



MEMORANDUM
OFFICE OF THE
COUNTY EXECUTIVE OFFICER
COUNTY OF PLACER

To: Honorable Board of Supervisors

From: David Boesch, County Executive Officer
Submitted by: Jennifer Merchant, Principal Management Analyst

Date: August 26, 2014

Subject: North Lake Tahoe Resort Association Recommendation – Lake Forest Boat Ramp Rehabilitation Project; Off-Peak Marketing Campaigns

ACTION REQUESTED:

1. Approve a proposed North Lake Tahoe Resort Association infrastructure account expenditure for the design, permitting and construction phases of the Lake Forest Boat Ramp Project in an amount up to \$83,000, and Off-Peak Marketing Campaigns in an amount up to \$50,000, funded by the Lake Tahoe Tourism and Promotions Fund and at no new net county cost.

BACKGROUND:

Placer County has entered into an annual agreement with the North Lake Tahoe Resort Association (NLTRA) to provide transportation and infrastructure project development and tourism marketing and visitor information services. The agreement is funded with Transient Occupancy Tax dollars and requires Board of Supervisor approval prior to expenditure from the infrastructure portion of the agreement budget.

NLTRA's Infrastructure Committee and Board of Directors have voted to recommend that the County Executive Office carry forward the following projects for approval by your Board. In doing so, they affirm that the projects are consistent with NLTRA's Tourism and Community Investment Master Plan, which was approved by your Board in July 2004. Therefore, the following NLTRA infrastructure expenditures are being recommended by the County Executive Office for approval.

The recommended projects have the potential to lead to significant improvements to the tourism infrastructure at North Lake Tahoe. The projects recommended for funding are consistent with goals in NLTRA's Tourism & Community Investment Master Plan.

BRIEF PROJECT DESCRIPTION / FUNDING REQUEST:

Lake Forest Boat Ramp- Up to \$83,000

In October 2013 your Board approved an up to \$35,000 allocation toward design and permitting of a project to replace the existing Lake Forest Boat Ramp, which was constructed in 1963 and is currently facing structural deterioration. At that time the project total project cost was

\$800,000. However, after completing the bidding process, the total project cost is now \$250,000 over the engineer's estimate, at \$1,075,066, and the Tahoe City Public Utility District has continued to seek additional funding to complete the project this fall. The proposed \$83,000 in additional funding for the design and permitting will bring the TOT-funded share to \$118,000. TCPUD, which operates the facility, has committed \$151,000 and the California Wildlife Conservation Board, which owns the facility, will fund the 75 percent project balance of \$806,000. Ramp construction is likely to occur starting next month, and includes wider lanes to meet current standards, as well as dredging of the adjacent lake bottom to restore original design elevations. NLTRA's Board of Directors recommended that funding of the design and permitting be the only portion funded with local dollars. User surveys demonstrate that 81 percent of Lake Forest Boat Ramp users are from out of the area. The facility operates on a year-round basis and at an estimated 120,000 users annually, is one of the most heavily used public launching facilities in the area.

Off-Peak Marketing Campaigns- Up to \$50,000

During discussions related to the FY 2013-14 NLTRA contract and budget amendment, which disbursed \$1,450,372 in previous fiscal year fund balance to the NLTRA in exchange for an expanded scope of work, a future need for "off-peak season" marketing was identified. However, at the time, a specific scope of work had not yet been developed. It was agreed that funds would be held as unencumbered funds in the County Treasury until a scope of work was approved by the NLTRA Board, and subsequently brought before the Board of Supervisors for consideration, to be allocated out of the Infrastructure Fund, consistent with the process to fund other "projects" from that fund. NLTRA has since approved a scope of work for a summer campaign to promote live music events, as well as "off-peak" summer events in the mountain resort areas of Northstar and Squaw Valley. The "Peak Your Adventure" and "High Notes" campaigns strengthen existing marketing to visitors already in market. The campaigns include mobile website tags, calendars of events, in market media promotions and advertising, and social media contests. The strategies will be measured and reported following campaign closure in September.

FISCAL IMPACT:

The funding described above would come from TOT funds generated in the North Lake Tahoe area and currently held in the County Treasury for the purpose of capital project implementation in eastern Placer County. There are sufficient funds available within this fund to cover the amount of the requested expenditure approval.

ENVIRONMENTAL ANALYSIS:

The Board of Supervisors' approval of NLTRA's funding contribution to this infrastructure project is categorically exempt from CEQA per Section 15061, which provides a general rule that if an activity does not have the potential to cause a significant environmental effect, it is exempt from CEQA. The specific project will be evaluated under CEQA by the corresponding lead agencies.