



# Royal Gorge

September 4, 2008

NORTH AMERICA'S LARGEST  
CROSS COUNTRY SKI RESORT

Sierra Nevada Conservancy  
Attn: Grants Committee  
11521 Blocker Drive, Ste. 205  
Auburn, CA 95603  
Phone: (530) 823-4670

## RE: Serene Lakes Donner Summit Conservation Association Grant Application

Dear Grants Committee members:

I am writing to express concern about a grant application for study of surface and groundwater resources that may have recently been submitted by the Serene Lakes Donner Summit Conservation Association (SLDSCA).

My name is Mike Livak, and I am the project manager for Royal Gorge, LLC, which owns approximately 3,000 acres of land near Donner summit. Since acquiring the property in 2005, Royal Gorge has conducted extensive public outreach and scientific data collection to inform land use planning for a new mixed-use real estate development. We have not yet submitted a development application for the property.

Royal Gorge supports scientific inquiry concerning natural resources in our region. I am concerned, however, that the grant application from SLDSCA may instead reflect this anti-development group's desire to exert control over land use planning under the guise of science. While Royal Gorge has not been permitted to see the subject grant application, we have reason to believe that the water study it purports to support will really constitute an attempt to demonstrate that there is insufficient water to allow development here.

It's also not clear how SLDSCA would be able to effectively employ any funds it might be awarded by the Sierra Nevada Conservancy. Because Royal Gorge has misgivings about this water study (and in fact has not even been permitted to know what is proposed for study) we do not intend to provide study-access to Royal Gorge lands which constitute a significant portion of our two local watersheds, or to water wells located on those lands for purposes of the subject study. Likewise, we do not intend at this time to share with SLDSCA the significant amount of data that Royal Gorge has already collected. Of course, Royal Gorge will be obliged to conduct extensive study, at our sole cost, to demonstrate adequacy of water supply during the CEQA process and during the subsequent permitting process necessary to facilitate any development. Without access to Royal Gorge lands, however, it's difficult to imagine what information SLDSCA might contribute toward an understanding of local watersheds if the group is awarded a grant at this time.

SLDSCA is an anti-development group.

According to SLDSCA board members, the organization was formed at least in part as a reaction to potential development in the Donner Summit area. The SLDSCA website identifies organizational goals including education and advocacy.

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As indicated by the attached document, however, the SLDSCA website also established as recently as mid-June, 2008 that:

- The Serene Lakes Property Owners Association, which opposes a Royal Gorge development, has the right to appoint a "majority minus one" to the SLDSCA board.
- SLDSCA will "advocate for preservation of the summit in whatever manner necessary, including litigation"
- Donors should contribute to SLDSCA if they are "interested in Saving Donner Summit from Foster-Syme's [Royal Gorge] development"

We have suggested Royal Gorge's willingness to cooperate with SLDSCA upon a grant application and upon a study that is scientifically rigorous, unbiased, and objective. Such an effort could benefit from access to Royal Gorge lands and data. Despite expressing interest several months ago, we were told at a recent meeting that the timeline for submittal of the grant application to Sierra Nevada Conservancy is such that Royal Gorge will have no opportunity for participation in the application. Moreover, SLDSCA declined to provide the draft grant application to Royal Gorge, despite our offer to execute a nondisclosure agreement regarding the application contents. It has instead been suggested that if the grant is awarded, Royal Gorge might have some limited involvement in the future study, and SLDSCA has promised to 'stay in touch.'

Provided what we know about SLDSCA's anti-development intentions, its closely-guarded approach with the Sierra Nevada Conservancy application, and its unwillingness to work cooperatively with Royal Gorge to develop data that would be useful to all of us, our serious concerns about the SLDSCA grant application remain. Without access to Royal Gorge lands that constitute a large part of the local watersheds, it's also unclear exactly what SLDSCA might study in any meaningful way if a grant were to be awarded.

Finally, the nascency of this organization that only incorporated last year, and the dynamic nature of the SLDSCA board makeup, suggests that the group may lack the organizational capacity to conduct an effective study if funds are awarded. In June, 2008 SLDSCA had a five-member board. Since June, four Board members including the President and the Secretary/ Treasurer have resigned (Oudegeest, Busby, Pieper, Paduano).

Thank you for considering this information. Please contact me directly with questions or concerns.

Sincerely,

  
Mike Livak  
Project Manager, Royal Gorge, LLC

cc: Karen Heald, SLDSCA  
Fran Freedle, SLDSCA  
Linda Waddle, SLDSCA  
Bill Oudegeest, Serene Lakes Property Owners Association  
Donner Summit Area Association



**Royal Gorge**

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