



**MEMORANDUM
COUNTY EXECUTIVE OFFICE
ADMINISTRATION**
County of Placer

TO: Honorable Board of Supervisors
FROM: Todd Leopold, County Executive Officer
By: Erin Casey, Principal Management Analyst
DATE: April 23, 2019
SUBJECT: Squaw Valley Ski Museum Proposed Contract Extension and Budget Revision

ACTION REQUESTED

Provide direction on a proposed extension and budget revision to the expired contract between Placer County and the Squaw Valley Ski Museum Foundation (SVSMF) to complete studies for an Environmental Questionnaire for the potential development of a Snow Sports museum on Placer County's Squaw Valley Park site.

BACKGROUND

The Squaw Valley Snow Sports museum is a proposed 16,000-square-foot facility with exhibit space, visitor information desk, library, and multipurpose room for use as a theater, meeting hall, and community gathering and event space. The proposed facility also includes a gift shop, bookstore and snack bar. Since 2008, your Board has allocated Transient Occupancy Tax (TOT) funds as recommended by the North Lake Tahoe Resort Association to SVSMF to fund project planning.

On October 23, 2017, your Board approved a contract with SVSMF to complete initial studies and submit a completed Environmental Questionnaire (EQ) to the County's Community Development Resources Agency (CDRA). That contract expired on June 30, 2018 before the work was completed. SVSMF submitted expenses for work completed prior to execution of this latest contract term and after the contract expired. The County processed payment for certain expenses but was unable to process payment for others because requested expenses were inconsistent with the contract's budget allocation or were incurred outside the contract term. SVSMF is requesting a revision to extend the contract's term and budget categories to facilitate payment for services rendered prior or subsequent to the contract term. Staff is seeking direction from your Board on the proposed contract extension and budget revision request. This memorandum outlines potential options for your Board's consideration.

ISSUES

The original contract budget allocated TOT to engineering and architectural consulting, public outreach and museum exhibit consulting. SVSMF proposed to fund traffic and parking studies, administrative and legal fees and fundraising support with its own sources as match to the County's contribution. The budget was developed by SVSMF, submitted to the County, and was included in the final agreement approved by your Board in October 2017.

In March 2018, staff received check stubs and statements from consulting firms listing charges to SVSMF for work completed from 2016 to 2018. Staff worked with SVSMF and vendors to obtain invoices associated with these documents, as required in the contract and County policies, before processing payment. In October 2018, following receipt by County staff of additional outstanding invoices directly from vendors, the County processed the first and only payment on the contract in the amount of \$51,326. The remaining balance on the expired

contract is \$73,673.93. Several requested expenses were not processed for payment as identified above.

SVSMF submitted a proposal to County staff that includes a revised budget and extended contract term to facilitate payment of expenses incurred before the contract was originally approved by your Board and for line items not included in the original contract. Following review with County Counsel, staff cannot support payment for SVSMF expenses incurred prior to the original contract taking effect on October 23, 2017.

Staff is seeking direction from your Board and has included two options for your consideration.

Option 1: Direct staff to amend the contract term with County Counsel concurrence and process payment for services consistent with the original budget and contract only. The contract balance would be applied to completing studies to support completion of the EQ. Staff will work with SVSMF to develop a revised budget and scope of work to facilitate completion of the EQ with these funds. Should your Board direct staff to prepare a contract extension, the revised contract will be brought back at a future meeting for your Board's consideration.

County staff met with United States Forest Service (Forest Service) and SVSMF representatives on February 22, 2019 regarding interpretation and application of the federal government's deed restriction on the proposed Squaw Valley Park site. The Forest Service was noncommittal regarding the deed restriction with respect to the proposed museum project at the park. SVSMF representatives have stated that Squaw Valley Park is their preferred site and the only site they will consider. Should your Board direct staff to pursue this option, funds will support studies on a site that may or may not be able to be used for the proposed project, depending on ultimate resolution of the deed restriction issue.

Option 2: Take no action at this time.

ENVIRONMENTAL IMPACT

The Board of Supervisors' direction regarding a potential funding contribution 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 project applicants are responsible for undertaking environmental review of this project per CEQA.

FISCAL IMPACT

Staff is seeking board direction only. If your Board directs staff to return with a contract, additional funds will be included in the request at that time.