



STAFF REPORT: Truckee River Watershed Council and Tahoe Donner Association Recreation and Restoration Improvement Partnership Agreements

RECOMMENDED BOARD ACTION:

By Motion:

Approve Administrative Resolution 2025-03.

Administrative Resolution 2025-03 authorizes the General Manager, on behalf of the Tahoe Donner Association, to execute the following agreements with the Truckee River Watershed Council and Madole Construction:

1. Memorandum of Understanding between Tahoe Donner Association and the Truckee River Watershed Council for Recreation and Restoration Improvements
2. Non-Exclusive License Agreement for Euer Valley Phase 1
3. Euer Valley Phase 1 Project Reimbursement Agreement
4. Construction Contract between the Tahoe Donner Association and Madole Construction for the Euer Valley Phase 1 Project – Coyote Crossing Boardwalk and Bridge

BACKGROUND:

Tahoe Donner Association (TDA) owns 682 acres, commonly known as middle to lower Euer Valley, in Nevada County, California. TDA acquired this property to conserve as open space for recreational and natural resource management. This property has one in-holding homestead by the Euer family, and several dedicated access easements by adjacent landowners, including the Donner Euer Valley Corp. and Truckee Donner Land Trust.

TDA, Truckee River Watershed Council (TRWC), and many other entities consider this landscape a priority for conservation and restoration. Restoring the meadow and streambed on this property would significantly benefit habitat and water quality.

On April 26, 2024, the board directed staff to work with the TRWC to develop an overarching memorandum of understanding for a working partnership for the long-term analysis, protection, and restoration of Euer Valley with the following parameters:

1. Approve TDA and TRWC staff collaboration in development of an overarching memorandum of understanding.
2. Authorize TRWC to seek and accept grant funding applicable to mutually agreed upon projects.
3. Authorize TRWC, approved subconsultants and grantor representatives' long-term, 10–20-year access to Euer Valley for project planning, design, implementation and follow-up environmental monitoring.

Staff, in collaboration with the TRWC, have developed a broad memorandum of understanding for board review and adoption. Additionally, the TRWC has successfully been awarded grant funding to proceed with the construction of the Euer Valley Phase 1 Project.



This staff report is prepared to seek board approval by resolution on executing the partnership with TRWC through an overarching memorandum of understanding and approval to move into construction on the Euer Valley Phase 1 Project through the appropriate instruments including a non-exclusive license agreement and reimbursement agreement with TRWC, and a construction contract with Madole Construction, Inc.

DISCUSSION/ANALYSIS:

TDA-TRWC Partnership Memorandum of Understanding

TDA and TRWC have had a long-standing relationship based on a shared vision of stewardship for local watersheds, including Euer Valley. As discussed in the April 26, 2024 board meeting, the staff report attached for reference, the two entities have collaborated for many years on volunteer projects and have recognized a need for a formal working agreement. TDA and TRWC have had success working on a project-by-project basis. However, relying on project-by-project agreements has become administratively burdensome and redundant. TDA staff recommends and requests board approval to collaborate with TRWC to execute an overarching *TDA-TRWC Partnership Memorandum of Understanding* (MOU) to define and establish a long-term partnership based upon mutually agreeable parameters and shared vision.

Euer Valley Phase 1 Project

In conjunction with the MOU, staff and the TRWC have collaborated on the planning, designing, and permitting the Euer Valley Phase 1 Project (The Project) since 2021. TRWC and TDA are proposing to restore degraded meadow and trail systems, reduce erosion, and protect and enhance wetland habitat along the South Fork of Prosser Creek in Euer Valley, a high-elevation valley northwest of the Town of Truckee in the eastern portion of Nevada County.

The Project would reduce and minimize existing recreational impacts to the meadow and wetland areas through Euer Valley by:

1. Replacing the existing and frequently used earthen trail (Coyote Crossing) through the wet meadow with an elevated boardwalk
2. Relocating Coyote Hut
3. Installing a permanent bridge feature where the existing trail crosses the South Fork of Prosser Creek (Coyote Crossing)
4. Stabilizing an existing equestrian crossing of the creek
5. Repairing rutting, erosion, and drainage crossings along South Euer Valley Road
6. Restoring hydrologic functions and riparian features along ½ mile of South Fork Prosser Creek downstream of Coyote Crossing.

These improvements would support continued summer access for pedestrians, bicyclists, and equestrians, and winter access for TDA's winter grooming equipment and cross-country skiers.



The Project would use small biotechnical structures, such as native cobble, sod and live willow stakes to remedy creek incision and improve the quality of wetland habitat downstream of Coyote Crossing. The Project is a recommended long-term trail improvement project first identified in TDA's Trails Master Plan (TDA 2013).

License Agreement between TDA and TRWC

TDA and TRWC will collaborate to move The Project forward on the most efficient, cost-effective path possible. TRWC will utilize its restoration expertise and manage all restoration components of The Project. TRWC will perform this work on TDA property under the terms of the proposed MOU and the proposed Non-Exclusive License Agreement (License Agreement) for Euer Valley Phase 1 between TDA and TRWC.

As covered in the License Agreement, TRWC shall construct or cause to be constructed the restoration improvements within The Project site. Restoration will be constructed in accordance with the plans and specifications included in Appendix A (Euer Valley Restoration Project Plan Set dated April 18, 2024).

TRWC shall be responsible for construction oversight and subcontractor management to ensure compliance with the project scope of work and adherence to the project design plan set and specifications. A general description of the improvements is also included in Attachment A. Any changes that may be proposed that deviate from the project design plan set and specifications will need to be approved in writing by both TRWC and TDA.

Under the License Agreement, TRWC takes full responsibility for all restoration components and shall bear all costs, expenses and overages (for example, change orders) of any kind or nature in connection with its use of the license area. TDA staff recommends that the Board approve the execution the License Agreement for The Project.

Reimbursement Agreement between TDA and TRWC

TDA will utilize its expertise in bridge and boardwalk construction on TDA property to implement the infrastructure components of The Project. TDA will perform this work under the proposed Euer Valley Phase 1 Project Reimbursement Agreement (Reimbursement Agreement) between TDA and TRWC.

Under the Reimbursement Agreement, TDA desires to undertake the infrastructural improvements, including those associated with the construction of a 150' bridge crossing and 512' of boardwalk within The Project site. Construction of infrastructure will be in accordance with plans and specifications included in Attachment A (Euer Valley Restoration Project Plan Set dated April 18, 2024). TDA shall be responsible for construction oversight and subcontractor management to ensure compliance with the project scope of work and adherence to the project design plan set and specifications. A general description of the improvements is also included in Appendix A. Any



changes that may be proposed that deviate from the project design plan set and specifications will need to be approved in writing by both TRWC and TDA.

TRWC shall bear all costs, expenses, and overages (for example, change orders) of any kind or nature in connection with The Project outlined in the Reimbursement Agreement, except for TDA's matching grant fund agreement, not to exceed \$475,000. No change orders or overage expenses shall take place or be incurred without the written authorization of the TRWC Project Director. TDA staff recommends that the Board approve the execution of the Reimbursement Agreement for The Project.

Construction Contract with Madole Construction Co, Inc.

TRWC initially bid The Project in October 2022. Bid results came in significantly over budget, and all bids were rejected. Since that time, TRWC and TDA have been working collaboratively together to negotiate with qualified contractors to build a team to successfully implement The Project.

TDA is proposing to utilize Madole Construction Co, Inc. (Madole). Madole was the lowest qualified bid for the infrastructure improvements during the bidding process and has a long-standing relationship with TDA by successfully implementing similar projects at the Nature Loop Trail and the Alder Creek Trail boardwalk at the Alder Creek Adventure Center.

TDA staff recommends that the Board approve the execution of the construction contract with Madole, not to exceed \$1,957,362.96. Of this, \$1,482,362.96 will be reimbursed by TRWC for The Project. The remaining portion will be paid by TDA utilizing budgeted Replacement Reserve Funds.

OUTREACH:

This project has been presented to the Board and membership multiple times throughout the planning process as follows:

- February 28, 2025 board meeting presentation - Project Update
- Nov. 22, 2024 board meeting presentation – Project Update
- July 26, 2024 board meeting presentation - Project Update
- Jan. 26, 2024 board meeting presentation - Project Update
- Sept. 22, 2023 board meeting presentation - Project Update
- July 28, 2023 board meeting presentation – Project Update
- May 26, 2023 board meeting presentation – Project Update
- Jan. 27, 2023 board meeting presentation – Project Update
- June 24, 2022 board meeting presentation – 90 % Design Plan Update
- Aug. 27, 2021 board meeting presentation – 30% Design
- April 23, 2021 staff report – 30% Design



- February 26, 2021 board meeting presentation – 30% Design by TRWC
- Aug. 2020 TD News story – page 14
- Oct. 23, 2020 board meeting presentation – Soft Cost Approval

FISCAL IMPACT:

The total project cost, including an approximate 15% contingency, is \$3,014,348. The secured grant funding from TRWC and required TDA match funding breakdown is:

Funder	Total Funding	Spent to Date	Funds Remaining	Funds Allocated for Other Expenses	Funds Allocated for Construction
State Water Board	800,000	220,740	579,260	51,912	527,348
State Water Board (Additional/Pending)	200,000	-	200,000	20,000	180,000
SNC	468,000	24,000	444,000	34,000	410,000
Sierra Meadows Partnership	434,800	8,600	426,200	30,200	396,000
Truckee River Fund	151,000	1,500	149,500	1,500	148,000
Nevada County	40,000	-	40,000	2,000	38,000
TDA	475,000	-	475,000	-	475,000
Wildlife Conservation Board	890,000	-	890,000	50,000	840,000
	\$ 3,458,800	\$ 254,840	\$ 3,203,960	\$ 189,612	\$ 3,014,348

TDA's required match funding of \$475,000 will be funded from the following two components in Reserve Study:

- Trail – South Euer Valley Road Repair – Construction Costs – \$124,382.85
- Trail – Coyote Crossing Bridge – Construction \$359,124.14

The total cost of these two components is \$483,506. \$475,000 will be used for the required matching funds, and the remaining \$8,508 will be used for the required trail reroute connection from South Euer Valley Road to the new bridge. The TDA trail crew will conduct the trail reroute work in-house.

The Board of Directors approved the 2025 Replacement Reserve Fund budget for these components during the annual budget process. The approved budget is the projected TDA expenditure of \$483,506.

RECOMMENDATION:

The recommended board action is as follows:

Approve Administrative Resolution 2025-03.

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Alternative(s) the Board may consider:

The Board of Directors may consider directing staff not to execute an overarching MOU with TRWC and not move into construction on the Euer Valley Phase 1 Project. Staff does not recommend this approach. If we do not go into construction this summer for The Project, TDA and TRWC would lose the secured grant funding for the project. Loss of the grant funds would result in TRWC backing out of the project and increasing TDA's cost for any future related project(s).

ATTACHMENTS:

Administrative Resolution 2025-3

Euer Valley Restoration Project Plan Set dated April 18, 2024

April 19, 2024, Staff Report

Prepared by: Jon Mitchell, Director of Capital Projects and Facilities

Reviewed by: Annie Rosenfeld, General Manager

Board of Directors Meeting: April 25, 2025