

**MEMORANDUM**  
OFFICE OF THE  
COUNTY EXECUTIVE  
COUNTY OF PLACER

**TO:** Honorable Board of Supervisors

**FROM:** Thomas M. Miller, County Executive Officer  
Submitted by: Jennifer Merchant, Principal Management Analyst *JEM*

**DATE:** July 25, 2006

**SUBJECT:** Approve the North Lake Tahoe Resort Association's proposed expenditure of budgeted infrastructure funds for the Reno-Tahoe Airport Shuttle Service in the amount of \$185,000.

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**Action Requested**

Approve the North Lake Tahoe Resort Association's proposed expenditure of budgeted infrastructure funds for the Reno-Tahoe Airport Shuttle Service in the amount of \$185,000.

**Background**

In 1996 voters in Eastern Placer County approved a two percent increase in the Transient Occupancy Tax (TOT), which could fund focused infrastructure, transportation, visitor services and marketing improvements in that area. To administer these programs, Placer County has entered into an annual agreement with the North Lake Tahoe Resort Association. This agreement requires NLTRA to receive approval from the Board of Supervisors prior to expenditure from the infrastructure portion of the agreement budget.

The Resort Association's Infrastructure Committee and Board of Directors have determined that the following projects are consistent with the Resort Association's Tourism and Community Development Master Plan. This Plan was approved by your Board in July 2004. Therefore, the following NLTRA infrastructure expenditures are being recommended for approval.

**Brief Project Description / Funding Request:**

**Reno-Tahoe Airport Shuttle- \$ 185,000**

The recommended Infrastructure Fund expenditure will fund daily shuttle service between the Reno-Tahoe International Airport and communities in eastern

Placer County. The new service is proposed to commence in late October in preparation for the busy Thanksgiving, Christmas and New Year's holiday period. Airport transportation was identified as a "high priority" project in the Resort Association's Tourism and Community Investment Master Plan, approved by your Board in 2004. Conference and leisure travel bookings are frequently jeopardized due to the limited options for airport ground transportation. This results in a competitive disadvantage for our region when compared with other mountain destination resort communities in Utah, Colorado and even South Lake Tahoe.

The funding will provide two vehicles operating on two routes, from approximately 4 a.m. to 11 p.m. Fares are \$35 one way, \$60 round trip. Family/group fares will be \$75 one way, \$100 round trip, for up to five passengers. The routes will provide service from Reno to Truckee, Northstar and Kings Beach via SR 267 and Reno to Truckee, Olympic Valley and Tahoe City/West Shore via SR 89.

The Town of Truckee and private sector businesses will provide approximately \$25,000 for service provided to the train/bus depot. A third Washoe County route is anticipated to be fully funded with Washoe County and business sponsorships there. Connections to TART and local taxi providers are encouraged. This funding allocation is expected to be annual in nature. If approved today, it will in be included in the NLTRA's annual budget for transportation services in future years. Service benchmarks will be tracked by the service provider and reviewed regularly by the NLTRA and County Executive staff.

The service will be provided by contract with the Tahoe Transportation District Board of Directors, which is the lead agent for the project. There have been two responses by qualified contractors to an RFP distributed by the TTD in April. Contract award is expected next month. The service will be managed by the Truckee North Tahoe Transportation Management Association. The NLTRA's role is that of marketing support and operational oversight. Ridership and revenue forecasts show initial annual ridership of 10,000 increasing to 18,000 riders by year five. TOT subsidy requirements would decrease as ridership increases. Current subsidy estimates for year five are under \$100,000.

**Fiscal Impact:** The funding described above would come from the Resort Association's County Agreement FY 2006-2007 budget funds designated for infrastructure improvements. There are sufficient funds available within this budget category to cover the amount of the requested expenditure approval. While the service is expected to be provided in the future, benchmark

attainment will be assessed prior to approval through the NLTRA's annual contract and budget.

**Environmental Analysis:** The Board of Supervisor's approval of the NLTRA's expenditure funding contributions to these infrastructure projects 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 projects were and continue to be evaluated under CEQA by the corresponding lead agencies.

**Recommendation:** Approve NLTRA's expenditure of infrastructure funds for the Reno-Tahoe Airport Shuttle in the total amount of \$185,000. The recommended project represents the cooperation of multiple agencies and funding partners and the expenditure will result in significant improvements to the as-built environment at North Lake Tahoe. The project recommended for funding is consistent with goals in the Resort Association's Tourism & Community Investment Master Plan.

TM:RC:jam

