

3.2.3 Local Responses

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L1

COUNTY OF NEVADA
STATE OF CALIFORNIA
BOARD OF SUPERVISORS



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June 10, 2015

Maywan Krach, Community Development Technician
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RE: Comments on the Draft EIR for the Village at Squaw Valley Specific Plan

Thank you for the opportunity to comment on the draft CEQA document prepared for the Village at Squaw Valley Specific Plan. Please note that Nevada County has not taken a position on the development program proposed by the VSVSP. The comments provided herein are intended, in the spirit of collegiality, to inform Placer County of three issues that are of concern for residents, businesses, and property owners of eastern Nevada County. Suggestions for your consideration are provided where appropriate.

L1-1

Employee Housing

Placer County has adopted a laudable General Plan policy that requires new development in the Sierra Nevada and Lake Tahoe areas “to house 50 percent of the full-time equivalent employees (FTEE) generated by the development” (*Placer County General Plan Policy C-2*). This is an important first step in meeting the housing demand that will be created by the VSVSP’s commercial land uses. Specifically, the DEIR states “the project is expected to generate an additional 574 FTE employees annually” (page 5-11), with the VSVSP thus required to provide housing for 50 percent of these FTEEs, which equals 287 employees (page 5-12).

L1-2

A concern for eastern Nevada County, however, is that by focusing on full-time equivalent employees, the DEIR may underestimate—perhaps dramatically underestimate—the amount of employee housing actually needed for new workers at the Village. Employment at tourism-related businesses is often only part-time; two waiters, for example, working half-time across the course of a year at a Squaw Valley restaurant, would equal only one FTEE, yet both workers need housing. Indeed, the transportation section of the DEIR estimates the project’s workforce will total 751 employees (page 9-34), which is 31 percent higher than the 574 FTEE estimate noted in the paragraph above. Given County policy would require the Village to create housing (i.e., beds) for only 287 employees, the remainder, 464 employees, would have to seek housing elsewhere, and do so in a market that is focused toward building high-end vacation homes rather than housing affordable to service workers, and in which existing dwelling units are being converted to short-term vacation rentals, and thus removed from the long-term rental market, to capitalize on VRBO and AirBnB revenue streams.

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In fact, 464 employees needing housing might be an underestimate, as the DEIR states that “during peak winter conditions, up to 550 project-related employees may be expected to work in the Village and reside outside of Olympic Valley” (page 9-65). If this is probable, and assuming the phenomenon common in Truckee of service employees renting a house and filling it to capacity, those 550 employees would require at least 92 single-family homes of three bedrooms with two beds each—or 138 two-bedroom units, or 225 one-bedroom units, or some mix between 92 and 550.

L1-2
cont.

In sum, it would be useful for the EIR to realistically evaluate how the project-related workforce will be adequately and affordably housed. Having hundreds of service-wage employees compete for affordable housing in a supply-constrained region would seem a situation that will lead only to heartbreak.

Transportation and Circulation

In 2007, Placer County and the Town of Truckee signed a regional traffic impact fee agreement that recognized development in either jurisdiction would lead to additional traffic in the other, and that each jurisdiction would therefore collect traffic impact fees to mitigate its effect on circulation in the other jurisdiction. As it turned out, the “development funding responsibility” for Placer County and the Town of Truckee were roughly equivalent, so there was no need for an exchange of impact fee revenue (see the Town of Truckee staff report, “Regional traffic impact fee agreement,” dated April 5, 2007). The import of this agreement, however, was that Placer County recognized its decisions could have impacts on a neighboring jurisdiction and that it was reasonable for the County to pay to mitigate these impacts, when significant.

It is unlikely that the proposed Village at Squaw Valley project will significantly impair circulation on roadways under the jurisdiction of Nevada County. The project, however, will affect circulation in the community of Truckee, an incorporated municipality within Nevada County. The significance of these impacts is mostly unknown, because the DEIR limited its analysis relative to the Town to five intersections and one road segment along State Route 89 and one road segment on West River Street.

L1-3

With regard to those five intersections and two road segments, the DEIR found that the proposed VSVSP project “would cause significant degradations under cumulative plus project conditions” at three intersections, the SR 89/I-80 west-bound ramp, the SR 89/I-80 east-bound ramp, and SR 89 at Donner Pass Road (page 18-24). The DEIR also found “the proposed project would cause cumulatively considerable degradations in operations” on SR 89 between Deerfield Drive and West River Street (page 18-27). According to the DEIR, these impacts, despite being significant, cannot be mitigated (pages 18-24 and 18-29).

Placer County might want to recognize, however, that contrary to the DEIR’s assertions, at least two of these significant impacts of the VSVSP can be partially and perhaps even entirely mitigated. The Town of Truckee has been collecting, for a number of years, AB1600 traffic impact fees to improve the intersection at SR 89 and Donner Pass Road and to also increase the capacity of the segment of SR 89 between Deerfield Drive and West River Street (the “Mousehole” project).

At the very least, it would be reasonable for the proposed project to contribute its fair share toward the SR 89 intersection and roadway costs that have been and are still being borne by new development within Truckee. Similarly, it would be reasonable for the County to more fully examine the regional

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circulation implications of the Village at Squaw Valley Specific Plan (including updating LSC’s 2005 *Placer County/Truckee Joint Traffic Impact Fee Study*) and determine whether additional project-related mitigations outside of Placer County are necessary.

L1-3
cont.

Water Quality, Water Quantity, and Fisheries

The Truckee River serves as an important recreational sport-fishing amenity for Placer County, Nevada County, the Town of Truckee, Sierra County, and jurisdictions to the east, in the state of Nevada. The river also holds Lahontan cutthroat trout, a federally listed threatened species that the U.S. Department of Fish and Wildlife is trying to restore within the Truckee River watershed. Project-related degradation of water quality and, perhaps more critically, loss of trout habitat from project-related sedimentation and water drawdowns, are issues that can affect visitor-related economic activity and the quality of life of people who live here or own second homes in the area.

L1-4

Although the VSVSP DEIR discusses the project’s potential negative impact to Squaw Creek’s aquatic habitat and trout, it largely ignores the Truckee River, to which Squaw Creek is a notable tributary. Placer County should consider having the CEQA document examine the project’s potential sediment impacts to the Truckee, and also discuss the potential effects, during common dry periods as well as periods of more extreme drought, that ground-water pumping in Squaw Valley might have on the river’s flows, on the ability of the river to sustain a wild-trout fishery downstream of the creek’s confluence, and on the ecological health of the river.

In addition, to ensure the effectiveness of its water-quality and aquatic-habitat-protection BMPs, Placer County should consider a mitigation that establishes a long-term monitoring program to evaluate whether these BMPs are performing adequately and truly protecting Squaw Creek, the Truckee River, and the trout populations and aquatic environment of both waterways. At a minimum, during storm events and spring snowmelt, grab samples at Squaw Valley drainage outflows could help determine whether sediment-control BMPs are indeed halting the ingress of sediment into Squaw Creek. The long-term monitoring of benthic macroinvertebrates within Squaw Creek might also have value for examining the effectiveness of project BMPs as well as overall stream health.

L1-5

Whatever the merits of the proposed Village at Squaw Valley Specific Plan, it has troubling implications for housing, transportation, and the environment that extend beyond the boundary of Placer County. Thank you for any consideration you might give toward resolving these concerns.

L1-6

Cordially,



Richard Anderson
Supervisor, District 5
Nevada County

L1

County of Nevada, Board of Supervisors
Richard Anderson, Supervisor, District 5
June 10, 2015

L1-1

The comment is an introductory statement and does not address the content, analysis, or conclusions in the DEIR. Placer County appreciates Nevada County's comments and understands that they are not intended to imply that Nevada County has taken a position on the development project. Any additional response is unnecessary.

L1-2

The commenter expresses a concern about whether or not the EIR "realistically evaluate[d] how the project-related workforce will be adequately and affordably housed." In particular, the comment notes that there may be 464 to 550 project-related employees who will work in the Village and live elsewhere. This response to comment addresses two separate issues: (a) Placer County's compliance with its Policy C-2 to "mitigate potential impacts to employee housing by housing 50 percent of the full-time equivalent employees" (see page 5-7 of the DEIR); and (b) the adequacy of CEQA analysis of secondary impacts related to employees who must travel to work from housing locations outside of the project.

Regarding the first issue, the comment correctly explains that the project includes construction of onsite employee housing units for only a portion of the full time-equivalent (FTE) employees, which is consistent with County policy as explained below (see page 5-7 of the DEIR). Please note that the total number of employees is higher than the FTE number of employees because some of the employees work part-time (see page 9-34 of the DEIR); but County Policy C-2 uses the FTE number of employees, not the total number of employees.

The DEIR explains that the project is expected to generate an additional 574 new FTE employees (page 5-12). The DEIR also acknowledges that, for some areas of impact analysis, the number of employees should be quantified as a total of 751 new employees during the peak winter season (page 9-34). For the purposes of discussing whether or not the project complies with County Policy C-2, only the 574 FTE employee figure is relevant.

Therefore, County Policy C-2 requires the project to provide housing for 287 employees, which is 50 percent of the 574 new FTE employees. But, this 287 employees figure must be adjusted because the project involves removal of existing employee housing facilities that must be replaced (See page 5-13 of the DEIR). In particular, the project includes removal of existing structures in the main Village area (Courtside and Hostel) that provide employee housing for up to 99 staff. With the removal of these existing employee housing facilities, the project would need to provide housing for a total of 386 employees (287+99) to meet Placer County Policy C-2 and to replace all lost existing capacity.

As described on page 5-13 of the DEIR, the project would provide housing for between 252 and 300 employees, "with the range based on how many couples shared the planned studio units." The DEIR proposes Mitigation Measure 5-3 (Develop VSVSP Employee/Workforce Housing Plan) to mitigate the potentially significant impact that results from the project providing less than 386 onsite employee housing units.

The project would construct a net increase in new housing units for up to 201 new employees (equivalent to 35 percent of FTE), based on FTE status. Other FTE employees not directly housed in project-constructed employee housing would either be accommodated by payment of in-lieu fees, which would provide housing, in the existing housing stock in the region (i.e., providing rent subsidies to make a larger proportion of existing housing stock available to

employees), or by constructing new housing elsewhere or dedication of land needed for housing.

As stated on page 18-60 of the DEIR:

The project also includes construction of employee housing on the East Parcel to accommodate a maximum of 300 employees. Most of these rooms will be in dormitory-style housing, with some studio units. While the employee housing population would be less transient, overall, than the Village housing population, the nature of the housing suggests demands for goods and services would follow what is typical for a transient population versus a permanent residential population, because the employment would be mostly seasonal. On-site amenities, such as the proposed convenience store, are anticipated to serve the employee population by providing access to necessities and limiting the need to frequent off-site retailers.

In relevant part, Mitigation Measure 5-3 requires the applicant to develop an employee housing plan that satisfies the following performance standard: "Provision of sufficient housing opportunities to accommodate a minimum of half of new FTEs generated by project operation will be assured through a combination of one or more of the following: [i] development of new on-site employee/workforce housing; [ii] development/renovation of off-site employee/workforce housing; [iii] dedication of sufficient land for needed units; and/or [iv] payment of an in-lieu fee." (See page 5-13 of the DEIR.) These options are taken directly from the language of County Policy C-2, which states in relevant part: "Employee housing shall be provided for in one of the following ways: [i] Construction of on-site employee housing; [ii] Construction of off-site employee housing; [iii] Dedication of land for needed units; and/or [iv] Payment of an in-lieu fee." (See page 5-7 of the DEIR.) Therefore, with the implementation of Mitigation Measure 5-3, the County ensures that the project will comply with Policy C-2 and mitigate the impacts from displacement of existing employee housing (Impact 5-3).

With respect to the second issue of how the EIR takes into account secondary impacts related to employees who must travel to work from housing locations outside of the project, as explained below, the DEIR's trip generation calculations accounted for the travel of both existing and new employees to the project site from various housing locations. Using these trip generation figures, the DEIR properly analyzed potential secondary impacts related to traffic, air quality, and transportation related noise.

The DEIR's trip generation calculations are based, in part, on a survey of both winter and summer employees that collected information about employee housing locations, travel modes, work hours, vehicle occupancy, and other factors (see pages 9-17 and 9-37 of the DEIR). Table 9-18 estimates that 751 employees (462 condo employees + 245 restaurant & retail employees + 44 MAC employees) would generate 542 of the 2,821 total daily external trips generated by the project under peak winter conditions (DEIR page 9-38; see also page 9-43 [Table 9-19 providing the estimated external trips generated under peak summer conditions]). This figure is higher than the estimated 574 FTE employees discussed above because, as the commenter notes, some employees are part-time staff (See page of the 9-34 Of the DEIR). Table 9-13 reports that 82 percent of employees travel to work by auto, while 8 percent take public transportation (TART) during the winter season (DEIR page 9-19; see also page 9-20 [Table 9-14 providing same information for summer season]). Table 9-13 also reports that 49 percent of employees are based in Tahoe North Shore, 20 percent in Truckee/Northstar, 12 percent in Squaw Valley, and 7 percent in Reno/Sparks (DEIR page 9-19.) It is likely that employees of the project, except those housed at the East Parcel, would not display a different dispersal pattern based on available housing, and the DEIR evaluates this. Thus, the DEIR properly analyzed potential secondary traffic impacts related to employees who

must travel to work from housing locations outside of the project, using the total number of employees instead of the FTE employee figure.

The trip generation figures in the Transportation and Circulation section (Chapter 9) were also used in the analysis of air quality and noise impacts (See DEIR page 10-15 [air quality impacts analysis was based on the estimated “2,821 trips per day” generated by the project during the peak winter season, which includes the 542 trips generated by employees]; page 11-31 [traffic noise impacts analysis was based on the modeling of “peak traffic conditions” described in Chapter 9, including employee trips]). Therefore, the secondary air quality and noise impacts related to employees who must travel to work from housing locations outside of the project were also properly analyzed using the total number of employees instead of the FTE employee figure.

Placer County appreciates the important points raised by Nevada County with respect to employee housing, housing costs, and the resultant dilemma associated with where employees would live.

Under CEQA, the availability of affordable housing is a social issue. Generally, social issues are not considered environmental impacts as defined in Section 15131 of the CEQA Guidelines. But the EIR here acknowledges that, to the extent that employees would commute to their housing locations, the lack of affordable housing near the project may result in secondary impacts related to traffic, air quality, and transportation-related noise. These secondary impacts have been addressed in the DEIR, as discussed above (See, e.g., DEIR page 9-35.)

Housing prices in the region are relatively high and transient tourist-related employment does not typically provide sufficient wages or reliable year-round employment at a scale that would generate demand to construct new housing. Affordable housing projects are, themselves, infrequently constructed because of several factors. For example, development costs (building costs, infrastructure, development fees) and land costs are relatively high in Lake Tahoe and the greater Lake Tahoe area, including surrounding communities such as Truckee. This combination of factors contributes to economic challenges of constructing dwelling units that are affordable but provide sufficient investment return to warrant the risk to a developer. In addition, affordable housing projects can be difficult to entitle. Members of the public typically agree on the need for affordable housing, but when it is proposed “next door,” these projects are frequently legally challenged (typically, using CEQA) by neighbors who fear the housing project will erode property values or will introduce an unsavory element to the neighborhood.

As indicated in DEIR Table 18-2, there are other projects planned or underway that would also contribute to the housing stock likely to be accessible to area employees. For example, the Coldstream Specific Plan includes planned affordable housing units, the Joerger Ranch Specific Plan includes apartment uses, and the Truckee Railyard Master Plan includes “mixed housing.”

Placer County recognizes that the potential undersupply of affordable housing units creates housing challenges for seasonal and low-wage employees. The County has responded to this challenge with the requirement that projects such as the VSVSP provide housing for half their employees (FTE), which the County believes provides a balance between project costs and this important issue. As explained above, with the implementation of Mitigation Measure 5-3, the County ensures that the project here will comply with Policy C-2. However, the County also recognizes that compliance with Policy C-2 by development projects in the County will not by itself completely solve this social challenge, and that employees will still need to commute, share accommodations, etc., as it is not economic to require development of all housing units needed for a project, especially in markets where employment and housing

demand fluctuate seasonally. With this as a backdrop, the Placer County Planning Commission and Board of Supervisors will consider this issue during project deliberations.

L1-3 See responses to comment letter L6 regarding potential traffic impacts in the Town of Truckee and the potential to mitigate these impacts with available traffic impact fee programs.

The comment suggests that additional intersections and roadways within Truckee should have been analyzed. The facilities studied within Truckee were along the major routes most likely to be used by project trips. Data from overnight visitor surveys indicated that most overnight winter visitors came from regional locations that required travel on SR 89 and I-80. In fact, the Town of Truckee comment letter made no reference to needing to expand the study area within its jurisdiction. Therefore, the study area is considered appropriate.

It is noted that the Placer County/Truckee Joint Traffic Impact Fee Study (LSC 2005) concluded that the impacts of new development in each jurisdiction would have comparable overall levels of impacts in the other jurisdiction. Those projections included comparable levels of development within the Squaw Valley General Plan area when compared to the proposed project. Because the cross jurisdictional impacts/costs essentially offset one another, the two agencies entered an agreement that each agency would retain the traffic fees paid within its jurisdiction because each jurisdiction's corollary traffic impacts on the other, and associated costs for infrastructure improvements, would be comparable and would render the fee exchange moot. This agreement, the general Traffic Impact Fee (TIF) program, and Joint Traffic Impact Fee Study are addressed in more detail in response to comment L6-2.

Also, see response to comment L6-3 regarding comments from and improvements to roadways in the Town of Truckee.

L1-4 The issue of potential project effects on flow volumes in the Truckee River is addressed in the portion of the water supply Master Response addressing effects on the Truckee River. Regarding effects on water quality, and in particular sediment, see the discussion of Impact 13-7 beginning on page 13-76 of the DEIR. As stated on page 13-79 related to the main Village area;

Water quality modeling of the combined effect of the project hydrology and proposed stormwater system by Balance Hydrologics (2013) indicate that the project will have no negative impact on water quality for Squaw Creek flows entering the meadow and on loadings of TSS, nitrates, and phosphorus (compare Tables 13-7 and Table 13-15) delivered by Squaw Creek to the meadow. The model primarily reflects the benefits of improved flow management, and did not reflect the additional treatment benefits of water quality features or the stream restoration and floodplain enhancement. Considering these other factors, the actual impact on Squaw Creek water quality would likely be positive.

Therefore, if the main Village area will not have adverse effects on water quality in Squaw Creek, and may ultimately have beneficial effects, this portion of the project would not have adverse effects on water quality in the Truckee River, more than 1.75 miles downstream from the main Village area.

For the East Parcel, the DEIR states on page 13-79 that "In the proposed condition, parking lot runoff will be captured and treated by hydrodynamic separators, sedimentation trap storm drain inlets, and a storm filter before discharging into Squaw Creek." Consequently, water quality effects from runoff from impervious surfaces are considered less than significant. Runoff from snow storage sites on the East Parcel is identified as having a potentially

significant impact, which is reduced to a less than significant level with implementation of Mitigation Measure 13-7. With an overall less than significant water quality effect on Squaw Creek from the East Parcel, runoff from this facility would also have a less than significant effect on the Truckee River, which is approximately 0.5 mile downstream from the East Parcel site.

Note that as described on page 13-33 of the DEIR, Squaw Creek is listed as impaired by the Lahontan RWQCB because of sediment. There are total maximum daily load (TMDL) limitations that provide stringent standards for sediment discharges. Stormwater discharges from the VSVSP must meet these stringent standards to reach the less than significant impact conclusion in the DEIR. These high water quality thresholds for discharges to Squaw Creek further limit the potential for discharges to the creek to adversely affect the Truckee River downstream.

- L1-5 As identified in the Balance Hydrologics report cited in the DEIR (Balance Hydrologics 2013), Squaw Valley Ski Corporation recently conducted water quality monitoring of existing facilities (e.g., monitoring of stormwater discharges). This monitoring would continue for new facilities included in the proposed project. Water quality monitoring is also conducted in Squaw Creek in support of the 303(d) listing of Squaw Creek for sediment and the TMDL, including monitoring of aquatic life and ecological conditions. Placer County also has water quality monitoring obligations through the NPDES municipal stormwater permit. The commenter suggests including additional monitoring requirements via a mitigation measure in the EIR. However, this would overlap with the existing monitoring efforts and not would provide additional protections to water quality. Additional monitoring is also not required to maintain the less-than-significant impact conclusion for Impact 13-7.
- L1-6 The comment provides a summary of detailed comments provided above. See responses to the detailed comments above.

L2



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Thomas J. Christofk, Air Pollution Control Officer

July 17, 2015

Maywan Krach, Environmental Coordination Services
Community Development Resource Agency
3091 County Center Drive, Suite 190
Auburn, CA 95603
SENT VIA: mkrach@placer.ca.gov

SUBJECT: Village at Squaw Valley Specific Plan (PSPA2011-0385), Draft Environmental Impact Report

Dear Ms. Krach,

Thank you for submitting the Village at Squaw Valley Specific Plan (Project) and associated Draft Environmental Impact Report (DEIR) to the Placer County Air Pollution Control District (District) for comment. Our comments are provided as follows.

Construction Impacts

- 1. The DEIR concludes that air quality impacts related to construction are significant and unavoidable. Page 10-20 of the DEIR lists the proposed mitigation measures associated with construction impacts. In addition to these measures, the District recommends adding within the mitigation measure the submittal of a Dust Control Plan as follows:

Prior to approval of Grading or Improvement Plans, (whichever occurs first), for each phase/individual tentative map associated with the project, the applicant shall submit a Construction Emission / Dust Control Plan to the Placer County Air Pollution Control District. The applicant shall not break ground prior to receiving District approval, of the Construction Emission / Dust Control Plan, and delivering that approval to the local jurisdiction issuing the permit.

L2-1

Cumulative Impacts

- 1. On Page 18-31, the DEIR concludes that the Project's cumulative impacts will be reduced to a less-than-significant level with the implementation of Mitigation Measure (MM) 10-2:

Prior to recordation of each Small Lot Final Map, the project applicant shall prepare, to the satisfaction of Placer County Planning Services Division and PCAPCD, a chart or table with supporting analysis, which demonstrates that construction and operation of the proposed phase, combined with emissions from all past approved phases, will not result in ROG or NOx emissions in excess of 82 lbs/day.

L2-2

As stated within the District's comment letter for the NOP (2012), the District applies 10 lbs per day standard as the recommended threshold for mitigating the project's cumulative impacts resulting from its ROG and NOx emissions. The District does not recommend tiering from MM10-2 for determining the level of mitigation for the Project, as this measure does not mitigate project-level emissions associated with the full buildout of the Project.

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Furthermore, the DEIR states that the Project is located in an Ozone nonattainment area for the State Standard, and in order to improve air quality and attain the health-based standards, reductions in emissions are necessary within nonattainment areas. The District recommends the County consider all developed mitigation programs and plans, such as the triennial plan and Health and Safety code, when determining the level at which a project shall mitigate its cumulative impacts. The District does not recommend relying on the State Implementation Plan (SIP), as the SIP has been prepared for meeting the federal/national standards only, not to address the State Standards which are more restrictive, nor the State's Health and Safety Code requirements which have established the use 10 lbs/day as the threshold for determining when additional mitigation is needed. The District's recommended Cumulative Thresholds of 10 lbs/day for criteria pollutant emissions (ROG and NOx) are not established for the purposes of significance determination, rather it stipulates a level at which projects should mitigate its "cumulative" emissions, which is consistent with the methodology used by the State's Health and Safety Code. The District therefore recommends the County incorporate additional mitigation necessary to reduce the Project's cumulative emissions in excess of 10 lbs/day.

L2-2
 cont.

In order to calculate the fee, the District utilizes the cost-effectiveness factor updated by the latest CARB Carl Moyer Program Guideline. Cost-effectiveness is a measure of the dollars provided for each ton of covered emission reductions; CARB may adjust it to reflect emission reduction market conditions. The current rate for the District's off-site mitigation fee calculation is \$18,030 per ton of ozone precursor emissions (ROG or NOx), effective July 1, 2015.

L2-3

According to the DEIR, Table 10-5 on pages 10-15 and 10-16, the total operational emissions at full buildout, for one ozone season, are estimated at 182 lbs/day for ROG and 82.7 lbs/day for NOx, an exceedance of 22 tons per year of ROG and NOx. Based on the current Carl Moyer Fee Guidelines, the offset mitigation fee is calculated at \$398,205. The District recommends the implementation of the mitigation measure to occur prior to final map issuance for each phase of the Project.

Thank you for allowing the District this opportunity to review the DEIR. Please do not hesitate to contact me at 530.745.2333 or agreen@placer.ca.gov if there are any questions regarding this communication.

Sincerely,



Angel Green
 Associate Planner
 Planning & Monitoring Section

cc: Yu-Shuo Chang, Planning & Monitoring Section Supervisor
 Tom Thompson, Planning Consultant

Placer County, Village at Squaw Valley Specific Plan

L2

Placer County Air Pollution Control District
 Angel Green, Associate Planner, Planning & Monitoring Section
 July 17, 2015

L2-1

The Placer County Air Pollution Control District (PCAPD) states, “the DEIR concludes that air quality impacts related to construction are significant and unavoidable.” This is incorrect. Construction-generated emissions of respirable particulate matter with an aerodynamic diameter of 10 micrometers or less (PM₁₀) and fine particulate matter with an aerodynamic diameter of 2.5 micrometers or less (PM_{2.5}), including fugitive particulate matter dust, are discussed under Impact 10-1 beginning on page 10-14 of the DEIR. The analysis estimated maximum daily emissions of PM₁₀ and PM_{2.5} (as well as other criteria air pollutants and precursors) and, because total maximum daily emissions of PM₁₀ and PM_{2.5} were less than PCAPCD’s thresholds of significance, the analysis concluded that construction-generated emissions would not violate or substantially contribute to a violation of the ambient air quality standards for PM₁₀ and PM_{2.5} and, therefore, that this impact would be less than significant.

PCAPCD also notes that Mitigation Measure 10-2 includes some measures that address construction emissions. This is because some phases of construction would occur while other portions of the plan area are operational. As a result of this comment, the following is added to Mitigation Measure 10-2 after the second bullet under “Construction Measures” on page 10-20:

- ▲ Prior to approval of Grading or Improvement Plans, whichever occurs first, the applicant shall submit a Construction Emission/Dust Control Plan to PCAPCD. The applicant shall deliver approval from the PCAPCD to the Placer County Planning Services Division.

L2-2

As stated in the comment letter PCAPCD submitted in response to the Notice of Preparation, PCAPCD recommends that the standard of 10 pounds per day (lbs/day) be used for mitigating the project’s cumulative impacts of its emissions of ozone precursors, reactive organic gases (ROG) and oxides of nitrogen (NO_x).

In order to address this comment, changes are made to three parts of the DEIR including the air quality thresholds presented under Section 10.3.1, “Significance Criteria”; Mitigation Measure 10-2 in Chapter 10, “Air Quality”; and to the analysis of cumulative emissions of ozone precursors under Impact 18-26 in Chapter 18, “Other CEQA Sections.”

The following amendments are made to the bulleted items in Section 10.3.1, “Significance Criteria” on page 10-11 of the DEIR:

As stated in Appendix G of the State CEQA Guidelines, the significance criteria established by the applicable air district may be relied on to make the above determinations. Thus, as identified by PCAPCD, an air quality impact also is considered significant if implementation of the proposed project would result in:

- ▲ a net increase in short-term construction-related or long-term operation-related (regional) emissions of ROG, NO_x, or PM₁₀ that exceed the project-level threshold of 82 pounds per day (lbs/day) (PCAPCD 2012:2-2). The thresholds of 82 lbs/day are based on the limit of 15 tons per year that is mandated for permitting of individual stationary sources of emissions (e.g., factories, industrial facilities, gasoline stations) by the New Source Review program (PCAPCD Rule 502). One

objective of the New Source Review program is to ensure that air quality is not significantly degraded from the addition of new and modified industrial sources (PCAPCD 2012:2-2 and 2-3). ~~Therefore, Placer County considers the thresholds of 82 lbs/day to represent the allowable incremental contribution of a land use development project while still progressing toward overall attainment within Placer County; and/or~~

- ▲ a net increase in long-term operation-related (regional) emissions of ROG or NO_x that exceed the cumulative threshold of 10 pounds per day (lbs/day) (PCAPCD 2012:2-3). PCAPCD established this cumulative threshold based on the requirement of Rule 502 (“New Source Review”) that any stationary source that emits more than 10 lbs per day of ROG and NO_x must employ best available control technology (PCAPCD 2012:2-3 and 2-4). Therefore, Placer County considers the threshold of 10 lbs/day to represent the acceptable incremental contribution of a land use development project while still progressing toward overall attainment within Placer County; and/or
- ▲ exposure of sensitive receptors to TAC emissions that would exceed 10 in 1 million for the carcinogenic risk (i.e., the risk of contracting cancer) or a noncarcinogenic Hazard Index of 1 for the maximally exposed individual (PCAPCD 2012:E-3).

The following changes are made to Mitigation Measure 10-2 on page 10-17 of the DEIR:

Mitigation Measure 10-2: Implement an ongoing ROG and NO_x emissions review and reduction program.

This measure is designed to reduce the project’s operational emissions of ROG or NO_x to less than PCAPCD’s project-level threshold of 82 lbs/day and to less than PCAPCD’s cumulative threshold of 10 lbs/day.

Mitigation measures for reducing operational emissions of ozone precursors were developed using PCAPCD guidance (PCAPCD 2012:C-1 through C-2) and mitigation guidance published by the California Air Pollution Control Officers Association (CAPCOA 2010) and the California Attorney General’s Office (2010). The Lake Tahoe Sustainability Collaborative’s *Sustainability Action Plan* was also reviewed for mitigation options as it includes multiple emission reduction measures that are well-suited to the climate and development patterns in the Sierra Nevada (Lake Tahoe Sustainability Collaborative 2013:4-1 through 4-37).

Prior to recordation of each Small Lot Final Map, the project applicant shall prepare, to the satisfaction of Placer County Planning Services Division and PCAPCD, a chart or table with supporting analysis, which demonstrates that construction and operation of the proposed phase, combined with emissions from all past approved phases, will not result in ROG or NO_x emissions in excess of ~~82~~10 lbs/day. Compliance with this threshold may be achieved through project design and/or other “on-site” measures, which may include any of the project-level reduction measures listed below. Alternatively, the project applicant may demonstrate compliance with this mitigation measure, partially or wholly, through off-site measures (i.e., emission reductions not directly associated with the proposed project but funded/implemented by the applicant, such as reducing emissions associated with ski operations) and/or purchase of offset credits identified below.

Placer County Planning Services Division shall maintain a file for the charts to provide future applicants with the historical emissions record and approved tracking methodology.

The project applicant shall be responsible for the funding and implementation of all identified reduction measures. The ROG and NO_x reduction benefits achieved by all measures must occur during the ozone season (May through October). The method used to quantify the reduction or offset amount achieved by each measure must be approved by the County and PCAPCD.

Subsequent to the implementation of all selected reduction measures, the project applicant shall evaluate and report the effectiveness of the measures annually to the County and PCAPCD to verify that the suite of measures result in the combined reduction in ROG and NO_x that was expected. This annual reporting shall be completed and submitted to the County and PCAPCD within 30 days of the end of each ozone season. If it is determined that the effectiveness of reduction measures has been overestimated, then additional reduction measures must be implemented. Similarly, if it can be verified that reduction measures achieve better than anticipated results, or previous emission estimates were above actual emission levels, the overall emission reduction approach can be adjusted accordingly.

Types of reduction and offset measures implemented by the project applicant may include, but are not limited to, the measures listed below, so long as the combination of selected measures results in calculated emissions below the target threshold. Note that not all of these measures need to be implemented; rather, the project applicant will be required to implement a combination of those measures needed to reduce ROG and NO_x emissions below the ~~82-10~~ 10 lbs/day threshold:

The analysis of cumulative ozone precursor emissions is amended as follows, starting on page 18-30 of the DEIR:

Impact 18-26: Cumulative emissions of ozone precursors.

The nonattainment designation of Placer County with respect to ozone is the result of the emissions of ozone precursors, reactive organic gasses (ROG), and oxides of nitrogen (NO_x), generated by cumulative development projects in the region, as well as from transport of these same pollutants from outside the region. When all sources of ROG and NO_x throughout the region are combined they can result in a severe ozone problem, as expressed by the nonattainment status with respect to the California Ambient Air Quality Standards (CAAQS) and/or National Ambient Air Quality Standards (NAAQS) for ozone, which is considered to be a significant cumulative impact.

~~In its CEQA Air Quality Handbook, which has not been formally adopted by its Board of Directors, the Placer County Air Pollution Control District (PCAPCD) offers mixed guidance about how to determine whether an individual project's emissions of ozone precursors are cumulatively significant. On the one hand, PCAPCD recommends the use of 10 pounds per day (lb/day) as the cumulative level at which a project should mitigate for operational emissions of ROG and NO_x (PCAPCD 2012:2-3). PCAPCD's recommendation to use 10 lb/day is based on its New Source Review rule (Rule 502) that applies to stationary sources and requires Best Available Control Technology (BACT) to be implemented on any stationary source that emits more than 10 lb/day of ROG and NO_x (PCAPCD 2012:2-3 and 2-4). On this basis, PCAPCD recommends that any project that emits more than 10 lb/day should implement mitigation measures to reduce cumulative impacts (PCAPCD 2012:2-4). On the other hand, also~~

in its CEQA guide, PCAPCD states that it does not recommend the use of this cumulative threshold to determine the need for an EIR. Rather, this threshold is used by [PCAPCD] to recommend mitigation measures to offset the project's cumulative air quality impacts. Local governments acting as lead agencies have the responsibility to determine the type of environmental document that should be prepared and should determine when a project's impacts, even after complying with the [PCAPCD's] offsite and/or fee programs, are potentially significant as defined under CEQA. (PCAPCD 2012:2-4). PCAPCD provides no guidance about what level of mitigation is sufficient for a land use development project that exceeds 10 lb/day or whether a project that reduces its emissions to less than 82 lbs/day would result in a cumulatively considerable contribution to the nonattainment ozone status of the region. PCAPCD leaves decisions on this matter to the discretion of the lead agency (PCAPCD 2012:1-3 and 1-4). (Furthermore, PCAPCD's guide does not include any discussion about cumulative emissions from construction activity.)

For this analysis, the County exercises this discretion and employs the approach recommended by the Sacramento Metropolitan Air Quality Management District (SMAQMD) and presented in its *CEQA Guide to Air Quality* (SMAQMD 2014). This guidance is the same as employed among air districts throughout California, including the Bay Area Air Quality Management District and the San Joaquin Valley Air Pollution Control District. Like these other districts, SMAQMD recognizes that nonattainment of the CAAQS and NAAQS is based on cumulative development that has affected air quality. The project impact threshold is the same as the cumulative impact threshold, recognizing the cumulative nature of the impact. Invariably, if a project complies with the project threshold, the cumulative impact is also less than significant. In large part, this assumption is based on overall inputs to the air quality attainment plans for the various air districts, which consider general plans of the jurisdictions within their boundaries and how well planned development, coupled with improving emissions standards and mitigation, can result in long term attainment of air quality standards.

SMAQMD's guidance about how to address potential cumulative impacts of ozone precursors is also relevant to the proposed project because SMAQMD also has jurisdiction over portions of the Sacramento federal nonattainment area for ozone and is one of the key agencies that developed, adopted, and is now implementing the *Sacramento Regional 8 Hour Ozone Attainment and Reasonable Further Progress Plan* (Ozone Attainment Plan) (Sacramento Region Air Districts 2013:1-5), as discussed in Chapter 10, "Air Quality." In its approach, SMAQMD considers a project's individual emissions that do not exceed its Board adopted project level, mass emission thresholds (i.e., 85 lbs/day for construction emissions of NO_x, 65 lb/day for operational emissions of NO_x, and 65 lbs/day for operational emissions of ROG) to not result in a cumulatively considerable contribution to a significant cumulative impact (SMAQMD 2014:8-1). As explained above, the mass emission thresholds SMAQMD uses for project level analysis are also used to determine whether a project would be cumulatively significant.

Herein, the County applies the same reasoning in its evaluation of ozone precursors generated by the proposed Village at Squaw Valley Specific Plan. As described in Impacts 10-1 and 10-2, project construction emissions would not exceed significance thresholds for any pollutants, but operational emissions of ozone precursors, ROG, and NO_x, would be substantially higher than PCAPCD's cumulative threshold established for ROG and NO_x. The significance PCAPCD's cumulative threshold for operational emissions of ROG and NO_x is 82-10 lbs/day; at buildout, project operation would emit 181.7 lbs/day of ROG and 86.5 lbs/day of NO_x during the

summer ozone season. With implementation of Mitigation Measure 10-2, construction and operation of land uses and facilities developed under the Specific Plan would not generate emission of ozone precursors that exceed PCAPCD's mass emission thresholds. Furthermore, total development allowable under the Specific Plan would be within (and substantially less) than overall development allowable by current zoning and the land use designations established in the County General Plan and the Squaw Valley General Plan and Land Use Ordinance. This is noteworthy because, as with other air districts, the amount of development anticipated by the County General Plan, as well as the general plans of other counties and cities located in the region, is used to inform air quality planning efforts including the Ozone Attainment Plan. Thus, this impact would be **cumulatively significant**. Because Mitigation Measure 10-2 includes a menu of actions that, in combination, would reduce the project's net emissions of ROG and NO_x to less than ~~82-10~~ lbs/day, this cumulative impact would be reduced to a **less-than-significant** level.

L2-3 PCAPCD notes that its current rate for the off-site mitigation fee calculation is \$18,030 per ton of ROG or NO_x. As a result on this comment, the second bullet under "Offset Measures" on page 10-20 of the DEIR is revised as follows:

- ▲ Participate in PCAPCD's Off-site Mitigation Program by paying the equivalent amount of fees for the project's contribution of ROG and NO_x that exceeds the 82 lbs/day. The applicable fee rates changes over time. At the time of writing this EIR, the fee rate is ~~\$17,720~~ \$18,030 per ton emitted during the ozone season. The actual amount to be paid shall be determined, and satisfied per current California Air Resource Board guidelines, at the time of recordation of the Final Map (residential projects), or issuance of a Building Permit (non-residential projects).

PCAPCD also recommends that implementation of Mitigation Measure 10-2 occur prior to final map issuance for each phase of the project. On page 10-17 of the DEIR, Mitigation Measure 10-2 states that it shall be implemented "prior to recordation of each Small Lot Final Map... to the satisfaction of Placer County Planning Services Division and PCAPCD..."



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Placer County Community Development Resource Agency
Environmental Coordination Services
3091 County Center Drive, Suite 190
Auburn, CA 95603
Attention: Maywan Krach
Email: cdracs@placer.ca.gov

July 17, 2015

Re: Comments of Squaw Valley Mutual Water Company on Draft EIR for the Village at Squaw Valley Specific Plan

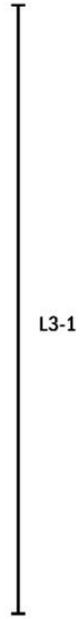
Dear Ms. Krach:

This letter provides comments of the Squaw Valley Mutual Water Company (Mutual) on the Draft EIR (DEIR) for the Village at Squaw Valley Specific Plan (Specific Plan). Mutual's service area is located on the developed northwestern side of Squaw Valley. Founded in 1950, Mutual is responsible for distributing, supplying and delivering water for domestic use to its members. Mutual seeks to ensure the continued availability of high quality, affordable water for its members, while protecting the condition of its well sites and the integrity and sustainability of this water supply.

Fulfillment of Mutual's mission requires careful attention to the present and long-term condition of aquifers in the Olympic Valley Groundwater Basin. Mutual believes that to lawfully support decision-making on the Specific Plan, the EIR will require at least the following:

- Recirculation and revised EIR analysis based upon a new Water Supply Assessment (WSA) correcting major shortcomings in the current WSA.
- Complete and consistent project description, accurate baseline assessment, and revised analysis of project impacts, alternatives and mitigation.
- Drought-resilient analysis overcoming the DEIR's avoidance of meaningful assessment from the last four years of drought.
- Climate-resilient analysis overcoming the DEIR's failure to analyze the project and alternatives under water conditions constrained by climate change.
- Analysis and mitigation of the project's potential conflicts with water rights.

Mutual serves 282 parcels and 261 hook-ups within its service area. Eight of the remaining 21 lots in this area are scheduled for development or have construction



in progress. The DEIR identifies Mutual as one of the two municipal water suppliers within Olympic Valley (DEIR, 14-2). Mutual owns two parcels within the plan area (DEIR 3-4). Mutual is also responsible for two of the six active vertical wells tapping the alluvial aquifer, located respectively in the existing east parking lot area and near the Olympic Channel. (DEIR, 14-3). Further information about Mutual, including a description of its water rights and existing water system, are available on its website. <http://www.svmwc.com>.

L3-1
cont.

Water issues have long formed a major source of concerns about the proposed Specific Plan, which continue in its present iteration. The Specific Plan, if adopted, would amend Placer County’s 1983 Squaw Valley General Plan and Land Use Ordinance (1983 plan) and “comprehensively plan development of a recreation-based, all-season, mountain resort community,” which would be developed over an estimated 25-year build-out period (DEIR 1-1). The DEIR follows the county’s review of two rounds of scoping comments, including Mutual’s attached scoping comment letters. As reflected in Mutual’s most recent scoping comments submitted on March 10, 2014, Mutual’s major concerns about the Specific Plan fall into five key categories: (1) hydrologic studies; (2) water usage patterns and projections; (3) water sources; (4) water rights; and (5) cumulative impacts. Mutual made specific requests for information that remain mostly unfulfilled. Mutual emphasized then, and continues to believe, that the EIR must “address the needs and rights of existing Squaw Valley residents and water users, while also protecting Squaw Valley’s environment and appropriately accommodating new users.”

L3-2

Rather than attempting to address all the Specific Plan’s environmental consequences covered in the DEIR, this comment letter focuses on water issues affecting Mutual’s continued ability to supply its members and protect the integrity and sustainability of its water supply, as well as closely related issues involving the assessment of climate change.

The DEIR recognizes that “water supply availability” and “effects on Squaw Creek” are among the “major areas of controversy associated with the project.” (ES 2-10). However, as detailed below, both the DEIR and the Water Supply Assessment (WSA) offered in support of its conclusions (DEIR, Attachment C) fail to overcome central deficiencies in the project’s water analysis, and highlight major continuing problems with assessment and protection against the project’s adverse water consequences. Mutual therefore continues to have major concerns about the project’s impacts on water resources in Squaw Valley, even after recent modifications in the project. The EIR must fully address the project’s environmental consequences, including those affecting the reliability, quality and rights to water of existing Squaw Valley residents and users.

The DEIR Relies Upon a Fundamentally Flawed Water Supply Assessment

L3-3

The DEIR relies centrally and repeatedly upon a fundamentally flawed Water Supply Assessment (WSA) for the Specific Plan (Farr West Engineering, et al, 2014)(DEIR Appendix C). As used in the county’s environmental review, the WSA forms the indispensable centerpiece of the DEIR’s analysis of water-related issues. See, e.g., DEIR, ES 2-2 and chapters 6 (biological resources), 13 (hydrogeology and water resources), 14 (utilities and public services), 17 (alternatives) and 18 (cumulative impacts). In short, without reliance on the WSA and the modeling referenced in its analysis, the DEIR would lack the foundation for its key conclusions within these subject areas relating to project impacts, alternatives and mitigation.

Mutual agrees with the county that the Specific Plan is of “sufficient size,” to be defined as a “water-demand project” requiring a WSA for purposes of CEQA compliance under CEQA Guidelines section 15155 (DEIR, 14-2; see also Pub. Res. Code, § 21151.9 (requiring WSA compliance); Wat. Code, §10910 (defining “project” for WSA purposes). Enacted first in 1995 and strengthened in California’s 2001 “show me the water” legislation, the WSA law helps ensure that the document’s analysis accurately informs local governments in their review and decision-making on major projects, like the present one, in which compliance is mandatory. A WSA must fully cover the law’s list of required subjects, including “a discussion with regard to whether the total projected water supplies, determined to be available . . . for the project during normal, single dry, and multiple dry water years during a 20-year projection, will meet the projected water demand associated with the proposed project, in addition to existing and planned future uses” (Wat. Code, § 10910, subd. (c)(4).)

L3-3
cont.

In addition to meeting the WSA law’s requirements for disclosure, the county must also heed CEQA’s requirements for complete and transparent water analysis. Distilling this history into a rigorous set of analytical principles, the California Supreme Court recognized that “speculative sources and unrealistic allocations” are “insufficient bases for decision-making under CEQA.” (*Vineyard Area Citizens for Responsible Growth v. City of Rancho Cordova* (2007) 40 Cal. 4th 412, 721.) Failure to provide “full disclosure” of relevant information relating to water supply vitiates an EIR’s legality. (*Madera Oversight Coalition v. County of Madera* (2011) 199 Cal.App.4th 48, 85-104.) Providing full disclosure, in turn, helps fulfill the “essential mission under CEQA to present a full disclosure of the potential impacts of the proposal.” (*Planning and Conservation League v. Department of Water Resources* (2000) 89 Cal.App.4th 892, 910-920.)

Rather than fulfilling the “show me the water” law’s transparency objectives, or CEQA’s, the WSA relied upon in the DEIR more closely resembles the looser analysis these requirements were designed to replace. To borrow a phrase from the 2001 law’s principal architect, the water analysis here is too loose to support even “average-intelligence” growth, much less something smarter. (See Kanouse, “Water Supply Planning and Smart Growth,” in C. Davis, *et al.*, NAVIGATING ROUGH WATERS (American Water Works Association, 2001), pp. 82, 90.) Critical errors in the WSA’s methodology and central conclusions, and those in EIR sections focusing on water resource issues, are identified in two technical memoranda of hydrologic

L3-4

consultant Tom Myers, PhD, respectively reviewing the WSA and the DEIR, which are appended to the comment letter of Sierra Watch on the DEIR (Myers' two memoranda are referenced here as Myers DEIR and Myers WSA). Myers' memorandum on the DEIR also contains extensive criticisms of conclusions drawn in water-related chapters of the EIR. Because these errors call into serious question the water conclusions reached in both documents, Mutual believes that they require reworking and recirculation of the water analysis supporting the Specific Plan, and cannot be sufficiently addressed merely through responses to comments or interlineated changes in the existing text.

L3-4
cont.

Major errors in the WSA identified in the Myers memoranda include the following:

- The WSA relies upon a grossly inaccurate estimate of average high mountain precipitation, which undermines the assumed availability of precipitation reaching the valley flow for groundwater recharge, and the estimates of recharge. The WSA's key table on this issue (Table 3-1) estimates the average high mountain precipitation, as snowwater equivalent, to be 263 inches per year for 1993 through 2011, based upon data from the Snotel site, Squaw Valley at 8029 feet (NRCS Site 784). See WSA at 6; <http://www.wcc.nrcs.usda.gov/nwcc/site?sitenum=784>. The DEIR also relies upon this figure. (See, e.g., DEIR 13-7, and Exhibit 13-3.) By contrast, the actual data for the Snotel site show that the annual average for 1993-2011 was 80.6 inches per year, with a lower average of 71 since 1981. (Myers DEIR, 2, 9-10; Myers WSA, 2, 6.) Attachment 1 to the Meyers Memorandum on the WSA summarizes the relevant data. This error inflates the DEIR's estimates of recharge and underlies its inaccurate claim that groundwater levels fully recover even in dry years (DEIR 13-13), while also understating the project's impacts to groundwater. (Myers DEIR, 9-10.)

L3-5

- The WSA fails to provide a drought-resilient analysis of the range of water conditions during decades of project implementation and operation. Notably, the period singled out for analysis (from 1993-2011) fails to cover a representative range even of historic conditions, and does not include analysis of multiple dry-year conditions resembling those experienced in the current drought. (Myers WSA 2, 6, 11-14; Myers DEIR 2, 11-12, 14-15.)

L3-6

- The WSA's failure to provide meaningful analysis of climate change produces an overly optimistic portrayal of available water resources, for the project and a failure to fully account for the project's water-related impacts. Climate change is causing the proportion of precipitation to fall as rainfall increases. Earlier occurrence of snowmelt will increase the length of the dry part of summer during which the groundwater does not discharge to Squaw Creek in the western part of the valley. Moreover, the WSA fails to meaningfully analyze climate change in its simulations, even though its profound consequences for precipitation and snowmelt timing will

L3-7

likely lengthen the dry, or no-recharge, period of a year. Over the lengthy course of the project, snow will increasingly shift to rain and snowmelt will occur earlier. As a result, there are likely to be longer periods during the summer lacking runoff to recharge the aquifer, which will increase the seasonal period during which drawdown can harm the aquifer. (Myers WSA 2-3, Myers DEIR 3, 34-35.)

L3-7
cont.

• The WSA’s assessment of water supply sufficiency used groundwater modeling to analyze pumping of water meeting expected 2040 demands from existing and proposed new wells. However, the modeling’s use of nine new municipal wells fails to match the WSA’s determination that only six new wells were necessary (four for the project, and two to cover other anticipated increases in demand). The WSA analysis spreads the pumping over more wells than the project anticipates, resulting in an average pumping rate per well that in some cases is even lower than the existing rate of pumping, and a failure to account for the full extent of the project’s consequences in specific locations. (Myers WSA 2, 11; Myers DEIR 1-2, 14-15.)

L3-8

• The WSA’s analysis of water sufficiency does not account for potential changes in stream flow stemming from the relationship between surface water and groundwater or changes in wetland conditions. (Myers WSA 1-2, 8-9; Myers DEIR 1-2.16-19.) The WSA assumes that use of eight-hour pumping cycles would cause only a small proportion of pumping to draw from the creek, but ignores that even after pumping ceases, stream flow will continue to be drawn from the aquifer. (Myers WSA 2, 15; Myers DEIR 10.)

L3-9

• The WSA understates the consequences of the Specific Plan on the quantity and quality of groundwater and surface water. The stream in the west part of the valley already reaches dry or near-dry conditions, already increases the time period in which low flow conditions occur. Additional development, such as the massive project referenced in the Specific Plan, could draw groundwater levels much deeper and extend the length of stream reaches affected by low flows, while also lengthening the time during the fall until recovering groundwater levels restore flows to the stream. (Myers WSA 1-15; Myers DEIR 1-2, 9-35.)

L3-10

• The WSA’s benign conclusions about available water supply for the Specific Plan rely upon a questionable assessment of sufficiency, based on maintaining saturated thickness at 65 percent of the maximum. Although the WSA considers “maximum saturated thickness” to be historic conditions, including existing pumping, it fails to consider actual stresses on the aquifer, and relies on model simulations of existing pumping. However, the 65 percent figure is merely an operational limit, which maintains well pumping efficiency. It has no bearing upon basin-wide groundwater management issues, such as maintaining a yield or avoiding harm to the basin. (Myers WSA 2, 10-15; Myers DEIR 13-16.)

L3-11

• The WSA relies upon selective and suspect analysis to support its estimates of project and non-project water demands for the next 25 years. It uses an

L3-12

unrepresentative recession-era period, 2009 through 2011, to support its annual average occupancy rate of 55.2 percent, even though occupancy would have been lower than average during that period. Occupancy could be far higher than the estimated rate, producing a distorted estimate of water demand. Demand timing, with more of the total occurring in late summer after recharge, could also affect the water sufficiency estimates more than expected if these potential errors occur. More demand especially in late summer would cause even more drawdown lengthening dry periods and the length of dry stream. Significant drawdown could carry over from year to year during dry periods and cause significant water supply impacts beyond what the WSA and DEIR have analyzed. (Myers WSA 1-2, 15-16; Myers DEIR 2, 13.)

L3-12
cont.

The DEIR Fails to Provide a Finite, Stable and Accurate Description of the Proposed Project.

Under CEQA, “[a]n accurate, stable and finite project description” is “the *sine qua non* of an informative and legally sufficient EIR.” (*County of Inyo v. City of Los Angeles (Inyo III)* (1977) 71 Cal.App.3d 185, 199.) Reliance on a “curtailed, enigmatic or unstable definition of the project” stands as the paradigm of legal error under CEQA, because it “draws a red herring across the path of public input.” (*Id.* at 199.)

L3-13

The “project” addressed in CEQA review must include “the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment...” (14 Cal. Code Regs., § 15368; see also *Nelson v. County of Kern* (2010) 190 Cal.App.4th 252, 271.) The project description must address “not only the immediate environmental consequences of going forward with the project, but also all ‘reasonably foreseeable consequence[s] of the initial project.’” (*Communities for a Better Environment v. City of Richmond* (2010) 184 Cal.App.4th 70, 82.)

Despite recent revisions, the DEIR lacks crucial details necessary to understand the project and its environmental consequences. Ignoring criticism during scoping review of the EIR’s failure to clearly identify the project’s water supplier, the DEIR vaguely asserts that potable irrigation water is proposed to be provided “either” by the Squaw Valley Public Service District (SVPSD), “or by a mutual water company that would be established as part of this project.” (DEIR, 3-22; Specific Plan, 6-2.)

L3-14

Mutual must accurately understand now the project’s consequences for its parcels, wells, and long-term ability to provide reliable and safe water to its members. It cannot reasonably or lawfully be expected to wait until after the Specific Plan is adopted to learn for the first time whether project water will come from SVPSD or from a still-unformed new mutual water company, with still-unknown consequences for its long-term ability to protect members’ water supply reliability, quality and

accountability. The potential role of other water sources or other aquifers, and the environmental consequences that follow, cannot be consigned to *post-hoc* review. Indeed, if the “new entity” is later selected as water provider, it would likely require preparation of a new WSA analyzing the new entity’s provision of water supplied to the project, rendering the present document obsolete along with the county’s reliance on it in CEQA analysis.

L3-14
cont.

Notwithstanding repeated requests for clarification in scoping comments, key aspects of project-related water infrastructure--notably the location of new wells and their potential consequences for Mutual’s assets--remain fundamentally undefined and unstudied. Perfunctory efforts in the DEIR and WSA to analyze in hypothetical terms a number of “strategically placed” wells intended to work “in concert” with existing ones (DEIR, 3-22) merely underscore the vagueness surrounding these essential project details. The DEIR recognizes that that existing wells that cannot be “incorporated into the system” would be abandoned, and that the “number and location” of new wells would ultimately be “influenced” by the same still-undefined future choice of supplier--“whether a mutual water company is established as part of the project (which could require more wells).” (*Id.*) A host of other project features remain similarly undefined, ranging from the location of new water lines, which are not specifically identified, and the role of existing pipelines, which are to be relocated or abandoned as “needed.” (DEIR 3-32.) Squaw Creek restoration efforts likewise rely upon a “conceptual” design. (DEIR 3-33.)

L3-15

As pointed out in the Myers memoranda, the nine new well locations referenced in groundwater modeling are inconsistent with the recognition in these documents that only six new wells would be necessary to “meet both project and non-project demands.” (DEIR, 13-35; Exh. 13-21.) Far from being a conservative assumption, the simulation artificially spreads the impacts of the new wells and avoids a complete analysis of the project’s consequences.

L3-16

Although the project is identified as a specific plan, project objectives are defined so narrowly that they inherently favor the project proponent’s resort development plan and curtail analysis of a reasonable range of feasible project alternatives. To comply with CEQA, an EIR must examine a range of reasonable alternatives that would feasibly obtain most of the project objectives, but avoid or substantially lessen any significant adverse effects of the project. (CEQA Guidelines, §15126.6.) In its screening and review of alternatives, the EIR must provide more than cursory analysis. It should not construe project objectives so tautologically that only the proposed project could conceivably be capable of achieving them.

L3-17

Despite this, the DEIR curtails the range of alternatives based on the first and “fundamental” underlying purpose of “developing a year-round destination resort” (DEIR, 17-10). This objective is rooted in the “vision and objectives” of the 1983 plan contemplating “resort development on this site.” (*Id.*) As it relates to the project’s water consequences, an air of nostalgia accompanies the singular emphasis on one among numerous components of a land use plan more than three decades old

whose provisions relating to resource protection receive no similar mention. After facing multiple years of drought and with further challenges brought by climate change, the context in which Mutual must continue to serve its members and reliably deliver safe water cannot be deemed a *fait accompli* based on selective adherence to one provision in the 1983 plan. The Specific Plan, while premised on that need for consistency, also relies upon an *amendment* to the 1983 plan.

L3-17
cont.

Finally, DEIR’s deficient project definition cannot be rationalized on the ground that the DEIR is merely a “program” document that will require environmental review prior to any consequential specific application. (DEIR, 3-40.) The DEIR makes no secret of the county’s belief that “further environmental review may not be necessary” as long as it determines that a subsequent project is “consistent” with the program document. (DEIR 3-39.) For Mutual, and for others who face major risks from the project’s water-related consequences, the risk is that unstudied harmful consequences of the Specific Plan will evade review based upon later determination of “consistency” with the nebulous account of the project provided in the DEIR.

L3-18

The Baseline and Environmental Setting Insulate the Project from Required Drought-Resistant Water Analysis

To comply with CEQA, an EIR must accurately account for the local and regional environmental setting in which a project operates, including a baseline ordinarily (but not automatically or exclusively) measured from issuance of the Notice of Preparation. (CEQA Guidelines, § 15125(a).) The EIR’s analysis must enable consideration of the project’s significant effects in its full environmental context. (Guidelines § 15125(c) (emphasis added). Baseline selection is a foundational requirement under CEQA serving the EIR’s “fundamental goal” to “inform decision makers and the public of any significant adverse effects a project is likely to have on the physical environment.” (*Neighbors for Smart Rail v. Exposition Metro Line Const. Authority* (2013) 57 Cal.4th 439, 505 (citing *Vineyard Area Citizens for Responsible Growth, Inc. v. City of Rancho Cordova* (2007) 40 Cal.4th 412, 428).) Reliance on a faulty baseline distorts an agency’s ability to assess project impacts and benefits, and provide effective mitigation. (See *Bakersfield Citizens for Local Control v. City of Bakersfield* (2004) 124 Cal.App.4th 1184, 1217.) CEQA analysis must employ a realistic baseline that will give the public and decision makers the most accurate picture practically possible of the project’s likely impacts. (*Neighbors for Smart Rail*, 57 Cal.4th at 507; see also *Communities for a Better Environment v. South Coast Air Quality Management District* (2010) 48 Cal.4th 310, 322, 325, 328.)

L3-19

In the DEIR, the environmental setting and baseline are notably deficient due to their exclusion—and the further exclusion from meaningful analysis in the EIR’s project assessment—of two very familiar elephants in the room, drought and climate change. Although drought resilience is a fundamental need of the project over 25 years of implementation, the baseline misleadingly portrays 2012 conditions as current, selectively evading many of the consequences of the last two years of

L3-20

drought. (See, e.g., DEIR, ES-1.) In 2014, disabling the EIR’s ability to provide complete and drought-resilient assessment of the project is legally and environmentally untenable. As reflected in the Governor’s proclamation of a drought-related State of Emergency in 2014, responsible decision-making now clearly requires a contextual understanding of how a project and alternatives would operate under extreme drought. The DEIR concedes that the current drought could be “more severe” than the conditions currently covered in modeling, yet inexplicably curtails further analysis on the circular premise that it is not included in this modeling (DEIR 6-6.)

L3-20
cont.

The DEIR’s apparent rationalizations for that drought avoidance--issuance of the project’s initial notice of preparation in 2012 and an assumed lack of data--make no sense in context. The operative notice of preparation here issued in 2014. The DEIR also provides no thorough or meaningful hydrologic assessment measured either from 2012 or 2014, nor does it honor Mutual’s request in scoping comments for a study of basin conditions and analysis of its sustainable management. That remains the case even though the DEIR recognizes that its modeling identifies a drop of three to four feet due to groundwater withdrawals from the project (DEIR 13-55), and that the groundwater modeling included in the analysis may underestimate “extreme lows.” (DEIR, 13-73.)

Further, that omission is even more glaring in light of the DEIR’s recognition that the project, combined with other currently anticipated development, would require a 43 percent increase in average annual volume by 2040. (ES 1-3.) The DEIR also avoids meaningful analysis of how the Specific Plan will operate in connection with the Truckee River Operating Agreement and Truckee-Carson-Pyramid Lake Settlement Act. Specifically, the EIR must quantify the greater draw on both surface and subsurface resources that the Specific Plan will produce, which in turn will reduce outflow into the Truckee River and could upset the delicate TROA balance.

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The DEIR Irresponsibly Evades Assessment of Climate Change Under Current and Future Conditions

The DEIR identifies climate change as a major concern, and concedes that it will reduce water supply and reduce snowfall over the foreseeable project term, among other consequences. (DEIR, 16-19, 7-1.) In its assessment of greenhouse gas emissions, the DEIR frankly recognizes major reductions in snowpack anticipated due to climate change, reporting DWR’s projection, based upon historical data and modeling, “that the Sierra snowpack will experience a 25 to 40 percent reduction from its historic average by 2050.” (DEIR, 16-2.) This chapter also reflects awareness that state agencies and leading experts have undertaken major efforts, through Cal-Adapt and other programs, to ensure that local and regional decision-makers have the tools needed to ensure climate-resilient decision-making. Yet without any foundation, the Draft EIR and WSA misleadingly describe 2000-2012 as a “characteristic” hydrologic period (DEIR ES-1), without referencing or properly incorporating the

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