to ensure that the match would be available. By May that issue was resolved. We authorized work on the specific TTAD funded work tasks to begin in June. Some delay occurred on our end as the sustainability engineer had competing projects during the summer, yet initial reports for the traffic safety study, GHG calculations, and net-zero energy calculations were all completed by September and the first round of design revisions related to incorporating findings made by the end of the month when we submitted for a TRPA Recreation Project approval. However, Placer County planning staff must review the work and provide comments on the draft designs before substantive work on the mechanical/electrical/plumbing plans, the structural engineering set, and the final grading/landscaping plans, can occur. The Minor Use permit application triggers this consultative work with Placer County. We submitted this application June 17; typical response times for County staff to return comments are 4-6 weeks after application submittal. To date we have not received any communication from planning staff.

We are engaging our Placer County supervisor, TCPUD Board members, and others to advocate for improved Placer County attention to this project. Assuming that will occur, we are positioned to make substantive progress by the end of January on the final plans envisioned in the TTAD grant application. Considering the need for revisions to address Placer County and TRPA use and building permit conditions, we believe that we can secure a final building plan set and final construction specifications by August 31, 2023.

Through October '22, we have expended \$25,499.55 of our award and expect that an additional \$12,000 of work has been done that is not yet invoiced. Beyond that, we expect that by the end of the year, there will be approximately \$50,000 of additional billings.

AGENCY FUNDING AGREEMENT

TRUCKEE TAHOE AIRPORT DISTRICT & TAHOE CROSS COUNTRY SKI EDUCATION ASSOCIATION

This Agreement is made by and between the Truckee Tahoe Airport District ("TTAD"), a California Airport District, and Tahoe Cross-Country Ski Education Association ("TCCSEA"), a California non-profit public benefit corporation, in support of the Tahoe City Cross Country Lodge Project - Entitlements Phase ("Project") and is made with reference to the following facts, TTAD and TCCSEA collectively referred to herein as the "Parties" and individually as a "Party":

A. TTAD has an active community outreach program to support projects of mutual benefit to the persons within TTAD boundaries with public agencies and non-profits. Such outreach programs are more fully described in TTAD's policy instructions and procedures.

B. TCCSEA is a local Truckee Tahoe area-based nonprofit with a mission to promote healthy, outdoor-oriented lifestyles for children and adults through education, cross country skiing, and other self-powered recreation. Tahoe City Public Utility District ("TCPUD") is in support of TCCSEA's Project which serves a common constituency. TCPUD is assisting in this effort by donating over \$300,000 staff time to date, negotiating a land exchange for state-owned property that is part of the Project site, successfully completed the CEQA-EIR process as lead agency, worked to secure successful settlement of a CEQA legal challenge, and is now providing a minimum 30-year land lease for the lodge.

C. TCCSEA requested the TTAD funding in the amount of \$153,770 toward the \$517,670 total project cost for the Project. This Project specifically includes part of the funding needed to complete the entitlements process, which includes developing the full package of green building features to meet "net zero" greenhouse gas targets as well as finishing the facility design. This multi-year civic project will reconstruct the historic Pennoyer/Schilling home at a new location near North Tahoe High School as Tahoe cross-country ("XC") home-base for access to the extensive non-motorized trail network that is "Tahoe's Backyard". TCCSEA will continue to support STEAM education as well as provide hands on nature-based education, raising awareness for the need to reduce carbon footprints and manage forest lands, and other STEAM and greenhouse gas reduction initiatives. These nature-based, science education programs which the new lodge will facilitate offer important foundational education concerning industry government in our community as well as the TTAD. Support of this Project will further these important TTAD goals.

D. TCCSEA represents and warrants that it has properly and fully completed TTAD's "Agency Partnership Request Form" and complied with all requirements for a funding request, including but not limited to obtaining Resolution No. 21-33 from the TCPUD. Notwithstanding the use of the word "Partnership" in the referenced form, neither that form nor this Agreement or any other dealings involving the Parties hereto is intended to establish a partnership or other business entity between the Parties.

E. The TTAD Board read and considered TCCSEA's application, Tahoe Truckee Community Foundation's application rating and ranking summary, and TTAD's staff report, and obtained public input and fully discussed and considered TCCSEA's application at their December 1, 2021 Board Meeting and approved funding of \$153,770 to be used towards the Project, subject to the terms, conditions and provisions set forth below.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. All of the above recitals are true and correct.
2. TTAD shall pay to TCCSEA the sum of \$153,770 ("TTAD Funds"), to be paid in the ordinary course of TTAD's procedures for processing payments, after this Agreement has been signed by both Parties.
3. TCCSEA shall utilize the TTAD Funds only towards the Project. Any funds not utilized by TCCSEA for the above-identified Project within 12 months of the date of execution of this Agreement shall be immediately returned to TTAD.
4. TCCSEA shall comply with all requirements and representations of their "Agency Partnership Request Form" as directed by TTAD, including but not limited to:
 - a) TTAD, among all public funding sources and landowner agencies, will be identified on the construction sign visible from Polaris Drive.
 - b) TTAD and all public funding sources will be listed and acknowledged on the Project website and in the Project newsletters. Newsletters are sent to approximately 3,500 interested parties on a quarterly basis.
 - c) As the Project progresses, press releases and social media outreach at key decision points will identify TTAD as a funding source.
 - d) As is typical with major capital campaigns, the Project will incorporate naming opportunities for private contributions throughout the structure. All substantial gifts and all public agency funding will be acknowledged on the permanent recognition wall or the commissioned art piece created at the building's entrance. TCCSEA will obtain TTAD approval of the method and wording for the TTAD permanent recognition.

Notwithstanding the use of the word "Partnership" in the referenced form, neither that form nor this Agreement or any other dealings involving the Parties hereto is intended to establish a partnership or other business entity between the Parties.

5. TCCSEA and TCPUD shall be the stewards of the new facility and at their own expense and staffing, continue the programming, upkeep and ongoing maintenance of the facility resulting from the Program.

6. TCCSEA shall indemnify, defend with counsel appointed by TTAD, and hold TTAD and TTAD's officers, directors, employees, agents, and volunteers harmless from any and all claims, losses, causes of actions, liabilities, and other matters (including attorney's fees, costs, and other reasonable and necessary expenses) asserted that, in whole or in part, arise out of, relate to, or are incident to (1) the negligence (active or passive, ordinary or gross), recklessness, or willful misconduct of TCCSEA or its officers, directors, employees, agents, and volunteers, (2) the breach of this Agreement by TCCSEA, (3) any funds disbursed by TCCSEA pursuant to this Agreement, (4) the Project or the TTAD Funds, and (5) any of the activities contemplated of TCCSEA under this Agreement.

7. TCCSEA shall complete an online final project evaluation report no later than one year and one month after the effective date of this agreement. TCCSEA further agrees to provide a progress report to the TTAD Board at a regular board meeting should the board make such request. Said report shall include, but not be limited to, an accounting of the funds utilized to date, and an update on the overall Project. TCCSEA shall further recognize TTAD in all marketing and promotional materials for its funding. This recognition shall be substantially similar to the recognition provided to other program donors of similar size; the term of this recognition shall be the term of the report requirement set forth in this Section.

8. This Agreement is the full and complete agreement of the Parties and no prior discussion, agreement, or representation, whether written or oral, may be used to define or interpret this Agreement. It may be modified, amended, or cancelled only by written agreement signed by both Parties.

9. In the event of any litigation between the Parties hereto, the prevailing Party shall be entitled to an award of reasonable attorney's fees and court costs. To the furthest extent permitted by law, any such litigation shall be heard in the Truckee Branch of the Superior Court of California for the County of Nevada.

10. This Agreement is the result of the mutual negotiations between the Parties and this Agreement shall not be construed in favor of or against either party, regardless of the drafting Party.

11. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

TRUCKEE TAHOE AIRPORT DISTRICT, BY:

Dated: 1/21/2022

DocuSigned by:
Kathryn Rohlf
_____ EEE0547281434E5...
Kathryn Rohlf, Board President

Dated: 1/20/2022

DocuSigned by:
Kevin Smith
_____ 53C802FCA4BE411...
Kevin Smith, General Manager

APPROVED AS TO FORM

Dated: 1/21/2022

DocuSigned by:
Joshua Nelson
_____ 7D53B584EF904E2
Joshua Nelson, District Counsel, BBK Law

TAHOE CROSS COUNTRY SKI EDUCATION ASSOCIATION, BY:

Dated: 1/19/2022

DocuSigned by:
Ben Grasseschi
_____ 8B77F9AF9FE748E...
Ben Grasseschi, Executive Director TCCSEA

Print Name & Title

Ben Grasseschi

Executive Director

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