

DECISION PAPER

**Issue:****Date: 08/10/17**

Truckee Donner Land Trust Land Use Agreement for the Donner Lake Rim Trail, Crabtree Canyon trailhead and North Prosser Creek bridge crossing, and permitting inclusion of Euer Valley Prosser Creek tributary crossing.

Background:

Tahoe Donner Association, Truckee Donner Land Trust and the Town of Truckee jointly purchased the 240 acres Bucknam Sinclair tract which is adjacent to the southern portion of Tahoe Donner. The Board of Directors at the time saw the opportunity to improve defensible space of the association through the purchase as well as gain additional open space for the membership. Part of the purchase agreement included encumbering the acreage with a Conservation Easement of the Donner Lake Rim Trail (DLRT).

In May 2016 Tahoe Donner finalized the purchase of 640 acres known as Crabtree Canyon located north and contiguous of Euer Valley. The purchase of the Crabtree Canyon was executed within the negotiations with the Truckee Donner Land Trust's for the purchase of Carpenter Valley acreage. The purchase agreement with the Truckee Donner Land Trust for Crabtree Canyon includes encumbering the acres with a Conservation Easement including public access via trail/fire road on Carpenter Valley Road which transects the north east corner of the Crabtree Canyon property.

The Truckee Donner Land Trust requested to discuss with the Board of Directors regarding the Donner Lake Rim Trail alignment and Crabtree Canyon/Carpenter Valley access. At the April 22, 2017 board of directors meeting, the Truckee Donner Land Trust's Kevin Starr, Stewardship Coordinator, reviewed with the board the plans for the DLRT and the past years' stall in building mostly due to stall outs with the United States Forest Service (USFS) and lack of priority on their part to partner for National Environmental Protection Act permitting (NEPA) on the trail segments that cross USFS land. Recent changes within the USFS made permitting and construction possible, thus the Truckee Donner Land Trust has prioritized construction of DLRT segments.

The Truckee Donner Land Trust identified the alignment within the Bucknam Sinclair property. This alignment had taken into consideration public comment by the membership living along Skislope Way dropping the trail an additional 300 feet further down slope to improve the buffer zone and reduce chances of seeing the trail from homes. The Truckee Donner Land Trust also asked permission to run a portion of the DLRT alignment from the Drifter Hut area (United States Forest Service lands) into Tahoe Donner along the south west portion, dropping back into a USFS parcel) and then into the Bucknam Sinclair and on through the Tahoe Donner owned McGlashan Springs parcel. The trail would then complete its alignment through the Donner Crest Property Owners property.

The Truckee Donner Land Trust also discussed the review of trail access and North Prosser Creek crossing with the Board. Land Trust staff indicate that crossing the North Prosser Creek possess great difficulties and the best and least impactful location for crossing is on the Crabtree Canyon property. Additionally, locating a trailhead parking lot for Carpenter Valley would be better placed just within the Crabtree Canyon property on Carpenter Valley road.

DECISION PAPER



The Board of Directors discussed both the request for the Donner Lake Rim Trail and Crabtree Canyon trailhead and North Prosser Creek bridge crossing and provided general support. The Board of Directors also discussed with management inclusion the benefit to having the Truckee Donner Land Trust include permitting of the Euer Valley second Prosser Creek crossing on Alder Creek Road with their environmental permitting process which would benefit winter and summer access over that tributary when it runs. Further discussion occurred regarding formalizing Donner Lake Rim Trail access at the Glacier Way trailhead under any land use agreement to reduce liability.

The Board of Directors directed staff to work with association legal counsel to draft a land use agreement with all of these elements and bring back to the Board of Directors for formal review and approval to enter into a land use agreement with the Truckee Donner Land Trust. Staff has worked with Tahoe Donner legal counsel to prepare a land use agreement as directed and brings it back for Board of Directors review and approval of the draft agreement in order to move forward with formalizing the agreement with the Truckee Donner Land Trust.

A copy of documentation as follows is provided for review and consideration:

1. Truckee Donner Land Trust request for the Donner Lake Rim Trail alignment; and
2. Truckee Donner Land Trust Donner Lake Rim Trail Master Plan; and
3. Truckee Donner Land Trust presentation, April 22, 2017; and
4. Tahoe Donner Association Board of Directors Meeting Minutes April 22, 2017; and
5. Bucknam Sinclair Conservation Easement; and
6. Crabtree Canyon Conservation Easement; and
7. Draft Land Use Agreement between Tahoe Donner Association and Truckee Donner Land Trust; and
8. Supplementals to the Land Use Agreement: Donner Lake Rim Trail alignment, Crabtree Canyon map with bridge and trailhead location; and trailhead parking design.

Options:

1. Consider approving proposed draft Land Use Agreement with modifications as defined by Board of Directors guidance. Direct staff to bring new draft back for further board review and consideration;
2. Consider approving the proposed draft Land Use Agreement as drafted and direct staff to work with the Truckee Donner Land Trust to finalize and record the Land Use Agreement.

Recommendation:

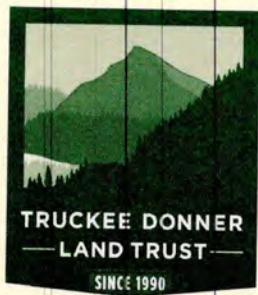
Management recommends the Board of Directors consider approving the proposed Land Use Agreement as drafted and direct staff to work with the Truckee Donner Land Trust to finalize and record the Land Use Agreement.

Prepared By: Annie Rosenfeld

Reviewed By: Forrest Huisman

Board Meeting Date: September 23, 2017

General Manager Approval to Place on the Agenda: _____



April 5, 2017

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Contributions to the
Truckee Donner Land
Trust are tax-deductible
under section 501(c)(3)
of the Internal Revenue
Service Code.



Tahoe Donner Association
Board of Directors
11509 Northwoods Boulevard
Truckee, California 96161

Re: Proposed Alignment for the Donner Lake Rim Trail on the Bucknam Sinclair Property

Dear Tahoe Donner Association Board of Directors:

Since 1993 the Truckee Donner Land Trust has been working on a trail project called the Donner Lake Rim Trail (DLRT). The vision is to have a trail which encircles the peaks and ridges above Donner Lake and when complete, will be roughly 23 miles long.

The project was launched in 1995 with a Memorandum of Understanding between the Land Trust, United States Forest Service (USFS), California State Parks, Tahoe Donner Association (TDA), Town of Truckee, and Truckee Donner Recreation and Parks District. This MOU defines tasks and responsibilities for design, construction, and maintenance of the trail.

Fast forward to 2010 and the sellers of the property below Ski Slope known as the Bucknam Sinclair Tract found willing buyers in the Truckee Donner Land Trust, Town of Truckee, and the Tahoe Donner Association who went under contract together and jointly bought the property. The property is an integral piece of defensible space from forest fires for TDA and fit with the Land Trust's and Town's mission of protecting and conserving open space. The property is also an integral piece of connecting the DLRT puzzle together. Terms in the purchase agreement with the three parties include a conservation easement deeded to the Land Trust to ensure the long-term conservation of the property as well as the granting of a floating trail easement for the construction of the DLRT.

Renewed interest from the USFS to make this project a priority along with a big push from Nevada County, who would like to see the DLRT be the eastern portion of their proposed Pines to Mines Trail, the Land Trust is optimistic the DLRT will become a reality in the near future.

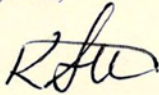
In order to do so, a key component is to have agreement from Tahoe Donner's Board of Directors to align the trail as proposed in the enclosed map. The proposed trail section, starting at the existing DLRT near Glacier Way, will cross USFS, TDA, and the Bucknam Sinclair property which is jointly managed by TDA and TDLT. The proposed trail section will be approximately 26,400 feet in total length and connect

*Celebrating over 25 years preserving and protecting scenic, historic,
and recreational lands in the greater Truckee Donner region.*

with existing trails located on the McGlashan Springs/Tahoe Donner property. The Land Trust has taken into consideration Tahoe Donner private property owner concerns about the proximity of the trail relative to their properties and visual corridor. As such, the proposed trail is now approximately 300 feet further down slope than the initial alignment.

Pending Tahoe Donner Board of Directors' agreement to the alignment, the Land Trust proposes to complete all necessary permitting required this summer with construction starting late summer 2017 and continuing into the fall. The Land Trust looks forward to accomplishing this long-term goal of completing the Donner Lake Rim Trail and providing another opportunity for life long enjoyment of the area.

We look forward to presenting and discussing the proposed alignment of the trail.
Regards,

A handwritten signature in black ink, appearing to read "K Starr", written in a cursive style.

KEVIN STARR
Stewardship Coordinator

CC: Annie Rosenfeld, Robb Etnyre
Enclosures:

DONNER LAKE RIM TRAIL MASTER PLAN



**PREPARED BY:
THE TRUCKEE DONNER LAND TRUST
PO BOX 8816 TRUCKEE, CA 96162
(530) 582-4711
www.tdlandtrust.org**



PURPOSE: To provide an overview of the Donner Lake Rim Trail, update the current status of the Trail, and identify trail sections that are to be constructed. To summarize design standards and goals, provide a rough estimate of labor hours needed, assign a lead partner for construction, and estimate costs for planning and construction.

I. PROJECT OVERVIEW:

The Donner Lake Rim Trail (Rim Trail) was envisioned by the Board of Directors of the Truckee Donner Land Trust (Land Trust) in 1993. The Board wanted to showcase the spectacular backcountry of the Donner Lake basin by building a loop trail for the public to use on the ridges and peaks surrounding the lake. The project was launched in 1995 and is one of the key projects in the Land Trust's portfolio. The trail embodies a major goal of the Land Trust which is to promote public access and appreciation for the region. In addition to championing the project, the Land Trust has made several key land acquisitions specifically to build the trail or protect open spaces within the trail's view shed. The Land Trust Board envisioned having the trail open to hikers, runners, equestrians, mountain bicyclists, and other non-motorized methods of travel compatible with a rugged backcountry trail. The trail has been designed to handle these uses with minimal maintenance requirements. When completed, the trail will total over 23 miles in length, encircling the ridgelines and peaks above Donner Lake. Currently, 11 miles of the trail have been constructed, including two access trails to the actual Rim Trail. The already-constructed segments provide outstanding recreational opportunities, and are an important trail link to the Pacific Crest Trail (PCT), Hole in the Ground trail, and the Tahoe Donner trail network. They provide sweeping vistas of the Sierra Crest, opportunities to view flora and fauna in this section of the Sierra Nevada, and receive very heavy use when free of snow.

In 1995 the Land Trust, the United States Forest Service (USFS), California State Parks, Tahoe Donner Association (TDA), Town of Truckee, and the Truckee Donner Recreation and Parks District entered into a formal Memorandum of Understanding to officially launch the Rim Trail (attached in appendix 10), and set tasks and responsibilities for design, construction, and maintenance. As the partner chiefly responsible for raising funds for the project, the Land Trust has raised over \$250,000 for the project. These funds come from restricted donations, grants, our very successful "Buck for Trails and Open Space" Program, our "Adopt a ¼ Mile" program, and many other partners and individuals. To promote public embrace and ownership of the project, it was decided that the trail would be built, where possible, by volunteers. Countless volunteers have worked steadfastly with hand tools to see the trail become a reality. As the project nears its 20th year, the Land Trust felt the need to update the master plan. Some of the partners involved have changed, as have key members of the board and staff of said partners. In addition, the Land Trust would like to re-create the initial "buzz" that carried the project so far in previous years.

The Trail:

The Rim Trail is comprised of three major sections: the northern portion and the southern portion, which are divided by Donner Lake, and the western portion which parallels the Sierra Crest.

Two thirds of the northern portion is completed, with the trail segments known as the Bucknam Tract and McGlashan Springs are left to be built. These sections of trail are proposed be built on lands owned by the USFS and TDA. The Land Trust proposes to be the design lead, with all design plans approved by the USFS and TDA. Planning is currently underway in these sections, which include coordination with TDA, terrain familiarization, trail corridor selection, GPS documentation, and flagging proposed trail alignment. There is no hard timeline for completion through these sections, but they

represent the next most realistic opportunity for breaking ground in the near future, and completing the northern portion of the Rim Trail.

Also of note in the northern section, the TDLT would like to move a section of the DLRT that currently uses about a mile of the Summit Lake OHV road and replace it with a single track trail that will traverse through Federal property. (shown in appendix 2)

The southern portion passes through Donner Memorial State park via Schallenberger Ridge. It will then connect with Castle Valley Road via Summit Canyon, or via Sugar Bowl, Donner Ski Ranch, and Boreal ski resorts. California State Parks has chosen to be the lead agency responsible for construction of the Rim Trail through State property. Currently, they are developing a park-wide trails master plan; the Rim Trail will be a key component in their trail network. Recently, they have begun the process of scouting potential alignments for the Rim Trail, with a likely route to be developed in 2013. Terrain familiarization and trail corridor options are currently being surveyed on adjacent properties. There are no definitive timelines for completion through these sections.

The western portion is currently a shared alignment with the Pacific Crest Trail. The Land Trust would like to construct a new trail that will allow bicycle use and will showcase Land Trust acquisition in Summit Canyon. This segment is the lowest priority, as there exists connecting routes. Nonetheless, the Land Trust would like to build the new trail as soon as possible.

II. DONNER LAKE RIM TRAIL DESIGN:

As the Rim Trail is intended to be a rugged backcountry, multi-use, non-motorized trail in experience and feel, tread construction standards, associated trail structures, and signage should enhance the stated experience. The trail crosses lands owned or managed by several different agencies and landowners that have their own set of adopted trail standards; it is important that the trail meet each owner/agency's standards while not varying wildly in user-experience. The trail should be intuitive to use, built in a sustainable fashion so as to mitigate any negative impacts from erosion, built to minimize any potential user conflicts, create a positive user experience, and protect surrounding natural resources. It should maintain a balance of focusing use in a particular area while not fostering over-use or abuse in another. When at all possible, the bigger picture should be taken into account when planning to incorporate as much connectivity with other trail networks as possible. The proposed trail will allow for all of the above, pending all necessary environmental and archaeological review.

Tread Construction Standards:

According to State and national guidelines, trail widths will range between 18"- 24" and will maintain an 8 percent average gradient, excluding some short pitch sections, which may exceed that. Rolling contours, grade dips, and grade reversals will be implemented to minimize trail erosion and moderate speed of travel. The trail will be designed to minimize trail user-conflicts and create the best overall experience possible for all users. See appendix 9.

Structures:

Bridges, turnpikes, puncheons, etc., will be as natural as possible and to the specs of the individual agency whose property the trail will travel through while still maintaining the general look and feel of the overall trail.

Trailheads:

Access to the various trail segments will be in the form of improved, but not necessarily paved parking lots with appropriate signage in the spirit of the currently built trailheads.

Signage:

Trail signage will be placed at trailheads and intersections so as to be informative to the user, but not so abundant as to create sign pollution and detract from the natural surroundings. Each landowner or managing agency has their own unique trail sign plan that will likely be the overriding plan for signage on the Rim Trail crossing their respective property. This is to be expected. Currently, the Land Trust uses a mix of “Yosemite” style plasma cut metal signs mounted on 4 foot tall metal posts and 10 foot metal kiosk style signs with laminated, informational metal inserts. Both style signs are meant to rust naturally with age. Other types of signs used are wooden 4” x 4” or 6” x 6” posts with stamped metal directions and logos. See appendix 7.

Donor Recognition:

Donors will be recognized at all major trailheads, on adopted bridges, picnic areas, and on maps. On-the-ground donor recognition will likely only occur on Land Trust property, as the opportunity might not be available on portions of the trail where it traverses State or Federal properties. See appendix 8.

Maintenance:

Maintenance of the trail will be a mixed effort of volunteer hours and paid staff. The Land Trust has the capacity to maintain the entire trail bi-annually, pending approval from the holders of the trail easements. The Land Trust has the expertise and capacity to complete large maintenance tasks caused by extreme weather events like rock slides or avalanches. A core group of volunteers will be trained to complete necessary smaller maintenance tasks. Lastly, the Land Trust has a very successful volunteer maintenance program that has recruited, trained, and used 200-300 volunteers annually for the last 15 years.



III. FUTURE TRAIL SEGMENTS PROPOSED FOR CONSTRUCTION:

To complete the Rim Trail, several new segments of trail are needed on lands both north and south of Donner Lake. In addition to the sections needed to create a loop, another section of trail on the western end of the loop is needed to create a loop trail for multi-use, as bicycles are not allowed on the Pacific Crest Trail. Currently the Rim Trail uses a portion of the PCT as the route.

NORTHERN PORTION

1. Bucknam Tract/McGlashan Springs Segment (shown in appendix 3):

Distance: Approximately 5-6 miles.

Tread: -18"- 24" wide.

-Comprised of native mineral soil and rock.

-8% grade or less with a maximum short pitch grade of 15%.

Construction Time:

-Planning: TBD.

-Permitting: NEPA/CEQA, TBD.

-Brushing: 1 week.

-Tread: 4 weeks.

Labor: 800 person-hours for a 5-person professional trail crew at four weeks.

Can be built in phases; Phase 1 can be from near the existing single track near Glacier Way to the new trailhead at Bermgarten Rd. Phase 2 can be from Bermgarten Rd to the Trout Creek Trailhead on Northwoods.

Total Costs: TBD.

SOUTHERN PORTION

Donner Memorial State Park Segment:

(Schallenberger Ridge (shown in Appendix 4)

Distance: Approximately 6-8 miles depending on route selection.

Tread: -18" – 24" wide.

-Comprised of native mineral soil and rock.

-Target grade of 8% or less with a maximum short pitch grade of 15%.

Construction Time:

-Planning: TBD.

-Permitting: CEQA, TBD.

-Brushing: Three weeks.

-Tread: Six weeks.

Labor: 1,800 person hours for a 5-person professional trail crew at nine weeks.

Building will most likely be handled by State Parks personnel but may use a mix of volunteers and paid staff.

No specific timelines for build out have been defined.

Total Cost: TBD

WESTERN PORTION

(MULTI-USE ALTERNATIVE TO THE PCT)

Below are different alternatives after Schallenberger Ridge to the PCT, which currently prohibits bicycle traffic. Alternative 1 Option would utilize portions of the existing Overland Emigrant Trail, which could drastically reduce build times, but would still have to go through portions of the previously-mentioned ski resorts. Option 2 would run through Boreal, Auburn Ski Club, Donner Ski Ranch, and Sugar Bowl ski resorts possibly benefitting those resorts with increased seasonal visitor traffic and intertwining with an already established bike park at Boreal and Donner Ski Ranch.

1. Mt. Judah (shown as Judah alternative in appendix 5)

Distance: Approximately 2 miles depending on route selection.

Tread: -24" wide.

-Comprised of native mineral soil and rock.

-Target grade of 8% or less with a maximum short pitch grade of 15%.

Construction Time:

-Planning: TBD

-Permitting: NEPA/CEQA, TBD

Brushing: One week.

Tread: Two weeks.

Labor: 800 person hours for a 5-person professional trail crew at three weeks.

Building will most likely be done using a mix of volunteers and paid staff.

No specific timelines for build out have been defined, as this is an optional route.

Total Cost: TBD

2. Ski Resorts Alternative (shown in appendix 6)

Distance: Approximately 5-6 miles depending on route selection.

Tread: -24" wide

-Comprised of native mineral soil and rock.

-Target grade of 8% or less with a maximum short pitch grade of 15%.

Construction Time:

-Planning: TBD

-Permitting: CEQA, TBD

-Brushing: Two weeks

-Tread: Four weeks

Labor: 1,200 person hours for a 5-person professional trail crew at six weeks.

Building will most likely be done by using a mix of volunteers and paid staff.

No specific timelines for build out have been defined, as this is an optional route.

Total Cost: TBD

3. Summit Canyon (shown as Schallenberger Ridge and Summit Canyon in appendix 4)

Distance: Approximately 3 miles.

Tread: -24" wide.

-Comprised of native mineral soil and rock.

-Target grade of 8% or less with a maximum short pitch grade of 15%.

Construction Time:

-Planning: TBD.

-Permitting: CEQA, TBD

-Brushing: One week.

-Tread: Two weeks.

Labor: 800 person hours for a 5-person professional trail crew at three weeks.

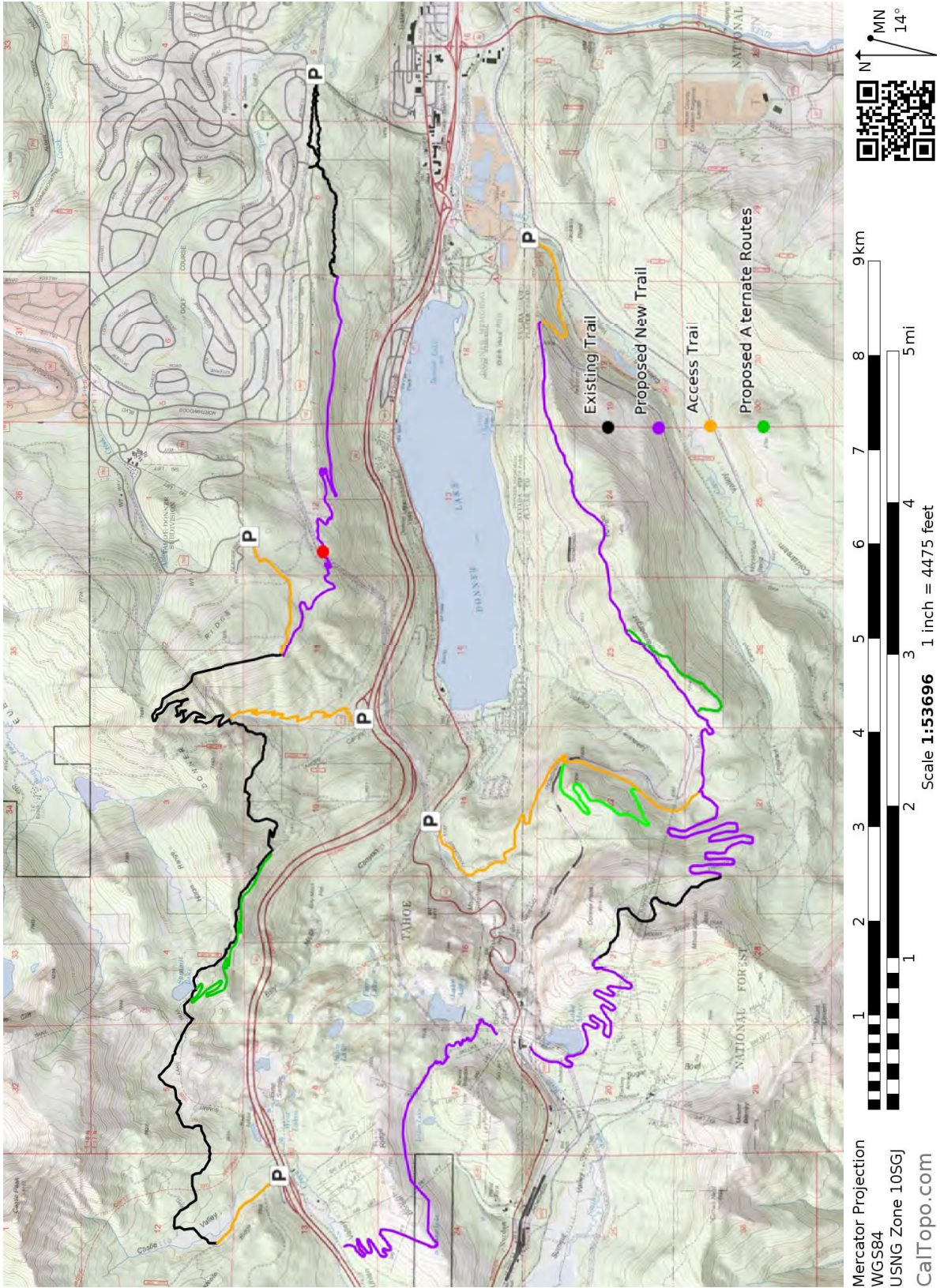
Building will most likely be done by using a mix of volunteers and paid staff.

No specific timelines for build out have been defined, as this is an optional route.

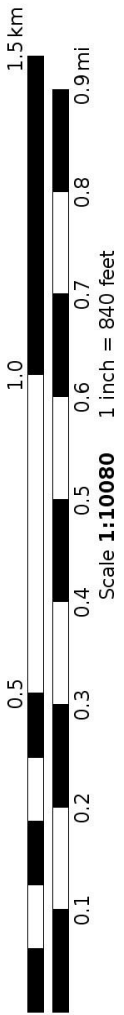
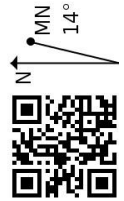
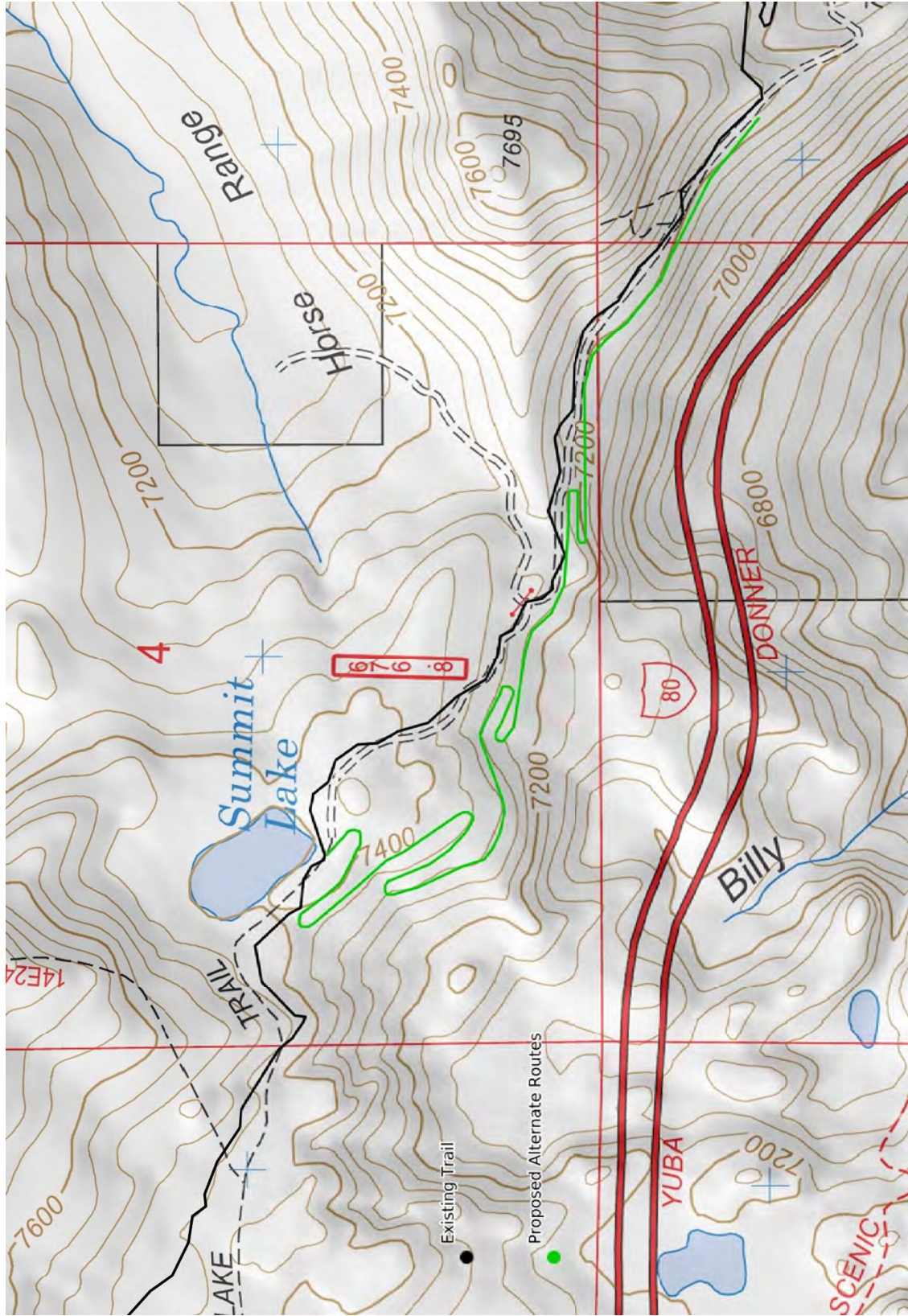
Total Cost: TBD

APPENDICES

Appendix 1: Project Concept Map

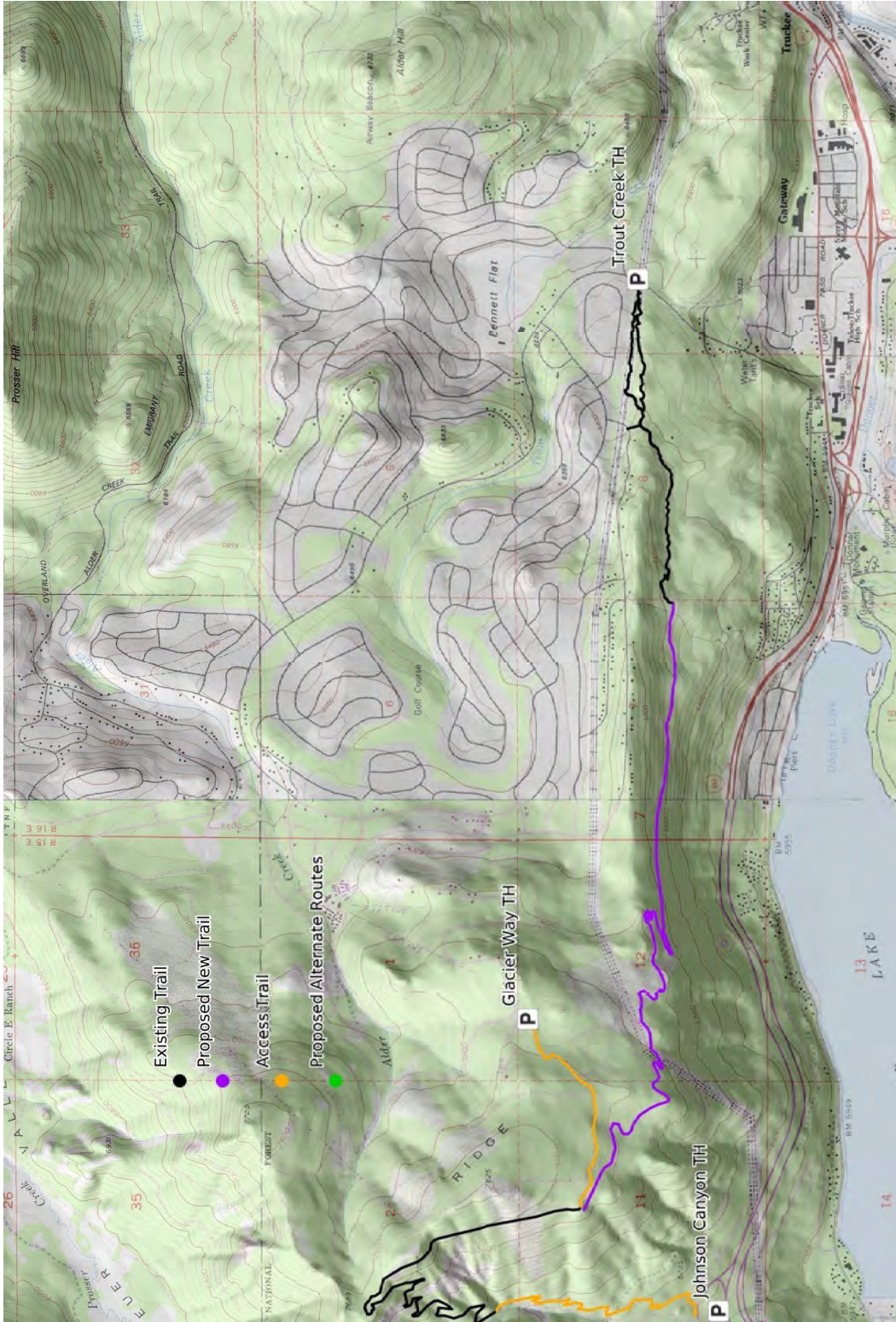


Appendix 2: Summit Lake Alternative



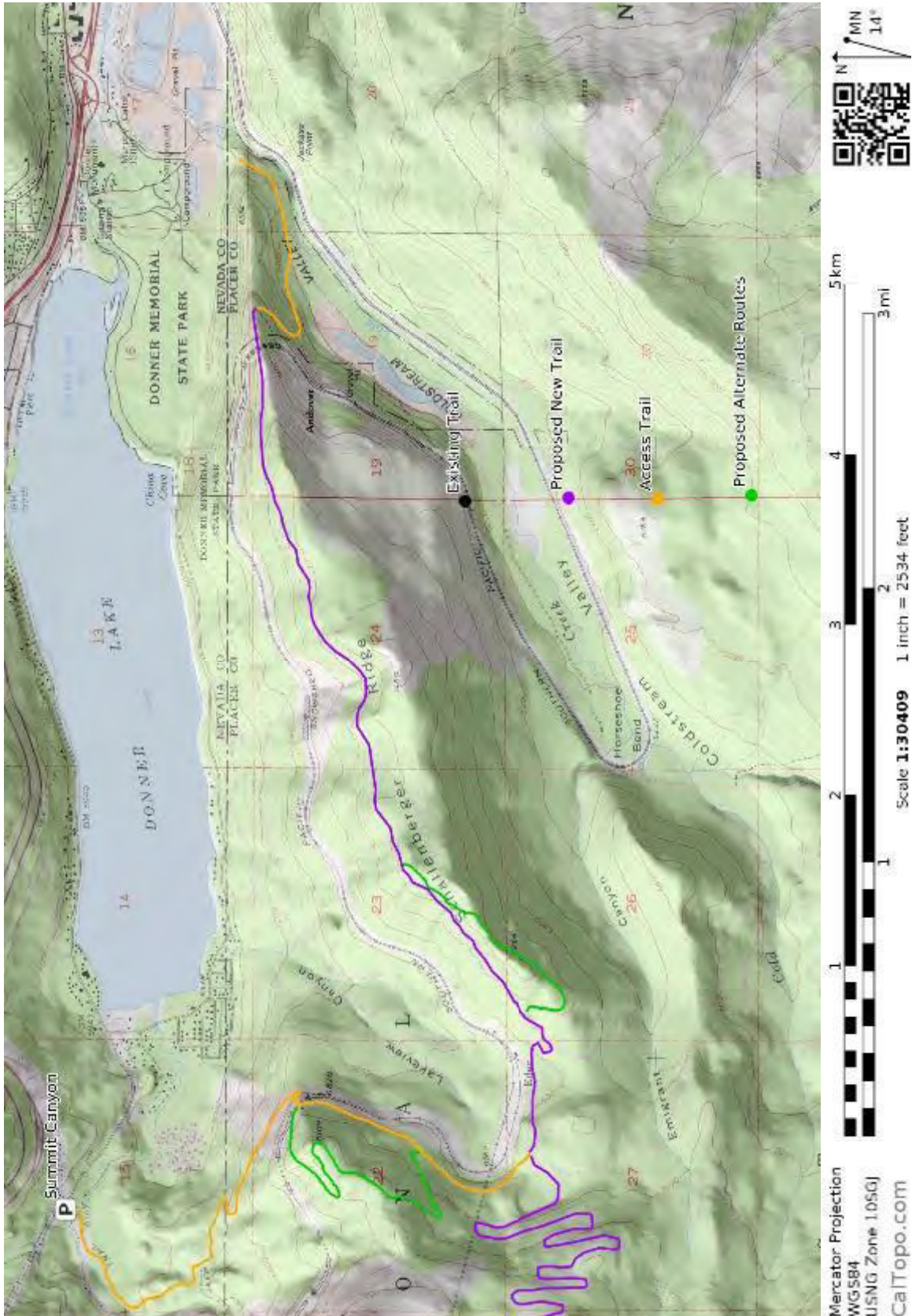
Mercator Projection
WGS84
USNG Zone 10SGJ
CalTopo.com

Appendix 3: Northern Portion Bucknam/McGlashan Springs

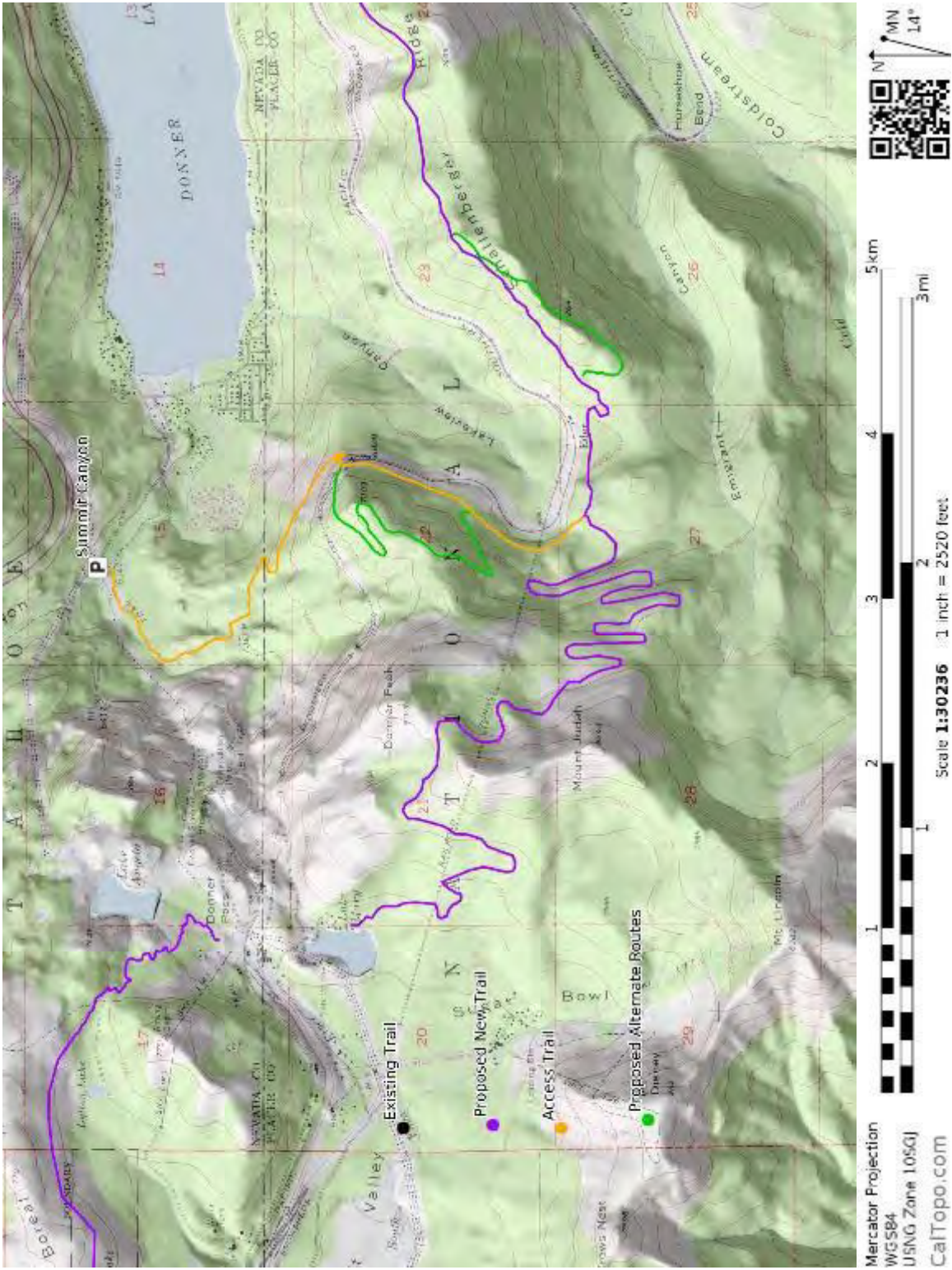


Mercator Projection
WGS84
USNG Zone 10SGJ
CallTopo.com

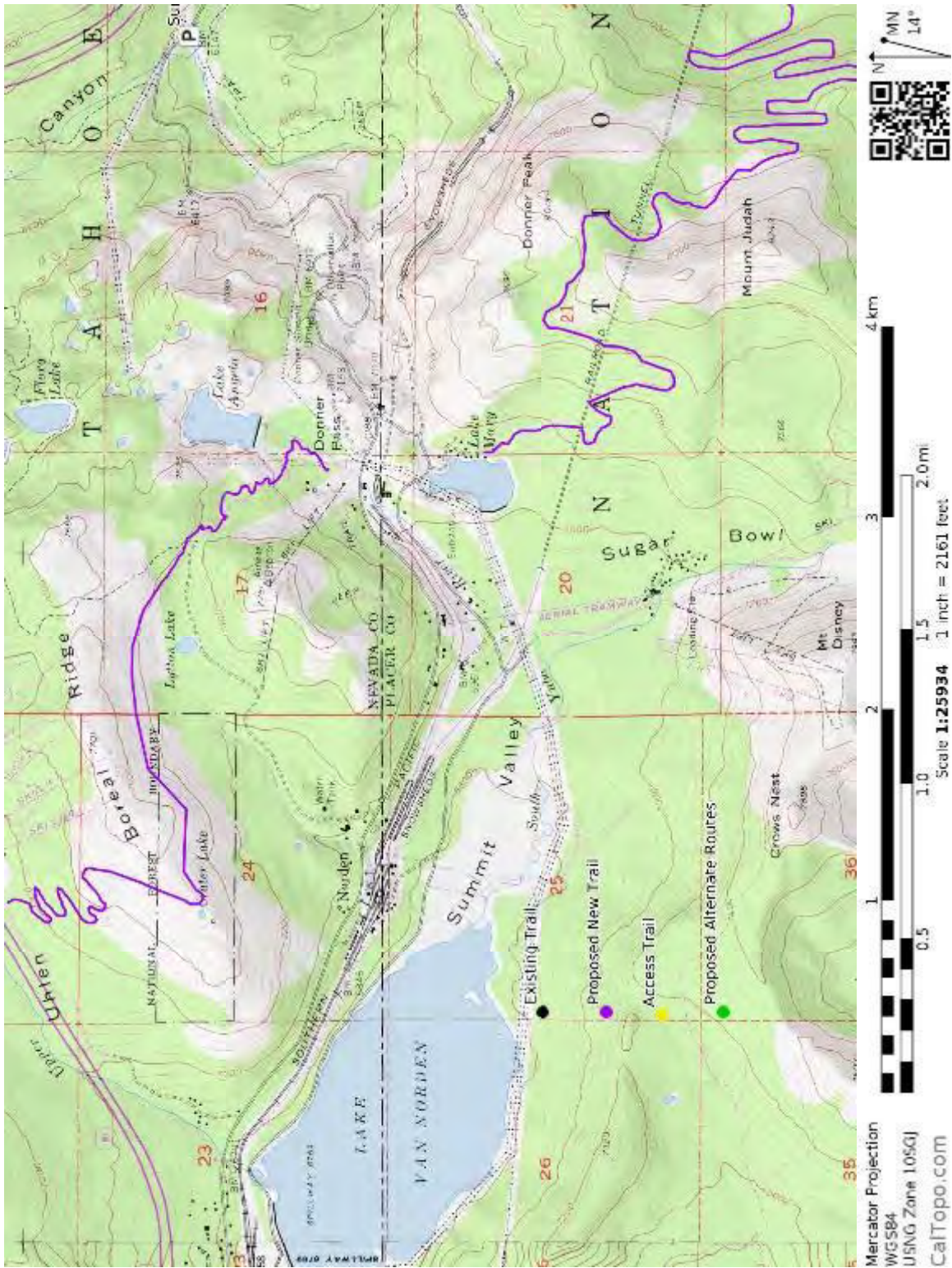
**Appendix 4:
Southern Portion
Schallenberg Ridge and Summit Canyon**



Appendix 5: Western Portion Judah Alternative



**Appendix 6:
Western Portion
Boreal, Auburn Ski Club, and, Donner Ski Ranch Ski Resorts**



**Appendix 7:
Examples of Signage**



**Appendix 9:
Trail construction standards, by agency or landowner.**

The Land Trust has constructed trails to these three standards, all of which were reviewed and approved by the agency or landowner. Land Trust trail design and construction has also been reviewed and approved by the Truckee Tahoe Airport District, Truckee River Watershed Council, Truckee Trails Foundation, Nevada State Parks, and the Tahoe Rim Trail Association.

USFS TRAIL CONSTRUCTION STANDARDS:

http://www.fs.usda.gov/Internet/FSE_DOCUMENTS/stelprdb5341754.pdf

CA STATE PARKS TRAIL CONSTRUCTION STANDARDS:

http://www.parks.ca.gov/?page_id=23419#trail_design/_construction

TDA TRAILS MASTER PLAN:

<http://www.tahoedonner.com/wordpress/wp-content/uploads/2012/03/H-Trails-Master-Plan.pdf>

**Appendix 10:
Photos of the trail**







Appendix 11:
Memorandum of Understanding
See Attachment

MEMORANDUM OF UNDERSTANDING

between

THE UNITED STATES FOREST SERVICE, DEPARTMENT OF AGRICULTURE;
CALIFORNIA STATE PARKS and RECREATION DEPARTMENT; COUNTY OF NEVADA;
COUNTY OF PLACER; THE TOWN OF TRUCKEE; TRUCKEE DONNER RECREATION
AND PARKS DISTRICT; DEPARTMENT OF FACILITY SERVICES, PARKS
DIVISION; TAHOE DONNER ASSOCIATION, INC.; CROMAN CORP., WILLIAM
SINCLAIR, JAMES MITCHELL

and

THE TRUCKEE DONNER LAND TRUST

For the purpose of Formalizing an Understanding
for the Establishment of a Donner Lake Rim Trail

This Memorandum of Understanding is entered into by and between the United States Forest Service, Department of Agriculture, (hereinafter referred to as "Forest Service"), California State Parks and Recreation Department, (hereinafter referred to as "CSPRD"), County of Nevada, County of Placer, the Town of Truckee, the Truckee Donner Recreation and Parks District, (hereinafter refer to as "TDRPD"), Department of Facility Services, Parks Division, (hereinafter DPSPD), Tahoe Donner Association, Inc., (hereinafter referred to as "TDA"), Croman Corp., Wm. Sinclair, James Mitchell other public and private persons or entities as may become parties hereto, and The Truckee Donner Land Trust, (hereinafter referred to as "TDLT").

Whereas, TDLT is a private non-profit corporation organized under and pursuant to the laws of the State of California, has its office and principal place of business in Truckee, California, and desires to develop a "rim trail" around Donner Lake in Placer and Nevada Counties, California, (with the project specified herein and to be referred to as "The Donner Lake Rim Trail"), and further desires to formalize its understanding with the Forest Service and other public and private persons and entities for the establishment, development, construction maintenance, management and operation of a Donner Lake Rim Trail; and,

Whereas, A Donner Lake Rim Trail will benefit the general public by providing a recreational trail with beautiful scenic vistas; and,

Whereas, The Forest Service, through the Forest Supervisor of the Tahoe National Forest (TNF), is responsible for the

administration, management, and protection of National Forest System (NFS) lands, and may authorize by special-use permits, trail easements or otherwise, the proposed project of a Donner Lake Rim Trail where it comes to be on NFS lands; and,

Whereas, TDLT and the Forest Service desire to establish documentation for development, construction, maintenance, management and operation of a Donner Lake Rim Trail on the Truckee Ranger District that meets the National Environmental Policy Act and the Council of Environmental Quality requirements; and,

Whereas, the California State Parks and Recreation Department (CSPRD), through the Donner Memorial State Park is responsible for the administration, management, and protection of those State Park lands where the proposed project for the Donner Lake Rim Trail comes to be on State Park lands, and may authorize by special-use permits, trail easements or otherwise, the proposed project on those lands; and,

Whereas, TDLT, the Forest Service, CSPRD, TDRPD, DFSPD, the Counties of Nevada and Placer, the Town of Truckee, and TDA all desire to establish documentation for the development, construction, maintenance, management and operation of a Donner Lake Rim Trail on State Parks Lands, Forest Service Federal Lands, and various private lands that meets California Environmental Quality Act (CEQA) requirements, and agree to the designation of the CSPRD as the state lead agency for preparation of the appropriate environmental document, if any is needed, pursuant to the California Environmental Quality Act (CEQA); and,

Whereas, TDLT and the TAHOE DONNER ASSOCIATION, INC. (TDA) desire to establish documentation for the development, construction, maintenance, management and operation of a Donner Lake Rim Trail on a certain portion of TDA's private lands that meets with the requirements of TDA's private General Plan; and,

Whereas, TDLT, the Forest Service, CSPRD, TDRPD, DFSPD, and TDA desire to establish documentation for the development, construction, maintenance, management and operation of a Donner Lake Rim Trail and desire to establish the Forest Service, CSPRD, TDRPD, DFSPD, and TDA as the primary managers of the Donner Lake Rim Trail; and,

Whereas, TDLT, Croman Corp., Wm. Sinclair, James Mitchell, and all the parties to this M.O.U., as well as other private entities or persons who may become signatories to this M.O.U., desire to establish documentation for the

development, construction, maintenance, management and operation of a Donner Lake Rim Trail on certain portions of those private lands; and,

Whereas, the parties to this M.O.U. support the general concept of the Donner Lake Rim Trail and the benefits which it will provide to the parties and the public; and,

NOW, THEREFORE, it is mutually agreed by the parties hereto as follows:

1. PURPOSE

This Memorandum of Understanding (MOU) establishes the intentions, conditions and procedures for analyzing and documenting the potential rights, responsibilities, duties and effects associated with the proposed development contemplated by the TDLT Master Plan for a Donner Lake Rim Trail. Additional access trails to the proposed Donner Lake Rim Trail, if any, will be presented in the Master Plan by TDLT.

Since some of the geographic areas considered by the Master Plan are located within the respective jurisdictions of the Forest Service, CSPRD, Nevada County, Placer County, the Town of Truckee, TDRPD, DFSPO, TDA, and other public or private parties, corporations or entities, the parties to this agreement severally and jointly agree to cooperate in the establishment, development, construction, maintenance, management and operation of the Donner Lake Rim Trail on each of their respective properties. Further details will be developed pursuant to a Master Plan as referred to in paragraph 2G hereof.

Furthermore, the parties to this agreement severally and jointly agree to allow other public or private parties, corporations or entities to be added and become a party to this MOU as such public or private parties, corporations or entities become known or are deemed by TDLT to become necessary to the establishment, development, construction, maintenance, management and operation of the Donner Lake Rim Trail on each of those respective properties.

2. AUTHORITY

The authority for the forest Service to enter into this agreement rest in the Granger-Thye Act of April 24, 1950 - 16 U.S.C. 572.

3. ROLES AND RESPONSIBILITIES

A. The Forest Service is the lead federal agency under the National Environmental Policy Act (NEPA) for preparation of an appropriate disclosure document (Decision Memo, Environmental Assessment, or Environmental Impact Statement). The parties believe that there will be no significant environmental impact

associated with the establishment of the Donner Lake Rim Trail.

If an EIS is determined to be required, the Forest Service will determine the adequacy of the EIS in meeting NEPA requirements. The Forest Supervisor of the Tahoe National Forest (TNF) will be the deciding official for the Forest Service and will use the EIS as a basis for making decisions regarding the development of the Donner Lake Rim Trail by TDLT on National Forest System lands.

The Forest Service will serve as a primary trail manager of that portion of the Donner Lake Rim Trail that is within the northwest, west, and southwest sections of its geographical and legal jurisdiction as more particularly outlined in the MAP attached hereto as Exhibit "A".

This portion of the Donner Lake Rim Trail includes portions of the existing "Mt. Judah Loop Trail", "Pacific Crest Trail (PCT)", and "Summit Lake Trail". The Forest Service agrees to allow the involved portions of these respective trails to also serve as links or segments of the Donner Lake Rim Trail. Management direction for these specific trail segments is contained in the Tahoe National Forest's Land and Resource Management Plan (March 1990). Additional specific direction for the development and operation of the "Mt. Judah Loop Trail" was established in the Record of Decision on the Final Environmental Impact Statement for the Sugar Bowl Ski Resort Master Plan (July, 1992). Nothing in this agreement is intended to alter or amend any existing adopted management direction for these trail portions or adjacent National Forest System lands.

The Forest Service agrees to review and amend if necessary it's Land and Resource Management Plan and adopted Management Direction for Management Area #053 (Donner) to assure that this direction is compatible with developing trails through specific parcels within this Management Area. Should the Forest Service conclude that development of the Donner Lake Rim Trail is either compatible with existing direction or amends this direction so as to allow trail development, the Forest Service would be in a position to grant easements or special use permits to the appropriate trail manager for these respective sections of the Donner Lake Rim Trail. There is no intent on behalf of the Forest Service to initiate an amendment to it's Land and Resource Management Plan to alter adopted direction that makes these parcels available for disposal under land exchange procedures.

The designated representative of the Forest Supervisor is the Truckee District Ranger.

B. California State Parks and Recreation Department is the California state lead agency for preparation of the appropriate environmental document pursuant to the California Environmental Quality Act (CEQA) if any is required. CSPRD will ensure that the

procedural requirements of CEQA are met and may certify the adequacy of an environmental document pursuant to CEQA.

CSPRD will serve as a primary manager of that portion of the Donner Lake Rim Trail that is within its geographical and legal jurisdiction.

C. TDRPD and DFSPD will serve as the primary managers of those portions of the Donner Lake Rim Trail that are not within the geographical and legal jurisdiction of the Forest Service or the CSPRD.

D. TDA will serve as the primary manager of those portions of the Donner Lake Rim Trail that are within its property and within the geographical and legal jurisdiction of those sections of Forest Service properties that are contiguous to TDA property.

E. Placer County and Nevada County, California will determine whether the proposed Master Plan for a Donner Lake Rim Trail conforms with the Placer County and Nevada County General Plans.

F. The Town of Truckee will determine whether the proposed Master Plan for a Donner Lake Rim Trail conforms with Truckee's proposed General Plan.

G. TDLT will provide a proposed Master Plan for the Donner Lake Rim Trail including components which meet the procedural requirements requested by the public agencies and private parties involved. The Master Plan will serve as a fixed outline to establish the following:

1. A map of the general location of the trail and its proposed public accesses;

2. The methods and means used for the trail's construction, and maintenance, (all affected property owners will be consulted in this regard), along with a proposal of options to transfer the future maintenance, management and operation to the Forest Service, CSPRD, TDRPD, DFSPD, and/or other specified public agencies for continued public enjoyment in perpetuity;

3. An outline of further proposed Rules of Use (e.g. hikers, horses, litter control, etc.) and other legal documentation to effect the agreements and intents of the parties. TDLT understands that the Forest Service has in place existing rules of use for the "Mt. Judah Loop Trail", "PCT", and "Summit Lake Trail" and has no intent to effect change in that existing direction.

4. NO WAIVER

By joining in this MOU, the Truckee Donner Land Trust does not waive or relinquish any rights it may otherwise have under applicable local, state, regional or federal law having to do with the subject matter of this MOU.

5. GENERAL PROVISIONS

A. Each and every provision of this MOU is subject to all applicable Federal, State, and local laws and regulations. Nothing in this MOU shall be construed as limiting or modifying any terms of any preliminary permits granted or which may be granted by the Forest Service.

B. Any amendments hereto shall be in writing, and may be proposed by any party. Amendments shall be effective upon written approval of the affected parties.

C. This MOU shall remain in effect through the environmental analysis process and until respective decision documents are appropriately executed by the respective agencies and until all its stated purposes and intents have been realized and completed.

D. Any government entity to this agreement may withdraw their intention to participate by providing two (2) weeks advanced written notice to all other party members stating its reasons for such withdrawal.

E. This MOU shall be effective immediate following its execution by two or more parties agreeing to be bound hereby.

FOREST SERVICE, UNITED STATES
DEPARTMENT OF AGRICULTURE

TRUCKEE DONNER LAND TRUST

By: John H. Skinner
FOREST SUPERVISOR, TAHOE
NATIONAL FOREST

By: Craig B. Close
CRAIG B. CLOSE, DIRECTOR

DATE: 4/28/95

DATE: 4/28/95

ORIGINAL

CALIFORNIA STATE PARKS and RECREATION DEPARTMENT

By: R. G. Macomber

DATE: 4/28/95

TRUCKEE DONNER RECREATION AND PARKS DISTRICT

By: Steve Dabell

DATE: 4/28/95

(OTHER SIGNATURES ON THE FOLLOWING PAGE(S))

DEPARTMENT OF FACILITY SERVICES, PARKS DIVISION

By: _____

DATE: _____

COUNTY OF NEVADA

By: _____

DATE: _____

COUNTY OF PLACER

By: _____

DATE: _____

THE TOWN OF TRUCKEE

By:  _____

DATE: 5/2/97

TAROE DONNER ASSOCIATION, INC.

By:  _____

DATE: 4/28/98

CROMAN CORPORATION

By: _____

DATE: _____

WILLIAM SINCLAIR

JAMES MITCHELL
(916) 434-3000

DATE: _____

DATE: _____

ORIGINAL



To preserve and protect scenic, historic, and recreational lands with high natural resource values in the greater Truckee Donner Region and manage those resources in a sustainable manner.



Tahoe Donner Association
Board Meeting April 22, 2017

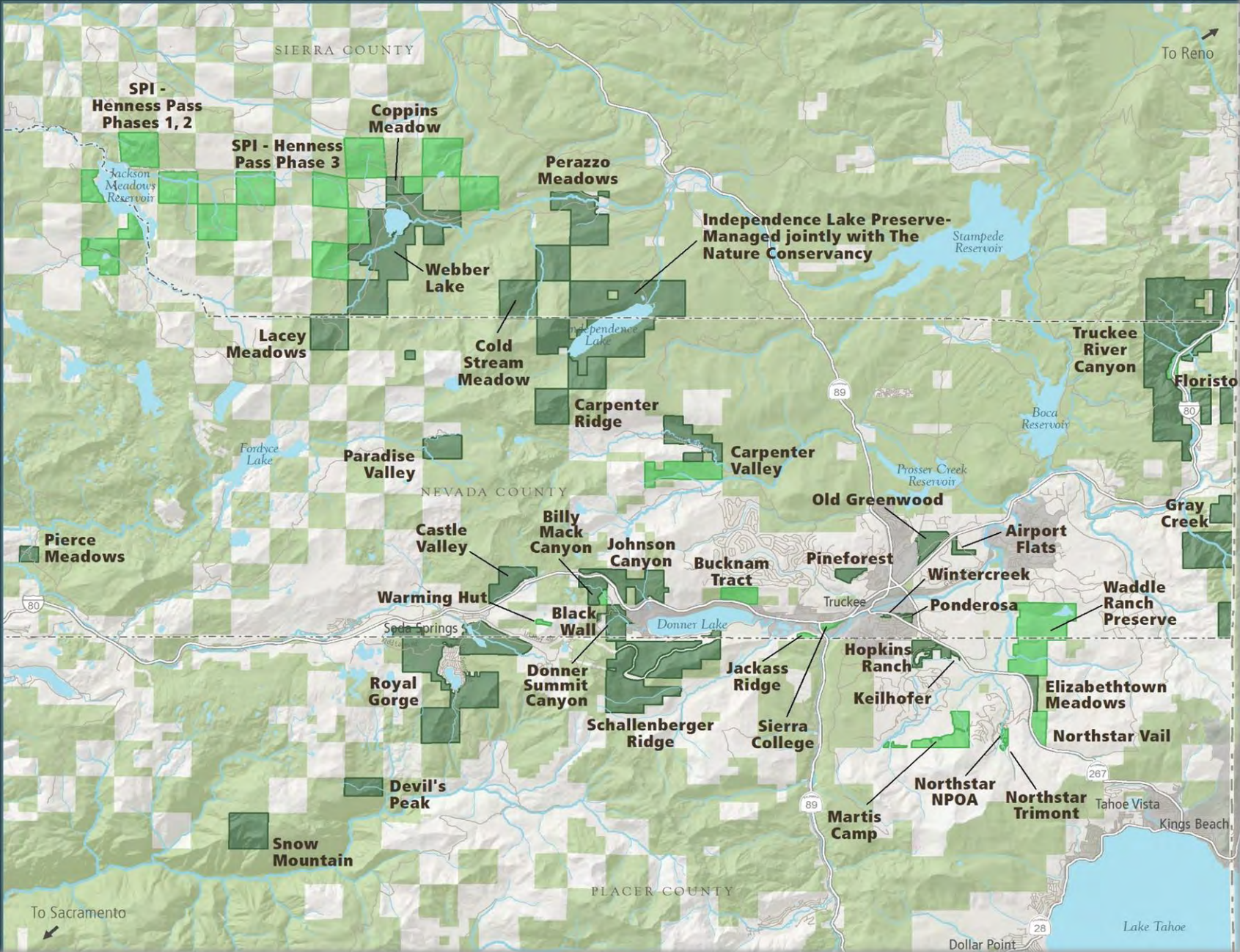


TDLT Projects

- Completed Acquisitions
- Conservation Easements

Other Features

- Other Protected Lands
- Urban Area
- County Boundary

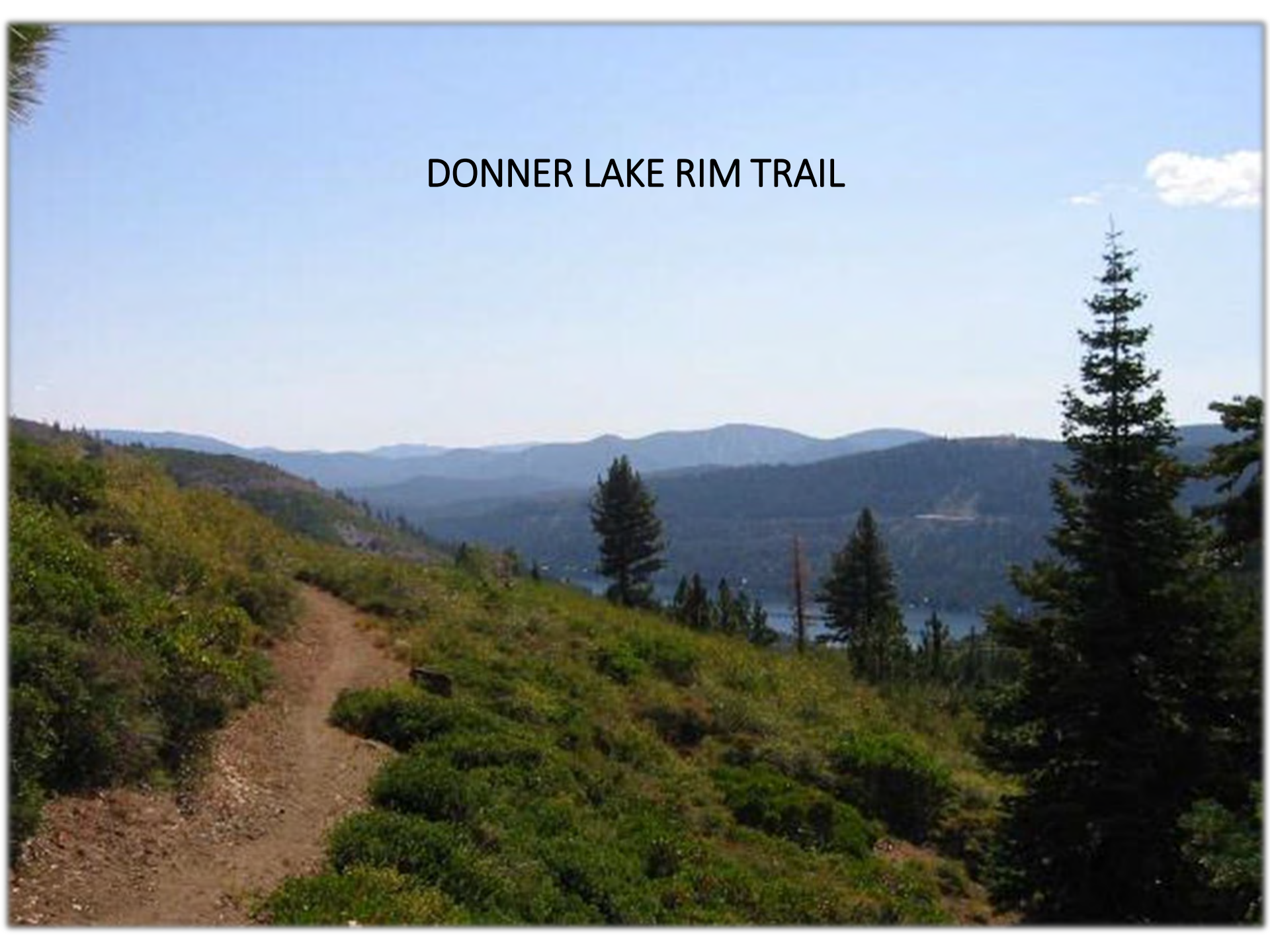


Map template by GreenInfo Network
 www.greeninfo.org
 Map updated 3/6/2017

Data Source: Truckee Donner Land Trust, CPAD 2014

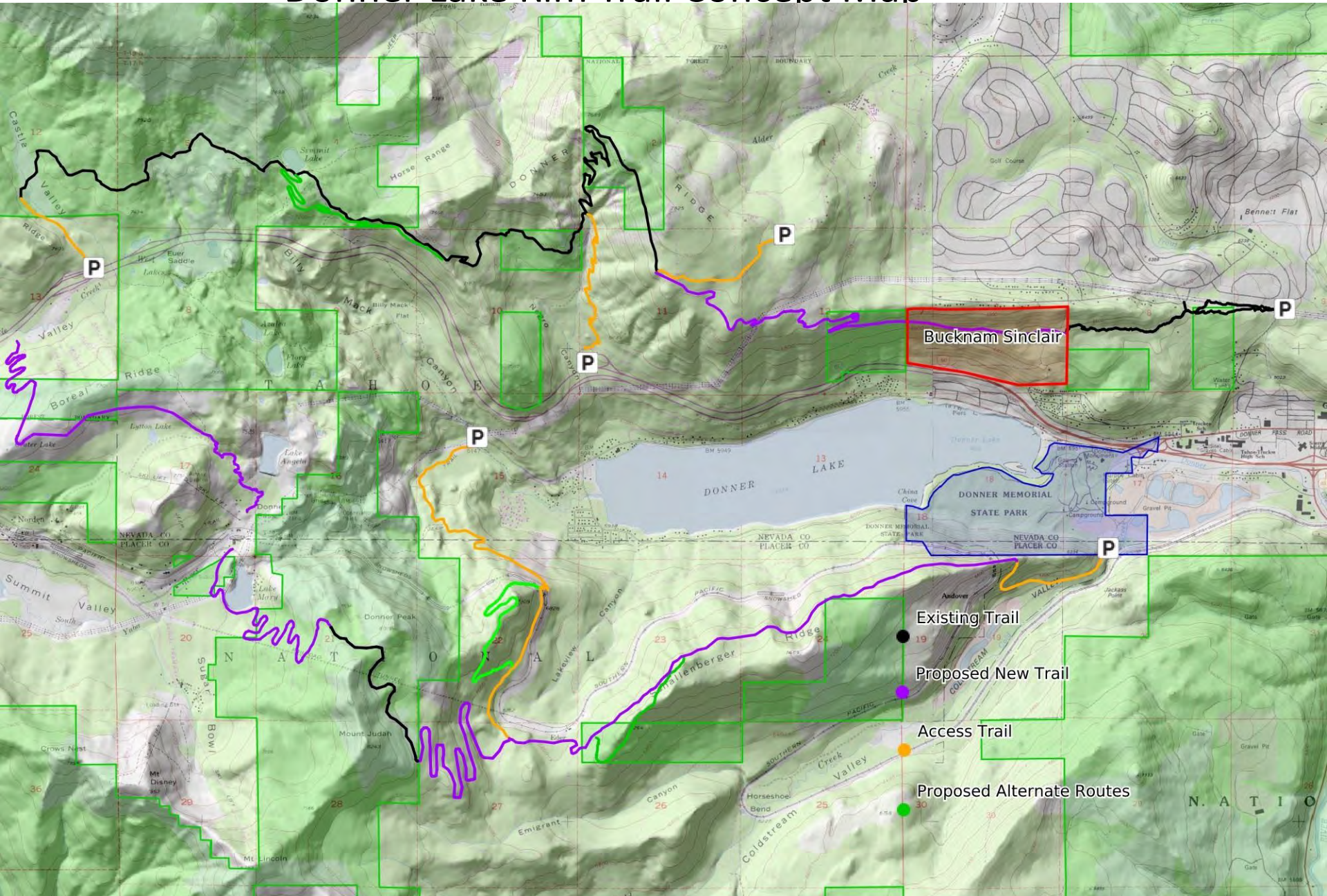


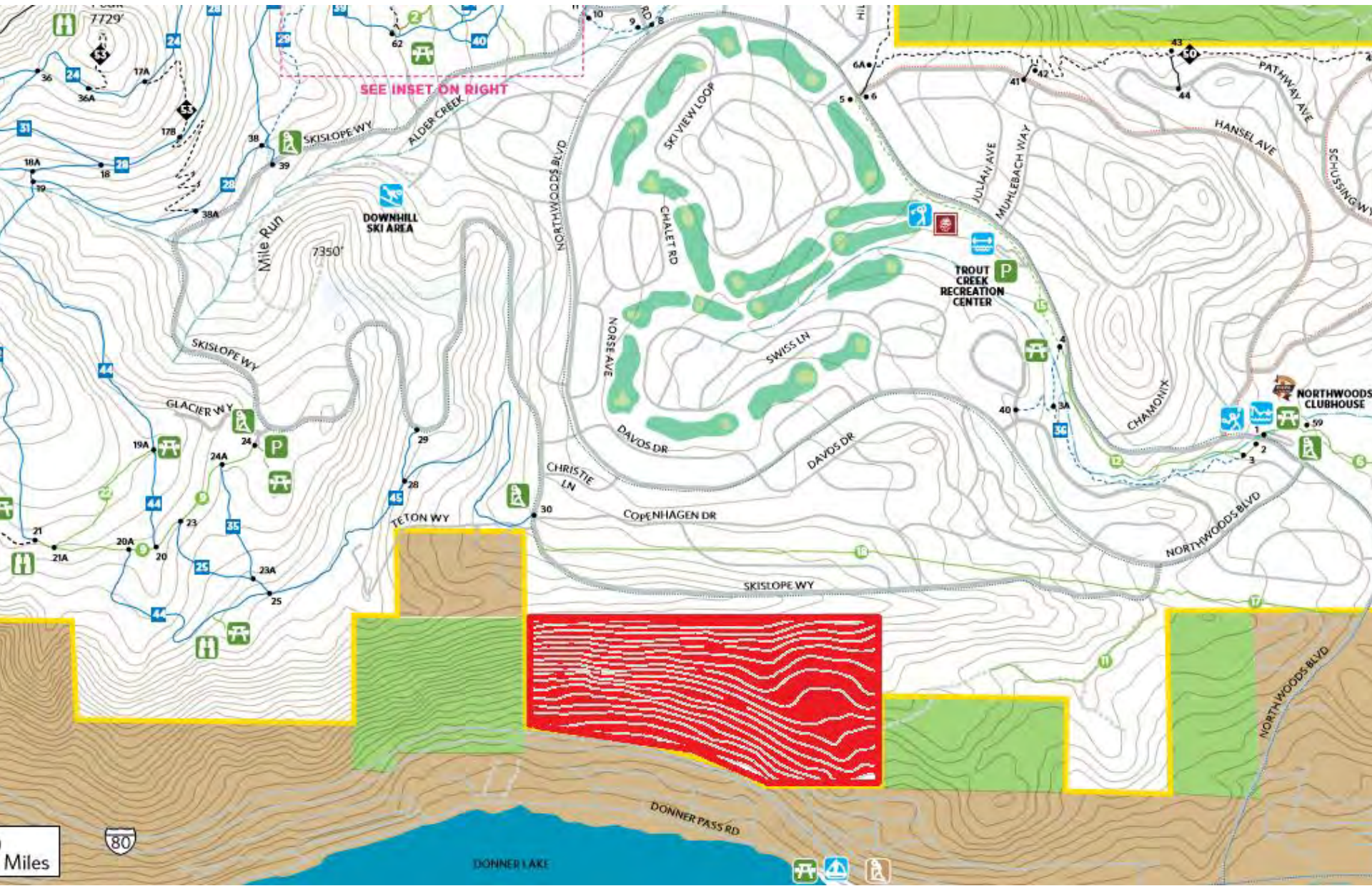
DONNER LAKE RIM TRAIL



- Envisioned by the Truckee Donner Land Trust Board in 1993.
- Single track trail encircling the ridges and peaks around Donner Lake.
- In 1995 a Memorandum of Understanding was signed by the Truckee Donner Land Trust, the USFS, CA State Parks, Tahoe Donner Association(TDA), Placer and Nevada Counties, Truckee Donner Recreation and Parks District, and the Town of Truckee, outlining tasks for design, construction, and maintenance of the trail.
- In 2010 the Land Trust, Tahoe Donner Association, and the Town of Truckee, jointly acquired the Bucknam Sinclair Property.
- Purchase included a Conservation Easement protecting the land as well as a floating trail easement for the construction of the Donner Lake Rim Trail.
- When complete, the trail will be roughly 23 miles long and connect a large network of regional trails on both the north and south sides of Donner Lake.

Donner Lake Rim Trail Concept Map





Miles



DONNER LAKE



Proposed Alignment
Through
Bucknam Sinclair Property



Trail Volunteers



Hard At
Work



MINUTES
TAHOE DONNER ASSOCIATION
SPECIAL BOARD OF DIRECTORS MEETING

April 22, 2017
Northwoods Clubhouse
9:00 a.m.

A special meeting of the Board of Directors of Tahoe Donner Association was held at the Northwoods Clubhouse 11509 Northwoods Blvd., Truckee, California on Saturday, April 22, 2017. President Jeff Bonzon called the meeting to order at 9:08 a.m. The following Directors were in attendance, thus constituting a quorum of the authorized number of Directors of the Association:

Directors Present: Jeff Bonzon, President
Ron Wulff, Vice President (via conference call)
Steve Miller, Treasurer
Jeff Schwerdtfeger, Secretary
Darius Brooks, Director (via conference call)

Directors Absent: none

Staff Present: Robb Etnyre, General Manager
Forrest Huisman, Director of Capital Projects
Miguel Sloane, Director of Operations
Mike Salmon, Director of Finance & Accounting
Annie Rosenfeld, Director of Facilities & Risk
Megan Rodman, Recording Secretary and Executive Assistant

I. CALL TO ORDER 0:00:10

II. DISCUSSION: EXECUTIVE SESSION REPORT 0:00:50
(Board of Directors)

On April 11, 2017, the Board of Directors met in Executive Session to discuss a draft of the 2017 Tahoe Donner Association Senior Management Compensation Study report by Romanoff Consulting.

On April 17, 2017, the Board of Directors met in Executive Session to discuss a draft of the 2017 Tahoe Donner Association Senior Management Compensation Study presentation by Romanoff Consulting.

III. A. **DISCUSSION: SOCIAL MEDIA UPDATE** 0:01:26
(Derek Moore, Interactive Media Coordinator)

Derek Moore, Interactive Media Coordinator, presented to the Board and to the membership a summary of comments and activities across all Tahoe Donner social media platforms and on Next Door as an additional way to stay abreast of emerging issues among the membership.

The most common topics this month were:

- Picking up dog waste
- Active Bears
- Trash/Bear Boxes
- Clearing of the Boat Storage lot
- Closing dates of winter amenities
- Event Tent at The Lodge Restaurant & Pub
- 2017 Director Election
- Kayak storage
- Board Meeting supporting documents
- Architectural Standards processes

Derek also reported on Board meeting video recording statistics, providing a brief overview of what is being tracked, total video viewings and other general information.

Links are now available on the Board Meeting videos to take members to specific Agenda items, should anyone only wish to view that portion of the meeting.

To stay informed on these topics and others, members can subscribe to receive Tahoe Donner emails at www.tahoedonner.com.

IV. **MEMBER & DIRECTOR COMMENTS** 0:23:16

Board President, Jeff Bonzon, recognized members to comment on agenda items as they occurred. But, opened the meeting addressing the following topics that were not on the agenda but perceived as important to address and potential items to be placed on future board meeting agendas.

- Member comments were made regarding the closing dates of winter amenities, communication to the membership, Bear Boxes, and the Town's proposal for a round-about at the intersection of Northwoods Boulevard and Donner Pass Road.

Members may submit additional comments by email to the Board of Directors at board@tahoedonner.com.

V. B. **ACTION: APPROVAL OF MINUTES** 0:32:40

The Board received the preliminary minutes of the following for consideration:

- March 25, 2017 Regular Meeting Minutes

Director Jeff Schwerdtfeger moved and Director Steve Miller seconded to approve the meeting minutes as presented. Motion passed: 4 – 0. (Director Ron Wulff absent).

VI. C. **DISCUSSION: COMMITTEE MANAGEMENT**
(Committee Chairs)

0:33:14

- **Architectural Standards** – The Board of Directors was provided with the Architectural Standards and Covenants Board of Directors Monthly Summary for March 2017.
 - Rod Whitten, Chair of the Architectural Standards Committee, reported that things are very slow right now for the committee. Fifteen new houses were brought to the committee at the last meeting. The committee also wanted to remind the membership of repair rules and processes as a result of snow damage.
- **Covenants** – The Board of Directors was provided with the Architectural Standards and Covenants Board of Directors Monthly Summary for March 2017.
- **Election** – The Board of Directors was provided with the committee’s April 4, 2017 meeting minutes.
 - Karolyn Gander, a member of the Elections Committee, speaking on behalf of Bette Rohrback, the Committee Chair, stated that seven applications have been taken from Member Services for the two open positions on the Board of Directors thus far. As of April 17, 2017, there are 6,473 members total, 186 members have been suspended, resulting in the total number of those eligible to vote in the 2017 Director Election to be 6,287, equating to a 25% quorum to be met with 1,572 membership votes.
- **Finance** – No report.
 - Art King, Finance Committee Chair, reported that the committee has reviewed the March 2017 Financials, as well as the 2016 Annual Financial report which Mike Salmon, Director of Finance and Accounting, has worked diligently on. The committee had a long discussion regarding the housing issue in Tahoe Donner, and as such would like to remain in the loop with this conversation going forward.
- **General Plan (GPC)** – The Board was provided with the committee’s April 3, 2017 meeting minutes and with the Capital Projects at a Glance report.
 - Michael Sullivan, the General Plan Committee Chair, reported that progress is being made on each current capital project, and will report on the current status of the Association Master Plan later in this meeting.
- **Tahoe Donner Giving Fund Committee** – The Board was provided with the committee’s April 4, 2017 meeting minutes and with their Administrative Budget report.

- Richard Gander, Chair of the Tahoe Donner Giving Fund, reported that three items are on the Consent Calendar today for Board approval – the scholarship grants, multi-year grants, and adding a new member. He also kindly reminded everyone that if just 15% of the homeowners contributed \$100 per year, the committee could grant \$100,000 to numerous local organizations.

VII. D. ACTION: CONSENT CALENDAR

0:54:08

The Board of Directors was provided with the following for consideration:

- Tahoe Donner Giving Fund – increase the scholarship grant by \$3,000 to \$7,000 total to allow for continued support beyond one year.
- Tahoe Donner Giving Fund – approve scholarship grants of \$2,000 each to two students.
- Approval of Linda Slattery as affiliate member of Tahoe Donner Giving Fund Committee
- Decision Paper – Fire System Replacement at the Lodge Restaurant & Pub

Following discussion, Director Steve Miller moved and Director Jeff Schwerdtfeger seconded to approve the above Consent Calendar items as presented. Motion passed: 5 – 0.

The below Consent Calendar items were pulled from the original Consent Calendar and were reviewed further before being voted upon by the Board of Directors.

- **Decision Paper – Banquet Tent Replacement at the Lodge Restaurant & Pub**
The Board of Directors would like to see more color choices for the tent presented before voting upon this item. As well, the Board would like to see different tent coverage options for when the tent is not in use, since taking down and putting back up the tent for each event is impractical. Director Darius Brooks also recommended considering purchasing a more permanent tent, that could be used during the winter months. The tent presented in the Decision Paper, is 2 feet lower than the current tent, with more of an even top.

Following discussion, this Decision Paper – Banquet Tent Replacement at the Lodge Restaurant & Pub will be moved to the next scheduled Board Meeting, and by consensus it was not approved by the Board of Directors at this time until more options could be presented.

- **Decision Paper – Short Range Practice Area at the Driving Range**
- **Decision Paper – Driving Range Netting Replacement**
 - Director Ron Wulff asked for further clarification on why new netting is being recommended, as well as what a short range practice area entitles, and if doing both of these items at the same time provides cost savings. Robb Etnyre, General Manager, explained that the new netting would solely be for summer use, since the old netting is deteriorating quickly.

The old netting would then be used as fencing for Snowplay in the winter. The short range practice area would be used for when the whole Driving Range area is closed to host summer activities, such as concerts, to still provide a driving range practice area service to the membership. While both may happen at the same time, utilizing two different contractors will not guarantee cost savings.

Following discussion, Director Ron Wulff moved and Director Jeff Schwerdtfeger seconded to approve the two Decision Papers above, as presented. Motion passed: 5 – 0.

VIII. BREAK 10:35 A.M. 1:26:28

The regular meeting reconvened at 10:40 a.m.

IX. E. DISCUSSION: UPDATE BY ROMANOFF CONSULTING ON SENIOR MANGEMENT COMPENSATION STUDY 1:26:55

(Romanoff Consulting Inc.)

The Board of Directors was provided with an update on their contracted Senior Management Compensation study report by Romanoff Consulting.

Director Jeff Bonzon stated that the reasoning behind conducting this study is to clear up any confusion regarding compensation paid to employees. As such, the purpose of this study is to learn the appropriate levels of pay needed to attract and maintain quality employees. The presentation by Romanoff Consulting at this meeting, is to report on the completion of Phase 1 of the study and to brief the Board and the membership on the next steps to be included in Phase 2.

Kent Romanoff, the consultant conducting the study, noted three important key points regarding his work thus far. (1) The section of the study concerning the General Manager position, he reports to the Board of Directors, but for all other sections concerning the other Senior Management positions, he reports to the current General Manager of Tahoe Donner, Robb Etnyre. (2) The study was originally only meant to cover the top five highest paid positions at Tahoe Donner, but has since then been expanded to cover all Senior Management positions. (3) Since his first discussion with Art King, Chair of the Finance Committee, Kent raised his concerns about the comparability of using general market surveys, available in the public domain, knowing that these surveys would not compliment the Tahoe Donner Association nor would their relevance and sufficiency of proper data add to the acceptance of this study by the membership. Thus, Kent recommended the Board consider conducting a custom survey to get a valid read on the market to comparable jobs.

The objectives of this Salary Study are to – (1) determine how the Tahoe Donner Association executives are paid relative to executives in comparable organizations, (2) determine how much the Tahoe Donner Association must pay to compete effectively for executive talent, and (3) recommend appropriate compensation levels to encourage high-performing executives to remain with Tahoe Donner for the long-haul. Kent pointed out that the last objective is extremely important now, since the Association has recently lost

two employees from the Senior Management team, due to them acquiring higher paying jobs in Reno.

In Phase 1, Kent looked at compensation elements, including base salary and annual cash incentives. Benefits, perquisites and deferred compensation will be looked at as a part of Phase 2. The project scope includes the following positions – the General Manager, Director of Finance and Accounting, Director of Capital Projects, Director of Information Technology, Director of Operations, Director of Risk Management and Real Property, Director of Human Resources, Director of Food and Beverage, and the Director of Marketing and Member Relations. With the information that has been gathered thus far, Kent believed it was appropriate to consider the General Manger position comparable to a Chief Operating Officer or President position of a company, and the other Director positions comparable to a Vice President position of a company, as they operate today.

The methodology behind Phase 1 of the study, included the following:

Step 1 – Document and Program Review

- Involved reviewing financial statements, business planning documents, executive employment agreements, compensation (base salary and bonus) plan documents, current salary administration guidelines, salary listings and the most recent bonus payouts.

Step 2 – Interviews

- Each interviewee was asked about their roles and responsibilities, observations, issues, concerns and ways they think Tahoe Donner can improve its current executive pay program.

Step 3 – Compensation Philosophy

- Working with the Board and Robb, Kent wanted to identify survey databases to market price Tahoe Donner jobs, establish Tahoe Donner’s desired market position (median), determine a recommended structure of salary ranges going forward, and how to position incumbent within a proper position range.

Step 4 – Market Data

- Five reports were reviewed for relevance to this study – the 2016 GuideStar Nonprofit Compensation Report, the 2013 Community Association Manager Compensation Survey, the 2010 City Town Manager Compensation Survey, the 2015 Northern California Fair Pay for Nonprofits report and a list of other large home owner associations provided by the Finance Committee. Looking at the pros and cons of each report, it was concluded that two of the reports, the 2010 City Town Manager Compensation Survey and the list of other large home owner associations, could not be used for this study. The other three reports can be used, however with great limitations as they don’t provide sufficient and comparable enough information.

When looking at the Tahoe Donner Association, Kent came to the conclusion that this homeowners association was not a normal homeowners association. The factors that contribute to Tahoe Donner being so unique include: diverse services, activities & amenities, complex financial challenges, number and frequency of Board and Board Committee meetings, extensive governmental partnerships, staffing a full-service winter/summer resort, dependency on volatile weather conditions, continuous

maintenance and upgrades, extensive land-holdings, managing and controlling risk and technological complexity.

With the completion of Phase 1, Kent’s overall findings were that Tahoe Donner Association is highly unique, most executive jobs perform duties that are outside of the scope of a typical homeowners association, many Tahoe Donner executive positions have recently been created or expanded and have been paid within the constraints of the existing pay program, the published compensation surveys do not include data from comparable organizations, and in order to draw any conclusions about the competitiveness of Tahoe Donner executive pay, we need to improve the quality of our market data.

In Phase 2, the Board would like to conduct a custom market survey. This survey would define criteria for participation, involve 15 to 20 comparable organizations, and include pay elements such as base salary, annual bonus, total cash compensation, differed compensation, benefits, prerequisites, and salary administration practices. Participants in this study would receive the results of this survey for free, however all data would be sent to and analyzed by Romanoff Consulting to protect confidentiality. The next steps in creating this survey would be to define criteria for participation, create a preliminary prospect list, explore the possibility of including additional non-executive jobs, review the prospect list with Tahoe Donner executives, the Board of Directors and the membership, to then have a finalized and mutually agreed upon prospect list to begin the survey.

Below is the estimated timeline for Phase 2 of the Senior Management Salary Survey.

STEP	ESTIMATED COMPLETION
Establish Criteria & Select Prospects	May
Develop Questionnaire	June
Contact Prospects & Distribute Questionnaires	July
Data Submission Deadline	August
Publish Reports	September
Analyze Data	October
Recommend New TDA Executive Salary Ranges	November
Final Board Approval of New TDA Exec Pay Program	December
Implement New TDA Executive Pay Program	January 2018
Executive Salary Adjustments (if necessary)	January 2018

X. I. DISCUSSION: COMMUNITY FACILITY DISTRICT – GRAY’S CROSSING PRESENTATION 2:42:45

(Jeremy Popov, TDPUD Administrative Services Director)

Jeremy Popov, the Administrative Services Director of the Truckee Donner Public Utility District, discussed with the Board of Directors the Community Facility District No. 04-1, Gray’s Crossing.

The Gray’s Crossing community was originally entitled by the Town of Truckee for a mountain resort community consisting of 408 single family lots, a 92 unit income restricted apartment complex, 89 single family freestanding cottages, 115 attached

townhomes, 21 residential lofts, and approximately 40,700 square feet of commercial space and various community space.

The Truckee Donner Public Utility District (TDPUD) formed the Gray's Crossing community facility district (CFD) in 2004 to help finance the public infrastructure related to the development of the land within the Gray's Crossing CFD's boundaries. The CFD issued an initial series of bonds in principal amount of \$15,375,000 in 2004 and a second series of bonds in a principal amount of \$15,155,000 in 2005. The bonds financed water, electric, sewer, natural gas utilities; roads, storm drains, and more, and would be repaid over time by property owners through a Mello-Roos or Special Tax assessment. While the CFD is not a liability of the TDPUD ratepayers, with the largest share of utilities financed, the TDPUD agreed to administer the CFD. However, as a result of the recession, the development of Gray's Crossing was stalled, development agreements went into default, taxes became delinquent, resulting in a financial barrier to continued development. As such, the TDPUD is working on a complex work-out plan to restart development on several vacant parcels and to also stabilize the bond issue. Currently the TDPUD, the CFD, and two developers have executed a Memorandum of Understanding (MOU) to implement a plan to stabilize the bonds, which is likely to commence development.

Regarding the development concept, the goal is to create a nice, livable community finding a balance of price and quality. While the development concept is constantly evolving, Parcel D would include 40 townhomes, 100% for locals and the local workforce – 10 homes would be income restricted, and 30 would be restricted to locals only priced in the mid \$300,000 range. The Cottages development would include 89 smaller footprint, affordable by design homes – 59 restricted to locals only, priced likely in the \$500,000 range. Parcel F would involve 49 smaller lot size higher-end single family homes, with no market restrictions, which is necessary to develop due to high liens of special taxes, to balance the economics. Recent housing studies support these developments, 58% of unmet demand for housing falls into the range of this project, 37% of which the unmet housing demand is for families with 120% AFMI, and 21% of the unmet demand in the 80% to 10% AFMI range.

In summary, there's a significant upside potential – a sliver of hope for local's housing which would be affordable by designing housing intended for the local residents and workforce. To maximize the community benefit, staff has also been meeting with representatives of local non-profits, to build interest in a possible down payment assistance program, which could provide up to 10% down for qualifying individuals, aligning very well to the current development concept.

XI. CLOSED SESSION

XII. EXEC. EXECUTIVE SESSION AND LUNCH

3:15:55

The Board adjourned to Executive Session at 12:30 p.m.

Director Jeff Schwerdtfeger moved and Director Steve Miller seconded to approve adjournment of the Special Board Meeting into Executive Session 12:30 p.m. Motion passed: 5 – 0.

XIII. APPEAL HEARING

The Board reconvened to an Appeal Hearing at 12:50 p.m.

XIV. OPEN SESSION

3:16:57

The Board reconvened to Open Session at 2:02 p.m.

XV. EXECUTIVE SESSION REPORT

3:16:58

Board Secretary, Jeff Schwerdtfeger reported that the Board met in Executive Session today to discuss and hear membership appeals.

**XVI. M. ACTION: TRUCKEE DONNER LAND TRUST
(Kevin Starr, Stewardship Coordinator)**

3:17:17

Kevin Starr, the Stewardship Coordinator of the Truckee Donner Land Trust, presented to the Board information on the new proposed alignment of the Donner Lake Rim Trail.

Since 1993 the Truckee Donner Land Trust has been working on a trail project called the Donner Lake Rim Trail. The vision is to have a trail which encircles the peaks and ridges above Donner Lake and when complete, it will be roughly 23 miles long. The project was launched in 1995 with a Memorandum of Understanding between the Land Trust, United States Forest Service, California State Parks, Tahoe Donner Association, Town of Truckee, and Truckee Donner Recreation and Parks District. In 2010, the sellers of the property known as Bucknam Sinclair Tract, found willing buyers in the Truckee Donner Land Trust, Town of Truckee, and the Tahoe Donner Association who went under contract together and jointly bought the property. The property is an integral piece of defensible space from forest fires for Tahoe Donner and fits with the Land Trust's and Town's mission of protecting and conserving open space.

With renewed interest from the USFS to make this project a priority, along with a big push from Nevada County, who would like to see the Donner Lake Rim Trail be the eastern portion of their proposed Pines to Mines Trail, the Land Trust has proposed a new trail alignment that would be 26,400 feet long, and start at the existing Donner Lake Rim Trail near Glacier Way, crossing USFS land, Tahoe Donner property and the Bucknam Sinclair property. The Land Trust has taken into consideration Tahoe Donner property owner concerns about the proximity of the trail relative to their properties and visual corridor, and as such, the new proposed trail is now approximately 300 feet further down slope. The Truckee Donner Land Trust asks the Board of Directors to agree to this new trail alignment as proposed, in order to accomplish this long-term goal of completing the Donner Lake Rim Trail.

Following discussion, Director Steve Miller moved and Director Jeff Schwerdtfeger seconded to confirm their approval of the proposed new trail alignment, but the Board

wants to work with the Truckee Donner Land Trust further, to pursue the appropriate legal agreement to put into place allowing public traffic to cross onto Association property, before the Board gives their final review to begin construction of the trail.

XVII. G. ACTION: 2017 PENDING SUSPENSION OF MEMBERSHIP RIGHTS AND AUTHORIZATION TO RECORD LIEN 3:28:42
(Board of Directors)

The Board of Directors reviewed and authorized the recording of an assessment lien after May 1, 2017, against those properties for which the delinquent amount is owed, if the amount of the delinquency exceeds \$185.00 and remains unpaid as of the time recording is to take place. As well, these members who have failed to bring their assessment accounts current, will have their membership rights suspended.

Director Jeff Schwerdtfeger moved and Director Steve Miller seconded to approve authorization of recording liens against the properties for which the delinquent amount is owed and to suspend those member's rights. Motion passed: 4 – 0. (Director Darius Brooks absent).

XVIII. H. ACTION: TAHOE DONNER VOTING AND ELECTION RULES – NOMINATING COMMITTEE 3:31:22
(Board of Directors)

The Board of Directors considered appointing a candidate nominating committee for the 2017 Director Election. However, the Board by consensus concluded that no candidate nominating committee needed to be appointed.

XIX. J. ACTION: TAHOE DONNER SEASONAL EMPLOYEE HOUSING UPDATE 3:35:17
(Robb Etnyre, General Manager)

From direction provided at the January Board Meeting, the General Plan Committee housing work group and staff have reviewed priority site locations, existing zoning densities, setback requirements, cost-benefit analytics, and development schedule options. While there are many scenarios that may evolve as the market changes, and/or as directed by the Board of Directors, Tahoe Donner is not able to secure long term rentals as existing Bylaws do not allow for the Association to incur debt. With continued efforts, staff is prepared to find and acquire appropriately entitled land in 2017, and begin planning for construction in 2018. As such, management recommends the Board of Directors consider approving Option 1 of the Decision Paper presented – to purchase entitled undeveloped land in 2017, and in 2018, develop detailed design and construction plans for an appropriate number of housing units to address the seasonal employee housing shortfalls currently addressed with short term rentals.

After discussion, the Board of Directors requested the subject be reviewed further by the General Plan and Finance Committees, to move this item to the next scheduled Board meeting, and to host a Town Hall meeting in the meantime.

XX. K. ACTION: TSSA 1 FUNDS AUTHORIZATION RECOMMENDATION 4:11:17
(Annie Rosenfeld, Director of Facilities and Risk Management)

As a result of review and discussion, the Tahoe Donner Board of Directors recommends the following with regard to the use of future use of the TSSA 1 Funds:

1. Request the Town of Truckee to maintain the current assessment level and previously established eligible uses for the TSSA 1 Fund, while also maintaining an equitable funding level of overall Town of Truckee’s pavement management.
2. Parking improvements in the Town’s right-of-way which provide direct benefit to the TSSA 1 service area and are open to the public. Specifically, Tahoe Donner is requesting consideration of road widening and skier-drop off locations along Snowpeak Way and Slalom Way.
3. Request that the Town of Truckee complete the installation of the remaining electronic radar feedback sign locations this summer.
4. Request the Town of Truckee to consider improvements to the right-of-way and road-side parking adjacent to the Tahoe Donner Beach Club Marina to address safety, congestion, and traffic flow issues.
5. Request the Town of Truckee to utilize TSSA 1 Funds, augment with additional funds as available, and prioritize project planning, and execution for the construction of Left-Turn lanes on Northwoods Boulevard at the Northwoods Clubhouse and Trout Creek Recreation Center.
6. Request the Town of Truckee to consider enhancing the snow removal service by adding a contracted berm service component to the Tahoe Donner streets.

Following discussion, Director Jeff Schwerdtfeger moved and Director Steve Miller seconded to approve the letter titled “TSSA 1 Funds Annual Discussion,” addressed to Dan Wilkins, the Public Works Director/Town Engineer, as presented. Motion Passed: 4 – 0. (Director Darius Brooks absent).

XXI. Q. DISCUSSION: TAHOE DONNER FORESTRY ANNUAL REPORT 4:22:00
(Bill Houdyschell, Tahoe Donner Forester)

Bill Houdyschell, the Tahoe Donner Association Forester, presented to the Board a report on the 2016 Forestry activities including forest health, association owned land defensible space work, the homeowner defensible space program. and the planned work for the 2017 summer season.

In the year of 2016 the Forestry Department was able to accomplish the following –

- 359 visits to private properties for tree advice and permits
- 315 visits for change of ownership defensible space inspections
- 17 visits to properties of defensible space in order to maintain homeowner’s insurance
- 191 out of 210 properties inspected are now compliant with the 2016 Forest Health Issue Maintenance program – removal of dead or damaged trees
- 1,502 piles for 493 tons of property owner vegetation was chipped
- 747 of 821 hand piles were burned
- 2,373 seedlings were planted

- 721 out of 750 properties inspected are now compliant with the 2016 Defensible space program

As a part of the Forestry 5-year plan numerous acres have been treated. In 2012, when the drought started and the number of dead trees started to increase, the forestry budget was reduced due to poor winter revenue, however 11.6 acres of common area were treated, and with the assistance of a California Forest Improvement Program (CFIP) grant, 67.7 acres of plantation were treated. In 2013, 12.8 acres of common area were treated, the south Skislope way fuel break was created, and with the help of two different CFIP grants and additional funds approved by the Board, 186.7 acres of plantation were treated. In 2014, the forestry budget was reduced again due to poor winter revenue, and with the rise of dead trees only 8.5 acres of common area were treated to focus on limiting the spread of the bark beetles and 82.8 acres of plantation were treated. In 2015, a very dry year, it was decided to limit the amount of mastication conducted to reduce the hazards of starting a forest fire. 116.2 acres of common area were treated, 641 dead trees were removed from association property, and only 34.7 acres of plantation were treated. In 2016, contracted labor costs doubled as bidding changed from a per hour rate to a per acre rate. 73.9 acres of common area and 143.5 acres of plantation were treated with the assistance of another CFIP grant.

There are two possible grants available for 2017 to 2019. One is a CFIP High Speed Rail grant, covering 54 acres of site preparation, follow-up slash disposal and tree planting, to be completed between 2017 and 2019. The second is a CFIP Forest Resource Improvement Fund/Timber Regulation Forest Restoration Fund grant, covering 45 acres of pre-commercial thinning, pruning and follow-up slash disposal, to be completed in 2018.

This summer in 2017, even after the wet winter we just experienced, forest pest management specialists agree that we will continue to see higher than normal tree mortality due to bark beetle activity. Storm damage caused by this year's heavy winter will also mean additional work required to clean up dead or damaged trees and excess slash on the ground. Homeowners can assist the Forestry Department by reporting any questionable trees as soon as possible, completing work required following an inspection, and maintaining mastication efforts on their property. Once Bill is better educated on the status of the 180 acres of common area scheduled to be treated this year, and once the snow melts, the Board by consensus is prepared to assist Bill in any way that they can to get the work that needs to be done completed.

**XXII. R. DISCUSSION: FIRE SAFETY AND FOREST HEALTH
COVENANTS RULES**

4:57:33

(Annie Rosenfeld, Director of Facilities and Risk Management)

The Covenants Committee and Forestry department completed a programmatic review of the Homeowner Defensible Space Program including the procedures, rules for minimum standards and communications provided to accomplish the mission of maintaining a healthy forest and reducing the fire hazard to the community.

In this review, three areas of the Covenants were recommended for amendment to create further clarity to the membership for minimum standards of forest health and fire safety. This would also provide synergy between the inspection outcomes and the minimum standard rules relating to which a member must maintenance their lot or improved lot.

Additionally, through the last ten years of the defensible space program, the Forestry Department has seen items which are either eyesores to the natural environment including blue tarps and/or inappropriate tree removal leaving tall stumps which pose an invasive species threat as well as eventual rotting and combustible unit. As such, the committee is recommending two additional amendments in the private property rules section of the Covenants rules to regulate the color of tarps used on the lot and maximum stump height allowed.

The Covenants Committee and management are recommending the Board of Directors consider approving going out to 45-day member notification for the consideration of amending the current private property storage and vegetation, and fire safety and forest health covenants rule.

Following discussion, Director Jeff Schwerdtfeger moved and Director Steve Miller seconded to approve Option 2 of the Decision Paper as presented. Motion passed: 4 – 0. (Director Darius Brooks absent).

XXIII. P. DISCUSSION: ASSOCIATION MASTER PLAN UPDATE 5:02:22
(General Plan Committee and Forrest Huisman, Director of Capital Projects)

The General Plan Committee in conjunction with Forrest Huisman, Director of Capital Projects, discussed with the Board an updated final draft of the Association Master Plan. The two drafts that were presented by Dudek, outlining a very detailed image of where Tahoe Donner is now, the committee has since then used to expanded the report even further to create a future vision for Tahoe Donner utilizing the Association’s vision statement, member input and strategic plan guiding principles. This document will go through a final review process, before being presented to the Board of Directors at the next scheduled Board meeting for their approval. The Board had no additional feedback on the final draft at this time.

XXIV. O. ACTION: BACK-UP POWER GENERATORS 5:23:10
(Forrest Huisman, Director of Capital Projects)

Association management has researched and viewed several options for back-up generator power and recommends the installation of permanent, natural gas back-up power generators to accommodate the electrical demand of each facility at the Alder Creek Adventure Center, the Lodge Restaurant & Pub, and the Downhill Ski Area. Northwoods Clubhouse and Trout Creek Recreation Center already have back-up diesel powered generators. Staff recommends the solicitation for necessary design and engineering for all three locations, providing the most effective solutions to provide dependable power during future power outages. With sufficient engineering, contractor cost proposals for the purchase and installations will then be solicited. Current hard and

soft cost estimates are approximately \$115,000 per site, but will be refined once engineering analysis is complete, which will include confirmation of peak electrical demand, analysis and verification of natural gas utility supply, locations confirmed for efficient annual generator maintenance, and options to minimize noise impacts during generator operations. The 2017 Development Fund Expenditure Budget did not have these items scheduled for spend in 2017. However, the Development Fund multi-year projection can afford this expenditure.

Management recommends the Board of Directors consider approving Option 1 of the Decision Paper to obtain engineering requirements and initiate manufacturing of natural gas back-up power generators for Alder Creek Adventure Center, the Lodge Restaurant & Pub and the Downhill Ski Area, for proposed at an estimated total of \$345,000 from Development Funds, prior to end of 2017.

Following discussion, Director Ron Wulff moved and Director Jeff Schwerdtfeger seconded to approve Option 1 of the Decision Paper as presented. Motion passed: 4 – 0. (Director Darius Brooks absent).

XXV. F.

ACTION: DIRECTOR OF FINANCE & ACCOUNTING REPORT

5:38:20

(Mike Salmon, Director of Finance & Accounting)

The Board was provided with the 2017 March Financials report by Mike Salmon, Director of Finance and Accounting.

• **2017 March Financials**

- Month financials for the Association indicate that net operating results (before assessment revenues) for the month was a loss of (\$126,000) which was favorable to budget by \$376,000. The month's operating revenues of \$1,431,000 were \$522,000 favorable to budget and total expenses of \$1,556,000 were \$176,000 unfavorable to budget. Compared to last year same month, revenues are up by \$246,000 and net operating results were favorable by \$152,000. This month, March 2017, had record revenues.
- Year to date financials for the Association indicate that net operating results (before assessment revenues) is a positive \$53,000 which is favorable to budget by \$993,000. Year to date operating revenues of \$4,939,000 are \$1,606,000 favorable to budget and total expenses of \$4,886,000 are \$612,000 unfavorable to budget. Compared to last year to date, revenues are up by \$317,000, expenses are up unfavorably by \$249,000 and the resulting net operating result is favorable by \$67,000.
- Member's equity as of March 31, 2017 is \$5,397,000, which exceeds the Policy Peg Balance of \$1,100,000.
- As of March 31, 2017, there are 228 members who have not yet paid their annual assessment fees for 2017.

• **Month of April 2017**

- Revenue is at \$376,000 favorable to budget. As of April 20, 2017, revenue is favorable by \$400,000, costs are unfavorable by \$200,000 and net operating results will be in the \$180,000 to \$220,000 favorable range.

Following discussion, Director Steve Miller moved and Director Jeff Schwerdtfeger seconded to approve the unaudited 2017 March Financials as presented. Motion passed: 4 – 0 . Director Darius Brooks absent.

XXVI. CLOSED SESSION

XXVII. EXEC. EXECUTIVE SESSION

5:47:12

Due to previous time constraints, the Board did not have enough adequate time to discuss the following matters in the original scheduled Executive Session, thus the Board adjourned to a second Executive Session at 4:35 p.m.

- Topics for this month’s Executive Session:
 - Contracts
 - Litigation
 - Personnel Matters

Director Jeff Schwerdtfeger moved and Director Steve Miller seconded to approve adjournment of the Special Board Meeting into Executive Session at 4:35 p.m. and to not reconvene into Open Session. Motion passed: 4 – 0. (Director Darius Brooks absent).

XXVIII. L. DISCUSSION: UNDERGROUND UTILITIES

Due to time constraints, this item was removed from the Agenda, and re-scheduled to be discussed at the May 20, 2017 Regular Board Meeting.

XXVII. N. DISCUSSION: TAHOE DONNER LESSONS LEARNED

Due to time constraints, this item was removed from the Agenda, and re-scheduled to be discussed at the May 20, 2017 Regular Board Meeting.

XXIX. POTENTIAL FUTURE BOARD MEETING AGENDA ITEMS

- Forestry Report Update
- Truckee Donner Land Trust – Donner Lake Rim Trail approval
- Underground Utilities
- Tahoe Donner Lessons Learned
- Board Communication
- Association Master Plan
- Employee Housing Update
- Event Tent at the Lodge Restaurant & Pub
- Reschedule May 13, 2017 Board Meeting to May 20, 2017

XXX. ADJOURNMENT

5:47:45

By consensus the Board adjourned the meeting at 5:20 p.m.

Director Ron Wulff moved and Director Jeff Schwerdtfeger seconded to approve adjournment of the Board Meeting at 5:20 p.m. Motion passed: 4 – 0. (Director Darius Brooks absent).

Submitted by:

Megan Rodman, Recording Secretary and Executive Assistant

SECRETARY’S CERTIFICATE

I, Jeff Schwerdtfeger , Secretary of Tahoe Donner Association, do hereby certify that the foregoing is a true and correct copy of the minutes of the Tahoe Donner Association Board of Directors special meeting held on April 22, 2017 as approved by the Board members in attendance and constituting a quorum at a duly convened subsequent meeting of the Board.

Jeff Schwerdtfeger, Board Secretary

Recording requested by
and when recorded mail to:

Tahoe Donner Association
Attn: Robb Etnyre, General Manager
11509 Northwoods Blvd
Truckee, CA 96161

Truckee Donner Land Trust
Attn: Perry Norris
P.O. Box 8816
10069 West River St. (for courier deliveries)
Truckee, CA 96162

Town of Truckee
Attn: Tony Lashbrook
10183 Truckee Airport Rd.
Truckee, CA 96161

CERTIFIED TO BE A TRUE
AND CORRECT COPY OF
DOCUMENT RECORDED 6.7.10
SERIES # 10 - 13187
PLACER TITLE CO.
Joe Fuller

Space above this line reserved for Recorder's use

APNS:

CONSERVATION EASEMENT DEED

This Conservation Easement Deed, dated April 30, 2010, is entered into by and between Tahoe Donner Association ("TDA"), a California non-profit mutual benefit corporation ("Grantor"), the TRUCKEE DONNER LAND TRUST ("TDLT"), a California non-profit corporation and the TOWN OF TRUCKEE ("Town"), a municipal corporation (TDLT and Town shall collectively be referred to as "Grantee"), with reference to the following facts:

I. RECITALS

A. **The Property.** Grantor owns that certain real property, consisting of approximately 240 acres of land north of Interstate 80 and South of Tahoe Donner in Nevada County, California, which is more particularly described in Exhibit 1-A (the "Property"), and which is also depicted on the map found at Exhibit 1-B (the "Map"). Both Exhibit 1-A and Exhibit 1-B are attached hereto and are incorporated herein by this reference.

B. **Conservation Values and Public Benefit.** The Property possesses high-quality natural, ecological, and aesthetic values suitable for conservation purposes (collectively, "Conservation Values") of great importance to Grantor and Grantee, the people of the Town of Truckee ("Town"), and the people of the California, including natural resource, ecological and scientific values, wildlife and plant resources, and scenic and open space values.

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C. **Preservation and Protection in Perpetuity.** Grantor owns the right to identify, preserves, protects and enhance the Conservation Values and wishes to grant a conservation easement to ensure that the Conservation Values are preserved, protected, and maintained in perpetuity and enhanced from time to time, as provided in this Conservation Easement Deed.

D. **Grantee's Non-profit Status.** TDLT is a non-profit corporation incorporated under the laws of the State of California and a tax-exempt public charity described in California Civil Code §815.3 and IRC §§501(c)(3) and 509(a)(1) and a "qualified organization" within the meaning of that term in IRC §170(h), such that it is qualified to acquire and hold conservation easements. Town is a "qualified organization" within the meaning of that term in IRC §170(h).

II. GRANT OF CONSERVATION EASEMENT

Now, therefore, pursuant to California Civil Code §815 *et seq.*, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Grantor grants and Grantee accepts, a conservation easement in, on, over, and across the Property ("Easement") in favor of Grantee as holder of the Easement granting to Grantee the rights set out below, and restricting in perpetuity the uses that may be made of the Property, subject to the following terms and conditions:

1. **Conservation Purposes.** The purposes of this Conservation Easement are to ensure the Property will be retained in its natural condition and to prevent any use of the Property that will impair or interfere with the conservation values of the Property except as otherwise specified herein. Except for trail maintenance as set forth below, use of the Property shall be managed and maintained by Grantor, in a manner consistent with preservation, protection and maintenance of the Property, as provided herein (collectively "Conservation Purposes"), allowing continuation of compatible existing uses, subject to this Deed of Easement.

2. **Baseline Documentation Report.** Grantor and Grantee (each, a "Party") each acknowledge that certain biological and other physical attributes of the Property particularly relevant to the Easement must be documented in an inventory of such attributes referred to herein as the "Baseline Documentation Report" to be completed as soon as possible after execution of this Conservation Easement Deed. The Baseline Documentation Report will be prepared at Grantee's expense but must be approved in writing by both the Grantor and Grantee before it is considered complete and used as the applicable baseline for purposes of this Conservation Easement Deed.

3. **Initial Contact Information.**

Grantee:

Truckee Donner Land Trust
Attn: Perry Norris
P.O. Box 8816
10069 West River St. (for courier deliveries)
Truckee, CA 96162
Phone: (530) 582-4711
Fax: (530) 582-5528

Grantor:

Tahoe Donner Association
Attn: Robb Etnyre, General Manager
11509 Northwoods Blvd.
Truckee, CA 96161
Phone: (530) 587-9400
Fax: (530) 587-9419

Town of Truckee

Attn: Tony Lashbrook
10183 Truckee Airport Rd.
Truckee, CA 96161
Phone: (530) 582-7700

4. **Rights Conveyed to Grantee.** The following rights are conveyed to Grantee by this Easement: (1) To preserve and protect the Conservation Values of the Property; (2) to enter onto the Property with ten (10) days prior written notice to Grantor to inspect, monitor or study the Property; (3) enter onto the Property with twenty-one (21) days prior written notice to Grantor to conduct trail maintenance, to install signage, benches, picnic tables and other recreational amenities, or take other actions on the Property as required or authorized under this Conservation Easement Deed which Notice must include a detailed description of Grantee's proposed action; and (4) to conduct tours open to the public at times and upon a schedule mutually agreed upon by both Grantee and Grantor. Upon a written plan approved in writing in advance by Grantor, which approval may be withheld at Grantor's sole discretion, Grantee may introduce native species, eradicate noxious invasive species considered hazardous to the natural ecology of the Martis Valley and take other measures to maintain the Property in as close to its natural state as possible. Grantee agrees to use the least amounts of herbicides, pesticides and other toxic substances possible. Grantee shall hold the Easement in trust for the benefit of the public and as such the Easement can only be extinguished in whole or in part as provided in this Conservation Easement Deed.

5. **Grantor's Responsibilities.** Grantor shall be solely responsible for payment of property taxes. No provision of this Deed of Easement is to be construed as impairing the ability of Grantor to use the Property as collateral for any loan, provided that any lien created thereby shall be subordinate to this Deed of Easement.

6. **Floating Trail Easement.** Subject to the terms of this Deed of Easement, Grantor grants to TDLT the right to construct, maintain and manage a hiking trail and related facilities ("Trail") on the Property. Prior to any construction by TDLT of the Trail, TDLT must submit a map to Grantor identifying the exact location of the Trail on the Property ("Trail Map"). The Trail Map shall include all trail specifications including trail surfaces, designation and design of all parking areas, trail heads, recreation/picnic areas, signage, and any other amenities, construction or changes to the Property. The Trail Map must be approved in writing by Grantor prior to any work being performed by TDLT or its contractors or agents which approval shall not be unreasonably or untimely withheld. Once constructed, the Trail shall be open to public access, subject to such rules and restrictions as Grantor and TDLT may

deem necessary and appropriate, including, but not limited to hours of operation, traffic volume, and restricted activities on the Property. The precise location of the trail is currently unknown. However, the trail is expected to travel roughly in a NW-SE direction across the Property, starting in the NW at the highest point and descending to the middle of the Property. As the precise location of the Trail is as yet to be determined, the trail easement created by this provision shall be a floating easement, the precise location of which is to be determined upon final approval of the Trail Map by Grantor.

6.1 **Construction of Trail.** TDLT shall have the right, but not the obligation, to construct the Trail or to relocate the Trail within the Property if necessary (subject to Grantor's prior written approval). Should TDLT choose to construct the Trail; it shall be TDLT's responsibility to obtain all necessary permits for construction and maintenance of the Trail. TDLT shall comply with all local, state and federal laws and permitting requirements in the construction and maintenance of the Trail.

6.2 **Maintenance of Trail.** TDLT shall take all reasonably commercial measures to maintain the Trail provided it has the financial resources to do so. If TDLT determines it does not have the financial resources to maintain the Trail, TDLT shall notify Grantor in writing as soon as possible after its makes this determination. Upon receipt of written notice, Grantor and TDLT shall cooperate to develop a plan for continued maintenance of the Trail. Notwithstanding the forgoing, if TDLT fails to maintain the Trail, Grantor may (1) undertake maintenance of the Trail (but is under no obligation to do so) until such time as TDLT may resume maintenance; and/or (2) close the Trail to the public until such time as satisfactory maintenance of the Trail is accomplished. Any forbearance by Grantor or undertaking of maintenance by Grantor does not constitute a waiver of the rights or obligations of this section.

6.3 **Successor Assumption of Rights and Obligations.** TDLT may assign or transfer, in whole or in part, TDLT's rights and obligations regarding the construction, maintenance and/or monitoring and governance of the Trail, subject to Grantor's prior written permission which shall not be unreasonably or untimely withheld.

6.4 **Public Access to Trail.** Grantor hereby declares and covenants that the general public shall be allowed regular access to the Trail once constructed, subject to the limitations described in this Section 6. Permitted public uses of the trail shall include walking, running, hiking, mountain biking and equestrian uses.

6.5 **Limitations on Use of the Trail.** The following specific limitations shall apply with respect to the use of the Trail by the general public and shall be enforceable by the Grantor and/or TDLT:

- a. No motorized vehicle of any sort is allowed to use the Trail, except for use by Grantor in maintaining the Property; including without limitation, forestry and related practices, vegetation maintenance, fire suppression activity, in the event of an emergency or for the purpose of constructing and maintaining the Trail;
- b. Smoking of tobacco or other substances, or lighting fires of any kind shall be prohibited;
- c. Consumption of alcohol or the use of any stimulant, illegal drug or controlled substance shall be prohibited;
- d. Trapping, hunting or the use of firearms, bow and arrow, or any other form of arms or weapons shall be prohibited; and

- e. Overnight camping or sleeping shall be prohibited.

6.6 **Right to Keep Trail Free of Obstructions.** Except for the limitations set forth in this Section 6 and any fences and structures limiting access to Grantor's other property which is adjacent to the Property, Grantor shall take reasonable measures to keep the Trail free from man-made obstructions placed on the Trail by Grantor which prevent reasonable public access to the Trail, including but not limited to structures and fences. This Section 6.6 shall not be construed to prevent Grantor from placing fences and structures limiting access to other parts of the Property.

7. **Prohibited Uses of the Property; Activities On Neighboring Properties.** In granting this Easement, Grantor and Grantee have considered the possibility that uses prohibited by this Easement may become more economically valuable than the permitted uses and that neighboring properties may be put to such prohibited uses. Both Grantor and Grantee intend that any such changes will not be deemed circumstances justifying termination, extinguishment or modification of this Easement. In addition, the inability of Grantor to conduct or implement any uses permitted under this Easement, or their unprofitability, will not impair the validity and effect of this Easement or be considered grounds for its termination, extinguishment or modification. Furthermore, this Easement shall not be used by any of the parties as a pretext for opposing development or use of any of Grantor's neighboring properties.

7.1. **No Commercial or Industrial Uses.** No commercial or industrial activities or uses are permitted on the Property with the exception of those specific uses expressly permitted in Section 7 of this Deed of Easement.

7.2. **Blanket Prohibitions.** Prohibited uses of the Property include, but are not limited to: (1) disposal of junk or trash; (2) storage of non-operating equipment not awaiting repair; (3) storage, disposal or use of hazardous waste unless such storage and use is necessary for the maintenance of the Property or operation of the public amenities permitted herein (i.e. diesel fuel and other petroleum products, pesticide, herbicides, etc.); (4) harvesting timber or other marketable plants for commercial sale (except as necessary for forest management practices, salvage, clean-up, or fire suppression); (5) row crop agriculture; (6) golf courses, tennis courts, bocci ball courts and/or any other sports facility; (7) mining, drilling or extraction of underground resources from the surface of the property; (8) heli-ports or landing strips; and/or (9) additional structures.

8. **Rights Reserved to Grantor.** Grantor reserves to itself, and its successors and assigns, all rights accruing from its ownership of the Property, including the right to engage in or to permit or invite others to engage in all uses of the Property that are not expressly prohibited or limited by, and are consistent with the purposes of, this Conservation Easement Deed. Grantor's rights shall include but not be limited to (1) managing the forest and the Property generally; (2) maintaining existing roads for access except that the Trail shall be maintained by Grantee pursuant to Section 6.3; (3) erecting a gate across existing roads; (4) building trails (public and non-public); (5) installing picnic areas and equipment provided they don't interfere with Trail use, (6) installing signage; and (7) using mechanized machinery for Property maintenance and forest management.

9. **Forest Management.** Grantor shall have all rights to manage the Property in order to insure safety of use (whether by the public or others), forest health and to reduce fire danger. Notwithstanding any other term or conditions of this Deed of Easement, Grantor shall have absolute and exclusive right to take any and all actions it deems necessary for safety, fire suppression and proper forest management.

10. **Enforcement.** If any party determines that a violation of the terms of this Conservation Easement has occurred or is threatened, that party shall give written notice to the breaching party of such violation and demand in writing the cure of such violation. If a party's conduct is in material violation of the terms and conditions of this Conservation Easement Deed, the other party shall have any and all remedies available at law or equity. Such remedies shall be cumulative and shall include temporary and/or permanent injunctive relief and monetary damages. Prior to any enforcement action, the complaining party must provide the breaching party with notice of the alleged violation at the address set forth in Section 3 above, and the breaching party shall have thirty (30) days from the notice date to cure any material violation. If the breaching party fails to cure the violation within thirty (30) days after receipt of written notice and demand, or if the cure reasonably requires more than thirty (30) days to complete and the breaching party fails to begin the cure within the thirty (30)-day period or fails to continue diligently to complete the cure, the complaining party shall have any and all remedies available at law or equity to enjoin the violation. If the violation will, in a party's reasonable opinion, cause irreparable harm to the Property within such thirty (30) day period, the complaining party may demand that the breaching party take immediate action. If the breaching party fails to take immediate action in such a situation, the complaining party may remedy the violation and the breaching party shall be responsible for reasonable costs of the remediation.

11. **[Reserved]**

12. **Effect of Easement.** The parties acknowledge that the Easement is an easement in gross, and that, pursuant to §815 *et seq.* of the Civil Code: (a) the Property is declared to be open and natural land and may not be converted or directed to any uses other than those permitted under this Conservation Easement Deed; (b) the Easement shall run with and burden the title to the Property in perpetuity and shall bind Grantor, for the benefit of Grantee.

13. **Subsequent Transfers by Grantor.** The terms, conditions, restrictions, and purposes of this Deed of Easement, or a clear reference thereto, will be inserted in any subsequent deed, lease, or other instrument by which Grantor conveys or transfers title to, or any leasehold, possessory, or other interest in the Property. Grantor shall (i) notify Grantee of any transfer at least thirty (30) days in advance of its occurrence; and (ii) provide a true and complete copy of this Deed of Easement, as recorded, to each transferee. No failure by a Grantor shall, however, affect the enforceability of the Easement.

14. **Miscellaneous Provisions.** Grantor and Grantee agree that the Easement shall be construed liberally to effectuate the Conservation Purposes in perpetuity. If any provision of this Conservation Easement Deed, or the application thereof to any person(s) or circumstance(s), shall to any extent be held invalid, illegal, or unenforceable (i) neither the remainder of this Conservation Easement Deed, nor the application of such provision to any other person(s) or circumstance(s) shall be affected thereby; (ii) this Conservation Easement Deed shall be construed as though such invalid, illegal or unenforceable provision had never existed; and (iii) this Conservation Easement Deed shall be valid and enforceable to the fullest extent permitted by applicable laws. The parties acknowledge that each Party and its counsel have reviewed and approved this Conservation Easement Deed. The terms of this Conservation Easement Deed are intended as a final expression of their agreement as to the subject matter hereof, and may not be contradicted by any prior or contemporaneous agreement or any extrinsic evidence. Recitals are accurate, are incorporated into, and are an integral part of this Conservation Easement Deed which shall be construed in light of those recitals. All exhibits attached and referred to in this Conservation

Easement Deed are incorporated as if fully set out herein. No remedy or election given by this Conservation Easement Deed shall be deemed exclusive unless so indicated, and each remedy or election shall, when possible, be cumulative with all other remedies at law or in equity. The parties shall execute such additional documents as may be reasonable and necessary to carry out this Easement. This Conservation Easement Deed shall be construed in accordance with the laws of the State of California, with venue in Nevada County. Time is of the essence in performance of the obligations of the parties, but no failure of a party to this Conservation Easement Deed to insist upon the timely performance of any obligation by another party shall constitute a waiver of the right to require timely performance, or act as a waiver of the right to require performance of any other obligation. Grantee is authorized to record or file any notices or instruments that may be appropriate to ensure the perpetual enforceability of this Conservation Easement Deed, including re-recording this document, and Grantor shall execute, acknowledge, and/or deliver notices or instruments upon reasonable request from Grantee.

15. **Assignment.** Subject to Section 6.3, Grantee shall have the right to transfer or assign its rights under this Conservation Easement Deed as set forth in this Section 15. Town may transfer the Easement to a government agency upon 60-days prior written notice to Grantor. TDLT may assign or transfer its rights under this Conservation Easement to a nongovernmental entity or organization so long as the nongovernmental entity or organization is both: (i) authorized to acquire and hold conservation easements pursuant to California Civil Code Section 815.3 (and any successor or other provision(s) then applicable), and the laws of the United States; and (ii) otherwise acceptable to the Grantor. If Grantee ceases to exist or to be a qualified organization under IRS Code §170(h), or to be authorized to acquire and hold conservation easements under Civil Code §815.3, then Grantee's rights and obligations shall immediately vest in the Town. If the Town is unable or unwilling to accept this Easement, Grantee shall choose a legally qualified successor which successor must be approved by Grantor.

16. **Amendment.** This Deed of Easement may be amended by the written agreement of the parties. Any such amendment shall be consistent with the purposes of this Conservation Easement and California law governing conservation easements and shall not affect its perpetual duration. Further, any amendment shall be in writing, shall refer to this Conservation Easement Deed by reference to its recordation date, and shall be recorded in the official public records of the jurisdiction where the Property is located.

17. **Extinguishment.** This Easement is held in trust for the benefit of the public and shall not be extinguished in whole or in part unless it is determined in a judicial proceeding that continued protection of the Property's conservation values has become impossible or impractical.

18. **No Third Party Beneficiaries.** This Deed of Easement is solely for the benefit of the Grantor and Grantee and shall create no rights of any nature in any person or entity not a party hereto.

19. **Termination of Rights and Obligations.** A party's rights and obligations under this Conservation Easement terminate upon transfer of the party's interest in the Easement or Property, except that liability for acts or omissions occurring prior to transfer shall survive transfer.

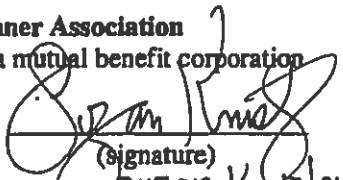
20. **Acts Beyond Grantor's Control.** Nothing contained in this Conservation Easement Deed shall be construed to entitle Grantee to bring any action against Grantor for any injury to or change in the Property resulting from (i) any natural cause beyond Grantor's control, including, without limitation, fire not caused by Grantor, flood, storm, terrorist acts, criminal acts and earth movement, or any prudent

action taken by Grantor under emergency conditions to prevent, abate, or mitigate significant injury to the Property or surrounding properties resulting from such causes; or (ii) acts by Grantee or its employees.

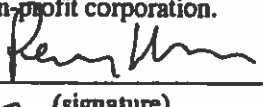
21. **Acts Beyond Grantee's Control.** Nothing contained in this Conservation Easement Deed shall be construed to entitle Grantor to bring any action against Grantee for any injury to or change in the Property resulting from (i) any natural cause beyond Grantee's control, including, without limitation, fire not caused by Grantee, flood, storm, terrorist acts, criminal acts and earth movement, or any prudent action taken by Grantee under emergency conditions to prevent, abate, or mitigate significant injury to the Property or surrounding properties resulting from such causes; or (ii) acts by Grantor or its employees.

In witness whereof, the parties execute this Deed of Easement, effective as of the date first above written.


Grantor:
Tahoe Donner Association
a California mutual benefit corporation

By: 
(signature)
Print Name: Suzan Kinsley
Title: President

Grantee:
The Truckee Donner Land Trust,
a California non-profit corporation.

By: 
(signature)
Print Name: Perry Norris
Title: Executive Director

Grantee:
The Town of Truckee,
a California municipality.

By: 
(signature)
Print Name: Tony Lambrook
Title: Town Manager

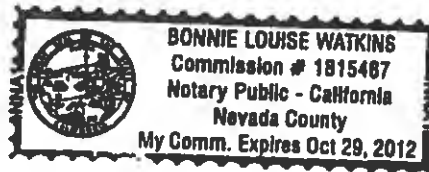
State of California)
)
County of NEVADA)

On APRIL 30, 2010 before me, BONNIE LOUISE WATKINS (here insert name and title of the officer), personally appeared DAN LASHARUK who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature *Bonnie Louise Watkins* (Seal)



State of California)
)
County of NEVADA)

On APRIL 30, 2010 before me, BONNIE LOUISE WATKINS (here insert name and title of the officer), personally appeared PERRY MORRIS who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature *Bonnie Louise Watkins* (Seal)



State of California)
)
County of NEVADA)

On APRIL 30, 2010 before me, BONNIE LOUISE WATKINS (here insert name and title of the officer), personally appeared SURAN KNISEY who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Bonnie Louise Watkins

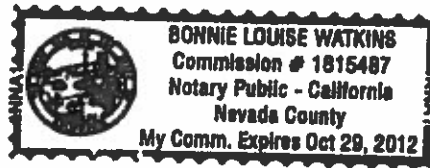


EXHIBIT 1

EXHIBIT "A" LEGAL DESCRIPTION

A PORTION OF LOTS 10 THROUGH 16, INCLUSIVE, BLOCK 212 AS SAID LOTS AND BLOCK ARE SHOWN ON THE MAP OF DONNER CAMP, BUCKNAM TRACT, FILED MAY 5, 1911, RECORDS OF NEVADA COUNTY.

SAID PORTION IS ALL THAT PART THEREOF LYING NORTHERLY FROM THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT DISTANT NORTH 15 DEGREES 29 MINUTES 53 SECONDS EAST 470.56 FEET FROM THE SOUTH QUARTER CORNER OF SECTION 7, TOWNSHIP 17 NORTH, RANGE 16 EAST, M.D.M., SAID POINT ALSO BEING DISTANT 170.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE "C2" LINE AT ENGINEER'S STATION "C2"311+70 OF THE DEPARTMENT OF PUBLIC WORKS' SURVEY ON ROAD 03-NEV-80, POST MILE 1.7/14.9; THENCE FROM SAID POINT OF BEGINNING SOUTH 67 DEGREES 50 MINUTES 35 SECONDS EAST 622.54 FEET; THENCE SOUTH 82 DEGREES 14 MINUTES 51 SECONDS EAST 417.44 FEET TO A POINT DISTANT 285.00 FEET NORTHEASTERLY MEASURED RADially, FROM THE "C" LINE AT ENGINEER'S STATION "C"321.25 OF SURVEY.

PARCEL NO. FOUR:

ALL ROADS AND STREETS WITHIN DONNER CAMP BUCKNAM TRACT ACCORDING TO THE MAP THEREOF FILED IN THE OFFICE OF THE COUNTY RECORDER OF NEVADA COUNTY, MAY 5, 1911, ON ROLL 6, PAGE 19.

EXCEPTING THEREFROM THE STREETS AND ROADS WHICH ARE NOT ABANDONED AS DESCRIBED IN THE RESOLUTION OF VACATION OF CERTAIN ROADS OCTOBER 15, 1985, AS INSTRUMENT NO. 85-24554.

PARCEL NO. FIVE:

LOTS 9 THROUGH 16, INCLUSIVE, BLOCK 214, AS SAID LOTS AND BLOCK ARE SHOWN ON THE MAP OF DONNER CAMP BUCKNAM TRACT, FILED MAY 5, 1911, RECORDS OF NEVADA COUNTY.

PARCEL NO. SIX:

THE WESTERN 60 FEET OF LOT 21, MEASURED AT RIGHT ANGLES SOUTHERLY FROM THE NORTHERN LINE THEREOF, IN BLOCK "B", AS SHOWN ON THE MAP OF "BILTZ TRACT", FILED MARCH 10, 1953, IN MAP BOOK 1, PAGE 103, IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF NEVADA, STATE OF CALIFORNIA.

PARCEL NO. SEVEN:

ON THE MAP OF SAID BUCKNAM TRACT ON FILE IN THE OFFICE OF THE COUNTY RECORDER OF NEVADA COUNTY, LOT 16 IN BLOCK 153; LOT 9 IN BLOCK 199; LOTS 6, 7 AND 8 IN BLOCK 212; LOTS 1, 2, 3, 4, 5, 6, 7, AND 8 IN BLOCK 211; LOTS 7 AND 6 IN BLOCK 133; LOTS 1 AND 2 IN BLOCK 201; LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15 AND 16 IN BLOCK 218.

PARCEL NO. EIGHT:

Order No. 1502-7841*
Binder No.

EXHIBIT "A" LEGAL DESCRIPTION

LOT 7 AND THAT PORTION OF LOT 6, BLOCK 198, DONNER CAP BUCKNAM TRACT SET FORTH ON THE MAP FILED IN THE NEVADA COUNTY RECORDERS OFFICE ON MAY 5, 1911, IN BOOK 6, PAGE 19 LYING NORTH OF INTERSTATE HIGHWAY 80.

PARCEL NO. NINE:

ALL OF LOT 1 AND LOT 2 OF THE SOUTHWEST QUARTER (SW1/4) OF SECTION 7, TOWNSHIP 17 NORTH, RANGE 16 EAST, M.D.M.

EXCEPTING THEREFROM ALL THAT PORTION AS CONVEYED TO DONNER LAKE UTILITY COMPANY, A CORPORATION, BY DEED DATED NOVEMBER 20, 1954, RECORDED DECEMBER 4, 1954, IN BOOK 239 OF OFFICIAL RECORDS, AT PAGE 518, SAID PORTION BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT DISTANT NORTH 86 DEGREES 24 MINUTES WEST 123.01 FEET FROM THE NORTHWEST CORNER OF LOT 1 OF THE DONNER PINES TRACT, AS SAID LOT IS SHOWN UPON THE MAP OF SAID SUBDIVISION FILED IN THE OFFICE OF THE RECORDER OF NEVADA COUNTY; THENCE FROM SAID POINT OF BEGINNING, SOUTH 86 DEGREES 24 MINUTES EAST 123.01 FEET TO THE NORTHWEST CORNER OF SAID LOT 1; THENCE SOUTH 86 DEGREES 24 MINUTES EAST ALONG THE NORTH LINE OF SAID LOT 1 FOR A DISTANCE OF 179.69 FEET; THENCE NORTH 4 DEGREES 04 MINUTES 30 SECONDS WEST 199.24 FEET TO A POINT OVER A SIX-INCH PIPELINE AND HEREBY DESIGNATED AS "POINT A"; THENCE NORTH 4 DEGREES 04 MINUTES 30 SECONDS WEST FOR A DISTANCE OF 962 FEET, MORE OR LESS, TO THE NORTH LINE OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF SAID SECTION 7; THENCE WESTERLY ALONG THE NORTH LINE OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF SAID SECTION 7 FOR A DISTANCE OF 300 FEET, MORE OR LESS, TO A POINT FROM WHICH THE POINT OF BEGINNING BEARS SOUTH 4 DEGREES 04 MINUTES 30 SECONDS EAST; THENCE SOUTH 4 DEGREES 04 MINUTES 30 SECONDS EAST FOR A DISTANCE OF 1.126 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM ALL THAT PORTION LYING SOUTHERLY OF THE NORTHERLY LINE OF PARCEL NO. 3 AND PARCEL NO. 4, AS DESCRIBED IN THE DEED DATED JULY 18, 1960, RECORDED AUGUST 4, 1960, IN BOOK 283 OF OFFICIAL RECORDS, AT PAGE 459, EXECUTED BY DONNER LAKE DEVELOPMENT CO. TO THE STATE OF CALIFORNIA.

ALSO EXCEPTING THEREFROM ALL THAT PORTION LYING SOUTHERLY OF THE NORTHERLY LINE OF PARCEL NO. 1, AS DESCRIBED IN THE DEED DATED JULY 22, 1960, RECORDED AUGUST 24, 1960, IN BOOK 284 OF OFFICIAL RECORDS, AT PAGE 396, EXECUTED BY DONNER LAKE UTILITY COMPANY TO THE STATE OF CALIFORNIA.

PARCEL NO. TEN:

ALL THAT PORTION OF LOT 1 OF THE SOUTHWEST QUARTER (SW1/4) OF SECTION 7, TOWNSHIP 17 NORTH, RANGE 16 EAST, M.D.M., DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT DISTANT NORTH 86 DEGREES 24 MINUTES WEST 123.01 FEET FROM THE NORTHWEST CORNER OF LOT 1 OF THE DONNER PINES TRACT, AS SAID LOT IS SHOWN UPON THE MAP OF SAID SUBDIVISION FILED IN THE OFFICE OF THE RECORDER OF NEVADA COUNTY; THENCE FROM SAID POINT OF BEGINNING, SOUTH 86 DEGREES 24 MINUTES EAST 123.01 FEET TO THE NORTHWEST CORNER OF SAID LOT 1; THENCE SOUTH 86 DEGREES 24

Order No. 1502-7841*
Binder No.

EXHIBIT "A" LEGAL DESCRIPTION

MINUTES EAST ALONG THE NORTH LINE OF SAID LOT 1 FOR A DISTANCE OF 179.69 FEET; THENCE NORTH 4 DEGREES 04 MINUTES 30 SECONDS WEST 199.24 FEET TO A POINT OVER A SIX-INCH PIPELINE AND HEREBY DESIGNATED AS "POINT A"; THENCE NORTH 4 DEGREES 04 MINUTES 30 SECONDS WEST FOR A DISTANCE OF 962 FEET, MORE OR LESS, TO THE NORTH LINE OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF SAID SECTION 7; THENCE WESTERLY ALONG THE NORTH LINE OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF SAID SECTION 7 FOR A DISTANCE OF 300 FEET, MORE OR LESS, TO A POINT FROM WHICH THE POINT OF BEGINNING BEARS SOUTH 4 DEGREES 04 MINUTES 30 SECONDS EAST; THENCE SOUTH 4 DEGREES 04 MINUTES 30 SECONDS EAST FOR A DISTANCE OF 1126 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM ALL THAT PORTION LYING SOUTHERLY OF THE NORTHERLY LINE OF PARCEL NO. 1, AS DESCRIBED IN THE DEED DATED JULY 22, 1960, RECORDED AUGUST 24, 1960, IN BOOK 284 OF OFFICIAL RECORDS, AT PAGE 396, EXECUTED BY DONNER LAKE UTILITY COMPANY TO THE STATE OF CALIFORNIA.

APNS: 18-180-01, 02, 03; 18-200-02 THRU 21; 18-210-02 THRU 21; 18-220-02 THRU 22; 18-230-02 THRU 22; 18-240-02 THRU 19; 18-250-02 THRU 19; 18-260-02 THRU 09, 11 THRU 15, 20 AND 22 THRU 27; 18-270-02 THRU 07, 09 THRU 21 AND 27; 18-280-02 THRU 20, 22, 23 AND 27; 18-290-02 THRU 08, 10 THRU 25; 18-320-06 THRU 07, 10 THRU 12, 14 THRU 16, 20 THRU 24, 26, 28, 31, 34 THRU 37, 39, 40, 49, 50, 59, 60; 18-330-02, 03, 06, 08, 09, 10, 11, 13 THRU 16, 20, 26 THRU 30 AND 34; 18-382-21

RECORDING REQUESTED BY
First American Title Company

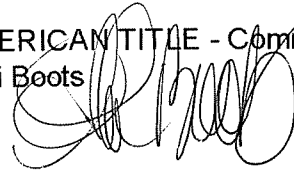
**MAIL TAX STATEMENT
AND WHEN RECORDED MAIL DOCUMENT TO:**

**Tahoe Donner Association
11509 Northwoods Blvd.
Truckee, CA 96161**

Certified to be a true and correct copy of document
recorded May 12, 2016 Nevada County Records

Series No. : 2016-0009902

FIRST AMERICAN TITLE - Commercial CA Division
~ By Sherri Boots



Space Above This Line for Recorder's Use Only

A.P.N.: 16-060-02-000 and 16-060-18-000 and 16-060-17-000

File No.: 131665157172 (AT)

GRANT DEED

The Undersigned Grantor(s) Declare(s): DOCUMENTARY TRANSFER TAX \$550.00; CITY TRANSFER TAX N/A;

[X] computed on the consideration or full value of property conveyed, OR
[X] **Unincorporated Area**, and

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Truckee Donner Land Trust, a California non-profit public benefit corporation
hereby GRANTS to

Tahoe Donner Association, a California non-profit mutual benefit corporation
the following described property in the **Unincorporated Area**, County of **Nevada**, State of **California**:

TRACT ONE:

PARCEL I: (APN: 16-060-17)

THE NORTHEAST ONE-QUARTER (NE 1/4) OF SECTION 26, TOWNSHIP 18 NORTH, RANGE 15 EAST, M.D.M., ACCORDING TO THE OFFICIAL PLAT THEREOF.

PARCEL II: (APN: 16-060-02)

THE SOUTH HALF (S 1/2) OF THE NORTHWEST QUARTER (NW 1/4); THE NORTHWEST QUARTER (NW 1/4) OF THE NORTHWEST QUARTER (NW 1/4); AND THE NORTHWEST QUARTER (NW 1/4) OF THE SOUTHWEST QUARTER (SW 1/4); ALL IN SECTION 26, TOWNSHIP 18 NORTH, RANGE 15 EAST, M.D.M., ACCORDING TO THE OFFICIAL PLAT THEREOF.

PARCEL III:

NON-EXCLUSIVE ACCESS EASEMENT FOR VEHICULAR AND PEDESTRIAN ACCESS, INGRESS AND EGRESS AS DESCRIBED IN GRANT OF EASEMENT RECORDED JULY 24, 2015, AS INSTRUMENT NO. 2015-0017316 OF OFFICIAL RECORDS.

TRACT TWO: (APN: 16-060-18)

THE NORTHWEST ONE-QUARTER AND THE NORTHEAST ONE-QUARTER OF SECTION 25, TOWNSHIP 18 NORTH, RANGE 15 EAST, M.D.M., ACCORDING TO THE OFFICIAL PLAT THEREOF.

Mail Tax Statements To: **SAME AS ABOVE**

Date: 05/10/2016

A.P.N.: 16-060-02-000 and 16-060-18-000 and 16-060-17-000

File No.: 131665157172 (AT)

Dated: May 10, 2016

Truckee Donner Land Trust, a California non-profit public benefit corporation

By: [Signature]
Name: John Svahn
Title: Interim Executive Director

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

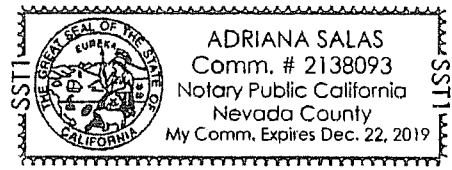
STATE OF CALIFORNIA)
) SS
COUNTY OF NEVADA)

On May 10, 2016, before me, ADRIANA SALAS, Notary Public, personally appeared **John Svahn** who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Signature]



My Commission Expires: Dec 22, 2019 This area for official notarial seal

Recording requested by
and when recorded mail to:

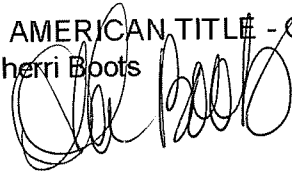
Truckee Donner Land Trust
Attn: Perry Norris, Executive Director
P.O. Box 8816
Truckee, CA 96162

Certified to be a true and correct copy of document
recorded May 12, 2016 Nevada County Records

Series No. : 2016-0009903

DOCUMENTARY TRANSFER TAX EXEMPT r&t 1191-NO
CONSIDERATION
___ COMPUTED ON FULL VALUE OF PROPERTY CONVEYED, OR
___ COMPUTED ON FULL VALUE LESS LIENS & ENCUMBRANCES

FIRST AMERICAN TITLE - Commercial CA Division
~ By Sherri Boots



REMAINING THEREON AT TIME OF SALE

The Undersigned
Signature of declarant or agent determining tax - firm name

Space above this line reserved for Recorder's use

Nevada County APNs: 16-060-02, 16-060-17, 16-060-18

CONSERVATION EASEMENT DEED

This Conservation Easement Deed, dated April 7, 2016, is entered into by and between TAHOE DONNER ASSOCIATION ("TDA"), a California non-profit mutual benefit corporation ("**Grantor**"), and the TRUCKEE DONNER LAND TRUST ("TDLT"), a California non-profit, ("**Grantee**"), with reference to the following facts:

I. RECITALS

A. **The Property.** Grantor owns that certain real property, consisting of approximately 640± acres of land located within the Carpenter Valley, Nevada County, California, which is more particularly described in **Exhibit A** (the "**Property**"), and which is also depicted on the map found at **Exhibit B** (the "**Map**"). Both **Exhibit A** and **Exhibit B** are attached hereto and are incorporated herein by this reference.

B. **Conservation Values and Public Benefit.** The Property possesses high-quality natural, ecological, and aesthetic values suitable for conservation purposes (collectively, "**Conservation Values**") of great importance to Grantor and Grantee, the people of the California, including natural resource, ecological and scientific values, wildlife and plant resources, and scenic and open space values.

C. **Preservation and Protection in Perpetuity.** Grantor owns the right to identify, preserve, protect and enhance the Conservation Values and wishes to grant a conservation easement to ensure that the Conservation Values are preserved, protected, and maintained in perpetuity and enhanced from time to time, as provided in this Conservation Easement Deed.

D. **Grantee's Non-profit Status.** Grantee is a non-profit corporation incorporated under the laws of the State of California and a tax-exempt public charity described in California Civil Code §815.3 and IRC §§501(c)(3) and 509(a)(1) and a "qualified organization" within the meaning of that term in IRC §170(h), such that it is qualified to acquire and hold conservation easements.

II. GRANT OF CONSERVATION EASEMENT

Now, therefore, pursuant to California Civil Code §815 *et seq.*, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Grantor grants and Grantee accepts, a conservation easement in, on, over, and across the Property ("**Easement**") in favor of Grantee as holder of the Easement granting to Grantee the rights set out below, and restricting in perpetuity the uses that may be made of the Property, subject to the following terms and conditions:

1. **Conservation Purposes.** The purposes of this Conservation Easement are to ensure the Property will be retained in its natural condition and to prevent any use of the Property that will impair or interfere with the conservation values of the Property except as otherwise specified herein. Except for trail maintenance as set forth below, use of the Property shall be managed and maintained by Grantor, in a manner consistent with preservation, protection and maintenance of the Property, as provided herein (collectively "**Conservation Purposes**"), allowing continuation of compatible existing uses, which include those uses defined in Section 8, "Allowable Uses" and all uses not otherwise prohibited, subject to this Conservation Easement Deed.

2. **Conservation Values.** The Property includes certain features, habitats and watersheds with notable conservation value ("Conservation Values"), which include, but are not necessarily limited to mixed conifer forest, Northern Goshawk and other predatory bird habitat, and watersheds for Carpenter, Crabtree, Alder and South Fork Prosser Creeks. Catastrophic fire, drought, invasive species and insects threaten these values, therefore, the Conservation Purposes are to protect, restore and enhance these Conservation Values so that they are resilient to human and natural disturbances.

3. **Baseline Documentation Report.** Grantor and Grantee (each, a "**Party**") each acknowledge that certain biological and other physical attributes of the Property particularly relevant to the Easement must be documented in an inventory of such attributes referred to herein as the "**Baseline Documentation Report**" to be completed as soon as possible after execution of this Conservation Easement Deed. The Baseline Documentation Report will be prepared at Grantee's expense but must be approved in writing by both the Grantor and Grantee before it is considered complete and used as the applicable baseline for purposes of this Conservation Easement Deed.

4. **Initial Contact Information.**

Grantee:

Truckee Donner Land Trust
Attn: Perry Norris
P.O. Box 8816
10069 West River St. (for courier deliveries)
Truckee, CA 96162
Phone: (530) 582-4711
Fax: (530) 582-5528

Grantor:

Tahoe Donner Association
Attn: Robb Etnyre, General Manager
11509 Northwoods Blvd.
Truckee, CA 96161
Phone: (530) 587-9400
Fax: (530) 587-9419

5. **Rights Conveyed to Grantee.** The following rights are conveyed to Grantee by this Easement: (1) To preserve and protect the Conservation Values of the Property; (2) to enter onto the Property with ten (10) days prior written notice to Grantor to inspect, monitor or study the Property; (3) to license and permit Public Access to the property when the Nordic Ski area is not in operation during the Winter season.

6. **Grantor's Responsibilities.** Grantor shall be solely responsible for payment of property taxes. Grantor covenants that it shall not hypothecate, pledge or encumber the Property and that this Conservation Easement Deed is to be construed as impairing and restricting the ability of Grantor to use the Property as collateral or security for any loan, mortgage, pledge or encumbrance, EXCEPT on the condition that any such loan, lien, pledge, mortgage or encumbrance shall be subordinated to this Conservation Easement Deed.

7. **Prohibited Uses of the Property; Activities On Neighboring Properties.** In granting this Easement, Grantor and Grantee have considered the possibility that uses prohibited by this Easement may become more economically valuable than the permitted uses and that neighboring properties may be put to such uses. Both Grantor and Grantee intend that any such changes will not be deemed circumstances justifying termination, extinguishment or modification of this Easement. In addition, the inability of Grantor to conduct or implement any uses permitted under this Easement, or their unprofitability, will not impair the validity and effect of this Easement or be considered grounds for its termination, extinguishment or modification.

8. **Allowable Uses.** The Property may be used for the following permissible uses, as well as for all other uses compatible with this Conservation Easement and all uses otherwise reserved by the Grantor pursuant to California Civil Code section 815.4.

8.1 **Nordic Ski Operation and Winter Trail Access.** It is understood by Grantor and Grantee that Grantor will use the Property as part of its seasonal Nordic Ski operations and Winter Trail Access has the right to maintain and groom trails, install signage and temporary fencing, and other activities as required for safety and enjoyment of its users, members, season pass holders and customers. During such operation, Grantor shall be entitled to exclude public access and to charge its users, members, customers and season pass holders for access to the property and Nordic Skiing and Winter Trail use.

8.2 **Motorized Equipment.** Use of motorized equipment, including Nordic groomers and similar equipment, by Grantor in the course of maintaining the Property;

8.3 **Maintenance**. Maintenance of existing roads and trails used for Nordic skiing, as well as hiking, biking, forest management and equestrian use;

8.4 **New Trails**. Construction of new summer and winter trails and bridges for non-motorized use not to exceed 24 feet in width for winter use, except motorized equipment may be used in the creation, maintenance, or grooming of new trails; and motorized equipment may be used on new trails created exclusively for Nordic Ski Operations and Winter Trail access; Summer trails shall not to exceed 72 inches.

8.5 **Forest Management**. Forest management and thinning, according to Best Management Practices and consistent with a Forest Management Plan secured by Grantor or as an addendum to Grantor's existing Forest Management Plan;

8.6 **Temporary Structures**. Grantor has the right to place on the property up to two (2) temporary removable structure not to exceed 120 square feet to be used as "warming huts" for its Nordic Ski operations.

9. **Prohibited Uses**. The Property and use thereof by Grantor shall be burdened and restricted by the following Prohibited Uses.

9.1 No industrial, agricultural, commercial grazing, activities or uses shall be undertaken or permitted on the Property with the exception of those specific uses expressly allowed in Section 8 of this Deed of Easement.

9.2 Construction of impervious surfaces, with the exception of foundations or other impervious surfaces associated with bridges required for new and existing trails.

9.3 Intentional introduction of non-native vegetation;

9.4 Use of herbicides and hazardous materials, unless in strict support of forest management or after catastrophic wild fire and as specified in Grantor's Forest Management Plan or an addendum thereto specific to the Property;

9.5 Significant alterations to the Property or diversion of water courses unless necessary for an approved wetland or stream restoration plan subject to the prior written approval of Grantee;

9.6 Use of private vehicles is prohibited, except by Grantor or its assignee for rescue, trail and road maintenance, and forest management activities otherwise permitted by this Easement.

9.7 Construction of chairlifts, gondolas, poma lifts, T-bars or rope tows.

10. **Additional Prohibitions.** Prohibited uses of the Property shall include, but are not limited to: (1) disposal of junk or trash; (2) storage of non-operating equipment not awaiting repair; (3) storage, disposal or use of hazardous waste unless such storage and use is necessary for the maintenance of the Property or operation of the public amenities permitted herein (i.e. diesel fuel and other petroleum products, pesticide, herbicides, etc.); (4) harvesting timber or other marketable plants for commercial sale (except as necessary for forest health, best forest management practices, salvage, clean-up, or fire suppression); (5) row crop agriculture; (6) golf courses, tennis courts, bocce ball courts and/or any other sports facility except as allowed for the Nordic Ski operation and Winter Trail access; (7) mining, drilling or extraction of gas, oil, minerals or other resources from underground or the surface of the Property buildings and improvements; (8) heli-ports or landing strips; (9) additional structures to include, without limitation, permanent ski lifts, gondolas or rope tows; (10) snowmaking; (11) hunting or trapping; (12) subdivision of the property except as explained below in Paragraph 12 below; (13) intentional introduction of non-native vegetation; (14) construction of impervious surfaces, unless approved by Grantee; (15) exclusive use, except when the Nordic Ski area and Winter Trail Access is in operation or when maintaining or undertaking forestry management, (16) construction of cell towers, large solar arrays to power offsite facilities, and wind mills.

11. **Rights Reserved to Grantor.** Grantor reserves to itself, and its successors and assigns, all rights accruing from its ownership of the Property pursuant to California Civil Code section 815.4. These rights include the right to engage in or to permit or invite others to engage in all uses of the Property that are not expressly prohibited or limited by, and are consistent with the purposes of, this Conservation Easement Deed. Grantor's rights shall include but not be limited to (1) managing the forest and the Property generally; (2) maintaining existing roads; (3) erecting a gate across existing roads so long as key(s) and access codes are provided to Grantee; (4) building and maintaining trails and bridges for summer and winter use; (5) installing picnic areas; (6) installing signage; and (7) using mechanized vehicles and machinery for Property inspection, maintenance, and forest management; (8) construction of new roads not to exceed 24 feet' in width exclusively to reach remote parts of the Property for forestry management.

12. **Subdivision and creation of a single residential parcel.** Grantor has the right to create a single legal parcel of up to 160 acres for a single family residence not to exceed 3,000 square feet. This parcel will be deed restricted to adhere to the conservation terms of this Easement.

13. **Forest Management.** Grantor shall have all rights to manage the Property in order to insure safety of use (whether by the public or others), forest health and to reduce fire danger, consistent with a Forest Management Plan (if required). Notwithstanding any other term or conditions of this Conservation Easement Deed, Grantor shall have absolute and exclusive right to take any and all actions it deems necessary for safety, fire suppression and proper forest management.

14. **Indemnification.** Grantor and Grantee shall mutually indemnify and defend, one and the other, and each of their officers, directors, employees, agents, invitees and independent contractors, and each of their respective members, successors and assigns, and shall hold one and another harmless of and from any and all claims, costs, liabilities, penalties, damages or expenses

of any kind of nature whatsoever, whether based on negligence or strict liability (including, but not limited to, court costs and reasonable attorneys' fees and expenses, whether incurred at the trial, appellate or administrative level, or in conjunction with any required arbitration) which any of such indemnified Party may suffer or incur or to which any of such indemnified Party may be subjected as a result of or arising out of the exercise of the privileges, rights, duties and obligations as set forth in this Conservation Easement Deed or relating to any third-party claim for bodily injury, personal injury, death or property damage arising therefrom or related thereto.

15. **Insurance.** Grantor and Grantee shall procure, pay for and continuously maintain a policy of comprehensive general liability insurance with minimum policy limits per occurrence of two million dollars (\$2,000,000.00) in non-contributing form with waiver of subrogation from an insurance company licensed in the State of California providing coverage against claims for bodily injury, personal injury, death and property damage arising out of the exercise and performance of any and all right, duties and obligations subject of this Conservation Easement Deed or as may be related hereto. Grantor and Grantee shall submit, one to the other, Certificates of Insurance evidencing such insurance required hereby, including Named-Additional Insured Endorsements therefor.

16. **Enforcement.** If any Party determines that a violation of the terms of this Conservation Easement has occurred or is threatened, that Party shall give written notice to the breaching Party of such violation and demand in writing the cure of such violation. If a Party's conduct is in material violation of the terms and conditions of this Conservation Easement Deed, the other Party shall have any and all remedies available at law or equity. Such remedies shall be cumulative and shall include temporary and/or permanent injunctive relief and monetary damages. Prior to any enforcement action, the complaining Party must provide the breaching Party with notice of the alleged violation at the address set forth in Section 3 above, and the breaching Party shall have thirty (30) days from the notice date to cure any material violation, weather conditions permitting. If weather conditions prevent the breaching Party from addressing the alleged violation within thirty days, the breaching Party shall be provided a reasonable time from the notice date to cure any material violation. If the breaching Party fails to cure the violation within thirty (30) days, or if weather prevents, a reasonable time after receipt of written notice and demand, or if the cure reasonably requires more than thirty (30) days to complete and the breaching Party fails to begin the cure within the thirty (30)-day period, weather permitting, or fails to continue diligently to complete the cure, the complaining Party shall have any and all remedies available at law or equity to enjoin the violation. If the violation will, in a Party's reasonable opinion, cause irreparable harm to the Property within such thirty (30) day period, the complaining Party may demand that the breaching Party take immediate action, weather permitting. If the breaching Party fails to take immediate action in such a situation, the complaining Party may remedy the violation and the breaching Party shall be responsible for reasonable costs of the remediation.

17. **Attorneys Fees.** In the event of commencement of any action or proceeding to enforce the terms and conditions of this Agreement or to declare the respective rights, duties or obligations of the Parties, the prevailing Party shall be entitled to an award of its attorneys' fees and costs incurred in connection therewith.

18. **Effect of Easement.** The parties acknowledge that the Easement is an easement in gross, and that, pursuant to §815 *et seq.* of the Civil Code: (a) the Property is declared to be open and natural land and may not be converted or directed to any uses other than those permitted under this Conservation Easement Deed; (b) the Easement and the Restrictions or Prohibitions shall run with and burden the title to the Property in perpetuity and shall bind Grantor, for the benefit of Grantee.

19. **Subsequent Transfers by Grantor.** The terms, conditions, restrictions, and purposes of this Deed of Easement, or a clear reference thereto, will be inserted in any subsequent deed, lease, or other instrument by which Grantor conveys or transfers title to, or any leasehold, possessory, or other interest in the Property. Grantor shall (i) notify Grantee of any transfer at least thirty (30) days in advance of its occurrence; and (ii) provide a true and complete copy of this Deed of Easement, as recorded, to each transferee. No failure by a Grantor shall, however, affect the enforceability of the Easement.

20. **Miscellaneous Provisions.** Grantor and Grantee agree that the Easement shall be construed liberally to effectuate the Conservation Purposes in perpetuity. If any provision of this Conservation Easement Deed, or the application thereof to any person(s) or circumstance(s), shall to any extent be held invalid, illegal, or unenforceable (i) neither the remainder of this Conservation Easement Deed, nor the application of such provision to any other person(s) or circumstance(s) shall be affected thereby; (ii) this Conservation Easement Deed shall be construed as though such invalid, illegal or unenforceable provision had never existed; and (iii) this Conservation Easement Deed shall be valid and enforceable to the fullest extent permitted by applicable laws. The parties acknowledge that each Party and its counsel have reviewed and approved this Conservation Easement Deed. The terms of this Conservation Easement Deed are intended as a final expression of their agreement as to the subject matter hereof, and may not be contradicted by any prior or contemporaneous agreement or any extrinsic evidence. Recitals are accurate, are incorporated into, and are an integral part of this Conservation Easement Deed which shall be construed in light of those recitals. All exhibits attached and referred to in this Conservation Easement Deed are incorporated as if fully set out herein. No remedy or election given by this Conservation Easement Deed shall be deemed exclusive unless so indicated, and each remedy or election shall, when possible, be cumulative with all other remedies at law or in equity. The parties shall execute such additional documents as may be reasonable and necessary to carry out this Easement. This Conservation Easement Deed shall be construed in accordance with the laws of the State of California, with venue in Nevada County. Time is of the essence in performance of the obligations of the parties, but no failure of a Party to this Conservation Easement Deed to insist upon the timely performance of any obligation by another Party shall constitute a waiver of the right to require timely performance, or act as a waiver of the right to require performance of any other obligation.

21. **Assignment.** Subject to this Section 19, either Party shall have the right to transfer or assign its rights under this Conservation Easement Deed. Grantee may transfer the Easement to a government agency upon written consent by Grantor. Grantee may assign or transfer its rights under this Conservation Easement to a nongovernmental entity or organization so long as the nongovernmental entity or organization is both: (i) authorized to acquire and hold conservation

easements pursuant to California Civil Code Section 815.3 (and any successor or other provision(s) then applicable), and the laws of the United States; and (ii) otherwise acceptable to the Grantor. If Grantee ceases to exist or to be a qualified organization under IRS Code §170(h), or to be authorized to acquire and hold conservation easements under Civil Code §815.3, then Grantee's rights and obligations shall immediately vest in Nevada County. If Nevada County is unable or unwilling to accept this Easement, Grantee shall choose a legally qualified successor which successor must be approved by Grantor.

22. **Amendment.** This Deed of Easement may be amended by the written agreement of the Parties. Any such amendment shall be consistent with the purposes of this Conservation Easement and California law governing conservation easements and shall not affect its perpetual duration. Further, any amendment shall be in writing, and shall refer to this Conservation Easement Deed by reference to its recordation date, and shall be recorded in the official public records of the jurisdiction where the Property is located.

23. **Extinguishment.** This Easement is held in trust for the benefit of the public and shall not be extinguished in whole or in part unless it is determined in a judicial proceeding that continued protection of the Property's conservation values has become impossible or impractical.

24. **Third Party Beneficiaries.** The Parties acknowledge that The Nature Conservancy, a District of Columbia on-profit corporation ("TNC"), has helped substantially to fund the original acquisition of the Property by TDLT, as a conservation investment by TNC, and the Parties therefore agree that, for a period of five (5) years after the date of recordation of this Deed of Easement, in order for TNC to monitor the use of such funding, TNC shall have the same rights as TDLT which are set out in Paragraph 5(2) above with respect to entry onto the Property in order to monitor the operation of the Property and the compliance of such operation with the terms of this Easement Deed. However, this Deed of Easement is otherwise solely for the benefit of the Grantor and Grantee and shall create no other rights of any nature in any person or entity not a Party hereto.

25. **Termination of Rights and Obligations.** A Party's rights and obligations under this Conservation Easement terminate upon transfer of the Party's interest in the Easement or Property, except that liability for acts or omissions occurring prior to transfer shall survive transfer.

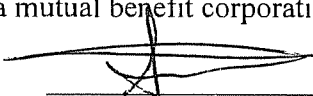
26. **Acts Beyond Grantor's Control.** Nothing contained in this Conservation Easement Deed shall be construed to entitle Grantee to bring any action against Grantor for any injury to or change in the Property resulting from (i) any natural cause beyond Grantor's control, including, without limitation, fire not caused by Grantor, flood, storm, terrorist acts, criminal acts and earth movement, or any prudent action taken by Grantor under emergency conditions to prevent, abate, or mitigate significant injury to the Property or surrounding properties resulting from such causes; or (ii) acts by Grantee or its employees.

In witness whereof, the parties execute this Deed of Easement, effective as of the date first above written.

Grantor:

Tahoe Donner Association
a California mutual benefit corporation

By:



(signature)

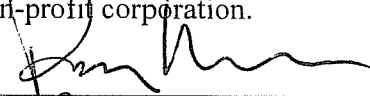
Print Name: Stephen Madison Miller

Title: Board President

Grantee:

The Truckee Donner Land Trust,
a California non-profit corporation.

By:



(signature)

Print Name: Perry Norris

Title: Ex. Director

Certificate of Acknowledgment

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

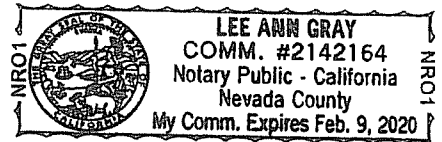
State of California)
County of Nevada)

On 4/7/16, 2016, before me, Lee Ann Gray, Notary Public (insert name and title of officer), personally appeared Stephen Madison Miller, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Lee Ann Gray (Seal)



Certificate of Acknowledgment

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Nevada)

On April 18, 2016, 2016, before me, Larissa J. Swalander, Notary Public (insert name and title of officer), personally appeared Sheridan Norris, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or entity upon behalf of which the person(s) acted, executed the instrument.

SEE ATTACHED FOR
NOTARIAL WORDING
& SEAL

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Nevada)

On April 18, 2016 before me, Larissa J. Swalander, Notary Public
(insert name and title of the officer)

personally appeared Perry Norris,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature Larissa J. Swalander (Seal)

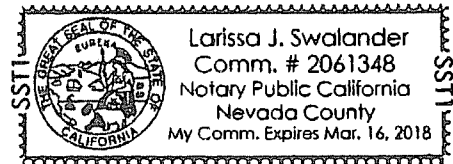


EXHIBIT A

PARCEL I:

THE SOUTH HALF (S 1/2) OF THE NORTHWEST QUARTER (NW ¼); THE NORTHWEST QUARTER (NW ¼) OF THE NORTHWEST QUARTER (NW ¼) AND THE NORTHWEST QUARTER (NW ¼) OF THE SOUTHWEST QUARTER (SW ¼); ALL IN SECTION 26, TOWNSHIP 18 NORTH, RANGE 15 EAST, M.D.M., ACCORDING TO THE OFFICIAL PLAT THEREOF.

Assessors Parcel No. 16-060-02-000.

PARCEL II:

THE NORTHEAST ONE-QUARTER (NE 1/4) OF SECTION 26, TOWNSHIP 18 NORTH, RANGE 15 EAST, M.D.M. ACCORDING TO THE OFFICIAL PLAT THEREOF.

Assessors Parcel No. 16-060-17-000.

PARCEL III:

THE NORTHWEST ONE-QUARTER AND THE NORTHEAST ONE-QUARTER OF SECTION 25, TOWNSHIP 18 NORTH, RANGE 15 EAST, M.D.M., ACCORDING TO THE OFFICIAL PLAT THEREOF.

Assessors Parcel No. 16-060-18-000.

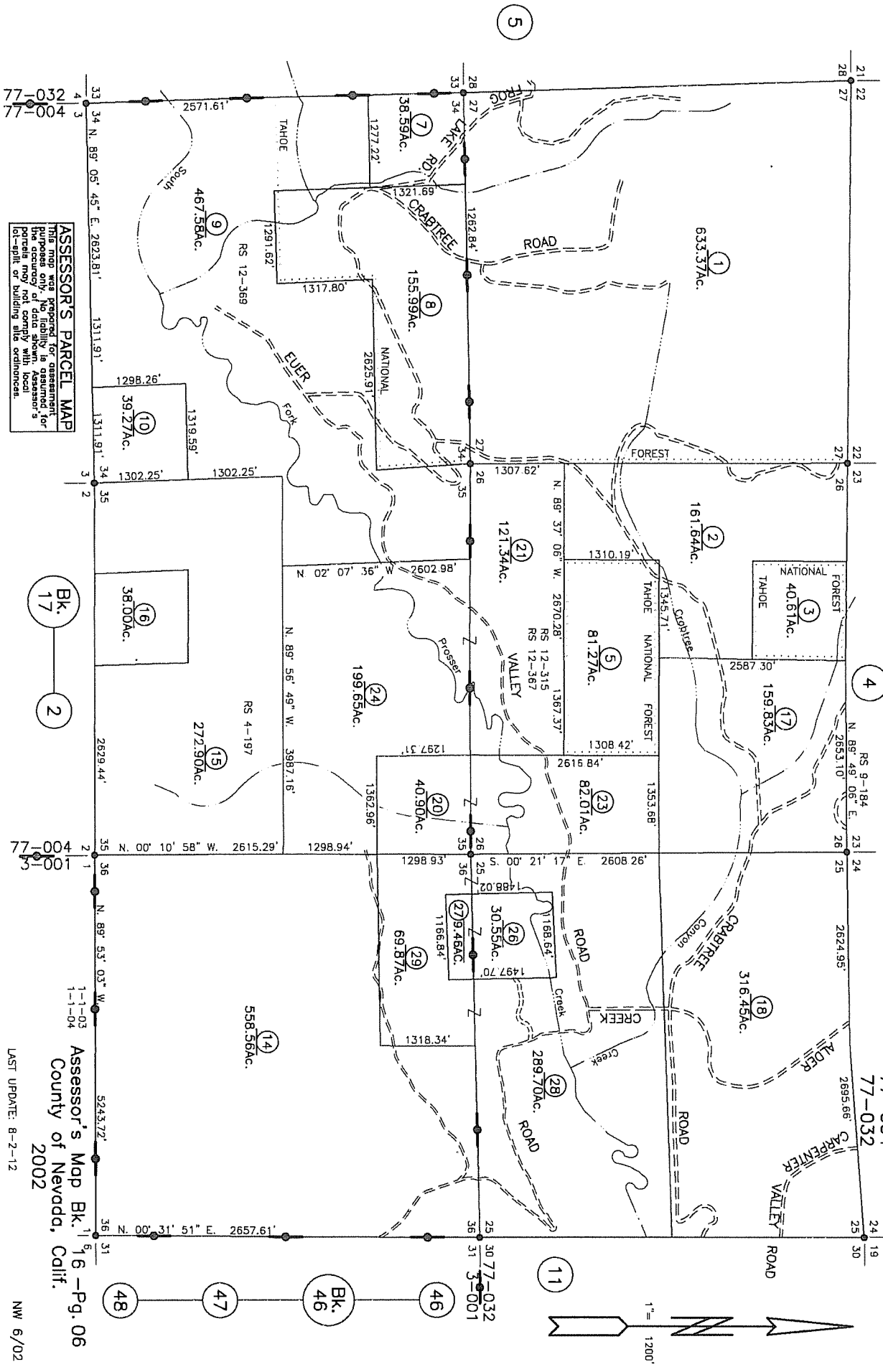
EXHIBIT B

Assessor's Map

SEC'S 25, 26, 27, 34, 35 & 36, T. 18 N., R. 15 E., M.D.B. & M.

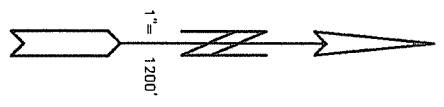
Tox Area Code
77-004
77-032

16-06



ASSESSOR'S PARCEL MAP
This map was prepared for assessment purposes only. No liability is assumed for the accuracy of the map, nor for any loss or damage resulting from its use, in whole or in part, or building site encroachances.

Assessor's Map Bk. 16 - Pg. 06
County of Nevada,
2002
NW 6/02



21 22
28 27
33 34 N. 89° 05' 45" E. 2623.81'
77-032
77-004

22 23
27 26
22 23
25 24
24 19
25 30
N. 89° 49' 05" E. 2653.10'
RS 9-184
N. 89° 56' 49" W. 3987.16'
N. 00° 10' 58" W. 2615.29'
N. 89° 53' 03" W. 5243.72'
N. 00° 31' 51" E. 2657.61'

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1302.25'
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5243.72'
2657.61'

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1262.84'
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289.70Ac.
289.70Ac.

30.55Ac.
30.55Ac.
30.55Ac.

69.87Ac.
69.87Ac.
69.87Ac.

**Recording Requested By and
When Recorded Mail To:**

Robb Etnyre
General Manager
Tahoe Donner Association
11509 Northwoods Blvd
Truckee, CA 96161

(THE ABOVE SPACE FOR RECORDER’S USE ONLY)

(APN#):

DOCUMENT TRANSFER TAX:

_____ COMPUTED ON FULL VALUE OF PROPERTY CONVEYED.

_____ OR COMPUTED ON FULL VALUE LESS LIENS AND

_____ ENCUMBRANCES REMAINING AT TIME OF SALE.

City of _____ Unincorporated Area of Nevada County and
Placer County

Memorandum of Agreement for Trail Construction, Access, and Maintenance

This Memorandum of Agreement for Trail Construction, Access, and Maintenance, dated [month] ____, 2017 (“Agreement”), is entered into by and between TAHOE DONNER ASSOCIATION (“TDA”), a California non-profit mutual benefit corporation (“Grantor”), and the TRUCKEE DONNER LAND TRUST (“TDLT”), a California non-profit, with reference to the following facts:

RECITALS

WHEREAS, TDA is the owner of certain property (APNs ____, ____, ____) and holder of conservation easements located in Nevada County, and in and around the Town of Truckee.

WHEREAS, parcels and easements held by TDA include existing trails and access points.

WHEREAS, TDLT seeks to complete a public trail segment across TDA property subject to a conservation easement, identified as __ (APN[s] __).

WHEREAS, TDLT seeks a license for [__] trail segments and a public trail connection on other TDA land not subject to a conservation easement, identified as __ (APN[s] __).

WHEREAS, TDLT seeks to install a bridge over the North Fork Prosser Creek on TDA property, known as the “Crab Tree Canyon property” (APN __), and connect that bridge to an existing easement.

WHEREAS, TDA seeks to install a bridge over the [NAME] Creek crossing located on APN ____, in the Euer Valley.

WHEREAS, this Agreement establishes a cooperative arrangement between TDA and TDLT to permit and construct various trail segments and crossings, provide for permitting, construction, and maintenance of the trails and crossings, and ensure public access to the trails.

NOW, THEREFORE, in consideration of the foregoing Recitals and the mutual covenants contained therein, TDA and TDLT hereby agree, as follows:

A. Trail Construction and Licensing

1. TDLT will design the proposed trail segments and public access connections (“Trails”) and provide recommended specifications for the Trails to TDA.
2. The design and construction plans for the Trails and public access connections, including elevations, lists of materials, grades, etc., must be in alignment with Tahoe Donner Trails Master Plan trails minimum standards, and submitted and approved by TDA, in TDA’s sole discretion, prior to TDLT beginning construction of the Trails.
3. TDLT shall provide TDA notice of intent to begin construction on the Trails at least 30-days prior to beginning construction.
4. TDLT shall be solely responsible for the design, permitting, and construction of the Trails and shall bear all associated costs.
5. All materials used in construction shall be furnished by TDLT. TDA shall retain ownership of any materials installed on the Trails.
6. TDLT shall be solely responsible for and shall bear all costs associated with obtaining any applicable state, local, and federal permits, licenses, and approvals required for construction of the Trails. TDLT shall provide TDA with copies of all executed permits prior to commencement of construction.

B. Bridge Construction—Crab Tree Canyon

1. TDLT shall design the proposed Crab Tree Canyon Bridge to facilitate a trail crossing over the North Fork Prosser Creek on the Crab Tree Canyon parcel and provide recommended specifications, including elevations, lists of materials, grades, etc., for the proposed Crab Tree Canyon Bridge to TDA.
2. The design and construction plans for the Crab Tree Canyon Bridge must be submitted and approved by TDA, in TDA’s sole discretion, prior to TDLT beginning construction of the bridge.
3. TDLT shall provide TDA notice of intent to begin construction on the Crab Tree Canyon Bridge at least 30-days prior to beginning construction.

4. TDLT shall be solely responsible for the design, permitting, and construction of the Crab Tree Canyon Bridge and shall bear all associated costs. All materials used in construction of the Crab Tree Canyon Bridge shall be furnished by TDLT.
5. TDLT shall be solely responsible for obtaining all applicable state, local, and federal permits, licenses, and approvals required for construction of the Crab Tree Canyon Bridge. TDLT shall provide TDA with copies of all executed permits prior to commencement of construction.

C. Bridge Construction—Euer Valley

1. TDA shall design the proposed Euer Valley Bridge to facilitate a trail crossing on the Euer Valley parcel and provide specifications, including elevations, lists of materials, grades, etc., for the proposed Euer Valley Bridge to TDLT for the purposes of permitting with the Crab Tree Canyon Bridge.
2. TDA shall be solely responsible for the construction of the Euer Valley Bridge.
3. TDA shall furnish the materials for construction and shall bear the costs of construction of the Euer Valley Bridge. TDA shall retain ownership of any materials installed for the Euer Valley Bridge.
4. TDLT shall be responsible for obtaining all applicable state, local, and federal permits, licenses, and approvals required for construction of the Euer Valley. TDLT shall provide TDA with copies of all executed permits prior to commencement of construction.

D. Trail & Bridge Maintenance

1. **Routine Maintenance of the Trails and Bridges.** As described more fully below, TDLT shall perform all necessary Routine Maintenance on the Trails and Crab Tree Canyon Bridge, and an area extending one foot on either side of the Trails, at its sole cost, in a manner that is satisfactory to TDA, such that the Trails are in good repair, sound condition, and free from hazards to the public.

“Routine Maintenance,” for the purposes of this Agreement, means all tasks described in in Paragraphs (1)(a) – (e) below. All Routine Maintenance, as defined herein, shall comply with applicable federal, state, and local laws. TDLT’s Routine Maintenance responsibilities for the Trails shall specifically include the following, without limitation:

- a) Maintenance of the Trails and Bridge free from hazards and/or dangerous conditions, to include, without limitation, any fallen debris, overhanging tree limbs, and/or leaves. To the greatest extent possible, the surface of the Trails and Bridges shall be maintained free from potholes to prevent injuries on the Trails. The Trails’ shoulders shall be mowed at least once within each growing season (June-August).
- b) Monitoring the Trails and Bridge on no less than a monthly basis during the summer recreation season (May to October) and within 36 hours of receipt of a

report from TDA that maintenance is required, to ensure that the Trails and Bridges are kept free from hazards to the public, including but not limited to potholes and rutting or heaving from tree roots, and free from litter, paper, trash, and other debris.

- c) Monitoring the Bridge for structural integrity using appropriate engineering or other experts at least once per year. TDLT shall provide TDA with a report documenting the results of this monitoring within 30 days of the inspections.
 - d) Promptly conferring with TDA staff in the event of a substantially dangerous condition on the Trails or Bridge, including, without limitation, heavy tree limbs, and/or other heavy fallen debris, fallen power or utility lines, significant rutting and/or other material deterioration of the Trail surface or any part of the Bridge.
 - e) Acquire, as needed, a sufficient supply of materials necessary to maintain and/or repair the Trails and Bridge. However, TDA shall provide, as needed and upon request, technical support to guide TDLT as to the required maintenance schedule and the appropriate materials.
 - f) TDLT shall refrain from trespassing on or damaging adjacent properties and agrees that it shall not engage in any such activity. If, in the conduct of the work and in the opinion of TDLT, adjoining property must be utilized to perform Routine Maintenance, TDLT will promptly confer with TDA staff to notify adjacent property owners and gain permission to utilize such property if such right has not been granted by the particular easement at that location. Furthermore, TDLT shall hold TDA harmless from any claims of neighboring property owners resulting from activities conducted pursuant to this Agreement.
 - g) TDLT shall provide a report to TDA on an annual basis which describes any maintenance activities conducted on the Trails or Bridge during the prior calendar year. In addition, the annual report shall note any safety concerns or public usage issues addressed by TDLT during the prior calendar year. A copy of the annual report for the preceding calendar year shall be provided to TDA prior to May 1st.
2. **TDA Maintenance.** In the event TDLT is unable to carry out any of its Routine Maintenance responsibilities hereunder, as provided in Paragraph 1, TDA may take whatever steps it deems reasonably necessary to adequately maintain the Trails, including but not limited to conducting the maintenance, or if necessary to ensure safety, closing the trails until maintenance has taken place. The decision to close the trails or perform maintenance shall be in TDA's sole discretion. In the event TDA must conduct necessary maintenance pursuant to this section, TDA may seek reimbursement of reasonable expenses from TDLT. Nothing herein shall require TDA to provide any repairs or maintenance to the Trails.

E. Term of Agreement

1. The term of this Agreement shall be deemed to have commenced on the Effective Date, and shall expire **30 years** from the effective date, unless renewed or terminated pursuant to the terms of this Agreement.
2. At all times during the term of the Agreement, TDLT shall provide Routine Maintenance work on the Trails and TDA hereby grants TDLT all necessary rights to enter upon the Trails to perform such maintenance. TDLT shall provide at least 24 hour notice before entering TDA's property to conduct Routine Maintenance.
3. TDA shall have the right to terminate this Agreement for cause by providing to TDLT thirty (30) days prior written notice of its intention to terminate. Appropriate cause for determination includes, but is not limited to, failure to abide by the terms of this Agreement or any violation of applicable laws. Upon any such termination, TDLT shall have no further rights or obligations under the terms of this Agreement.
4. TDLT shall not assign any right conferred to it under this Agreement without prior written consent of TDA, which may be withheld in its sole and absolute discretion.
5. Prior to expiration of the 30-year term, TDLT and TDA, or their successors or assigns, may agree to renew this Agreement, if provided in writing.

F. Insurance

1. Liability Insurance: During the term of this Agreement, TDLT shall maintain a policy of commercial general liability insurance insuring TDA against any liability arising out of the maintenance of the Trails. TDLT shall list TDA, and its members, officers, and employees as an "additional insured" and it shall be stated on the Certificate of Insurance with the provision that this coverage is primary to all other coverage TDA may possess. The insurance will be maintained with limits in an amount of not less than ONE MILLION DOLLARS (\$1,000,000.00) per occurrence and TWO MILLION DOLLARS (\$2,000,000.00) in the aggregate.
2. Insurance Policies: Insurance carried by TDLT will be with companies acceptable to TDA in TDA's sole and absolute discretion. TDLT shall deliver to TDA a certificate of insurance evidencing the existence and amounts of the insurance and listing TDA as an additional insured prior to accessing any TDA property and shall provide an updated certificate of insurance within sixty (60) days prior to beginning construction. No policy shall be subject to cancellation or reduction of coverage or other modification except after 30 days prior written notice to TDA. Upon cancellation, TDLT shall promptly provide TDA with a certificate evidencing the purchase of replacement coverage as required by Paragraph (D)(1) above.

G. Indemnity

1. Indemnification: During the Term, TDLT agrees to indemnify and hold harmless TDA and its members, officers, agents, employees, and volunteers from any and all claims arising in any way from TDLT's Construction and Routine Maintenance of

Trails and bridges, as described in sections A through C, above. In connection with such claims, TDLT agrees to indemnify and hold harmless TDA and its members, offices, agents, employees, and volunteers from the costs of investigation and all expenses of litigation, including but not limited to reasonable attorneys' fees and costs of appeals. Nothing herein shall be construed to create a right or cause of action in any third party.

H. Miscellaneous

1. Entire Agreement. The terms, conditions, and covenants of this Agreement constitute the entire agreement between the parties with respect to the subject matter of this Agreement and supersede all prior discussions, understandings, agreements, and negotiations between the parties with respect to the construction and maintenance of the Trails.
2. Modifications. This Agreement may be modified only by a written instrument duly executed by the Parties.
3. Governing Law. This Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of California.
4. Severability. If any term, covenant or condition of this Agreement, or the application thereof to any person or circumstance, shall to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such term, covenant or condition of this Agreement shall be valid and unenforceable to the fullest extent permitted by law.
5. Notice. All requests, proposals, notices and other communication hereunder shall be in writing unless otherwise specified herein and shall be sent or delivered by certified mail, return receipt requested, to the address set forth below (or such other address as may be hereafter specified in writing):

To TDA: Tahoe Donner Association
11509 Northwoods Blvd
Truckee, CA 96161
Attn: Robb Etyhre
General Manager

With a copy to:

G. Braiden Chadwick
Mitchell Chadwick
3001 Lava Ridge Ct., Ste. 120
Roseville, CA 95661

To TDLT: Tahoe Donner Land Trust
P.O. Box 8816
Truckee, CA 96162

6. Public Use of Private Property: The Parties acknowledge that public use of TDA's private property does not confer any vested rights to make such use permanent. (Cal. Civ. Code § 1009.)
7. Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed original for all purposes.

WHEREFORE, the undersigned execute this Agreement as follows:

Dated: _____

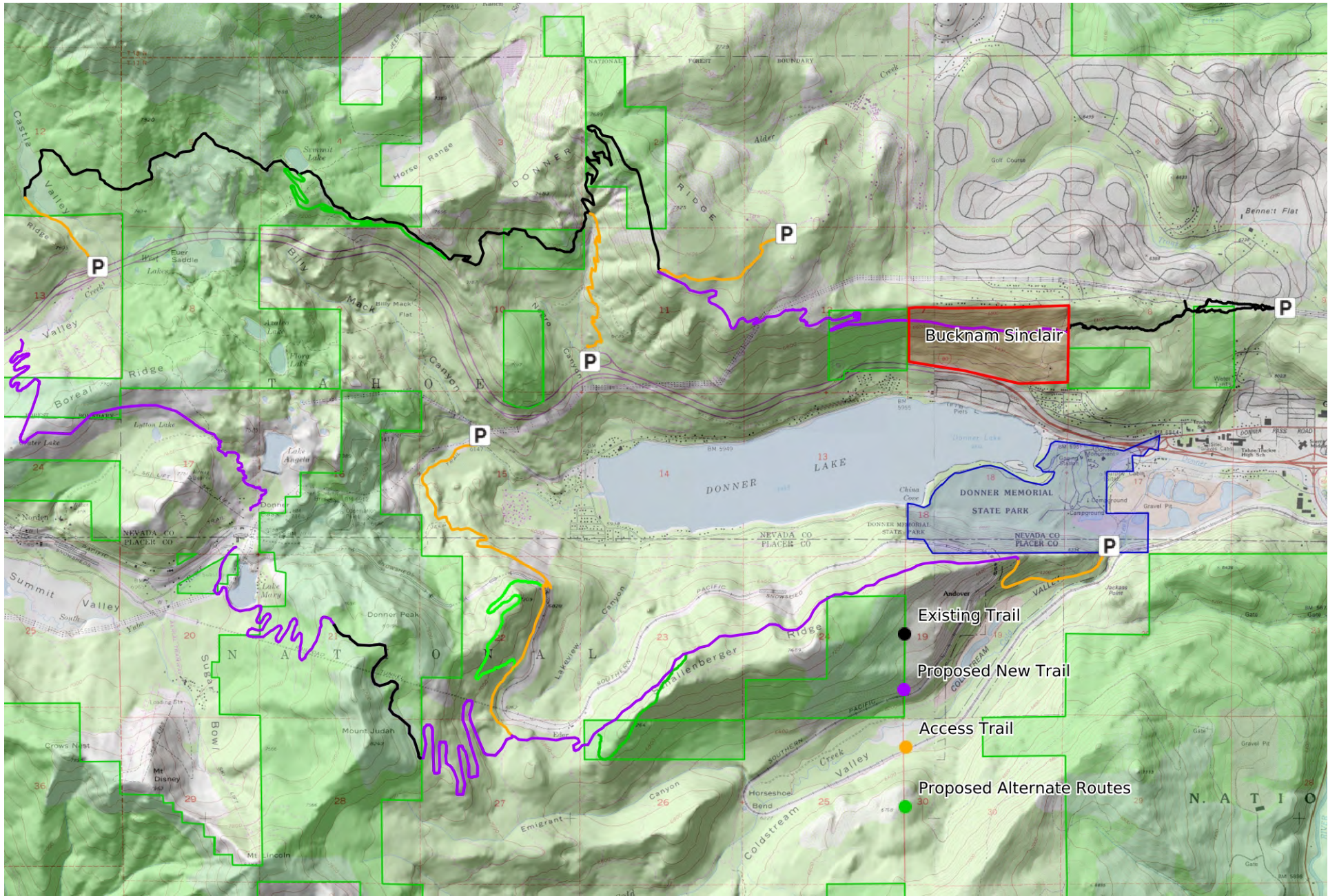
TAHOE DONNER ASSOCIATION

By: _____

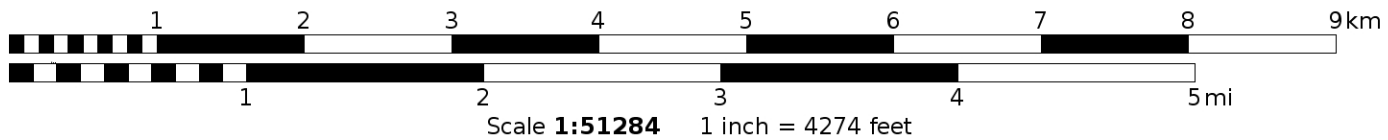
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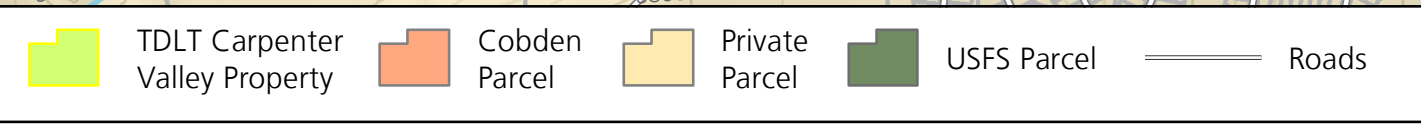
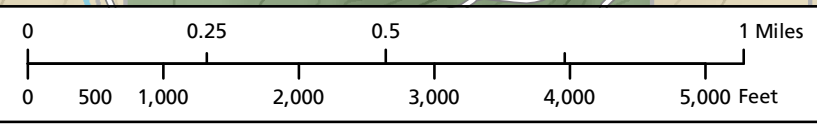
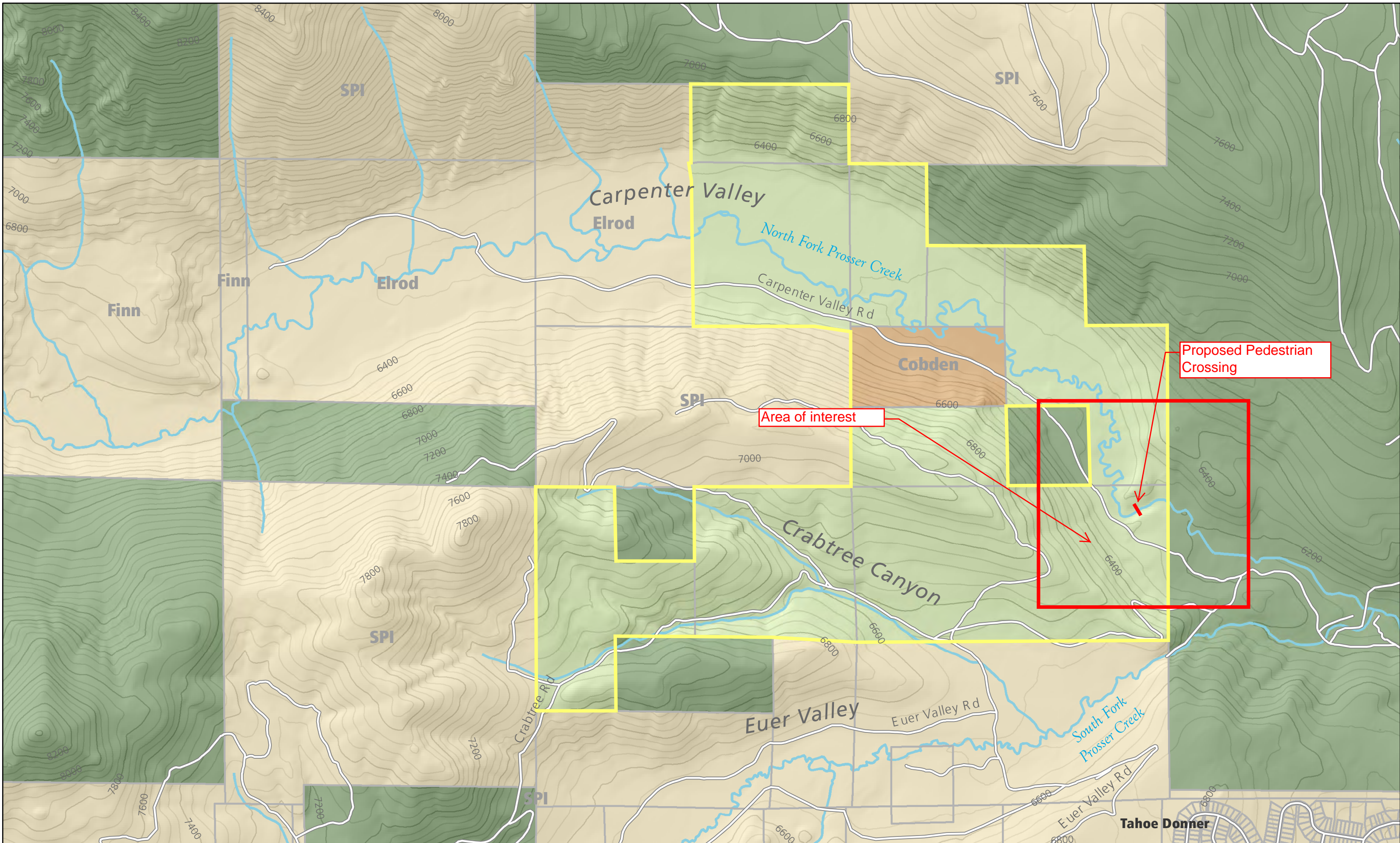
TAHOE DONNER LAND TRUST

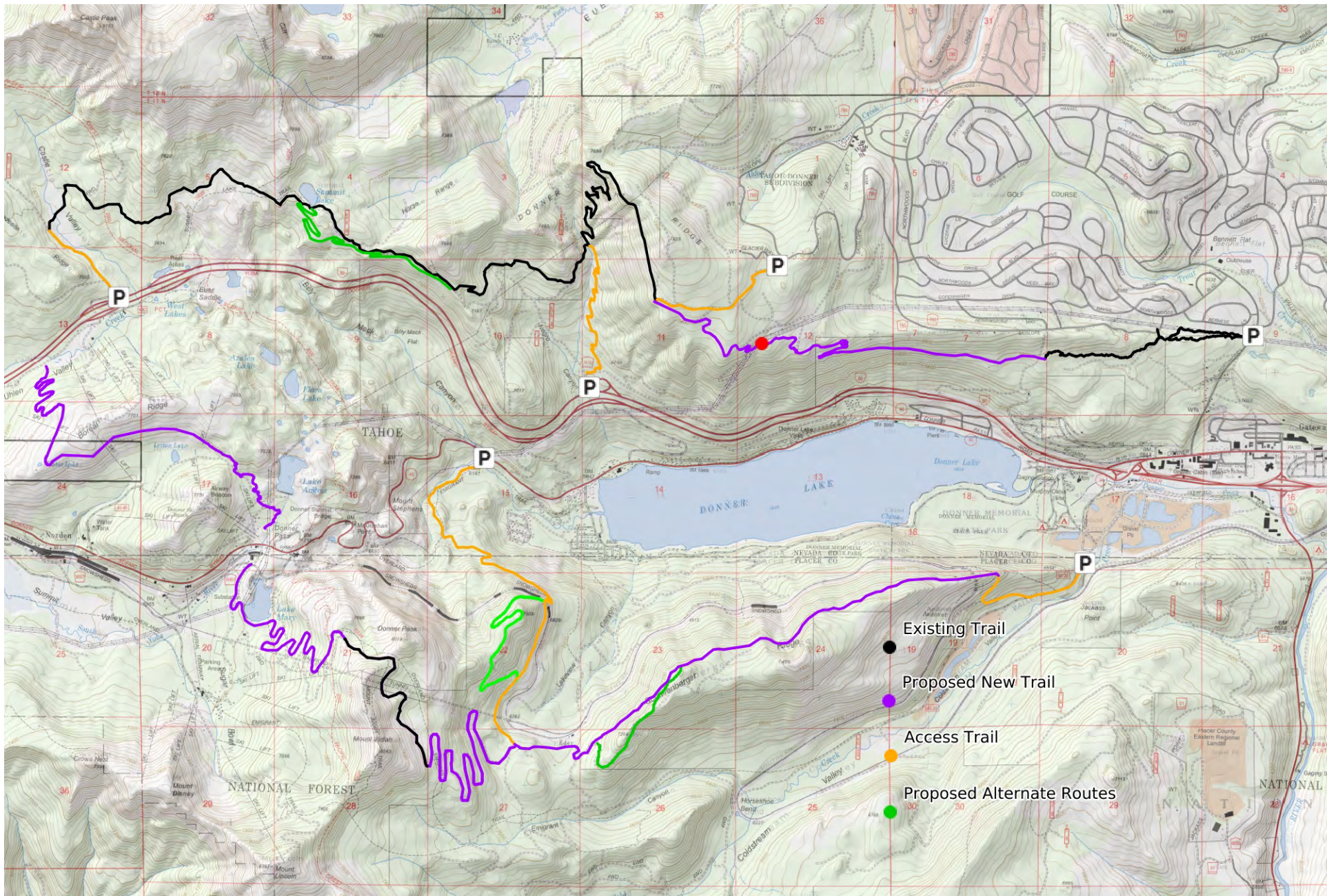
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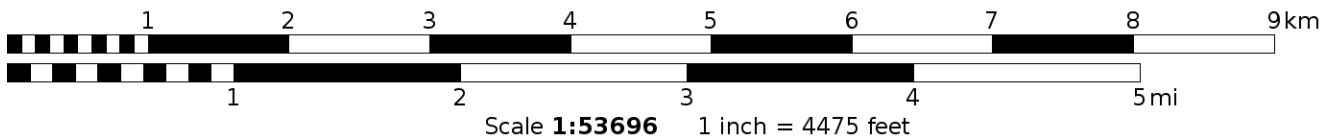
Mercator Projection
 WGS84
 USNG Zone 10SGJ
 CalTopo.com

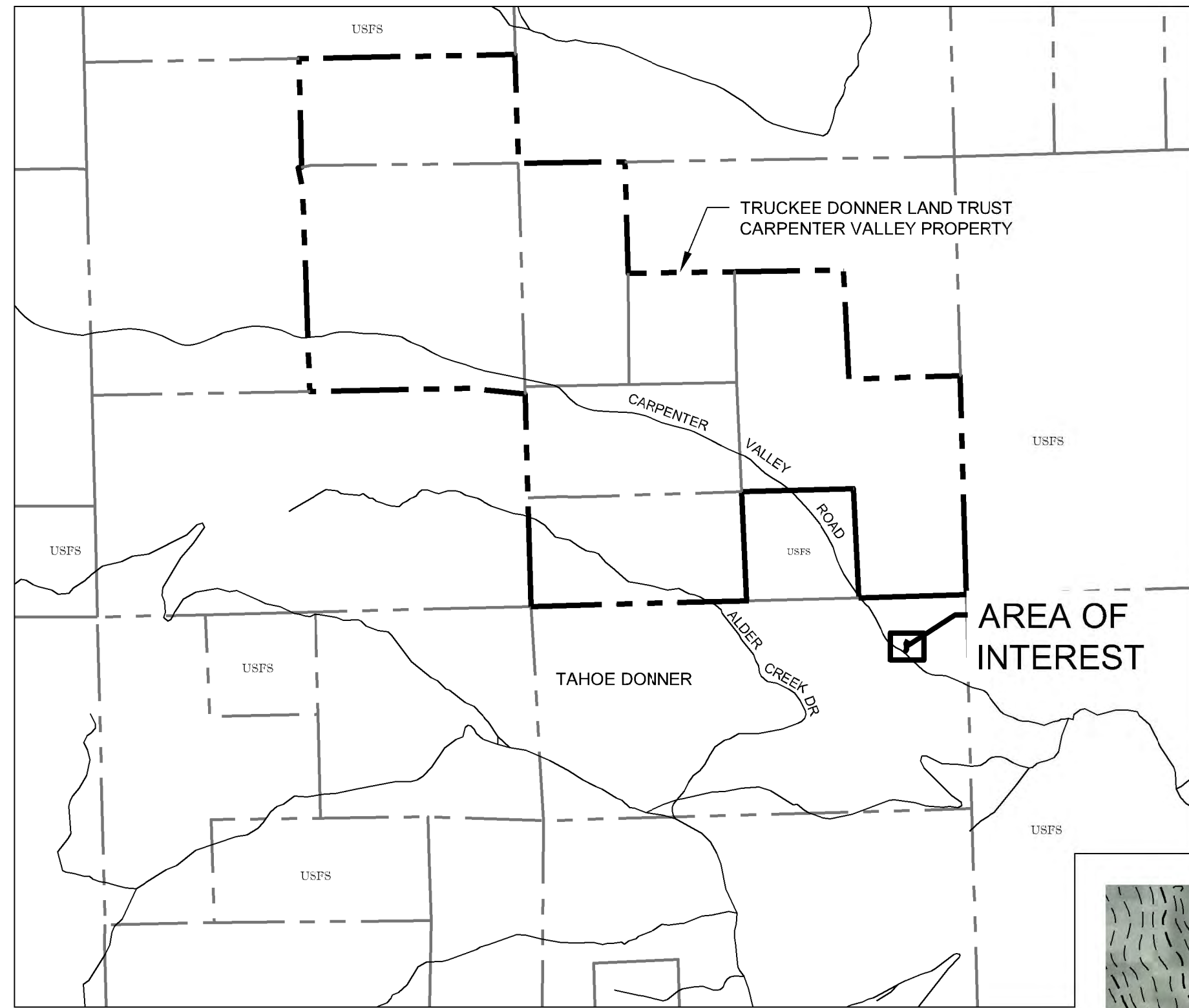






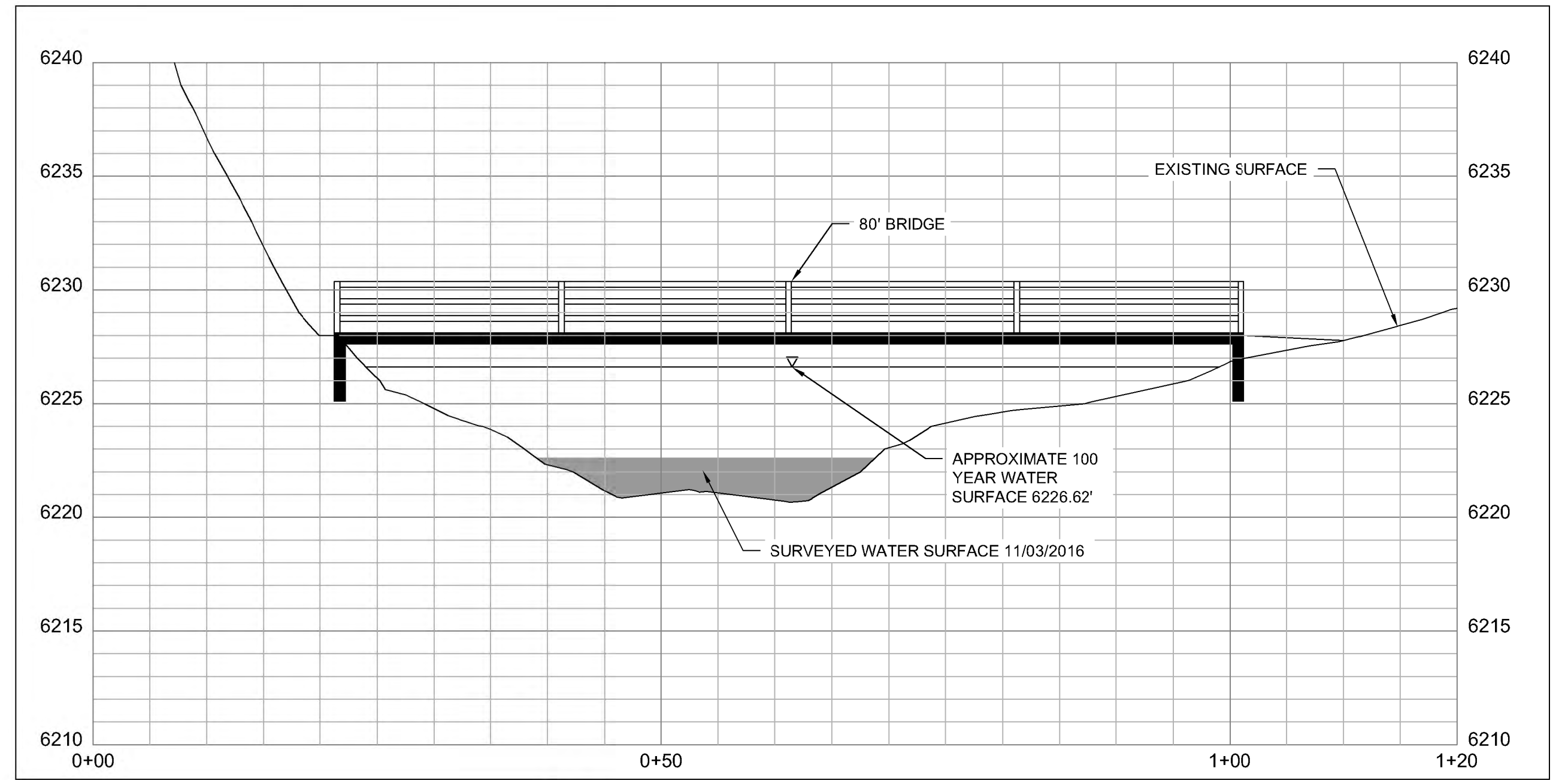
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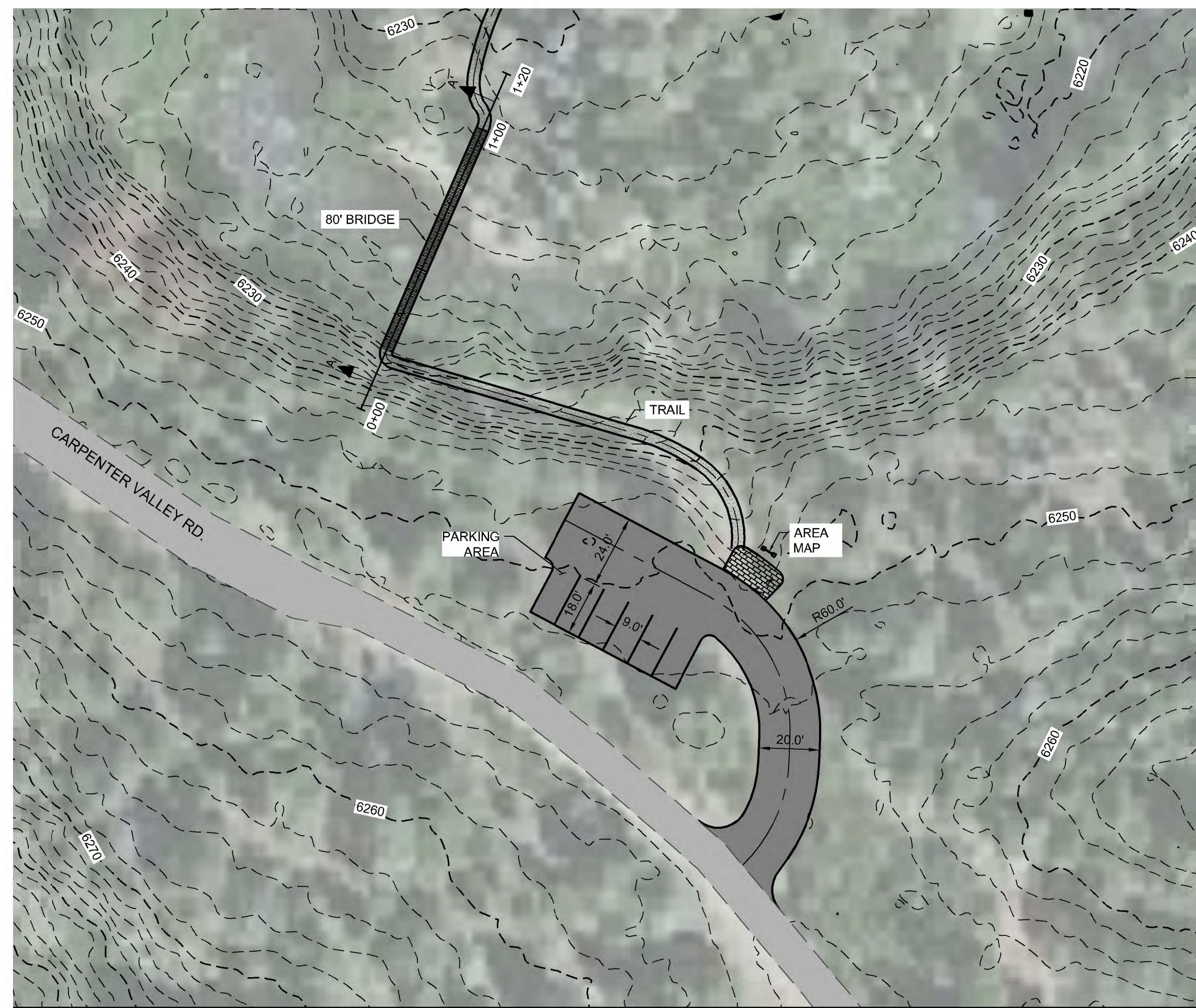
VICINITY MAP

SCALE: 1" = 1500'



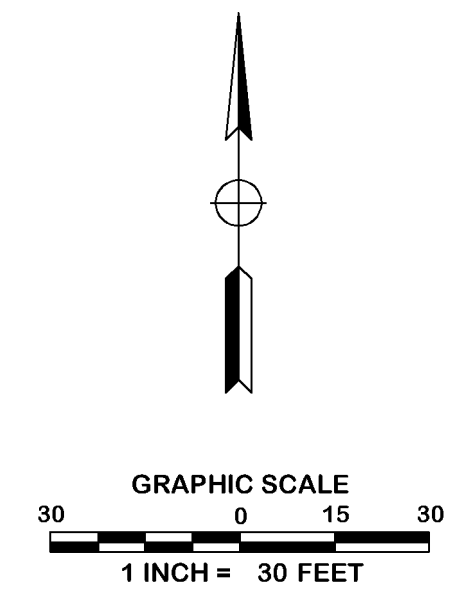
SECTION A-A'

SCALE: 1" = 10' (H)
1" = 5' (V)



PLAN

SCALE: 1" = 30'



**Schematic Trailhead Layout
Prosser Creek Crossing
Cross Section
Carpenter Valley
451.00 May 2017**