

BOARD OF SUPERVISORS

AGENDA

Meetings are located at:
Yuba County Government Center
Board Chambers, 915 Eighth Street
Marysville, California



Agenda materials are available at the Yuba County Government Center, 915 8th Street, Marysville and www.co.yuba.ca.us. Any disclosable public record related to an open session item and distributed to all or a majority of the Board less than 72 hours prior to the meeting is available for public inspection at Suite 109 of the Government Center during normal business hours.

JANUARY 14, 2014

8:30 A.M. YUBA COUNTY WATER AGENCY

9:30 A.M. YUBA COUNTY BOARD OF SUPERVISORS - Welcome to the Yuba County Board of Supervisors meeting. As a courtesy to others, please turn off cell phones, pagers, or other electronic devices, which might disrupt the meeting. Thank you.

- I. **PLEDGE OF ALLEGIANCE** - Led by Supervisor Vasquez
- II. **ROLL CALL** - Supervisors Vasquez, Nicoletti, Griego, Abe, Stocker
- III. **2013 CHAIRMAN OF THE BOARD STATEMENT** - Chairman Andy Vasquez
- IV. **ELECTION OF 2014 OFFICERS** (Conducted by the Clerk of the Board)
 - A. Chairman of the Board of Supervisors
 - B. Vice Chairman of the Board of Supervisors
- V. **CONSENT AGENDA:** All matters listed under the Consent Agenda are considered to be routine and can be enacted in one motion.
 - A. Administrative Services
 1. (001-14) Approve Amendment No. 1 to the memorandum of understanding with Yuba County Water Agency extending information technology services for three months and authorize Chair to execute.
 - B. Board of Supervisors
 1. (002-14) Appoint Deputy Counsel John Whidden as the Board Chairman designee to the Law Library Board of Trustees. (No background material)
 - C. Clerk of the Board of Supervisors
 1. (493-13) Appoint Terry Oakes to the Yuba County Fish and Game Advisory Commission as an at-large representative for a term to end October 5, 2014. (Continued from December 17, 2013)
 2. (003-14) Approve minutes of the meetings of December 10 and 17, 2013.
 - D. Community Development and Services
 1. (004-14) Approve amendment to agreement with Mark Thomas and Company for civil engineering design of New York House Road over Dry Creek Bridge Replacement Project and authorize Chair to execute.
 2. (005-14) Adopt resolution authorizing submission of the State Community Services Block Grant Contract No. 14F-3053 and authorizing the Chair or Executive Director to execute grant and amendments; further authorizing Executive Director to execute subsequent required fiscal and programmatic reports.

E. Emergency Services

1. (006-14) Approve out of state travel for emergency operations center management staff for 3-day trainings in Emmitsburg, Maryland during March 2014.

VI. **SPECIAL PRESENTATION**

- A. (007-14) Present proclamation to First 5 Yuba Commission proclaiming 2014 as the Year of the Child. (Five minute estimate)
- B. (008-14) Receive information from Yuba-Sutter Area 211 Call Center Steering Committee. (Ten minute estimate)

VII. **PUBLIC COMMUNICATIONS:** Any person may speak about any subject of concern provided it is within the jurisdiction of the Board of Supervisors and is not already on today's agenda. The total amount of time allotted for receiving such public communication shall be limited to a total of 15 minutes and each individual or group will be limited to no more than 5 minutes. Prior to this time speakers are requested to fill out a "Request to Speak" card and submit it to the Clerk of the Board of Supervisors. Please note: No Board action can be taken on comments made under this heading.

VIII. **COUNTY DEPARTMENTS**

A. Board of Supervisors

1. (009-14) Appoint Board member and alternate to Regional Council of Rural Counties and CHF Board of Directors for 2014. (Five minute estimate)

B. Health and Human Services

1. (010-14) Adopt resolution approving Welfare and Institutions Code §17600.50(a) approach determining payments to Family Support Services subaccount, and approving and ratifying the action of County Medical Services Program Resolution 2013-1. (Ten minute estimate)

IX. **ORDINANCES AND PUBLIC HEARINGS:** If you challenge in court the action or decision of the Yuba County Board of Supervisors regarding a zoning, planning, land use or environmental protection matter made at any public hearing described in this notice, you may be limited to raising only those issues you or someone else raised at such public hearing, or in written correspondence delivered to the Yuba County Board of Supervisors at, or prior to, such public hearing and such public comments will be limited to three minutes per individual or group.

- A. (011-14) Public hearing - Hold public hearing, and adopt resolution adopting initial study mitigated negative declaration and the 2013-2021 Housing Element of the Yuba County General Plan - GPA2013-0001. (Community Development and Services) (Twenty minute estimate)

X. **CORRESPONDENCE**

- A. (012-14) Notice from State Department of Fish and Wildlife regarding recommendations for the 2014-15 deer hunts. (Copy provided to Fish and Game Advisory Commission)
- B. (013-14) Three notices from Auditor-Controller enclosing independent audit and financial records for Wheatland Cemetery District, Yuba Community College District, and Linda County Water District for year ending June 30, 2013,
- C. (014-14) Letter from California Sudden Infant Death Syndrome Advisory Council commending Sheriff Durfor for outstanding community service. (Copies provided to Human Resources and Sheriff Durfor)
- D. (015-14) Letter from United States Department of Agriculture regarding Pacific Gas and Electric Company's Herbicide Vegetation Management Program environmental assessment, preferred alternative, and comment period.
- E. (016-14) Letter from Olivehurst Public Utility District regarding Annexation Number Five to Community Facilities District No. 2005-2.
- F. (017-14) Notice from Central Valley Regional Water Quality Control Board regarding amendments to the Water Quality Control Plan for Tulare Lake Basin.

- G. (018-14) Three notices from State of California Fish and Game Commission regarding Notice of Findings relating to Townsends' big-eared bat, America pika and Northern spotted owl. (Copies provided to Fish and Game Advisory Commission)

XI. **CLOSED SESSION:** Any person desiring to comment on any matter scheduled for this closed session may address the Board at this time.

- A. Pending litigation pursuant to Government Code §54956.9(e) 3- One claim Chellis-Rai

XII. **BOARD AND STAFF MEMBERS' REPORTS:** This time is provided to allow Board and staff members to report on activities or to raise issues for placement on future agendas.

XIII. **ADJOURN**

11:00 A.M. Public Facilities Committee - (Supervisors Griego and Vasquez - Alternate Supervisor Nicoletti)

- A. (019-14) Consider ordinance repealing and reenacting Chapter 7.15.040 relating to smoking in and within 50 feet of any main exit, entrance or operable window of any County owned or leased building - Administrative Services (Ten minute estimate)

5:00 P.M. Wheatland City/County Liaison Committee - CANCELLED
Wheatland City Hall
111 C Street
Wheatland, California

01/15/14 - 5:00 P.M. Linda Liaison Committee - CANCELLED
Linda Fire Protection District
1286 Scales Avenue
Marysville, California

ADDENDUM TO AGENDA - NONE

In compliance with the Americans with Disabilities Act, the meeting room is wheelchair accessible and disabled parking is available. If you have a disability and need disability-related modifications or accommodations to participate in this meeting, please contact the Clerk of the Board's office at (530) 749-7510 or (530) 749-7353 (fax). Requests must be made two full business days before the start of the meeting. To place an item on the agenda, contact the office of the Clerk of the Board of Supervisors at (530) 749-7510.

PUBLIC INFORMATION

AGENDA ITEMS: The opportunity of the public to be heard on an item shall be provided during the consideration of that item. In the interest of time, the Board has limited the length of such comment or input on each item to 15 minutes total, with a limit of no more than 5 minutes per person or group. The period for public comments on a particular item may be extended upon a majority vote of the Board. These time limits do not apply to applicants appearing before the Board on behalf of their applications.

ACTION ITEMS: All items on the Agenda under the headings "Consent," "County Departments," Ordinances and Public Hearings," "Items of Public Interest," and "Closed Session," or any of them, are items on which the Board may take any action at this meetings.

PUBLIC HEARINGS: All members of the public shall be allowed to address the Board as to any item which is noticed on the Board's agenda as a public hearing. The Board has limited each person or group input to no more than 3 minutes. Any person or group may provide the Board with a written statement in lieu of or in supplement to any oral statement made during a public hearing. Written statements shall be submitted to the Clerk of the Board.

ORDINANCES: Ordinances shall not be passed within five days of their introductions, nor at other than a regular meeting or at an adjourned regular meeting. The Board of Supervisors will address ordinances at first readings. The public is urged to address ordinances at first readings. Passage of ordinances will be held at second readings, after reading the title, further reading is waived and adoption of the ordinance is made by majority vote. An urgency ordinance may be passed immediately upon introduction. The Board reserves the right to amend any proposed ordinances and to hold a first reading in lieu of a second reading.

INFORMATIONAL CORRESPONDENCE: The Board may direct any item of informational correspondence to a department head for appropriate action.

SCHEDULED LUNCH BREAK: Between the hours of 12:00 noon and 1:00 p.m. and at the discretion of the Chair, the Board will recess one hour for lunch.

SPECIAL MEETINGS: No public comment shall be allowed during special meetings of the Board of Supervisors, except for items duly noticed on the agenda.

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CONSENT

AGENDA

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The County of Yuba

Department Of Administrative Services

DOUG McCOY - Director




(530) 749-7880
FAX (530) 749-7884

January 14, 2014

To: Board of Supervisors

Cc: Robert Bendorf, County Administrator

From: Doug McCoy, Director of Administrative Services 

Subject: MOU Extension between County of Yuba and Yuba County Water Agency

RECOMMENDATION

Recommend the Board of Supervisors approve the attached amendment #1 to extend the Memorandum of Understanding between the County of Yuba and the Yuba County Water Agency for provision of IT Support Services for the period of three (3) months.

BACKGROUND/ DISCUSSION

The Yuba County Water Agency (YCWA) engaged the IT Division of the Yuba County Department of Administrative Services to provide a range of IT Support for all YCWA locations. This MOU has been in place since July 1, 2013 and the YCWA would like to extend these services for an additional three (3) month period.

COMMITTEE ACTION

This item was brought directly to the full Board bypassing the Public Facilities Committee due to its routine nature.

FISCAL IMPACT

Yuba County Administrative Services shall invoice the YCWA on a quarterly basis for a total rate of \$30,000 per quarter. There may be additional fees paid for special project work or work requested that is outside the scope of work included in their MOU. Revenues will be applied to Information Technology #1900.

MEMORANDUM OF UNDERSTANDING BETWEEN
YUBA COUNTY ADMINISTRATIVE SERVICES DEPARTMENT,
INFORMATION TECHNOLOGY DIVISION
AND
YUBA COUNTY WATER AGENCY

AMENDMENT # 1

This is the first amendment to the memorandum of understanding (MOU), dated July 1, 2013, for IT Services Yuba County Water Agency, hereinafter referred to as "YCWA", and the Yuba County Administrative Services Department, Information Technology Division, hereinafter referred to as "IT DIVISION".

The YCWA and IT Division would like to extend the term of this MOU for the period of three months.

Commencement Date: July 1, 2013

Amended Termination Date: March 31, 2014

All other terms and conditions remain unchanged.

In witness thereof, the parties hereto have executed this Amendment # 1 to the MOU on

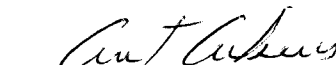
_____ 2014.

YUBA COUNTY ADMINISTRATIVE SERVICES DEPARTMENT



Doug McCoy
Director of Administrative Services

YUBA COUNTY WATER AGENCY



Curt Aikens
General Manager for the Yuba County Water Agency

YUBA COUNTY BOARD OF SUPERVISORS

Chair

**APPROVED AS TO FORM
YUBA COUNTY COUNSEL**

By: 


Angil Morris-Jones

The County of Yuba

Office of Clerk of the Board of Supervisors



To: Board of Supervisors

From: Donna Stottlemeyer, Clerk of the Board 

Subject: **Fish and Game Advisory Commission – At-Large Representative**

Date: December 17, 2013

Recommendation

Appoint Terry Oakes to the Yuba County Fish and Game Advisory Commission as an at-large representative for a term to end October 5, 2014.

Background and Discussion

The Local Appointment List of all Boards/Commissions/Committees is continually posted indicating vacancies, appointees, terms of office, qualifications and meeting information. This is an unscheduled vacancy as of October 2013. One application has been received by Mr. Oakes and is attached for your review and approval. In light of the expressed interest, it would be appropriate to appoint one individual at this time.

Fiscal Impact

None

Committee Action

None

attachments

The County of Yuba

RECEIVED

DEC 2 2013



Application for Board/Commission/Committee
Appointed by the Board of Supervisors

Clerk/Board of Supervisors

RETURN APPLICATION WITH ORIGINAL SIGNATURE TO:

CLERK OF THE BOARD OF SUPERVISORS
YUBA COUNTY GOVERNMENT CENTER
915 EIGHTH STREET, SUITE 109
MARYSVILLE, CA 95901
(530) 749-7510

BOARD/COMMISSION/COMMITTEE

ON WHICH YOU WOULD LIKE TO SERVE: Yuba Co Fish & Game Comm.

APPLICANT NAME:

TERRY OAKES

MAILING ADDRESS -
(Street/P.O. Box, City, Zip):



Marysville 95901

PHYSICAL ADDRESS
(Street, City, Zip):

SAME

TELEPHONE:

HOME:



EMAIL ADDRESS:



OCCUPATION/PROFESSION:
SUPERVISOR/ DISTRICT
NUMBER:

RETIRED MPD OFFICER
D2 JOHN NICOLETTI

REASONS YOU WISH TO
SERVE ON THIS BODY:

SERVED ON BOARD BEFORE. LEFT
FOR OUT OF STATE WORK.

QUALIFICATIONS:

SERVED ON BOARD BEFORE. AVID HUNTER

SPORTSMAN,
LIST PAST AND CURRENT

HUNTER Ed INSTRUCTOR -

PUBLIC POSITIONS HELD:

Yuba Co. F&G COMMISSION

DO YOU HAVE ANY CRIMINAL CONVICTION THAT MAY BE CONSIDERED A CONFLICT OF INTEREST WITH THE COMMITTEE YOU WISH TO SERVE UPON? ☐ YES ☒ NO

IF YES, PLEASE EXPLAIN. NOTE: THAT A FELONY CONVICTION SHALL PRECLUDE YOU FROM SERVICE.

I UNDERSTAND THAT IF APPOINTED TO A BOARD/COMMISSION/COMMITTEE AND WHAT MAY BE CONSIDERED A CONFLICT OF INTEREST ARISES, THAT I HAVE A DUTY TO GIVE WRITTEN NOTICE OF SUCH TO THE COUNTY.

I DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING INFORMATION IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

SIGNATURE

Terry Oakes

DATE

DEC 2, 2013

THIS SECTION FOR OFFICE USE ONLY

☐ NO VACANCY CURRENTLY EXISTS ON ABOVE-MENTIONED BODY. APPLICANT NOTIFIED.

☐ APPLICANT APPOINTED: _____

☐ OTHER: _____

The County of Yuba

B O A R D O F S U P E R V I S O R S



DECEMBER 10, 2013 - MINUTES

The Honorable Board of Supervisors of the County of Yuba met in regular session on the above date, commencing at 9:30 a.m., within the Government Center, Marysville, California, with a quorum being present as follows: Supervisors Andy Vasquez, John Nicoletti, Mary Jane Griego, Roger Abe and Hal Stocker. Also present were County Counsel Angil Morris-Jones, and Deputy Clerk of the Board of Supervisors Rachel Ferris. Chairman Vasquez presided.

- I. PLEDGE OF ALLEGIANCE - Led by Supervisor Nicoletti
- II. ROLL CALL - Supervisors Vasquez, Nicoletti, Griego, Abe, Stocker – All present
- III. CONSENT AGENDA: All matters listed under the Consent Agenda are considered to be routine and can be enacted in one motion.

County Counsel Angil Morris-Jones advised Department requested to pull item X. A. Public hearing relating to APN 021-150-061 (Butler)

MOTION: Move to approve MOVED: Hal Stocker SECOND: John Nicoletti
 AYES: Hal Stocker, John Nicoletti, Andy Vasquez, Mary Jane Griego, Roger Abe
 NOES: None ABSENT: None ABSTAIN: None

A. Administrative Services

1. Authorize Chair to execute consent to sublease related to agreement between Continental Pacific Lumber Industries and Tri State Store Fixtures, Inc. for property located at 1401 Melody Road, Olivehurst. (461-13) Approved.
2. Approve Capital Asset Disposal of vehicles removed from service. (462-13) Approved.
3. Approve revised permanent vehicle assignments for specified county personnel pursuant to Ordinance Code 2.15.060 and Administrative Policy D-3. (463-13) Approved.
4. Approve extending temporary appointment of Joseph Oates as the Interim IT Manager for up to 90 days. Approved.

B. Clerk of the Board of Supervisors

1. Approve minutes of the meetings of November 5 and 12, 2013. (464-13) Approved as written.
2. Appoint Patrick D. Osborne as a technical representative to the Plumas Lake Design Review Committee for a term ending December 10, 2014. (465-13) Approved.

C. Community Development and Services

1. Approve Amendment No. 2 to agreement with Drake Haglan and Associates, Inc. civil engineering services related to Timbuctoo Road over Deep Ravine No. 1 Bridge Replacement Project and authorize Chair to execute. (466-13) Approved.
2. Accept Hammonton-Smartsville Road shoulder widening and overlay project as complete and authorize Public Works Director to execute and record Notice of Completion. (467-13) Approved.

D. County Administrator

1. Approve two-year contract extension with Paul Brunner, Executive Director of Three Rivers Levee Improvement Authority and authorize Chair to execute. (468-13) Approved.

E. Health and Human Services

1. Approve Children's Medical Services Plan and Fiscal Guideline for Fiscal Year 2013-2014 and authorize Chair to execute certification statement. (469-13) Approved.

F. Human Resources and Organizational Services

1. Approve agreements with California State Association of Counties Excess Insurance Authority (CSAC-EIU) Medical Malpractice Memorandum of Understanding and Participation Agreement, and authorize the Chair to execute. (470-13) Approved.

G. Probation

1. Adopt resolution authorizing agreement with Board of State and Community Corrections for Anti-Drug Abuse Program grant funds and authorizing Chief Probation Officer to execute all necessary documents as required by grant. (471-13) Adopted Resolution No. 2013-120, which is on file in Yuba County Resolution Book No. 44.

H. Sheriff-Coroner

1. Approve memorandum of understanding and letter of understanding with BGE Yuba for supplemental law enforcement services and authorize Chair to execute. (472-13) Approved.

I. Treasurer-Tax Collector

1. Adopt resolution delegating investment authority to County Treasurer-Tax Collector for 2014. (473-13) Adopted Resolution No. 2013-121, which is on file in Yuba County Resolution Book No. 44.

IV. PUBLIC COMMUNICATIONS:

Mr. Richard Boyd requested the Board provide a definition of "Health."

V. COUNTY DEPARTMENTS

A. Administrative Services

1. Authorize establishing Fund 154 - Internal Service Fund and Budget Transfer in the total amount of \$453,406 allocating funds for network infrastructure upgrade project. (474-13) Director Doug McCoy recapped process and responded to Board inquiries.

MOTION: Move to approve MOVED: John Nicoletti SECOND: Hal Stocker
AYES: John Nicoletti, Hal Stocker, Andy Vasquez, Mary Jane Griego, Roger Abe
NOES: None ABSENT: None ABSTAIN: None

B. Board of Supervisors

1. Cast ballot for County Medical Services Program Governing Board Supervisor Representative - Group 2 Counties. (Five minute estimate) (475-13)

MOTION: Move to cast ballot for Mark Lovelace, Humboldt County
MOVED: Mary Jane Griego SECOND: John Nicoletti
AYES: Mary Jane Griego, John Nicoletti, Andy Vasquez, Roger Abe, Hal Stocker
NOES: None ABSENT: None ABSTAIN: None

C. County Administrator

1. Receive First Quarter Financial Report for Fiscal Year 2013-14 and provide direction as necessary. (Ten minute estimate) (476-13) County Administrator Robert Bendorf recapped the following and responded to Board inquiries:
 - Change in accounting methodology
 - County expenditures are down
 - General fund reserves and contingencies
 - New hires
 - Building permits
 - Decreased foreclosure activity
 - Economic Development Administration grant
 - State budget update

Mr. Bendorf advised recommendations for general fund reserves, contingencies and capital outlay would be brought forward in the coming weeks.

2. Receive Countywide Facilities Report for Fiscal Year 2012-2013. (Ten minute estimate) (477-13) Management Analyst Grace Mull recapped annual report, new format, and responded to Board inquiries.
3. Approve loan repayment terms for interfund loan from Criminal Justice Impact Fund (Trust 183) to Law Enforcement Impact Fund (Trust 186) related to new Sheriff's facility at 720 Yuba Street. (Ten minute estimate) (478-13) Management Analyst Grace Mull provided a brief recap and responded to Board inquiries.

MOTION: Move to approve MOVED: John Nicoletti SECOND: Roger Abe
AYES: John Nicoletti, Roger Abe, Andy Vasquez, Mary Jane Griego, Hal Stocker
NOES: None ABSENT: None ABSTAIN: None

VI. CORRESPONDENCE - (481-13)

A. Letter from Yuba Sutter Farm Bureau regarding ordinance restricting marijuana cultivation. Received

VII. BOARD AND STAFF MEMBERS' REPORTS:

Supervisor Griego:

- Feather River Air Quality Management District meeting held December 2, 2013
- TRLIA meeting held December 3, 2013
- SACOG meeting held December 12, 2013
- Marysville Christmas parade held December 7, 2013
- Olivehurst Christmas parade on December 14, 2013

Supervisor Nicoletti:

- Memorial Adjournment - Mrs. Janet Beaver and Ms. Mary Kearfott
- Cal PERLA Labor Relations Academy November 18 - 19, 2013
- Article regarding increase in auto and home burglaries coincides with AB109 prisoner releases
- Plumas Lake businesses
- Requested County Administrator to review state payment obligations owed to Peachtree Health Care Centers

Supervisor Stocker:

- Memorial Adjournments - Mrs. Ila Ann Wellner, Ms. Rondell Plumb, Ms. Lona Lahore, Mr. Mark Anthony Carrelli, Mr. J. Walter Mowery, and Mr. Bob Clary
- Marysville Christmas parade held December 7, 2013
- Statewide water concerns

Supervisor Abe:

Meetings attended:

- OPUD special meeting held November 12, 2013
- Wheatland/County Liaison meeting held November 12, 2013
- Feather River Integrated Regional Management Flood Plan town hall meeting held November 13, 2013
- NCCC Youth Council meeting held November 14, 2013
- Air Force public to public meeting November 14, 2013
- Economic Advisory Committee meeting held November 15, 2013
- State Water Resources Control Board meeting held November 15, 2013
- CSAC Conference held November 19 - 22, 2013
- ACWA Conference held December 3 - 6, 2013
- Phase II Solar project
- Wheatland tree lighting ceremony
- Memorial Adjournment - Reverend Ira Burns

Supervisor Vasquez:

- CSAC Conference November 19, 2013
- Sierra Nevada Conservancy meeting held December 5, 2013
- First 5 Yuba Commission mini grants funded
- Hmong New Year celebration November 18, 2013

County Administrator Robert Bendorf:

- SACOG Regional Managers meeting
- Voter Rights Act hearing with Clerk/Recorder Terry Hansen regarding impacts of the federal decision December 19, 2013

County Counsel Angil Morris-Jones: Voter Rights Act hearing December 19, 2013

VIII. CLOSED SESSION: The Board retired into closed session to discuss the following at 10:38 a.m. and returned at 10:49 a.m. with all present as indicated above.

- A. Pending litigation pursuant to Government Code §54956.9(d)(2) - Johnon et.al v County of Yuba et.al
Referred to Porter Scott for representation and defense by unanimous vote.

IX. RECESS: The Board recessed at 10:49 a.m. and returned at 1:00 p.m. with all present and indicated above.

X. ORDINANCES AND PUBLIC HEARINGS:

- A. Public Hearing - Hold public hearing and adopt resolution of necessity authorizing condemnation of property for purposes of designated 40 acre community parkland in the East Linda Specific Plan, acquire property by eminent domain identified as APN 021-150-061 (Butler) and authorizing Public Works Director to take necessary actions for acquisition. (Ten minute estimate) (480-13) Pulled from consideration by Department.

XI. COMMUNITY DEVELOPMENT AND SERVICES

- A. Receive information regarding Development Code update; provide comments on Zone Districts and Use Classifications and direction on stakeholder groups. (20 minute estimate) (479-13) Planning Director Wendy Hartman and Community Development and Services Director Kevin Mallen presented the following:
Development Code Update:
- Goals of Update
 - Broad Land Use Categories
 - Land Use - Zoning Districts
 - 2030 General Plan Land Uses
 - Agricultural Districts
 - Natural Resource Districts
 - Residential Districts
 - Commercial and Employment Districts
 - Industrial Districts
 - Overlay and Special Districts
 - Overlay districts impose additional requirements and standards to address specific issues
 - Special districts accommodate unique uses
 - Draft Zoning Districts Purpose and Applicability
 - Use Classification System

- Next steps:
 - Stakeholder groups meetings
 - Advisory Committee Meetings
 - Future Public Workshops and Stakeholder Meetings

Following Board discussion it was recommended including Yuba Economic Development Committee, Yuba Sutter Farm Bureau, Agricultural Commissioner, North Yuba Grown, U. C. Davis Cooperative Extension, and Yuba Sutter Realtors in stakeholder groups, Ms. Hartman advised she would provide an update in January to the Board with established meeting dates and locations.

- XII. ADJOURN 1:54 p.m. in memory of Mrs. Janet Beaver, Ms. Mary Kearfott, Mrs. Ila Ann Wellner, Ms. Rondell Plums, Ms. Long Lahore, Mr. Mark Anthony Carrelli, Mr. J. Walter Mowery, Mr. Bob Clary, and Reverend Ira Burns.

ATTEST: DONNA STOTTLEMEYER
CLERK OF THE BOARD OF SUPERVISORS

By: Rachel Ferris, Deputy Clerk

Chair

Approved: _____

The County of Yuba

B O A R D O F S U P E R V I S O R S



DECEMBER 17, 2013 - MINUTES

The Honorable Board of Supervisors of the County of Yuba met on the above date, commencing at 9:30 a.m., within the Government Center, Marysville, California, with a quorum being present as follows: Supervisors Andy Vasquez, John Nicoletti, Mary Jane Griego, Roger Abe, and Hal Stocker. Also present were County Administrator Robert Bendorf, County Counsel Angil Morris-Jones, and Clerk of the Board of Supervisors Donna Stottlemeyer. Chairman Vasquez presided.

- I. PLEDGE OF ALLEGIANCE - Led by Supervisor Griego
- II. ROLL CALL - Supervisors Vasquez, Nicoletti, Griego, Abe, Stocker - All present.
- III. CONSENT AGENDA: All matters listed under the Consent Agenda are considered to be routine and can be enacted in one motion.

MOTION: Move to approve MOVED: John Nicoletti SECOND: Hal Stocker
AYES: John Nicoletti, Hal Stocker, Andy Vasquez, Mary Jane Griego, Roger Abe
NOES: None ABSENT: None ABSTAIN: None

A. Administrative Services

1. Adopt resolution authorizing application for construction of new Tri-County Juvenile Hall Youth Offender Rehabilitation Facility using Senate Bill 81 and other funding. (488-13) Adopted Resolution No. 2013-122, which is on file in Yuba County Resolution Book No. 44.
2. Approve airport lease agreement with Thomas Bowles for corporate hangar lease site eleven, ground site four, and authorize the Chair to execute. (489-13) Approved.

B. Auditor-Controller

1. Receive independent accountant's report on Clerk/Recorder Social Security Number Truncation Program. (490-13) Received.

C. Board of Supervisors

1. Approve 2014 Board of Supervisors meeting schedule and cancelling certain meetings. (491-13) Approved schedule and cancelled the following meetings: January 7, February 18, March 4, April 8, May 27, June 17, July 15, August 5 and 19, September 2, October 14, and December 2, 2014.
2. Approve Certification Statement regarding composition of Local Child Care Planning Council membership and authorize the Chair to execute same. (492-13) Approved.

D. Clerk of the Board of Supervisors

1. Appoint Terry Oakes to the Yuba County Fish and Game Advisory Commission as an at-large representative for a term to end October 5, 2014. (493-13) Continued to January 14, 2014.
2. Adopt list of ongoing boards, commissions, and committees appointed by the Board of Supervisors. (494-13) Approved.

E. Community Development and Services

1. Award contract to Hanna Group for Timbuctoo Road over Deep Ravine No. 1 bridge replacement project and authorize the Chair to execute same. (495-13) Approved.
2. Adopt resolution authorizing to apply and establish eligible participation in the Federal Surplus Property Program and authorize designated staff to execute all documents needed for the purchase of surplus property from the program. (496-13) Adopted Resolution No. 2013-123, which is on file in Yuba County Resolution Book No. 44.
3. Accept Montrose Unit 3 Improvements as complete and release the performance bond, Tract Map 2007-0009. (497-13) Approved.

F. County Administrator

1. Authorize Auto Service Fund reimbursements in the total amount of \$500,000 and authorize the Auditor-Controller to transfer funds to various departments. (Finance and Administration Committee recommends approval) (498-13) Approved.

G. Health and Human Services

1. Adopt resolution authorizing agreement with California Department of Public Health for immunization project subvention funds through June 30, 2017 and execution of all necessary documents. (Human Services Committee recommends approval) (499-13) Adopted Resolution No. 2013-124, which is on file in Yuba County Resolution Book No. 44.
2. Adopt resolution authorizing application to Public Health Maternal Child and Adolescent Health grant funds and Chair to execute necessary documents. (Human Services Committee recommends approval) (500-13) Adopted Resolution No. 2013-125, which is on file in Yuba County Resolution Book No. 44.
3. Adopt resolution authorizing Director to enter into agreement with Sierra Forever Families for adoption services. (Human Services Committee recommends approval) (501-13) Adopted Resolution No. 2013-126, which is on file in Yuba County Resolution Book No. 44.
4. Adopt resolution authorizing Director or designee to execute CalWorks program subsidized employment program agreements with work site contractors. (Human Services Committee recommends approval) (503-13) Adopted Resolution No. 2013-127, which is on file in Yuba County Resolution Book No. 44.
5. Adopt resolution authorizing Health and Human Services Department to implement a Virtual Desktop Infrastructure (VDI) solution for the continuing customer service and the Covered California Call Centers; authorize the Chair to execute documents as necessary; and authorize Budget Transfer in the total amount of \$125,380 for various lines items for equipment and services. (504-13) Adopted Resolution No. 2013-128, which is on file in Yuba County Resolution Book No. 44.

H. Library

1. Adopt resolution authorizing First 5 Yuba grant application for children programs and authorizing Director to execute documents as required by grant and acceptance and transfer of funds. (505-13) Adopted Resolution No. 2013-129, which is on file in Yuba County Resolution Book No. 44.

IV. PUBLIC COMMUNICATIONS:

Chairman Vasquez read and presented a proclamation commending County Administrator Robert Bendorf for his leadership, dedication, and service to Yuba County.

Housing Authority Executive Director Kimberly Grimes - Food for Families Program

Mr. Charles Sharp - Agritourism

Mr. Steven Dambeck - Agritourism

V. CLOSED SESSION: The Board retired into closed session at 9:41 a.m. and returned at 10:04 a.m.

- A. Personnel pursuant to Government Code §54957 - Public Employee Appointment - Health and Human Services Director Information provided.

VI. COUNTY DEPARTMENTS

A. Administrative Services

1. Approve contract with Cascade Software for management system to support Human Resources and authorize the Chair to execute. (Fifteen minute estimate) (506-13) Administrative Services Director Doug McCoy and Human Resources Director Martha Wilson recapped the agreement and benefits of the electronic system to manage employee data and responded to Board inquiries.

MOTION: Move to approve

MOVED: Mary Jane Griego SECOND: John Nicoletti

AYES: Mary Jane Griego, John Nicoletti, Andy Vasquez, Roger Abe, Hal Stocker

NOES: None ABSENT: None ABSTAIN: None

B. Community Development and Services

1. Receive information, update on County Capital Facilities Impact Fees, and provide staff direction as appropriate. (Fifteen minute estimate) (507-13) Community Development and Services Director Kevin Mallen provided a PowerPoint presentation recapping capital facilities impact fee update including the following and responded to inquiries:
 - Purpose and use of fees collected
 - Impact fee examples including special districts
 - Projected costs to expand facilities and roads
 - Distribution of fees collected

The Board paused discussion at 10:40 a.m. to move to other items on the agenda and resumed the matter at 11:20 a.m.

Supervisor Vasquez left the meeting at 11:22 a.m. and returned at 11:25 a.m.

- Surrounding counties fee comparison
- Needs not being addressed

- Tracking mechanism for increase/decrease related to goals
- Use of impact fees and providing a nexus for quality of life issues such as recreation, health issues (walking paths and exercise stations), code enforcement/blight, incentives for bringing in senior housing, the arts; providing curbs, sidewalks, and lighting

C. County Administrator

1. Receive report regarding CFD 2005-1 Acquisition Agreements for John Moyer Construction (JMC), Woodside Homes, and Dunmore Homes and adopt resolutions that extend the agreements for one year and authorizing the County Administrator to execute documents. (Fifteen minute estimate) (508-13) County Administrator Robert Bendorf recapped proposal of extending agreements to 2014 and responded to Board inquiries.

Supervisor Griego left the meeting at 10:42 a.m. and returned at 10:47 a.m.

Supervisor Abe left the meeting at 10:56 a.m. and returned at 10:59 a.m.

MOTION: Move to adopt resolutions MOVED: John Nicoletti SECOND: Mary Jane Griego
 AYES: John Nicoletti, Mary Jane Griego, Andy Vasquez, Roger Abe, Hal Stocker
 NOES: None ABSENT: None ABSTAIN: None

Adopted Resolutions No. 2013-130 and 2013-131, which are on file in Yuba County Resolution Book No. 44.

2. Approve Yuba County Economic Development Advisory Committee by-laws and receive special presentation on annual activities. (Fifteen minute estimate) (509-13) Economic Development Coordinator John Fleming recapped proposed by-laws, expanding the committee to 20 members, and the appointment process.

Committee Chair Nate Pomeroy recapped activities and future outreach.

MOTION: Move to approve MOVED: John Nicoletti SECOND: Hal Stocker
 AYES: John Nicoletti, Hal Stocker, Andy Vasquez, Mary Jane Griego, Roger Abe
 NOES: None ABSENT: None ABSTAIN: None

D. Health and Human Services

1. Approve agreement with Yuba County Office of Education to administer occupational aptitude assessments and provide assistance with job search activities and authorize Chair to execute. (Human Services Committee recommends approval) (Ten minute estimate) (502-13) Health and Human Services Director Suzanne Nobles recapped services provided within agreement and responded to inquiries.

MOTION: Move to approve MOVED: John Nicoletti SECOND: Mary Jane Griego
 AYES: John Nicoletti, Mary Jane Griego, Andy Vasquez, Roger Abe, Hal Stocker
 NOES: None ABSENT: None ABSTAIN: None

Board members commended Ms. Nobles for dedicated service and wished her well in retirement.

VI. CORRESPONDENCE

- A. Independent audit and financial records for District 10 Hallwood Community Services District for year ending June 30, 2012. (510-13 A) Received.
- B. Notice from State of California Fish and Game Commission regarding regulatory action relating to commercial take of market squid. (510-13 B) Received.

VII. BOARD AND STAFF MEMBERS' REPORTS:

Supervisor Griego:

- SACOG approved funding for Yuba County projects
- Linda Lions Christmas Celebration
- Olivehurst Christmas Parade
- Yuba Sutter Transit Meeting December 19, 2013

Supervisor Nicoletti:

- Olivehurst Christmas Parade
- Beale Pave Paws Division Christmas Celebration
- Linda Lions Christmas Parade

Supervisor Stocker: Foothill Fire Safe Council grant for fuel reduction

VIII. CLOSED SESSION: The Board retired into closed session at 12:12 p.m. and returned at 12:33 p.m. with all present as indicated above.

- A. Pending litigation pursuant to Government Code §54956.9(d)(2) - Calvert vs. Yuba County et al Referred to Porter Scott by unanimous vote.
- B. Pending litigation pursuant to Government Code §54956.9(d)(2) - Soares vs Yuba County et al Referred to Porter Scott by unanimous vote.
- C. Pending litigation pursuant to Government Code §54956.9(d)(2) - Viveros-Jimenez vs. County of Yuba et al Referred to United States attorney by unanimous vote.

IX. ADJOURN: 11:34 a.m.

Chair

ATTEST: DONNA STOTTLEMEYER
CLERK OF THE BOARD OF SUPERVISORS

Approved: _____

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The County of Yuba

Community Development & Services Agency

Kevin Mallen, Director

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January 14, 2014

TO: YUBA COUNTY BOARD OF SUPERVISORS

FROM: MICHAEL G. LEE, DIRECTOR OF PUBLIC WORKS

SUBJ: Amend Professional Services Agreement – New York House Road over Dry Creek Bridge Replacement Project (Bridge #16C0023)

RECOMMENDATION:

The Public Works Department recommends that the Board of Supervisors approve Amendment No. 1 to the Professional Services Agreement for Civil Engineering Design of the New York House Road over Dry Creek Bridge Replacement Project and to authorize the chairman to execute the amendment.

BACKGROUND:

The New York House Road over Dry Creek bridge is located approximately 0.25 miles east of the intersection of Frenchtown Road and New York House Road in the northeast portion of the County. The status of the existing bridge is Structurally Deficient and will be replaced with a new concrete structure. The County has been working with SACOG and Caltrans to authorize funds for the design and construction of a replacement bridge. The work done under the existing agreement includes civil engineering design, environmental, surveying, geotechnical engineering and hydraulics analysis. The original agreement was executed by the Board Chair on January 15, 2013. The bridge replacement project is currently in the final stages of environmental clearance.

DISCUSSION:

In order to move forward with completing the environmental phase for both the NEPA and CEQA processes, our consultant is required to perform additional testing and develop a report regarding Aerially Deposited Lead (ADL). The additional work will include a subsurface investigation and report to determine what concentrations, if any, of ADL are within the project area. Based on the results of the investigation and report we can determine if any mitigation measures are required to deal with possible ADL during construction of the bridge replacement project.

For the additional scope of work the Consultant has requested a budget augmentation of \$6,791.25 increasing the contract amount to a total of \$385,810.

COMMITTEE ACTION:

The Land Use and Public Works Committee was bypassed as this project is a budgeted item.

FISCAL IMPACT:

This bridge project is part of the federally funded Highway Bridge Program (HBP). The additional work is being done as part of the Preliminary Engineering Phase and the HBP will fund 100% of the cost increase.

**PROFESSIONAL SERVICES AGREEMENT
YUBA COUNTY PROFESSIONAL CIVIL ENGINEERING SERVICES**

AMENDMENT # 1

This is the FIRST amendment to the agreement, dated January 15, 2013, for Professional Civil Engineering services between the County of Yuba (COUNTY) and Mark Thomas & Company (CONSULTANT).

Pursuant to Operative Provision D.22, "Modifications," of the basic agreement, the following changes are hereby made:

- (1) Attachment A, SCOPE OF SERVICES AND DUTIES, Section A.1 is changed to read:

The services to be provided by CONSULTANT and the scope of CONSULTANT's duties are included in the attachment labeled Exhibit 1: Scope of Work. Additional services incorporated into the agreement as part of Amendment 1 include duties outlined in Exhibit 2 – Aerially Deposited Lead Scope of Work.

- (2) Attachment B, Payment, Section B.1 is changed to read:

COUNTY shall pay CONSULTANT a contract fee not to exceed THREE HUNDRED EIGHTY FIVE THOUSAND EIGHT HUNDRED TEN DOLLARS (\$385,810); CONSULTANT shall submit requests for payment after completion of services or no later than the tenth (10th) day of the month following provision of services. In no event shall total compensation paid to CONSULTANT under this Provision B.1 exceed THREE HUNDRED NINETY EIGHT THOUSAND THREE HUNDRED TEN DOLLARS (\$398,310) without a formal written amendment to this Agreement approved by the COUNTY.

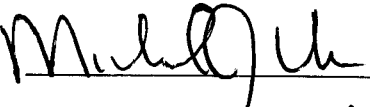
Exhibit 2 Aerially Deposited Lead Scope of Work with cost proposal is included with this amendment as an attachment. All other terms and conditions remain unchanged.

In witness thereof, the parties hereto have executed this Amendment # 1 to the Agreement on _____, 20____.

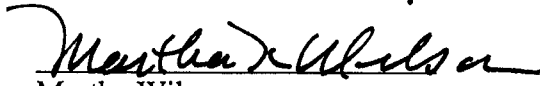
"COUNTY"
County of Yuba

"CONSULTANT"
Mark Thomas & Company

Board of Supervisors



INSURANCE PROVISIONS APPROVED


Martha Wilson,
Risk Manager

APPROVED AS TO FORM


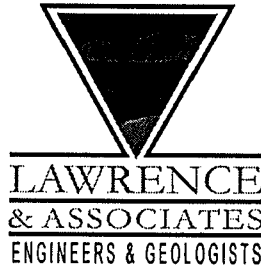

Angil Morris-Jones
County Counsel

EXHIBIT 2 - AERIALLY DEPOSITED LEAD SCOPE OF WORK

1 of 3



P12087.01

July 31, 2013

Mr. Mark Wuestehube
North State Resources, Inc.
500 Orient Street, Suite 150
Chico, CA 95928

Dear Mr. Wuestehube:

**SUBJECT: PROPOSAL FOR AERIALLY DEPOSITED LEAD (ADL)
TESTING, NEW YORK HOUSE ROAD BRIDGE OVER DRY
CREEK REPLACEMENT, YUBA COUNTY, CALIFORNIA**

Enclosed is our proposal to provide consulting services for conducting a subsurface investigation including testing for aerially deposited lead for the New York House Road Bridge Replacement project located in Yuba County, California. The investigation activities are based on the Findings and Conclusions listed in the report titled, *Environmental Site Assessment (ESA), New York House Road Bridge over Dry Creek Replacement, Yuba County, California*, dated June 27, 2013 (Report), prepared by Lawrence & Associates (L&A).

The Report concludes that Aerially Deposited Lead (ADL) may be present in the roadway shoulders within the project limits based on the age of the roadway and the date of the ban of leaded motor vehicle fuel. As such, a shallow soils investigation at several locations with sampling and analysis for ADL only is proposed. Samples will be tested for both TTLC and STLC lead. We are proposing to collect up to three samples from the roadside at each of the four quadrants of the bridge with spacing intervals along the proposed area of improvement.

Our proposal includes providing drilling of a total of 12 borings using L&A's limited access drill rig, collection of samples, and destruction of borings using neat cement or hydrated bentonite pellets depending on location. This phase will generate a very small volume of boring cuttings. L&A proposes to therefore replace excess soil back into the boring then, top with neat cement or hydrated bentonite pellets depending on location, as discussed above. Soil borings will be limited to three feet in depth with samples collected as a composite from each location. Level D personal protective equipment will be implemented.

Upon completion of sampling and on receipt of analysis, L&A will prepare a summary letter of the evaluation including figures, diagrams, and laboratory results. Based on the analysis, L&A may recommend either no further work is necessary or that contamination should be investigated to determine the lateral and vertical extent, if deemed necessary.

Our cost estimate is shown on the following page (3 of 3). The estimated cost to conduct the proposed activities is \$6,791.25, on a time and expenses basis.

If you would like us to perform the proposed activities, please prepare either a revised contract for the additional work or a new contract for the work specifically. You may send to my attention. We will then countersign and return a fully executed contract. We propose to initiate the work immediately. We expect laboratory results within one to two weeks thereafter. The report would then be completed within one week following receipt of laboratory results.

Please call me at (530) 275-4800 if you have any questions regarding this proposal or the following tasks if necessary.

Sincerely,



Robert L. Ekin
Senior Environmental Assessor

enc. Attachment A – Fee Schedule

Item	Units	Qty	\$/unit	Subtotal
Labor				
Associate Geologist, prepare in-house work plan and site safety plan	Hr	4	\$105.00	\$420.00
Associate Geologist, travel to and from site, mark for USA North utility marking	Hr	4	\$105.00	\$420.00
Associate Geologist, travel to and from, collect samples, and log borings	Hr	10	\$105.00	\$1,050.00
Associate Geologist, prepare summary report	Hr	8	\$105.00	\$840.00
AutoCAD (level 1 operator) prepare maps, and figures	Hr	3	\$75.00	\$225.00
Principal, technical review	Hr	1	\$145.00	\$145.00
Clerical, review, edit, and process reports	Hr	2	\$60.00	<u>\$120.00</u>
Labor subtotal				\$3,220.00
In-House Expenses/Materials				
Mileage	Mi	300	\$0.70	\$210.00
Report materials	Ea	2	\$25.00	\$50.00
Sample sleeves and caps	Ea	12	\$9.00	\$108.00
Gloves/distilled water	Ea	2	\$8.00	\$16.00
Mob/demob, w/support truck	LS	1	\$1,000.00	\$1,000.00
ATV Drill Rig	LS	1	\$1,000.00	\$1,000.00
Level D Personal Protection (per person per day)	Day	2	\$30.00	\$60.00
Concrete	Bag	2	\$7.00	\$14.00
Bentonite Chips	Bag	2	\$14.00	\$28.00
Per Diem (two man crew)	Day	2	\$120.00	<u>\$240.00</u>
In-house expense subtotal				\$2,726.00
Outside Expenses				
Lead TTLC	Ea	12	\$20.00	\$240.00
Lead STLC	Ea	12	\$35.00	\$420.00
Sample shipping	Ea	1	\$75.00	\$75.00
15% admin.				<u>\$110.25</u>
Outside-expense subtotal				<u>\$845.25</u>
Total				<u>\$6,791.25</u>

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The County of Yuba

Community Development & Services Agency

Kevin Mallen, Director

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January 14, 2014

TO: Board of Supervisors

FROM: Wendy Hartman, CDSA Planning Director *WH*
Kimberly Grimes, Executive Director of Yuba County Community Services Commission *KG*

SUBJECT: **Authorize Contract for 2014 CSBG Program and Execution of all Documents**

Recommendation:

It is recommended that the Yuba County Board of Supervisors approve and authorize execution of contract 14F-3053 between the Department of Community Services and Development (CSD) and the Yuba County Community Services Commission for the 2014 Community Services Block Grant (CSBG) program and authorize and empower the Executive Director of the Community Services Commission to execute all necessary documents in connection with this program.

Background:

The Yuba County Community Services Commission is approved to receive and administer \$216,874 in Community Services Block Grant funds for 2014. The State is operating under a continuing resolution and has authorized an initial allocation in the amount of \$77,283. The remainder of the allocation will be released under contract amendments as the funds become available. The Board has approved prior agreements for calendar years 1989 through 2013. It is the general policy of the County that the Chairman of the Board of Supervisors executes contracts. The CSD contract requires a resolution specific to this contract.

The Board of Supervisors previously authorized, empowered, and designated the Executive Director of the Community Services Commission to execute all necessary documents and act in all matters in connection with the CSBG programs in Resolution No. 1990-15. The 2014 CSD contract requires that a new resolution specific to contract 14F-3053 be submitted. This does not alter the action previously taken by the Board of

Supervisors, but satisfies this requirement.

Discussion:

The attached contract contains many provisions, including budget information reflecting the 2014 distribution of funds previously approved by the Yuba County Community Services Commission.

Committee Recommendation:

The Yuba County Community Services Commission approved the allocations on December 2, 2013 and approved the contract on January 2, 2014.

Fiscal Impact:

These activities are at no cost to the General Fund.

A complete copy of the contract is on file in the Clerk of the Board's office for review.

BEFORE THE BOARD OF SUPERVISORS
OF THE COUNTY OF YUBA

IN RE:

RESOLUTION NO.:

RESOLUTION AUTHORIZING THE
SUBMISSION OF THE STATE CSBG
CONTRACT NO. 14F-3053 REGARD-
ING COMMUNITY SERVICES BLOCK
GRANT, AMENDMENTS AND
REQUIRED REPORTS

WHEREAS, the State of California Department of Community Services and Development has made available Community Services Block Grant (CSBG) funds for 2014, and

WHEREAS, the State of California Department of Community Services and Development has offered CSBG Contract No. 14F-3053 to the Yuba County Community Services Commission, and

WHEREAS, the Yuba County Community Services Commission and the Board of Supervisors have determined that there is a need for anti-poverty programs and are willing to accept the aforementioned contract, and

WHEREAS, should the Yuba County Community Services Commission accept a contract from the California State Department of Community Services and Development, the organization certifies that all uses of funds will be in compliance with the California State Department of Community Services and Development regulations, guidelines and contract provisions, and

BEFORE THE BOARD OF SUPERVISORS
OF THE COUNTY OF YUBA

IN RE:

RESOLUTION NO.:

RESOLUTION AUTHORIZING THE
SUBMISSION OF THE STATE CSBG
CONTRACT NO. 14F-3053 REGARD-
ING COMMUNITY SERVICES BLOCK
GRANT, AMENDMENTS AND
REQUIRED REPORTS

WHEREAS, the State of California Department of Community Services and Development has made available Community Services Block Grant (CSBG) funds for 2014, and

WHEREAS, the State of California Department of Community Services and Development has offered CSBG Contract No. 14F-3053 to the Yuba County Community Services Commission, and

WHEREAS, the Yuba County Community Services Commission and the Board of Supervisors have determined that there is a need for anti-poverty programs and are willing to accept the aforementioned contract, and

WHEREAS, should the Yuba County Community Services Commission accept a contract from the California State Department of Community Services and Development, the organization certifies that all uses of funds will be in compliance with the California State Department of Community Services and Development regulations, guidelines and contract provisions, and

WHEREAS, the Chairman of the Board of Supervisors, or Executive Director of the Community Services Commission can act on behalf of the Yuba County Community Services Commission and will sign all necessary documents required to complete the contract.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors hereby authorizes the Chair of the Board of Supervisors, or the Executive Director of the Community Services Commission, subject to approval of County Counsel, to apply for and to enter into contract #14F-3053 and any amendments thereto with the California State Department of Community Services and Development, including amendments to the aforementioned contract #14F-3053 which may alter Section 2, Term and Section 3, Consideration.

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The Executive Director is further authorized to sign subsequent required fiscal and programmatic reports, and to perform any and all responsibilities in relationship to such contract.

PASSED AND ADOPTED at a regular meeting of the Board of Supervisors of the County of Yuba, State of California, on the 14th day of January 2014, by the following vote:

AYES:

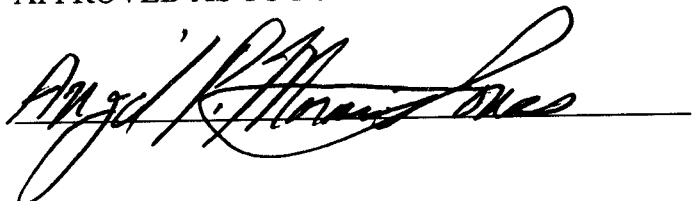
NOES:

ABSENT:

Chair

ATTEST: DONNA STOTTLEMEYER
CLERK OF THE BOARD OF SUPERVISORS

ANGIL P. MORRIS-JONES
YUBA COUNTY COUNSEL
APPROVED AS TO FORM:



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PAYEE DATA RECORD

(Required when receiving payment from the State of California in lieu of IRS W-9)

STD. 204 (Rev. 6-2003)

1	INSTRUCTIONS: Complete all information on this form. Sign, date, and return to the State agency (department/office) address shown at the bottom of this page. Prompt return of this fully completed form will prevent delays when processing payments. Information provided in this form will be used by State agencies to prepare Information Returns (1099). See reverse side for more information and Privacy Statement. NOTE: Governmental entities, federal, State, and local (including school districts), are not required to submit this form.																	
2	PAYEE'S LEGAL BUSINESS NAME (Type or Print) YUBA COUNTY COMMUNITY SERVICES COMMISSION <hr/> <table style="width: 100%;"> <tr> <td style="width: 60%;">SOLE PROPRIETOR – ENTER NAME AS SHOWN ON SSN (Last, First, M.I.)</td> <td style="width: 40%;">E-MAIL ADDRESS</td> </tr> <tr> <td>MAILING ADDRESS 915 8TH STREET, SUITE 130</td> <td>BUSINESS ADDRESS 915 8TH STREET, SUITE 130</td> </tr> <tr> <td>CITY, STATE, ZIP CODE MARYSVILLE, CA 95901</td> <td>CITY, STATE, ZIP CODE MARYSVILLE, CA 95901</td> </tr> </table>			SOLE PROPRIETOR – ENTER NAME AS SHOWN ON SSN (Last, First, M.I.)	E-MAIL ADDRESS	MAILING ADDRESS 915 8TH STREET, SUITE 130	BUSINESS ADDRESS 915 8TH STREET, SUITE 130	CITY, STATE, ZIP CODE MARYSVILLE, CA 95901	CITY, STATE, ZIP CODE MARYSVILLE, CA 95901									
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CITY, STATE, ZIP CODE MARYSVILLE, CA 95901	CITY, STATE, ZIP CODE MARYSVILLE, CA 95901																	
3 PAYEE ENTITY TYPE CHECK ONE BOX ONLY	ENTER FEDERAL EMPLOYER IDENTIFICATION NUMBER (FEIN): 9 4 - 6 0 0 0 5 4 9 <table style="width: 100%;"> <tr> <td style="width: 33%;"><input type="checkbox"/> PARTNERSHIP</td> <td style="width: 33%;">CORPORATION:</td> <td style="width: 33%;"></td> </tr> <tr> <td><input type="checkbox"/> ESTATE OR TRUST</td> <td><input type="checkbox"/> MEDICAL (e.g., dentistry, psychotherapy, chiropractic, etc.)</td> <td></td> </tr> <tr> <td></td> <td><input type="checkbox"/> LEGAL (e.g., attorney services)</td> <td></td> </tr> <tr> <td></td> <td><input type="checkbox"/> EXEMPT (nonprofit)</td> <td></td> </tr> <tr> <td></td> <td><input checked="" type="checkbox"/> ALL OTHERS</td> <td></td> </tr> </table> <input type="checkbox"/> INDIVIDUAL OR SOLE PROPRIETOR ENTER SOCIAL SECURITY NUMBER: - - <div style="text-align: right; font-size: small;">(SSN required by authority of California Revenue and Tax Code Section 18646)</div>		<input type="checkbox"/> PARTNERSHIP	CORPORATION:		<input type="checkbox"/> ESTATE OR TRUST	<input type="checkbox"/> MEDICAL (e.g., dentistry, psychotherapy, chiropractic, etc.)			<input type="checkbox"/> LEGAL (e.g., attorney services)			<input type="checkbox"/> EXEMPT (nonprofit)			<input checked="" type="checkbox"/> ALL OTHERS		NOTE: Payment will not be processed without an accompanying taxpayer I.D. number.
<input type="checkbox"/> PARTNERSHIP	CORPORATION:																	
<input type="checkbox"/> ESTATE OR TRUST	<input type="checkbox"/> MEDICAL (e.g., dentistry, psychotherapy, chiropractic, etc.)																	
	<input type="checkbox"/> LEGAL (e.g., attorney services)																	
	<input type="checkbox"/> EXEMPT (nonprofit)																	
	<input checked="" type="checkbox"/> ALL OTHERS																	
4 PAYEE RESIDENCY STATUS	<input checked="" type="checkbox"/> California resident - Qualified to do business in California or maintains a permanent place of business in California. <input type="checkbox"/> California nonresident (see reverse side) - Payments to nonresidents for services may be subject to State income tax withholding. <input type="checkbox"/> No services performed in California. <input type="checkbox"/> Copy of Franchise Tax Board waiver of State withholding attached.																	
5	I hereby certify under penalty of perjury that the information provided on this document is true and correct. Should my residency status change, I will promptly notify the State agency below. <hr/> <table style="width: 100%;"> <tr> <td style="width: 70%;">AUTHORIZED PAYEE REPRESENTATIVE'S NAME (Type or Print)</td> <td style="width: 30%;">TITLE</td> </tr> <tr> <td>SIGNATURE</td> <td>DATE</td> </tr> <tr> <td></td> <td>TELEPHONE ()</td> </tr> </table>			AUTHORIZED PAYEE REPRESENTATIVE'S NAME (Type or Print)	TITLE	SIGNATURE	DATE		TELEPHONE ()									
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6	Please return completed form to: Department/Office: DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT Unit/Section: CONTRACT SERVICES UNIT Mailing Address: P. O. BOX 1947 City/State/Zip: SACRAMENTO, CA 95812-1947 Telephone: () Fax: () E-mail Address:																	

CCC-307

CERTIFICATION

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective Contractor to the clause(s) listed below. This certification is made under the laws of the State of California.

<i>Contractor/Bidder Firm Name (Printed)</i> YUBA COUNTY COMMUNITY SERVICES COMMISSION		<i>Federal ID Number</i> 94-6000549
<i>By (Authorized Signature)</i> 		
<i>Printed Name and Title of Person Signing</i> JOHN NICOLETTI, CHAIR		
<i>Date Executed</i> 	<i>Executed in the County of</i> 	

CONTRACTOR CERTIFICATION CLAUSES

1. STATEMENT OF COMPLIANCE: Contractor has, unless exempted, complied with the nondiscrimination program requirements. (Gov. Code §12990 (a-f) and CCR, Title 2, Section 8103) (Not applicable to public entities.)

2. DRUG-FREE WORKPLACE REQUIREMENTS: Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.

b. Establish a Drug-Free Awareness Program to inform employees about:

- 1) the dangers of drug abuse in the workplace;
- 2) the person's or organization's policy of maintaining a drug-free workplace;
- 3) any available counseling, rehabilitation and employee assistance programs; and,
- 4) penalties that may be imposed upon employees for drug abuse violations.

c. Every employee who works on the proposed Agreement will:

- 1) receive a copy of the company's drug-free workplace policy statement; and,
- 2) agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: the Contractor has made false certification, or violated the

STATE OF CALIFORNIA
STANDARD AGREEMENT
 STD. 213 (Rev. 6/03)

AGREEMENT NUMBER 14F-3053	AMENDMENT NUMBER 0
REGISTRATION NUMBER	

- This Agreement is entered into between the State Agency and the Contractor named below
 STATE AGENCY'S NAME
Department of Community Services and Development
 CONTRACTOR'S NAME
Yuba County Community Services Commission
- The term of this Agreement is: January 1, 2014 through December 31, 2014
- The maximum amount of this Agreement is: \$ 77,283.00
- The parties agree to comply with the terms and conditions of the following exhibits that are by this reference made a part of the Agreement:

Exhibit A - Scope of Work

Exhibit B - Budget Detail and Payment Provisions

Attachment I, CSBG Fiscal Data

Attachment II, CSBG/National Performance Indicators (NPI) Workplan

Attachment III, CSBG CR Allocation Spreadsheet

Exhibit C - General Terms and Conditions

Exhibit D - Special Terms and Conditions

Attachment I, Executive Director and Board Roster

Attachment II, CSD Supplemental Audit Guide

Exhibit E - Additional Provisions

Exhibit F - Definitions

Exhibit G - Certification Regarding Lobbying, Disclosure of Lobbying Activities

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR		CALIFORNIA Department of General Services Use Only
CONTRACTOR'S NAME (If other than an individual, state whether a corporation, partnership, etc.) Yuba County Community Services Commission		APPROVED AS TO FORM ANGEL P. MORRIS-JONES COUNTY COUNCIL BY: 
BY (Authorized Signature) 	DATE SIGNED (Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING		
ADDRESS 915 - 8th Street, Suite 130, Marysville, CA 95901		
STATE OF CALIFORNIA		
AGENCY NAME Department of Community Services and Development		<input type="checkbox"/> Exempt per _____
BY (Authorized Signature) 	DATE SIGNED (Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING Cindy Halverstadt, Deputy Director, Administrative Services		
ADDRESS 2389 Gateway Oaks Drive, Suite 100, Sacramento, California 95833		

EXHIBIT A
(Standard Agreement)

SCOPE OF WORK:

1. **COMPLIANCE**

All services and activities are to be provided in accordance with all applicable federal and State laws and regulations as amended from time to time including, but not limited to, the following:

- A. The Community Services Block Grant Act, 42 U.S.C. § 9901 et seq., and 45 Code of Federal Regulation (CFR) Part 96;
- B. The California Community Services Block Grant Program, Government Code § 12725 et seq., and Title 22, California Code of Regulations (CCR), § 100601 et seq.; and
- C. The Single Audit Act, 31 U.S.C. § 7301 et seq., and Office of Management and Budget (OMB)

2. **PROVISION FOR PROGRAM REQUIREMENTS**

CSD shall provide Contractor with specific program requirements that shall be binding on the Contractor as a condition of the Contractor's participation in the CSBG program, and as a condition of receipt of funds under the program, provided that such additional requirements shall be issued by CSD in writing in the form of ("CSD CSBG Program Guidance No. XX" posted at <http://providers.csd.ca.gov/CSBG>).

3. **REQUIREMENTS, STANDARDS AND GUIDELINES**

Federal law requires the State to establish fiscal control and fund accounting procedures and to ensure that the cost and accounting standards of the OMB apply to recipients of CSBG funds.

Contractor agrees to apply all of the requirements, standards, and guidelines contained in the following authorities, as they may be amended from time to time, to all of the procurement, administrative, and other costs claimed under this Agreement, including those costs under subcontracts to this Agreement, notwithstanding any language contained in the following authorities that might otherwise exempt Contractor from their applicability.

To the extent that the federal requirements, standards, or guidelines directly conflict with any State law or regulation at Government Code § 12725, et seq., or 22 CCR § 100601, et seq., or any specific provision of this Agreement, then that federal law, regulation, or provision shall apply instead:

EXHIBIT A
(Standard Agreement)

- A. OMB Circular A-102 (Common Rule for State and Local Governments), as codified by the Department of Health and Human Services (HHS) at 45 CFR Part 92;
- B. OMB Circular A-110 (Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and other Non-Profit Organizations), as codified by HHS at 45 CFR Part 74;
- C. OMB Circular A-87 (Cost Principles for State, Local and Indian Tribal Governments) as codified at 2 CFR Part 225;
- D. OMB Circular A-122 (Cost Principles for Non-Profit Organizations) as codified at 2 CFR Part 230.

4. FEDERAL CATALOG DOMESTIC ASSISTANCE NUMBER

The Community Services Block Grant Act, Catalog of Federal Domestic Assistance number is 93.569. The award is made available through the United States Department of Health and Human Services.

5. SERVICE AREA

The services shall be performed in the following service area:

PARC INSERT

6. ADDRESSES

Send all correspondence to:

State Agency:	Department of Community Services and Development
Section/Unit:	Field Operations Services
Address:	2389 Gateway Oaks Drive, Suite 100 Sacramento, CA 95833
Phone:	(916) 576-7109
Fax:	(916) 263-1406

EXHIBIT B
(Standard Agreement)

BUDGET DETAIL AND PAYMENT PROVISIONS

1. **TERM AND AMOUNT OF AGREEMENT**

As specified on the face sheet of this Agreement (Std. 213), the term of this Agreement is for one year and covers the period January 1, 2014 through December 31, 2014.

The Maximum Amount specified on the initial face sheet of this Agreement is based on a partial allocation of the federal Community Services Block Grant for federal fiscal year (FFY) 2014, awarded to the State pursuant to one or more continuing resolutions passed by the Congress prior to the execution of this Agreement. Upon the issuance of each subsequent federal allocation, including the full annual allocation to the State for FFY 2014, CSD shall issue an amendment to this Agreement to increase the Maximum Amount by the amount to be distributed to Contractor as calculated pursuant to Government Code § 12759.

2. **BUDGET**

- A. Concurrent with the submission of this Agreement, Contractor shall complete and submit the CSBG Fiscal Data forms [CSBG Contract Budget Summary (CSD 425.S), CSBG Budget Support - Personnel Costs (CSD 425.1.1), CSBG Budget Support - Non Personnel Costs (CSD 425.1.2), CSBG Budget Support - Other Agency Operating Funds (CSD 425.1.3), and Budget Narrative (CSD 425.1.4)] attached to this Exhibit B. Contractor must include an itemized list identifying all other funding sources and amounts that make up the total annual operating budget of the community action program(s). Notwithstanding any other provision of this paragraph, Contractor may submit the itemized list of other funding sources by either of the following methods: 1) completing the attached form (CSD 425.1.3), or 2) submitting an internal annual budget document displaying the funding sources and their anticipated revenues.
- B. Contractor shall submit the CSD 425.1.4 (CSBG Contract Budget Narrative) with a justification for each projected line item reported on the CSD 425.1.1 and CSD 425.1.2.
- C. Administrative Expenses
 - 1) For the purpose of administrative expenditures, Contractor shall use funds allocated under this Agreement in an amount not to exceed twelve percent (12%) of the total operating funds of its community action program(s). Contractor shall not use funds provided under this Agreement to cover administrative costs incurred in the Low-Income Home Energy Assistance Program (LIHEAP) in excess of the LIHEAP contractual limitations.

EXHIBIT B
(Standard Agreement)

- 2) For purposes of allocating indirect costs, contractors may use current negotiated indirect cost rates that have been approved by a cognizant federal agency. Contractor shall submit a copy of the letter of approval from the cognizant agency which includes date of approval and amount of rate.
- D. In accordance with 22 CCR § 100715(a), no originally approved budget line item may be increased or decreased by more than ten percent (10%) without prior CSD approval. Any increase or decrease of more than ten percent (10%) to the originally approved budget line item will require a request for modification to the budget and shall be submitted to CSD on form CSD 425b, Justification for Contract Amendment/Modification.
3. ADVANCE PAYMENTS
- A. Due to the likelihood that the U.S. Department of Health and Human Services (HHS) will award the state's CSBG allocation in discrete installments throughout the funding cycle, as funds are made available by a Continuing Resolution of Congress (CR) or other federal government action, CSD will use an estimated or Total Estimated CR Allocation based on ninety percent (90%) of the prior year CSBG grant, to determine Contractor's advance payment amount unless otherwise notified by HHS of the actual total allocation.
- B. Upon execution of this Agreement, CSD shall, in accordance with CA Gov. Code § 12781 (b), issue an advance payment to Contractor in an amount not to exceed twenty-five percent (25%) of Contractor's total allocation for the contract term, if known, or 25% of Contractor's Total Estimated CR Allocation, if the actual total allocation is unknown.
- C. When Contractor's Total Estimated CR Allocation is used to calculate the advance, if the amount stated on its face sheet of this Agreement is less than 25% of Contractor's Total Estimated CR Allocation Contractor shall be advanced the full amount stated on the face sheet. CSD shall pay the remainder of any advance funds due to Contractor upon execution of amendments to this Agreement, as additional funds are awarded by HHS. If HHS fails to provide additional or adequate funding for such purpose during the first six months of the contract term, Contractor will not be entitled to additional advance payments.

EXHIBIT B
(Standard Agreement)

- D. If, during the first six months of the contract term, CSD receives an award letter from HHS which, together with all prior allocations under this Agreement and amendments hereto, exceeds the Total Estimated CR Allocation, CSD shall, upon Contractor's written request, advance up to twenty-five percent (25%) of the difference between to total contract allocation and the Total Estimated CR Allocation.
- E. The advance shall be liquidated as follows:
- 1) Contractor may liquidate the advance at any time through offsets against CSD-approved reimbursement requests; however, CSD shall initiate repayment of the advance through offsets of approved expenditures when the first of either of the following occurs:
 - a. Contractor has expended seventy-five percent (75%) of the total contract allocation, if known, or seventy-five percent (75%) of the Total Estimated CR Allocation, if the total contract allocation is not known.
 - b. at the beginning of the seventh monthly (or fourth bimonthly) reporting period of the contract term.
 - 2) To the extent that CSD initiates repayment of the advance, liquidation of the advance shall be accomplished through offsets against subsequent reimbursement of approved expenditures. CSD shall determine the amount to be offset against reimbursements by dividing the unpaid advance amount by the number of remaining expenditure reporting periods in the contract term. In the event that an expenditure request for a reporting period is less than the offset amount as determined above, the entire amount of the expenditure reimbursement request shall be applied against the remaining advance balance.

4. BUDGET CONTINGENCIES

A. State Budget Contingency

- 1) It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.

EXHIBIT B
(Standard Agreement)

- 2) If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an agreement amendment to Contractor to reflect the reduced amount.

B. Federal Budget Contingency

- 1) It is mutually understood between the parties that this Agreement may have been written for the mutual benefit of both parties before final congressional appropriation of funds has been determined, to avoid program and fiscal delays that would occur if this Agreement were executed after that determination was made.
- 2) This Agreement is valid and enforceable only if sufficient funds are made available to the State by the United States Government for the federal fiscal year 2014 for the purpose of this program. In addition, this Agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress or to any statute enacted by the Congress that may affect the provisions, terms, or funding of this Agreement in any manner.
- 3) The parties mutually agree that if the Congress does not appropriate sufficient funds for the program, this Agreement shall be amended to reflect any reduction in funds.
- 4) CSD has the option to invalidate the Agreement under the 30-day cancellation clause or to amend the Agreement to reflect any reduction in funds.

5. PAYMENT AND REPORTING REQUIREMENTS

A. Monthly/Bimonthly Fiscal Reports

- 1) Contractor shall elect to report and be reimbursed on either a monthly or bimonthly basis by selecting the appropriate box on the CSD 425.S and submitting it with the signed Agreement. The reimbursement cycle cannot be changed and will be in effect throughout the term of this Agreement.

EXHIBIT B
(Standard Agreement)

- 2) Contractor shall complete and submit to CSD a monthly or bimonthly (as specified by Contractor on the CSD 425.S) CSBG CAA Expenditure/Activity Report by entry onto the web-based Expenditure Activity Reporting System (EARS) on or before the twentieth (20th) calendar day following the report period, regardless of the amount of expenditure(s) in the report period. For specific due dates, refer to the CSD provider web site at <http://providers.csd.ca.gov/>.

B. Payments

CSD shall issue bimonthly or monthly payments (as specified by Contractor on the CSD 425.S) to Contractor upon receipt and approval of a certified CSBG CAA Expenditure/Activity Report. The report shall indicate the actual expenditures being billed to CSD for reimbursement for the specific report period.

Subsequent payments to Contractor shall be contingent on receipt and approval by CSD of the preceding monthly/bimonthly Expenditure/Activity Report. If Contractor owes CSD any outstanding balance(s) for overpayments of any current Contract, or previous, the balance(s) may be offset based on arrangements made with the Contractor.

C. Mid-Year Programmatic Report

The mid-year programmatic reports cover the programmatic activities from January 1, 2014, through June 30, 2014. Contractor shall complete and submit to CSD the mid-year CSBG/NPI Programs Report (CSD 801) and the CSBG Programmatic Data Client Characteristic Report (CSD 295)-CCR, via e-mail no later than July 20, 2014, to CSBGReports@csd.ca.gov.

D. Annual Programmatic Reports

The annual programmatic reports cover the programmatic activities from January 1, 2014, through December 31, 2014. Contractor shall complete the CSBG/NPI Programs Report (CSD 801) and CSBG Programmatic Data Client Characteristic Report (CSD 295) –CCR, and submit to CSD via e-mail no later than January 20, 2015, to CSBGReports@csd.ca.gov.

E. Community Services Block Grant Information Survey (CSBG/IS)

- 1) The CSBG/IS covers the period of January 1, 2014, through December 31, 2014. Contractor shall complete and submit to CSD CSBG Fiscal Data—Other Funds (CSD 425.OF), CSBG Fiscal Data—Other Resources (CSD 425.OR), and CSBG Program Accomplishments and Coordination of Funds (CSD 090) annually via email no later than March 1, 2015, to CSBGIS@csd.ca.gov.

EXHIBIT B
(Standard Agreement)

F. Community Action Plan

Contractor shall submit to CSD a Community Action Plan meeting the requirements of Government Code § 12747 no later than June 30th of every other year, pursuant to further guidance by CSD.

G. Close-Out Report

Contractor shall complete and submit all CSD close-out forms within ninety (90) calendar days after the expiration date of this Agreement. Final reimbursement to Contractor, if owed, shall be contingent upon receipt of the close-out report by CSD.

- 1) The close-out report shall include the following forms: Close-Out Checklist and Certification of Documents Transmitted (CSD 715), Close-Out Program Income/Interest Earned Expenditure Report (CSD 715C), Close-Out Equipment Inventory Schedule (CSD 715D). The latest version of the close-out forms is available on the Provider's Website at <http://providers.csd.ca.gov/CSBG/forms/>.
- 2) Final expenditures must be submitted by entry onto EARS.
- 3) All adjustments must reflect the actual expenditure period and be submitted by entry onto EARS.
- 4) Subsequent payments for CSBG expenditures and the issuance of other CSD contracts shall be contingent upon timely submission of the closeout report.

H. Transparency Act Reporting

In accordance with requirements of the Federal Funding Accountability and Transparency Act (FFATA), Contractors that 1) are not required by the IRS to annually file a Form 990 federal return, 2) receive at least 80% of their annual gross revenues from federal sources (excluding any ARRA funds), and 3) have annual gross revenues totaling \$25,000,000.00 or more from federal grants, contracts, or other federal sources (excluding any ARRA funds), shall provide to CSD a current list of names and total compensation of Contractor's top five (5) highly compensated officials/employees. The list shall be provided with the executed copy of the Agreement returned to CSD. This requirement applies only to Contractors that fall within all three categories set forth in this paragraph.

EXHIBIT B
(Standard Agreement)

6. SCHEDULE OF ATTACHMENTS

The following attachments to this exhibit are hereby attached and incorporated by this reference:

A. Attachment I

Concurrent with the submission of this Agreement, Contractor shall complete and submit to CSD a description of projected spending for the term of this Agreement on the following forms, known as the CSBG Fiscal Data Series, which shall be attached to this Exhibit B as Attachment I:

CSBG Contract Budget Summary	CSD 425.S
CSBG Budget Support Personnel Cost	CSD 425.1.1
CSBG Budget Support Non Personnel Cost	CSD 425.1.2
CSBG Budget Support Other Agency Operating Funds	CSD 425.1.3
CSBG Contract Budget Narrative	CSD 425.1.4

B. Attachment II

Contractor shall also complete and submit with this agreement the CSD 801(W), which shall reflect a description of projections for the 2014 Contract Year, and shall be attached to this Exhibit B as Attachment II. This information will be used to monitor the outcome of the identified National Performance Indicators relevant to Contractor's programs, activities, problem statement, and delivery strategies.

C. Attachment III

This spreadsheet details the allocation of the Contract Year 2014 CSBG award and the available advances.

7. FORMS

The latest version of all forms identified in and/or required by this Agreement are available on the Provider's Website at <http://providers.csd.ca.gov/CSBG/forms/>.

EXHIBIT B
(Standard Agreement)

ATTACHMENT I

CSBG FISCAL DATA

CSBG Contract Budget Summary	CSD 425. S
CSBG Budget Support Personnel Costs	CSD 425.1.1
CSBG Budget Support Non-Personnel Costs	CSD 425.1.2
CSBG Budget Support Other Agency Operating Funds	CSD 425.1.3
CSBG Contract Budget Narrative	CSD 425.1.4

ATTACHMENT I CSBG CONTRACT BUDGET SUMMARY

Contractor Name: Yuba County Community Services Commission	Contract Number: 14F-3053	Contract Amount: \$216,874
Prepared By: Kimberly Grimes	Contract Term: 1/1/14 - 12/31/14	Amendment #:
Telephone #: 530-749-5460	Fax Number: 530-749-5464	
Date: 12/13/2013	E-mail Address: kgrimes@co.yuba.ca.us	

SECTION 10: ADMINISTRATIVE COSTS

Line Item	CSBG Funds (rounded to the nearest dollar)
1 Salaries and Wages	\$25,913
2 Fringe Benefits	\$5,821
3 Operating Expenses	
4 Equipment	
5 Out-of-State Travel	
6 Contract/Consultant Services	
7 Other Costs	\$8,020
Subtotal Section 10: Administrative Costs (cannot exceed 12% of the total CSBG allocation in Section 80)	\$39,754

SECTION 20: PROGRAM COSTS

Line Item	CSBG Funds (rounded to the nearest dollar)
1 Salaries and Wages	
2 Fringe Benefits	
3 Operating Expenses	
4 Equipment	
5 Out-of-State Travel	
6 Subcontractor/Consultant Services	\$177,120
7 Other Costs	

Subtotal Section 20: Program Costs **\$177,120**

SECTION 40: Total CSBG Budget Amount (Sum of Subtotal Sections 10 and 20)	\$216,874
SECTION 70: Enter Other Agency Operating Funds Used to Support CSBG	\$2,400,000
SECTION 80: Agency Total Operating Budget (Sum of Sections 40 and 70)	\$2,616,874
SECTION 90: CSBG Funds Administrative Percent (Section 10 divided by Section 80)	2%

ATTACHMENT I
CSBG BUDGET SUPPORT -- PERSONNEL COSTS

Contractor Name: Yuba County Community Services Commission		Contract Number: 14F-3053	Contract Amount: \$216,874
Prepared By: Kimberly Grimes		Contract Term: 1/1/14 - 12/31/14	Amendment #:
Telephone #: 530-749-5460	Fax #: 530-749-5464	E-mail Address: kgrimes@co.yuba.ca.us	

Section 10 -- ADMINISTRATIVE COSTS -- SALARIES AND WAGES

A No. of Positions	B Position Title	C Total Salary for each position	D Percent (%) of CSBG time allocated for each position	E Number of CSBG months allocated for each position	F Total CSBG Funds budgeted for each position
1	Executive Director	\$55,630	30%	12	\$16,689
1	Administrative Technician	\$46,120	20%	12	\$9,224
Total (must match Section 10: Administrative Costs line item 1 on the CSD 425.S Budget Summary form)					\$25,913

SECTION 20 -- PROGRAM COSTS -- SALARIES AND WAGES

Total (must match Section 20: Program Costs line item 1 on the CSD 425.S Budget Summary form)					

FRINGE BENEFITS

Enter description of Fringe Benefits. Please include the percentage of Salaries and Wages paid in Benefits. (Examples: FICA, SSI, Health Ins., Workers Comp. Etc.)	Percentage	Section 10 Administrative Costs List CSBG funds Budgeted Line 2	Section 20 Program Costs List CSBG funds Budgeted Line 2
Medicare	1%	\$349	
PERS	14%	\$2,971	
Health	11%	\$1,344	
Unemployment	1%	\$107	
Worker's Compensation	1%	\$1,050	
TOTAL MUST MATCH THE AMOUNT ENTERED ON CSD 425.S (BUDGET SUMMARY)		\$5,821	

ATTACHMENT I
CSBG BUDGET SUPPORT -- NON PERSONNEL COSTS

Contractor Name:	Yuba County Community Services Commission	Contract Number:	14F-3053	Contract Amount:	\$216,874
Prepared By:	Kimberly Grimes	Contract Term:	1/1/14 - 12/31/14	Amendment #:	
Telephone #:	530-749-5460	Fax Number:	530-749-5464		
Date:	12/13/2013	E-mail Address:	kgrimes@co.yuba.ca.us		

Hit Alt & Enter at the same time to begin a new line or paragraph within the cell.

LIST EACH LINE ITEM Totals must match CSD 425.S Budget Summary form Attach additional sheet(s) if necessary	CSBG			
	Section 10 Administrative Costs		Section 20 Program Costs	
List all Operating Expenses	3	sum should equal total on line item 3 of CSD 425.S Budget Summary form	3	sum should equal total on line item 3 of CSD 425.S Budget Summary form
List all Equipment Purchases	4	sum should equal total on line item 4 of CSD 425.S Budget Summary form	4	sum should equal total on line item 4 of CSD 425.S Budget Summary form
List all Out-of-State Travel: Name of conference; Specify location; Cost per trip	5	sum should equal total on line item 5 of CSD 425.S Budget Summary form	5	sum should equal total on line item 5 of CSD 425.S Budget Summary form
List all Contract/Consultant Services	6	sum should equal total on line item 6 of CSD 425.S Budget Summary form		
List all Subcontractor/Consultant Services			6	sum should equal total on line item 6 of CSD 425.S Budget Summary form
See attached list.			\$196,800	
Other Costs - List each line item (i - iv): Any additional Other Costs (attach additional sheet if necessary):	Section 10 Administrative Costs		Section 20 Program Cost	
i A-87 Costs	\$4,000			
ii Communications-\$165; Equipment Maintenance-\$175; Copies-\$1,294; Advertising-\$550; Postage-\$280; Memberships-\$713; Professional Services-\$643; Travel-\$200	\$4,020			
iii				
iv				
Total Other Costs (Sum of i, ii, iii, iv):	7	sum should equal total on line item 7 of CSD 425.S Budget Summary form	7	sum should equal total on line item 7 of CSD 425.S Budget Summary form
	\$8,020			

Contractor Name:	Yuba County Community Services Comm	Contract Number:	14F-3053	Contract Amount:	\$216,874
Prepared By:	Kimberly Grimes	Contract Term:	1/1/14 - 12/31/14	Amendment #:	
Telephone #:	530-749-5460	Fax Number:	530-749-5464		
Date:	12/13/2013	E-mail Address:	kggrimes@co.yuba.ca.us		

[illegible]

Yuba County Community Services Commission

SUMMARY OF 2014 CSBG FUNDING RECOMMENDATIONS

FSS-1 Allocation: \$9,000

Yuba County Housing Authority

915 8th Street Suite 130

Marysville, CA 95901

(530) 749-5460

Jane McMillan

Funding requested for travel expenses, consumable supplies, consultant services, educational supplies, childcare and work shop expenses. Goal is to aid 25 families/individuals to transition from assistance to independence.

FSS-3 Allocation: \$18,000

Salvation Army – Depot

P.O. Box 869

Marysville, CA 95901

(530) 216-4530

Captain Tom Stambaugh

Funding requested for two part-time positions-FSS Caseworker and office assistant; administrative overhead, program supplies, travel expenses, consumable supplies, counseling services, educational supplies, childcare and work shop expenses. Goal is to aid 15 families/individuals to transition from assistance to independence.

Allocation: \$4,500

Nor-Cal Center on Deafness

1521 Butte House Road #B

Yuba City, CA 95993

(530) 740-7802

Kim Dethlefsen

Funding requested for two part-time positions, travel, insurance, communication, office supplies, training and space rent. Goal is to provide advocacy to 15 deaf and hard of hearing low-income residents of Yuba County.

Allocation: \$13,500

Casa de Esperanza

P.O. Box 56

Yuba City, CA 95992

(530) 674-5400

Marsha Krouse -Taylor

Funding requested for two part-time administrative positions. Goal is to provide emergency food and shelter to 100 Yuba County residents who are fleeing domestic violence.

Allocation: \$9,000

St John's Episcopal Church

800 D. Street

Marysville, CA 95901

(530) 743-6108

Susan Kimmel

Funding requested for food, office supplies, utilities for office space and copying costs. Goal is to provide food to 1500 low-income Yuba County families/individuals.

Allocation: \$13,500

Salvation Army – Depot

P.O. Box 869

Marysville, CA 95901

(530) 216-4530

Captain Tom Stambaugh

Funding requested for a portion of an Intake Worker and Office Assistant positions, consultant services, hygiene supplies and bus tickets. Goal is to aid 15 families/individuals in training for and obtaining employment and transition from assistance to independence.

Allocation: \$ 27,000

Yuba-Sutter Gleaners Food Bank, Inc.

760 Stafford

Yuba City, CA 95991

(530) 673-3834

Shirley Hamilton

Funding is requested for food, cleaning supplies, bags, office supplies and audit. Goal is to provide monthly food bags to 800 low-income families of Yuba County.

Allocation: \$16,200

Hoops Skills & Life Academy

1290 Northgate Drive, #59

Yuba City, CA 95991

(530) 329-4895

Stephanie Jones

Funding requested for a portion of salaries and benefits for Program Director and Counselor, jerseys, shoes, basketball equipment and membership fees. Goal is to increase academic, athletic and social skills for school success to 15 youth of Yuba County.

Allocation: \$13,500

Yuba-Sutter Legal Center

725 D Street

Marysville, CA 95901

(530) 742-8289

Susan Townsend

Funding requested for portion of the salaries and benefits for the Directing Attorney, Paralegal, Legal Assistant and Office Manager positions and a portion of the audit expense. Goal is to provide direct legal assistance to 13 low-income seniors to enable them to better utilize existing programs.

Allocation: \$ 18,000

Sutter/ Yuba Friday Night Live

301 Fourth Street

Marysville, CA 95901

(530) 742-5483

Janet Siller

Funding requested for a portion of salaries and benefits for one program specialist, a program manager, a program director and the CEO. Additional funds are being used for insurance, audit, and overhead. Goal is to provide 25 youth in Sutter County with regularly scheduled youth development, life skill development, cooperative learning skills and peer mentoring activities.

Allocation: \$10,800

Butchie's Pool

144 Gibson Avenue
Yuba City, CA 95991
(530) 671-4373

Minden Micheli

Funding requested for four part-time positions, chemicals for pool and utilities. Goal is to provide a safe, accessible, heated pool to 25 low-income residents of Sutter County who have prescriptions for use.

Allocation: \$11,700

Salvation Army

P.O. Box 869
Marysville, CA 95901
(530) 216-4530

Captain Tom Stambaugh

Funding requested for a portion of one Family Services Caseworker, consultant services, food and rental assistance. Goal is to aid 400 families/individuals that are facing an emergency situation with temporary housing.

Allocation: \$5,220

Bridges to Housing

909 Spiva Avenue
Yuba City, CA 95991
(530) 673-7044

Arlene Hite

Funding requested for a part-time Administrative Assistant, insurance, rental deposits, emergency rental assistance and emergency housing. Goal is to provide a safe place to live for 30 individuals/families.

Allocation: \$5,220

Yuba County Seniors

4979 Olivehurst Avenue
Olivehurst, CA 95961
(530) 741-0777

Irene Broome

Funding requested to purchase nutritional meals for seniors living in Yuba County. The funds will also be used to supplement the rent of the community center where the meals will be served.

ATTACHMENT I CSBG CONTRACT BUDGET NARRATIVE

Contractor Name: Yuba County Community Services Commission	Contract Number: 14F-3053	Contract Amount: \$216,874	Date: January 1, 2014
Prepared By: Kimberly Grimes	Contract Term: 1/1/2014 - 12/31/2014	Amendment Number:	
Telephone Number: 530-749-5460	Fax Number: 530-749-5464	E-mail Address: kgrimes@co.yuba.ca.us	

Section 10: Administrative Costs

Salaries and Wages

Executive Director - \$16,689: .30 FTE \$55,630 for 12 months. The Executive Director is the chief executive officer and oversees the day to day operations of the agency, managing staff, staff Board Committees, reports to the Board of Directors and the Yuba County Board of Supervisors, oversees the administration of the CSBG contract. The ED is also responsible for the agency's financial management and activities for the agency including completing invoices for the CSBG contract and analyzing financial reports from subcontractors for submittal to the State.

Administrative Technician – \$9,224: .20 FTE \$46,120 for 12 months. The Administrative Technician oversees the program administration of subcontractor contracts, reporting and monitoring.

Administrative Fringe Benefits:

Fringe benefits - \$5,821 paid by the employer include Health Insurance, Dental Insurance, Retirement Plan, Life Insurance, Medicare, Unemployment Insurance and Worker's Compensation Insurance.

Other Costs:

A-87 Costs - \$4,000: Costs outlined in the County's Cost Allocation Plan for the County's support services such as the Auditor's Office, Treasurer's Office, County Counsel, Human Resources and Administrative Services.

Operations - \$4,020: Anticipated cost of the Agency's telephone, printing, postage, training, advertising for Public Hearing notices and board vacancies, training and technical assistance, Cal-Neva/NAEIR (goods for cost of shipping) memberships and travel.

Section 20: Program Costs

Subcontractor Services:

See attached "Summary of 2013 CSBG Applications and Funding Allocations"

(2014 CSBG)

EXHIBIT B
(Standard Agreement)

ATTACHMENT II

CSBG/NPI WORKPLAN

CSD 801 W

**CSBG/NPI Workplan**

Contractor Name: Yuba County Community Services Commission

Contact Person and Title: Linda Monroe

Phone Number: (530) 749-5460 Ext. Number

E-mail Address: lmonroe@co.yuba.ca.us Fax Number: (530) 749-5464

Goal 1: Low-income people become more self-sufficient.**NPI 1.1: Employment****Problem Statement:** (If additional space is needed, please attach a separate sheet.)

Need of basic education- high school diploma / GED will give clients access to employers who will take the time to look at and accept applications. Provide temporary child care so clients may look for work. There is a lack of awareness among the deaf and hard of hearing community regarding available community services/programs that foster self-sufficiency and how to access these programs/services.

Program Activities and Delivery Strategies: (If additional space is needed, please attach a separate sheet.)

1.1 Information and Referral - Provide information on employment, job, training services, and referral s to community programs. 8.13 Employment Services- Provide vocational counseling including job search skills, resume writing, job and career assessment. 8.14 Income Opportunities - Provide assistance in obtaining at least a minimally adequate income while working towards stability and self- sufficiency.

National Performance <u>Indicator 1.1</u>		WORKPLAN	
Employment		Reporting Period	Number of Participants Expected to Achieve Outcome in Reporting Period (#)
The number and percentage of low-income participants in Community Action employment initiatives who get a job or become self-employed, as measured by one or more of the following:			
A. Unemployed and obtained a job	Mid-Year	7	
	Annual	12	
B. Employed and maintained a job for a least 90 days	Mid-Year	7	
	Annual	11	
C. Employed and obtained an increase in employment income and/or benefits	Mid-Year	4	
	Annual	8	
D. Achieved "living wage" employment and/or benefits	Mid-Year	2	
	Annual	4	

In the rows below, please include any additional indicators for NPI 1.1 that were not captured above.

	Mid-Year	
	Annual	

CSBG/NPI Workplan

Goal 1: Low-income people become more self-sufficient.

NPI 1.2: Employment Supports

Problem Statement: (If additional space is needed, please attach a separate sheet.)

Little or no job skills or employment history, and limited vision of ability to achieve problems in this area. Caused by lack of education, low self-esteem and descendents of families with history of welfare. Formly homeless parents and their children residing in Yuba County are affected by these problems.

Program Activities and Delivery Strategies: (If additional space is needed, please attach a separate sheet.)

1.1 Information/Referral - Provide information on employment and job training services/community programs. 8.13 - Employment Services - Provide vocational counseling including job search skills, resume writing, job-and career assessment. 8.14 - Income Opportunities - Provide assistance in obtaining at least a minimally adequate income while working towards stability and self-sufficiency.

National Performance Indicator 1.2		WORKPLAN
Employment Supports	Reporting Period	Number of Participants Expected to Achieve Outcome in Reporting Period (#)
The number of low-income participants for whom barriers to initial or continuous employment are reduced or eliminated through assistance from community action, as measured by <u>one or more</u> of the following:	Mid-Year	43
	Annual	87
A. Obtained skills/competencies required for employment	Mid-Year	2
	Annual	5
B. Completed ABE/GED and received certificate or diploma	Mid-Year	2
	Annual	4
C. Completed post-secondary education program and obtained certificate or diploma	Mid-Year	12
	Annual	14
D. Enrolled children in "before" or "after" school programs	Mid-Year	24
	Annual	4
E. Obtained care for child or other dependant	Mid-Year	68
	Annual	93
F. Obtained access to reliable transportation and/or driver's license	Mid-Year	40
	Annual	80
G. Obtained health care services for themselves or a family member	Mid-Year	36
	Annual	73
H. Obtained safe and affordable housing	Mid-Year	720
	Annual	1,440
I. Obtained food assistance	Mid-Year	
	Annual	
J. Obtained non-emergency LIHEAP energy assistance	Mid-Year	
	Annual	
K. Obtained non-emergency WX energy assistance	Mid-Year	
	Annual	
L. Obtained other non-emergency energy assistance (State/local/private energy programs. Do Not Include LIHEAP or WX)	Mid-Year	
	Annual	
<i>In the rows below, please include any additional indicators for NPI 1.1 that were not captured above.</i>		
	Mid-Year	
	Annual	

CSBG/NPI Workplan

Goal 1: Low-income people become more self-sufficient.

NPI 1.3: Economic Asset Enhancement and Utilization

Problem Statement: (If additional space is needed, please attach a separate sheet.)

Homelessness and failure to manage income effectively are caused by lack of money management skills, poor credit history, and unstable incomes. Homeless parents and their children residing in Yuba County are affected by these problems.

Program Activities and Delivery Strategies: (If additional space is needed, please attach a separate sheet.)

8.4 Financial Assistance- Provide budget counseling in individual and family sessions.

National Performance <u>Indicator 1.3</u>	Reporting Period	WORKPLAN Number of Participants Expected to Achieve Outcome in Reporting Period (#)
Economic Asset Enhancement and Utilization The number and percentage of low-income households that achieve an increase in financial assets and/or financial skills as a result of community action assistance, and the aggregated amount of those assets and resources for all participants achieving the outcome, as measured by <u>one or more</u> of the following:		
A. ENHANCEMENT		
1. Number and percent of participants in tax preparation programs who qualified for any type of Federal or State tax credit and the expected aggregated dollar amount of credits.	Mid-Year	
	Annual	
2. Number and percent of participants who obtained court-ordered child support payments and the expected annual aggregated dollar amount of payments.	Mid-Year	
	Annual	
3. Number and percent of participants who were enrolled in telephone lifeline and/or energy discounts with the assistance of the agency and the expected aggregated dollar amount of savings.	Mid-Year	
	Annual	
B. UTILIZATION		
1. Number and percent of participants demonstrating ability to complete and maintain a budget for over 90 days	Mid-Year	20
	Annual	40
2. Number and percent of participants opening an Individual Development Account (IDA) or other savings account	Mid-Year	20
	Annual	40
3. Number and percent of participants who increased their savings through IDA or other savings accounts and the aggregated amount of savings	Mid-Year	20
	Annual	40
4. Of participants in a Community Action assets development program (IDA and others):		
a. Number and percent of participants capitalizing a small business due to accumulated savings	Mid-Year	
	Annual	
b. Number and percent of participants pursuing post-secondary education with accumulated savings	Mid-Year	
	Annual	
c. Number and percent of participants purchasing a home with accumulated savings	Mid-Year	
	Annual	
d. Number and percent of participants purchasing other assets with accumulated savings	Mid-Year	
	Annual	
<i>In the rows below, please include any additional indicators for NPI 1.3 that were not captured above.</i>		
	Mid-Year	
	Annual	

CSBG/NPI Workplan

Contractor Name: Yuba County Community Services Commission

Contact Person and Title: Linda Monroe

Phone Number: (530) 749-5460 Ext. Number: _____

E-mail Address: lmonroe@co.yuba.ca.us Fax Number: (530) 749-5464

Goal 2: The conditions in which low-income people live are improved.

NPI 2.1: Community Improvement and Revitalization

Problem Statement: (If additional space is needed, please attach a separate sheet.)

Program Activities and Delivery Strategies: (If additional space is needed, please attach a separate sheet.)

National Performance Indicator 2.1 Community Improvement and Revitalization Increase in, or safeguarding of, threatened opportunities and community resources or services for low-income people in the community as a result of community action projects/initiatives or advocacy with other public and private agencies, as measured by <u>one or more</u> of the following:		WORKPLAN Number of Projects Initiatives Expected Achieve in Reporting Period (#)
	Reporting Period	
A. Jobs created, or saved, from reduction or elimination in the community.	Mid-Year	
	Annual	
B. Accessible "living wage" jobs created, or saved, from reduction or elimination in the community.	Mid-Year	
	Annual	
C. Safe and affordable housing units created in the community	Mid-Year	
	Annual	
D. Safe and affordable housing units in the community preserved or improved through construction, weatherization, or rehabilitation achieved by community action activity or advocacy	Mid-Year	
	Annual	
E. Accessible and affordable health care services/facilities for low-income people created or saved from reduction or elimination	Mid-Year	
	Annual	
F. Accessible safe and affordable child care or child development placement opportunities for low-income families created or saved from reduction or elimination	Mid-Year	
	Annual	
G. Accessible "before school" and "after school" program placement opportunities for low-income families created or saved from reduction or elimination	Mid-Year	
	Annual	
H. Accessible new or expanded transportation resources, or those that are saved from reduction or elimination, that are available to low-income people, including public or private transportation.	Mid-Year	
	Annual	
I. Accessible or increased educational and training placement opportunities, or those that are saved from reduction or elimination, that are available for low-income people in the community, including vocational, literacy, and life skill training, ABE/GED, and post-secondary education	Mid-Year	
	Annual	
<i>In the rows below, please include any additional indicators for NPI 2.1 that were not captured above.</i>		
	Mid-Year	
	Annual	

CSBG/NPI Workplan

Goal 2: The conditions in which low-income people live are improved.

NPI 2.2: Community Quality of Life and Assets

Problem Statement: (If additional space is needed, please attach a separate sheet.)

Program Activities and Delivery Strategies: (If additional space is needed, please attach a separate sheet.)

National Performance Indicator 2.2		WORKPLAN
Community Quality of Life and Assets		Number of Projects, Initiatives or Activities Expected to Achieve in Reporting Period (#)
The quality of life and assets in low-income neighborhoods are improved by community action initiative or advocacy, as measured by <u>one or more</u> of the following:		
A. Increases in community assets as a result of a change in law, regulation, or policy, which results in improvements in quality of life and assets	Mid-Year	
	Annual	
B. Increase in the availability or preservation of community facilities	Mid-Year	
	Annual	
C. Increase in the availability or preservation of community services to improve public health and safety	Mid-Year	
	Annual	
D. Increase in the availability or preservation of commercial services within low-income neighborhoods	Mid-Year	
	Annual	
E. Increase or preservation of neighborhood quality-of-life resources	Mid-Year	
	Annual	
In the rows below, please include any additional indicators for NPI 2.2 that were not captured above.		
	Mid-Year	
	Annual	

CSBG/NPI Workplan

Goal 2: The conditions in which low-income people live are improved.

NPI 2.3: Community Engagement

Problem Statement: (If additional space is needed, please attach a separate sheet.)

Program Activities and Delivery Strategies: (If additional space is needed, please attach a separate sheet.)

National Performance Indicator 2.3		Reporting Period	WORKPLA
Community Engagement			Number of To Contribution Community Exp to Achieve i Reporting Pei (#)
The number of community members working with Community Action to improve conditions in the community.			
A. Number of community members mobilized by Community Action that participate in community revitalization and anti-poverty initiatives	Mid-Year		
	Annual		
B. Number of volunteer hours donated to the agency (This will be All volunteer hours)	Mid-Year		
	Annual		
In the rows below, please include any additional indicators for NPI 2.3 that were not captured above.			
	Mid-Year		
	Annual		

CSBG/NPI Workplan

Goal 2: The conditions in which low-income people live are improved.

NPI 2.4: Employment Growth from ARRA Funds

Problem Statement: (If additional space is needed, please attach a separate sheet.)

Program Activities and Delivery Strategies: (If additional space is needed, please attach a separate sheet.)

National Performance <u>Indicator 2.4</u>		Reporting Period	WORKPLA
Employment Growth from ARRA Funds			Number of Jo Expected to Ach Reporting Per (#)
The total number of jobs created or saved, at least in part by ARRA Funds, in the community.			
A. Jobs created at least in part by ARRA funds	Mid-Year		
	Annual		
B. Jobs saved at least in part by ARRA funds	Mid-Year		
	Annual		
In the rows below, please include any additional indicators for NPI 2.4 that were not captured above.			
	Mid-Year		
	Annual		

CSBG/NPI Workplan

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 Contact Person and Title: Linda Monroe
 Phone Number: (530) 749-5460 Ext. Number: _____
 E-mail Address: lmonroe@co.yuba.ca.us Fax Number: (530) 749-5464

Goal 3: Low-income people own a stake in their community.

NPI 3.1: Community Enhancement Through Maximum Feasible Participation

Problem Statement: (If additional space is needed, please attach a separate sheet.)

Program Activities and Delivery Strategies: (If additional space is needed, please attach a separate sheet.)

National Performance Indicator 3.1 Community Enhancement Through Maximum Feasible Participation	Reporting Period	WORKPLAN Total Number of Volunteer Hours Expected to Achieve in Reporting Period (#)
The number of volunteer hours donated to Community Action.		
The total number of volunteer hours donated by low-income individuals to Community Action. (This is ONLY the number of volunteer hours from individuals who are low-income.)	Mid-Year	
	Annual	
<i>In the rows below, please include any additional indicators for NPI 3.1 that were not captured above.</i>		
	Mid-Year	
	Annual	

Goal 3: Low-income people own a stake in their community.
NPI 3.2: Community Empowerment Through Maximum Feasible Participation

Program Activities and Delivery Strategies: (If additional space is needed, please attach a separate sheet.)

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CSBG/NPI Workplan

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Goal 4: Partnerships among supporters and providers of services to low-income people are achieved.

NPI 4.1: Expanding Opportunities through Community-Wide Partnerships

Problem Statement: (If additional space is needed, please attach a separate sheet.)

Yuba County Community Services Commission is a governmental organization that administers CSBG funds. Without CSBG funding, Yuba County would lack the necessary resources to provide the following services, legal aid, nutrition services, information/referral services, hot meals, independent living assistance, transportation, child care development, substance abuse services/violence programs, employment services, and independent skills for seniors, servicing low income residents of Yuba County. Monthly collaboration and partnership with California/Nevada Community Action Partnership. Actively participating with ROMA training.

Program Activities and Delivery Strategies: (If additional space is needed, please attach a separate sheet.)

To continue in providing basic necessities for low-income persons of Yuba County, CSBG funding is required for the YCCSC to release a NOFA and a RFP in July, review CSBG applications in August and September, making decisions in October, and finally make contracts in November. Receiving training to have certified ROMA trainers on staff.

National Performance Indicator 4.1		WORKPLAN
Expanding Opportunities Through Community-Wide Partnerships		Number of Organizational Partnerships Expected to Achieve in Reporting Period (#)
The number of organizations, both public and private, community action actively works with to expand resources and opportunities in order to achieve family and community outcomes.		
A. Non-Profit	Mid-Year	
	Annual	
B. Faith Based	Mid-Year	
	Annual	
C. Local Government	Mid-Year	1
	Annual	1
D. State Government	Mid-Year	1
	Annual	1
E. Federal Government	Mid-Year	
	Annual	
F. For-Profit Business or Corporation	Mid-Year	
	Annual	
G. Consortiums/Collaboration	Mid-Year	1
	Annual	1
H. Housing Consortiums/Collaboration	Mid-Year	
	Annual	
I. School Districts	Mid-Year	
	Annual	
J. Institutions of post secondary education/training	Mid-Year	
	Annual	
K. Financial/Banking Institutions	Mid-Year	
	Annual	
L. Health Service Institutions	Mid-Year	
	Annual	
M. State wide associations or collaborations	Mid-Year	1
	Annual	1
In the rows below, please add other types of partners with which your CAA has formed relationships that were not captured above.		
	Mid-Year	
	Annual	

CSBG/NPI Workplan

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Goal 5: Agencies increase their capacity to achieve results.

NPI 5.1: Agency Development

Problem Statement: (If additional space is needed, please attach a separate sheet.)

Program Activities and Delivery Strategies: (If additional space is needed, please attach a separate sheet.)

National Performance Indicator 5.1 Agency Development The number of human capital resources available to Community Action that increase agency capacity to achieve family and community outcomes, as measured by one or more of the following:		WORKPLAN Number of Resources in Agency Expected to Achieve in Reporting Period (#)
	Reporting Period	
A. Number of Certified Community Action Professionals	Mid-Year	
	Annual	
B. Number of ROMA Trainers	Mid-Year	
	Annual	
C. Number of Family Development Trainers	Mid-Year	
	Annual	
D. Number of Child Development Trainers	Mid-Year	
	Annual	
E. Number of staff attending trainings	Mid-Year	
	Annual	
F. Number of board members attending trainings	Mid-Year	
	Annual	
G. Hours of staff in trainings	Mid-Year	
	Annual	
H. Hours of board members in trainings	Mid-Year	
	Annual	
<i>In the rows below, please include any additional indicators that were not captured above.</i>		
	Mid-Year	
	Annual	

CSBG/NPI Workplan

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Goal 6: Low-income people, especially vulnerable populations, achieve their potential by strengthening family and other supportive environments.

NPI 6.1: Independent Living

Problem Statement: (If additional space is needed, please attach a separate sheet.)

There is a great need for legal aid, nutrition services and independent living skills for seniors and individuals with disabilities. Legal issues include; safe housing, consumer fraud/financial abuse. Without proper nutrition health problems among seniors escalate. Without affordable legal aid, and skills to live independently, the quality of life diminishes, and they become dependent on others or face institutionalism. Access to healthy nutrition is a major challenge to seniors and often cannot cook or shop for themselves. Others are homebound due to illnesses or disabilities.

Program Activities and Delivery Strategies: (If additional space is needed, please attach a separate sheet.)

1.1 Information & Referral Services - Provide information on employment, job training services, or community programs. 7.2 Independent Assistance - Provide residents w/disabilities w/ independent living skills and peer support. 7.9d Client/Legal/Paralegal- Assistance for seniors including information referral.

National Performance Indicator 6.1		WORKPLAN
Independent Living	Reporting Period	Number of Vulnerable Individuals Living Independently Expected to Achieve in Reporting Period (#)
The number of vulnerable individuals receiving services from community action who maintain an independent living situation as a result of those services:		
A. Senior Citizens (<i>seniors can be reported twice, once under Senior Citizens and again, if they are disabled, under Individuals with Disabilities, ages 55-over.</i>)	Mid-Year	3,506
	Annual	7,012
B. Individuals with Disabilities	Mid-Year	505
	Annual	1,010
Ages:	Mid-Year	4
	Annual	9
a. 0-17	Mid-Year	5
	Annual	9
b. 18-54	Mid-Year	506
	Annual	1,012
c. 55-over		

In the rows below, please include any additional indicators for NPI 6.1 that were not captured above.

	Mid-Year	
	Annual	

CSBG/NPI Workplan

Goal 6: Low-income people, especially vulnerable populations, achieve their potential by strengthening family and other supportive environments.

NPI 6.2: Emergency Assistance

Problem Statement: (If additional space is needed, please attach a separate sheet.)

There is a great need for legal aid, nutrition services, and independent living skills, for seniors and individuals with disabilities. Legal issues include safe housing, consumer fraud/financial abuse. Without proper nutrition health problems escalate among seniors. Without affordable legal aid, and skills to live independently, the quality of life diminishes and they become dependent on others or face institutionalism. Access to healthy nutrition is a major challenge to seniors and often they are unable to cook or shop for themselves. Others are homebound due to illness or disabilities.

Program Activities and Delivery Strategies: (If additional space is needed, please attach a separate sheet.)

1.1 Information & Referral Services - Provide information on employment, job training, or community programs. 7.2 - Family Individual Counseling & Programs - providing counseling for Yuba County residents w/ disabilities with counseling and peer support. 7.9d Client/Legal/Paralegal- Assistance for seniors including information referral.

National Performance Indicator 6.2		WORKPLAN
Emergency Assistance	Reporting Period	Number of Individuals Expected to Achieve in Reporting Period (#)
The number of low-income individuals served by community action who sought emergency assistance and the number of those individuals for whom assistance was provided.		
A. Emergency Food	Mid-Year	100
	Annual	200
B. Emergency fuel or utility payments funded by LIHEAP or other public and private funding sources	Mid-Year	5
	Annual	10
C. Emergency Rent or Mortgage Assistance	Mid-Year	
	Annual	
D. Emergency Car or Home Repair (i.e. structural appliance, heating systems, etc.)	Mid-Year	
	Annual	
E. Emergency Temporary Shelter	Mid-Year	
	Annual	
F. Emergency Medical Care	Mid-Year	
	Annual	
G. Emergency Protection from Violence	Mid-Year	50
	Annual	100
H. Emergency Legal Assistance	Mid-Year	6
	Annual	13
I. Emergency Transportation	Mid-Year	30
	Annual	60
J. Emergency Disaster Relief	Mid-Year	
	Annual	
K. Emergency Clothing	Mid-Year	5
	Annual	10

In the rows below, please include any additional indicators for NPI 6.2 that were not captured above.

	Mid-Year	
	Annual	

CSBG/NPI Workplan

Goal 6: Low-income people, especially vulnerable populations, achieve their potential by strengthening family and other supportive environments.

NPI 6.3: Child and Family Development

Problem Statement: (If additional space is needed, please attach a separate sheet.)

Provide a gathering place for youth in Yuba County where they can under adult supervisor, participate in educational activities, assistance with homework/mentoring, and life skills. Inappropriate parenting techniques, little knowledge of the impact of substance abuse, fear of the medical system are major problems within the County. These problems occur when clients do not utilize the benefits of MediCal, lack of nutritional education, and little understanding of how to provide a nurturing atmosphere for their children. Yuba County ranks sixth highest out of the 58 Counties in teen birth based on the California Dept. of Public Health data.

Program Activities and Delivery Strategies: (If additional space is needed, please attach a separate sheet.)

2.2 Counseling & Guidance providing support and mentoring to students at risk through individual and group sessions. 2.3 Public Ed./ Information- through coordination with REACH to allow more awareness of community issues and helping create programs and opportunities to overcome them. 8.2 Child Care /Dev. - continued child development instruction and in-home support for the parents including parenting skills. 8.3 Family Individual Counseling & Programs - personal and family counseling in groups and individual sessions covering topics as self esteem and education 8.11 Neglect/Abuse/Violence Protection Prevention Services- crisis counseling and intervention, individual and peer group support, promotion of healthy living environment.

National Performance Indicator 6.3		WORKPLAN
Child and Family Development	Reporting Period	Number of Participants Expected to Achieve Outcome in Reporting Period (#)
The number and percentage of all infants, children, youth, parents, and other adults participating in developmental or enrichment programs that achieve program goals, as measured by <u>one or more</u> of the following:		
A. INFANTS & CHILDREN		
1. Infants and children obtain age appropriate immunizations, medical, and dental care	Mid-Year	5
	Annual	10
2. Infant and child health and physical development are improved as a result of adequate nutrition	Mid-Year	5
	Annual	10
3. Children participate in pre-school activities to develop school readiness skills	Mid-Year	5
	Annual	10
4. Children who participate in pre-school activities are developmentally ready to enter Kindergarten or 1st Grade	Mid-Year	5
	Annual	10
B. YOUTH		
1. Youth improve health and physical development	Mid-Year	25
	Annual	50
2. Youth improve social/emotional development	Mid-Year	45
	Annual	75
3. Youth avoid risk-taking behavior for a defined period of time	Mid-Year	30
	Annual	45
4. Youth have reduced involvement with criminal justice system	Mid-Year	22
	Annual	39
5. Youth increase academic, athletic, or social skills for school success	Mid-Year	55
	Annual	85
C. PARENTS AND OTHER ADULTS		
1. Parents and other adults learn and exhibit improved parenting skills	Mid-Year	10
	Annual	20
2. Parents and other adults learn and exhibit improved family functioning skills	Mid-Year	10
	Annual	20
<i>In the rows below, please include any additional indicators for NPI 6.3 that were not captured above.</i>		
	Mid-Year	
	Annual	

CSBG/NPI Workplan

Goal 6: Low-income people, especially vulnerable populations, achieve their potential by strengthening family and other supportive environments.

NPI 6.4: Family Supports

Many Yuba County low -income seniors are not aware that they qualify for food stamps under new regulations. Due to low or no income limits to what they are able to purchase. It is essential that seniors have access to nutritious food/other necessities/ or emergencies. Based on CDPH data Yuba County ranks 6th highest out of 58 counties. Despite the high rate of teen births, programs are limited in addressing the educational needs surrounding neglect/abuse, transportation, adequate nutrition, and assistance w/ employment skills.

Program Activities and Delivery Strategies: (If additional space is needed, please attach a separate sheet.)

6.7 e Food Stamp Certification - the legal staff will assist seniors for qualification of food stamps. 8.2 Child Care/Development - Provide conscious discipline training covering such topics as creating safe home environments, achieving goals/skills, despite obstacles, and resolving conflict. Up to 24 pregnant/parenting teens will be offered child care services as needed, receive \$10 gas cards per session, and gift cards.

National Performance Indicator 6.4 Family Supports (Seniors, Disabled and Caregivers)	Reporting Period	WORKPLAN Number of Participants Expected to Achieve Outcome in Reporting Period (#)
Low-income people who are unable to work , especially seniors, adults with disabilities, and caregivers, for whom barriers to family stability are reduced or eliminated, as measured by one or more of the following:		
A. Enrolled children in before or after school programs	Mid-Year	
	Annual	
B. Obtained care for child or other dependent	Mid-Year	
	Annual	
C. Obtained access to reliable transportation and/or driver's license	Mid-Year	
	Annual	
D. Obtained health care services for themselves or family member	Mid-Year	
	Annual	
E. Obtained and/or maintained safe and affordable housing	Mid-Year	
	Annual	
F. Obtained food assistance	Mid-Year	3,502
	Annual	7,005
G. Obtained non-emergency LIHEAP energy assistance	Mid-Year	
	Annual	
H. Obtained non-emergency WX energy assistance	Mid-Year	
	Annual	
I. Obtained other non-emergency energy assistance. (State/local/private energy programs. Do Not Include LIHEAP or WX)	Mid-Year	
	Annual	
<i>In the rows below, please include any additional indicators for NPI 6.4 that were not captured above.</i>		
	Mid-Year	
	Annual	

CSBG/NPI Workplan

Goal 6: Low-income people, especially vulnerable populations, achieve their potential by strengthening family and other supportive environments.

NPI 6.5: Service Counts

Problem Statement: (If additional space is needed, please attach a separate sheet.)

Low income senior citizens/large families and the homeless find it difficult to purchasr nutritious food. Many individuals are disabled and unemployed.

Program Activities and Delivery Strategies: (If additional space is needed, please attach a separate sheet.)

6.3 Food Pantries, Food Shelves, Food Banks/Distribution - distribution of nutritious food.

National Performance Indicator 6.5		WORKPLAN
Service Counts	Reporting Period	Number of Services Expected in Reporting Period (#)
The number of services provided to low-income individuals and/or families, as measured by one or more of the following:		
A. Food Boxes	Mid-Year	1,500
	Annual	3,000
B. Pounds of Food	Mid-Year	22,000
	Annual	45,000
C. Units of Clothing	Mid-Year	
	Annual	
D. Rides Provided	Mid-Year	
	Annual	
E. Information and Referral Calls	Mid-Year	
	Annual	
In the rows below, please include any additional indicators for NPI 6.5 that were not captured above.		
	Mid-Year	
	Annual	

EXHIBIT B
(Standard Agreement)

ATTACHMENT III

2014 CSBG ALLOCATION SPREADSHEET

Contract Year 2014 CSBG Allocation Spreadsheet

State of California
Department of Community Services and Development
2014 CSBG Estimated Allocation
CAAS

Attachment III

2014 ESTIMATED ALLOCATION					
County	Agency	Contract Number	A		Total Advance Available**
			Total Estimated Allocation (For Budgeting)	First Release (11/01/13) PCA 40114	
Placer	Project Go, Inc.	14F-3031	266,043	94,805	66,511
Plumas	SEE LASSEN				
Riverside	Community Action Partnership of Riverside County	14F-3032	2,069,392	737,429	517,348
Sacramento	Sacramento Employment and Training Agency	14F-3033	1,406,328	501,146	351,582
San Benito	San Benito County DCS & WD	14F-3034	213,207	75,976	53,302
San Bernardino	Community Action Partnership of San Bernardino County	14F-3035	2,142,857	763,609	535,714
San Diego	County of San Diego, H&HSA, CAP	14F-3036	2,654,256	945,846	663,564
San Francisco	Economic Opportunity Council of San Francisco	14F-3037	680,480	242,490	170,120
San Joaquin	San Joaquin County Dept. of Aging & Community Services	14F-3038	775,893	276,490	193,973
San Luis Obispo	CAP of San Luis Obispo County, Inc.	14F-3039	236,757	84,369	59,189
San Mateo	San Mateo County Human Services Agency	14F-3040	360,835	128,584	90,209
Santa Barbara	Community Action Commission of Santa Barbara Co., Inc.	14F-3041	421,704	150,275	105,426
Santa Clara	Sacred Heart Community Services	14F-3042	1,126,652	401,483	281,663
Santa Cruz	Community Action Board of Santa Cruz County, Inc.	14F-3043	230,938	82,295	57,735
Shasta	Shasta County Community Action Agency	14F-3044	238,327	84,928	59,582
Sierra	SEE LASSEN				
Siskiyou	SEE MODOC				
Solano	Community Action Partnership of Solano County	14F-3045	306,135	109,091	76,534
Sonoma	Community Action Partnership of Sonoma County	14F-3046	357,048	127,234	89,262
Stanislaus	Central Valley Opportunity Center, Inc.	14F-3047	609,539	217,210	152,385
Sutter	Sutter County Community Action Agency	14F-3048	214,184	76,325	53,546
Tehama	Tehama County Community Action Agency	14F-3049	227,241	80,978	56,810
Trinity	SEE GLENN				
Tulare	Community Services & Employment Training, Inc.	14F-3050	715,153	254,845	178,788
Tuolumne	SEE AMADOR				
Ventura	Community Action of Ventura County, Inc.	14F-3051	542,707	193,394	135,677
Yolo	County of Yolo, Dept. of Employment & Social Services	14F-3052	234,403	83,530	58,601
Yuba	Yuba County Community Services Commission	14F-3053	216,874	77,283	54,219
TOTAL, all counties			38,614,627	13,760,353	9,643,483

* Equals contract facesheet (STD 213, Item 3)
** Represents 25% of the Total Estimated Allocation (For Budgeting)

State of California
Department of Community Services and Development
2014 CSBG Estimated Allocation
Non-CAAs

Attachment III

NATIVE AMERICAN INDIANS

Agency	Contract Number	2014 ESTIMATED ALLOCATION			Total Advance Available**
		A	B	C	
Karuk Tribe of California (Core Funding)	14F-3054	Total Estimated Allocation (For Budgeting)	First Release (11/01/13) PCA 40314	Total 2014 Contract*	
		42,000	14,967	14,967	10,500
Karuk Tribe of California	14F-3055	61,711	21,991	21,991	15,428
NCIDC (Core Funding)	14F-3056	122,000	43,475	43,475	30,500
NCIDC/LIFE (Core Funding)		(Included with NCIDC below)			
NCIDC	14F-3057	1,534,043	546,656	546,656	383,511
LAC/County NAIC of Los Angeles	14F-3058	219,182	78,106	78,106	54,796
TOTAL		1,978,936	705,195	705,195	494,735

MIGRANT & SEASONAL FARMWORKERS

Agency	Contract Number	2014 ESTIMATED ALLOCATION			Total Advance Available**
		A	B	C	
California Human Development Corporation	14F-3059	Total Estimated Allocation (For Budgeting)	First Release (11/01/13) PCA 40214	Total 2014 Contract*	
		1,167,065	415,885	415,885	291,766
Proteus, Inc.	14F-3060	1,877,452	669,031	669,031	469,363
Central Valley Opportunity Center, Inc.	14F-3061	456,678	162,738	162,738	114,170
Center for Employment Training	14F-3062	1,573,000	560,540	560,540	393,250
TOTAL		5,074,195	1,808,194	1,808,194	1,268,549

LIMITED PURPOSE AGENCIES
(DISCRETIONARY FUNDS)

Agency	Contract Number	2014 ALLOCATION			Total Advance Available**
		A	B	C	
		Total Allocation (For Budgeting)	First Release (11/01/13) PCA 40414	Total 2014 Contract*	
Campeños Unidos, Inc.	14F-3063	81,846	81,846	81,846	20,462
Community Design Center	14F-3064	123,262	123,262	123,262	30,816
Del Norte Senior Center	14F-3065	89,600	89,600	89,600	0
Rural Community Assistance Corporation	14F-3066	138,053	138,053	138,053	34,513
TOTAL		432,761	432,761	432,761	85,791

* Equals contract facesheet (STD 213, Item 3)

** Represents 25% of the Total Estimated Allocation (For Budgeting)

EXHIBIT C
(Standard Agreement)

GENERAL TERMS AND CONDITIONS GTC 610

1. APPROVAL

This Agreement is of no force or effect until signed by both parties.

2. AMENDMENT

No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.

3. ASSIGNMENT

This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of the State in the form of a formal written amendment.

4. AUDIT

Contractor agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code § 8546.7, Pub. Contract Code § 10115 et seq., CCR Title 2, Section 1896.)

5. INDEMNIFICATION

Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Contractor in the performance of this Agreement.

6. DISPUTES

Contractor shall continue with the responsibilities under this Agreement during any dispute.

EXHIBIT C
(Standard Agreement)

7. TERMINATION FOR CAUSE

The State may terminate this Agreement and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. All costs to the State shall be deducted from any sum due the Contractor under this Agreement and the balance, if any, shall be paid to the Contractor upon demand.

8. INDEPENDENT CONTRACTOR

Contractor, and the agents and employees of Contractor, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.

9. NON-DISCRIMINATION CLAUSE

During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (e.g., cancer), age (over 40), marital status, and denial of family care leave. Contractor and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code 12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, §7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code §12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

10. CERTIFICATION CLAUSES

The CONTRACTOR CERTIFICATION CLAUSES contained in the document CCC 307 are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto.

11. TIMELINESS

Time is of the essence in this Agreement.

EXHIBIT C
(Standard Agreement)

12. COMPENSATION

The consideration to be paid Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel, per diem, and taxes, unless otherwise expressly so provided.

13. GOVERNING LAW

This contract is governed by and shall be interpreted in accordance with the laws of the State of California.

14. CHILD SUPPORT COMPLIANCE ACT

For any Agreement in excess of \$100,000, the contractor acknowledges in accordance with Public Contract Code 7110, that:

- a. The contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
- b. The contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

15. UNENFORCEABLE PROVISION

In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

16. PRIORITY HIRING CONSIDERATIONS

If this Contract includes services in excess of \$200,000, the Contractor shall give priority consideration in filling vacancies in positions funded by the Contract to qualified recipients of aid under Welfare and Institutions Code §11200 in accordance with Pub. Contract Code § 10353.

EXHIBIT D
(Standard Agreement)

SPECIAL TERMS AND CONDITIONS

1. **TRAVEL/PER DIEM**

- A. Contractor's total travel and per diem costs for in-state and/or out-of-state shall be included in the Agreement Budget(s). Out-of-state travel costs that exceed the budgeted amount shall not be reimbursed without prior written authorization from CSD.
- B. Contractor's employee travel costs and per diem reimbursement rates shall be reimbursed in accordance with Contractor's written policies and procedures not to exceed federal per diem requirements, and subject to the requirements of OMB Circular A-87 Attachment B, Paragraph 43 (2 CFR, Part 225) or OMB Circular A-122 Attachment B, Paragraph 51 (2CFR, Part 230), as applicable.
- C. In the absence of a written travel reimbursement policy, Contractor shall be subject to the provisions of California Code of Regulations §§599.615 through 599.638 and shall be reimbursed in accordance with the terms contained therein.

2. **CERTIFICATIONS**

- A. Contractor's signature affixed hereon shall constitute a certification that to the best of its ability and knowledge it will comply with the provisions set forth in the following:
 - 1) Drug-Free Workplace Requirements Contract Certification Clause (CCC-307)
 - 2) National Labor Relations Board Certification (CCC-307)
 - 3) Expatriate Corporations (CCC-307)
 - 4) Domestic Partners (CCC-307)
 - 5) Amendment for Change of Agency Name (CCC-307)
 - 6) Resolution (CCC-307)
 - 7) Air and Water Pollution Violation (CCC-307)
 - 8) Information Integrity and Security (Department of Finance, Budget Letter 04-35)

EXHIBIT D
(Standard Agreement)

- 9) Safeguarding Against and Responding to a Breach of Security Involving Personal Information (Department of General Services, Management Memo 08-11)
- B. The above documents are hereby incorporated by reference into this Agreement. To access these documents, please visit <http://providers.csd.ca.gov/>.

3. INTERNAL CONTROL CERTIFICATION

Contractor shall ensure the establishment and maintenance of a system of internal accounting and administrative control. This responsibility includes documenting the system, communicating system requirements to employees, and assuring that the system is functioning as prescribed and is modified, as appropriate, for changes in conditions. The system of internal accounting and administrative control shall be attested to within the Contractor's independent audit conducted pursuant to this Agreement, and include:

- A. Segregation of duties appropriate to safeguard State assets.
- B. Access to agency assets is limited to authorized personnel who require these assets in the performance of their assigned duties.
- C. Authorization and recordkeeping procedures adequate to provide effective accounting controls over assets, liabilities, revenues, and expenditures.
- D. Practices to be followed in performance of duties and functions.
- E. Personnel of a quality commensurate with their responsibilities.
- F. Effective internal review.

4. CONFLICT OF INTEREST

- A. Contractor certifies that its employees and the officers of its governing body shall avoid any actual or potential conflicts of interest and that no officer or employee who performs any functions or responsibilities in connection with this Agreement shall have any personal financial interest or benefit that either directly or indirectly arises from this Agreement.
- B. Contractor shall establish written safeguards to prohibit its employees or its officers from using their positions for a purpose that could result in private gain or that gives the appearance of being motivated for private gain for themselves or others, particularly those with whom they have family, business, or other ties.

EXHIBIT D
(Standard Agreement)

5. **CODES OF CONDUCT**

- A. Contractor shall maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts or subcontracts. No employee, officer, or agent of the Contractor shall participate in the selection, award, or administration of a subcontract supported by federal funds if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization that employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of the Contractor shall neither solicit nor accept gratuities, favors, or anything of monetary value from subcontractors or parties to sub agreements. The standards of conduct shall provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the recipients.
- B. Contractor shall not pay federal funds received from CSD to any entity in which it (or one of its employees, officers, agents, any member of his or her immediate family, his or her partner, or an organization that employs or is about to employ any of the parties indicated herein) has an interest. As ownership constitutes a financial interest, Contractor shall not subcontract with a subsidiary. Similarly, Contractor shall not subcontract with an entity that employs or is about to employ any person described in 45 CFR Part 92 (for states and local governments) and 45 CFR Part 74 (for nonprofit organizations), and/or OMB Circular A-110, Section 42.

6. **COMPLIANCE MONITORING**

- A. As the recipient of federal CSBG funds under this Agreement, Contractor is responsible for substantiating that all costs claimed under this Agreement are allowable and allocable under all applicable federal and State laws, and for tracing all costs to the level of expenditure.
- B. As the State administrator for the CSBG, CSD is required to ensure that funds allocated to Contractor are expended for the purposes identified in federal and State CSBG law, and for allowable and allocable costs under the applicable rules of the OMB.
- C. CSD is required to conduct onsite and follow-up monitoring of Contractor to ensure that Contractor meets the performance goals, administrative standards, financial management requirements, and other requirements of the federal and State CSBG program.

EXHIBIT D
(Standard Agreement)

- D. CSD shall provide Contractor reasonable advance written notice of on-site monitoring reviews of Contractor's program or fiscal performance.

Contractor shall cooperate with CSD program and audit staff and other representatives, and provide access to all programs, records, documents, resources, personnel, inventory, and other things reasonably related to the administration and implementation of the services and activities funded directly or indirectly by this Agreement.

- E. In the event CSD determines that Contractor is not in compliance with material or other legal requirements of this Agreement, CSD shall provide Contractor with the observations, recommendations, and/or findings in writing, along with a specific action plan for correcting the noncompliance.

7. **SPECIAL CONDITIONS FOR ENTITIES NOT MEETING TERMS OF THE AGREEMENT**

- A. In addition to CSD's authority to terminate, suspend, or deny funding or refunding under federal and State laws and regulations, CSD has authority to establish fiscal control and accounting procedures to fulfill its oversight responsibilities and ensure that CSBG funds are appropriately expended. Thus, notwithstanding the express exception in 45 CFR Part 92 as applied to the CSBG Program, CSD hereby incorporates by reference 45 CFR Part 92.12 and may impose special conditions on Contractor, according to that Section, as a result of unsatisfactory performance of and/or noncompliance with the requirements, standards, and guidelines of this Agreement.
- B. Contractor shall ensure that requirements set forth in this Agreement are met, that all required documentation is submitted in a timely manner, and that any corrective action plans are fulfilled. Failure by Contractor to meet prescribed timelines or take corrective action shall be deemed a material breach of this Agreement, and CSD shall take appropriate action, including, but not limited to, withholding advance payments and initiation of the suspension and termination procedures prescribed by State and federal CSBG laws and/or regulations.

EXHIBIT D
(Standard Agreement)

8. BOARD ROSTER, BYLAWS, RESOLUTION AND MINUTES

- A. Concurrent with Contractor's submission of this Agreement, Contractor shall submit to CSD the following:
- 1) Unless otherwise specified in 2) and 3) below, a current roster of the tripartite board, including the name and sector (i.e., low-income, public, private) of each board member, contact information for each member at a location other than the office of the eligible entity, vacancy title, date each board seat was vacated, and the most recent version of the organizational bylaws. Contractor is to complete Exhibit D, Attachment I, Executive Director and Board Roster (CSD 188). Contractor is responsible to notify CSD of any changes to the tripartite board within thirty (30) days of such occurrence.
 - 2) In the case of Native American Indian (NAI) Contractors that have established another mechanism (in consultation with CSD and subject to CSD approval) to assure low-income individuals' participation in the management of programs funded by this Agreement, a current roster of the NAI governing council, commission, board, or other body responsible for administration of CSBG-funded programs, and the most recent version of the organizational bylaws. The roster shall include contact information for each member of the governing body at a location other than the office of the NAI Contractor, and shall identify how low-income individuals are represented in the organization's governance. NAI Contractors shall also submit the most recent version of the organizational bylaws. Contractor is responsible to notify CSD of any changes to its governing body within (30) days of such occurrence.
 - 3) In the case of Limited Purpose Agency (LPA) Contractors, a current roster of Contractor's board, including the name of each board member, contact information for each member at a location other than the office of the LPA, and the most recent version of the organizational bylaws. Contractor is responsible to notify CSD of any changes to its board within thirty (30) days of such occurrence.
- B. Contractor's current governing board must authorize the execution of this Agreement. Contractor has the option of demonstrating such authority by either: 1) direct signature of a board member; or 2) any lawful delegation of such authority that is consistent with Contractor's bylaws.

EXHIBIT D
(Standard Agreement)

- C. Where Contractor elects to delegate the signing authority to the chief executive officer (CEO), CSD will accept either a resolution specific to this Agreement or a resolution approved by the current governing board that is more generally applicable to any CSD program contract or amendment. Where Contractor provides a general resolution, Contractor shall maintain documentation that the CEO provided timely and effective communication of the execution and terms of this Agreement to the board. Either a specific or current general resolution must be on file with CSD prior to CSD's final execution of this Agreement.
- D. Contractor shall submit to CSD minutes from the tripartite board, LPA contractor's board, NAI governing council, commission, board, or other body responsible for administration of CSBG-funded programs, for regularly scheduled meetings no later than thirty (30) days after the minutes are approved. Regularly scheduled meetings shall be in accordance with the contractor's bylaws.
- E. If Contractor's tripartite board is advisory to the elected members governing a local government, the Contractor shall submit to CSD the minutes from any meeting of the elected officials where matters relating to this Agreement are heard, including, but not limited to, discussions about or decisions affecting the community action program. Such minutes shall be submitted to CSD no later than thirty (30) days after the minutes are approved.

9. AUDITING STANDARDS AND REPORTS

A. Auditing Standards

Contractor must follow all audit requirements as set forth in OMB Circular A-133 and the most current CSD Supplemental Audit Guide. The most current Supplemental Audit Guide is attached herein as Exhibit D, Attachment II and may also be accessed at <http://providers.csd.ca.gov>.

B. Audit Reports

- 1) a. Funds provided under this Agreement shall be included in an audit conducted in accordance with the provisions of OMB Circular A-133 for nonprofit and public agencies, standards promulgated by the American Institute of Certified Public Accountants (AICPA), and those standards included in "Government Auditing Standards, December 2011 Revision, as amended."

EXHIBIT D
(Standard Agreement)

- b. Contractors falling below the federal funding threshold that mandates a single agency-wide audit in accordance with OMB Circular A-133 shall:
 - i. Submit an annual program-specific audit within nine months of the end of the Contractor's fiscal year; and
 - ii. Be subject to an audit and/or other fiscal- or program-specific review conducted by CSD or its agents, upon thirty (30) days written notice.
- 2) The financial and compliance audit report shall contain the following supplementary financial information: a combined statement of revenue and expenditures for each contract that presents, by budget line item, revenue and expenditures for the audit period and a description of the methodology used to allocate and claim indirect costs and any administrative cost pools.
- 3) The audit report must specifically mention that a review for compliance with OMB Circulars A-87 and A-122 was conducted.
- 4) Contractor shall submit to CSD one (1) printed copy and one (1) electronic copy of the required audit report(s) and any management letter(s) issued by the accountant, within nine (9) months of the end of the Contractor's fiscal year, accompanied by a copy of the signed, final engagement letter between Contractor and the independent auditor.

If the Contractor's independent auditor is unable to meet this deadline, the Contractor shall submit to CSD Audit Services Unit a written request for an extension, which includes a copy of a letter from the independent auditor explaining the anticipated delay. CSD may grant an extension not to exceed thirty (30) calendar days from the original due date. The audit report(s) and all supplemental financial information are to be submitted to the following addresses:

Electronic copy:
audits@csd.ca.gov.

Printed copy:
Department of Community Services and Development
Attention: Audit Services Unit
2389 Gateway Oaks Drive, Suite 100
Sacramento, CA 95833

EXHIBIT D
(Standard Agreement)

In accordance with the guidelines of the Division of Audits of the California State Controller's Office (SCO), if Contractor is a local government agency, additional copies of the audit report must be submitted to the following address:

State Controller's Office
Division of Audits
300 Capitol Mall, Fifth Floor
Sacramento, CA 95814

- 5) In the event an audit required under this Agreement has not been submitted in a timely fashion, CSD may impose sanctions as provided in OMB Circular No. A-133 at § ___.225, to include:
- a) Withholding a percentage of federal awards until the audit is completed satisfactorily;
 - b) Withholding or disallowing overhead costs;
 - c) Suspending federal awards until the audit is conducted; and/or
 - d) Terminating the federal award.

10. **SUBCONTRACTS**

Contractor may enter into subcontract(s) to perform part or all of the direct services covered under this Agreement. Prior to the commencement of subcontracted services under this Agreement, Contractor shall obtain board approval, to include but not be limited to, an assurance that the subcontractor agreement(s) shall comply with all terms, conditions, assurances, and certifications of this Agreement for the nonprofit and local governmental agencies performing services in the area(s) described in EXHIBIT A, SCOPE OF WORK, Section 2.

- A. Contractor shall provide written notification to the State within 60 calendar days of execution of each subcontractor agreement the name of the subcontractor entity, its address, telephone number, contact person, contract amount, and program description of each subcontractor activity to be performed under this Agreement. This written notification shall also include a certification that, to the best of Contractor's knowledge, the subcontractor is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency. For purposes of this certification of subcontractor eligibility, Contractor may rely on information provided via the Excluded Parties List System (EPLS), available at <https://www.sam.gov/portal/public/SAM/>.

EXHIBIT D
(Standard Agreement)

- B. If CSD determines that Contractor has executed a subcontract with an individual or entity listed as debarred, suspended, or otherwise ineligible on EPLS as of the effective start date of the subcontract, costs Contractor has incurred under the subcontract may be disallowed.
- C. Contractor remains responsible to substantiate the allowable and allocable use of all funds under this Agreement and to adopt fiscal control and accounting procedures sufficient to permit the tracing of funds paid to any subcontractor to a level of expenditure adequate to establish that such funds have not been used in violation of this Agreement. Contractor shall ensure that any subcontracts under this Agreement contain all provisions necessary to ensure adequate substantiation and controls of the expenditure of such funds. Contractor may achieve this through detailed invoices, by periodic monitoring of subcontractor's program activities and fiscal accountability, by retaining a right of reasonable access to the subcontractor's books and records, or by any other method sufficient to meet Contractor's responsibility to substantiate costs required by OMB Circulars A-87, 122, and 133.
- D. In the event CSD suspends, terminates, and/or makes changes to the services to be performed under this Agreement, Contractor shall notify all of its subcontractors in writing within five (5) days of receipt of notice of such action.
- E. Contractor is the responsible party and shall remain liable for the performance of the terms, conditions, assurances, and certifications of this Agreement, without recourse to the State, regarding the settlement and satisfaction of all contractual and administrative issues arising out of subcontract agreement(s) entered into in support of this Agreement, including disputes, claims, or other matters of a contractual nature as well as civil liability arising out of negligence or intentional misconduct of the subcontractor(s).
- F. Nothing contained in this Agreement shall create any contractual relation between CSD and any subcontractors, and no subcontract shall relieve the Contractor of its responsibilities and obligations hereunder. Contractor agrees to be as fully responsible to CSD for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. The Contractor's obligation to pay its subcontractors is independent from CSD's obligation to make payments to the Contractor. As a result, CSD shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

EXHIBIT D
(Standard Agreement)

11. INSURANCE

A. General Requirements

- 1) By execution of this Agreement, Contractor agrees that the below-required insurance policies and bond shall be in effect at all times during the term of this Agreement.
- 2) Contractor shall provide CSD with written notice at least thirty (30) calendar days prior to cancellation or reduction of insurance coverage to an amount less than that required in this Agreement.
- 3) In the event said insurance coverage expires at any time or times during the term of this Agreement, Contractor agrees to provide within thirty (30) calendar days prior to said expiration date, a new Certificate of Insurance (ACORD 25) evidencing insurance coverage as provided for herein for not less than the remainder of the term of this Agreement. The Certificate shall identify and name CSD as the Certificate Holder.
- 4) New Certificates of Insurance will be reviewed for content and form by CSD.
- 5) In the event Contractor fails to maintain in effect at all times the specified insurance and bond coverage as herein provided, CSD may, in addition to any other available remedies it may have, suspend this Agreement.
- 6) With the exception of workers' compensation and fidelity bond, CSD shall be named as additional insured on all Certificates of Insurance required under this Agreement.
- 7) The issuance of other CSD contracts, to include any cash advances and reimbursement payments, to the Contractor shall be contingent upon required current insurance coverage being on file at CSD for this Agreement.
- 8) Should Contractor utilize a subcontractor(s) to provide services under this Agreement, Contractor shall indemnify and hold the State harmless against any liability incurred by that subcontractor(s).

EXHIBIT D
(Standard Agreement)

B. Self-Insurance

- 1) When Contractor is a self-insured governmental entity, CSD, upon satisfactory proof, may waive the appropriate insurance requirements. To qualify for a waiver, an appropriate county or city risk manager shall sign a certification that shall contain assurance of the adequacy of the governmental entity's ability to cover any potential losses under this Agreement.
- 2) Contractor shall specify in writing a list of which coverage(s) will be self-insured under this Agreement and shall list all applicable policy numbers, expiration dates, and coverage amounts.
- 3) In the event that the Contractor's self-insurance coverage does not contain any changes from the prior year, CSD will accept a certified letter signed by authorized personnel stating that no changes have occurred from last year. This letter is due at the time of Agreement execution or within thirty (30) days of expiration of insurance.
- 4) In lieu of providing certification of self-insurance, Contractor may provide proof of excess insurance coverage through an insurance carrier who is licensed to underwrite insurance in the State of California.

C. Workers' Compensation Insurance

- 1) Contractor shall have and maintain for the term of this Agreement workers' compensation insurance issued by an insurance carrier licensed to underwrite workers' compensation insurance in the State of California.
- 2) Contractor shall submit either an applicable Certificate of Insurance or a Certificate of Consent to Self Insure issued by the Director of the Department of Industrial Relations to CSD as evidence of compliance with the workers' compensation insurance requirement prior to issuance of an initial cash advance.

D. Commercial or Government Crime Coverage (Fidelity Bond)

- 1) Contractor shall maintain a commercial crime policy. If Contractor is a public entity, Contractor shall maintain a government crime policy. The commercial crime policy or government crime policy (hereinafter "fidelity bond") shall include the following coverages or their substantial equivalents: Employee Dishonesty/Theft, Forgery or Alteration, and Computer Fraud.

EXHIBIT D
(Standard Agreement)

- 2) Contractor's fidelity bond coverage limits shall not be less than a minimum amount of four percent (4%) of the total amount of consideration set forth under this Agreement.
- 3) Contractor shall submit an applicable Certificate of Insurance (ACORD 25) to CSD as evidence of compliance with the fidelity bond requirement prior to issuance of an initial cash advance.

E. General Liability Insurance

- 1) Contractor shall have and maintain for the term of this Agreement general liability and property damage insurance for a combined single limit of not less than \$500,000 per occurrence.
- 2) Contractor shall submit to CSD an applicable Certificate of Insurance naming CSD as an additional insured, as evidence of compliance with the general liability insurance requirement prior to issuance of an initial cash advance.

F. Vehicle Insurance

- 1) Contractor shall have and maintain for the term of this Agreement vehicle insurance in the amount of \$500,000 for each person and each accident for bodily injury and in the amount of \$500,000 for each person and each accident for property damage.
- 2) When employees use their own vehicles to perform duties within the scope of their employment, Contractor shall have and maintain for the term of this Agreement non-owned and hired automobile liability insurance in the amount of \$500,000 for each person and each accident for bodily injury and \$500,000 for each person and each accident for property damage (Driving to and from work is not within the scope of employment.).
- 3) Contractor shall submit to CSD an applicable Certificate of Insurance naming CSD as an additional insured as evidence of compliance with the vehicle insurance requirement prior to issuance of an initial cash advance.

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(Standard Agreement)

12. AGREEMENT CHANGES

A. Amendment

Formal amendments to this Agreement are required for changes to: the term, total cost or Maximum Amount, scope of work, and/or formal name changes. No amendment to this Agreement shall be valid unless made in writing, signed by the parties, and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.

If Contractor intends to request a formal amendment to this Agreement, the request must be submitted on a CSD 425b, Justification for Contract Amendment/Modification, no later than forty-five (45) days prior to the expiration of the Agreement term. (CSD Form 425b can be located at <http://providers.csd.ca.gov/> under the CSD Contractors' page and CSBG tab).

B. Modification

- 1) Any request(s) for modification to Attachment I or Attachment II (Exhibit B) must be submitted on a CSD 425b, Justification for Contract Amendment/Modification, no later than forty-five (45) calendar days prior to the expiration date of this Agreement.
- 2) Contractor may modify problem statements, program activities, and/or delivery strategies, to either: a) add program(s) not previously projected on the CSD 801, or b) remove program(s) previously projected on the CSD 801 for which no clients have been served and the program was terminated.
- 3) Any increase to out-of-state travel costs or equipment purchases will require a request for modification to the budget and must be submitted on a CSD 425b, Justification for Contract Amendment/Modification.

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(Standard Agreement)

13. SYSTEM SECURITY REQUIREMENTS

Contractor shall, in cooperation with CSD, institute measures, procedures, and protocols designed to ensure the security of data and to protect information in accordance with California State Administrative Manual (SAM) Section 5310, Item 4, and such other State and Federal laws and regulations as may apply. The parties hereto agree to the following requirements, obligations, and standards:

A. General Information/Data Description

The interconnection between CSD and Contractor is a two-way data exchange. The purpose of the data exchange or direct input is to deliver application records for payment processing or contract activity reimbursement.

B. Services Offered

Data exchange between CSD and Contractor shall be handled through two methods: 1) a Contractor user must authenticate to upload data files in a secure socket layer connection; or 2) a secure user interface that is only available to Contractor users with a unique software authentication to see the login window and also secure tunnel between CSD and the Contract user.

C. Data Sensitivity

- 1) The sensitivity of data exchanged between CSD and Contractor may vary from sensitive to personal or confidential because of personal data such as social security numbers to private data, e.g., family income level, family member name, etc. No personal financial information, i.e., credit card, bank account numbers, shall be stored or exchanged in the data exchange sessions.
- 2) Appropriate levels of confidentiality for the data shall be based on established data classification (see SAM Section 5320.5).

D. Information Exchange Security

- 1) The security of the information being passed on this primary two-way connection shall be protected through the use of encryption software. The connections at each end shall be secured plus the physical location the application systems shall be within a controlled access facilities. Individual users may not have access to the data except through their systems security software that is logged in detail or controlled. All access will be controlled by authentication methods to validate the approved users.

EXHIBIT D
(Standard Agreement)

- 2) Standards for secure transmission may be accomplished through such means as certificates, secure socket layer, etc., and storage of the data with encryption, if applicable.
- 3) Both CSD and Contractor shall maintain security patches and anti-virus software updates.

E. Trusted Behavior Expectations

CSD's application system and users shall protect Contractor's application system/data, and the Contractor's application system and users shall protect CSD's application system/data, in accordance with the Privacy Act and Trade Secrets Act (18 U.S. Code 1905) and the Unauthorized Access Act (18 U.S. Code 2701 and 2710).

F. Formal Security Guidelines

CSD's Computer Security Policy and Contractor's policy and procedures for internal controls shall conform to the standards and obligations for the protection of data established herein and shall ensure their implementation.

G. Incident Reporting

Any party discovering a security incident shall report it in accordance with its incident reporting procedures. Contractor shall within twenty-four (24) hours of discovery report to CSD any security incident contemplated herein. Policy governing the reporting of Security Incidents is detailed in section D 2 – L of the SAM Management Memorandum entitled, "Safeguarding Against and Responding to a Breach of Security Involving Personal Information."

H. Audit Trail Responsibilities

Both parties are responsible for auditing application processes and user activities involving the interconnection. Activities that will be recorded include event type, date and time of event, user identification, workstation identification, success or failure of access attempts, and security actions taken by system administrators.

I. Data Sharing Responsibilities

All primary and delegated secondary organization that share, exchange, or use personal, sensitive, or confidential data shall adhere to all CSD's policies and SAM guidelines. If data sharing is accomplished via interconnectivity of an application system, then data sharing must be certified to be secure by both parties.

EXHIBIT D
(Standard Agreement)

14. SCHEDULE OF ATTACHMENTS

The following attachment to this exhibit is hereby attached and incorporated by this reference:

ATTACHMENT I	EXECUTIVE DIRECTOR AND BOARD ROSTER (CSD 188)
ATTACHMENT II	SUPPLEMENTAL AUDIT GUIDE

(2014 CSBG)

EXHIBIT D
(Standard Agreement)

ATTACHMENT I

EXECUTIVE DIRECTOR AND BOARD ROSTER (CSD 188)

YUBA COUNTY COMMUNITY SERVICES COMMISSION 2014 BOARD ROSTER

NAME	POSITION	ADDRESS	SECTOR	PHONE #	EMAIL
KIMBERLY GRIMES	EXECUTIVE DIRECTOR	915 8 TH ST, STE 130 MARYSVILLE, 95901		530-749-5460	<u>KGRIMES@CO.YUBA.CA.US</u>
DOUGLAS RANSOM	MEMBER	1001 KAY ST OLIVEHURST 95961	PUBLIC	530-701-8000	<u>DRANSOMSTER@GMAIL.COM</u>
JOHN NICOLETTI	MEMBER	915 8 TH ST MARYSVILLE, 95901	PUBLIC	530-749-7510	<u>JNICOLETTI@CO.YUBA.CA.US</u>
VERA CORRERA	MEMBER	4324 MARTEL DR OLIVEHURST, 95961	PUBLIC	530-742-5698	<u>VERACHON@YAHOO.COM</u>
ROY CRABTREE	MEMBER	315 MESA ST WHEATLAND, 95692	PUBLIC	530-633-4110	N/A
BRENDA WRIGHT	MEMBER	7297 DOC ADAMS MARYSVILLE, 95901	PUBLIC	530-788-8068	<u>BWRIGHT@CO.YUBA.CA.US</u>
MARGO WILDMAN	MEMBER	1385 SUNDANCE DR PLUMAS LAKE, 95961	PRIVATE	530-870-8044	<u>ITSMARGO@ATT.NET</u>
MICHAEL HARRIS	CHAIR	602 D STREET MARYSVILLE, 95901	PRIVATE	530-741-1234	<u>MICHAELHARRIS21@YAHOO.COM</u>
SARBDEEP ATWAL	MEMBER	2994 FEATHER ROVER BLVD OLIVEHURST, 95961	PRIVATE	530-743-6846	<u>SARBDEEP@GMAIL.COM</u>
MICHAEL PAINE	MEMBER	630 D STREET, APT B MARYSVILLE, 95901	PRIVATE	530-742-1502	<u>MIPAIN@COMCAST.NET</u>
LYNN OLSEN	MEMBER	16918 HALVERSON BROWNSVILLE 95919	PRIVATE	530-749-6766	<u>LOLSEN@CO.YUBA.CA.US</u>
CLAUDIA HOLLIS	VICE CHAIR	1614 EAST LAKE CT MARYSVILLE, 95901	LOW INCOME	530-742-3131	<u>CLAUDIA@FREED.ORG</u>
THERESA GALLIER	MEMBER	3929 HAMMONTON MARYSVILLE 95901	LOW INCOME	530-749-6868	<u>TGALLIER@CO.YUBA.CA.US</u>
JACKIE WATSON	MEMBER	4327 EVELYN DR OLIVEHURST 95961	LOW INCOME	530-749-6321	<u>JWATSON@CO.YUBA.CA.US</u>
BILLY YANG	MEMBER	5628 TISH CR OLIVEHURST 95961	LOW INCOME	530-749-6442	<u>BYANG@CO.YUBA.CA.US</u>
DENNIS GIBONEY	MEMBER	1326 VAL DR MARYSVILLE 95901	LOW INCOME	530-788-8022	<u>DMG2CRAZY@YAHOO.COM</u>

(2014 CSBG)

EXHIBIT D
(Standard Agreement)

ATTACHMENT II

SUPPLEMENTAL AUDIT GUIDE

DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT

P.O. Box 1947
Sacramento, CA 95812-1947
(916) 576-7109
(916) 263-1406 (FAX)
(916) 263-1402 (TDD)



To: All Community Service Block Grant, Low-Income Home Energy Assistance Program, Department of Energy, and Other Program Contractors

From: CSD Audit Services Unit

Date: July 17, 2012

SUPPLEMENTAL AUDIT GUIDE**Introduction**

The purpose of this Supplemental Audit Guide is to provide further instructions for the independent auditor and/or CPA firms that perform audits of agencies that contract with the California Department of Community Services and Development (CSD) to deliver programs. As specified in each program contract, all independent auditors and CPA firms must follow this Supplemental Audit Guide if the Contractor being audited is funded totally or in part by CSD contracts. This guide is not intended to be an auditing procedure manual but rather to further instruct the independent auditor and CPA firm in testing certain costs identified by CSD as needing more detailed disclosure.

The primary focus of this guide is auditing and reporting on specific items of costs funded by CSD contracts. The procedures outlined in this guide either clarify and complement or, exceed the requirements of Office of Management and Budget (OMB) Circular A-133.

Auditor's Judgment

Auditors performing the work according to this Supplemental Audit Guide must continue to exercise professional judgment. The auditor shall follow the procedures included in this audit guide unless, in the exercise of his or her professional judgment, the auditor determines that other procedures are more appropriate in particular circumstances. The auditor, however, must justify in writing any change from the audit procedures suggested by this Supplemental Audit Guide. The audit report must contain assurances that a review for compliance with OMB Circulars A-87 and A-122 was conducted.

Supplemental Audit Guide

Selected Items of Cost

Inventory System (All Contracts)

1. The independent auditor or CPA firm must gather evidence to validate the inventory listed as an asset on the balance sheet.
2. The closeout report on CSD contracts requires an inventory listing on all items purchased with CSD contract funds.
3. Inventories listed on the balance sheet and on the CSD closeout reports must be verified that they physically exist, are owned (not leased), and are in operable condition.
4. Inventory listings must be accurately compiled in the inventory accounts. Inventories are to be properly stated at cost (except when the market rate is lower).

Subcontracts (All Contracts)

1. Subcontracts must be arms-length agreements and free of actual or apparent conflicts of interest. Validate and report to CSD. CSD-funded agencies should be aware that contracting with wholly owned subsidiaries might not be considered arms-length agreements. This is especially true where both boards have similar members.
2. Contractors are required to substantiate that all costs expended under subcontracts are allowable and allocable to the particular program pursuant to the same standards as the costs expended directly by the Contractor under the specific CSD contract. Document the Contractor's system of ensuring this level of accountability, and report to CSD.

Weatherization Crew Hours (LIHEAP and DOE Contracts)

Document the methodology the Contractor uses to capture the actual hours each weatherization worker spends on each house, specific work performed and address. If this data is maintained in an automated system, obtain and review system documentation.

1. Verify that the monthly report summaries used to report weatherization crew hours provide accurate information by selecting and testing a representative sample.
2. Trace the monthly closeout report totals for weatherization labor hours to the Contractor's monthly report summaries and reconcile this to the supporting source documents.

Prohibition on Lobbying

The independent auditor shall verify that no CSD contract funds were used to influence or attempt to influence an officer or employee of a state or federal government agency, or a member of Congress or the State Legislature, in connection with the awarding of any contract, grant, loan, or cooperative agreement.

System of Internal Control

Audits must include an examination of the systems of internal control. Internal control systems must be established to ensure compliance with laws and regulations affecting the expenditure of State and/or Federal funds, financial transactions and accounts, and the agency's process for submission of Contractor billings submitted to CSD for the performance of the contract.

The Contractor's accounting system must provide for accumulating and recording of expenditures by cost category (budget line items) shown in the approved budget. The independent auditor or CPA firm must give an opinion on the internal controls of the Contractor being reviewed.

Administrative Cost Cap

CSD contracts have an administrative cost cap. Administrative costs charged to each CSD contract must not exceed this cost. In addition, other Federal funds must not be used to exceed the total administrative cost cap charged to the CSD contract, unless specifically allowed by Federal statute.

Use of Indirect Cost Rates or Other Indirect Cost Methodology

1. A Federally Approved Indirect Cost Allocation Rate may be used for selected items of costs up to the maximum allowed by the CSD contract's administrative cost rate. Costs claimed for a specific line item in the budget cannot be reported as direct costs and also as indirect costs.
2. Validate the indirect cost rate or methodology and the application of the rate used by the Contractor.
3. Ensure compliance with OMB Circulars A-87 and A-122.

Basis for Allocation of Costs

1. The independent auditor or CPA firm must identify the Contractor's basis for allocating costs to CSD contracts. Costs charged to CSD contracts must be allocable, allowable, and based on actual expenses incurred by the Contractor for the CSD contract. Costs charged to the CSD contract must also have an approved contract budget line item.
2. Ensure Compliance with OMB Circulars A-87 and A-122.

Supplemental Audit Guide

Going Concern and Subsequent Events

The independent auditor or CPA firm must provide a "positive assurance" statement that any (significant) subsequent events, related directly or indirectly, that occurred after the final closeout report and single agency-wide audit are submitted to CSD do not materially affect the closeout report, as submitted by the Contractor. Additionally, the independent auditor or CPA firm must provide "positive assurance" whether or not the Contractor will continue as a going concern. Some examples are litigation settlement, bankruptcy, mergers, large loans, cash flow problems, etc.

Representation Letter

A Representation Letter between the independent auditor or CPA firm and the Contractor must be forwarded to CSD. The Representation Letter must be signed by the Contractor's controller (or equivalent) and either the Chair of the Audit Committee if it exists or the Executive Director.

Engagement Letter

In the event a Contractor is more than one month late in submitting the required independent audit report, the Contractor shall submit one copy of the finalized, signed Engagement letter between the Contractor and the Contractor's independent auditor or CPA firm.

Supplemental Statements

Beginning with the 1994 program year, CSD contract provisions have required the financial and compliance audit to include supplemental statements. These supplemental statements must be included as part of the package submitted to CSD with the single agency-wide audit for each fiscal year. CSD uses the above information to reconcile the audited costs to the costs reported by the Contractor.

The supplemental statements should be based on the budget line items contained in the contract. The supplemental statement must include the contract budget line items, expenditures for each budget line item by fiscal year, total audited costs and total reported expenses by budget line item. Please refer to Attachments 1, 2, 3, and 4 for examples of the format to use for the required supplemental statements.

Auditing Standards and Reports

The financial and compliance audit report shall contain the following supplemental financial information: a combined statement of revenue and expenditures for each contract that presents, by budget line item, revenue and expenditures for the audit period and a description of the methodology used to allocate and claim indirect costs and any administrative cost pools.

Supplemental Audit Guide

Testing of Transactions

A sufficient number of items should be selected for review that represent all material costs categories. The audit should determine whether:

- a. Contractor's internal control over the contract is effective and working as intended;
- b. Reported program expenditures are allowable and allocable;
- c. Reported expenditures conform to funding or program limitations or exclusions;
- d. Reported expenditures are not charged to, or reimbursed by, other programs or funding sources;
- e. Transactions are properly approved, reported, and supported by source documents;
- f. Reported expenditures were incurred within the appropriate contract term; and
- g. Contractor complied with applicable laws, regulations, and contract requirements.

American Recovery and Reinvestment Act of 2009 (ARRA) Funds

ARRA IDENTIFICATION

Contractors covered under the Single Audit Act and OMB circular A-133 must specifically identify ARRA funds on the SEFA by CFDA number, contract number, and by attaching the prefix "ARRA-" to the Federal program name. This information may be used by CSD to monitor the Contractor's expenditures of ARRA funds. In addition, the Contractor should maintain documentation to identify sub-award and project funded through the ARRA.

SEPARATE ACCOUNTING

Contractors must segregate the obligations and expenditures related to funding under the Recovery Act. Financial and accounting systems should be revised as necessary to segregate, track and maintain these funds apart and separate from other revenue streams. No part of the funds from the Recovery Act shall be commingled with any other funds or used for a purpose other than that of making payments for costs allowable for Recovery Act projects. Recovery Act funds can be used in conjunction with other funding sources as necessary to complete projects, but tracking and reporting must be separate to meet the reporting requirements of the Recovery Act and OMB Guidance.

PREVAILING WAGE

Determine if there is a designated payroll person to certify, on a weekly basis, that the Contractor is paying residential prevailing wage in accordance with the wage determinations as set forth in the ARRA contract.

EXHIBIT G

CERTIFICATION REGARDING LOBBYING

DEPARTMENT OF HEALTH AND HUMAN SERVICES
FAMILY SUPPORT ADMINISTRATION



PROGRAM: Community Services Block Grant

PERIOD: January 1, 2014 through December 31, 2014

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award document for subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Title

Signature

Agency/Organization

Date

DISCLOSURE OF LOBBYING ACTIVITIES

Approved by OMB
0348-0046

Complete the form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure.)

1. Type of Federal Action: <input type="checkbox"/> a. contract <input type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance	2. Status of Federal Action: <input type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award	3. Report Type: <input type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change For Material Change Only: year _____ quarter _____ date of Last report _____
4. Name and Address of Reporting Entity: <input type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____, if known: Congressional District, if known: _____		5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime: Congressional District, if known: _____
6. Federal Department/Agency: _____		7. Federal Program Name/Description: CFDA Number, if applicable: _____
8. Federal Action Number, if known: _____		9. Award Amount, if known: \$ _____
10. a. Name address of Lobbying Entity (if individual, last name, first, name, MI): <div style="text-align: right;">(attach Continuation Sheet(s) SF-LLL-A, if necessary)</div>		b. Individuals Performing Services (including address if different from No. 10a) (last name, first name, MI): <div style="text-align: right;">(attach Continuation Sheet(s) SF-LLL-A, if necessary)</div>
11. Amount of Payment (check all that apply): \$ _____ <input type="checkbox"/> actual <input type="checkbox"/> planned		13. Type of Payment (check all that apply): <input type="checkbox"/> a. retainer <input type="checkbox"/> b. one-time fee <input type="checkbox"/> c. commission <input type="checkbox"/> d. contingent fee <input type="checkbox"/> e. deferred <input type="checkbox"/> f. other; specify: _____
12. Form of Payment (check all that apply): <input type="checkbox"/> a. cash <input type="checkbox"/> b. in-kind; specify: nature _____ value _____		
14. Brief Description of Services Performed or to be Performed and Date(s) of Services, including officer(s), employee(s), or Member(s), contacted, for Payment Indicated in Item 11: <div style="text-align: right;">(attach Continuation Sheet(s) SF-LLL-A, if necessary)</div>		
15. Continuation Sheet(s) SF-LLL-A attached: <input type="checkbox"/> Yes <input type="checkbox"/> No		
16. Information requested through this form is authorized by Title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1353. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty for not less than \$10,000 and not more than \$100,000 for each such failure.		Signature: _____ Print Name: _____ Title: _____ Telephone No.: _____ Date: _____
Federal Use Only:		Authorized for Local Reproductions Standard Form - LLL

DISCLOSURE OF LOBBYING ACTIVITIES
CONTINUATION SHEET

Approved by OMB
0348-0046

Reporting Entity: _____ Page _____ of _____

INSTRUCTION FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Use the SF-LLL-A Continuation Sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, state and ZIP Code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in Item 4 checks "Subawardee", then enter the full name, address, city, state and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (Item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in Item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in Item 4 or 5.
10. (a) Enter the full name, address, city, state and zip code of the lobbying entity engaged by the reporting entity identified in item 4 to influence the covered Federal action.
(b) Enter the full name of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (item 4) to the lobbying entity (item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
12. Check the appropriate box(es). Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
13. Check the appropriate box(es). Check all boxes that apply. If other, specify nature.
14. Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the date(s) of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with Federal officials. Identify the Federal official(s) or employee(s) contacted or the officer(s), employee(s), or Member(s) of Congress that were contacted.
15. Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.
16. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budgets. Paperwork Reduction Project (0348-0046), Washington, D.C. 20503.



COUNTY OF YUBA

OFFICE OF EMERGENCY SERVICES

ROBERT BENI 006-14
COUNTY ADMINISTRATIVE OFFICER
DIRECTOR OF EMERGENCY SERVICES

SCOTT BRYAN
EMERGENCY OPERATIONS MANAGER

RYAN MCNALLY
EMERGENCY OPERATIONS PLANNER

Date: January 14, 2014

To: Yuba County Board of Supervisors

From: Scott Bryan, Emergency Operations Manager

By: Ryan McNally, Emergency Operations Planner 

Re: APPROVE OUT OF STATE TRAVEL FOR EOC MANAGEMENT TEAM TRAINING AT THE
EMERGENCY MANAGEMENT INSTITUTE (EMI)

Recommendation

Approve out of state travel for several key members from the Emergency Operations Center Management Team to attend critical training at the Federal Emergency Management Agency's (FEMA) Emergency Management Institute (EMI) in Emmitsburg, Maryland.

Background / Discussion

In performing the function of overall emergency management for Yuba County, a critical component to the Continuity of Operations during an emergency is highly dependent on the preparedness of the staff that will undoubtedly be called upon in support of that role. To facilitate preparedness, there are no resources quite as comprehensive as training offered by FEMA at their Emmitsburg, Maryland campus.

The travel requested herein is to attend several courses only offered at the Emergency Management Institute (EMI):

E-900 Preparedness - This course addresses preparedness and response in emergency situations resulting from severe weather-related hazards and is conducted for participants from communities throughout the country. It allows students to experience the activation of an EOC first hand.

E-901 Recovery - This exercise-based course is a follow up to the E900 course and emphasizes recovery and mitigation activities and planning. It places public officials and other key community leaders in a simulation that begins after a disaster has affected a community.

E-202 Debris Management - This course provides an overview of issues and recommended actions necessary to plan for, respond to, and recover from a major debris-generating event with emphasis on State, local, and tribal responsibilities and has been developed from a pre-disaster planning perspective.

To best satisfy the County's training goals, OES has conferred with the associated department heads and recommends the following personnel attend one or more of the above courses to further ensure we maintain a state of perpetual readiness:

<u>NAME</u>	<u>DEPARTMENT</u>	<u>COURSE</u>	<u>DATES</u>
Bryan, Scott	OES	E-202 Debris Management	3/17/14 – 3/20/14
Bains, Perminder	Pub Wks	E-202 Debris Management	3/17/14 – 3/20/14
Mayo, Nathan	Pub Wks	E-202 Debris Management	3/17/14 – 3/20/14
Smith, Bill	HHSD	E-900 Debris Management	1/20/14 – 1/23/14
Arnold, Jim	Probation	E-900 Preparedness / Response	3/17/14 – 3/20/14
Williams, Ken	Probation	E-900 Preparedness / Response	3/17/14 – 3/20/14
Johnson, Ron	YCSO	E-900 Preparedness / Response	3/17/14 – 3/20/14
Abel, Jill	HR	E-901 Recovery / Mitigation	3/24/14 - 3/27/14
Wilson, Martha	HR	E-901 Recovery / Mitigation	3/24/14 - 3/27/14

Committee

No committee action was taken due to the routine nature of this request.

Fiscal Impact

There will be no fiscal impact to the general fund as all personnel have been accepted to participate in the course and all expenses are reimbursable through FEMA.



*SPECIAL
PRESENTATIONS*

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THE COUNTY OF YUBA
BOARD OF SUPERVISORS



007-14

— PROCLAMATION —

PROCLAIMING 2014 AS "THE YEAR OF THE CHILD"

WHEREAS, fifteen years ago, voters in California affirmed their support for a guaranteed revenue stream dedicated to the state's youngest children and passed Proposition 10, the California Children and Families Act; and

WHEREAS, the statewide program is now known as First 5 in reference due to the tremendous importance of the first five years of a child's life, when 90% of brain development occurs; and

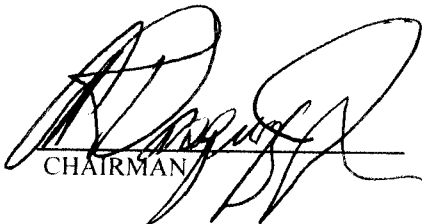
WHEREAS, First 5 Commissions across the state are charged with responding to local needs and investing in local solutions to improve the lives of young children prenatal through age 5; and

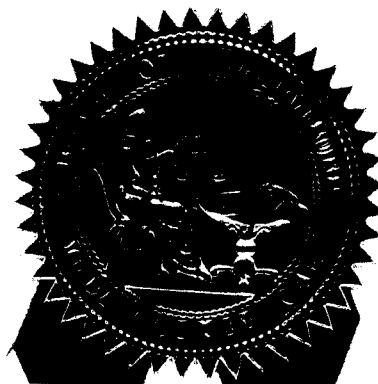
WHEREAS, the value of early childhood investments has been well-documented for individuals and for society in the form of better health outcomes, higher economic productivity, and reduced spending on foster care, special education, and crime; and

WHEREAS, over the last 15 years, First 5 Yuba has invested over 10 million to create effective and essential services that help Yuba County's youngest residents grow up healthy, nurtured, and ready for school. These investments have:

- Improved the quality of child care for children in Yuba County.
- Provided high-quality preschool for low-income children who otherwise would start kindergarten behind their peers.
- Established family support services in low-income communities to provide free parent education and child enrichment services for families annually.
- Supported home visiting services to help at-risk new parents care for their babies.
- Ensured that local children's services providers are meeting the developmental needs of children affected by parental substance abuse, homelessness, or mental health problems.
- Created a system for child developmental screening, resulting in more children with development delays or autism being identified and treated as early as possible.
- Supported countywide partnerships to address issues such as universal preschool, family economic security, child obesity, and the effects of domestic violence on young children.
- Leveraged additional state and federal dollars for mental health, parent education, and provider education to increase local investment in early childhood services.

NOW THEREFORE, the Yuba County Board of Supervisors joins elected officials across the state, First 5 commissions, California State Preschools and Head Start programs and their many community partners in recognizing the critical importance of placing children at the core of our plans, at the heart of our purpose and at the top of every agenda as we proclaim 2014 as "The Year of the Child."


CHAIRMAN




CLERK OF THE BOARD

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Stottlemeyer, Donna

From: Sue Cejner-Moyers [REDACTED]
Sent: Wednesday, November 20, 2013 4:14 PM
To: Stottlemeyer, Donna
Subject: Agenda request
Attachments: 211 flyer...information.doc

RECEIVED

NOV 20 2013

Clerk/Board of Supervisors

Yuba- Sutter Area 211 Call Center Steering Committee

November 20, 2013

Dear Sirs:

On behalf of the of Yuba Sutter Area 211 Call Center Steering Committee we request opportunity to speak at your January 14th 2014 , 9:30 a.m. meeting .

Our presentation will be information only needing no action to be taken.

Enclosed is an information packet. Please distribute one to each Board member.

We look forward to introducing the 211 call center state and nation wide program to you. 211 call centers will connect our local residents in the Yuba -Sutter Area to essential community information, resources and services.

Thank you for your attention to this request.

Sincerely

Sue Cejner-Moyers
Yuba Sutter Area 211 Steering Committee
[REDACTED] [REDACTED]

2-1-1

Like 9-1-1 for emergency services, 2-1-1 has been set aside nationally by the Federal Communications Commission for the public to more easily access community information.

2-1-1 is a one-stop source of information for people looking for community services and resources, especially for those who need essential services such as food, shelter, counseling, employment assistance and more. 2-1-1 creates the community infrastructure for linking the array of services of nonprofit and public agencies into a more efficient, coordinated network. Government, nonprofits, and service organizations will receive fewer inappropriate requests for help, and their dollars can be focused on providing services.

2-1-1 calls are answered by a live Information and Referral Specialist, who is trained in navigating the maze of human services agencies and programs, with all communication being confidential. Non-English speaking callers are assisted by a bilingual specialist, or seamlessly through a telephone interpreting service with access to interpreters in more than 150 languages.

2-1-1 is also a central resource for community information during and in recovery from disasters. To illustrate:

2007 Southern California Wildfires: the importance of 2-1-1 during disaster was underscored during the October 2007 wildfires in Southern California, where 2-1-1 San Diego call volume peaked at 30,000 calls a day as residents sought information about evacuation sites, road closures, shelters, medical assistance, pet and large-animal care and more.

2005 Hurricane Katrina. Calls to Texas' statewide 2-1-1 system handled more than 10,000 calls a day after the storm, as people sought food, shelter and other assistance. Three weeks after Katrina, more than 170,000 Texas callers had received 2-1-1 assistance.

The California Public Utilities Commission ruled in 2003 that 2-1-1 service would be established on a county-by-county basis. 2-1-1 cell phone coverage would be available through most service carriers including AT&T Wireless, Verizon Wireless and Sprint/Nextel.

Yuba County hopes to partner with First Five, Yuba and Sutter County Offices of Emergency Services, Area 4 Agency on Aging, United Way and others to fund this program in the Yuba-Sutter area.

The Federal 2-1-1 program launched in 1997, and California's first 2-1-1 service launched on February 11, 2005, in Ventura County. As of October 2011, 2-1-1 serves over 260 million Americans (86.6% of the entire population), and as of July 2012, 2-1-1 is in 27 California counties.



COUNTY
DEPARTMENTS

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Alpine Amador Butte Calaveras Colusa Del Norte
 El Dorado Glenn Imperial Inyo Lake Lassen
 Madera Mariposa Mendocino Merced Modoc



Mono Napa Nevada Placer Plumas San Benito
 Shasta Sierra Siskiyou Sutter Tehama
 Trinity Tulare Tuolumne Yolo Yuba

Chair - Kevin Cann, Mariposa County
 First Vice Chair - Nate Beason, Nevada County
 Second Vice Chair - Lee Adams, Sierra County
 Past Chair - Kim Dolbow Vann, Colusa County

President and CEO - Greg Norton
 Executive Vice President - Patricia J. Megason
 Chief Financial Officer - Karl Dolk

To: RCRC Board of Directors
 RCRC Alternates
 RCRC CAOs
 RCRC Clerks of the Board

From: Greg Norton, President and CEO

Date: December 18, 2013

Re: Designation of 2014 RCRC and CHF Delegates and Alternates -
ACTION REQUIRED

The first RCRC Board Meeting of 2014 will be held on January 22 in Sacramento. Annually, RCRC and its affiliate joint powers authority CRHMFA Homebuyers Fund (CHF) require confirmation of each member county's Delegate and Alternate, each an Elected Supervisor, to the RCRC and CHF Boards of Directors.

Upon determination, please provide confirmation of your county's election/appointment and forward the formal confirmation to RCRC as soon as possible. The confirmation can be sent via e-mail PDF to gnorton@rcrcnet.org, faxed to (916) 431-0101 and/or mailed to:

Rural County Representatives of California
 1215 K Street, Suite 1650
 Sacramento, CA 95814
 Attn: Greg Norton

Please do not hesitate to contact me or Patricia Megason, RCRC Executive Vice President, if you have any questions or require additional information. Thank you for your assistance with this information.

Attachments

- RCRC Designation Form
- CHF Designation Form

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The County of Yuba



HEALTH & HUMAN SERVICES DEPARTMENT

Suzanne Nobles, Director

5730 Packard Ave., Suite 100, P.O. Box 2320, Marysville, California 95901
Phone: (530) 749-6311 FAX: (530) 749-6281

**Michael Kinnison, M.D.,
Interim Health Officer**
Phone: (530) 749-6366

TO: Board of Supervisors
Yuba County

FROM: Jennifer Vasquez, Interim Director *JV*
Health & Human Services Department

DATE: January 14, 2014

SUBJECT: Resolution approving the approach set forth in Welfare and Institutions Code Section 17600.50(a) to determine payments to the Family Support Subaccount, and approve and ratify the actions taken by the Governing Board in County Medical Services Program (CMSP) Resolution 2013-1

RECOMMENDATION: It is recommended that the Board of Supervisors approve the resolution adopting the approach set forth in Welfare and Institutions Code Section 17600.50(a) in determining payments to the Family Support Services Subaccount; approving and ratifying the actions of the County Medical Services Program (CMSP) Governing Board in their CMSP resolution 2013-1.

BACKGROUND: The County of Yuba is one of thirty-five rural and semi-rural counties who participate in CMSP which provides health coverage to low-income adults. The State legislature adopted Realignment Trailer Bills to the FY 2013-14 State Budget which will redirect 1991 Realignment (Sales Tax and Vehicle License Fee) revenues away from CMSP due to prospective decrease in the indigent uninsured population served by CMSP with the implementation of the Affordable Care Act on January 1, 2014.

DISCUSSION: State legislation requires by January 22, 2014, all counties that participated in CMSP in FY 2011-2012 and the CMSP Governing Board adopt resolutions ratifying the provisions set forth in Welfare and Institutions Code Section 17600.50(a) in determining payments to the Family Support Subaccount. On September 26, 2013, the CMSP Governing Board adopted Resolution 2013-1 accepting and approving the provisions set forth in the new law. That resolution requests that participating counties forward copies of their approved Board resolutions to the CMSP Governing Board and to the Director of the California Department of Finance.

COMMITTEE: Due to time constraints the Health and Human Services Committee was bypassed.

FISCAL IMPACT: Approval of this Resolution will have no fiscal impact to the County General Fund.

**BEFORE THE BOARD OF SUPERVISORS
OF THE COUNTY OF YUBA**

**RESOLUTION APPROVING THE)
APPROACH SET IN WELFARE AND)
INSTITUTIONS CODE SECTION)
17600.50 (A) IN DETERMINING)
PAYMENTS TO THE FAMILY)
SUPPORT SERVICES)
SUBACCOUNT; APPROVING AND)
RATIFYING THE ACTION OF THE)
COUNTY MEDICAL SERVICES)
PROGRAM (CMSP) GOVERNING)
BOARD PER THE CMSP)
RESOLUTION 2013-1)**

RESOLUTION NO. _____

WHEREAS, the County of Yuba participates in the County Medical Services Program (CMSP) which provides health care coverage to low-income adults in 35 rural and semirural counties; and

WHEREAS, Welfare and Institutions Code Section 17600.50(a) was enacted as part of the Realignment Trailer Bills to the FY 2013-14 State Budget which will reduce overall funding for CMSP beginning January 2014 resulting from the loss of State Health Realignment funding (composed of State Sales Tax and Vehicle License Fee revenues) for CMSP; and

WHEREAS, Section 17600.50(a) effectively protects County Health Realignment funding for local purposes and limits each CMSP County's Health Realignment contribution to the State to the amount the County would otherwise pay to participate in CMSP, and provides funding to CMSP to assist in providing services for the remaining uninsured; and

WHEREAS, the County Medical Services Program Governing Board (Governing Board) adopted a resolution confirming acceptance for the approach set forth in Section 17600.50(a) in determining payments to the Family Support Services Subaccount attached as Exhibit A (CMSP Resolution); and

WHEREAS, the County believes it is in the best interest of the County, CMSP and the other counties participating in CMSP to confirm acceptance for the approach

set forth in Section 17600.50(a) in determining payments to the Family Support Services Subaccount, and ratify the actions taken by the Governing Board in the CMSP Resolution.

NOW, THEREFORE, BE IT RESOLVED, The Yuba County Board of Supervisors hereby:

1. Approves the approach set forth in Section 17600.50(a) in determining payments to the Family Support Services Subaccount;
2. Approves and ratifies the actions of the Governing Board per the CMSP Resolution 2013-1;

[illegible]

3. Authorizes the Clerk of the Board of Supervisors to provide a copy of this Resolution to the Governing Board and to the Director of the California Department of Finance.

PASSED AND ADOPTED at a regular meeting of the Board of Supervisors of the County of Yuba, State of California on the _____ day of _____, 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chairman

ATTEST: DONNA STOTTLEMEYER
CLERK OF THE BOARD OF SUPERVISORS

ANGIL P. MORRIS-JONES
YUBA COUNTY COUNSEL
APPROVED AS TO FORM:



EXHIBIT A
CMSP RESOLUTION

**COUNTY MEDICAL SERVICES PROGRAM
GOVERNING BOARD**

RESOLUTION 2013-1

WHEREAS, the County Medical Services Program ("CMSP" or the "Program") provides health care coverage to low-income adults in 35 rural and semi-rural counties; and

WHEREAS, the County Medical Services Program Governing Board ("Governing Board") provides policy direction for the Program and, as part of its responsibility, the Governing Board sets beneficiary eligibility requirements, determines the scope of covered health care benefits, establishes the payment rates paid to health care providers participating in the Program, and approves the establishment of Pilot Projects such as Path2Health, a Low Income Health Program; and

WHEREAS, the Governing Board has received funding from counties participating in CMSP, funds allocated to CMSP from State Health Realignment revenues, and, with regard to Path2Health, federal Medicaid matching funds, but the authority for Path2Health and the associated federal Medicaid matching funds expire December 31, 2013; and

WHEREAS, the State legislature adopted the Realignment Trailer Bills to the FY 2013-14 State Budget which will reduce overall funding for CMSP beginning January 2014 resulting from the loss of State Health Realignment funding (composed of State Sales Tax and Vehicle License Fee revenues) for CMSP; and

WHEREAS, as part of the Realignment Trailer Bills, Welfare and Institutions Code Section 17600.50(a) was enacted as follows:

(a) A county that participated in the County Medical Services Program in the 2011-12 fiscal year, including the Counties of Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, El Dorado, Glenn, Humboldt, Imperial, Inyo, Kings, Lake, Lassen, Madera, Marin, Mariposa, Mendocino, Modoc, Mono, Napa, Nevada, Plumas, San Benito, Shasta, Sierra, Siskiyou, Solano, Sonoma, Sutter, Tehama, Trinity, Tuolumne, and Yuba and the Governing Board of the County Medical Services Program, shall adopt resolutions by December 4, 2013, that confirm acceptance for the following approach to determining payments to the Family Support Services Subaccount:

(1) The amount of payments to the Family Support Services Subaccount shall be equal to 60 percent of the sum of the following:

(A) The 1991 health realignment funds that would have otherwise been allocated to the counties listed above pursuant to Sections 17603, 17604, 17606.10, and 17606.20 and the maintenance of effort in subdivision (a) of Section 17608.10 for these counties, as those sections read on January 1, 2012.

(B) The 1991 health realignment funds that would have otherwise been allocated to the County Medical Services Program pursuant to Sections 17603, 17604, 17605.07, and 17606.20, as those sections read on January 1, 2012.

(2) The payment computed in paragraph (1) shall be achieved through the following:

(A) Each county listed in subdivision (a) shall pay the amounts otherwise payable to the County Medical Services Program pursuant to subparagraph (B) of paragraph (2) of subdivision (j) of Section 16809 to the Family Support Services Subaccount.

(B) The County Medical Services Program shall pay the difference between the total computed in paragraph (1) and the amount calculated in subparagraph (A) from funds provided pursuant to the Welfare and Institutions Code.

WHEREAS, Section 17600.50(a) effectively protects County Health Realignment funding for local purposes and limits each CMSP County's Health Realignment contribution to the State to the amount the County would otherwise pay to participate in CMSP, and provides funding to CMSP to assist in providing services for the remaining uninsured; and

WHEREAS, Section 17600.50(a) requires the Governing Board to adopt a resolution confirming acceptance for the approach set forth in Section 17600.50(a) in determining payments to the Family Support Services Subaccount; and

WHEREAS, the Governing Board believes it is in the best interest of the Program and counties participating in CMSP to confirm acceptance for the approach set forth in Section 17600.50(a) in determining payments to the Family Support Services Subaccount; and

NOW, THEREFORE, the County Medical Services Program Governing Board does hereby resolve that:

1. The Governing Board approves of the approach set forth in Section 17600.50(a) in determining payments to the Family Support Services Subaccount;
2. The Governing Board approves and ratifies the actions of the Director of Policy & Planning and the Director of Finance & Administration and the staff of the Governing Board heretofore taken which are in conformity with the intent and purposes of these resolutions;
3. The Governing Board authorizes the Director of Policy & Planning and the Director of Finance & Administration of the Governing Board to implement and take such action on behalf of the Governing Board as such individuals may determine to be necessary or desirable, with advice of legal counsel, to carry out all actions authorized by the Governing Board in this Resolution; and
4. The Governing Board requests that all counties that participated in CMSP in FY 2011-12 adopt resolutions ratifying this Resolution of the Governing Board and the provisions set forth in Section 17600.50(a) and provide a copy of the county's resolution to the Governing Board and the Director of the California Department of Finance.



*ORDINANCES
AND
PUBLIC HEARINGS*

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The County of Yuba

Community Development & Services Agency

Kevin Mallen, Director

Phone - (530) 749-5430 • Fax - (530) 749-5434
915 8th Street, Suite 123
Marysville, California 95901
www.co.yuba.ca.us



011-14

BUILDING
749-5440 • Fax 749-5440

CODE ENFORCEMENT
749-5455 • Fax 749-5464

ENVIRONMENTAL HEALTH • CUPA
749-5450 • Fax 749-5454

HOUSING AND COMMUNITY SERVICES
749-5460 • Fax 749-5464

PLANNING
749-5470 • Fax 749-5434

PUBLIC WORKS • SURVEYOR
749-5420 • Fax 749-5424

FINANCE AND ADMINISTRATION
749-5430 • Fax 749-5434

DATE: January 14, 2014

TO: YUBA COUNTY BOARD OF SUPERVISORS

FROM: Wendy W. Hartman, Planning Director *WH*

RE: 2013-2021 Housing Element update.

RECOMMENDATION:

The Planning Commission recommends that the Board of Supervisors adopt the Mitigated Negative Declaration and approve the 2013-2021 Yuba County Housing Element Update.

BACKGROUND:

Under State law, every city and county in California is required to adopt a Housing Element that identifies local housing needs and establishes a community housing strategy. Yuba County retained the services of Pacific Municipal Consultants (PMC) to assist with the update of the County's Housing Element. The County's current Housing Element was adopted in 2010, however Yuba County is part of the Sacramento Area Council of Governments (SACOG) which has been provided an opportunity to have extended duration Housing Elements for each member agency for the planning period of 2013-2021.

DISCUSSION:

The updated Housing Element, if adopted by the Board of Supervisors by February 28, 2014, will be an eight-year plan (2013-2021 period (Attachment 1)) and if not adopted the County will be required to update the Housing Element every four (4) years. This differs from other General Plan elements, which have a longer time horizon and/or no set schedule for being updated. During the General Plan time horizon, the Housing Element may be updated several times compared to the other elements.

The Housing Element identifies strategies and programs that focus on:

- Matching housing supply with need;
- Maximizing housing choice throughout the unincorporated County;
- Assisting in the provision of affordable housing;
- Removing governmental and other constraints to housing investment; and
- Promoting fair and equal housing opportunities.

The Housing Element consists of the following components:

- The County's Housing Plan to address identified housing needs through housing goals, policies and programs.
- A community profile containing data and analysis of the County's demographics, housing characteristics, and existing housing needs;
- An analysis of future housing needs;
- An analysis of constraints to housing production and maintenance, such as market, governmental, and environmental factors affecting the County's ability to meet identified housing needs;
- An identification of resources to meet housing needs, including vacant land for new construction, as well as financial and administrative resources available for housing; and
- An assessment of past accomplishments.

Public participation: A stakeholders meeting with various service providers was held on March 12, 2013 and a public workshop was held on August 28, 2013 to provide information on the Housing Element Update process and to gather input from the public. The information was incorporated into the Draft 2013-2021 Housing Element. The document also includes updated demographic information. The Draft Housing Element was made available for review at the CDSA public counter and County Library as well as the County's General Plan Update website: www.yubavision2030.org. Notice was also sent to interested parties by letter and through an e-mail blast as well as publication in the Appeal Democrat.

On September 24, 2013 a meeting was held before the Board of Supervisors to obtain comments from the Board as well as any members of the public. A representative from CRLA was the only member of the public to provide verbal comments. A letter from CRLA and FREED was also received regarding the content of the Draft Housing Element. The Public comment period on the Draft was extended to November 4, 2013 to allow any additional members of the public to provide comments on the draft.

The Draft 2013-2021 Yuba County Housing Element was submitted to the California State Department of Housing and Community Development (HCD) on September 30, 2013. In addition, a second letter from CRLA was also received and submitted to HCD for their review. Staff and PMC worked with HCD to make changes to the Draft Housing Element to address any concerns identified by HCD. The Housing Element (Adoption Draft November 2013) includes changes to address public comments received as directed by either the Board of Supervisors and/or HCD. On November 21, 2013, HCD submitted a letter (Attachment 2) to the County indicating that the Draft Housing Element as revised meets the statutory requirements for State (HCD) certification.

Environmental Review: An Initial Study/Mitigated Negative Declaration has been prepared for the project. The Public Comment period was from November 23, 2013 to December 13, 2013. Consistent with the California Environmental Quality Act and Yuba County Ordinance Code requirements, the Board of Supervisors will make the determination of adequacy after close of the comment period and during a noticed public hearing when considering approval of the Final Housing Element.

COMMITTEE ACTION:

The Planning Commission held a public hearing on December 18, 2013. Following public comment, the Planning Commission unanimously recommended that Board of Supervisors adopt the Mitigated Negative Declaration and approve the 2013-2021 Housing Element.

FISCAL IMPACT:

The cost of preparing the Housing Element Update is being covered by funds from Housing & Community services and fees collected to maintain the County's General Plan.

ATTACHMENT:

1. 2013-2021 Yuba County Housing Element (Adoption Draft: November 2013) Available on County website at: <http://www.yubavision2030.org/>
2. Board of Supervisors Resolution
3. Memo dated November 18, 2013 to HCD outlining changes made to the Housing Element Draft Dated September 2013 and incorporated into the Adoption Draft
4. HCD Letter Date November 21, 2013 outlining conditional certification of the Housing Element
5. Initial Study/Mitigated Negative Declaration

Note: Attachment 3 outlines the changes made to the Draft document that was submitted to the Board of Supervisors for review in September 2013. The revised document is available for review on the County's website as listed above. If the Board approves the Housing Element: hearing dates and any other modifications directed by the Board will be made to the 2013-2021 Housing Element. Copies of the final adopted 2013-2021 Housing Element will then be provided to each of the Board members and California HCD, with public review copies available at the Yuba County public library, Community Development & Services Agency, and on the County website.



To: Robin Huntley, HCD
From: Amy Sinsheimer, PMC
CC: Wendy Hartman, County of Yuba
Date: November 18, 2013
Re: Yuba County Housing Element: Proposed Revisions

This memo provides proposed revisions to the draft County of Yuba Housing Element (submitted to HCD on September 30, 2013) based on discussion in a call with HCD, Yuba County, and PMC on October 23, 2013 and additional input received from HCD on November 15, 2013. The page numbers referenced below are the page numbers in the September 30th Draft. New and replacement text is shown in double underlined text below.

General Plan Consistency, p. H-2

State law requires the Housing Element to contain a statement of “the means by which consistency will be achieved with other General Plan elements and community goals” (GC §65583[c] [6] [B]). There are two aspects of this analysis: 1) an identification of other General Plan goals, policies, and programs that could affect implementation of the Housing Element or that could be affected by the implementation of the Housing Element, and 2) an identification of actions to ensure consistency between the Housing Element and affected parts of other General Plan elements.

This Housing Element Update is consistent with the recently adopted 2030 General Plan. In the future the County will continue to ensure that the Housing Element’s goals and policies are consistent with—and supported by—goals and policies in the other elements, amending the Housing Elements or other elements as necessary to maintain consistency. Due to the passage of AB 162 relating to flood protection in 2007, the County may be required to amend the Safety and Conservation elements of the General Plan (located within the Public Health and Safety Element and Natural Resources Element of the 2030 General Plan). If amendments are needed, the Housing Element will be amended to be consistent with these elements. If any disadvantaged unincorporated communities are identified in the County due to analysis required to comply with SB 244, the County will amend the Land Use (Community Development Element) and Housing elements per SB 244 requirements.

Public Participation, p. H-2

State law (GC §65583[c][7]) requires cities and counties to make a diligent effort to achieve public participation of all economic segments of the community in the development of a housing element and requires the housing element to describe this effort.

The following section describes the County’s efforts to engage all segments of the community during the preparation of the updated Housing Element, including the individuals, organizations, and agencies with which the County consulted, the methods of community outreach, and a summary of comments received and how these comments have been addressed. Additional details about outreach methods and stakeholders invited are included in Appendix A.

All segments of the community were encouraged by the County to participate in the preparation of the Housing Element through a combination of email blasts, general public notices published in local newspapers or posted on the General Plan update website, and direct contacts by mail with organizations serving low-income and special needs groups. The County invited representatives of these groups to attend public workshops on the Housing Element.

- A comment was made regarding the program from the previous Housing Element requiring minimum densities in multifamily zones. The County has established minimum density standards for the R-2, R-3, R-12 (ELSP), R-15 (ELSP) and R-20 (ELSP) zone districts. Minimum densities have not yet been established in the PLSP (HDR) and OAMU zone districts. These areas are being addressed as part of the Development Code update. The OASP was adopted as part of a redevelopment agency. With the elimination of the redevelopment agency this area has been re-envisioned in the OSCER Plan (includes almost the entire community of Olivehurst, not just the downtown area). The OSCER plan will be implemented through the Development Code update.
- A comment was made regarding minimum densities in the Plumas Lake Specific Plan. The list of sites in the memo in Appendix C does not include any sites in the Plumas Lake Specific Plan area. A minimum density of 21 units per acre will be maintained on the sites addressed by the Plumas Lake settlement agreement.
- A comment was made that the realistic unit capacity was not analyzed correctly for several sites in the General Commercial (C) zoning district listed in the 5th cycle land inventory (APNs 021-431-010-000, 020-020-086-000, and 020-020-094-000). These sites allow mixed use and 50 percent of the sites were analyzed at 80 percent of maximum density allowed, not 80 percent of the allowed density on the total site.
- In response to comments regarding the required rezone program from the County's previous Housing Element the memo prepared for HCD to justify that a default density of 15 units per acre is adequate in Yuba County to facilitate development of lower-income housing has been included in the Housing Element as Appendix C.
- In response to a comment requesting clarification and additional information about the Housing Choice Voucher program administered by the Yuba County Housing Authority additional information has been added to the section on the Housing Authority under the Funding and Administrative Resources section in the Resources and Constraints chapter.
- In response to a comment about whether sufficient infrastructure exists to serve the sites identified in the land inventory a clarifying statement has been added to the Summary of Water and Sewer Service Capacity on page H-116.
- In response to a request for additional information about lower income units built or approved during the previous Housing Element planning period, additional detail has been included in the Land Resources Section on page H-78.
- In response to a comment about the special needs of farmworkers, Implementation Program H-3.1.2 has been revised to comply with the State Employee Housing Act. The specific objective for this program has been added to detail the County's current primary objective to facilitate the provision of farmworker housing.
- In response to a comment that the County is required to comply with state law requiring permanent year-round emergency shelters be allowed without discretionary review, clarification has been added to the information that the County is in compliance with the law in the Emergency Shelters section in the Resources and Constraints chapter on page H-100.
- A comment was made about the amount of funds and administration of the Neighborhood Stabilization Program (NSP) and CDBG Housing Rehabilitation and first-time Home Buyers Assistance Programs. To a large degree these programs are market driven. During the past several years with the downturn in the economy, homeowners have not been interested in taking out loans to rehabilitate their properties. All of these programs have income restrictions limiting funds to households that earn less than 80% of median income. As such, most of the residents that purchased NSP homes also qualified for First Time Home Buyer assistance but chose not to use the program. Further, the NSP program was never intended to be an ongoing funding source (American Recovery and Reinvestment Act funds) and was never treated as such by the County. Once the NSP program is completed it will likely result in more interest in the First Time Home Buyer program as lower income households will only have market-rate homes to choose from whereas the NSP program was selling completely refurbished market-rate homes at a significant discount.

- A comment was made that the County should make efforts to identify flexible development standards and incentives for the development of second units. The County has a second unit ordinance that allows second units ministerially in the R-1, R-2, R-3 zones and within the East Linda Specific Plan consistent with state law. Program H-3.1.6 proposes to amend the Plumas Lake Specific Plan to allow second units. The second unit ordinance includes deviations to development standards including parking in setbacks and tandem parking. Primary unit occupants are not allowed to park in these locations.

The revisions described above include all revisions needed to address the requirements of state law. The remainder of the comments received were reviewed and no changes were made either due to limited County resources to include additional programs, the comment addressed an issue that is not within the County's purview, or because they were already sufficiently addressed in the Public Review Draft Housing Element.

Goals, Policies and Programs section, starting on p. H-9

A specific objective has been added to Implementation Programs as follows:

- Implementation Program H-1.2.1 Housing for Older Adults. Specific Objective: To increase the availability of housing choices for seniors in Yuba County.
- Implementation Program H-1.2.2 Housing for Large Families. Specific Objective: Ensure that the proportion of new housing units suitable for families, particularly affordable housing units, is as close as possible to the proportion of family households in the population at-large.
- Implementation Program H-1.2.3 Housing for Military Personnel. Specific Objective: To increase the supply of housing for military personnel and their families.
- Implementation Program H-2.2.2 Regulatory Incentives. Specific Objective: Increase awareness of the County's density bonus program and encourage its use in conjunction with affordable or senior housing.
- Implementation Program H-3.1.2 Housing for Farmworkers. Specific Objective: Facilitate allowing farmworker housing to occur on sites designated for agricultural operations and insure compliance with the Employee Housing Act.
- Implementation Program H-3.1.3 Promote Alternative Housing Types. Specific Objective: Increase awareness of the County's development standards for alternative housing types.
- Implementation Program H-3.1.5 Water and Sewer Capacity Improvements. Specific Objective: Continue to work with LCWD and OPUD to provide water and sewer service to accommodate the County's RHNA.

In addition, some of the full Implementation Programs below also include specific objectives.

Implementation Program H-2.2.3, p. H-16

Implementation Program H-2.2.3 Housing for Extremely Low-Income Households

Ensure that the needs of extremely low-income households, including homeless youth, are specifically considered in local housing programs.

The County, as feasible, will continue to apply for and use available housing resources, including project-based rental subsidies, such as local housing choice vouchers, federal housing assistance payment vouchers, and state Mental Health Services Act vouchers, and other resources such as the Neighborhood Stabilization Program (NSP) and CDBG and HOME funds for the provision of housing for extremely low-income households.

The County will coordinate with affordable and special needs housing providers to track the number of extremely low-income units produced and preserved and to maintain the affordability of existing housing affordable to extremely low-income households.

The County will coordinate with housing providers and seek funding for acquiring and rehabilitating and/or converting rental properties or motels to create housing units for extremely low-income households.

The County may also seek funding to "buy down" the cost of new or preserved housing units in either income-restricted or mixed-income housing projects, if cost-effective.

Specific Objective: Assist in obtaining funds and supporting services for extremely low-income households including the homeless; pursue funding applications for 4-5 extremely low-income households during the planning period.

Responsibility: Community Development and Services Agency.

Time Frame: Meet with special needs housing providers annually and ongoing.

Funding: General Fund, regional, state, and federal housing grants, loans, and other funding programs.

Implementation Program H-3.1.1, p. H-17

Implementation Program H-3.1.1 Homeless Services

Yuba County will continue to cooperate with homeless shelter providers and meet the needs of individuals and families without permanent housing, including the homeless. In addition, the County will meet with providers of emergency shelters and transitional housing to determine the need and appropriate locations for such facilities in the unincorporated area (see Program H-1.2.1). The County will take the following actions to meet the needs of the homeless:

- The zoning code will be amended to define and allow transitional and supportive housing by right in all zones where residential uses are allowed. These uses will be allowed in the same way as other residential uses in the zones.
- The County should assist shelter and transitional housing providers in applying for state and federal funding to support the development of emergency shelters and transitional housing (see Program H-6.1.1).
- The County should continue to work with homeless service providers, through the County Health and Human Services Department, to arrange for motel overnight vouchers for homeless persons and the placement of homeless individuals and families.
- The County will meet with representatives of Marysville, Yuba City, and Sutter County to determine the need and a potential location for an additional site for a homeless facility serving the Yuba City-Marysville urban area.

Specific Objective: N/A

Responsibility: Health and Human Services Department, Community Development and Services Agency.

Time Frame: Current and ongoing; meet with local government representatives as necessary to reach consensus on the need and appropriate location for an additional homeless facility.

Funding: General Fund; potential sources of funding for homeless facilities and services include federal emergency shelter grants, Shelter Plus Care Program, Housing for Persons with Aids, Emergency Housing Assistance Program, and CDBG.

Implementation Program H-3.1.2, p. H-18

Implementation Program H-3.1.2 Housing for Farmworkers

Seek to meet the needs of farmworkers and their families to increase the supply of affordable housing for low-income families, many of whom are farmworkers (see Programs H-6.1.1 and H-1.2.2). Migrant farmworker housing is currently allowed only in the Exclusive Agricultural (AE) zone, although

Implementation Program H-3.1.6 commits the County to amending the zoning ordinance to allow housing for six persons or less in the same way residential structures are allowed in zones allowing residential uses and to allow employee housing of no more than 12 units or 36 beds as an agricultural use and permitted in the same manner as other agricultural uses in the same zone to comply with the state Employee Housing Act. This will benefit year-round residents employed in agriculture, the overwhelming majority of who are low income and who tend to have a higher percentage of large families. The County will continue to meet with the Agricultural Commissioner, farmers, ranchers, affordable housing advocates, and housing providers to address the housing needs of year-round and migrant farmworkers and to assist in the applications for state and federal funds (see Program H-6.1.1).

Multi-family housing for farmworkers and their families will continue to be allowed under the same standards as any other type of multi-family housing. Where multi-family is conditionally permitted, conditions of approval will focus on compliance with zoning standards for height, yards, set-backs, parking, landscape buffering, and building coverage. Increased residential density is allowed without a conditional use permit through the PUD process or with a density bonus. Additional conditions may be applied on a case-by-case basis to address local traffic and access issues (ingress and egress to a property).

The County believes that, by allowing multi-family farmworker housing by right in the Medium Density Residential (R-2) and High Density Residential (R-3) zones, and focusing on compliance with zoning standards in other zones that conditionally allow multi-family residential uses, the County will facilitate the provision of farmworker housing and provide greater certainty for their location in these zones.

The County may assist providers of farmworker housing in accessing state and federal funds (see Program H-2.1.1 for further details).

Specific Objective: Facilitate allowing farmworker housing to occur on sites designated for agricultural operations and insure compliance with the Employee Housing Act.

Responsibility: Community Development and Services Agency.

Time Frame: See Programs H-6.1.1, H-1.2.2, and H-3.1.6, which specify separate timing. Funding: General Fund; potential sources of funding for farmworker housing include those sources listed in Program H-1.2.2, plus the state's Joe Serna, Jr. Farmworker Housing Grant Program and USDA Rural Development 514 and 516 programs.

Implementation Program H-3.1.4, p. H-19

Implementation Program H-3.1.4 Funding for Drainage Improvements

The County will continue to apply to various agencies for grants to construct drainage improvements in unincorporated communities to increase residential development opportunities. Agencies could include the Yuba County Water Agency, the federal government, state government, or other agencies. The County will also continue to move forward with drainage improvement projects completed through the County's Capital Improvement Program, special districts projects, as well as improvements resulting from project-specific developer requirements.

Specific Objective: Continue to work with agencies providing drainage infrastructure to increase opportunities for residential development.

Responsibility: Yuba County Water Agency; Public Works Department.

Time Frame: Five applications within the planning period

Funding: Grants, County Capital Improvement Program, Development Fees.

Implementation Program H-3.1.6, p. H-20

Implementation Program H-3.1.6 Revisions to County Zoning and Development Standards

The County will revise the zoning and development standards to:

- ensure that second units are allowed in single family and multi-family zones including specific plan areas within the Valley Growth Boundary consistent with GC §65852.2.
- treat employee housing that serves six or fewer persons as a single family structure and permitted in the same manner as other single family structures of the same type in the same zone (per Health and Safety Code Section 17021.5) in all zones allowing single-family residential uses. The zoning and development standards will also be amended to treat employee housing consisting of no more than 12 units or 36 beds as an agricultural use and permitted in the same manner as other agricultural uses in the same zone (Health and Safety Code Section 17021.6) to comply with the State Employee Housing Act.
- allow residential care facilities for six or fewer persons as a permitted use in zones where a single-family residence is a principally permitted use and residential care facilities for seven or more persons as a conditionally permitted use in zones where a single-family residence is a principally permitted use.
- revise the ratio of required parking spaces to reflect the number of bedrooms in a dwelling unit, which is a reasonable predictor of parking demand. For example, one parking space per unit plus a reasonable factor for guest parking may be adequate for studio and small one-bedroom units, housing designed for seniors, and housing designed for single working adults.
- modify chapter 12.130 in the County's ordinance code concerning density bonus requirements to comply with GC §65915.
- ensure that "transitional housing" and "supportive housing," as those terms are defined in California GC §65582, are treated as residential uses subject only to those restrictions that apply to other residential uses of the same type in the same zone, in conformance with §65583 of the California Government Code.
- modify the maximum building height in the OAMU zone to match the 36-foot height limit found within other high-density residential zones, such as the Plumas Lake Specific Plan High Density Residential zone.
- allow for neighborhood services as a conditionally permitted use in residential zones.
- remove the definition of "family" from the zoning code or modify the definition to remove the reference to a maximum of five unrelated persons.
- strengthen the minimum density ordinance to require developers to build projects at, or greater than, the minimum density of each zone. Minimum densities for each zone shall be established as part of the Development Code update and shall also include minimum densities for residential areas within the Plumas Lake and East Linda Specific Plans.
- define single-room occupancy units and identify that such units are allowed in the County's multi-family zones and ensure that development standards facilitate the development of this type of housing.
- provide exceptions in the zoning ordinance for reasonable accommodations necessary to make housing available for persons with disabilities, and speed the processing time for such requests. This procedure will be a ministerial process, with minimal processing fee, subject to staff approval so long as the requested exception does not impose an undue financial or administrative burden on the County, and would not require a fundamental alteration in the nature of the County's land use policies and zoning ordinance.

- review constraints associated with setbacks and lot coverage requirements and revise the regulations as appropriate to address the identified constraint of achieving maximum allowable densities in zones.
- based on developer experience in the County, increase allowed heights in the R-3 zone and other appropriate zones and allow additional height increases with Design Review to address the identified constraint of achieving maximum allowable densities.

Specific Objective: N/A

Responsibility: Community Development and Services Agency, Planning Commission, Board of Supervisors.

Time Frame: Complete with comprehensive zoning ordinance update. Adoption anticipated in 2014.

Funding: General Fund; Strategic Growth Council grant; permit fees.

Implementation Program H-5.1.3, p. H-25

Implementation Program H-5.1.3 Preservation of At-Risk Rental Units

The County will work with property owners of the 153 deed-restricted units that are at risk of converting to market-rate housing to preserve the lower-income housing by providing incentives or resources, such as working with the County Housing Authority to target Section 8 vouchers for the units or assist in identifying other funds for improvements.

Additionally, when units become at risk, the County Housing Authority will comply with all noticing requirements related to at-risk units, educate tenants about their rights, and contact all potentially interested nonprofits to develop a preservation strategy for the at-risk units.

Specific Objective: Assist, as needed, in the preservation of 153 units at risk of converting to market-rate rents.

Responsibility: Community Development and Services Agency, Housing Authority.

Time Frame: Meet with owners at least one and one-half years before potential conversion.

Funding: CalHFA Help Program; Multifamily Housing Program; HOME, CalHFA (preservation acquisition financing); mortgage insurance for purchase/refinance (HUD).

Quantified Objectives, p. H-30

TABLE H-1. QUANTIFIED OBJECTIVES (2013–2021)

Income Category	New Construction ¹	Rehabilitation	Conservation/ Preservation ²
Extremely Low	518	20	47
Very Low	518	20	52
Low	727	30	54
Moderate	870	0	0
Above Moderate	2,043	0	0
TOTALS	4,676	70	153

1. Units in this category include new construction of units as part of implementation of Implementation Programs H-1.2.1, H-1.2.2, H-1.2.3, H-2.2.2, H-2.2.3, H-3.1.2, and H-3.1.3.

2. The units to be preserved are addressed by Implementation Program H-5.1.3.

Resources and Constraints, Resources, Land Resources, p. H-77

The unincorporated area of Yuba County is primarily rural in nature with several smaller communities scattered throughout the county, two large communities (Linda and Olivehurst) near Marysville, and a newer community, Plumas Lake, south of Olivehurst. The Sacramento Area Council of Governments (SAGOG) has allocated 4,676 new housing units to the unincorporated county area, which the County must accommodate by October 21, 2021.

To determine whether the County has sufficient land to accommodate its share of regional housing needs for all income groups, the County must identify "adequate sites." Under state law (California GC §65583[c][1]), adequate sites are those with appropriate zoning and development standards, with services and facilities, needed to facilitate and encourage the development of a variety of housing for all income levels. As part of the previous Housing Element update, an analysis of the residential development potential in the County was completed in December 2008. County staff performed a parcel-specific vacant and underutilized sites analysis within the unincorporated county. This analysis was updated to remove sites that have been developed since the last housing element.

In the 4th round Housing Element update, the County included program H-1.1.1, stating that the County would accommodate the County's remaining lower-income RHNA by redesignating land in the General Plan and zoning code updates. The County was required to rezone at least 75.2 acres¹ of land zoned to permit at least 20 dwelling units per acre and needed to accommodate 1,203 housing units for extremely low-, very low-, and low-income households.

The General Plan update was completed in 2011 and additional land is designated which would accommodate this number of units at these densities. The zoning code update is underway but not complete. In addition, the County has conducted an analysis of developers' preferences regarding density in terms of financial feasibility and compatibility with surrounding development. The County has concluded that densities of 15 units per acre or less are most appropriate and financially feasible for higher density multi-family development. Based on an analysis of vacant land available for development at 15 units per acre or greater at the time of adoption of the 4th round Housing Element, the County has concluded that sufficient vacant land was available to accommodate the remainder of the lower-income units for the 4th round RHNA.

As reported in the 2008-2013 Housing Element, between January 2006 and July 2008, 2,140 housing units were constructed or approved in Yuba County (see Tables H-38 and H-39 of the 2008-2013 Housing Element). Between January 2006 and July 2008, 1,856 building permits were issued in Yuba County. Most of these were for single family homes. Approximately 7 percent of the permits were for multifamily units. Of the previously-mentioned building permits, 30 were affordable to lower income households. An additional 284 low- and very low- income units were in progress as of July 2008 and are now built. Each built project is guaranteed to remain affordable to low- and very-low income households for a specified period of time. The Sierra Vista project is guaranteed to remain affordable for 15 years, per a HOME resale restriction agreement, while Ross Ranch will remain affordable for 10 years per the terms and conditions of that project's HELP Loan agreement.

Between August 2008 and December 2012, 4,776 housing units were constructed or approved. Units approved include 195 low income units approved at a density of 17.7 units per acre assuming affordability to ≤80% AMI or low income. The 195 low-income units have been approved as part of the Bear River project. This project included an amendment to the County General Plan and the Plumas Lake Specific Plan to allow for a 549.9-acre parcel to be subdivided into 1,973 lots. Of these lots, 1,928 are for single-family residential development, with lots ranging in average size from 4,050 square feet to 7,150 square feet (density of 6-11 units/acre). An 11.8 acre site was designated for multi-family residential development (195 units). These 195 units are included in the 258 low-income units built or approved during the 2008 – 2013 planning period in Table H-52. The project was approved by the Yuba County Board of Supervisors on December 16, 2008. The Large Lot map that created the residential villages and other land uses has been recorded. The small lot map to create the 1,928 single family parcels has not been recorded. To date no building permits have been issued for any single family or multi-family units within this project.

Another 100 units have been approved at 12 units per acre and assumed affordability would be for moderate income households as part of the Country Club Estates project. This project included an amendment to the County General Plan and the Plumas Lake Specific Plan to allow for a 577 acre parcel to be subdivided into lots for single-family residential development, one parcel to be developed with attached multi-family units and 226 acres of land to be used for neighborhood services, parks, schools, and public facilities. The remainder of the approved units (3,782) are at densities affordable to above-moderate income households. The project was approved by the

Yuba County Board of Supervisors on December 09, 2008. To date no building permits have been issued for any single-family or multi-family units within this project.

748 units were built between August 2008 and December 2012. None of the lower-income built projects meet the thresholds required to accommodate a portion of the County's RHNA under the alternative adequate sites program. However, all of the lower-income projects are guaranteed to remain affordable to extremely low, low- and very-low income households for a specified period of time and demonstrate the County's progress towards facilitating affordable housing opportunities. One housing unit was purchased by the County and rehabilitated to like new condition with energy saving appliances and other improvements, sold and deed-restricted to be affordable to extremely low income households for 15 years through the Neighborhood Stabilization Program (NSP). Two extremely low-income households were assisted through the County's Housing Rehabilitation Program. In order to qualify for the program a household needs to be extremely low, very low or low-income. A deed was recorded for these properties that requires the household to meet income eligibility requirements through the life of the 30 year loan. Income is verified every 5 years. Seven housing units were rehabilitated, and sold to very low income households through the NSP. Three very low-income households were assisted through the County's Housing Rehabilitation Program. Six very low-income households were assisted through the County's First Time Homebuyer Program which has a 15 year affordability requirement. Twelve housing units were rehabilitated and sold to low income households through the NSP. One low-income household was assisted through the County's Housing Rehabilitation Program. Nine low income households were assisted through the County's First Time Homebuyer Program. Six housing units were rehabilitated, and sold to moderate income households through the NSP. The remaining two moderate income units are the manager units for apartment complexes built between August 2008 and December 2012. One of the units built through the NSP program was sold to a seasonal farmworker family, helping address housing for that special needs group.

Based on the units approved and built and the land inventory capacity, the County does not have an unaccommodated need from the previous planning period.

**TABLE H-52
UNACCOMMODATED NEED FROM THE 2008–2013 PLANNING PERIOD**

Income Category	4th Round RHNA	Built/Approved Credits	Remaining Allocation	4 th Round Site Capacity	Surplus
Extremely Low	630	0	630	1,798	80
Very Low	631	251	380		
Low	966	258	708		
Moderate	1,382	100	1,282	2,001	719
Above Moderate	3,027	6,307	0	1,512	1,512
Total	6,636	6,916	3,000	5,311	2,311

Source: Yuba County and PMC, 2013

The vast majority of the county remains undeveloped or underdeveloped, with considerable acreage available for development. The results of the County's vacant land inventory updated in August 2013 are contained in Appendix B. The County has not been able to conduct an analysis of sites with re-use or redevelopment potential, so the focus of this section of the Housing Element is on the County's ability to accommodate its share of regional housing needs with vacant land. The list was updated for use in this housing element cycle by removing parcels that were developed between 2008 and 2013 and adding any new parcels available in 2013.

Based on the analysis of developable sites, the County concluded that it could accommodate between 6,001 additional housing units on vacant residential properties, assuming development at 80 percent of the maximum allowable density on those lots. For sites with mixed-use zoning 50 percent of the sites were analyzed at 80 percent of maximum density allowed. The same realistic development capacity was used in the 2002 – 2008 and 2008 – 2013 Housing Elements. It is within the Specific Plan areas that the majority of anticipated lower-density growth will

Insert two new subsections in the Public Participation section, p. H-5

ADDITIONAL OUTREACH

It should also be noted that the County has attended several meeting with California Rural Legal Services (CRLA) outside the Housing Element process. The County attended one meeting on July 10, 2013 to meet one-on-one with CRLA staff and another meeting organized by CRLA on August 7, 2013 that was attended by CRLA staff, County staff, the City of Marysville and CRLA clients.

At the meeting in July, County staff spent over two hours with CRLA staff discussing the correlation of the Housing Element with other components of the General Plan and Zoning Ordinance. County staff responded to questions regarding current goals, policies, and ordinances that affect affordable housing as well as the status of our Housing Element update and comprehensive Development Code update.

The primary focus of the August meeting was to inform CRLA clients about the Housing Element updates currently being prepared by both the City of Marysville and Yuba County and opportunities for the public to participate in the process.

RESPONSE TO INPUT RECEIVED

The County has responded to input received on the Public Review Draft Housing Element as follows:

- Several of the comments regarding the need for smaller housing units, housing that allows aging in place and reasonable accommodation, transitional and supportive housing and group homes, will be addressed in the comprehensive Development Code update, anticipated to be completed in 2014.
 - A cottage housing concept similar to that contained in the Olivehurst Avenue Specific Plan will be incorporated into the development code and/or design guidelines.
 - The Development Code will be updated to make it clearer how reasonable accommodations are addressed. This will allow ramps and other items to be added to homes and exempting them from set-backs and other development standards.
 - The Development Code update will address transitional and supportive housing as well as group homes. These will provide more opportunities for developments that could meet the needs of the disabled community regardless of income level. These facilities can be individual apartments, homes, or group living arrangements. A minor revision has been made to Implementation Program H-3.1.1 Homeless Services to clarify that transitional and supportive housing is allowed according to the type of residential use allowed and not by number of persons in the structure.
- A comment was made regarding the requirement to establish minimum densities in the OAMU zone of the Olivehurst Sustainable Community & Economic Revitalization (OSCER) plan. The OSCER plan was a visioning document that was intended to gather public input and make recommendations that would be included in the Development Code Update. As such, the mechanisms to make the recommendations mentioned in this comment is through the Development Code Update which is in process with an anticipated completion date of 2014.

occur during the planning period. Higher-density multi-family growth is expected to occur in the infill areas of the county where fees are lower and residents are closer to services. The land use inventory and the County's estimate of residential development potential are based on the following assumptions:

- Undeveloped or underdeveloped properties will develop at approximately 80 percent of maximum density.
- Only properties with sufficient infrastructure (water and sewer) available are considered for affordable housing development.
- Second units, while permissible in residential zones, are not considered in the potential unit estimates for the vacant land inventory as the County has received too few applications to estimate the potential for future development of second units.

Table H-53 provides a summary of vacant parcels and the County's estimate of residential development potential given the assumptions above. Figure H-1 shows the location of vacant properties in Yuba County. The full list of parcels is included in Appendix B.

Resources and Constraints, Governmental Constraints, Land Use Controls, Building Height, p. H-93

The maximum height is 30 feet in the SP-1, R-1, R-2, R-3, and OAMU zones. The PLSP-HDR zone has a maximum height of 36 feet and density of 21 units per acre. The 30-foot limit is adequate for construction of a single-family home and the density of multi-family units necessary to provide affordable housing. The maximum 29 units per acre in the R-3 zone could be accommodated in a two-story structure less than 30 feet in height. Based on this conclusion, the 36-foot maximum height in the PLSP-HDR zone could accommodate 21 units per acre. However, the maximum density of 40 units per acre in the OAMU zone could not possibly be accommodated with the 30-foot maximum building height. Therefore, this height limit is considered a constraint to multi-family development in Yuba County. Implementation Program H-3.1.6 will increase heights in areas allowing a maximum density of 40 units per acre as part of the comprehensive Development Code update. Additional height increases will be allowed with Design Review.

Resources and Constraints, Governmental Constraints, Land Use Controls, Yard Requirements, p. H-93

The R-2, R-3, and SP-1 R-10 through SP-1 R-20 have building setback, lot coverage, and minimum lot size requirements, which could affect what types of buildings can be placed on a parcel. The R-2 and R-3 zones have required setbacks of 27 feet for the front and 5 feet for the back and sides, and maximum lot coverage of 60 percent; the required setbacks support a maximum lot coverage of 59 percent, which is sufficient to accommodate typical construction. For the SP-1 R-10 through SP-1 R-20, the required setbacks are 20 feet for the front, 5 feet for the sides, and 10 feet for the back, and the maximum lot coverage is 75 percent. These requirements would support lot coverage of 60 percent, so they are sufficient as well. However, these setbacks and maximum lot coverage requirements reduce the amount of developable area on a lot, which could reduce the density that could be developed there. However, even with these setback and lot coverage requirements, housing dense enough to develop affordable housing can be built, so the County's existing yard requirements do not present a constraint to developing affordable housing. Implementation Program 3.1.6 calls for a review of setback and lot coverage requirements and removal of any constraints to development of lower-income housing posed by these requirements as part of the comprehensive Development Code update.

Resources and Constraints, Zoning for a Variety of Housing Types, Emergency Shelters, p. H-100

An emergency shelter is a facility which provides shelter not exceeding a six-month duration within a 12-month period to homeless persons or others in need of shelter. Such accommodations may include lodging, meals, laundry facilities, bathing, and/or other basic non-medical support services. The zoning ordinance allows permanent year-round emergency shelters with 25 beds or less by right in all commercial zone districts. Emergency shelters with more than 25 beds are allowed in all commercial zone districts with a conditional use permit.

Resources and Constraints, Zoning for a Variety of Housing Types, Constraints for Persons with Disabilities, p. H-101

Zoning and Land Use

State and federal housing laws encourage an inclusive living environment, where persons of all walks of life have the opportunity to find housing suited to their needs. As discussed earlier, the zoning ordinance allows residential care facilities serving six or fewer residents by right in all zones that allow single-family residences, and conditionally permits facilities serving seven or more persons in the A/RR, R-2, R-3, C, SP-1, and PLSP-HDR zones. Facilities serving seven or more persons are permitted in the OAMU zone. The County does not have any additional siting requirements for residential care facilities. Conditional use permit procedures for residential care facilities require only a review that the proposed development meets minimum zoning and development standards. The County typically interprets its codes to allow for special accommodations (such as handicapped access ramps) without the need for a variance. In addition, the County is midway through a comprehensive Development Code update and will address reasonable accommodation as part of that document. Program H-3.1.6 implements these Development Code amendments.

Resources and Constraints, Infrastructure Constraints, Summary of Water and Sewer Supply, p. H-117

Based on information provided by the LCWD and the OPUD, these two providers have planned for the expansion of water and wastewater infrastructure needed to meet future demands; however, the timing of the improvements to the OPUD and LCWD sewer treatment systems and upgrades to the water delivery system in Olivehurst may not occur until after the planning period for this Housing Element. The continued collection of development impact fees and current plans for infrastructure expansions and improvements will ensure that growth does not outpace each district's ability to serve it, but does not guarantee that these needed improvements will occur prior to 2021. Therefore, infrastructure could present a constraint for future development of affordable housing prior to 2021. However, only properties with sufficient infrastructure (water and sewer) through 2021 are included in the sites inventory in Appendix A.

Insert Appendix A - Public Participation

This appendix contains the stakeholder notification letter for the March 12, 2013 stakeholder meeting and the list and contact info of those contacted about the meeting; an October 2, 2013 letter providing notice to interested parties that the Draft Housing Element had been submitted to HCD and the County would receive comments until November 4, 2013; a letter from September 12, 2013 providing notice that the Public Review Draft was available for review and comment and that the Board of Supervisors would consider recommending submittal of the draft to HCD at their meeting on September 24, 2013; the notice placed in the newspaper prior to the August 28, 2013 public workshop; the flyer advertising the August 28, 2013 workshop and the September 24, 2013 Board of Supervisors meeting; contact info for all interested parties these letters and flyer were sent to; screen shots of pages on the County's website where information on the Housing Element Update has been posted; emails sent to the interested parties; and the SB 18 tribal consultation letter.

Insert Appendix C - 4th Cycle Adequate Sites Inventory Memo

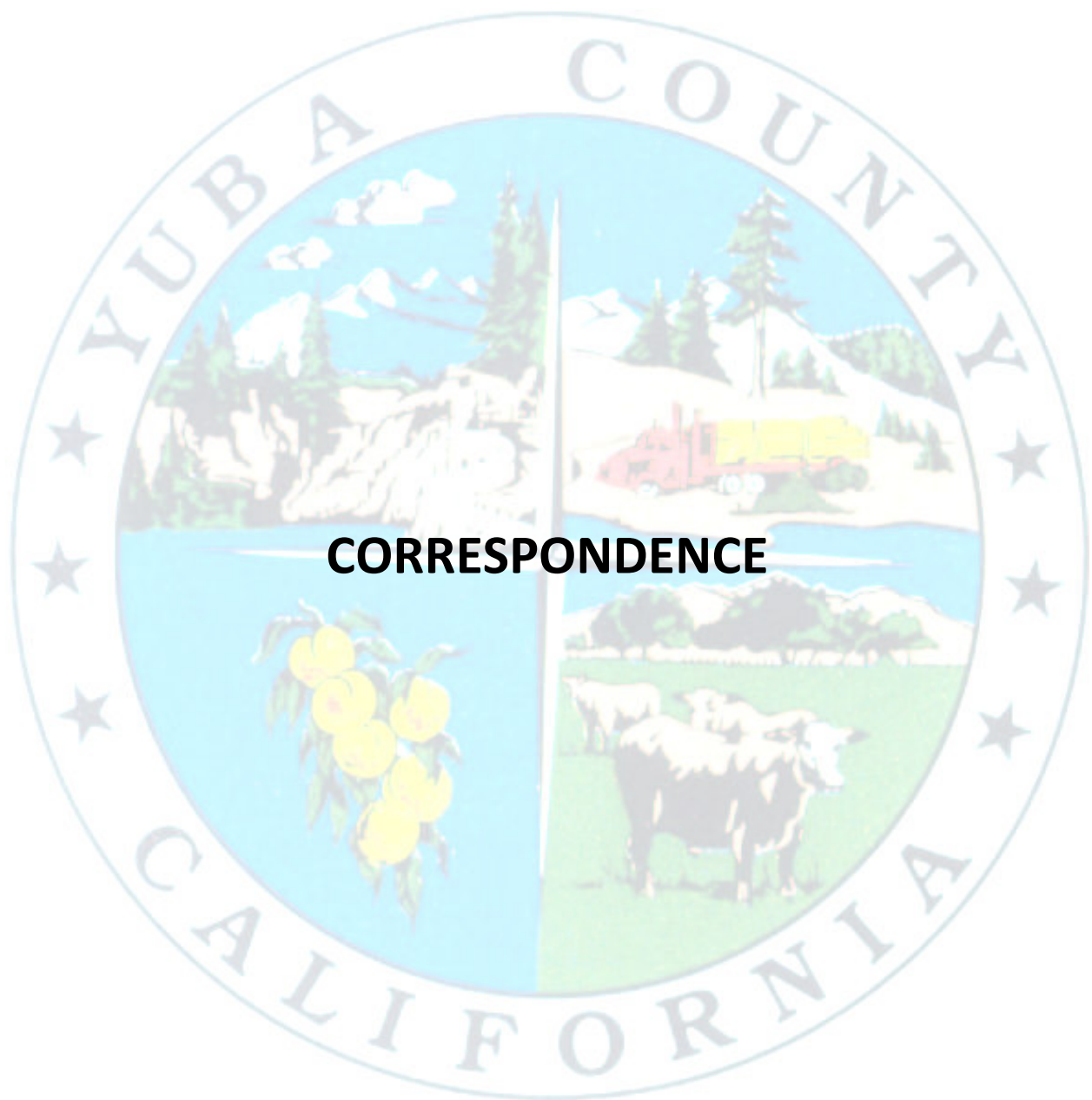
The memo included in Appendix C has been revised as follows:

- The fourth row of the summary table at the beginning of the 4th cycle sites inventory has been revised as follows: "Land Inventory - Parcels Allowing 15 units/acre or greater"
- Revise the fourth paragraph on page 2 of the memo as follows:

Yuba County has also conducted an analysis of the cost to build a single-family home as well as an apartment complex in various geographical areas of the county. As indicated in Appendix A, it is significantly less expensive to develop a project in the County's infill areas than in newer communities such as Plumas Lake or East Linda Specific Plan. A full revised land inventory and summary of how the RHNA numbers can be accommodated can be found in Appendix B. All of the Specific Plans and General Plan Areas with sites listed in Appendix B were approved or existed prior to 2006 and were available throughout the 4th Cycle Housing Element planning period. The Linda-Olivehurst (LOGP) and Yuba (YUBA) General Plan Areas were adopted as part of the 1996 Yuba County General Plan, the East Linda Specific Plan

(ELSP) was adopted in 1990 and the Olivehurst Avenue Specific Plan (OASP) was adopted in 1995. The majority of the sites included in Appendix B allowing 15 units per acre or greater are located in these infill areas. A 49-unit apartment complex is 50 percent cheaper to develop in our infill areas than in Plumas Lake, primarily due to drainage, levee, and Quimby fees. However, it is also these infill areas where the predominant housing type is small single-story homes and small two-story multi-family projects. Revitalization plans that included significant public outreach have indicated that the public is adamantly opposed to multi-story structures and wants to maintain the small-town character. As such, three- to four-story buildings needed to achieve a 20 unit per acre minimum density would be completely out of character for these portions of the county and, as further substantiated below, are currently unnecessary to provide affordable housing to our low-income residents.

¹ The unaccommodated acreage number calculated in the 2008–2013 Housing Element was 79 acres. Review of the methodology and calculations used in that document has led the County to conclude that a math error was made. The actual unaccommodated acreage number should have been 75.2 acres for the analysis presented in the previous Housing Element.



CORRESPONDENCE



**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

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Sacramento, CA 95833
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www.hcd.ca.gov



November 21, 2013

Ms. Wendy Hartman, Director
Planning Department
Yuba County
915 8th Street Suite 123
Marysville, CA 95901

Dear Ms. Hartman:

RE: Review of the County of Yuba's 5th Cycle (2013-2021) Draft Housing Element

Thank you for submitting the County of Yuba's draft housing element update received for review on October 1, 2013 along with additional revisions received on October 15 and November 13, 14 and 18, 2013. Pursuant to Government Code Section 65585(b), the Department is reporting the results of its review. A telephone conversation on October 15, 2013 with Ms. Amy Sinsheimer, PMC, facilitated the review. In addition, the Department considered comments from California Rural Legal Assistance, Inc. pursuant to Government Code Section 65585(c).

The draft element meets the statutory requirements of State housing element law. This finding was based on, among other things, analysis and identification of adequate sites to accommodate the County's regional housing need allocation for lower-income households. Also, the County utilized SACOG's pre-approved housing element data. The housing element will comply with State housing element law (Article 10.6 of the Government Code) when adopted and submitted to the Department, pursuant to Government Code Section 65585(g).

To remain on an eight year planning cycle, pursuant to Senate Bill 375 (Chapter 728, Statutes of 2008) the County must adopt its housing element within 120 calendar days from the statutory due date of October 31, 2013 for SACOG localities. If adopted after this date, Yuba County will be required to revise the housing element every four years until adopting at least two consecutive revisions by the statutory deadline, pursuant to Government Code Section 65588(e)(4). For additional information on housing element adoption requirements, please visit the Department's website at: http://www.hcd.ca.gov/hpd/hrc/plan/he/he_review_adoptionsteps110812.pdf.

Public participation in the development, adoption and implementation of the housing element is essential to effective housing planning. Throughout the housing element process, the County must continue to engage the community, including organizations that represent lower-income and special needs households, by making information regularly available and considering and incorporating comments where appropriate.

Ms. Wendy Hartman, Director
Page 2

The Department is pleased to inform the City that 4th cycle housing element compliance meets one of the threshold requirements of the Housing Related Parks (HRP) Program which rewards local governments for approving housing affordable to lower-income households. The HRP Program, funded by Proposition 1C, provides grant funds to eligible local governments for every qualifying unit permitted since 2010. Grant awards can be used to fund park-related capital asset projects. The HRP Program 2013 Notice of Funding Availability (NOFA), released October 3, 2013, announced the availability of \$25 million in grant funds to eligible applicants. Applications are due January 22, 2014. Further information about the HRP Program is available on the Department's website at <http://www.hcd.ca.gov/hpd/hrpp/>.


The Department appreciates your hard work and dedication and that of Ms. Sinsheimer in preparing the housing element and looks forward to receiving Yuba County's adopted housing element. If you have any questions or need additional technical assistance, please contact Robin Huntley, of our staff, at (916) 263-7422.

Sincerely,

A handwritten signature in black ink, reading "Glen A. Campora". The signature is fluid and cursive, with the first name "Glen" being the most prominent.

Glen A. Campora
Assistant Deputy Director

INITIAL STUDY/MITIGATED NEGATIVE DECLARATION


	<p>INITIAL STUDY/ MITIGATED NEGATIVE DECLARATION GPA2012-0001: Yuba County 2013-2021 Housing Element</p>
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Project Title: 2013-2021 Yuba County Housing Element Update

Lead Agency Name and Address: Yuba County Community Development & Services Agency
Planning Department
915 8th Street, Suite 123
Marysville, CA 95901

Project Location: Yuba County, CA

Project Sponsor's/Owner's Name and Address: Yuba County
915 8th Street, Suite 123
Marysville, CA 95901

Contact Person: Wendy W. Hartman, Director of Planning, Housing & Community Services 

Phone Number: (530) 749-5470

Date Prepared: November 2013

Project Description

The Project is the update of the County's Housing Element, one of the required elements of the General Plan. The Draft 2013-2021 Housing Element Update is hereby incorporated by reference in this Project Description. The Initial Study assesses impacts associated with adoption of the Housing Element's goals, policies, and programs, which are explained below in the context of environmental analysis.

The goals of the Housing Element present a general statement of intent, or purpose, for the policies and the programs identified in the Element. Goals represent the most general of the County's visions for the Housing Element, and were developed in consultation with members of the community and appropriate service providers through workshops, and public review and comment. Due to their general nature, changes to Housing Element goals do not lend themselves to environmental analysis, though they do indicate the intent of the County to implement policy and program changes, the impacts of which are analyzed.

Policies are specific methods of achieving the Goals. The most important Policies for this Initial Study are those that would accommodate or require activities that would have physical environmental consequences.

Programs are specifically designed and established to implement Housing Element goals and policies. Typically, programs identify the specific department or division of the County charged with their implementation. Programs are directly linked to Housing Element Policies and designed to achieve the Goals through the management of land use and development, regulatory concessions or restrictions, and utilization of appropriate financing and subsidy programs.

The Project Description consists of updated draft Housing Element goals, policies, and programs, which are hereby incorporated by reference. The Housing Element deals with eight topics, each of which has a generalized statement of intent:

- **Housing Conservation:** Maintain and improve the quality of existing housing and residential neighborhoods.
- **Production of Housing:** Facilitate the provision of a range of housing types to meet the diverse needs of the County.
- **Provision of Adequate Housing Sites:** Provide adequate housing sites through appropriate land use and zoning designations to accommodate the County's share of the regional housing needs.
- **Removal of Governmental Constraints:** Mitigate or remove potential governmental constraints to housing production and affordability.
- **Regional Coordination:** Coordinate and cooperate with cities and surrounding jurisdictions to address regional housing issues, including the supply of affordable housing and homelessness.
- **Equal Housing Opportunity:** Promote equal opportunity for all residents to reside in the housing of their choice.
- **Historic Preservation:** Protect historic and architecturally significant resources in the County.
- **Energy Conservation:** Promote energy conservation for new and existing dwelling units.

For each goal, policies and programs have been drafted to implement the various goals of the Housing Element through land use and development decisions of the County. The policies represent statements of commitment and the programs present more specific actions – including the party or parties responsible for implementation, the timing, and where appropriate, quantifiable objectives for program implementation. Throughout the Initial Study, specific policies and programs are referenced where they have some bearing on a potential environmental impact.

General Plan Designation

The Housing Element is part of the General Plan, and its goals, policies, and programs are applicable to all land within the unincorporated area of the County. Thus, the Project applies to all General Plan designations.

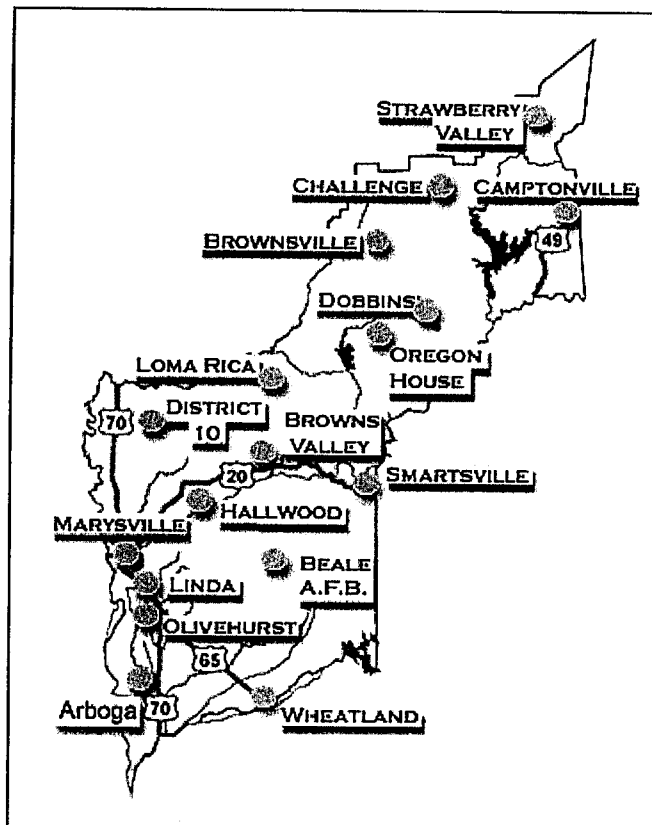
Zoning

The Housing Element is part of the General Plan, and its goals, policies, and programs are applicable to all unincorporated land within the County, covering all County zoning classifications.

Surrounding Land Uses and Setting

Yuba County is located in the Southern Sacramento Valley, approximately 40 miles north of the State Capitol, Sacramento. Its boundaries stretch from the farms and orchards of the valley to the timberlands of the Sierras. With an estimated population of 72,000, Yuba County contains the cities of Marysville and Wheatland, and more than a dozen unincorporated communities.

The County includes a variety of habitat and vegetation types, with major elevation changes rising from west to east, along with significant lakes, rivers, and other waterways. Agricultural, forest, urban, suburban, and rural land uses constitute most of the landscape in Yuba County.



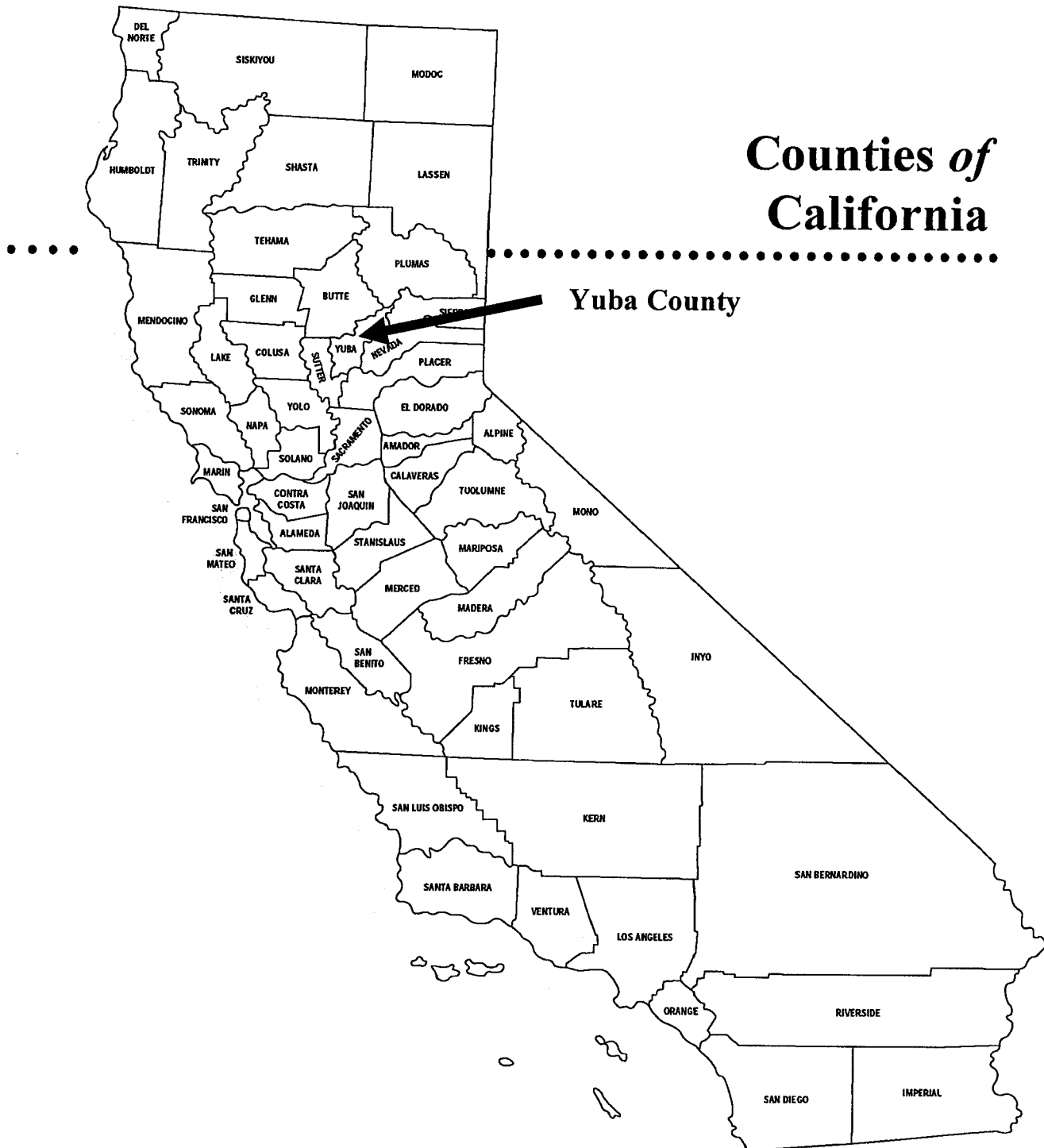


Figure 2-1: Regional Location

INITIAL STUDY/MITIGATED NEGATIVE DECLARATION

Environmental Factors Potentially Affected:

The environmental factors checked below would be potentially affected by this project, as indicated by the checklist and corresponding discussion on the following pages.

- | | | |
|---|---|--|
| <input type="checkbox"/> Aesthetics | <input type="checkbox"/> Agriculture & Forestry Resources | <input checked="" type="checkbox"/> Air Quality |
| <input type="checkbox"/> Biological Resources | <input type="checkbox"/> Cultural Resources | <input type="checkbox"/> Geology / Soils |
| <input type="checkbox"/> Greenhouse Gas Emissions | <input type="checkbox"/> Hazards & Hazardous Materials | <input type="checkbox"/> Hydrology / Water Quality |
| <input type="checkbox"/> Land Use / Planning | <input type="checkbox"/> Mineral Resources | <input type="checkbox"/> Noise |
| <input type="checkbox"/> Population / Housing | <input type="checkbox"/> Public Services | <input type="checkbox"/> Recreation |
| <input type="checkbox"/> Transportation / Traffic | <input type="checkbox"/> Utilities / Service Systems | <input checked="" type="checkbox"/> Mandatory Findings of Significance |

DETERMINATION: (To be completed by the Lead Agency)

On the basis of this initial evaluation:

- ☐ I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- ☒ I find that although the proposed project could have a significant effect on the environment there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
- ☐ I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
- ☐ I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
- ☐ I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.



Planner's Signature

Wendy W. Hartman, AICP

Director of Planning, Housing & Community Services

11-19-13
Date

PURPOSE OF THIS INITIAL STUDY

This Initial Study has been prepared consistent with California Environmental Quality Act (CEQA) Guidelines Section 15063, to determine if **General Plan Amendment GPA2012-0001 (Yuba County 2013-2021 Housing Element)**, as proposed, may have a significant effect upon the environment. Based upon the findings contained within this report, the Initial Study will be used in support of the preparation of a Mitigated Negative Declaration.

EVALUATION OF ENVIRONMENTAL IMPACTS

- 1) A brief explanation is required for all answers except "No Impact" answers that are adequately supported by the information sources a lead agency cites in the parentheses following each question. A "No Impact" answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g., the project falls outside a fault rupture zone). A "No Impact" answer should be explained where it is based on project-specific factors as well as general standards (e.g., the project will not expose sensitive receptors to pollutants, based on project-specific screening analysis).
- 2) All answers must take account the whole action involved, including offsite as well as onsite, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.
- 3) Once the lead agency has determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. "Potentially Significant Impact" is appropriate if there is substantial evidence that an effect may be significant. If there are one or more "Potentially Significant Impact" entries when the determination is made, an EIR is required.
- 4) "Negative Declaration: Less Than Significant With Mitigation Incorporated" applies where the incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less Than Significant Impact." The lead agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level (mitigation measures from "Earlier Analyses," as described in (5) below, may be cross-referenced).
- 5) Earlier analyses may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration. Section 15063(c)(3)(D). In this case, a brief discussion should identify the following:
 - a) Earlier Analysis Used. Identify and state where they are available for review.
 - b) Impacts Adequately Addressed. Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.
 - c) Mitigation Measures. For effects that are "Less than Significant with Mitigation Measures Incorporated," describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.
- 6) Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g., general plans, zoning ordinances). Reference to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.
- 7) Supporting Information Sources: A source list should be attached, and other sources used or individuals contacted should be cited in the discussion.
- 8) The explanation of each issue should identify:
 - a) The significance criteria or threshold, if any, used to evaluate each question; and
 - b) The mitigation measure identified, if any, to reduce the impact to less than significant.

INITIAL STUDY/MITIGATED NEGATIVE DECLARATION

I. AESTHETICS		Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:					
a)	Have a substantial adverse effect on a scenic vista?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b)	Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c)	Substantially degrade the existing visual character or quality of the site and its surroundings?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d)	Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Discussion/Conclusion/Mitigation:

a) and b) *No Impact* – The Project will not result in any adverse impacts to a scenic vista, nor will it affect identified scenic resources or areas near a state scenic highway. Additionally, the Housing Element goals, policies, and programs have the potential to positively impact historic buildings through addition of preservation measures. There would be *no impact*.

c) and d) *Less Than Significant Impact* – The Project does not alter existing municipal codes related to lighting, glare, visual character, scenic resources, or other aesthetic resources. Potential negative impacts related to the production of light or glare, as well as potential degradation of sites, are present in policies recommending increased densities in some residential areas, allowance of residential uses in commercial zones, and promotion of infill opportunities. The existing EIRs for the General Plan and Specific Plans addressed these impacts to some degree, although not fully. Potential positive impacts are present through policies calling for increased energy-efficiency standards in residential development, as well as energy-conservation measures for new and existing dwelling units. The overall result of the Project will be a slight potential for impacts related to increased lighting and glare in the area. The impact is *less than significant*.

II. AGRICULTURE AND FORESTRY RESOURCES

In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board.

		Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:					
a)	Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b)	Conflict with existing zoning for agricultural use, or a Williamson Act contract?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c)	Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d)	Result in the loss of forest land or conversion of forest land to non-forest use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e)	Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland to non-agricultural use or conversion of forest land to non-forest use?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Discussion/Conclusion/Mitigation:

c) and d) *No Impact* – The proposed project will not conflict or cause the rezoning of any forest land. Therefore, no loss or conversion of forest land would result from the proposed project.

a) b) and e) *Less Than Significant Impact* – The Housing Element does not alter land use designations or policies regarding agricultural resources, and agricultural zoning will continue to regulate development within agricultural areas. The sole potential impact of the Project on agricultural resources is the revision of the zoning code to allow special needs housing types in agricultural areas, including farm labor housing and residential care facilities. It is not likely that the scale of uses allowed will have any effect on the viability of agricultural operations on any site which accommodates these new housing types, and this policy will not serve to constrain or eliminate viable agricultural land from farming uses. The impact will be *less than significant*.

INITIAL STUDY/MITIGATED NEGATIVE DECLARATION

III. AIR QUALITY

Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations.

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Conflict with or obstruct implementation of the applicable air quality plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Expose sensitive receptors to substantial pollutant concentrations?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Create objectionable odors affecting a substantial number of people?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Discussion/Conclusion/Mitigation:

a) thru e) *Less Than Significant with Mitigation Incorporated* – The California Air Resources Board provides information on the attainment status of counties regarding ambient air quality standards for certain pollutants, as established by the federal and/or state government. As of 2004, Yuba County is in non-attainment status for State and national (one-hour) air quality standards for ozone, and State standards for particulate matter less than 10 microns in diameter (PM₁₀).

Under the guidelines of FRAQMD, projects are considered to have a significant impact on air quality if they reach emission levels of at least 25 pounds per day of reactive organic gases (ROG), 25 pounds per day of nitrogen oxides (NO_x), and/or 80 pounds per day for PM₁₀. ROG and NO_x are ingredients for ozone. In addition, FRAQMD has established a significance threshold of 97 single-family homes, the number of units estimated to generate emissions of 25 pounds per day of ROG and 25 pounds per day of NO_x. The PM₁₀ threshold of 80 pounds per day corresponds to approximately 4,000 homes.

Although Housing Elements themselves do not have an impact on the environment, the Housing Element contains a number of policies that have the potential to impact air quality in the area. The type and density of future housing development is not known. However, commercial uses typically generate higher traffic volumes and have higher air quality impacts than high density residential uses. Mixed-use development has the benefit of potentially reducing both work and

non-work related trips by future residents in the area due to their proximity to local jobs and services, and a decrease in overall Vehicle Miles Traveled (VMT). A reduction in VMT is also considered a positive for air pollutant emissions such as ROG, NO_x and PM₁₀, as well as reducing greenhouse gas (GHG) emissions such as carbon dioxide (CO₂) which is considered the main pollutant regarding Global Climate Change (GCC). Also, in general, steps taken to reduce impacts to air quality have the same effect of reducing impacts related to GHG.

Projects encouraged by the Housing Element tend to utilize increased densities and mixed use projects which are generally considered more beneficial for air quality compared to the single-use development patterns that have characterized housing development in the County during the last decade. Also, since the County is attempting to encourage and facilitate multi-family development, and since multi-family development generates a lower per-unit level of traffic, the County could meet its regional housing need while creating fewer automobile trips than would be the case if the Housing Element were not implemented. Finally, higher-density housing development, which is encouraged by the Housing Element, could be served by a future transit system, which would further reduce air pollutant emissions compared to status quo development patterns.

The Housing Element also provides policies designed to promote infill housing, rehabilitation of existing housing, and establishment of energy-efficiency standards in new residential planning and construction. These policies have the potential to alter construction patterns and the location of new housing, thus impacting air quality.

While policies in the Housing Element do encourage the future development of housing, there is no development associated with the project. Nevertheless, Yuba County currently is in non-attainment status for State and federal (one-hour) air quality standards for ozone, and State standards for particulate matter less than 10 microns in diameter (PM₁₀). Therefore, any pollutant contribution from this future development may be considered cumulatively considerable, especially when included with emissions from other proposed projects in the County.

The FRAQMD has a list of standard construction-phase Mitigation Measures that apply to all projects. Also, FRAQMD has established a list of Fugitive Dust Control Mitigation Measures applicable to construction activities, from its Indirect Source Review Guidelines. Based on these, the following Mitigation Measures shall be implemented.

Mitigation Measures:

MM 3.1 The most current FRAQMD Standard Mitigation Measures applicable to construction activities shall be incorporated as part of the project.

MM 3.2 To mitigate impacts of construction vehicle and equipment emissions during construction, the following Mitigation Measures shall be incorporated as part of the project and included in all construction bid documents:

1. Water inactive construction sites and exposed stockpile sites at least twice daily.

INITIAL STUDY/MITIGATED NEGATIVE DECLARATION

2. Pursuant to California Vehicle Code, all trucks hauling soil and other loose material to and from the construction site shall be covered or should maintain at least 6 inches of freeboard (i.e. minimum vertical distance between top of load and the trailer).
3. Any topsoil that is removed for the construction operation shall be stored on-site in piles not to exceed 4 feet in height to allow development of microorganisms prior to replacement of soil in the construction area. These topsoil piles shall be clearly marked and flagged. Topsoil piles that will not be immediately returned to use shall be revegetated with a non-persistent erosion control mixture.
4. Soil piles for backfill shall be marked and flagged separately from native topsoil stockpiles. These soil piles shall also be surrounded by silt fencing, straw wattles, or other sediment barriers or covered unless they are to be immediately used.
5. Equipment or manual watering shall be conducted on all stockpiles, dirt/gravel roads, and exposed or disturbed soil surfaces, as necessary, to reduce airborne dust.

Implementation of MM 3.1 and 3.2 would further reduce potential pollutant emissions of the project, and further minimize any cumulative impact. Impacts after mitigation would be less than significant.

IV. BIOLOGICAL RESOURCES	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:				
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, or regulations or by the California Department of Fish and Game or US Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

INITIAL STUDY/MITIGATED NEGATIVE DECLARATION

IV. BIOLOGICAL RESOURCES

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Discussion/Conclusion/Mitigation:

a) thru f) *Less Than Significant Impact* – The adoption of the 2008-2013 Housing Element does not impact or modify existing development regulations or County policies for the preservation of biological resources. Specific policies related to the location, density, and intensity of development have the potential to impact biological resources, but not significantly. Future development will be subject to environmental review as required by State law and County policy. The Housing Element does not include specific housing development proposals, nor does it encourage development projects on any biologically sensitive lands. All impacts related to the development of housing and mixed-use developments were adequately considered in the County's previous environmental documents. All impacts to biological resources resulting from adoption and implementation of the Housing Element will be *less than significant*.

V. CULTURAL RESOURCES

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Cause a substantial adverse change in the significance of a historical resource as defined in 15064.5?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to 15064.5?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Disturb any human remains, including those interred outside of formal cemeteries?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Discussion/Conclusion/Mitigation:

a) thru d) *Less Than Significant Impact* – The proposed project does not involve revisions to development standards that would significantly impact cultural resources. Additionally, policies set forth in the General Plan and General Plan EIR related to cultural resources will continue to apply to all future development projects. Existing policies and requirements of the General Plan

INITIAL STUDY/MITIGATED NEGATIVE DECLARATION

EIR (see EIR Section 4.5) are sufficient to ensure that any such resources encountered during development of such uses would be protected from significant impact. The overall impact is considered *less than significant*.

VI. GEOLOGY AND SOILS	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:				
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:				
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
ii) Strong seismic ground shaking?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
iii) Seismic-related ground failure, including liquefaction?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
iv) Landslides?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Result in substantial soil erosion or the loss of topsoil?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Discussion/Conclusion/Mitigation:

a) thru e) *Less Than Significant Impact* – All future development will be subject to site-specific geotechnical studies as determined appropriate by the County and will comply with applicable building code regulations. Provisions of the Housing Element related to the promotion of infill, increase in the density and intensity of development, and reduction of regulatory barriers to housing have the potential to increase the size and weight of residential structures. This increase has the potential to affect geologic stability and increase erosion during construction.

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The 2010 California Building Code (CBC) and local ordinances and requirements address potential impacts related to geologic conditions. While this project does call for a program to identify additional sites for rezoning, all residential structures constructed in the County are required to meet soil suitability and safety requirements, based on underlying soil types and Alquist-Priolo designation. The increases in density, infill, and other provisions of the Housing Element will not alter these requirements, and will not allow for or promote the construction of new buildings at risk of geologic hazard. The impact is *less than significant*.

VII. GREENHOUSE GAS EMISSIONS	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:				
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Discussion/Conclusion/Mitigation:

a) Less than Significant – Global Warming is a public health and environmental concern around the world. The predominant opinion within the scientific community is that global warming is currently occurring, and that it is being caused and/or accelerated by human activities, primarily the generation of “greenhouse gases” (GHG).

In 2006, the California State Legislature adopted AB32, the California Global Warming Solutions Act of 2006, which aims to reduce greenhouse gas emissions in California. Greenhouse gases, as defined under AB32, include carbon dioxide, methane, nitrous oxide, hydro-fluorocarbons, perfluorocarbons, and sulfur hexafluoride. AB 32 requires that the state’s GHG emission be reduced to 1990 levels by 2020.

In 2008, the California Air Resources Board (CARB) adopted the Scoping Plan for AB32. The Scoping Plan identifies specific measures to reduce GHG emissions to 1990 levels by 2020, and requires ARB and other state agencies to develop and enforce regulations and other initiatives for reducing GHGs. The Scoping Plan also recommends, but does not require, an emissions reduction goal for local governments of 15% below “current” emissions to be achieved by 2020 (per Scoping Plan current is a point in time between 2005 and 2008). The Scoping Plan also recognized that Senate Bill 375 Sustainable Communities and Climate Protection Act of 2008 (SB 375) is the main action required to obtain the necessary reductions from the land use and transportation sectors in order to achieve the 2020 emissions reduction goals of AB 32.

SB 375 complements AB 32 by reducing GHG emission reductions from the State’s transportation sector through land use planning strategies with the goal of more economic and environmentally sustainable (i.e., fewer vehicle miles travelled) communities. SB 375 requires

that the ARB establish GHG emission reduction targets for 2020 and 2035 for each of the state's 18 metropolitan planning organizations (MPO). Each MPO must then prepare a plan called a Sustainable Communities Strategy (SCS) that demonstrates how the region will meet its SB 375 GHG reduction target through integrated land use, housing, and transportation planning.

The Sacramento Area Council of Governments (SACOG), the MPO for Yuba County, adopted an SCS for the entire SACOG region as part of the 2035 Metropolitan Transportation Plan (MTP) on April 19, 2012. THE GHG reduction target for the SACOG area is 7 percent per capita by 2020 and 16 percent per capita by 2035 using 2005 levels as the baseline. Further information regarding SACOG's MTP/SCS and climate change can be found at <http://www.sacog.org/2035/>.

While AB32 and SB375 target specific types of emissions from specific sectors, and ARBs Scoping Plan outlines a set of actions designed to reduce overall GHG emissions it does not provide a GHG significance threshold for individual projects. Air districts around the state have begun articulating region-specific emissions reduction targets to identify the level at which a project may have the potential to conflict with statewide efforts to reduce GHG emissions (establish thresholds). To date, the Feather River Air Quality Management District (FRAQMD) has not adopted a significance threshold for analyzing project generated emissions from plans or development projects or a methodology for analyzing impacts. Rather FRAQMD recommends that local agencies utilize information from the California Air Pollution Control Officers Association (CAPCOA), Attorney General's Office, Cool California, or the California Natural Resource Agency websites when developing GHG evaluations through CEQA.

GHGs are emitted as a result of activities in residential buildings when electricity and natural gas are used as energy sources. New California buildings must be designed to meet the building energy efficiency standards of Title 24, also known as the California Building Standards Code. Title 24 Part 6 regulates energy uses including space heating and cooling, hot water heating, ventilation, and hard-wired lighting that are intended to help reduce energy consumption and therefore GHG emissions.

b) *No Impact-* Yuba County is currently updating its Zoning and Uniform Development Code, which will include a Climate Action Plan that will address Greenhouse Gas emissions; however there is not a plan in place at this time. The project is consistent with the Air Quality & Climate Change policies within the Public Health & Safety Section of the 2030 General Plan therefore, the project does not conflict with any applicable plan, policy or regulation.

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VIII. HAZARDS AND HAZARDOUS MATERIALS

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Discussion/Conclusion/Mitigation:

a) thru h) *Less Than Significant Impact* – Future development will continue to be subject to hazardous materials regulations. Specifically, rehabilitation programs are required to comply with HUD's regulations regarding lead-based paint abatement. Overall, implementation of the proposed Housing Element has the potential of reducing hazardous materials in the County's housing stock.

Implementation of the rehabilitation and substandard housing abatement programs has the potential to increase temporary exposure of persons to hazardous materials, including lead-based paint, asbestos, fiberglass particles, and other household hazards. The aim of these programs is

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to eliminate the existence of these hazards through rehabilitation or removal of contaminated structures, thus reducing the potential exposure long-term. Existing federal, State, and local regulations related to housing rehabilitation and exposure to household hazardous substances are sufficient to mitigate this potential risk. The long-term benefits of the programs make the long-term consideration of this impact positive.

Residential development under the project will not be located within clear zones of an existing airport land use plan. Location of residential uses within identified approach and overflight zones are consistent with land use compatibility guidelines for safety in those plans. The proposed project will not impair implementation of an adopted emergency response plan. There are extensive wildlands, including forests, in eastern Yuba County, which have the potential to expose residents to fire risks. The Housing Element requires the enforcement of the California Building Code to mitigate unsafe conditions in the existing housing stock. Overall impacts related to hazards and hazardous materials are *less than significant*.

IX. HYDROLOGY AND WATER QUALITY		Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:					
a)	Violate any water quality standards or waste discharge requirements?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b)	Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c)	Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d)	Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e)	Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f)	Otherwise substantially degrade water quality?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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IX. HYDROLOGY AND WATER QUALITY		Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:					
g)	Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map? (Source:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
h)	Place within a 100-year flood hazard area structures which would impede or redirect flood flows?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
i)	Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
j)	Inundation by seiche, tsunami, or mudflow?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Discussion/Conclusion/Mitigation:

a) thru j) *Less Than Significant Impact* – The Housing Element includes programs to increase densities in high density residential uses, promote more infill development, and rehabilitate or demolish substandard housing in the County. There is a potential that programs in the Housing Element will result in an increase in urban runoff, alteration of drainage patterns, increased erosion, and negatively affect groundwater recharge.

However, increasing the density of development will not necessarily impact the hydrological resources mentioned above. Density increases can be accommodated in taller structures, redevelopment of existing buildings, and other ways that do not increase the overall amount of impervious surface in the site. In addition, infill developments typically reduce the overall impacts related to hydrology by developing sites in urbanized areas which have infrastructure in place and may already contain impervious surfaces. The potential for the Project to impact hydrological resources is present, but small. Current County review procedures are sufficient to ensure that drainage systems are installed with new development to mitigate impacts to existing and planned systems. Erosion control measures are required for all County projects, and the amount of potential groundwater recharge that could be affected by the programs of the Housing Element are minimal.

While most of the valley areas identified for growth in the General Plan is not currently in the 100-year flood zone designation, the area has had a history of flood incidents, most recently in 1986 and 1997.

It is also important to note, however, that the Three Rivers Levee Improvement Authority (TRLIA) has undertaken a project which has led to significant upgrades to the levee system protecting south Yuba County. Completion of the levee improvements is anticipated to provide 200-year flood protection for south Yuba County which is equivalent to a chance of flooding no greater than 1 in 200 in any given year, a standard which is higher than that which is required to be removed from the High Risk Flood Hazard Area.

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The proposed project does not include any physical development. The suitability of the land for specific residential development will be evaluated when proposals are submitted to the County. If any sites are designated within the 100-year flood zone after adoption of this Housing Element, consistent with County policy, they would not be considered suitable for residential development until such time as the levee upgrades are completed and a Letter of Map Revision (LOMR) has been approved which designates its removal from the 100-year flood zone. All future development within the project area will be subject to site-specific environmental studies as determined appropriate by the County, and will comply with applicable County policies related to flooding and water issues. Overall, the impact will be *less than significant*.

X. LAND USE AND PLANNING	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:				
a) Physically divide an established community?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Conflict with any applicable habitat conservation plan or natural community conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Discussion/Conclusion/Mitigation

a) thru c) *Less Than Significant Impact* – The proposed project involves adoption of the 2013-2021 Housing Element. The Housing Element itself does not define residential growth potential and will not physically divide an established community. Rather, the Housing Element works within the framework of the General Plan, which establishes the type and amount of future residential development permitted in the County.

Implementation of this program will enhance the County's ability to facilitate the development of a mixture of residential uses, which is consistent with the goals identified in the General Plan. In addition, the program will assist the County in meeting goals related to housing rehabilitation, community image, and infrastructure. Thus, the proposed project is consistent with the goals, policies, and objectives of the adopted General Plan. As an element of the General Plan, the Housing Element is itself a revision to the General Plan, updating goals, policies, and programs related to housing production in the County. The Project includes a program to revise other elements of the General Plan and zoning ordinance to ensure compliance with proposed changes to the Housing Element.

No habitat conservation plans or natural community conservation plans exist in the project area. No impact will result. Both Yuba and Sutter Counties are in the process of preparing a joint Yuba-Sutter Natural Community Conservation Plan/Habitat Conservation Plan (Yuba Sutter Resource Conservation Plan). While the project site is located within the proposed boundaries of the plan, no conservation strategies have been proposed to date which would be in conflict with

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the project. Thus, the impacts to Land Use and Planning are considered to be *less than significant*.

XI. MINERAL RESOURCES	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:				
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion/Conclusion/Mitigation:

a) and b) *No Impact*- Exhibit GS-5, Mineral Resource Locations, of the Yuba County 2030 General Plan Geology and Soils Background Report, identify known and expected mineral resources within Yuba County, respectively. The proposed project will not result in the loss of known mineral resources. *No impact* will result.

XII. NOISE	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project result in:				
a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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XII. NOISE	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project result in:				
f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Discussion/Conclusion/Mitigation:

a) thru f) *Less Than Significant Impact* – The Housing Element is not expected to significantly increase noise levels within the County. Several specific programs call for construction activities, including rehabilitation programs, abatement of substandard housing, and promoting infill development. Construction activities resulting from these programs will generate noise, and will also be subject to future environmental review, as determined by the County. Rehabilitation and infill developments were considered in the General Plan Noise Element, as well as the General Plan EIR. Overall, noise impacts associated with the implementation of the 2013-2021 Housing Element are expected to be similar to those anticipated under the General Plan.

XIII. POPULATION AND HOUSING	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:				
a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Discussion/Conclusion/Mitigation:

a) thru c) *Less Than Significant Impact* – The Housing Element contains programs and policies to address the County's future housing needs by encouraging housing that provides diversity in type and price.

In order to adequately address future housing need for lower-income households, the Housing Element includes a variety of programs to facilitate the production of needed housing, including rehabilitation, promotion of infill, allowance of special needs housing in agricultural areas, and others. This has the potential to induce additional population growth in a particular area (such as the Olivehurst Specific Plan area or portions of the Plumas Lake or East Linda Specific Plan areas). However, the total amount of increased growth is considered less than significant in relation to the current General Plan buildout and sites will be identified within areas already

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identified for development within the current General Plan. No specific development is included as part of the proposed Project. The impact is *less than significant*.

XIV. PUBLIC SERVICES

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project result in:				
Substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:				
a) Fire protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Police protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Schools?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Parks?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Other public facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Discussion/Conclusion/Mitigation:

- a) thru e) *Less Than Significant Impact* – Implementation of the proposed Project, specifically programs related to infill development and increasing residential densities, has the potential to increase the impacts to local services. Increasing density and promoting infill can affect the number of residents in a particular area of the County, thus requiring redistribution or other changes to police and fire patrols and services. Alterations in residential locations could also change parks and school usage demands. Furthermore, future development proposals will be required to pay all applicable fees (including park fees and development impact fees) to offset potential impacts on public services. Given the scope of these programs and the lack of any significant overall population increase beyond what is considered in the General Plan EIR, the impacts will be *less than significant*.

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XV. RECREATION

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:				
a) Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Discussion/Conclusion/Mitigation:

- a) and b) *Less Than Significant Impact* – Implementation of the proposed Project has the potential to increase the number of users of particular parks and recreational facilities. However, future development proposals will be required to pay all applicable fees (including park fees and development impact fees) to address any potential impacts on recreation services and resources. Given the limited scope of programs altering future development patterns, the level of impact will be *less than significant*.

XVI. TRANSPORTATION/TRAFFIC

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:				
a) Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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XVI. TRANSPORTATION/TRAFFIC		Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:					
e)	Result in inadequate emergency access?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f)	Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Discussion/Conclusion/Mitigation:

a) thru f) *Less Than Significant Impact* – The Project does not propose specific alterations to the transportation and circulation network within the County, nor does it call for specific developments that could overburden existing or planned roadways. Certain policies and programs designed to promote infill development and increase densities in high-density residential areas have the potential to increase traffic along particular roadways and intersections in the vicinity of new developments. These changes have the potential to negatively impact these roads and intersections. The degree of increase in traffic generated as a result of these programs is likely to be minimal, and the potential environmental impacts of such increases are not likely to be sufficient to cause a reduction in level of service or create an unacceptable volume to capacity ratio. Traffic mitigation fees are in place to offset project-specific impacts to roadways as well.

No specific development project is included as part of the proposed project and therefore no impact on emergency access or parking capacity will result. The specific future development proposals will be reviewed to address any potential traffic and circulation impacts, and mitigation will be required as appropriate. The proposed project supports adopted policies and plans related to alternative transportation.

Mixed-use development has the benefit of potentially reducing both work and non-work related trips by future residents in the area due to their proximity to local jobs and services, and a decrease in overall Vehicle Miles Traveled (VMT). Also, since the County is attempting to encourage and facilitate multi-family development, and since multi-family development generates a lower per-unit level of traffic, the County could meet its regional housing need while creating fewer automobile trips than would be the case if the Housing Element were not implemented. Finally, higher-density housing development, which is encouraged by the Housing Element, could be served by a future transit system which would also be beneficial to reduction in total vehicle trips on the County road system. The overall result of the impacts will be *less than significant*.

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XVII. UTILITIES AND SERVICE SYSTEMS

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
g) Comply with federal, state, and local statutes and regulations related to solid waste?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Discussion/Conclusion/Mitigation:

a) thru g) *Less Than Significant Impact* – The policies and programs set forth in the Housing Element have the potential to alter water and sewer needs in the County. The promotion of infill, change in permitted uses in agricultural zones, and increases in multi-family densities have the potential to create additional demand in some areas affected by the policies and programs. Also, this project does call for a program to identify additional sites for rezoning, although the total amount of increased growth is considered less than significant in relation to the current General Plan buildout and sites will be identified within areas already identified for development. These additional demands are not anticipated to cause local water or sewer service providers to exceed their ability to effectively serve the local population. Impact fees have been established requiring new residential developments to offset the costs of utility services, and assurances of proper water and sewer service are required as part of the development review process in the County. The resulting impacts to water and sewer service systems is expected to be less than significant.

INITIAL STUDY/MITIGATED NEGATIVE DECLARATION

Changes in location of new development could also alter the location of disposal of refuse, changing the potential service life of area landfills. This impact is expected to be minimal and *less than significant*.

XVIII. MANDATORY FINDINGS OF SIGNIFICANCE

NOTE: If there are significant environmental impacts which cannot be mitigated and no feasible project alternatives are available, then complete the mandatory findings of significance and attach to this initial study as an appendix. This is the first step for starting the environmental impact report (EIR) process.

	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
Does the project:				
a) Have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Discussion/Conclusion/Mitigation:

a) thru c) *Less Than Significant with Mitigation Incorporated* – The Housing Element of the Yuba County General Plan is a five-year policy document established to address the State's housing goal of providing a decent home and suitable living environment for every resident. The Housing Element itself does not propose any specific development project. Rather, it sets forth the County's strategy for facilitating housing development and maintaining existing housing. All potential environmental impacts have been considered in this Initial Study, and found to be less than significant. Contributions to cumulative impacts, specifically air quality, have been mitigated through the incorporation of mitigation measures **MM3.1 and, MM3.2**. All others are considered less than significant.

REFERENCES

1. Yuba County 2030 General Plan. AECOM. June 2011
2. Yuba County 2030 General Plan Final Environmental Impact Report. AECOM. June 2011.
3. Yuba County. County of Yuba Title XII Zoning Ordinance.

INITIAL STUDY/MITIGATED NEGATIVE DECLARATION

4. Yuba County Important Farmland Map 2010. California Department of Conservation.
5. Yuba County Improvement Standards.
6. California Department of Toxic Substances Control. Hazardous Waste and Substances Sites List. www.dtsc.ca.gov/database/Calsites/Cortese_List.cfm
7. Ewing & Cervero, "Travel and the Built Environment: A Synthesis," Transportation Research Record 1780, Paper No. 01-3515.
8. Cervero, R., and K. Kockelman. Travel Demand and the 3Ds: Density, Diversity, and Design. Transportation Research D, Vol. 2, 1997, pp. 199-219.

ATTACHMENTS

1. Mitigation and Monitoring Plan

**MITIGATION MONITORING PLAN FOR:
GPA2012-0001 (Yuba County 2013-2021 Housing Element)**

<u>Mitigation Measure 3.1</u> The most current FRAQMD Standard Mitigation Measures applicable to construction activities shall be incorporated as part of the project.		
Initiation Prior to issuance of grading permits, improvement plans, or building permits	Monitoring Duration Frequency Once to verify compliance	
	Verification Yuba County Community Development & Services Agency	
Mitigation Completion Upon satisfactory compliance		
Performance Criteria	Verification Cost	Date Complete

**MITIGATION MONITORING PLAN FOR:
GPA2012-0001 (Yuba County 2013-2021 Housing Element)**

Mitigation Measure 3.2

To mitigate impacts of construction vehicle and equipment emissions during construction, the following Mitigation Measures shall be incorporated as part of the project and included in all construction bid documents:

1. Water inactive construction sites and exposed stockpile sites at least twice daily.
2. Pursuant to California Vehicle Code, all trucks hauling soil and other loose material to and from the construction site shall be covered or should maintain at least 6 inches of freeboard (i.e. minimum vertical distance between top of load and the trailer).
3. Any topsoil that is removed for the construction operation shall be stored on-site in piles not to exceed 4 feet in height to allow development of microorganisms prior to replacement of soil in the construction area. These topsoil piles shall be clearly marked and flagged. Topsoil piles that will not be immediately returned to use shall be revegetated with a non-persistent erosion control mixture.
4. Soil piles for backfill shall be marked and flagged separately from native topsoil stockpiles. These soil piles shall also be surrounded by silt fencing, straw wattles, or other sediment barriers or covered unless they are to be immediately used.

Equipment or manual watering shall be conducted on all stockpiles, dirt/gravel roads, and exposed or disturbed soil surfaces, as necessary, to reduce airborne dust..

Initiation Prior to issuance of grading permits, improvement plans, or building permits	Monitoring Duration Frequency Once to verify compliance at construction compliance
Mitigation Completion Upon satisfactory compliance	Verification Community Development and Services Agency, Planning Department
Performance Criteria	Verification Cost
	Date Complete



EDMUND G. BROWN JR.
GOVERNOR

MATTHEW RODRIGUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

Central Valley Regional Water Quality Control Board

13 December 2013

Wendy Hartman
Yuba County
915 8th Street, Suite 123
Marysville, CA 95901

CERTIFIED MAIL
7012 2210 0002 1419 6226

COMMENTS TO REQUEST FOR REVIEW FOR THE DRAFT MITIGATED NEGATIVE DECLARATION, 2013-2021 HOUSING ELEMENT PROJECT, SCH NO. 2013112052, YUBA COUNTY

Pursuant to the State Clearinghouse's 21 November 2013 request, the Central Valley Regional Water Quality Control Board (Central Valley Water Board) has reviewed the *Request for Review for the Draft Mitigated Negative Declaration* for the 2013-2021 Housing Element Project, located in Yuba County.

Our agency is delegated with the responsibility of protecting the quality of surface and groundwaters of the state; therefore our comments will address concerns surrounding those issues.

Construction Storm Water General Permit

Dischargers whose project disturb one or more acres of soil or where projects disturb less than one acre but are part of a larger common plan of development that in total disturbs one or more acres, are required to obtain coverage under the General Permit for Storm Water Discharges Associated with Construction Activities (Construction General Permit), Construction General Permit Order No. 2009-009-DWQ. Construction activity subject to this permit includes clearing, grading, grubbing, disturbances to the ground, such as stockpiling, or excavation, but does not include regular maintenance activities performed to restore the original line, grade, or capacity of the facility. The Construction General Permit requires the development and implementation of a Storm Water Pollution Prevention Plan (SWPPP).

For more information on the Construction General Permit, visit the State Water Resources Control Board website at:
http://www.waterboards.ca.gov/water_issues/programs/stormwater/constpermits.shtml.

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DEC 16 2013

COMMUNITY DEVELOPMENT
& SERVICES AGENCY

KARL E. LONGLEY SCD, P.E., CHAIR | PAMELA C. CREEDON P.E., BCEE, EXECUTIVE OFFICER

11020 Sun Center Drive #200, Rancho Cordova, CA 95670 | www.waterboards.ca.gov/centralvalley

Phase I and II Municipal Separate Storm Sewer System (MS4) Permits¹

The Phase I and II MS4 permits require the Permittees reduce pollutants and runoff flows from new development and redevelopment using Best Management Practices (BMPs) to the maximum extent practicable (MEP). MS4 Permittees have their own development standards, also known as Low Impact Development (LID)/post-construction standards that include a hydromodification component. The MS4 permits also require specific design concepts for LID/post-construction BMPs in the early stages of a project during the entitlement and CEQA process and the development plan review process.

For more information on which Phase I MS4 Permit this project applies to, visit the Central Valley Water Board website at:

http://www.waterboards.ca.gov/centralvalley/water_issues/storm_water/municipal_permits/.

For more information on the Phase II MS4 permit and who it applies to, visit the State Water Resources Control Board at:

http://www.waterboards.ca.gov/water_issues/programs/stormwater/phase_ii_municipal.shtml

Industrial Storm Water General Permit

Storm water discharges associated with industrial sites must comply with the regulations contained in the Industrial Storm Water General Permit Order No. 97-03-DWQ.

For more information on the Industrial Storm Water General Permit, visit the Central Valley Water Board website at:

http://www.waterboards.ca.gov/centralvalley/water_issues/storm_water/industrial_general_permits/index.shtml.

Clean Water Act Section 404 Permit

If the project will involve the discharge of dredged or fill material in navigable waters or wetlands, a permit pursuant to Section 404 of the Clean Water Act may be needed from the United States Army Corps of Engineers (USACOE). If a Section 404 permit is required by the USACOE, the Central Valley Water Board will review the permit application to ensure that discharge will not violate water quality standards. If the project requires surface water drainage realignment, the applicant is advised to contact the Department of Fish and Game for information on Streambed Alteration Permit requirements.

If you have any questions regarding the Clean Water Act Section 404 permits, please contact the Regulatory Division of the Sacramento District of USACOE at (916) 557-5250.

¹ Municipal Permits = The Phase I Municipal Separate Storm Water System (MS4) Permit covers medium sized Municipalities (serving between 100,000 and 250,000 people) and large sized municipalities (serving over 250,000 people). The Phase II MS4 provides coverage for small municipalities, including non-traditional Small MS4s, which include military bases, public campuses, prisons and hospitals.

Clean Water Act Section 401 Permit – Water Quality Certification

If an USACOE permit, or any other federal permit, is required for this project due to the disturbance of waters of the United States (such as streams and wetlands), then a Water Quality Certification must be obtained from the Central Valley Water Board prior to initiation of project activities. There are no waivers for 401 Water Quality Certifications.

Waste Discharge Requirements

If USACOE determines that only non-jurisdictional waters of the State (i.e., "non-federal" waters of the State) are present in the proposed project area, the proposed project will require a Waste Discharge Requirement (WDR) permit to be issued by Central Valley Water Board. Under the California Porter-Cologne Water Quality Control Act, discharges to all waters of the State, including all wetlands and other waters of the State including, but not limited to, isolated wetlands, are subject to State regulation.

For more information on the Water Quality Certification and WDR processes, visit the Central Valley Water Board website at:

http://www.waterboards.ca.gov/centralvalley/help/business_help/permit2.shtml.

If you have questions regarding these comments, please contact me at (916) 464-4684 or tleak@waterboards.ca.gov.



for Trevor Cleak
Environmental Scientist

cc: State Clearinghouse Unit, Governor's Office of Planning and Research, Sacramento

**BEFORE THE COUNTY OF YUBA
BOARD OF SUPERVISORS**

RESOLUTION ADOPTING INITIAL)
STUDY/MITIGATED NEGATIVE)
DECLARATION & THE 2013 – 2021)
HOUSING ELEMENT OF THE YUBA) RESOLUTION NO.: _____
COUNTY GENERAL PLAN – GPA2013-0001)

WHEREAS, State Law (Government Code Section 65300) requires Yuba County to prepare and adopt a General Plan to guide the future development of the County; and

WHEREAS, the General Plan must contain certain elements including a Housing Element which sets forth goals, policies and programs to encourage the development of housing for all income groups and persons with special needs; and

WHEREAS, the Yuba County General Plan serves as the constitution for development and expresses the County's development goals and embodies public policy relative to the distribution of future land uses, both public and private; and,

WHEREAS, the Housing Element of the Yuba County General Plan provides the County with a coordinated and comprehensive strategy for promoting the production of safe, decent, and affordable housing which is a priority of State and local government; and,

WHEREAS, the Housing Element serves as the data and policy document guiding the overall improvement and development of housing and contains a profile and analysis of the County's demographics, housing characteristics, and existing and future housing needs; an analysis of constraints to housing production and maintenance, such as market, governmental, and environmental factors affecting the County's ability to meet identified housing needs; an identification of resources to meet housing needs, including vacant or underutilized land for new construction, as well as financial and administrative resources available for housing; and the County's housing strategy to address identified housing needs, including an assessment of past accomplishments, and a formulation of housing goals, policies, and programs; and,

WHEREAS, the Yuba County Community Development & Services Agency has initiated and caused to be prepared a Housing Element update for the period of 2013 to 2021; and,

WHEREAS, the Community Development and Services Agency of the County of Yuba has conducted an Initial Study for the Project and concluded that the Project would not result in

any significant adverse environmental impacts provided the mitigation measures that are incorporated into the Mitigation Monitoring Plan are implemented; and

WHEREAS, the Community Development and Services Agency of the County of Yuba has provided due notice of a public hearing before the Board of Supervisors of the County of Yuba and the intent to adopt the Mitigated Negative Declaration and Mitigation Monitoring Plan for the Project in accordance with the California Environmental Quality Act; and

WHEREAS, all documents and materials which constitute the record of proceedings upon which the intent to adopt the Mitigated Negative Declaration and Mitigation Monitoring Plan for the Project are in custody of and located at the Planning Department, 915 8th Street, Suite 123, Marysville, CA 95901.

WHEREAS, following notice and public hearing, the Yuba County Planning Commission has recommended that this Board adopt the Mitigated Negative Declaration and approve the 2013-2021 Housing Element of the Yuba County General Plan certifying that it is in compliance with Article 10.6 of the Government Code (Sections 65580-65590); and

WHEREAS, the Board of Supervisors conducted duly noticed public hearing on the 2013-2021 Housing Element of the Yuba County General Plan; and

WHEREAS, the Board of Supervisors finds that the Housing Element substantially complies with the requirements of Article 10.6 of the California Government Code for the following reasons:

1. The 2013-2021 Housing Element identified adequate sites as necessary to conform with the requirements of California Government Code section 65580-65589.5 and to meet the County's share of regional housing needs as identified in the Sacramento Area Council of Governments Regional Housing Needs Plan for the period 2008-2013;
2. The Housing Element describes the County's efforts to encourage participation by all segments of the public, including low and moderate income residents;
3. The Housing Element describes the County's on and off-site improvement requirements and determined that these requirements do not represent a constraint to housing development;
4. The Housing Element describes the availability of public services and facilities to meet future housing construction needs; and

5. The Housing Element contains goals, policies, programs, and quantified objectives to meet existing and projected housing needs as required by the California Government Code.
6. The Housing Element is consistent with the other elements of the Yuba County General Plan; and

WHEREAS, based on an adequate initial study prepared for the project in accordance with the California Environmental Quality Act of 1970 (CEQA), and the CEQA Guidelines, the Board of Supervisors finds implementation of the 2013 – 2021 Housing Element will not have a significant effect on the environment and having released this initial determination for the mandated public review period and after having conducted duly noticed public hearings, the Board of Supervisors concurs with issuing a Mitigated Negative Declaration for the project; and

NOW, THEREFORE BE IT RESOLVED that the Board of Supervisors of the County of Yuba makes the following specific findings based on the evidence presented:

1. The County of Yuba has updated the General Plan Housing Element as necessary to conform with the requirements of California Government Code section 65580 – 65589.5 and to meet the County's share of regional housing needs as identified in the Sacramento Area Council of Governments Regional Housing Needs Plan for the period 2013 – 2021.
2. The Housing Element contains goals, policies, programs, and quantified objectives to meet existing and projected housing needs as required by the California Government Code.
3. The Housing Element is consistent with the other elements of the Yuba County General Plan.
4. An Initial Study has determined that the implementation of the Housing Element will not have significant effect on the environment and a Mitigated Negative Declaration was prepared in accordance with the requirements of the California Environmental Quality Act of 1970 (CEQA), and the CEQA Guidelines.

NOW, THEREFORE, BE IT FURTHER RESOLVED that based on these findings, the Board of Supervisors of the County of Yuba hereby adopts the 2013 – 2021 Housing Element of the Yuba County General Plan.

PASSED AND ADOPTED at a regular meeting of the Board of Supervisors of the County of Yuba, State of California on the _____ Day of _____, 20____, by the following vote:

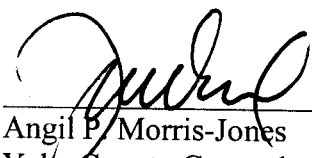
AYES:
NOES:
ABSENT:
ABSTAIN:

Yuba County Board of Supervisors Chair

ATTEST:

APPROVED AS TO FORM:

Donna Stottlemeyer
Clerk of the Board of Supervisors



Angil P. Morris-Jones
Yuba County Counsel



State of California – Natural Resources Agency
DEPARTMENT OF FISH AND WILDLIFE
Wildlife Branch
1812 Ninth Street
Sacramento, CA 95811
(916)445-3406

EDMUND G. BROWN JR., Governor
CHARLTON H. BONHAM, Director

012-14



December 10, 2013

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DEC 11 2013

Yuba County Board of Supervisors
915 8TH Street Suite 109
Marysville, CA 95901

Clerk/Board of Supervisors
cc: Fish & Game Advisory
Committee

Dear Supervisors:

This is to inform you of the Department of Fish and Wildlife's intent to recommend to the Fish and Game Commission the following 2014-15 deer hunt(s):

- G-19 Sutter-Yuba Wildlife Areas Either-Sex Deer Hunt
- J-8 Daugherty Hill Wildlife Area Apprentice Either-Sex Deer Hunt
- J-16 Bucks Mountain-Nevada City Apprentice Either-Sex Deer Hunt
- J-17 Blue Canyon Apprentice Either-Sex Deer Hunt

The 2013 tag quota for the subject hunt(s) were as follows: G-19 = 25; J-8 = 15; J-16 = 75; J-17 = 25. The recommendation for the attached proposal(s) will be formally received by the Commission at its December 11, 2013 meeting. Please note that the recommendation(s) do not identify a specific tag quota but rather a range of tags at this time. A final recommendation (within this range of tags) based on herd performance and harvest results will be provided to the Fish and Game Commission for adoption at its April, 2014 meeting.

Pursuant to sections 458 and 459 of the Fish and Game Code, you are hereby notified of the Department's recommendation affecting your county. In order to object or modify the proposal, the Board of Supervisors must accept public testimony or other information at a public hearing prior to February 1 to assist in the decision making process. Any objections or recommendations for change must be by resolution and received in writing by the Department no later than January 31. Any objections or recommendations for change received after this date will not be considered. If the Board does not wish to exercise this veto authority, it is not necessary to hold a public hearing in consideration of this matter. If no response is received by this date, the Department will consider the proposal approved and proceed with the regulatory process to implement the hunt.

Attached is the proposed regulatory language for above described hunt(s). If you have any questions regarding this recommendation, please contact Mary Sommer at (916) 445-3549 or at the letterhead address above. Comments and recommendations related to the proposal(s) may be provided to the Fish and Game Commission at 1416 Ninth Street, Sacramento, California 95814.

We look forward to your cooperation in managing our deer resources.

Sincerely,

Craig Stowers
Eric Loft, Chief *EL*

Wildlife Branch

Attachment(s)

cc: Fish and Game Commission
Sacramento, California

ec: Tina Bartlett, Regional Manager
Department of Fish and Wildlife
Rancho Cordova, California

§360. Deer.

Except as otherwise provided in this Title 14, deer may be taken only as follows:

(c) Additional Hunts

(30) J-8 (Daugherty Hill Wildlife Area Apprentice Either-Sex Deer Hunt).

(A) Area: That portion of Yuba County within the exterior boundaries of the Daugherty Hill Wildlife Area (as defined in Section 550, Title 14, CCR).

(B) Season: The season for additional hunt J-8 (Daugherty Hill Wildlife Area Apprentice Either-Sex Deer Hunt) shall open on the first Saturday in December and extend through December 31.

(C) Bag and Possession Limit: One either-sex deer (see subsection 351(c)) per tag.

(D) Number of Tags: ~~45~~10-20.

(E) Special Conditions:

1. Only junior license holders shall apply (see subsection 708.2).

2. Tagholders shall be accompanied by an adult chaperon 18 years of age or older while hunting.

§360. Deer.

Except as otherwise provided in this Title 14, deer may be taken only as follows:

(c) Additional Hunts

(11) G-19 (Sutter-Yuba Wildlife Areas Either-Sex Deer Hunt).

(A) Area: Those portions of Yuba and Sutter counties within the exterior boundaries of: (1) the Feather River Wildlife Area, and (2) the Sutter Bypass Wildlife Area (as defined in Section 550, Title 14, CCR).

(B) Season: The season for additional hunt G-19 (Sutter-Yuba Wildlife Areas Either-Sex Deer Hunt) shall open on the fourth Saturday in September and extend through December 31.

(C) Bag and Possession Limit: One either-sex deer (see subsection 351(c)) per tag.

(D) Number of Tags: ~~25~~10-50.

(E) Special Conditions: Only archery equipment and crossbows (as specified in Section 354) and shotguns and ammunition (as specified in Section 353) may be used.

§360. Deer.

Except as otherwise provided in this Title 14, deer may be taken only as follows:

(c) Additional Hunts

(39) J-17 (Blue Canyon Apprentice Either-Sex Deer Hunt).

(A) Area: Excluding Colusa County, in those portions of Nevada, Placer, Sacramento, Sutter, Yolo and Yuba Counties within the area described as zone D-4 (see subsection 360(a)(4)(A)2).

(B) Season: The season for additional hunt J-17 (Blue Canyon Apprentice Either-Sex Deer Hunt) shall be concurrent with the zone D-4 general season as defined in subsection 360(a)(4)(B).

(C) Bag and Possession Limit: One either-sex deer (see subsection 351(c)) per tag.

(D) Number of Tags: 5-25.

(E) Special Conditions:

1. Only junior license holders shall apply (see subsection 708.2).

2. Tagholders shall be accompanied by an adult chaperon 18 years of age or older while hunting.

§360. Deer.

Except as otherwise provided in this Title 14, deer may be taken only as follows:

(c) Additional Hunts

(38) J-16 (Bucks Mountain-Nevada City Apprentice Either-Sex Deer Hunt).

(A) Area: Excluding Butte, Colusa and Glenn Counties, in those portions of Nevada, Placer, Plumas, Sierra, Sutter and Yuba Counties within the area described as zone D-3 (see subsection 360(a)(4)(A)1.).

(B) Season: The season for additional hunt J-16 (Bucks Mountain-Nevada City Apprentice Either-Sex Deer Hunt) shall be concurrent with the zone D-3 general season as defined in subsection 360(a)(4)(B).

(C) Bag and Possession Limit: One either-sex deer (see subsection 351(c)) per tag.

(D) Number of Tags: 10-75.

(E) Special Conditions:

1. Only junior license holders shall apply (see subsection 708.2).

2. Tagholders shall be accompanied by an adult chaperon 18 years of age or older while hunting.

The County of Yuba

013-14

AUDITOR - CONTROLLER



C. RICHARD EBERLE, CPA

915 8th Street, Suite 105
Marysville, CA 95901-5273
(530) 749-7810

December 13, 2013

Board of Supervisors
County of Yuba
915 8th Street Suite 109
Marysville CA 95901

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DEC 18 2013

Clerk/Board of Supervisors

Honorable Members:

An Independent Audit of the financial records for the following agency has been completed for the year(s) specified:

WHEATLAND CEMETERY DISTRICT

JUNE 30, 2012

Yours truly,

C. Richard Eberle, CPA,
Auditor-Controller

CRE/mrj
Enclosure (1)

BOS CORRESPONDENCE B

**WHEATLAND CEMETERY DISTRICT
FINANCIAL STATEMENTS
JUNE 30, 2012**

**WHEATLAND CEMETERY DISTRICT
JUNE 30, 2012
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P.O. Box 160
661 5th Street, Suite 101
Lincoln, CA 95648
Office (916) 434-1662
Fax (916) 434-1090

INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of Directors
Wheatland Cemetery District
Wheatland, California

We have audited the accompanying financial statements of the governmental activities and the major funds of Wheatland Cemetery District (District), as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

Government Accounting Standards Board pronouncement number 34 requires the District to capitalize all assets. The District has capitalized all assets with the exception of the cemetery land, as described in Note 4. The land was donated to the District in the early pioneer days of California with the restriction it only be used as a cemetery, and there is no way to readily ascertain the value of this land.

In our opinion, except for the effects of adjustments, if any, as might have been determined to be necessary had the land value referred to in the previous paragraph been susceptible to satisfactory audit tests, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities and the major funds of the District, as of June 30, 2012 and the

respective changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and budgetary comparison information on pages 3 through 5 and 15 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted primarily of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



Jensen Smith
Certified Public Accountants
Lincoln, California
October 15, 2013

**WHEATLAND CEMETERY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2012**

Our discussion and analysis of Wheatland Cemetery District's (hereafter referred to as the District) financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2012.

FINANCIAL HIGHLIGHTS

The financial statements included in this report provide insight into the financial status for the year.

Governmental Funds Statement Highlights:

- The District's assets exceeded its liabilities by \$134,496 (fund balance) at June 30, 2012. This is a decrease of \$8,768 from last year.
- During the year the effects of the District's Activities can be summarized as follows:

<u>Governmental Fund Activities</u>		<u>Government-wide Activities</u>	
Revenues	\$98,782	Revenues	\$ 98,782
Expenditures	<u>107,550</u>	Expenditures	<u>112,535</u>
Surplus (Deficit)	<u>\$ (8,768)</u>	Surplus (Deficit)	<u>\$ (13,753)</u>

For Governmental Fund Activities this was an overall decrease in the surplus of \$8,768. For the Government-wide Activities this was an overall decrease in the surplus of \$13,753.

- Resources available for appropriation, which includes the prior year's ending unreserved fund balance plus the current change in the unassigned fund balance, for governmental activities was \$48,036.

Using this Annual Report - Overview of the Financial Statements

This report consists of two combined financial statements. The Governmental Funds Balance Sheet/Statement of Net Assets and the Statement of Revenue, Expenditures and Changes in Fund Balance/Statement of Activities (Pages 6 and 7) illustrate how the governmental type activities were financed in the short term, as well as what remains for future spending. The columns of these statements titled Statement of Net Assets, and Statement of Activities provide information about the financial activities of the District as a whole and a longer view of the District's finances.

Government-wide Financial Statements and Fund Financial Statements

The District has two governmental funds: a General Fund that is its operating fund and an Endowment Fund used to account for deposits to the Endowment Care Trust Fund. This endowment fund was authorized under Section 8890 of the State Health and Safety Code and is established to provide perpetual care of cemetery plots.

The government-wide financial statements and the fund financial statements have been combined. The government-wide information is included in the columns Statement of Net Assets and the Statement of Activities, on pages 6 and 7, and is designed to provide readers with a broad overview of the District as a whole and about its activities for the current period. They include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting methods used in the private sector. In this method, all of the current year's revenues and expenses are taken into account regardless of when cash is paid or received.

The fund financial statement information is included in the columns General, Endowment and Total. This information focuses on how money flows into and out of the fund and the balance left at period end that is available for spending. The fund is reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund information provides a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer resources that can be spent in the near future. At June 30, 2012, the differences between the governmental activities (government-wide information) and governmental funds (fund information) represent capitalized assets and depreciation on those assets.

The District's Funds - Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, the unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The general fund is the chief operating fund of the District. At the end of the twelve-month period ended June 30, 2012, the unassigned balance of the general fund was \$48,036. This amount constitutes a balance that is available for spending at the District's discretion. At June 30, 2012, the restricted fund balance was \$86,460. As described above, this restricted fund balance is reserved for the perpetual care of the cemetery plots.

As the District completed the year, its government funds reported an overall ending fund balance of \$134,496.

BUDGET

The District adopts a preliminary budget each year at its monthly board meeting in May. The final budget is adopted at the quarterly meeting in September. The District budgets for expenditures, but does not prepare a budget for revenues. For fiscal year 2011-2012 the preliminary budget was adopted at \$259,515 for expenditures, and no changes to the budget were made during the year. Actual expenditures for fiscal year 2011-2012 were \$107,550. See page 15 for the budget to actual comparison.

FIXED ASSETS AND DEPRECIATION

At the end of the fiscal year, the District had \$76,841 invested in capital assets, net of accumulated depreciation.

This total is further broken down into the following categories:

Buildings, Structures, & Improvements	\$ 88,474
Equipment	\$ 40,685
Less Accumulated Depreciation	(\$ 52,318)

More detailed information about the District's capital assets is presented in Note 4 of the financial statements.

FUND CASH BALANCES

The majority of the District's funds are held on deposit with the County of Yuba. Interest generated by these funds is automatically deposited in the account.

The District's general operating cash account showed a decrease of \$13,863. This is due to the decrease in net assets as recorded in the Statement of Activities. The endowment cash account showed an increase of \$3,218 during the fiscal year. The balances for each of these accounts at June 30, 2012 were \$57,352 and \$86,147, respectively.

ECONOMIC FACTORS AND NEXT YEARS BUDGET

The District expects no significant changes in economic factors that would affect revenue in the upcoming year.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. Any questions about this report or requests for additional information may be directed to Holly Welch, District Manager, P.O. Box 214, Wheatland, California 95962.

WHEATLAND CEMETERY DISTRICT
GOVERNMENTAL FUNDS BALANCE SHEET/STATEMENT OF NET ASSETS
JUNE 30, 2012

	GOVERNMENTAL FUNDS				Statement of
	General	Endowment	Total	Adjustments	Net Assets
<u>Assets</u>					
Cash in County Investment Pool	\$ 57,352	\$ 86,147	\$ 143,499	\$ -	\$ 143,499
Cash in Banks	456	-	456	-	456
Interest Receivable	238	313	551	-	551
Capital Assets - net of accumulated depreciation	-	-	-	76,841	(1) 76,841
Total Assets	<u>\$ 58,046</u>	<u>\$ 86,460</u>	<u>\$ 144,506</u>	<u>76,841</u>	<u>221,347</u>
<u>Liabilities & Fund Balances</u>					
Liabilities:					
Accounts Payable	\$ 3,420	\$ -	\$ 3,420	-	3,420
Payroll & Payroll Taxes Payable	6,590	-	6,590	-	6,590
Total Liabilities	<u>10,010</u>	<u>-</u>	<u>10,010</u>	<u>-</u>	<u>10,010</u>
Fund Balances:					
Unassigned	48,036	-	48,036	(48,036)	-
Restricted	-	86,460	86,460	(86,460)	-
Total Fund Balances	<u>48,036</u>	<u>86,460</u>	<u>134,496</u>	<u>(134,496)</u>	<u>-</u>
Total Liabilities & Fund Balances	<u>\$ 58,046</u>	<u>\$ 86,460</u>	<u>\$ 144,506</u>	<u>(134,496)</u>	<u>10,010</u>
Net Assets:					
Invested in Capital Assets - net of accumulated depreciation				76,841	76,841
Unrestricted				48,036	48,036
Restricted				86,460	86,460
Total Net Assets				<u>\$ 211,337</u>	<u>\$ 211,337</u>

(1) Capital assets used in the governmental activities are not financial resources and therefore are not reported in the governmental funds activities.

See accompanying notes.

WHEATLAND CEMETERY DISTRICT
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES/ STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012

	GOVERNMENTAL FUNDS				Statement of
	General	Endowment	Total	Adjustments	Activities
Revenues:					
Taxes	\$ 88,718	\$ -	\$ 88,718	\$ -	\$ 88,718
Interest	743	1,515	2,258	-	2,258
Charges for Services	5,790	2,016	7,806	-	7,806
Total Revenues	<u>95,251</u>	<u>3,531</u>	<u>98,782</u>	<u>-</u>	<u>98,782</u>
Expenditures:					
Current General Governmental:					
Salaries and Benefits	69,493	-	69,493	-	69,493
Payroll Taxes	7,698	-	7,698	-	7,698
Housekeeping & Uniforms	1,660	-	1,660	-	1,660
Insurance	6,780	-	6,780	-	6,780
Maintenance - Equipment	3,521	-	3,521	-	3,521
Maintenance - Grounds	2,680	-	2,680	-	2,680
Office Supplies	879	-	879	-	879
Professional Fees	4,388	-	4,388	-	4,388
Small Tools & Improvements	81	-	81	-	81
Special District Expense	2,537	-	2,537	-	2,537
Transportation	618	-	618	-	618
Utilities	5,199	-	5,199	-	5,199
Capital Outlay	2,016	-	2,016	(2,016)	(1) -
Depreciation	-	-	-	7,001	(2) 7,001
Total Expenditures	<u>107,550</u>	<u>-</u>	<u>107,550</u>	<u>4,985</u>	<u>112,535</u>
Excess (Deficiency) of Revenues over Expenditures	(12,299)	3,531	(8,768)	8,768	-
Change in Net Assets				(13,753)	(13,753)
Fund Balances/Net Assets:					
Beginning of the year	60,335	82,929	143,264	-	225,090
End of the year	<u>\$ 48,036</u>	<u>\$ 86,460</u>	<u>\$ 134,496</u>	<u>\$ -</u>	<u>\$ 211,337</u>

(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is capitalized as fixed assets.

(2) Depreciation is an expense reported in the statement of activities that does not require the use of current financial resources and therefore is not reported as an expenditure in the governmental funds activities.

See accompanying notes.

**WHEATLAND CEMETERY DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

**NOTE 1 – NATURE OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT
ACCOUNTING POLICIES**

Description of the Organization

The Wheatland Cemetery District (the District) is a special district appointed by the State of California and formed under Section 8900 of the Health and Safety Code. The District sells plots and provides internment services to District residents as well as non-residents meeting special criteria. The District also collects endowment care deposits to provide for future funding of cemetery care.

The District's primary source of revenue is property taxes collected by Yuba County. The Yuba County Treasurer maintains the District's funds and disburses these funds at the direction of the District's Board of Directors. Yuba County also maintains the District's accounting records.

The District is administered by a Board of Directors that acts as the authoritative and legislative body of the entity. The Board is comprised of three board members. Board members do not receive compensation for travel and attendance at board meetings. The District employs a salaried District Manager and Administrative Assistant to oversee the daily operations of the District.

Basis of Presentation and Accounting

Government-wide and Fund Financial Statement

The District has two governmental funds; a General Fund and an Endowment Fund and therefore combined the government-wide and fund financial statements. The government-wide financial statements information (i.e., the statement of net assets and the statement of activities) reports on the primary government (District) as a whole.

The General Fund is used to account for all financial resources except those required to be accounted for in another fund. The Endowment Fund is used to account for payments to the Endowment Care Fund. A fee is charged for each burial right sold by the District. The principal amounts of the fund may not be expended, but the earnings of the fund may be expended for the perpetual care of burial plots.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements by the provider have been met.

**WHEATLAND CEMETERY DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

**NOTE 1 – NATURE OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT
ACCOUNTING POLICIES – continued**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose the District considers revenues to be available if they are collected within sixty days after the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred as under accrual accounting.

Fund Accounting

The District uses funds to maintain its financial records during the year. At June 30, 2012, the District had two governmental funds as described above. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts.

Governmental Funds

Governmental funds are those through which most governmental functions typically are transacted. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance.

Fund Balances

The Government Accounting Standards Board (GASB) has issued Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54). This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories as noted below.

- **Nonspendable –**

This category includes elements of the fund balance that cannot be spent because of their form, or because they must be maintained intact. For example:

- Assets that will never convert to cash, such as prepaid items and inventories of supplies;
- Assets that will not convert to cash soon enough to affect the current period, such as non-financial assets held for resale; or
- Resources that must be held intact pursuant to legal or contractual requirements, such as revolving loan fund capital or the principal of an endowment.

**WHEATLAND CEMETERY DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

**NOTE 1 – NATURE OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT
ACCOUNTING POLICIES - CONTINUED**

Fund Balances - Continued

- **Restricted –**

This category includes resources that are subject to constraints that are externally enforceable legal restrictions. Examples include:

- Funding from the state, federal entities, or foundations that are legally restricted to specific uses. For example, funds advanced by a federal entity under specific agreements for services, or matching funds for specific initiatives.
- Funds legally restricted by county, state, or federal legislature, or a government's charter or constitution.
- Amounts collected from non-spendable items, such as the long term portion of loan outstanding, if those amounts are also subject to legal constraints.
- Funding that has been designated for legally enforceable contracts but not yet spent.

At June 30, 2012, the District has a restricted fund balance of \$86,460.

- **Committed –**

Two criteria determine the District's fund balance:

1. Use of funds is constrained by limits imposed by the government's highest level of decision making. The highest level of decision making for the District would be the Board of Directors.
2. Removal or modification of use of funds can be accomplished only by formal action of the authority (i.e., Board of Directors) that established the constraints.

Both commitments and modifications or removal must occur prior to the end of reporting period; that is, the fiscal year being reported upon.

- **Assigned –**

The assigned portion of the fund balance reflects the District's intended use of resources, which is established either by the Board of Directors, a body created by the Board, such as a finance committee, or an official designated by the Board. The "assigned" component is similar to the "committed" component, with two essential differences, shown in the following table:

**WHEATLAND CEMETERY DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

**NOTE 1 – NATURE OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT
ACCOUNTING POLICIES - CONTINUED**

Fund Balances - Continued

- **Assigned – continued**

Key Differences Between Committed and Assigned Fund Balance		
	Committed	Assigned
A decision to use funds for a specific purpose requires action of the Board of Directors	Yes	No
Formal action of the Board of Directors is necessary to impose, remove or modify this constraint and formal action has taken place before end of reporting period	Yes	No

Another key difference is that the purpose of the assignment must be narrower than the fund itself. Resources that fit into this category include:

- Appropriation of a portion of existing fund balance sufficient to eliminate a projected deficit in the subsequent year's budget.
 - Resources assigned to a specific program or project or organization for which the District has approved a plan or budget
 - Resources approved by the District for a long range financial plan where formal approval is not required to modify the amount.
- **Unassigned –**
This category includes the fund balance that cannot be classified into any of the other categories.

If situations arise where there is a possibility of assignment into more than one category, the committed amount will be reduced first, followed by assigned amounts and then unassigned amounts.

Budget

The Board provides for a budget for the general fund for the fiscal year from which operational expenditures are made during the year. It includes proposed annual expenditures; however, it is not required to adopt a budget for revenues.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**WHEATLAND CEMETERY DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

NOTE 1 – NATURE OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Fixed Assets

Purchased fixed assets are capitalized at historical cost. Donated fixed assets are recorded as contributions at their estimated fair market value. Such donations are recorded as unrestricted unless the donor has restricted the donated asset to a specific purpose. Maintenance and repairs are expensed when incurred, while betterments are capitalized and depreciated.

Depreciation is computed on the straight-line method over the estimated useful lives of the related assets.

As of June 30, 2012, the District had capital assets net of accumulated depreciation of \$76,841.

Cash

Most of the District's cash at June 30, 2012 is pooled for investment purposes and held by Yuba County. Interest is apportioned to the District based on the average daily balance on deposit with the County of Yuba.

NOTE 2 – SPECIAL TAX COLLECTIONS

Taxes are levied on November 1 of the fiscal year and can be paid in two equal installments. The first and second installments are due November 1 and February 1, respectively, and are considered delinquent if not paid before the close of business on December 10 and April 10, respectfully. After June 30, delinquent taxes are in tax default and a property lien attaches to the secured property the following fiscal year on March 1. Tax default property can be sold after five years.

NOTE 3 – CREDIT RISK, CARRYING VALUE AND MARKET VALUE OF INVESTMENTS

Most cash at June 30, 2012 is pooled for investment purposes and held by Yuba County. Interest is apportioned based on the average daily balances on deposit with the County of Yuba. The Yuba County Treasury is an external investment pool for the District and the District is considered an involuntary participant.

The investments made by the Treasurer are regulated by the California Government Code and by the County's investment policy. Investments are monitored by the Treasury Oversight Committee established by the County in accordance with Article 6 Section 27131 of the California Government Code. The oversight committee and the Board of Supervisors review and approve the investment policy annually.

**WHEATLAND CEMETERY DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

NOTE 3 – CREDIT RISK, CARRYING VALUE AND MARKET VALUE OF INVESTMENTS – continued

The District adopted Governmental Accounting Standards Board (GASB) Statement No. 31 “Accounting for Financial Reporting and Certain Investments and for External Investment Pools”

during 1998. This statement requires investments be carried at fair value if the difference between carrying value and fair value is material. Fair value is based on quoted market prices.

The District does not own any specific identifiable investments in the pool. Information regarding categorization of cash and investments held in the County can be found in the County of Yuba’s financial statements.

The District’s carrying amount and fair value of investments at June 30, 2012 is as follows:

	Carrying Amount	Fair Value	Difference
Cash and Pooled Investments:			
Yuba County - Unrestricted	\$ 57,352	\$ 57,388	\$ (36)
Yuba County – Restricted	86,147	85,975	172
	<u>\$ 143,499</u>	<u>\$ 143,363</u>	<u>\$ 136</u>

The difference between the carrying amount and the fair value of cash and investments was not material to the District’s financial statements; therefore, an adjustment to fair value was not required for GASB 31 compliance.

NOTE 4 – CHANGES IN FIXED ASSETS

The following is a summary of changes in the general fixed asset account group:

Description	June 30, 2011	Additions	Deletions	June 30, 2012
Buildings, Structures, & Improvements	\$ 87,791	\$ 683	\$ -	\$ 88,474
Equipment	39,352	1,333	-	40,685
Total Capital Assets	127,143	2,016	-	129,159
Less: Accumulated Depreciation	(45,317)	(7,001)	-	(52,318)
Total Capital Assets-				
Net of Accumulated Depreciation	<u>\$ 81,826</u>	<u>\$ (4,985)</u>	<u>\$ -</u>	<u>\$ 76,841</u>

Depreciation expense for the fiscal year ended June 30, 2012 was \$7,001.

Government Accounting Standards Board pronouncement number 34 requires governmental entities to capitalize all fixed assets. This pronouncement became effective beginning with the financial statements ended June 30, 2004. The District has capitalized all assets except for the land that was donated at the inception of the Cemetery District in the pioneer days of California. The land was donated for the restricted use of the Cemetery District and burial. The District was unable to ascertain the value at the time of the donation considering the restrictions on use and time period in which the land was donated. Therefore, the land has not been recorded in the financial statements of the District.

**WHEATLAND CEMETERY DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

NOTE 5 – SUBSEQUENT EVENTS

Events subsequent to June 30, 2012 have been evaluated through October 15, 2013, the date at which the District's audited financial statements were available to be issued. No events requiring disclosure have occurred through this date.

REQUIRED SUPPLEMENTARY INFORMATION

**WHEATLAND CEMETERY DISTRICT
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET TO ACTUAL (NON-GAAP BUDGETARY BASIS)**

GENERAL FUND

JUNE 30, 2012

	Original and Final Budget	Actual	Variance with Final Budget Over (Under)
Revenues			
Taxes	\$ -	\$ 88,718	\$ 88,718
Interest	-	743	743
Charges for Services	-	5,790	5,790
Total Revenue	-	95,251	95,251
Expenditures			
Salaries and Benefits	85,250	69,493	(15,757)
Payroll Taxes	9,200	7,698	(1,502)
Housekeeping/Uniforms	3,565	1,660	(1,905)
Insurance	5,750	6,780	1,030
Maintenance - Equipment	12,050	3,521	(8,529)
Maintenance - Grounds	40,000	2,680	(37,320)
Office Supplies	5,000	879	(4,121)
Professional Fees	10,000	4,388	(5,612)
Small Tools & Improvements	2,300	81	(2,219)
Special District Expense	3,750	2,537	(1,213)
Transportation	4,600	618	(3,982)
Utilities	8,050	5,199	(2,851)
Capital Outlay	70,000	2,016	(67,984)
Total Expenditures	259,515	107,550	(151,965)
Excess of Revenues Over (Under) Expenditures and Other Uses	<u>\$ (259,515)</u>	<u>\$ (12,299)</u>	<u>\$ (247,216)</u>

See notes to financial statements.

P.O. Box 160
661 5th Street, Suite 101
Lincoln, CA 95648
Office (916) 434-1662
Fax (916) 434-1090

Communication of Significant Deficiencies and Material Weaknesses

To the Board of Directors
Wheatland Cemetery District
Wheatland, California

In planning and performing our audit of the financial statements of the governmental activities of Wheatland Cemetery District (District) as of and for the year ended June 30, 2012, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a deficiency in internal control that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the following deficiency in the District's internal control to be a material weakness:

12-01 Reliance upon Auditor for Generally Accepted Accounting Principles **(Uncorrected from prior year)**

Condition: To assure compliance with generally accepted accounting principles, management relies on the auditor to recommend footnote disclosures for the financial statements and to suggest for approval the adjusting entries to convert the District's financial statements from the cash basis of accounting to the accrual basis of accounting.

Criteria: Statement on Auditing Standards No.115 states that the auditor may not be part of the District's internal control system. Someone in the District must be knowledgeable in generally accepted accounting principles and capable of preparing financial statements in conformity with generally accepted accounting principles.

Cause: The District does not have either an employee educated in generally accepted accounting principles or an accounting firm engaged to prepare full-disclosure financial statements in conformity with generally accepted accounting principles.

Effect: Unknown

Recommendation: Whenever financial statements are required to be issued prior to the audit, we recommend that Management consider the cost benefit of hiring an accountant familiar with generally accepted accounting principles or hiring an independent CPA firm to compile financial statements in conformity with generally accepted accounting principles.

Response: The District does not have the financial resources to hire an accountant educated or trained in generally accepted accounting principles and does not see a cost benefit to having its financial statements compiled by such an accountant prior to the annual audit. The District will continue to rely on the auditor to suggest the journal entries and footnote disclosures as part of the audit process. The District understands that without professional assistance it might release financial statements which would not be in conformity with generally accepted accounting principles and will seek such assistance should it need to issue financial statements to a third party prior to the audit of those financial statements.

Management's response to the finding identified in our audit is described above. We did not audit Management's response and, accordingly, we express no opinion on it.

This communication is intended solely for the information and use of management, the Board of Directors, and funding agencies and is not intended to be and should not be used by anyone other than these specified parties. Though restricted in use, letters issued in connection with an audit of a governmental unit may be a matter of public record.



Jensen Smith
Certified Public Accountants
Lincoln, California
October 15, 2013

The County of Yuba

AUDITOR - CONTROLLER

013-14



C. RICHARD EBERLE, CPA

915 8th Street, Suite 105
Marysville, CA 95901-5273
(530) 749-7810

January 2, 2014

Board of Supervisors
County of Yuba
915 8th Street Suite 109
Marysville CA 95901

RECEIVED

JAN - 2 2014

Clerk/Board of Supervisors

Honorable Members:

An Independent Audit of the financial records for the following agency has been completed for the year(s) specified:

YUBA COMMUNITY COLLEGE DISTRICT

JUNE 30, 2013

Yours truly,

C. Richard Eberle
Auditor-Controller

CRE/kmd
Enclosure (1)

The County of Yuba

AUDITOR - CONTROLLER



C. RICHARD EBERLE, CPA

915 8th Street, Suite 105
Marysville, CA 95901-5273
(530) 749-7810

January 2, 2014

Board of Supervisors
County of Yuba
915 8th Street Suite 109
Marysville CA 95901

RECEIVED

JAN - 2 2014

Clerk/Board of Supervisors

Honorable Members:

An Independent Audit of the financial records for the following agency has been completed for the year(s) specified:

YUBA COMMUNITY COLLEGE DISTRICT

JUNE 30, 2013

Yours truly,

A handwritten signature in black ink, appearing to read "C. Eberle", is written over a horizontal line.

C. Richard Eberle
Auditor-Controller

CRE/kmd
Enclosure (1)

YUBA COMMUNITY
COLLEGE DISTRICT

Marysville, California

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION WITH
INDEPENDENT AUDITORS' REPORTS

June 30, 2013

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INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Yuba Community College District
Marysville, California

MATSON
& ISOM

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of Yuba Community College District (the District), as of and for the year then ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The District's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component unit of the District, as of June 30, 2013; the respective changes in financial position; and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principles

As discussed in note 13, the District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA Pronouncements*. The beginning net position was increased by \$9,766,957 as a result of capitalizing interest costs of bond projects that were previously expensed. Our opinion is not modified with respect to this matter.

INDEPENDENT AUDITORS' REPORT

Continued

The District also adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. The beginning net position was decreased by \$2,445,134, as a result of expensing the costs associated with the issuance of bonds. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 14 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with evidence sufficient to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying financial information listed as supplementary information in the table of contents and the schedule of expenditures of federal awards, as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information and the schedule of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have issued our report dated December 5, 2013, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Matson and Isom

December 5, 2013
Chico, California

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Required Supplementary Information)

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2013

Yuba Community College District

ACCOUNTING STANDARDS

The format of these financial statements follows Governmental Accounting Standards Board (GASB) Statement No. 35, *Basic Financial Statement—and Management's Discussion and Analysis—for Public Colleges and Universities*. The California Community Colleges Chancellor's Office has recommended that all State community college districts follow the business type activity (BTA) model. Yuba Community College District (the District) applied the BTA reporting model to comply with this recommendation and to report in a manner consistent and comparable with other community college districts.

The following management's discussion and analysis (MDA) provides an overview of the District's financial activities.

MAJOR ADJUSTMENTS NOTED

As required by accounting principles, the annual report consists of three basic financial statements that provide information on the District as a whole: the statement of net position; the statement of revenues, expenses, and changes in net position; and the statement of cash flows. The information provided on the statements in the MDA includes all funds, including the Student Association of Yuba College, Woodland Community College, Clear Lake Campus, and Sutter County Center, but excludes the District Foundation. Each statement will be discussed separately. Separately issued financial statements for the Foundation can be obtained from the District.

Under the BTA model of financial reporting, a single District-wide statement is required to report financial activity for all funds of the District. Since this is quite a variance from previous presentation, the following information is provided to help with the understanding of the financial statements.

**MANAGEMENT'S DISCUSSION
AND ANALYSIS**

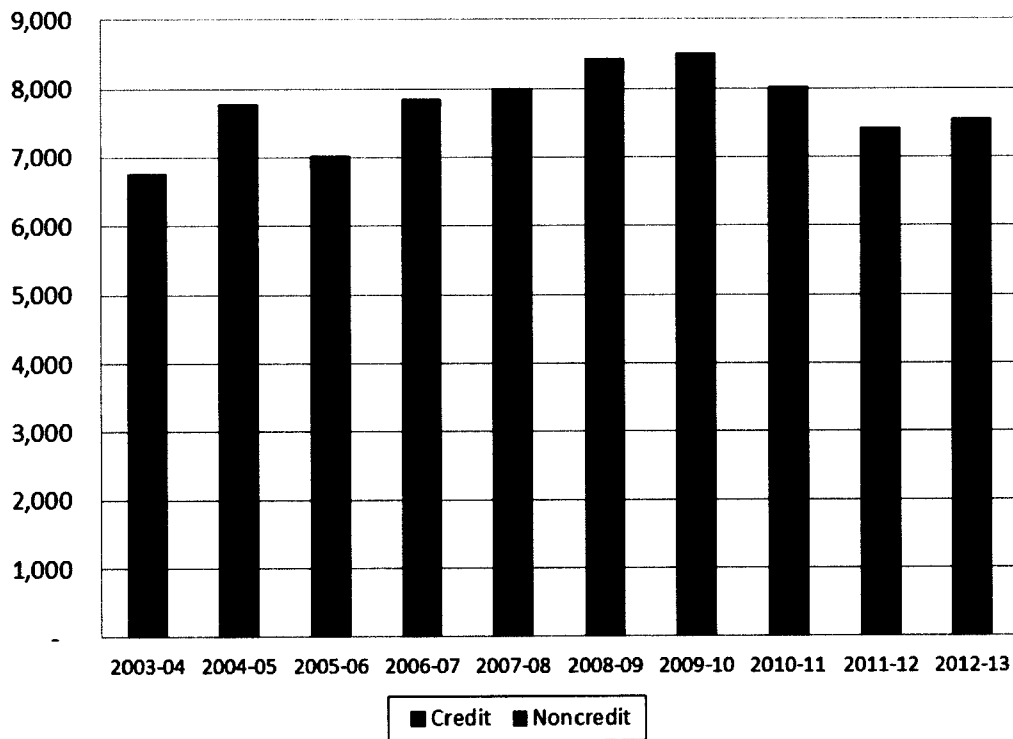
June 30, 2013

Yuba Community College District

FINANCIAL AND ATTENDANCE HIGHLIGHTS

The District achieved full-time equivalent students (FTES) of 7,533 in 2012-13.

Full-Time Equivalent Students



**MANAGEMENT'S DISCUSSION
AND ANALYSIS**

June 30, 2013

Yuba Community College District

STATEMENT OF NET POSITION

The statement of net position includes all assets and liabilities using the accrual basis of accounting, which is similar to the accounting method used by most private sector organizations.

	2013	2012	Change
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	\$ 4,455,584	\$ 5,879,689	-24%
Accounts receivable - net	10,315,319	10,167,548	1%
Prepaid expenses	21,190	492,859	-96%
Total Current Assets	14,792,093	16,540,096	-11%
NONCURRENT ASSETS			
Restricted cash and cash equivalents	24,221,057	31,934,705	-24%
Capital assets - net	191,997,896	166,614,610	15%
Other noncurrent assets	516,824	6,984,571	-93%
Total Noncurrent Assets	216,735,777	205,533,886	5%
Total Assets	231,527,870	222,073,982	4%
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities	4,676,915	7,660,348	-39%
Advances from grantors and students	2,776,503	2,973,127	-7%
Other current liabilities (including TRANS)	15,053,228	11,176,037	35%
Total Current Liabilities	22,506,646	21,809,512	3%
NONCURRENT LIABILITIES			
Long-term liabilities - noncurrent portion	163,275,370	162,298,615	1%
Total Liabilities	185,782,016	184,108,127	1%
NET POSITION			
Net investment in capital assets	42,307,136	36,063,705	17%
Restricted	12,033,370	23,999,046	-50%
Subtotal	54,340,506	60,062,751	
Unrestricted:			
Designated for capital and other projects	2,523,156	2,560,297	-1%
General contingency reserve	(11,117,808)	(24,657,193)	55%
Total Unrestricted	(8,594,652)	(22,096,896)	61%
Total Net Position	\$ 45,745,854	\$ 37,965,855	20%

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2013

Yuba Community College District

Current cash and cash equivalents consist primarily of cash in the County treasury of \$4.46 million, which is a decrease of \$1.42 million. This decrease is due to additional State cash deferrals which shifted cash flows from fiscal year 2011-12 and into fiscal year 2012-13.

Receivables include balances from State and federal grants as well as general apportionment earned but not received by year end and student receivables. Accounts receivable increased \$148,000 due to a decrease in student receivables, net of an increase in allowance for doubtful accounts; student financial aid fund receivables; and higher state cash deferrals during the year.

Prepaid insurance decreased \$472,000 due to a decrease in prepayment of health insurance benefits.

Restricted cash and cash equivalents consist of \$23.69 million from bond proceeds from Measure J and debt service for Measure J, Central Plant, and Solar Projects and other capital outlay projects and proceeds from Tax Revenue Anticipation Notes (TRANs). Of this amount, \$6.29 million is in California Asset Management Program (CAMP), \$16.51 million is in the county pool, and \$893,000 is with a fiscal agent. The decrease of \$7.71 million primarily occurred due to: 1) bond expenditures of \$11.14 million net of debt issuance; 2) an increase of \$4.39 million in issuance of TRANs; 3) an increase of bond property tax assessment income of \$767,000; and 4) Solar Project expenditures of \$2.12 million.

Long-term investments of \$4.00 million were purchased with the series C bond proceeds.

Capital assets increased by \$11.71 million due primarily to: 1) a decrease in construction in progress of \$11.26 million; 2) an increase in buildings of \$27.78 million; 3) an increase in equipment and vehicles of \$281,000; 4) an increase in accumulated depreciation on buildings, equipment, and vehicles of \$5.09 million.

The Measure J bond construction is expected to decrease during 2013-14. The District has outstanding Measure J construction commitments in the amount of \$4.30 million as of June 30, 2013, and other outstanding construction commitments in the amount of \$260,000 subsequent to June 30, 2013.

Total current liabilities increased \$697,000 due to: 1) a decrease of \$2.81 million in accounts payable; 2) an increase of \$4.50 million in TRANs; 3) a decrease of \$99,000 in accrued salaries and benefits; 4) a decrease of \$196,000 in advances from grantors and students; 5) a decrease of \$622,000 for liability related to current portion of long-term liabilities; and 6) a decrease of \$75,000 in accrued interest.

The long-term liabilities increased by \$976,000 due to: 1) an increase of \$705,000 in combination of increases/decreases in notes payable for California Energy Commission for the lighting retrofit project and Measure J; 2) an increase of \$271,000 in combination of increases/decreases in vacation liability, OPEB liability, and the STRS payable.

**MANAGEMENT'S DISCUSSION
AND ANALYSIS**

June 30, 2013

Yuba Community College District

GASB has issued Statement No. 45 which requires governmental agencies, including community colleges, to recognize other postemployment benefits (OPEB). The District implemented GASB Statement No. 45 to accrue the OPEB liability beginning in 2008-09. The District has accrued a liability of \$5.63 million since 2008-09. An actuarial study completed on November 3, 2011, stated the District's unfunded retiree health benefits liability at \$39.43 million. The District's annual required contribution (ARC) is \$3.21 million. The District is currently paying the pay-as-you-go portion which was \$2.14 million. As of June 30, 2013, the District set aside \$2.14 million in the Retiree Health Benefit Fund to meet this obligation.

The footnotes to the financial statements describe accounting classifications of the net position. Net investment in capital assets decreased \$3.55 million due primarily to decreased construction in progress.

Unrestricted net position includes an amount designated for retiree health benefits.

**MANAGEMENT'S DISCUSSION
AND ANALYSIS**

June 30, 2013

Yuba Community College District

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

The statements of revenues, expenses, and changes in net position present the operating finances of the District, as well as the nonoperating revenues and expenses. State general apportionment funds, while budgeted for operations, are considered nonoperating revenues according to generally accepted accounting principles.

	<u>2013</u>	<u>2012</u>	<u>Change</u>
OPERATING REVENUES			
Net tuition and fees	\$ 2,427,376	\$ 2,191,947	11%
Grants, contracts, and other designated revenues - noncapital	8,953,580	9,407,318	-5%
Other operating income	<u>656,804</u>	<u>730,188</u>	-10%
Total Operating Revenues	<u>12,037,760</u>	<u>12,329,453</u>	-2%
Total Operating Expenses	<u>62,767,916</u>	<u>63,190,970</u>	-1%
Operating Loss	<u>(50,730,156)</u>	<u>(50,861,517)</u>	0%
NONOPERATING REVENUES			
State apportionment - noncapital	12,301,932	18,564,315	-34%
Local property taxes	20,711,221	20,276,522	2%
Lottery and other revenue	8,273,661	1,451,476	470%
Investment income	98,015	199,943	-51%
Other nonoperating revenues (expenses) - net	<u>1,058,858</u>	<u>80,260</u>	1219%
Total Nonoperating Revenues	<u>42,443,687</u>	<u>40,572,516</u>	5%
Loss Before Other Revenues, Expenses, Gains, or Losses	<u>(8,286,469)</u>	<u>(10,289,001)</u>	-19%
OTHER REVENUES, EXPENSES, GAINS, OR LOSSES			
Apportionment and property taxes - capital	4,848,507	209,200	2218%
Local property taxes and revenues - capital	6,406,975	6,197,644	3%
Investment income - capital	544,554	31,130	1649%
Interest expense - capital	(3,711,892)	(7,445,827)	50%
QEC bond subsidy income	632,634	684,851	100%
Other nonoperating capital revenues (expenses) - net	<u>412</u>	<u>9,418</u>	-96%
Total Other Revenue, Expenses, Gains, or Losses	<u>8,721,190</u>	<u>(313,584)</u>	2881%
Increase (Decrease) in Net Position	<u>434,721</u>	<u>(10,602,585)</u>	-104%
Net Position - Beginning of Year - as Previously Reported	<u>37,965,855</u>	<u>48,568,440</u>	-22%
Cumulative Effect of Change in Accounting Principle	<u>7,345,278</u>	<u>-</u>	
Net Position - Beginning of Year - as Restated	<u>45,311,133</u>	<u>48,568,440</u>	-7%
Net Position - End of Year	<u>\$ 45,745,854</u>	<u>\$ 37,965,855</u>	20%

Net tuition and fees consist of enrollment fees of nonresident tuition and all other fees less the Board of Governor tuition waivers. Regular enrollment fees of \$46 per unit are set by the State for all community colleges. Regular enrollment fees are included in the calculation of general apportionment.

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2013

Yuba Community College District

Total operating revenues decreased \$291,000 due primarily to an increase in net tuition and fees of \$235,000, a decrease in State grants and contracts of \$561,000, an increase in federal and local grants and contracts of \$107,000, and a decrease in other operating payments of \$73,000.

Nonoperating revenues and expenses increased by \$1.87 million due primarily to a decrease in State apportionment of \$6.26 million, an increase in local property taxes of \$435,000, a decrease in investment income of \$102,000, and an increase of \$978,000 in other nonoperating revenues.

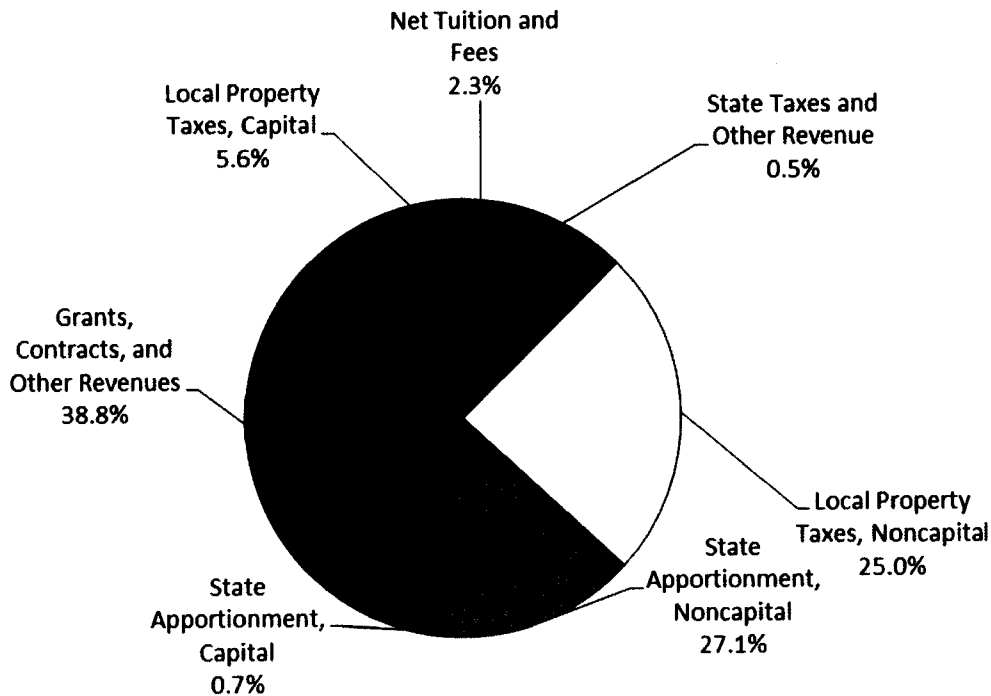
Apportionment and property taxes - capital increased \$4.64 million. This amount is funded by the State Education Bond for the Yuba College Learning Resource Center match to the Local General Obligation Bond.

Local property taxes and revenues - capital (for bond debt service) increased \$209,000 due to covering debt service for the General Obligation Bond.

Interest expense - capital, decreased by \$3.7 million due to the capitalization of interest costs totaling \$3.9 million under GASB 62.

QEC bond subsidy income decreased by \$52,000 due to federal sequester reduction in subsidy for both the Solar Project and Central Plant financing.

2012-13 Revenues



MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2013

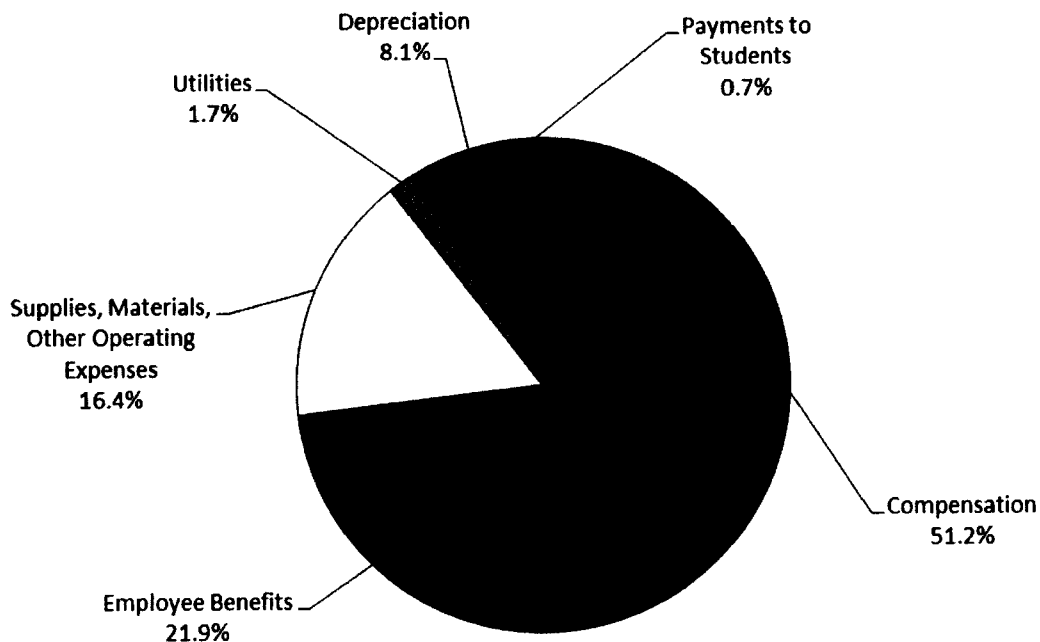
Yuba Community College District

OPERATING EXPENSES (BY NATURAL CLASSIFICATION)

	2013	2012	Change
Compensation	\$ 32,142,381	\$ 32,008,486	0%
Employee benefits	13,727,158	17,064,917	-20%
Supplies, materials, other operating expense, and services	10,320,096	10,196,501	1%
Utilities	1,057,585	1,288,063	-18%
Depreciation	5,114,545	2,259,463	126%
Payments to students	406,151	373,540	9%
Total Operating Expenses	\$ 62,767,916	\$ 63,190,970	-1%

Total operating expenses decreased by \$447,000. Of this amount: 1) there was an increase of \$134,000 in salaries due to step and column adjustments; 2) benefits decreased by \$3.34 million mostly due to a large settlement payment to CalSTRS retirees that was funded by the General Fund in 2012 and a portion of the payment was funded by the General Fund in 2013; 3) utilities decreased by \$230,000 due to Solar production increase; 4) supplies, materials, and other operating expenses increased by \$124,000, mostly due to construction activity from State and local funded capital projects; 6) depreciation expense increased by \$2.85 million mostly due to depreciation of buildings, equipment, and vehicles; and 7) payments to students increased by \$33,000 mostly due to increases in categorical programs.

2012-13 Operating Expenses



MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2013

Yuba Community College District

STATEMENTS OF CASH FLOWS

The statement of cash flows provides information about cash receipts and cash payments during the fiscal year. This statement also helps users assess the District's ability to generate net cash flows, its ability to meet its obligations as they come due, and the need for external financing.

	2013	2012
Cash provided (used) by:		
Operating activities	\$ (48,013,245)	\$ (49,096,549)
Noncapital financing activities	47,831,975	42,799,664
Capital and related financing activities	(13,115,020)	(11,835,482)
Investment activities	4,158,537	(3,796,494)
Net Decrease in Cash	(9,137,753)	(21,928,861)
Cash - Beginning of Year	37,814,394	59,743,255
Cash - End of Year	\$ 28,676,641	\$ 37,814,394

The primary source of cash flows from operating activities were \$2.11 million from tuition and fees; \$3.01 million from federal grants and contracts; \$4.42 million from State grants and contracts; \$1.61 million from local grants and contracts; \$657,000 from other sources; and outflows of cash to suppliers, employees, and students of \$59.82 million.

The primary sources of noncapital cash flows were state apportionment of \$13.65 million, property taxes of \$20.71 million, state taxes and other revenues of \$7.98 million, net outflow for financial aid of \$338,000, an increase in proceeds from TRANs of \$12.00 million, other receipts of \$1.33 million, and outflows of \$7.50 million for principal payment of TRANs from previous year.

Capital and related financing activities consist of capital purchases of \$16.80 million, proceeds from capital debt of \$808,000, interest paid on capital debt of \$5.44 million, payments on capital debt of \$1.54 million, interest income in capital investments of \$10,000, local property taxes and other revenues – capital of \$6.44 million, state apportionments – capital of \$3.69 million, and payments on bonds of \$800,000.

Cash flows from investment activities include interest on cash in the County treasury of \$159,000 and sale of investments of \$4.00 million.

ECONOMIC FACTORS THAT MAY AFFECT THE FUTURE

The projected base funded student enrollment for the 2013-14 year is 7,540 Full-Time Equivalent Students (FTES). In addition to the base funded FTES of 7,540, the District is entitled to 1.63% growth/restoration/access funding of approximately \$780,514 if the District attains the base FTES and attains an additional 85 credit FTES or a combination of credit and noncredit FTES to generate the growth monies. The District administrators have developed a FTES monitoring process to provide constant feedback on student enrollment trends.

The 2013-14 budget anticipates programmed contingencies for property tax deficits (not associated with Redevelopment Agencies - RDAs) and contingencies in case utilities' expenditures exceed the projected expenditures.

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2013

Yuba Community College District

For the 2013-14 year, the Tri-County Schools Insurance Group (TCSIG) health plans increased premiums by 8%. There is no change to dental and vision premiums in comparison to the 2012-13 year.

The 2013-14 budget has appropriations for Cost of Living Adjustments (COLA) of 1.57% and Growth/Access/Restoration of 1.63%. Due to the passage of Proposition 30, the District is able to offer additional sections. Additionally, the Governor of California has been committed to paying down the wall of debt; and, therefore, inter-year deferrals are reduced for \$801 million to \$592.5 million. The 2013-14 budget anticipates contingencies for gas and electricity and for a portion of the property tax deficits based on historical trends.

Physical Plant and Instructional Support

The District received an allocation for instructional equipment and scheduled maintenance in 2013-14 for \$109,000 in each category. The instructional equipment category requires a 3-to-1 match (District match of approximately \$327,000) and for scheduled maintenance a 1-to-1 match (District match of \$109,000).

Lottery

The California State Lottery Commission is projecting sales of \$5.1 billion in fiscal year 2013-14. Based on these projections, the Chancellor's Office estimates that the lottery will provide \$126 per FTES in unrestricted and \$31 per FTES in Proposition 20 lottery revenues.

CalPERS

The District's CalPERS retirement rate has decreased slightly from 11.471% in 2012-13 to 11.442% in 2013-14.

Mandated Cost Reimbursement

The District receives mandated cost reimbursement for a portion of collective bargaining, health fees, open meetings act, and the State's mandate process. In the 2013-14 Budget Act, the District had the option of participating in a mandated block grant in lieu of claims; and, therefore, the District participated in the mandated program and is scheduled to receive approximately \$211,000.

FINANCIAL SECTION

STATEMENT OF NET POSITION

Yuba Community College District

June 30, 2013	Primary Institution	Foundation
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 4,455,584	\$ 77,240
Accounts receivable - net	10,315,319	1,569
Short-term investments	-	1,724,706
Prepaid expenses	21,190	-
Total Current Assets	14,792,093	1,803,515
NONCURRENT ASSETS		
Restricted cash and cash equivalents	24,221,057	-
Long-term investments	-	4,887,450
Unamortized bond discount	516,824	-
Capital assets - net	191,997,896	-
Assets held by third party	-	432,900
Total Noncurrent Assets	216,735,777	5,320,350
Total Assets	231,527,870	7,123,865
LIABILITIES		
CURRENT LIABILITIES		
Current portion of long-term liabilities	3,053,228	-
Accounts payable	1,824,496	6,761
Accrued salaries and related benefits	654,500	-
Accrued interest	2,197,919	-
Advances from grantors	1,905,493	-
Advances from students	871,010	-
Tax and revenue anticipation notes	12,000,000	-
Amounts held in trust for others	-	364,677
Total Current Liabilities	22,506,646	371,438
NONCURRENT LIABILITIES		
Other postemployment benefits (OPEB)	5,631,224	-
Other long-term liabilities	157,644,146	-
Total Noncurrent Liabilities	163,275,370	-
Total Liabilities	185,782,016	371,438
NET POSITION		
Net investment in capital assets	42,307,136	-
Restricted:		
Nonexpendable	59,441	5,320,350
Expendable	11,973,929	1,346,498
Unrestricted	(8,594,652)	85,579
Total Net Position	\$ 45,745,854	\$ 6,752,427

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION**

Yuba Community College District

Year Ended June 30, 2013	Primary Institution	Foundation
OPERATING REVENUES		
Tuition and fees (gross)	\$ 9,525,735	\$ -
Scholarship discounts and allowances	(7,098,359)	-
Net Tuition and Fees	2,427,376	-
Grants and contracts - noncapital:		
Federal	2,861,484	-
State	4,668,384	-
Local	1,423,712	-
Other operating payments	656,804	-
Total Operating Revenues	12,037,760	-
OPERATING EXPENSES		
Salaries	32,142,381	-
Employee benefits	13,727,158	-
Supplies, materials, and other operating expenses and services	10,320,096	71,678
Utilities	1,057,585	-
Depreciation	5,114,545	-
Payments to students	406,151	145,418
Total Operating Expenses	62,767,916	217,096
Operating loss	(50,730,156)	(217,096)
NONOPERATING REVENUES (EXPENSES)		
State apportionments - noncapital	12,301,932	-
Local property taxes - noncapital	20,711,221	-
State taxes and other revenues	8,273,661	-
Investment income - noncapital	98,015	235,935
Financial aid revenues - federal	17,345,528	-
Financial aid revenues - state	1,197,132	-
Financial aid expenses	(18,880,799)	-
Amortization expense	(22,613)	-
Other nonoperating revenues - grants/gifts - noncapital	1,419,610	108,217
Total Nonoperating Revenues (Expenses)	42,443,687	344,152
Income (Loss) Before Other Revenues, Expenses, Gains, or Losses	(8,286,469)	127,056
OTHER REVENUES, EXPENSES, GAINS, OR LOSSES		
State apportionments - capital	4,848,507	-
Local property taxes and revenues - capital	6,406,975	-
Investment income - capital	544,554	-
Interest expense - capital	(3,711,892)	-
QEC bond subsidy income	632,634	-
Gain on disposal of capital assets	412	-
Total Other Revenues, Expenses, Gains, or Losses	8,721,190	-
Increase in Net Position	434,721	127,056
Net Position - Beginning of Year - as Previously Reported	37,965,855	6,625,371
Cumulative Effect of Change in Accounting Principle (Note 13)	7,345,278	-
Net Position - Beginning of Year - as Restated	45,311,133	6,625,371
Net Position - End of Year	\$ 45,745,854	\$ 6,752,427

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

Yuba Community College District

Page 1 of 2

Year Ended June 30, 2013	Primary Institution	Foundation
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	\$ 2,108,446	\$ -
Federal grants and contracts	3,012,759	-
State grants and contracts	4,416,025	-
Local grants and contracts	1,611,366	-
Payments to suppliers	(13,714,702)	(72,405)
Payments to/on behalf of employees	(45,697,792)	-
Payments to/on behalf of students	(406,151)	(145,418)
Other receipts	656,804	472
Net Cash Used by Operating Activities	(48,013,245)	(217,351)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State apportionments - noncapital	13,654,321	-
Local property taxes - noncapital	20,712,095	-
State taxes and other revenues	7,975,096	-
Financial aid revenues - federal	17,345,528	-
Financial aid revenues - state	1,197,132	-
Financial aid expenses	(18,880,799)	-
Proceeds from tax revenue anticipation notes	12,000,000	-
Payments on tax revenue anticipation notes	(7,500,000)	-
Interest on noncapital investments	-	291
Other receipts	1,328,602	108,217
Net Cash Provided by Noncapital Financing Activities	47,831,975	108,508
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
State apportionments - capital	3,689,534	-
Proceeds from capital debt	807,554	-
Proceeds from sales of capital assets	412	-
Purchases of capital assets	(16,803,631)	-
Principal paid on bonds	(800,480)	-
Principal paid on capital debt	(1,539,088)	-
Interest paid on capital debt	(5,443,576)	-
Local property taxes and other revenues - capital	6,435,720	-
Interest on capital investments	538,535	-
Net Cash Used by Capital and Related Financing Activities	(13,115,020)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	4,000,000	75,000
Interest on investments	158,537	-
Return of capital	-	20,666
Net Cash Provided by Investing Activities	4,158,537	95,666
Net Decrease in Cash and Cash Equivalents	(9,137,753)	(13,177)
Cash and Cash Equivalents - Beginning of Year	37,814,394	90,417
Cash and Cash Equivalents - End of Year	\$ 28,676,641	\$ 77,240

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

Yuba Community College District

Page 2 of 2

Year Ended June 30, 2013	Primary Institution	Foundation
RECONCILIATION OF NET OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES		
Operating loss	\$ (50,730,156)	\$ (217,096)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Depreciation expense	5,114,545	-
Changes in assets and liabilities:		
Accounts receivables - net	(35,736)	4,479
Prepaid expenses	471,669	-
Accounts payable	(2,808,690)	(727)
Accrued salaries and related benefits	171,747	-
Advances from grantors and students	(196,624)	-
Amounts held in trust for others	-	(4,007)
Net Cash Used by Operating Activities	\$ (48,013,245)	\$ (217,351)

The accompanying notes are an integral part of these financial statements.

1. ORGANIZATION AND NATURE OF ACTIVITIES

Definition of the Reporting Entity Yuba Community College District (the District) is a political subdivision of the State of California and provides higher education. The District consists of two community colleges and two additional centers (the Primary Institution).

For financial reporting purposes, the District includes all funds, agencies, and authorities that are controlled by or dependent on the District's executive and legislative branches. Control by or dependence on the District was determined on the basis of budget adoption, taxing authority, outstanding debt secured by revenues or general obligations of the District, obligations of the District to finance any deficits that may occur, or receipt of significant subsidies from the District.

The financial statements of the District include the financial activities of the District and the combined totals of the trust and agency funds, which represent the various scholarships and student organizations within the District.

The District and the Yuba Community College District Foundation (the Foundation) have financial and operational relationships that meet the reporting entity definition criteria of the Governmental Accounting Standards Board (GASB) for inclusion of the Foundation as a component unit of the District. Accordingly, the financial activities of the Foundation as a component unit have been included in the financial statements of the District. The separately audited financial statements of the Foundation may be obtained from the District.

The following are those aspects of the relationship between the District and the Foundation that satisfies GASB:

Accountability: The Foundation operates under a master agreement with the District in accordance with the *California Education Code* requirements. The District is able to impose its will upon the Foundation. The Foundation provides specific financial benefits or imposes specific financial burdens on the District.

Scope of Public Service: The Foundation is a nonprofit, public benefit corporation incorporated under the laws of the State of California. The Foundation was formed to promote and assist the educational services of the District.

Discrete Presentation: For financial presentation purposes, the Foundation's financial activities have been discretely presented with the financial activities of the District.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting For financial reporting purposes, the District is considered a special-purpose government engaged only in business-type activities (BTA). Accordingly, the District's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant interfund transactions have been eliminated.

June 30, 2013

The budgetary and financial accounts of the District are recorded and maintained in accordance with the *Budget and Accounting Manual*, issued by the Chancellor's Office of the California Community Colleges.

Cash and Cash Equivalents The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and all highly liquid investments purchased with an original maturity of three months or less.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available.

In accordance with *California Education Code*, Section 41001, the District maintains substantially all of its cash in the Yuba County Treasury as part of the common investment pool. The County is restricted by *California Government Code*, Section 53635 pursuant to Section 53601, to invest in time deposits, U.S. government securities, state registered warrants, notes or bonds, State Treasurer's investment pool, bankers' acceptances, commercial paper, negotiable certificates of deposit, and repurchase or reverse repurchase agreements. Investments in the County pool are valued using the amortized cost method (which approximates fair value) and include accrued interest. The pool has deposits and investments with a weighted-average maturity of less than two years. As of June 30, 2013, the fair value of the County pool is 99.7875% of the carrying value and is deemed to not represent a material difference. Information regarding the amount of dollars invested in derivatives with the County was not available. The County investment pool is subject to regulatory oversight by the Treasury Oversight Committee as required by *California Government Code*, Section 27130. The District is considered to be an involuntary participant in the external investment pool.

The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of cash and cash equivalents. Realized gains and losses on cash and cash equivalents that had been held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of cash and cash equivalents reported in the prior year. The change in fair value of cash and cash equivalents was insignificant during the year ended June 30, 2013, and there was no significant unrealized gain or loss on cash and cash equivalents held as of June 30, 2013.

Accounts Receivable Accounts receivable consist of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty, and staff, the majority of each residing in California. Accounts receivable also include amounts due from the federal, state and local governments, or private sources in connection with reimbursement of allowable expenditures made pursuant to the District's grants and contracts. The District utilizes the allowance method with respect to its accounts receivable. The allowance was \$1,017,565 at June 30, 2013.

Restricted Cash and Cash Equivalents Cash that is externally restricted for contractual obligations such as debt service payments, sinking or reserve funds, or to purchase or construct capital or other noncurrent assets is classified as a noncurrent asset in the statement of net position.

In accordance with *California Education Code*, Section 81965, the District maintains the bond capital project funds in the California Asset Management Program (CAMP), a California common law trust. The District's participation in CAMP is described further in note 12. The value of the District's investment in CAMP is the fair value of the pool shares. As of June 30, 2013, the fair value of CAMP is 100.00% of the carrying value and is deemed to not represent a material difference. There are no CAMP funds invested in derivatives as of June 30, 2013. Oversight of CAMP is provided by the Board of Trustees, which consists of seven trustees. The trustees are appointed to the Board of Trustees from members of the governing body, officers, or full-time employees of a public agency that is a participant in the trust and approved annually by the participants. The District is considered to be a voluntary participant in the CAMP investment pool.

Investments Investments are reported at fair value. Fair value is determined from quoted market prices. The District is restricted by State law and the Board's investment policy in the types of investments that can be made. Permissible investments include the County treasury, the State local agency investment fund (LAIF), federally insured deposits, and individual securities. The weighted average maturity of all investments shall be three years or less. The District's investment policy established safety of principal as the primary investment objective. The District's investment strategy is to realize a reasonable interest yield, and investment decisions are executed with the intent that they will be held to maturity.

Unamortized Bond Discount Unamortized bond discount represents the difference between the par value of the bonds issued and the gross proceeds received, before issuance costs. This amount is amortized over the term of the bonds using the straight-line method since the results are not significantly different from the effective-interest method.

Capital Assets Capital assets are recorded at cost on the date of acquisition or fair value at the date of donation. For equipment, the District's capitalization policy includes all items with a unit cost of \$5,000 or more and an estimated useful life of greater than one year. Renovations to buildings and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repair and maintenance are charged to operating expense in the year in which the expense was incurred.

Depreciation is computed using the straight-line method with the monthly convention over the estimated useful life of the assets; generally 50 years for buildings, 10 years for land improvements, 8 years for equipment, and 3 years for technology equipment. Land and construction in progress are considered nondepreciable capital assets; therefore, no depreciation is computed.

Assets Held by Third Party The Foundation transfers funds to the Foundation for California Community Colleges (FCCC) in accordance with a partnership agreement dated March 2009 with the California Community Colleges Scholarship Endowment (the Endowment).

Advances From Grantors Advances from grantors include amounts received from grant and contract sponsors that have not yet been earned.

Advances From Students Advances from students include amounts received for tuition, fees, and certain auxiliary activities prior to the end of the fiscal year but related to the subsequent accounting period.

Amounts Held in Trust for Others The Foundation administers funds for certain college related organizations. The liability represents the amount of funds held for these organizations.

Compensated Absences Compensated absences' costs are accrued when earned by employees. Accumulated unpaid employee vacation benefits are recognized at year end as liabilities of the District. The District has a load-banking program for eligible faculty employees whereby the employee may accrue overload service toward a paid leave.

Bond Premium Bond premiums are deferred and amortized over the term of the bonds using the effective interest method. Bond premiums are recorded as long-term liabilities.

Net Position The District's net position is classified as follows:

Net Investment in Capital Assets: Represents the District's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred for capital assets but not yet expended, such amounts are not included as a component of net investment in capital assets.

Restricted Net Position - Nonexpendable: Consists of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may be expended or added to principal depending on donor stipulations.

Restricted Net Position - Expendable: Include resources in which the District is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the District's policy is to first apply the expense toward restricted resources, and then toward unrestricted resources.

Classification of Revenues The District has classified its revenues as either operating or nonoperating revenues according to the following criteria:

Operating Revenues: Include activities that have the characteristics of exchange transactions, such as: (1) student tuition and fees, net of scholarship discounts and allowances; (2) sales and services of auxiliary enterprises; and (3) most federal, state, and local grants and contracts, and federal appropriations.

Nonoperating Revenues: Include activities that have the characteristics of nonexchange transactions, such as gifts and contributions, and other revenue sources that are defined as nonoperating revenues, such as State appropriations and investment income, according to GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*; and GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*.

Scholarship Discounts and Allowances and Financial Aid Student tuition and fee revenues are reported net of scholarship discounts and allowances in the statement of activities. The District offers Board of Governors' waivers (BOG) to qualified students, and these tuition waivers are reported as scholarship discounts and allowances.

Risk Management The District's property and liability coverage is insured through the Northern California Community Colleges Self Insurance Authority (NCCC SIA). The District retains the risk up to \$1,000 per occurrence. The NCCC SIA retains the risk up to \$25,000 on property and \$25,000 on liability. Insurance above these levels is ceded to another joint power authority, Statewide Association of Community Colleges (SWACC), and to a level of \$5 million on liability and \$250 million on property. Schools Excess Liability (SELF) provides insurance coverage from \$5 million to \$45 million.

The District is also a member of the NCCC SIA for workers' compensation coverage. Within NCCC SIA, the workers' compensation insurance program is insured with first-dollar coverage through a joint powers authority, Protected Insurance Program for Schools (PIPS).

Estimates Used in Financial Reporting In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements as well as revenues and expenses during the reporting period. Actual results could differ from those estimates. The District's largest source of revenues are property taxes, enrollment fees, and State revenues. Each of these revenue types is subject to some estimation at the date of the financial statements.

Budgets and Budgetary Accounting By State law, the District's governing board must approve a tentative budget no later than July 1, and adopt a final budget no later than September 15 of each year. A hearing must be conducted for public comments prior to adoption. The District's governing board satisfied these requirements.

The budget is revised during the year to incorporate categorical funds that are awarded during the year and miscellaneous changes to the spending plans. The District's governing board approves revisions to the budget.

General Apportionment and Property Tax The District's general apportionment is received from a combination of local property taxes, State apportionments, and other local sources.

The counties are responsible for assessing, collecting, and apportioning property taxes. Taxes are levied each fiscal year on taxable real and personal property in the counties. Secured property taxes attach as an enforceable lien on property as of March 1. Property taxes on the secured roll are due on November 1 and February 1 and become delinquent after December 10 and April 10, respectively. Unsecured property taxes are payable in one installment on or before August 31. The following counties bill and collect the taxes for the District: Butte, Colusa, Glenn, Lake, Placer, Sutter, Yolo, and Yuba.

Secured property taxes are recorded as revenue when apportioned in the fiscal year of the levy. The counties apportion secured property tax revenue in accordance with the alternate method of distribution prescribed by Section 4705 of the *California Revenue and Taxation Code*. This alternate method provides for crediting each applicable fund with its total secured taxes upon completion of the secured tax roll, approximately October 1 of each year.

Property taxes are recorded as local revenue sources by the District. The California Community Colleges Chancellor's Office reduces the District's entitlement by the District's local property tax revenue, Education Protection Account funding, and student fees. The balance is paid from the State's General Fund and is referred to as the State apportionment. The District's base revenue is the amount of general purpose tax revenue, per full-time equivalent student (FTES), that the District is entitled to by law.

3. CASH AND INVESTMENTS

The following is a summary of cash and investments at June 30, 2013:

	District	Foundation
PETTY CASH	\$ 10,000	\$ -
DEPOSITS (1)	1,067,137	83,928
INVESTMENTS THAT ARE NOT SECURITIES (2)		
County treasurer's investment pool	21,309,248	-
California Asset Management Program	6,290,256	-
Subtotal	27,599,504	-
INVESTMENT SECURITIES		
U.S. treasuries	-	974,682
U.S. Government Agency Securities:		
Federal Farm Credit Bank	-	210,832
Federal Home Loan Bank	-	221,984
Corporate bonds	-	604,821
Bond mutual funds	-	2,197,986
Money market mutual fund	-	311,882
Equity securities	-	2,083,281
Subtotal	-	6,605,468
Total Cash and Investments	\$ 28,676,641	\$ 6,689,396

- (1) **Deposits** The carrying amount of deposits includes checking accounts, savings accounts, nonnegotiable certificates of deposits, money market accounts at financial institutions, and assets held by a third party, if any.
- (2) **Investments That Are Not Securities** A "security" is a transferable financial instrument that evidences ownership or creditorship, whether in physical or book-entry form. Investments that are not securities do not have custodial credit risk because they do not involve a transferable financial instrument. Thus, they are not categorized into custodial credit risk categories.

Custodial Credit Risk – Deposits

For deposits, custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned. The District and Foundation do not have a deposit policy for custodial credit risk. As of June 30, 2013, none of the District's or Foundation's bank balances were uninsured and uncollateralized.

District – Investment Credit Risk

California Government Code, Section 53601, limits investments in commercial paper to “prime” quality of the highest ranking or of the highest letter and numerical rating as provided by nationally recognized statistical rating organizations (NRSRO), and limits investments in medium-term notes to a rating of A or better. Individual securities must be backed by the federal government or rated AAA, AA, or A by Standard & Poor’s or Aaa, Aa, or A by Moody’s indices. The District does not have an investment policy that would further limit investment choices.

<u>Investment Type</u>	<u>Fair Value</u>	<u>S & P's Rating as of Year End</u>	
		<u>AAA</u>	<u>Unrated</u>
County treasurer's investment pool	\$ 21,309,248	\$ -	\$ 21,309,248
California Asset Management Program	6,290,256	6,290,256	-
Totals	\$ 27,599,504	\$ 6,290,256	\$ 21,309,248

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2013

Yuba Community College District

Foundation – Investment Credit Risk

The Foundation does not have an investment policy that limits its investment choices.

Investment Type	Fair Value	S & P's Rating as of Year End					
		AA+	AA	AA-	A+	A-	Not Rated
Federal Farm Credit Bank	\$ 210,832	\$ 210,832	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Home Loan Bank	221,984	221,984	-	-	-	-	-
Corporate bonds	604,821	-	157,929	128,892	113,593	204,407	-
Bond mutual funds	2,197,986	-	-	-	-	-	2,197,986
Money market mutual funds	311,882	-	-	-	-	-	311,882
Totals	\$ 3,547,505	\$ 432,816	\$ 157,929	\$ 128,892	\$ 113,593	\$ 204,407	\$ 2,509,868

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer. Pursuant to *California Government Code*, Section 53601, no more than 5% may be invested in the securities of any one issuer, except the obligations of the U.S. government, U.S. government agencies, and U.S. government-sponsored enterprises. There were no concentrations of credit risk for the District or the Foundation at June 30, 2013.

District – Investment Interest Rate Risk

California Government Code, Section 53601, limits the District's investments to maturities of five years. The District does not have an investment policy regarding interest rate risk.

The schedule of maturities for the District at June 30, 2013, is as follows:

Investment Type	Fair Value	Maturity	
		Less Than 1 Year	1 to 5 Years
County treasurer's investment pool	\$ 21,309,248	\$ -	\$ 21,309,248
California Asset Management Program	6,290,256	6,290,256	-
Totals	\$ 27,599,504	\$ 6,290,256	\$ 21,309,248

Foundation – Investment Interest Rate Risk

The Foundation's investment policy requires that at least 40% of investments be in fixed income securities and 50% to 60% in equities. Investment decisions are executed with the intent that they will be held to maturity. The schedule of maturities for the Foundation at June 30, 2013, is as follows:

Investment Type	Fair Value	Maturity			
		Less Than 1 Year	1 to 5 Years	6 to 10 Years	More Than 10 Years
U.S. treasuries	\$ 974,682	\$ 799,880	\$ 174,802	\$ -	\$ -
Federal Farm Credit Bank	210,832	-	210,832	-	-
Federal Home Loan Bank	221,984	-	221,984	-	-
Corporate bonds	604,821	491,228	113,593	-	-
Bond mutual funds	2,197,986	-	1,270,144	727,706	200,136
Totals	\$ 4,210,305	\$ 1,291,108	\$ 1,991,355	\$ 727,706	\$ 200,136

The U.S. government agency securities (Federal Farm Credit Bank and Federal Home Loan Bank) are mortgage-backed securities which entitle the purchaser to receive a share of the cash flows, such as principal and interest payments, from a pool of mortgages. Mortgage securities are sensitive to interest rate changes because principal payments either increase (in a low interest rate environment) or decrease (in a high interest rate environment). A change, up or down, in the payment rate will result in a change in the security yield.

4. ACCOUNTS RECEIVABLE

Accounts receivable consisted of the following at June 30, 2013:

Federal grants and contracts	\$ 652,591
State grants and contracts	478,708
Local grants and contracts	85,151
State taxes and other revenues	458,568
State apportionment - capital	1,279,869
State apportionment - noncapital	5,457,515
Local property taxes - noncapital	501,534
Local property taxes - capital	151,794
Tuition and fees	1,872,645
Interest on investments - noncapital	10,534
Interest on investments - capital	17,702
Other	370,459
Subtotal	11,337,070
Less: Allowance for doubtful accounts	(1,021,751)
Accounts Receivable - Net	\$ 10,315,319

5. CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2013, was as follows:

	Balance June 30, 2012	Additions	Deductions	Balance June 30, 2013
NONDEPRECIATED CAPITAL ASSETS				
Land	\$ 6,139,728	\$ -	\$ -	\$ 6,139,728
Construction in progress	30,956,864	17,854,330	27,784,200	21,026,994
DEPRECIATED CAPITAL ASSETS				
Buildings and improvements	153,636,818	29,814,022	-	183,450,840
Equipment	7,520,019	275,978	-	7,795,997
Land improvements	2,348,654	541,789	-	2,890,443
Vehicles	709,281	5,500	-	714,781
Total Capital Assets	201,311,364	48,491,619	27,784,200	222,018,783
Less: Accumulated depreciation	24,906,342	5,114,545	-	30,020,887
Total Capital Assets - Net	\$ 176,405,022	\$ 43,377,074	\$ 27,784,200	\$ 191,997,896

6. TAX AND REVENUE ANTICIPATION NOTES (TRANS)

On September 26, 2012, the District issued \$6,000,000 of TRANS at an interest rate of 2.00% due January 24, 2013. These TRANS were issued under the authority of the *California Government Code*. Proceeds from the issuance of TRANS were used to meet the fiscal 2012-13 expenditures, including operating expenditures, capital expenditures, and the discharge of other obligations or indebtedness of the District. TRANS are general obligations of the District but are payable only from taxes, revenues, cash receipts, and other monies received by the District. On January 24, 2013, TRANS were repaid in accordance with the above terms.

On January 24, 2013, the District issued \$12,000,000 for TRANs at an interest rate of 2.00% due July 26, 2013.

7. LONG-TERM LIABILITIES

The long-term liability activity for the year ended June 30, 2013, was as follows:

	Beginning Balance	Additions	Payments and Reductions	Ending Balance	Current Portion
Compensated absences	\$ 1,413,853	\$ -	\$ 229,135	\$ 1,184,718	\$ -
General obligation bonds	127,102,120	-	800,480	126,301,640	835,421
Accreted interest	6,974,095	1,765,209	24,520	8,714,784	-
QEC Bonds - central plant	5,985,247	-	349,088	5,636,159	359,738
QEC Bonds - solar project	15,040,000	-	1,190,000	13,850,000	1,140,000
Supplemental employee retirement plan	2,672,938	-	656,622	2,016,316	662,059
Unamortized bond premium	2,312,002	-	125,799	2,186,203	-
California Energy Commission note payable	-	807,554	-	807,554	56,010
Total Long-Term Liabilities	\$ 161,500,255	\$ 2,572,763	\$ 3,375,644	\$ 160,697,374	\$ 3,053,228

General Obligation Bonds

The outstanding general obligation bonds payable at June 30, 2013, was as follows:

2006 Series A general obligation refunding bonds due in annual installments of \$151,418 to \$4,600,000, beginning August 1, 2007, through August 1, 2031, at interest rates ranging from 3.93% to 5.00%.	\$ 26,563,567
2006 Series B general obligation refunding bonds due in annual installments of \$367,774 to \$13,209,000, beginning August 1, 2007, through August 1, 2046, at interest rates ranging from 4.75% to 5.06%.	65,492,278
2006 Series C general obligation bonds due in annual installments of \$1,264,563 to \$17,840,000, beginning August 1, 2012, through August 1, 2050, at interest rates ranging from 2.00% to 7.25%.	34,245,795
Total	\$ 126,301,640

The amount of interest cost incurred during the year ended June 30, 2013, was \$7,615,680 of which \$3,903,788 was capitalized.

The annual requirements to amortize the general obligation bonds payable are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 835,421	\$ 4,925,123	\$ 5,760,544
2015	870,315	4,945,429	5,815,744
2016	939,140	4,984,953	5,924,093
2017	1,011,973	5,025,621	6,037,594
2018	1,071,927	5,079,917	6,151,844
2019-2023	9,037,451	23,512,518	32,549,969
2024-2028	13,588,909	22,604,310	36,193,219
2029-2033	7,584,764	34,276,374	41,861,138
2034-2038	29,087,691	21,232,821	50,320,512
2039-2043	11,965,877	48,905,717	60,871,594
2044-2048	46,821,077	26,884,586	73,705,663
2048-2051	3,487,095	48,032,905	51,520,000
Totals	\$ 126,301,640	\$ 250,410,274	\$ 376,711,914

Qualified Energy Conservation Bonds

The outstanding qualified energy conservation bonds payable at June 30, 2013, was as follows:

2011 Central Plant Qualified Energy Conservation Bonds due in semiannual installments ranging from \$168,104 to \$259,914, beginning December 3, 2011, through June 3, 2026, at an interest rate of 6.50%.	\$ 5,636,159
2011 Solar Project Qualified Energy Conservation Bonds due in annual installments ranging from \$665,000 to \$1,235,000, beginning June 1, 2013, through June 1, 2027, at interest rates ranging from 2.03% to 6.00%.	13,850,000
Total	\$ 19,486,159

Interest payments for the qualified energy conservation bonds are subsidized by the government with subsidy payments being sent to the District at regular intervals corresponding to the interest payments being made. These subsidy payments are reported as revenue for the District; therefore, the future interest payments shown in the table below represent the gross payment amounts. The amount of interest costs incurred during the year ended June 30, 2013, was \$1,077,700.

The annual requirements to amortize the qualified energy conservation bonds payable are as follows:

Central Plant Bond			
	Principal	Interest	Total
2014	\$ 359,738	\$ 360,549	\$ 720,287
2015	370,713	336,989	707,702
2016	382,024	312,709	694,733
2017	393,679	287,690	681,369
2018	405,689	261,907	667,596
2019-2023	2,221,835	894,408	3,116,243
2024-2027	1,502,481	173,047	1,675,528
Totals	\$ 5,636,159	\$ 2,627,299	\$ 8,263,458

Solar Project Bond			
	Principal	Interest	Total
2014	\$ 1,140,000	\$ 670,131	\$ 1,810,131
2015	1,160,000	643,455	1,803,455
2016	1,190,000	611,555	1,801,555
2017	1,235,000	573,475	1,808,475
2018	665,000	519,444	1,184,444
2019-2023	4,065,000	2,044,537	6,109,537
2024-2028	4,395,000	682,200	5,077,200
Totals	\$ 13,850,000	\$ 5,744,797	\$ 19,594,797

California Energy Commission Note Payable

On June 15, 2013, the District entered into an unsecured note payable due to the California Energy Commission. Semiannual installments of \$32,059 are due beginning December 22, 2013, through December 22, 2026, at an interest rate of 1.00%. The outstanding balance at June 30, 2013, was \$807,554.

Maturities on the California Energy Commission note payable are as follows:

	Principal	Interest	Total
2014	\$ 56,010	\$ 8,108	\$ 64,118
2015	56,729	7,389	64,118
2016	57,299	6,819	64,118
2017	57,874	6,244	64,118
2018	58,455	5,662	64,117
2019-2023	301,205	19,385	320,590
2024-2028	219,982	4,431	224,413
Totals	\$ 807,554	\$ 58,038	\$ 865,592

8. OPERATING LEASES

The District entered into various operating leases for buildings and equipment with lease terms in excess of one year. None of these agreements contain purchase options. All agreements contain a termination clause providing for cancellation upon written notice to lessors, but it is unlikely that the District will cancel any of the agreements prior to the expiration date. Future minimum lease payments are as follows:

<u>Year Ending June 30</u>	<u>Lease Payments</u>
2014	\$ 146,918
2015	64,470
2016	64,470
2017	40,584
Total	\$ 316,442

The District will receive no sublease rental revenues nor pay any contingent rentals for these buildings. The amount of rental expenses during the year ended June 30, 2013, was \$110,502.

9. EMPLOYEE RETIREMENT SYSTEMS

California State Teachers' Retirement System

Plan Description

The District contributes to the California State Teachers' Retirement System (CalSTRS), a cost-sharing, multiple-employer public employee retirement system defined benefit pension plan administered by CalSTRS. The plan provides retirement, disability, and survivor benefits to beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the State Teachers' Retirement Law. CalSTRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalSTRS annual financial report may be obtained from CalSTRS, 100 Waterfront Place, Sacramento, California 95605.

Funding Policy

Active plan members are required to contribute 8.00% of their salary, and the District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalSTRS Board. The required employer contribution rate for fiscal year 2012-13 was 8.25% of annual payroll for full-time faculty. The contribution requirements of the plan members are established by state statute. The District's contributions to CalSTRS for the fiscal years ended June 30, 2013, 2012, and 2011, were \$1,418,801, \$1,432,422, and \$1,578,745, respectively, and equaled 100% of the required contributions for each year.

Other Information

Under CalSTRS law, certain early retirement incentives require the employer to pay the present value of the additional benefit, which may be paid on either a current or deferred basis. The District has no obligations to CalSTRS for early retirement incentives granted to terminated employees at June 30, 2013.

California Public Employees' Retirement System

Plan Description

The District contributes to the School Employer Pool under the California Public Employees' Retirement System (CalPERS), a cost-sharing, multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the Public Employees' Retirement Law. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS annual financial report may be obtained from CalPERS, 400 Q Street, Sacramento, California 95811.

Funding Policy

Active plan members are required to contribute 7.00% of their salary and the District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal year 2012-13 was 11.471% of annual payroll. The contribution requirements of the plan members are established by state statute. The District's contributions to CalPERS for the fiscal years ended June 30, 2013, 2012, and 2011, were \$1,142,712, \$1,092,509, and \$1,033,069, respectively, and equaled 100% of the required contributions for each year.

Accumulation Program for Part-Time and Limited-Service Employees

The District has also adopted the Accumulation Program for Part-Time and Limited-Service Employees (APPLE). APPLE is a defined contribution pension plan covered under *Internal Revenue Code*, Section 401A. APPLE participants include all individuals who have worked for the District on or after January 1, 1992, provided that they are not covered by any other retirement program (e.g., CalPERS or CalSTRS) through the District's employment. Each participant makes tax deferred contributions to APPLE equal to 7.5% of total compensation. Accounts are established in the name of each participant. Employee contributions are allocated directly to employee accounts. The minimum allocation participants will receive is 7.5% of compensation. Participant account balances are fully vested and nonforfeitable. Participant account balances will be paid in a single distribution or by direct rollover to another eligible retirement plan designated by the participant upon retirement or other termination. The District is not required to make contributions to APPLE, and has not made contributions for the years ended June 30, 2013, 2012, and 2011.

Supplemental Employee Retirement Plan

In the addition to the retirement plans maintained by CalSTRS, the District offered a one-time retirement plan during the fiscal year 2011-12. The supplemental employee retirement plan is a fixed annuity product. Eligibility is restricted to 44 reduced workload employees that had erroneously not been provided proper years of service credit under the CalSTRS retirement plan. The District funds this plan over a period of five years with an annual payment of \$692,502. The second installment was paid in 2012-13 resulting in a remaining balance of \$2,016,316 at June 30, 2013. The amount of interest costs incurred during the year ended June 30, 2013, was \$35,880.

On-Behalf Payments

The State of California makes contributions to CalSTRS on behalf of the District equaling approximately 5.291% of the covered members' gross salaries for the current fiscal year and 5.041% and 4.517% for 2012 and 2011, respectively. The contributions for the years ended June 30, 2013, 2012, and 2011, are estimated to have been \$1,001,788, \$980,349, and \$958,870, respectively. Contributions to CalPERS was not required for the years ended June 30, 2013, 2012, and 2011. The payment amounts have not been reported in the basic financial statements as management believes they are immaterial to the financial statements taken as a whole.

10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB)

Plan Description

The District provides certain health care benefits for retired salaried employees. The District's salaried employees may become eligible for those benefits if they reach normal retirement age and length of service while working for the District. The District covers these benefits for retirees and all eligible dependents to age 65 or for the retirees' lifetimes depending on the type of retiree (faculty, classified, academic management, or classified management/confidential). At June 30, 2013, the District had 227 retirees receiving benefits and had a total of 295 active participants, of which 255 are not yet eligible to receive benefits.

The District may provide these benefits through the Community College League of California (CCLC) Retiree Health Benefit Program (RHBP), an agent multiple-employer defined benefit OPEB plan. The CCLC is a joint powers authority as discussed in note 12. The RHBP does not issue a stand-alone financial report.

Funding Policy

The District's agreement with retired employees is for monthly contributions for members who meet the eligibility criteria of their collective agreement and who retire during the term of the contract. The contribution requirements of the District and plan members are established and may be amended by the District through the collective bargaining process.

Annual OPEB Cost and Net OPEB Obligation

The District's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation:

Annual required contribution	\$ 3,214,463
Interest on net OPEB obligation	223,720
Adjustment to annual required contribution	(145,533)
Annual OPEB Cost	3,292,650
Contributions	2,135,823
Change in Net OPEB Obligation	1,156,827
Net OPEB Obligation - Beginning of Year	4,474,397
Net OPEB Obligation - End of Year	\$ 5,631,224

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the years ended June 30, 2013, 2012, and 2011, were as follows:

Year Ended	Annual OPEB Cost	Actual Employer Contributions	Percentage Contributed	Net Ending OPEB Obligation
June 30, 2011	\$ 2,797,916	\$ 1,869,227	66.81%	\$ 3,463,003
June 30, 2012	\$ 3,162,340	\$ 2,150,946	68.02%	\$ 4,474,397
June 30, 2013	\$ 3,292,650	\$ 2,135,823	64.87%	\$ 5,631,224

Funded Status and Funding Progress

The funded status of the plan as of the actuarial valuation dates below was as follows:

	July 1, 2011	June 30, 2009
Actuarial accrued liability (AAL)	\$ 39,434,168	\$ 34,723,912
Actuarial value of plan assets	-	-
Unfunded Actuarial Accrued Liability	\$ 39,434,168	\$ 34,723,912
Funded ratio (actuarial value of plan assets/AAL)	0.00%	0.00%
Covered payroll (active members)	\$ 22,236,150	\$ 24,996,644
UAAL as a Percentage of Covered Payroll	177.34%	138.91%

June 30, 2013

Actuarial valuations for an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continuous revision as actual results are compared to past expectations and new estimates about the future are formulated. Although the valuation results are based on values which the District's actuarial consultant believes are reasonable assumptions, the valuation results reflect a long-term perspective and, as such, are merely an estimate of future costs. Deviations in any of several factors, such as future interest rates, medical cost inflation, Medicare coverage, and changes in marital status could result in actual costs being less or greater than estimated. The schedule of funding progress will present multi-year trends and information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits in future years.

Actuarial Methods and Assumptions

Calculations of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets which is consistent with the long-term perspective of the calculations.

In the July 1, 2011, actuarial valuation, the entry age normal cost method was used. The actuarial assumptions included a 5.0% investment rate of return, compounded annually, net of investment expenses; an annual health care cost trend rate of 4.0%; and an annual inflation rate of 3.0%.

The District's unfunded actuarial accrued liability (UAAL) as of July 1, 2011, is amortized over a period of 30 years beginning July 1, 2011. The remaining amortization period at June 30, 2013, was 28 years.

11. COMMITMENTS AND CONTINGENCIES

Federal and State Allowances, Awards, and Grants

The District received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, it is believed that any required reimbursements will not be material.

Construction Project Commitments

The District entered into several construction contracts with a total estimated cost of \$20,321,418. At June 30, 2013, total payments on the contracts were \$16,025,653. Subsequent to June 30, 2013, the District entered into several additional construction contracts for a total of \$1,145,959.

12. JOINT POWERS AUTHORITIES

The District participates in joint ventures under joint power agreements with the following joint powers authorities (JPAs): Schools Excess Liability Fund (SELF), Tri-County Schools Insurance Group (TCSIG), Northern California Community Colleges Self Insurance Authority (NCCC SIA), California Asset Management Program (CAMP), Statewide Association of Community Colleges (SWACC), and Community College League of California (CCLC). The relationship between the District and the JPAs is such that the JPAs are not component units of the District for financial reporting purposes. The JPAs arrange for and provide property, liability, workers' compensation, dental, vision, and excess liability coverage for their members. Each member pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionate to its participation in the JPA.

TCSIG arranges for and provides health benefits coverage for its member districts. CCLC has established the Retiree Health Benefit Program (RHBP) to use funds invested by the District to pay postemployment health care and welfare benefits for eligible employees and retirees. As of June 30, 2013, no funds have been contributed to RHBP. CAMP is a JPA created to provide investment management services for surplus funds and comprehensive investment management, accounting, and arbitrage rebate calculation services for proceeds of tax-exempt financings. The District participates in the remaining JPAs to mitigate its risks associated with property and liability insurance, as well as workers' compensation coverage, as described further in note 2 above.

Each JPA is governed by a board consisting of representatives from the members. The boards control the operations of the JPAs, including selection of management and approval of operating budgets, independent of any influence by the members beyond their representation on the boards. Each member (except CAMP and CCLC) pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionate to its participation in the JPA. The District's share of year end assets, liabilities, or fund equity is not calculated by the JPA's (except CAMP and CCLC). Separately issued financial statements can be requested from each JPA.

13. CHANGE IN ACCOUNTING PRINCIPLES

The District adopted the provisions of GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, effective July 1, 2012. The beginning net position was increased by \$9,790,412 as a result of capitalizing interest costs of the bond projects that were previously expensed.

The District adopted the provisions of GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, effective July 1, 2012. This statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. There was no effect on net position.

June 30, 2013

The District adopted the provisions of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, effective July 1, 2012. This statement improves financial reporting by clarifying the appropriate use of the financial elements' deferred outflows of resources and deferred inflows of financial resources to ensure consistency in financial reporting. As a result, prior-year costs associated with the issuance of bonds have been expensed resulting in a cumulative effect of a change in accounting principle of \$2,445,134 decreasing net assets.

14. IMPACT OF RECENTLY ISSUED ACCOUNTING STANDARDS

In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*. This statement replaces requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, and Statement No. 50, *Pension Disclosures*, related to defined benefit pension plans and defined contribution pension plans administered through trusts or similar arrangements. The object of this statement is to establish standards for measuring and recognizing liabilities, deferred outflows and inflows of resources, and expenses or expenditures. For defined benefit pension plans, this statement will identify methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. This objective will result in revised methods of measurement and recognition, the reporting of a net pension liability on the statement of net position, and enhanced note disclosures and required supplementary information. The provisions of GASB Statement No. 68 are effective for fiscal years beginning after June 15, 2014. The District has not yet determined the effect this statement will have on its financial statements.

SUPPLEMENTARY INFORMATION SECTION

ORGANIZATION STRUCTURE

June 30, 2013

Yuba Community College District

The District, a political subdivision of the State of California, was established on July 1, 1964, and commenced operations on July 1, 1965. Its territories encompass Yuba, Sutter, and Colusa counties and portions of Glenn, Lake, Yolo, Butte, and Placer counties. There were no changes in boundaries during the fiscal year.

GOVERNING BOARD

Name	Office	Term Expires
Brent Hastey	President/Chair	2016
David Wheeler	Vice President/Vice Chair	2014
Gary Sandy	Clerk	2014
Jim Kennedy	Trustee	2014
Michael Pasquale	Trustee	2016
Xavier Tafoya	Trustee	2016
Richard Savarese	Trustee	2016
Aurelio Valencia	Student Trustee	2014

DISTRICT ADMINISTRATION

Dr. Douglas Houston,
Chancellor

Mr. Rodney Beilby,
Interim President, Yuba College

Dr. Angela Fairchilds,
President, Woodland Community College

**SCHEDULE OF WORKLOAD MEASURES
FOR STATE GENERAL APPORTIONMENT**
Year Ended June 30, 2013

Yuba Community College District

The full-time equivalent resident students (FTES) eligible for 2012-13 State apportionment reported to the State of California as of June 30, 2013, are summarized below:

	Reported Data
SUMMER INTERSESSION (Summer 2012 only)	
Noncredit	6.97
Credit	192.63
SUMMER INTERSESSION (Summer 2013 - Prior to July 1, 2013)	
Noncredit	-
Credit	439.04
PRIMARY TERMS (Exclusive of Summer Intersession)	
Census Procedure Courses	
Weekly Census Contact Hours	5,382.77
Daily Census Contact Hours	223.96
Actual Hours of Attendance Procedure Courses	
Noncredit	102.95
Credit	498.48
Alternative Attendance Accounting Procedure	
Weekly Census Contact Hours	563.87
Daily Census Contact Hours	122.43
Noncredit Independent Study/Distance Education Courses	-
Total FTES	7,533.10
SUPPLEMENTARY INFORMATION (Subset of Above Information)	
IN-SERVICE TRAINING COURSES (FTES)	75.10
BASIC SKILLS COURSES AND IMMIGRANT EDUCATION	
Noncredit	76.70
Credit	481.40

See the accompanying note to the supplementary information.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2013

Yuba Community College District

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass Through/ Grant Number	Federal CFDA Number	Federal Expenditures
FEDERAL DIRECT AWARDS			
U.S. DEPARTMENT OF EDUCATION			
Financial Aid Cluster			
Federal Supplemental Education Opportunity Grants		84.007	\$ 333,915
Federal Work-Study Program		84.033	276,330
Federal Pell Grant Program		84.063	16,003,943
Federal Direct Student Loans		84.268	1,243,839
			<u>17,858,027</u>
Total Financial Aid Cluster			
Trio Cluster			
TRIO - Student Support Services		84.042	899,433
TRIO - Upward Bound Program		84.047	230,846
			<u>1,130,279</u>
Total TRIO Cluster			
			<u>18,988,306</u>
Total Direct U.S. Department of Education			
FEDERAL AWARDS PASSED THROUGH OTHER AGENCIES			
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through California Department of Education			
Child and Adult Care Food Program	2657-6A	10.558	<u>109,955</u>
U.S. DEPARTMENT OF EDUCATION			
Passed Through Chancellor's Office			
Career and Technical Education - Basic Grants to States		84.048	<u>460,492</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed Through Chancellor's Office			
Temporary Assistance for Needy Families		93.558	116,555
Passed Through California Department of Education			
Child Care and Development Block Grant	CCTR-2350	93.575	52,320
Child Care and Development Block Grant	CSPP-2676	93.575	57,706
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	CCTR-2350	93.596	97,165
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	CSPP-2676	93.596	107,168
Passed Through Sutter County Office of Education			
MAA Medi-Cal Administration	09-86045	93.778	<u>9,317</u>
			<u>440,231</u>
Total U.S. Department of Health and Human Services			
NATIONAL SCIENCE FOUNDATION			
Passed Through Lorian Community College			
Education and Human Resources	1104107	47.076	<u>13,372</u>
U.S. DEPARTMENT OF ENERGY			
Passed Through West Virginia University			
Energy Efficiency and Conservation Block Grant	DE-EE0002108	81.086	<u>1,160</u>
U.S. DEPARTMENT OF COMMERCE			
Passed Through Foundation for California Community Colleges			
ARRA - California Connects	06-43-B10541	11.557	<u>12,648</u>
SMALL BUSINESS ADMINISTRATION			
Passed Through CSU Chico Research Foundation			
SBDC - SBA	Sub 09-011	59.037	65,344
SBDC - SBA	Sub 11-025	59.037	57,016
SBDC - SBA	Sub 11-018	59.037	58,488
			<u>180,848</u>
Total Small Business Administration			
			<u>\$ 20,207,012</u>
Total Expenditures of Federal Awards			

See the accompanying note to the supplementary information.

SCHEDULE OF EXPENDITURES OF STATE AWARDS

Yuba Community College District

Year Ended June 30, 2013

CATEGORICAL APPORTIONMENTS
 Extended opportunity programs and services
 Cooperative agency resource education
 Disabled students programs and services
 Board financial assistance
 Staff development
 Faculty and staff diversity
 Instructional equipment
 Basic skills
 CalWORKs
 Matriculation
 Associate nursing

Program Entitlements			Program Revenues			
Current Year	Prior-Year Carryover	Total	Cash Received	Receivable (Payable)	Advances from Grantors	Program Expenditures
\$ 906,966	\$ -	\$ 906,966	\$ 906,966	\$ (405)	\$ -	\$ 906,561
187,887	-	187,887	187,887	(268)	-	187,619
550,394	-	550,394	550,393	-	-	550,393
471,244	-	471,244	471,244	-	-	471,244
-	21,061	21,061	21,061	-	11,185	9,876
5,541	1,042	6,583	6,582	-	4,568	2,014
-	6,209	6,209	-	6,209	-	-
180,000	268,931	448,931	448,930	-	280,453	168,477
405,564	-	405,564	405,564	(42,405)	-	363,159
330,459	-	330,459	330,459	-	-	330,459
206,537	-	206,537	173,491	33,046	-	206,537
3,244,592	297,243	3,541,835	3,502,577	(3,823)	302,415	3,196,339

CATEGORICAL PROGRAM ALLOWANCES

NFNRC
 Lottery
 Puente
 State preschool
 First 5
 Foster parent
 Early childhood education mentor
 Independent living program
 Foster care
 MESA
 One stop
 Child development training
 CalWORKs
 First responder training
 Community collaborative
 WCC EAP
 WCC faculty entrepreneurship

13,500	-	13,500	4,854	-	639	4,215	4,215
232,771	-	232,771	232,771	-	-	232,771	232,771
9,263	-	9,263	-	1,091	-	1,091	1,091
1,011,841	-	1,011,841	661,538	(9,929)	-	651,609	651,609
35,200	-	35,200	35,200	-	-	35,200	35,200
377,585	-	377,585	235,314	142,271	-	377,585	377,585
2,300	-	2,300	1,700	-	-	1,700	1,700
145,447	-	145,447	84,096	50,464	-	134,560	134,560
14,070	-	14,070	11,025	3,045	-	14,070	14,070
64,848	-	66,571	44,648	16,206	-	60,854	60,854
25,292	1,723	28,226	10,066	3,464	-	13,530	13,530
24,270	2,934	24,270	20,020	3,640	-	23,660	23,660
31,782	44,324	76,106	86,896	4,106	71,676	19,326	19,326
12,500	-	12,500	-	6,645	-	6,645	6,645
566,750	476,256	1,043,006	1,226,225	-	782,068	444,157	444,157
-	5,058	5,058	5,058	-	5,058	-	-
-	5,304	5,304	5,304	-	5,304	-	-
2,567,419	535,599	3,103,018	2,664,715	221,003	864,745	2,020,973	2,020,973
\$ 5,812,011	\$ 832,842	\$ 6,644,853	\$ 6,167,292	\$ 217,180	\$ 1,167,160	\$ 5,217,312	\$ 5,217,312

See the accompanying note to the supplementary information.

RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET
REPORT (FORM CCFS-311) WITH AUDITED FINANCIAL
STATEMENTS

Year Ended June 30, 2013

	General Fund	Capital Projects Funds	Debt Service Funds	Internal Service Funds	Trust Funds	Total
June 30, 2013 - Annual Financial and Budget Report Fund Balances	\$ 5,496,211	\$ 6,275,200	\$ 5,296,179	\$ 2,229,067	\$ 59,440	\$ 19,356,097
ADJUSTMENTS INCREASING (DECREASING)						
THE FUND BALANCES	-	603,782	-	-	-	603,782
Understatement of receivables	(3)	-	-	1	1	(1)
Other	(3)	603,782	-	1	1	603,781
Net Adjustments						
June 30, 2013 - Audited Financial Statement Fund Balances	\$ 5,496,208	\$ 6,878,982	\$ 5,296,179	\$ 2,229,068	\$ 59,441	\$ 19,959,878

See the accompanying note to the supplemental information.

RECONCILIATION OF 50% LAW CALCULATION
Year Ended June 30, 2013

		Activity (ECSA) ECS 84362 A Instructional Salary Cost AC 0100-5900 and AC 6110		Activity (ECSB) ECS 84362 B Total CEE AC 0100-6799	
	Object Codes	Reported Data	Audit Adjustments	Reported Data	Revised Data
ACADEMIC SALARIES					
INSTRUCTIONAL SALARIES					
Contract or regular	1100	\$ 8,584,462	\$ -	\$ 8,584,462	\$ 8,584,462
Other	1300	6,536,669	-	6,536,669	6,536,669
		15,121,131	-	15,121,131	15,121,131
Total Instructional Salaries					
NON-INSTRUCTIONAL SALARIES					
Contract or regular	1200	-	-	3,988,835	3,988,835
Other	1400	-	-	317,676	317,676
		-	-	4,306,511	4,306,511
Total Non-Instructional Salaries					
		15,121,131	-	19,427,642	19,427,642
Total Academic Salaries					
CLASSIFIED SALARIES					
NON-INSTRUCTIONAL SALARIES					
Regular status	2100	-	-	6,216,191	6,216,191
Other	2300	-	-	340,832	340,832
		-	-	6,557,023	6,557,023
Total Instructional Salaries					
INSTRUCTIONAL AIDES					
Regular status	2200	630,812	-	630,812	630,812
Other	2400	154,030	-	154,030	154,030
		784,842	-	784,842	784,842
Total Instructional Aides					
		784,842	-	7,341,865	7,341,865
Total Classified Salaries					
OTHER					
Employee benefits	3000	3,671,289	-	9,189,369	9,189,369
Supplies and materials	4000	-	-	446,374	446,374
Other operating expenses	5000	232,917	-	4,570,556	4,570,556
Equipment replacement	6420	-	-	-	-
		3,904,206	-	14,206,299	14,206,299
Total Other					
		19,810,179	-	40,975,806	40,975,806
Total Expenditures Prior to Exclusions					
		\$ 19,810,179	\$ -	\$ 40,975,806	\$ 40,975,806

See the accompanying note to the supplementary information.

RECONCILIATION OF 50% LAW CALCULATION

Year Ended June 30, 2013

Yuba Community College District
Page 2 of 2

	Object Codes	Activity (ECSA) ECS 84362 A Instructional Salary Cost AC 0100-5900 and AC 6110			Activity (ECSB) ECS 84362 B Total CEE AC 0100-6799		
		Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
EXCLUSIONS							
ACTIVITIES TO EXCLUDE							
Instructional Staff-Retirees' Benefits and Retirement Incentives	5900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Student Health Services Above Amount Collected	6441	-	-	40,891	40,891	-	40,891
Student Transportation	6491	-	-	11,119	11,119	-	11,119
Non-Instructional Staff Retirees' Benefits and Retirement Incentives	6740	-	-	437,534	437,534	-	437,534
Total Instructional Salaries		-	-	489,544	489,544	-	489,544
OBJECTS TO EXCLUDE							
Rents and leases	5060	-	-	251,199	251,199	-	251,199
Lottery expenditures	1000	-	-	-	-	-	-
Academic salaries	2000	-	-	-	-	-	-
Classified salaries	3000	-	-	-	-	-	-
Employee benefits		-	-	251,199	251,199	-	251,199
Subtotal		-	-	-	-	-	-
Supplies and materials:	4000	-	-	-	-	-	-
Software	4100	-	-	-	-	-	-
Books, magazines, and periodicals	4200	-	-	-	-	-	-
Instructional supplies and materials	4300	-	-	-	-	-	-
Non-instructional supplies and materials	4400	-	-	-	-	-	-
Total Supplies and Materials		-	-	-	-	-	-
Other operating expenses and services	5000	-	-	901,080	901,080	-	901,080
Capital outlay	6000	-	-	-	-	-	-
Library books	6300	-	-	901,080	901,080	-	-
Subtotal		-	-	-	-	-	-
Equipment:	6400	-	-	-	-	-	-
Additional	6410	-	-	-	-	-	-
Replacement	6420	-	-	-	-	-	-
Total Equipment		-	-	-	-	-	-
Total Capital Outlay		-	-	1,641,823	1,641,823	-	1,641,823
Other outgo	7000	-	-	-	-	-	-
Total Exclusions		-	-	1,641,823	1,641,823	-	1,641,823
Total for ECS 84362 - 50% Law		\$ 19,810,179	\$ -	\$ 19,810,179	\$ 39,333,983	\$ -	\$ 39,333,983
Percentage of CEE (Instructional Salary Cost/Total CEE)		50.36%	0.00%	50.36%			
50% of Current Expense of Education		\$ 19,666,992	\$ -	\$ 19,666,992	\$ 19,666,992	\$ -	\$ 19,666,992

See the accompanying note to the supplementary information.

**RECONCILIATION OF EDUCATION
PROTECTION ACCOUNT EXPENDITURES**
Year Ended June 30, 2013

Yuba Community College District

	Object Code	Salaries and Benefits (1000-3000)	Operating Expenses (4000-5000)	Capital Outlay (6000)	Total
EPA Proceeds	8630				\$ 6,888,413
Activity Classification:					
Instructional activities	0100-5900	\$ 6,888,413	\$ -	\$ -	6,888,413
Total Revenue Less Expenses					\$ -

See the accompanying note to the other supplementary information.

**NOTE TO THE SUPPLEMENTARY
INFORMATION**

June 30, 2013

Yuba Community College District

PURPOSE OF SCHEDULES

Schedule of Workload Measures for State General Apportionments

A full-time equivalent student is a measurement of the number of hours students attend classes. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of State funds are made to community college districts.

Schedule of Expenditures of Federal and State Awards

These schedules were prepared on the accrual basis of accounting. OMB Circular A-133 requires disclosure of the financial activities of all federally funded programs. These schedules were prepared to comply with OMB Circular A-133 and State requirements.

Reconciliation of Annual Financial and Budget Report (Form CCFS-311) With Audited Financial Statements

This schedule provides the information necessary to reconcile the fund balances of all funds as reported on the Form CCFS-311 to the audited financial statements other than those adjustments related to the conversion required by GASB Statement Nos. 34 and 35.

Reconciliation of 50% Law Calculation

This schedule provides the information necessary to reconcile the 50% law calculation as reported on the Form CCFS-311 to the audited financial statements.

Reconciliation of Education Protection Account Expenditures

This schedule provides the information necessary to reconcile the Education Protection Account Expenditures reported on the Form CCFS-311 to the audited financial statements.

OTHER REPORTS SECTION

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Trustees
Yuba Community College District
Marysville, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities, and the discretely presented component unit of the Yuba Community College District (the District), as of and for the year ended June 30, 2013; and the related notes of the financial statements, which collectively comprise the District's basic financial statements; and have issued our report thereon dated December 5, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies; and, therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting (item 13-1).

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***
Continued

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and which are described in the accompanying schedule of findings and questioned costs as items 13-2, through 13-5.

District's Response to Findings

The District's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The District's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

Matson and Isom

December 5, 2013
Chico, California

**INDEPENDENT AUDITORS' REPORT ON
COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY OMB CIRCULAR A-133**

To the Board of Trustees
Yuba Community College District
Marysville, California

Report on Compliance for Each Major Federal Program

We have audited Yuba Community College District's (the District) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2013. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Other Matter

The results of our auditing procedures disclosed instances of noncompliance with the compliance requirements referred to above that are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as item 13-2.

The District's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

**INDEPENDENT AUDITORS' REPORT ON
COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY OMB CIRCULAR A-133**

Continued

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of This Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance, and the results of the testing, based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Matson and Isom

December 5, 2013
Chico, California

INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE

To the Board of Trustees
Yuba Community College District
Marysville, California

Compliance

We have audited the Yuba Community College District's (the District) compliance with the types of state compliance requirements described in the *California Community Colleges Contracted District Audit Manual 2012-13*, published by the California Community Colleges Chancellor's Office, for the year ended June 30, 2013. The applicable State compliance requirements are identified in the table below.

Management's Responsibility

Compliance with the requirements referred to above is the responsibility of the District's management.

Auditors' Responsibility

Our responsibility is to express an opinion on District's compliance with the State laws and regulations based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and *California Community Colleges Contracted District Audit Manual 2012-13*, published by the California Community Colleges Chancellor's Office. Those standards and the *California Community Colleges Contracted District Audit Manual 2012-13*, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on compliance with the State laws and regulations described in the schedule below. An audit includes examining, on a test basis, evidence supporting the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide legal determination of the District's compliance with those requirements.

INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE

Continued

SALARIES OF CLASSROOM INSTRUCTORS: 50 PERCENT LAW
APPORTIONMENT FOR INSTRUCTIONAL SERVICE AGREEMENTS/CONTRACTS
STATE GENERAL APPORTIONMENT FUNDING SYSTEM
RESIDENCY DETERMINATION FOR CREDIT COURSES
STUDENTS ACTIVELY ENROLLED
CONCURRENT ENROLLMENT OF K-12 STUDENTS IN COMMUNITY COLLEGE CREDIT
COURSES
GANN LIMIT CALCULATION
CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CALWORKS) -
USE OF STATE AND FEDERAL TANF FUNDING
OPEN ENROLLMENT
STUDENT FEES - INSTRUCTIONAL AND OTHER MATERIALS
STUDENT FEES - HEALTH FEES AND USE OF HEALTH FEE FUNDS
EXTENDED OPPORTUNITY PROGRAMS AND SERVICES (EOPS) AND COOPERATIVE
AGENCIES RESOURCES FOR EDUCATION (CARE)
DISABLED STUDENT PROGRAMS AND SERVICES (DSPS)
TO BE ARRANGED HOURS (TBA)
PROPOSITION 1D STATE BOND FUNDED PROJECTS
PROPOSITION 30 EDUCATION PROTECTION ACCOUNT FUNDS

Opinion

In our opinion, the District complied, in all material respects, with the State laws and regulations referred to above that are applicable to the District for the year ended June 30, 2013, except as described in the accompanying schedule of findings and questioned costs as items 13-3 through 13-5.

The District's Responses to Findings

The District's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The District's responses were not subjected to the auditing procedures applied in the audit of compliance, and, accordingly, we express no opinion on the responses.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of compliance, and the results of that testing, based on the *California Community Colleges Contracted District Audit Manual 2012-13*. Accordingly, this report is not suitable for any other purpose.

Matson and Isom

December 5, 2013
Chico, California

FINDINGS AND QUESTIONED COSTS SECTION

**SCHEDULE OF FINDINGS AND
QUESTIONED COSTS**

June 30, 2013

Yuba Community College District

**SECTION I
SUMMARY OF AUDITORS' RESULTS**

FINANCIAL STATEMENTS

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiency identified not considered to be a material weakness?	Yes
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major programs:	
Material weaknesses identified?	No
Significant deficiency identified not considered to be a material weakness?	Yes
Type of auditors' report issued on compliance for major program:	Unmodified
Audit findings disclosed relative to major federal award programs?	Yes
Identification of major programs:	
CFDA Nos. 84.007, 84.033, 84.063, 84.268	Student Financial Assistance Cluster
CFDA Nos. 84.042, 84.047	TRIO Cluster
CFDA Nos. 93.575, 93.596	Child Care and Development Fund Cluster
Threshold for distinguishing types A and B programs:	\$300,000
Determined to be a low-risk auditee?	No

STATE AWARDS

Internal control over state programs:	
Material weaknesses identified?	No
Significant deficiency identified not considered to be a material weakness?	Yes
Type of auditors' report issued on compliance for State programs:	Qualified

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2013

Yuba Community College District

SECTION II FINDINGS FINANCIAL STATEMENTS AUDIT

INTERNAL CONTROL (Attendance Accounting)

13-1

Significant Deficiency

Condition

We noted the following regarding proper reporting of full-time equivalent students (FTES):

1. The District did not have a system for monitoring the early certification of census rosters in relation to the appropriate census date. Of the courses identified as having early certification during the Fall 2012 and Spring 2013 semesters, it was noted that instructors submitted certified census rosters an average of 14 days in advance of the appropriate census date.
2. One daily census type course selected for testing reported contact hours and FTES under the weekly census procedure instead of the daily census procedure.
3. One actual hour of attendance type course selected for testing did not fulfill the contact hours requirement noted on the course outline of record due to differences in contact hour requirements for live course offerings and online course offerings not noted on the course outline of record.

Criteria

1. Districts shall, according to procedures adopted by the governing board, clear the rolls of inactive enrollment. Inactive enrollment in a course is defined as follows: As of each census date, any student who has: (1) been identified as a no show; or (2) officially withdrawn from the course; or (3) been dropped from the course (5 CCR 58004).
2. The total student contact hours reported under the Daily Student Contact Hour procedure should be the product of the number of students actively enrolled at census times the scheduled daily contact hours of the class, times the number of scheduled meetings of the class, (excluding holidays) (5CCR 58003.1(c)).
3. Scheduling of courses must be consistent with the class hours indicated in the approved course outline of completion of the course. Reasonable variances are permitted if caused by legitimate scheduling considerations caused by course compression or computational exigencies or exceptions provided for in Title 5 (Addendum to the Student Attendance Accounting Manual Concerning Academic Calendars, Course Scheduling, and Related Topics).

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2013

Yuba Community College District

Effect

1. Without strengthening internal controls over the timing of certified census rosters, the FTES may not be accurately reported to the Chancellor's Office.
2. Without strengthening internal controls over the method used to account for various census type courses FTEs may not be accurately reported to the Chancellor's Office.
3. Without strengthening internal controls over course scheduling, course outline requirements may not be met and FTES reported may be disallowed by the Chancellor's Office.

For the aforementioned instances noted, we are unable to determine the significance of the error on the whole population.

Recommendation

To strengthen the internal control procedures over the accurate reporting of FTES, we recommend that the District implement the following:

1. Establish procedures that prevent instructors from submitting certified census rosters prior to the census date for the corresponding course.
2. Establish procedures to correctly compute contact hours and FTES under the census accounting procedure appropriate for the course.
3. Establish procedures that correctly schedule courses based upon course outline of record contact hour requirements.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2013

Yuba Community College District

Response

We acknowledge the findings cited above and we have taken steps to avoid their occurrence in the future:

1. There was an important control overlooked in the design of the custom WebAdvisor software that enables instructors to certify active participation of students by submission of an online census roster. The required control was added and became effective in Fall 2013. The software now prevents instructors from certifying attendance before the census date of the section for both weekly-census and daily-census classes.
2. Training sessions for staff involved in scheduling classes and building sections in the Ellucian Colleague system have been and will continue to be conducted at regular intervals. After sections are built by college staff, the District has an edit/review process in place with the goal of discovering errors in accounting procedure determination, contact hours calculation, and related areas. Additional training support is being scheduled for the District-level edit/review staff to strengthen the effectiveness of that function. Also, several new analytical reports are being developed to assist in the edit/review process by shedding light on apparent irregularities.
3. Special effort is being made in 2013-14 to carefully align course scheduling with course outlines of record through a Curriculum Alignment Initiative. A number of cases found that course outlines of record have not kept pace with needed curriculum changes that have been implemented in class scheduling; in other cases, sections have strayed from provisions of course outlines that should remain as they are. This is a complex, time-consuming effort that the District recognizes as an ongoing responsibility.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2013

Yuba Community College District

SECTION III FINDINGS FEDERAL AWARDS AUDIT

**DEPARTMENT OF EDUCATION
CFDA Nos. 84.042, 84.047 – TRIO Cluster
FEDERAL COMPLIANCE (Eligibility)
13-2**

Significant Deficiency

Condition

Our tests of compliance with the TRIO – Educational Talent Search (ETS) program resulted in the following:

1. Four students out of forty tested did not have transcripts included in their student file, which did not provide evidence that the student was enrolled in school at the time of eligibility.
2. Four students out of forty tested did not show evidence of the evaluation and approval of the eligibility considerations of the student.

Criteria

The eligibility requirements are as follows:

One of the requirements is that for each participant, the District must maintain a record of the eligibility of the student and the determination of the eligibility. Documentation in the record must include: (1) The basis for the grantee's determination that the participant is eligible to participate in the project under 643.3; (2) the grantee's needs assessment for the participant; (3) the services that are provided to the participant; (4) the specific educational progress made by the participant as a result of the services; and (5) to the extent practicable, any services the ETS participant receives during the project year from another federal TRIO program or another fully federally funded program that serves populations similar to those served under the ETS program (34 CFR section 643.32).

Effect

By not documenting the criteria used for eligibility, the District may be qualifying students when they are ineligible to enter the program. Additionally, by not maintaining student transcripts, the District is out of compliance with recordkeeping requirements under the program.

Recommendation

We recommend that the District institute a review of ETS files after they are initially prepared. This would allow the District to ensure that all proper checklists and transcripts are included.

**SCHEDULE OF FINDINGS AND
QUESTIONED COSTS**

June 30, 2013

Yuba Community College District

Response

We acknowledge the findings cited above and we will take steps to avoid their occurrence in the future.

The ETS program recognizes that the record keeping was not up to code historically; and as of January 2013, the program has changed its application eligibility review process that confirms compliance with federal regulations. The ETS program has made necessary changes to ensure compliance with the U.S. Department of Education and the program has implemented the eligibility review process.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2013

Yuba Community College District

SECTION IV FINDINGS STATE AWARDS AUDIT

STATE COMPLIANCE (California Work Opportunity and Responsibility to Kids (CalWORKs)) 13-3

Significant Deficiency

Condition

During the testing of ten CalWORKs participants at Woodland Community College, four participants' eligibility verification had not been performed for each academic term of participation.

Criteria

Eligibility for services must be coordinated through the local county welfare department. Once the initial eligibility determination is made by the county welfare department and documented in the student's case file, on-going communication with the county is essential to ensure that a student remains in good standing with the county. It is acceptable for colleges to dedicate staff time to meeting with potential students to gather information prior to eligibility determination; however, student eligibility must be determined and documented each academic term before CalWORKs or TANF funds may be spent on the student for direct services such as child care, work study, transportation, or books and supplies (California Community Colleges CalWORKs Program Handbook dated November 2010).

Effect

Woodland Community College's procedures do not ensure that students who are no longer eligible for CalWORKs benefits will be prevented from receiving benefits. For the sample tested, no students were ineligible for CalWORKs benefits, however, the total effect of this issue on the population is unknown.

Recommendation

We recommend that Woodland Community College verify with the local County welfare department each academic term for each potential CalWORKs participant.

Response

We acknowledge the findings cited above, and we will take steps to avoid this occurrence in the future.

The CalWORKS staff will verify eligibility for each program participant every academic term and maintain records documenting the verification.

**SCHEDULE OF FINDINGS AND
QUESTIONED COSTS**

June 30, 2013

Yuba Community College District

**STATE COMPLIANCE (Extended Opportunity Programs & Services (EOPS), and
Cooperative Agencies Resources for Education (CARE))**

13-4

Significant Deficiency

Condition

Woodland College did not hold one of two required advisory committee meetings for the CARE program during the academic year.

Criteria

For the CARE program, the advisory committee shall meet at least twice during each academic year (CARE Program Guidelines, revised August 1, 2010).

Effect

The purpose of the advisory committee is to assist the District in developing and maintaining adequate programs. By not holding the advisory committee meetings, the programs may not be operating in an efficient or effective manner.

Recommendation

We recommend that the District establish procedures to ensure that the advisory committee for the CARE program meet the required number of times each academic year.

Response

We acknowledge the finding cited above, and we will take steps to avoid this occurrence in the future.

At the beginning of each academic year, the Woodland Community College EOPS staff will establish dates for convening the Advisory Committee once each semester. Advisory Committee members will be notified of the meetings well in advance to facilitate scheduling and attendance. The meetings will:

1. be held as scheduled;
2. have a formal agenda; and
3. have minutes taken and kept on file.

**SCHEDULE OF FINDINGS AND
QUESTIONED COSTS**

June 30, 2013

Yuba Community College District

STATE COMPLIANCE (Concurrent Enrollment)

13-5

Significant Deficiency

Condition

During our testing of 20 personnel files at the Yuba College campus, we noted one file did not contain documentation to substantiate the faculty member met the minimum qualifications to teach a credit course.

Criteria

California Code of Regulations, Title 5, Section 53410, specifies that the minimum qualifications for service as a community college faculty member teaching any credit course, or a counselor or librarian, must be satisfied by meeting any of the following requirements:

- (a) Possession of a master's degree, or equivalent foreign degree, in the discipline of the faculty member's assignment.
- (b) Possession of a master's degree, or equivalent foreign degree, in a discipline reasonably related to the faculty member's assignment and possession of a bachelor's degree, or equivalent foreign degree, in the discipline of the faculty member's assignment.
- (c) For faculty assigned to teach courses in disciplines where the master's degree is not generally expected or available, but where a related bachelor's or associate degree is generally expected or available, possession of either:
 - (1) a bachelor's degree in the discipline directly related to the faculty member's teaching assignment or equivalent foreign degree plus two years of professional experience directly related to the faculty member's teaching assignment; or
 - (2) an associate degree in the discipline directly related to the faculty member's teaching assignment or equivalent foreign degree plus six years of professional experience directly related to the faculty member's teaching assignment.
- (d) For faculty assigned to teach courses in disciplines where the master's degree is not generally expected or available, and where a related bachelor's or associate degree is not generally expected or available, possession of either:
 - (1) any bachelor's degree or equivalent foreign degree plus two years of professional experience directly related to the faculty member's teaching assignment; or
 - (2) any associate degree or equivalent foreign degree plus six years of professional experience directly related to the faculty member's teaching assignment.

**SCHEDULE OF FINDINGS AND
QUESTIONED COSTS**

June 30, 2013

Yuba Community College District

Effect

Without obtaining proper documentation that verifies a faculty member meets the minimum qualifications, a course may be instructed by an unqualified faculty member. The overstatement of FTES for credit courses instructed by the faculty member from the above sample was 5.59 FTES.

Recommendation

We recommend that the District strengthen controls over its hiring process to verify that all required documentation be obtained to ensure only qualified individuals are hired for positions requiring minimum qualifications.

Response

The District acknowledges the auditors' findings regarding personnel file controls and has taken steps to avoid this occurrence in the future. The Office of Human Resources will maintain an informal checklist for academic employees to ensure that minimum qualifications exist in the employees' files at the time of hire. Additionally, the District will implement an online employment tracking system which will alleviate the need for manually tracking minimum qualifications.

CORRECTIVE ACTION PLAN
June 30, 2013

Yuba Community College District

The District's corrective action plan has been issued as a separate letter.

**SUMMARY SCHEDULE OF PRIOR AUDIT
FINDINGS**

June 30, 2013

Yuba Community College District

INTERNAL CONTROL (Physical Inventory of Capitalized Assets)

12-1

Significant Deficiency

Condition

A prior-year significant deficiency regarding the lack of a physical inventory of capitalized assets, including capital assets purchased with federal funds, was partially corrected by the District. The District purchased a new capital asset management software package, AssetMaxx, which allowed them to tag and maintain records for assets purchased in the current year. The District performed a physical inventory of the tagged assets.

However, the District did not tag or perform a physical inventory of the capital assets that were purchased in prior years. Additionally, the asset listings did not include the funding source of the equipment including the award number, the location and condition of the equipment, or disposition data for the federal capital assets.

Criteria

As required under 2 CFR 215.34(f), the property management system shall include the following information for equipment purchased with federal funds:

1. Equipment records shall be maintained accurately and shall include the following information:
 - i. A description of the equipment.
 - ii. Manufacturer's serial number, model number, federal stock number, national stock number, or other identification number.
 - iii. Source of equipment, including the award number.
 - iv. Whether title vests in the recipient or the federal government.
 - v. Acquisition date (or date received, if the equipment was furnished by the Federal Government) and cost.
 - vi. Information from which one can calculate the percentage of federal participation in the cost of the equipment (not applicable to equipment furnished by the federal government).
 - vii. Location and condition of the equipment and the date the information was reported.
 - viii. Unit acquisition cost.
 - ix. Ultimate disposition data, including date of disposal and sales price or the method used to determine current fair market value where a recipient compensates the federal awarding agency for its share.

**SUMMARY SCHEDULE OF PRIOR AUDIT
FINDINGS**

June 30, 2013

Yuba Community College District

2. Equipment owned by the federal government shall be identified to indicate federal ownership.
3. A physical inventory of equipment shall be taken and the results reconciled with the equipment records at least once every two years. Any differences between quantities determined by the physical inspection and those shown in the accounting records shall be investigated to determine the causes of the difference. The recipient shall, in connection with the inventory, verify the existence, current utilization, and continued need for the equipment.
4. A control system shall be in effect to insure adequate safeguards to prevent loss, damage, or theft of the equipment. Any loss, damage, or theft of equipment shall be investigated and fully documented; if the equipment was owned by the federal government, the recipient shall promptly notify the federal awarding agency.
5. Adequate maintenance procedures shall be implemented to keep the equipment in good condition.
6. Where the recipient is authorized or required to sell the equipment, proper sales procedures shall be established which provide for competition to the extent practicable and result in the highest possible return.

Effect

Capital assets, including those purchased with federal funds, may not be properly safeguarded without a strong property management system.

Recommendation

We recommend that the District improve existing internal controls to strengthen the property management system for equipment purchases including those purchased with federal funds.

Action Taken

Fully implemented.

**SUMMARY SCHEDULE OF PRIOR AUDIT
FINDINGS**

June 30, 2013

Yuba Community College District

**DEPARTMENT OF EDUCATION
CFDA Nos. 84.007, 84.033, 84.063, 84.268 –
Student Financial Assistance Cluster
FEDERAL COMPLIANCE (Return of Funds to Title IV)
12-2**

Significant Deficiency

Condition

Our tests of compliance with the Student Financial Aid – Return of Funds to Title IV resulted in the following:

1. The District returned amounts owed to Title IV more than 45 days after the District determined the student's withdrawal date for eight of the 40 students tested, totaling \$1,115. All of the instances of noncompliance were from Woodland Community College.
2. The District did not notify students of their eligibility for post-withdrawal disbursements for additional financial aid funds earned based on their percentage of completion for the term for two of the six students tested, totaling \$1,387. Both instances of noncompliance were from Yuba College.

Criteria

1. Returns should be processed in accordance with established time frames. Refunds due to the student financial aid (SFA) programs are required to be deposited to the SFA accounts within 45 days after the student officially withdraws, is expelled, the institution determines the student unofficially withdrew, or no later than 45 days following the expiration of an approved leave of absence (34 CFR 668.22(j)(1)).
2. If the amount the student earned is greater than the amount disbursed, the difference between the amounts must be treated as a post-withdrawal disbursement. Any grant funds not disbursed to the student's account must be disbursed to the student no later than 45 days after the date of the institution's determination that the student withdrew (34 CFR 668.22(a)(6)(ii)(B)(1)).

Effect

The District procedures do not ensure that the refunds to Title IV and post-withdrawal disbursements to students are completed within the required timeframes. The total effect of these issues of noncompliance is unknown.

Recommendation

We recommend that the District establish procedures to ensure that refunds to Title IV and post-withdrawal disbursements to students are issued within the required time frames.

Action Taken

Fully implemented.

**SUMMARY SCHEDULE OF PRIOR AUDIT
FINDINGS**

June 30, 2013

Yuba Community College District

**STATE COMPLIANCE (Extended Opportunity Programs & Services (EOPS), and
Cooperative Agencies Resources for Education (CARE))**

12-3

Significant Deficiency

Condition

Yuba College did not hold advisory committee meetings for the EOPS and CARE programs during the academic year.

Criteria

For the EOPS program, the advisory committee shall meet at least once during each academic year (CCR Title 5, Section 56208). For the CARE program, the advisory committee shall meet at least twice during each academic year (CARE Program Guidelines, revised August 1, 2010).

Effect

The purpose of the advisory committee is to assist the District in developing and maintaining adequate programs. By not holding the advisory committee meetings, the programs may not be operating in an efficient or effective manner.

Recommendation

We recommend that the District establish procedures to ensure that advisory committees for each program meet the required number of times each academic year.

Action Taken

See current-year finding in the schedule of findings and questioned costs (item 13-5).

**SUMMARY SCHEDULE OF PRIOR AUDIT
FINDINGS**

June 30, 2013

Yuba Community College District

STATE COMPLIANCE (To Be Arranged Hours)

12-4

Significant Deficiency

Condition

During the testing of three To Be Arranged Hours (TBA) courses from a total of eight courses, we noted the following:

1. The number of hours of instruction for TBA courses were not listed in the course catalog for all three courses tested. The number of hours of instruction for TBA courses was not listed in the schedule of classes for one course tested.
2. Attendance records did not support the CCFS Form-320 full-time equivalent students (FTES) for two courses. However, the attendance for one of the courses was corrected in the latest CCFS Form-320 revision.
3. The syllabus or other documentation was not provided to the students for one course tested.

Criteria

1. A clear description of the course, including the number of TBA hours required, must be published in the official general catalog and/or schedule of classes and/or addenda (5 CCR 58102, and TBA Hours Compliance Advice (Legal Advisory 08-02), published October 1, 2008).
2. If a credit census based course includes required instructional hours for enrolled students that are listed as TBA in the official schedule or addenda, documentation is required to demonstrate that each student has completed the TBA requirement as appropriate for either weekly or daily census attendance accounting procedures (5 CCR 58003.1(b), 58003.1(c): Student Accounting Manual, page 3.3).
3. Instructors must inform students of their responsibility to adhere to individual TBA schedules and to complete the tasks assigned. This may be done through a course syllabus or another required assignment document (TBA Hours Compliance Advice (Legal Advisory 08-02), published October 1, 2008).

Effect

The courses may not be well publicized which may affect the students' selection of courses, and students taking these courses may be unaware of the requirements which are unique to a TBA course. Additionally, it is possible that FTES will be incorrectly reported to the State if proper attendance records are not maintained by the District.

**SUMMARY SCHEDULE OF PRIOR AUDIT
FINDINGS**

June 30, 2013

Yuba Community College District

Recommendation

We recommend that the District update their processes and internal reviews to ensure that all catalogs and schedules contain the requisite information related to TBA courses prior to being produced. Further, we recommend that the District provide specific training related to attendance records and compliance requirements associated with TBA courses to all instructors who will be teaching such courses in order to ensure compliance with requirements.

Action Taken

Fully implemented.

The County of Yuba

AUDITOR - CONTROLLER



C. RICHARD EBERLE, CPA

915 8th Street, Suite 105
Marysville, CA 95901-5273
(530) 749-7810

January 2, 2014

RECEIVED

JAN - 2 2014

Clerk/Board of Supervisors

Board of Supervisors
County of Yuba
915 8th Street Suite 109
Marysville CA 95901

Honorable Members:

An Independent Audit of the financial records for the following agency has been completed for the year(s) specified:

LINDA COUNTY WATER DISTRICT

JUNE 30, 2013

Yours truly,

A handwritten signature in black ink, appearing to read "C. Eberle", is written over a horizontal line.

C. Richard Eberle
Auditor-Controller

CRE/kmd
Enclosure (1)

**LINDA COUNTY WATER DISTRICT
FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013**

BOARD OF DIRECTORS
JOAN SAUNDERS – PRESIDENT
KEITH WHITAKER
JOHN MCALEER
GORDON STEVENS
LACI HEGGSTROM

DISTRICT GENERAL MANAGER
DOUGLAS W. LOFTON

DISTRICT ACCOUNTANT
WENDI JELLSEY

LINDA COUNTY WATER DISTRICT
JUNE 30, 2013
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P.O. Box 160
661 5th Street, Suite 101
Lincoln, CA 95648
Office (916) 434-1662
Fax (916) 434-1090

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Linda County Water District
Marysville, California

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and each major fund of Linda County Water District (the District) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the business-type activities and each major fund of the District, as of June 30, 2013, and the respective changes in financial position and, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America and with the California State Controller's Minimum Audit Requirements and Reporting Guidelines for Special Districts.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 through 6 and 21 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information


Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The statistical section schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and summary schedule of prior audit findings are presented for purposes of additional analysis and are also not a required part of the basic financial statements.

The schedule of expenditures of federal awards and summary schedule of prior audit findings are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and summary schedule of prior audit findings are fairly stated in all material respects in relation to the basic financial statements as a whole.

The statistical section schedules (comparative results of operations; comparative financial condition and schedule of operating statistics) have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 9, 2013, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering District's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Jensen Smith".

Jensen Smith
Certified Public Accountants
Lincoln, California
December 9, 2013

**LINDA COUNTY WATER DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2013**

Our discussion and analysis of Linda County Water District's financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2013. Please read it in conjunction with the District's financial statements, which begin on page seven.

FINANCIAL HIGHLIGHTS

- Last year, the District completed the project to expand and upgrade its wastewater treatment plant facilities. The new plant expands capacity from 1.8 to 5.0 million gallons per day liquid train and enhances treatment processes to prepare to comply with new state regulations. The construction cost was financed by District funds and a loan from the State Water Resources Control Board (SWRCB). Because of the District's compliance with federal American Recovery and Reinvestment Act of 2009 stipulations, \$10,000,000 of the financed debt was forgiven by the SWRCB. This loan forgiveness is included as income in the accompanying financial statements.
- The District's net position for our business-type activities increased substantially for this year. Virtually all of the increase was due to the \$10,000,000 loan forgiveness, and \$1,207,987 of in kind income resulting from contribution of utility infrastructure. The increase in net position as a result of this year's operations was less than two percent. Nearly all of this increase is attributable to increased sewer fees.
- During the year, the District had operating revenues of \$4.949 million, or an 8.2 percent increase over the prior year. The District's operating expenses increased by 32.5 percent, to over \$4.562 million. Seventeen percent of the increase in expenses was attributable to the increase in depreciation expense due to the addition of the new wastewater treatment plant.
- The District collected about \$242,000 in water and sewer hook-up fees this year. This amount represents a slight decrease of \$9,000 in the amount of utility hook-up fees in comparison to the prior year. The amount of residential hook-up fees collected is expected to continue to be static over the short term.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Fund Net Position (pages seven and eight) provide information about the activities of the District as a whole and also present the District's operations in more detail by providing information about the District's two business-type operations.

Reporting the District as a Whole and Its Significant Funds

One of the most important questions asked about the District's finances is, "Is the District as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Fund Net Position report information about the District as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net position and changes in it. You can think of the District's net position—the difference between assets and liabilities—as one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position are indicative of whether its financial health is improving or deteriorating. It must be kept in mind however, that the utility hookup fees that are collected go into reserved cash accounts for use in building future District capital facilities. These fees therefore should be deducted from the increase in net position to determine the growth in assets attributable to regular utility operations. You will need to consider other nonfinancial factors also, such as proposed or potential mandates by the State Water Quality Control Board, to assess the overall health of the District.

District Significant Funds

- *Proprietary funds*—When the District charges customers for the services it provides, these services are reported as proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Fund Net Position. In fact, the District's proprietary funds are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows.

Comparative operations and financial condition information for the District's two proprietary funds is presented on pages twenty-four and twenty-five of this report.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2013, the District had \$73.517 million invested in water and sewer utility capital assets. This amount represents a net decrease over the prior year, due to the write off of some outdated, fully depreciated assets.

A schedule of all fixed asset changes in the water and sewer funds over the past year is presented on pages 15 and 16 in the notes to the financial statements.

The District's June 30, 2014 capital budget calls for it to spend \$800,000 for planning and design for phase two of the wastewater treatment plant expansion, \$800,000 for sludge drying bed construction, \$120,000 on an operations and maintenance manual for the wastewater treatment plant, \$100,000 in the water meter replacement program, \$765,000 in principal payments on the loan payable to the State of California, in addition to \$934,000 in other capital spending.

Debt

At June 30, 2013, the District owes \$26,000,791 to the State Water Resources Control Board for the construction of the wastewater treatment plant expansion and upgrade. The District began making annual payments on April 1, 2013. The loan agreement calls for repayment over a thirty year period, with interest calculated annually at one percent. The City of Marysville contributed \$476,625 to the District to pay a portion of the principal payment. This contribution is part of an agreement for the District to provide wastewater treatment services to the City of Marysville.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The District levies monthly charges for water and sewer service provided to its customers. The monthly charges reflect the costs to the District of providing the services, including the costs of operation, maintenance, repair and replacement of facilities, equipment, materials, supplies, and associated labor and administrative costs.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions about this report or need additional information, contact the District General Manager, 1280 Scales Avenue, Marysville, California 95901.

**LINDA COUNTY WATER DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2013**

			TOTAL BUSINESS-TYPE ACTIVITIES/ ENTERPRISE FUNDS
ASSETS	WATER	SEWER	
Current Assets:			
Cash and cash equivalents	\$ 75,231	\$ 75,234	\$ 150,465
Unreserved cash - L.A.I.F.	3,713,379	5,059,477	8,772,856
Receivable - City of Marysville	-	17,218	17,218
Accounts receivable:			
Utility accounts receivable - Net	136,307	112,459	248,766
Prepaid insurance	3,707	5,560	9,267
Total Current Assets	<u>3,928,624</u>	<u>5,269,948</u>	<u>9,198,572</u>
Noncurrent Assets:			
Reserved cash - L.A.I.F.	3,359,734	10,837,107	14,196,841
Depreciable capital assets - net	8,094,248	50,187,077	58,281,325
Land	314,766	377,188	691,954
Total Noncurrent Assets	<u>11,768,748</u>	<u>61,401,372</u>	<u>73,170,120</u>
Total Assets	<u>15,697,372</u>	<u>66,671,320</u>	<u>82,368,692</u>
LIABILITIES			
Current Liabilities:			
Trade accounts and payroll payable	64,421	173,903	238,324
Accrued interest payable	-	64,824	64,824
Matured bond interest payable	37	738	775
Customer and developer deposits	324,140	100,942	425,082
Current portion - contact payable - US Bank	1,122	1,123	2,245
Note payable--current portion - SWRCB	-	777,294	777,294
Reserved for delinquent tax	4,520	7,353	11,873
Total Current Liabilities	<u>394,240</u>	<u>1,126,177</u>	<u>1,520,417</u>
Noncurrent Liabilities:			
Contract payable - US Bank - net of current portion	2,602	2,602	5,204
Note payable - State Water Resources Control Board	-	25,223,497	25,223,497
Deferred development fees	58,669	46,851	105,520
Compensated absences	2,422,008	3,543,740	5,965,748
Total Noncurrent Liabilities	<u>2,483,279</u>	<u>28,816,690</u>	<u>31,299,969</u>
Total Liabilities	<u>2,877,519</u>	<u>29,942,867</u>	<u>32,820,386</u>
NET POSITION			
Investment in capital assets, net of related debt	8,409,014	24,563,474	32,972,488
Unrestricted	4,410,839	12,164,979	16,575,818
Total Net Position	<u>\$ 12,819,853</u>	<u>\$ 36,728,453</u>	<u>\$ 49,548,306</u>

WWTP = Waste Water Treatment Plant

L.A.I.F. = Local Agency Investment Fund

See accompanying notes.

LINDA COUNTY WATER DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	WATER	SEWER	TOTAL BUSINESS-TYPE ENTERPRISE FUNDS
OPERATING REVENUES			
Charges for services	\$ 1,434,447	\$ 2,955,257	\$ 4,389,704
Hookups- installation, extension and annexation charges	182,232	59,325	241,557
Other revenues	26	317,761	317,787
Total operating revenues	<u>1,616,705</u>	<u>3,332,343</u>	<u>4,949,048</u>
OPERATING EXPENSES			
Chemicals	14,790	16,796	31,586
Engineering	9,691	14,537	24,228
Power and fuel for pumping	282,744	261,585	544,329
Maintenance and repair of plant	59,180	146,726	205,906
Truck and transportation costs	13,451	19,242	32,693
Plant supervision and labor	203,339	266,616	469,955
Laboratory fees	10,362	74,787	85,149
State and local fees and permits, and penalties	14,326	98,146	112,472
Depreciation	291,154	1,707,226	1,998,380
Legal fees	17,262	25,894	43,156
Accounting and audit	8,962	13,444	22,406
Directors' fees	2,840	4,260	7,100
Insurance	32,071	48,106	80,177
Property taxes	672	1,264	1,936
Office utilities and maintenance	3,386	5,076	8,462
Office supplies	3,067	4,599	7,666
Printing and postage	16,410	24,418	40,828
Administrative and office salaries	110,227	165,341	275,568
Payroll taxes	23,885	33,090	56,975
Employee benefits and retirement	199,484	287,124	486,608
Telephone	6,889	8,671	15,560
Other expense	1,408	1,491	2,899
Bad debts and collections	2,593	5,817	8,410
Total operating expenses	<u>1,328,193</u>	<u>3,234,256</u>	<u>4,562,449</u>
Net Operating Income	<u>288,512</u>	<u>98,087</u>	<u>386,599</u>
NONOPERATING REVENUES (EXPENSES)			
Gain - disposition of assets	5,759	5,759	11,518
Loan forgiveness - ARRA	-	10,000,000	10,000,000
Loan contribution - City of Marysville	-	476,625	476,625
In-kind contribution of utility infrastructure	497,303	710,684	1,207,987
Interest expense	(1,307)	(261,942)	(263,249)
Interest income	15,257	42,888	58,145
Total non-operating revenue (expenses)	<u>517,012</u>	<u>10,974,014</u>	<u>11,491,026</u>
Change in Net Position	805,524	11,072,101	11,877,625
Total Net Position - June 30, 2012	12,014,329	25,656,352	37,670,681
Total Net Position - June 30, 2013	<u>\$ 12,819,853</u>	<u>\$ 36,728,453</u>	<u>\$ 49,548,306</u>

See accompanying notes.

**LINDA COUNTY WATER DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013**

	PROPRIETARY FUNDS		TOTALS
	WATER	SEWER	
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers	\$ 1,435,147	\$ 3,508,625	\$ 4,943,772
Payments to suppliers	(522,950)	(962,039)	(1,484,989)
Payments to employees	(536,554)	(753,420)	(1,289,974)
Net cash provided by operating activities	<u>375,643</u>	<u>1,793,166</u>	<u>2,168,809</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition and construction of capital assets	(141,904)	(704,951)	(846,855)
Loan advances from SWRCB	-	689,151	689,151
Loan payments to SWRCB	-	(762,037)	(762,037)
Loan payments reimbursement - City of Marysville	-	476,625	476,625
Interest paid on capital debt	(284)	(260,832)	(261,116)
Net cash used in capital and related financing activities	<u>(142,188)</u>	<u>(562,044)</u>	<u>(704,232)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest income	15,257	42,888	58,145
Gain on disposition of assets	5,759	5,759	11,518
Net cash provided by investing activities	<u>21,016</u>	<u>48,647</u>	<u>69,663</u>
Net increase in cash and cash equivalents	254,471	1,279,769	1,534,240
Balances- June 30, 2012	6,893,873	14,692,049	21,585,922
Balances- June 30, 2013	<u>\$ 7,148,344</u>	<u>\$ 15,971,818</u>	<u>\$ 23,120,162</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income	\$ 288,512	\$ 98,087	\$ 386,599
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation expense	291,154	1,707,226	1,998,380
Change in assets and liabilities:			
Receivables, net	33,355	467,386	500,741
Prepays	(2,287)	675	(1,612)
Accounts and other payables	(20,315)	(187,332)	(207,647)
Deferred revenue and fees	(147,606)	(236,680)	(384,286)
Compensated absences payable	137	(1,772)	(1,635)
Deposits and credits	(67,307)	(54,424)	(121,731)
Net cash provided by operating activities	<u>\$ 375,643</u>	<u>\$ 1,793,166</u>	<u>\$ 2,168,809</u>

Supplemental Disclosures of Cash Flow Information:

The District considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Total cash paid for interest during the year was \$261,116.

See accompanying notes.

**LINDA COUNTY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

Linda County Water District (the District) was formed under the County Water District Law of the State of California. It is a special district within Yuba County, California and is governed by an independent five member Board of Directors.

The District complies with generally accepted accounting principles (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. For proprietary funds, GASB Statement Nos. 20 and 34 provide the District the option of electing to apply FASB pronouncements issued after November 30, 1989. The District has elected not to apply those pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note. The District has implemented the financial reporting requirements of GASB Statement Nos. 33 & 34. The District adopted GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. These statements establish standards for reporting deferred outflows of resources, deferred inflows of assets or liabilities which should be classified as deferred outflows or inflows of resources on the Statement of Net Position.

Reporting for a component unit can be blended or discretely presented. A blended component unit, although a legally separate entity, is in substance, part of the District's operations. A blended component unit is an extension of the District and so data from this unit is combined with data of the District. A discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize it is legally separate from the District.

There are no component units of the District which meet the criteria of either the blended or discrete presentation.

**LINDA COUNTY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Accounting Proprietary Fund Type

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the proprietary funds include the cost of personnel, supplies, maintenance and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

C. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe which transactions are recorded within the various financial statements. Basis of accounting refers to when transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Fund Net Position, business-type activities are presented using the economic resources measurement focus since the District's governmental activities are limited solely to business-type activities.

Basis of Accounting

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

D. Assets, Liabilities and Equity

Cash and Investments

For financial statement purposes "cash and cash equivalents" includes all demand, savings accounts, certificates of deposit, or short-term investments with an original maturity of three months or less.

Receivables

In the financial statements, receivables consist of all revenues earned at year-end and not yet received. Receivables are uncollateralized and are valued at cost. Any losses on uncollectible accounts receivable are recognized when such losses become known or indicate. Allowances for uncollected accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables relate to utilities earnings.

**LINDA COUNTY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable

Accounts receivable of the business-type activities consist of utilities receivables. An allowance for uncollectible receivables is estimated at one-half of one percent of the total water and sewer sales each year. Separately stated delinquent utility accounts have been turned over to Yuba County to be added to the property tax bills on the respective properties. These amounts are then collected as the property owners pay their taxes.

Capital Assets

Fixed assets used in proprietary fund operations are accounted for as capital assets. Fixed assets are valued at historical cost or engineering estimates for donated assets.

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds, with accumulated depreciation reflected in the Statement of Net Position - Proprietary Funds. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset follows.

Water Utility Plant:

Wells	20 - 40	Years
Pumping plants	20 - 40	Years
Transmission and distribution systems	40 - 100	Years
Engineering and other intangible costs	10 - 100	Years

Sewage System Plant:

Transmission and distribution systems	10 - 50	Years
Sewage treatment plant	5 - 50	Years
Engineering and other costs during construction	50	Years

Other District Assets:

Office building	40	Years
Warehouse building	40	Years
Office equipment	5 - 15	Years
Tools and equipment	10	Years
Vehicles	5 - 10	Years
Other Equipment	10	Years

Long-term Debt

All long-term debt to be repaid from business-type resources is reported as liabilities in the government-wide statements. Long-term debt liability at year-end consists of accrued compensated absences, a contract payable for the purchase of office equipment and a note payable to the California State Water Resources Control Board. Also reported in this category are deferred development fees, which will be repaid from future development fee collections.

**LINDA COUNTY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

Vested or accumulated sick leave, compensation time, floater holiday pay, and vacation pay is recorded as an expense and liability as the benefits accrue to employees. The District's policies permit employees to accumulate earned but unused vacation and fifteen percent of sick leave. In accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*, no liability is recorded for non-vesting accumulating rights to receive sick pay benefits in excess of fifteen percent. The liability for these compensated absences is recorded as long-term debt in the government-wide and the proprietary funds statements.

Equity Classifications

The net position represents the difference between assets and liabilities. The District's net position categories are classified as follows:

- a. *Invested in Capital Assets - Net of Related Debt*: This represents the District's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of invested in capital assets, net of related debt.
- b. *Restricted*: This represents assets with constraints placed on their use either by: (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. *Unrestricted*: Unrestricted represents resources available for transactions relating to the general operations of the District and may be used at the discretion of the governing board to meet current expenses for any purpose.

E. Revenues and Expenses

Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities. The principal operating revenues of the District are charges to customers for sales and services. Operating expenses for the District include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as non-operating revenues and expenses.

**LINDA COUNTY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2: DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS

The following notes present detail information to support the amounts reported in the basic financial statements for its various assets, liabilities, equity, revenues and expenses.

A. Cash and Investments

Credit Risk - Carrying Value and Market Value of Investments

The District adopted GASB 31 *"Accounting and Financial Reporting for Certain Investments and for External Investment Pools"* during 1998. This statement requires investments to be carried at fair value if the difference between carrying value and fair value is material. Fair value is based on quoted market prices. The difference between the carrying amount and the fair value of cash and investments was not material; therefore, no adjustment to fair value was required for GASB 31 compliance.

The District invests funds in the State Treasurer's Pooled Money Investment Account (PMIA) through the Local Agency Investment Fund (LAIF), a voluntary program created by statute in 1977. The PMIA has regulatory oversight from the Pooled Money Investment Board and an in-house Investment Committee. The Local Agency Investment Advisory Board has oversight of LAIF. The fair value of the District's position in the pool is materially equivalent to the value of pool shares.

**LINDA COUNTY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013**

NOTE 2: DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

In accordance with authorized investment laws, the State Treasurer's Investment Pool LAIF invests in various structured notes and mortgage-backed securities, such as collateralized mortgage obligations. As of June 30, 2013, 1.96% of LAIF's investment portfolio was invested in structured notes and other asset-backed securities. Copies can be obtained from the Local Agency Investment Fund, P.O. Box 942809, Sacramento, CA 94209. PMIA weighted at June 30, 2013, was \$22,969,697. The fair market value of the District's pro rata share was \$22,975,973 at June 30, 2013.

Cash Reserves - Local Agency Investment Fund

Portions of the Local Agency Investment Fund have been reserved for the following amounts. Reservations of cash reflect the Board's action to set aside funds and do not reflect a restricted fund as defined by the Governmental Accounting Standards Board.

Water Reserves:

Water Facilities Reserve \$ 3,359,734

Sewer Reserves:

2000 Wastewater Facilities Improvement	\$	209,674	
Wastewater Treatment Expansion Reserve		8,053,890	
Wastewater Collection Reserve		2,573,543	
		10,837,107	
			\$ 14,196,841

B. Capital Assets

	Balance June 30, 2012	Additions	Deletions	Balance June 30, 2013
Water Utility Plant				
Land	\$ 299,266	\$ -	\$ -	\$ 299,266
Depreciable Assets:				
Wells	4,467,826	-	(28,366)	4,496,192
Pumping Plants	4,269,482	-	126,819	4,142,663
Transmission/Distribution	3,560,817	24,010	35,454	3,549,373
Engineering/Other Costs	251,200	15,696	129,021	137,875
Meters (post 1990)	842,869	93,097	-	935,966
Subtotal	13,691,460	132,803	262,928	13,561,335
Other Assets	362,285	31,908	150,946	243,247
	14,053,745	164,711	413,874	13,804,582
Accumulated Depreciation	(5,499,205)	(291,154)	(394,791)	(5,395,568)
Net Water Utility Plant	8,554,540	(126,443)	262,928	8,409,014

**LINDA COUNTY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013**

NOTE 2: DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

B. Capital Assets - continued

Sewage System Plant

Land	361,688	-	-	361,688
Depreciable Assets:				
Transmission/Distribution	9,583,900	28,232	33,564	9,578,568
Sewage Treatment Plant	12,523,505	155,222	3,005,716	9,673,011
Engineer/Other Costs	981,991	1,972,318	408,753	2,545,556
New Wastewater Treatment Plant	36,855,372	455,189	-	37,310,561
Subtotal	60,306,456	2,610,961	3,448,033	59,469,384
Other Assets	362,285	31,908	150,947	243,246
	60,668,741	2,642,869	3,598,980	59,712,630
Accumulated Depreciation	(9,105,925)	(1,707,226)	(1,664,786)	(9,148,365)
Net Sewage System Plant	51,562,816	935,643	1,934,194	50,564,265

Other Assets

Land	31,000	-	-	31,000
Depreciable Assets:				
Office Building	73,062	18,830	-	91,892
Warehouse Building	14,939	-	719	14,220
Office Equipment	188,682	8,937	144,209	53,410
Tools and Equipment	130,198	-	48,907	81,219
Vehicles	254,115	36,049	108,058	182,106
Vehicle Storage Building	32,574	-	-	32,574
Subtotal	724,570	63,816	301,893	486,493
Transfer to Water & Sewer	(724,570)	(63,816)	(301,893)	(486,493)
Total Net Capital Assets	\$ 60,117,356	\$ 809,200	\$ 2,197,122	\$ 58,973,279

Depreciation expense for the year ended June 30, 2013 was \$1,998,380.

C. Long-term Debt

As of June 30, 2013, the long term debt payable from proprietary fund resources consists of the following:

Accrued Compensated Absences

As of June 30, 2013, the District had accrued \$105,520 in accrued compensated absences.

**LINDA COUNTY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013**

NOTE 2: DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

Note Payable – State Water Resources Control Board

A finance agreement with the State Water Resources Control Board was executed December 16, 2009 for the construction of an upgraded and expanded wastewater treatment plant. The project consists of expanding and upgrading the wastewater treatment plant to increase capacity and construction of new facilities to provide tertiary of wastewater, which has been mandated by the state of California. The total approved project cost eligible for California Clean Water State Revolving Fund financing is \$36,541,671. Based upon the District's performance of its timeline, and adherence to federal obligations, \$10,000,000 of the funding principal was forgiven by the State Water Resources Control Board through the use of funds from the American Recovery and Reinvestment Act of 2009. The project was completed by the deadline of April 1, 2012. At June 30, 2013, after forgiveness of \$10,000,000 the principal balance of the loan was \$26,000,791. The note is to be repaid over 30 years, with interest at the rate of one percent per annum. The first principal payment was paid by the due date April 1, 2013.

Note principal maturities for the next five years are as follows:

Year ended June 30	Amount
2014	\$ 777,294
2015	785,067
2016	792,918
2017	800,847
2018	808,855
Thereafter	<u>22,035,810</u>
Total	\$ <u>26,000,791</u>

D. Development Fees

The District has a fee credit arrangement with Reynen & Bardis Communities, Inc. to compensate the developer for construction and installation of water and sewer system improvements to serve the Edgewater Subdivision. The agreement, dated February 5, 2007, calls for a total of \$6,532,812 in fee credits, with \$3,754,690 in credits being reimbursable to Reynen & Bardis as builders pull permits and pay the fees, and \$2,778,122 available in non-reimbursable credits. At June 30, 2013, there was a balance of \$2,977,626 remaining in reimbursable credits, and \$983,712 available in non-reimbursable credits.

**LINDA COUNTY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013**

NOTE 2: DETAIL NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

D. Development Fees - continued

Mercy Properties California has provided construction and installation of water and sewer system improvements for the Sierra Vista Subdivision to the District. The District accepted ownership of these assets in a resolution dated January 14, 2008. The District has estimated the cost of the capital improvements to be \$1,284,532 and has included this amount in capital assets. The District signed a fee credit reimbursement agreement with Mercy Properties California on April 21, 2009, which calls for a total of \$775,121 in fee credits, \$348,255 of this amount consists of non-reimbursable credits to be used first, and \$426,866 represents reimbursable credits for improvements to the zone of influence within the District. At June 30, 2013, there was a remaining balance of \$166,162 in non-reimbursable fee credits, and \$426,866 in reimbursable fee credits.

Woodside Montrose, Inc. has provided construction and installation of water and sewer system improvements for the Montrose at Edgewater development to the District. The District accepted ownership of these assets in resolutions dated October 8, 2007 and April 14, 2008. The District has estimated the cost of the capital improvements to be \$2,615,667 and has included this amount in capital assets. The District signed a fee credit agreement with Woodside 05N LP on June 26, 2013, which calls for a total of \$1,407,680 in fee credits; \$506,995 of this amount consists of non-reimbursable fee credits to be used first, and \$900,685 represents reimbursable fee credits for improvements to the zone of influence within the District. At June 30, 2013, there was a remaining balance of \$506,995 in non-reimbursable fee credits and \$900,685 in reimbursable fee credits. In addition, the development fees include \$3,701 in accrued interest on the credit balance, as interest accrued on the fee credit balance is added to the balance according to the terms of the fee credit agreement.

NOTE 3: OTHER NOTES

A. Employee Pension Plan

Plan Description

The District contributes to the California Public Employees Retirement System (PERS), a cost-sharing multiple-employer public employee defined benefit pension plan. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute. CalPERS issues a separate comprehensive financial report. Copies of CalPERS' annual financial report may be obtained from their Executive Office, 400 P Street, Sacramento, California 95814.

**LINDA COUNTY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013**

NOTE 3: OTHER NOTES (CONTINUED)

A. Employee Pension Plan - continued

Funding Policy

Participants are required to contribute 8% of their annual covered salary. The District makes the contributions required of District employees on their behalf and for their account. The contribution requirements of plan members and the District are established and may be amended by CalPERS.

Annual Pension Costs

	Required Contribution	Percent Contributed	District Required Rate
June 30, 2011	\$254,392	100%	30.720%
June 30, 2012	\$277,733	100%	32.419%
June 30, 2013	\$287,122	100%	32.632%

Trend Information

Trend information was not available for presentation in these financial statements. Reports can be obtained from CalPERS Executive Office-400 P Street, Sacramento, CA 95814.

B. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees' health; and natural disasters. The District manages these various risks of loss as follows:

<u>Type of Loss</u>	<u>Method Managed</u>	<u>Risk Retained</u>
Physical property loss, torts, errors and omissions	Purchased insurance with Special District Risk Management Authority	(1)
Injuries to employees (workers' compensation)	Purchased insurance with Special District Workers Compensation Authority.	None
Flood	Purchased insurance with The Harford.	(2)
Health insurance for employees	Purchased insurance with the Operating Engineers Public Employee Division Health & Welfare Trust Fund	(3)

**LINDA COUNTY WATER DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013**

NOTE 3: OTHER NOTES (CONTINUED)

B. Risk Management - continued

Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this insurance coverage in any of the past three fiscal years.

(1) Liability Coverage

(2) Flood Coverage – The policies insure the District office, shop, laboratory structures and contents up to specified limits per policy.

(3) Health insurance – The District pays one-hundred percent of employees' monthly health insurance premiums. At June 30, 2013, the District's cost for monthly premiums was \$1,606 per employee for family coverage, \$1,230 per employee for coverage of the employee and spouse, and \$615 for the employee only.

NOTE 4: OTHER POST-EMPLOYMENT BENEFITS

The District provides medical, dental, and vision coverage to active employees through their current Operating Engineers 3 medical plan. The District does not currently offer continuation of any of this coverage to its retirees beyond that required under COBRA. Therefore, there is no liability for other post-retirement benefits required to be reported under GASB 45 for the fiscal year ended June 30, 2013. However, the District has requested an actuarial study to analyze potential retiree liabilities should the District decide to join the CALPERS medical program. At the date of this report no decisions regarding other post-employment retirement benefits have been made.

NOTE 5: SUBSEQUENT EVENTS

Events subsequent to June 30, 2013 have been evaluated through December 9, 2013, the date at which the District's audited financial statements were available to be issued. No events requiring disclosure have occurred through this date.

REQUIRED SUPPLEMENTARY INFORMATION

LINDA COUNTY WATER DISTRICT
STATEMENT OF REVENUES AND EXPENSES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Water		Sewer	
	Actual	Budget	Actual	Budget
Operating Revenues:				
Charges for services	\$ 1,419,169	\$ 1,300,000	\$ 2,950,998	\$ 2,904,000
Hookups- installation, extension and annexation charges	182,232	15,000	59,325	13,000
Delinquent utility receipts	2,618	3,200	4,259	4,800
Backflow devices and testing	2,890	2,500	-	-
Water meter set fees	9,770	6,000	-	-
Miscellaneous income	26	4,000	317,761	4,000
Total Operating Revenues	1,616,705	1,330,700	3,332,343	2,925,800
Operating Expenses:				
Chemicals	14,790	16,000	16,796	35,000
Engineering	9,691	12,000	14,537	18,000
Power and fuel for pumping	282,744	290,000	244,353	260,000
Maintenance and repair of plant	58,811	72,000	140,738	115,000
Truck and transportation costs	13,451	12,800	19,242	19,200
Plant supervision and labor	203,339	203,000	266,616	346,000
Laboratory fees	10,362	13,000	74,787	70,000
Annual fees and permits	14,326	10,500	30,646	42,500
Mandatory penalties - WWTP	-	-	67,500	100,000
Depreciation	291,154	-	1,707,226	-
Legal fees	17,262	8,000	25,894	12,000
Accounting and audit	8,962	12,000	13,444	18,000
Directors' fees	2,840	3,000	4,260	4,500
Insurance	32,071	30,000	48,106	45,000
Property taxes	672	800	1,264	1,200
Office utilities and maintenance	3,386	3,600	5,076	5,400
Office supplies	3,067	5,000	4,599	7,500
Printing and postage	16,410	12,000	24,418	18,000
Administrative and office salaries	110,227	109,200	165,341	163,800
Payroll taxes	23,885	26,700	33,090	53,800
Employee benefits and retirement	199,484	204,800	287,124	344,200
Telephone	6,889	5,000	8,671	7,500
Other expense	1,408	2,000	1,491	3,000
American Legion water use	369	900	-	-
Propane	-	-	17,232	6,000
Sludge removal	-	-	5,988	8,000
Bad debts and collections	2,593	-	5,817	-
Total Operating Expenses	1,328,193	1,052,300	3,234,256	1,703,600
Total Operating Income	288,512	278,400	98,087	1,222,200
Non-Operating Revenues/Expenses:				
In-kind contribution of utility infrastructure	497,303	-	710,684	-
Loan forgiveness - ARRA	-	-	10,000,000	-
Loan contribution - City of Marysville	-	-	476,625	-
Gain - disposition of assets	5,759	-	5,759	-
Interest on customer deposits	(283)	(1,000)	(283)	(1,500)
Interest expense	(1,024)	-	(261,659)	(266,000)
Interest income	15,257	28,000	42,888	55,000
Net Income	\$ 805,524	\$ 305,400	\$ 11,072,101	\$ 1,009,700

See accompanying notes and independent auditor's report.

OTHER SUPPLEMENTARY INFORMATION

**LINDA COUNTY WATER DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE CALIFORNIA STATE WATER RESOURCE CONTROL BOARD
FOR THE YEAR ENDED JUNE 30, 2013**

<u>Federal Grantor</u>	<u>Federal Award Number</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Federal Expenditures</u>	<u>Total Expenditures</u>
United States Environmental Protection Agency-ARRA Capitalization Grants for State Revolving Funds Passed through State Water Resources Control Board State of California Environmental Protection Agency	2W-06000209	66.458	C-06-5098-110	\$ 467,993	\$ 467,993

ARRA = American Recovery and Reinvestment Act of 2009

Supplemental Information:

Total Federal and Non-Federal funds expended
on contract 2W-06000209:

	<u>Federal</u>	<u>Non-Federal</u>	<u>Total</u>
Fiscal year 2009-2010	\$ 3,588,648	\$ 3,787,484	\$ 7,376,132
Fiscal year 2010-2011	11,260,186	6,958,747	18,218,933
Fiscal year 2011-2012	5,112,653	5,365,959	10,478,612
Fiscal year 2012-2013	467,993	-	467,993
Total at June 30, 2013	<u>\$ 20,429,480</u>	<u>\$ 16,112,190</u>	<u>\$ 36,541,670</u>

**LINDA COUNTY WATER DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2013**

There were no audit findings for the year ended June 30, 2012.

**LINDA COUNTY WATER DISTRICT
COMPARATIVE RESULTS OF OPERATIONS
JUNE 30, 2013 and 2012**

Operations for the twelve months ended June 30, 2013 show a net income of \$11,832,452, which is an increase of \$10,705,448 from the previous year. Operating revenue increased by \$269,379 and expenses increased by \$278,228, resulting in an increase in net operating revenue for this period. The following is a comparison of the two periods showing the increases or decreases in amounts.

	Year Ended June 30,		Increase (Decrease)
	2013	2012	
Operating Revenues:			
Water sales	\$ 1,434,447	\$ 1,333,879	\$ 100,568
Sewer sales	2,955,257	2,988,485	(33,228)
Water and sewer service installations	241,557	251,069	(9,512)
Interest and miscellaneous	317,787	-	317,787
Total Operating Revenues	4,949,048	4,573,433	375,615
Operating Expenses:			
Salaries - operating and maintenance	469,955	461,834	8,121
Salaries - office and clerical	275,568	265,466	10,102
Payroll taxes and employee benefits	543,583	518,836	24,747
Directors' fees	7,100	6,100	1,000
Accounting and auditing	22,406	22,800	(394)
Engineering	24,228	12,987	11,241
Insurance	80,177	52,793	27,384
Maintenance of plants and lines	205,906	166,392	39,514
Pumping power	544,329	424,993	119,336
Truck and transportation costs	32,693	35,453	(2,760)
Chemicals	31,586	45,616	(14,030)
Other operating expense	326,538	205,071	121,467
Total Operating Expense	2,564,069	2,218,341	345,728
Net Operating Revenue	2,384,979	2,355,092	29,887
Interest on indebtedness	(263,249)	(67,666)	(195,583)
Interest income	58,145	63,226	(5,081)
Gain - disposition of assets	11,518	-	11,518
In-kind contribution of utility infrastructure	1,207,987	-	1,207,987
Loan forgiveness - ARRA	10,000,000	-	10,000,000
Loan contribution - City of Marysville	476,625	-	476,625
Depreciation	(1,998,380)	(1,223,648)	(774,732)
Net Income	\$ 11,877,625	\$ 1,127,004	\$ 10,750,621

See accompanying notes and independent
auditor's report.

**LINDA COUNTY WATER DISTRICT
COMPARATIVE FINANCIAL CONDITION
JUNE 30, 2013**

This summary compares the District's financial condition and reflects changes for the periods ended June 30, 2013 and June 30, 2012.

	June 30,		Increase (Decrease)
	2013	2012	
Current Assets:			
Unreserved cash on hand, in banks and at L.A.I.F.	\$ 8,923,321	\$ 7,550,521	\$ 1,372,800
Customer receivables	248,766	520,935	(272,169)
Receivables - SWRCB and City of Marysville	17,218	242,400	(225,182)
Prepaid expenses	9,267	7,655	1,612
Assets	<u>9,198,572</u>	<u>8,321,511</u>	<u>877,061</u>
Current Liabilities:			
Accounts payable	238,324	445,971	(207,647)
Accrued interest payable	64,824	66,392	(1,568)
Matured bonds interest payable	775	775	-
Customer and developer deposits	425,082	441,502	(16,420)
Deferred revenue	-	384,286	(384,286)
Reserve for delinquent tax	11,873	8,483	3,390
Current portion - contract payable - US Bank	2,245	-	2,245
Current portion - note payable - SWRCB	777,294	763,452	13,842
Current Liabilities	<u>1,520,417</u>	<u>2,110,861</u>	<u>(590,444)</u>
Working Capital	7,678,155	6,210,650	1,467,505
Cash Reserves - L.A.I.F.	14,196,841	14,035,401	161,440
Utility Plant in Service,			
Net of Accumulated Depreciation	58,973,279	23,181,176	35,792,103
Construction in Progress - WWTP	-	36,855,372	(36,855,372)
Compensated Absences	(105,520)	(107,155)	1,635
Contract payable - US Bank - net of current portion	(5,204)		(5,204)
Note Payable - WWTP - net of current portion	(25,223,497)	(35,229,418)	10,005,921
Development Fees	<u>(5,965,748)</u>	<u>(7,275,345)</u>	<u>1,309,597</u>
Total Fund Equity	<u>\$ 49,548,306</u>	<u>\$ 37,670,681</u>	<u>\$ 11,877,625</u>

See accompanying notes and independent
auditor's report.

**LINDA COUNTY WATER DISTRICT
SCHEDULE OF OPERATING STATISTICS
JUNE 30, 2013**

		<u>Meter Sales (Gallons)</u>	<u>Pumping (Gallons)</u>	<u>Minimum Day (Gallons)</u>	<u>Maximum Day (Gallons)</u>	<u>Average Day (Gallons)</u>
Water System:						
July	2012	128,110,708	159,421,000	4,364,000	5,624,000	5,143,000
August	2012	133,463,396	156,830,000	4,157,000	5,925,000	5,059,000
September	2012	129,126,492	134,521,000	3,789,000	5,387,000	4,484,000
October	2012	102,335,376	101,563,000	2,061,000	4,116,000	3,276,000
November	2012	52,054,068	66,983,000	1,582,000	2,604,000	2,233,000
December	2012	48,700,036	58,152,000	1,539,000	2,597,000	1,875,000
January	2013	43,484,232	60,480,000	1,525,000	2,422,000	1,951,000
February	2013	48,822,708	57,012,000	1,456,000	2,264,000	2,036,000
March	2013	51,159,460	73,727,000	1,916,000	2,758,000	2,378,000
April	2013	63,695,192	92,152,000	2,060,000	4,552,000	3,072,000
May	2013	99,488,488	132,550,000	2,977,000	5,052,000	4,276,000
June	2013	118,376,984	148,203,000	3,243,000	5,836,000	4,940,000
Monthly Average		<u>84,901,428</u>	<u>103,466,167</u>	<u>2,555,750</u>	<u>4,094,750</u>	<u>3,393,583</u>

Sewer System:						
July	2012		28,890,000	860,000	1,020,000	930,000
August	2012		30,410,000	910,000	1,050,000	980,000
September	2012		28,430,000	940,000	1,020,000	950,000
October	2012		26,990,000	670,000	1,150,000	900,000
November	2012		31,500,000	830,000	2,730,000	1,050,000
December	2012		49,500,000	930,000	3,260,000	1,600,000
January	2013		33,240,000	970,000	1,700,000	1,070,000
February	2013		28,060,000	760,000	1,120,000	1,000,000
March	2013		30,440,000	780,000	1,130,000	980,000
April	2013		30,410,000	780,000	1,480,000	1,010,000
May	2013		31,260,000	900,000	1,090,000	1,010,000
June	2013		31,030,000	820,000	1,190,000	1,030,000
Monthly Average			<u>31,680,000</u>	<u>845,833</u>	<u>1,495,000</u>	<u>1,042,500</u>

See accompanying notes and independent auditor's report.

**LINDA COUNTY WATER DISTRICT
SCHEDULE OF OPERATING STATISTICS
JUNE 30, 2013**

		<u>Number of Customer Billings</u>	<u>Fire Hydrant Billings</u>	<u>Water Customer Billings</u>	<u>Sewer Customer Billings</u>	<u>Total Customer Billings</u>	<u>Average Customer Billings</u>	<u>Customer Use (Gallons x 1000)</u>
July	2012	4,178	\$ 832	\$ 156,597	\$ 237,595	\$ 395,024	\$ 94.55	159,421
August	2012	4,176	832	161,604	237,687	400,123	95.81	156,830
September	2012	4,180	832	157,578	237,905	396,315	94.81	134,521
October	2012	4,184	832	132,524	237,995	371,351	88.76	101,563
November	2012	4,181	832	85,444	237,886	324,162	77.53	66,983
December	2012	4,187	832	82,287	238,003	321,122	76.70	58,152
January	2013	4,185	832	77,390	237,802	316,024	75.51	60,480
February	2013	4,205	832	82,500	238,747	322,079	76.59	57,012
March	2013	4,210	832	84,725	238,892	324,449	77.07	73,727
April	2013	4,220	832	96,557	239,226	336,615	79.77	92,152
May	2013	4,237	832	130,418	239,865	371,115	87.59	132,550
June	2013	4,239	832	148,110	239,854	388,796	91.72	148,203
Monthly Average		<u>4,199</u>	<u>\$ 832</u>	<u>\$ 116,311</u>	<u>\$ 238,455</u>	<u>\$ 355,598</u>	<u>\$ 84.70</u>	<u>103,466</u>

See accompanying notes and independent auditor's report.

P.O. Box 160
661 5th Street, Suite 101
Lincoln, CA 95648
Office (916) 434-1662
Fax (916) 434-1090

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors
Linda County Water District
Marysville, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and each major fund of Linda County Water District (District), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 9, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Linda County Water District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Linda County Water District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Linda County Water District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Linda County Water District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of management, Board of Directors, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.



Jensen Smith
Certified Public Accountants
Lincoln, California
December 9, 2013

P.O. Box 160
661 5th Street, Suite 101
Lincoln, CA 95648
Office (916) 434-1662
Fax (916) 434-1090

December 9, 2013

Board of Directors
Linda County Water District
Marysville, CA

Dear Ladies and Gentlemen,

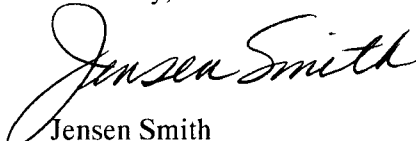
The audit went smoothly again this year. As you can see from the reports, there were no findings noted in the audit report. This year the District's federal awards expended did not reach the \$500,000 threshold that requires the District to have a Single Audit performed.

In planning and performing our audit of the financial statements of Linda County Water District for the year ended June 30, 2013, we considered the District's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control.

We previously reported on the District's internal control in our report dated December 9, 2013. This letter does not affect our reports dated December 9, 2013, on the financial statements or internal control of the District.

We want to thank your staff for their assistance in completing this audit. We were happy to see the treatment plant on-line and we wish you the best in the current year.

Sincerely,


Jensen Smith
Certified Public Accountants



California Sudden Infant Death Syndrome Advisory Council

Members of the Council

Thomas G. Keens, M.D.,
Chair, Physician member.

Lorie Gehrke, Vice Chair,
SIDS Parent.

Kitty Roche, R.N., P.H.N.,
B.S.N., M.S.W. Secretary,
Public Health Nurse

Kathleen Beichley, SIDS
Parent

Dawn Dailey, R.N., P.H.N.,
Ph.D., Public Health
Nurse.

Steven Durfor, Police/Fire
First Responder.

James K. Ribe, M.D.,
Medical Examiner.

Rachel Strickland, SIDS
Parent.

Dennis H. Watt, Coroner.

Penny F. Stastny, R.N.,
B.S.N., P.H.N.,
President, Southern Calif.
Regional SIDS Council.

Aline Armstrong, P.H.N.,
President, Northern Calif.
Regional SIDS Council.

Council Chairperson:

Thomas G. Keens, M.D.
Division of Pediatric
Pulmonology
Children's Hospital Los
Angeles
4650 Sunset Boulevard,
Box #83
Los Angeles, California
90027-6062
Phone: 323/361-2101
FAX: 323/361-1355
E-mails:
tkeens@chla.usc.edu



CC; Human Resources/Sheriff Durfor

BOS CORRESPONDENCE C

December 12, 2013

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DEC 16 2013

Clerk/Board of Supervisors

Chairman Hal Stocker,
Yuba County Board of Supervisors
915 8th Street, Suite #109
Marysville, California 95901

RE: **STEVEN DURFOR.**
Letter of Commendation for Community Service.

Dear Chairman Stocker,

It is with a great deal of pleasure that I inform you about your Yuba County Sheriff-Coroner, *Steven Durfor*, who has performed outstanding, dedicated, and vitally important community service.

Sudden infant death syndrome (SIDS) is the most common cause of death in infants between the ages of 1-month and 1-year, yet its cause remains unknown. One out of every 2,000 babies who are born in California will die from SIDS before their first birthday. The surviving family members of a baby who dies from SIDS are no less the victims of this unexplained tragedy. If they do not receive appropriate information and support in a timely fashion, they may suffer unnecessarily, perpetuating the extent of this tragedy. Further, we now know that certain infant sleep practices will reduce the risk of dying from SIDS, yet this information is not widely known.

Much remains to be done to improve services to SIDS families, improve public education about SIDS, and promote SIDS research in our community. In order to move this forward, the California Department of Public Health has established the *California SIDS Advisory Council* to advise the State on how to remedy these deficiencies. The *Council* is comprised of public spirited volunteers with an interest and expertise in SIDS who serve without compensation. Yet, this *Council* has implemented important legislation, education, research, and direct service to SIDS families which have been crucially important toward resolving the problems with SIDS services, education, and research in California.

Steven Durfor has been an active, dedicated, and enthusiastic member of the *California SIDS Advisory Council* since 2007. As a Sheriff-

Coroner, he is the Council's window on the needs of first responders to SIDS infants in California. He has performed dedicated service above and beyond the call of duty, and his activities have been of vital importance to the work of the *Council*. He has not received reimbursement for this service. However, as Chair of the *California SIDS Advisory Council*, I am pleased to inform you how valuable the service of *Steven Durfor* has been to all Californians touched by SIDS. I hope you will take note of these accomplishments, and recognize him appropriately. You are fortunate to have such a generous and dedicated individual in your County, and I am pleased and proud that *Steven Durfor* has volunteered his services to the *California SIDS Advisory Council*.

Sincerely,



Thomas G. Keens, M.D.
Chair, California Sudden Infant Death Syndrome Advisory Council
Professor of Pediatrics, Physiology and Biophysics
Keck School of Medicine of the University of Southern California

Cc: Steven Durfor
Sheriff-Coroner
YUBA COUNTY SHERIFF'S DEPARTMENT
215 5th Street, Suite 150
Marysville, California 95901

Abbey Alkon, R.N., P.N.P., Ph.D.
Program Director
CALIFORNIA SIDS PROGRAM
Professor of Nursing
University of California, San Francisco, School of Nursing
2 Koret Way
San Francisco, California 94143-0606

Guey-Shiang Tsay, RN, MSN
Nurse Consultant III
CALIFORNIA DEPARTMENT OF PUBLIC HEALTH
MCAH Division/Policy Development
1615 Capitol Ave., MS 8306
P.O. Box 997420
Sacramento, CA 95899-7420



United States
Department of
Agriculture

Forest
Service

Plumas
National
Forest

159 Lawrence Street
P. O. Box 11500
Quincy, CA 95971-6025
(530) 283-2050 Voice
(530) 534-7984 Text (TDD)

015-14

File Code: 1950

Date: December 17, 2013

Dear Friend of the Plumas National Forest,

Thank you for your interest and participation in the development of the Pacific Gas and Electric Company's (PG&E) Herbicide Vegetation Management Program on Transmission Line Right-of-Ways (ROWs) (PG&E Herbicide VMP). The Environmental Assessment (EA) is available electronically for your review by navigating to the project website via the Plumas National Forest (PNF) webpage (www.fs.fed.us/r5/plumas). Select the "Land and Resources Management" tab, then select "Browse through the Forest Projects," and then find the project name "PG&E Herbicide VMP".

The EA is being circulated at this time for 30 days. The preferred alternative (Alternative A – the proposed action) is designed to improve vegetation management in the Transmission Line ROWs with the use of EPA-approved herbicides on the Feather River and Mt. Hough Ranger Districts, PNF (Plumas, Butte, and Yuba Counties).

The EA analyzes the proposed use of herbicides within 10 existing transmission line ROWs. While the 10 ROW's are either owned and operated or maintained by PG&E, they are within the jurisdiction of the PNF under Special Use Authorization. PG&E proposes to use herbicides on National Forest System (NFS) lands to control unwanted vegetation within the ROWs. The work area footprint for the transmission line ROWs is approximately 1,052 acres and incorporates approximately 108.5 miles of transmission line. A maximum of 400 acres would be treated annually. The objective for the use of herbicides is to establish compatible vegetation (and eliminate incompatible vegetation) within the ROWs. Typically, the desired vegetation structure would take 5-7 years to establish with the use of herbicides. The Caribou Road component of PG&E's proposed Herbicide Vegetation Management Program EA requires further discussion and planning to balance the needs for public safety and vegetation management with the concerns of recreationists. Therefore PG&E removed Caribou Road from the proposed herbicide program until a plan can be developed that addresses the challenges of vegetation management and the need for unobstructed pedestrian walkways and designated pullouts along the road.

The proper maintenance of vegetation adjacent to electric lines and facilities within the ROWs is essential for the safe, reliable and efficient operation of electric transmission line facilities. The transmission line ROWs within the PNF require vegetation management and are currently in critical condition. The proposed use of herbicides would improve safety and reliability of the facilities while providing for the protection and maintenance of forest resources, would reduce the risk of massive power outages, would prevent ignition starts under the lines (reducing the risk of wildfires). The use of herbicides will help maintain the ROWs to the standards of the wire zone-border zone method as described in the EA.

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DEC 19 2013

Clerk/Board of Supervisors



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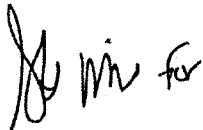
The document can be accessed on the Forest Service Website at: (www.fs.fed.us/r5/plumas). Select the "Land and Resources Management" tab, then select "Browse through the Forest Projects," and then find the project name "PG&E Herbicide VMP," or a paper copy can be sent by requesting it from Erika Brenzovich, Project Leader, Mt. Hough Ranger District, 39696 Highway 70, Quincy, CA, 95971 (telephone: (530) 283-7620; e-mail: ebrenzovich@fs.fed.us).

This project is subject to comment pursuant to 36 CFR 218, Subparts A and B. Planning for this project began under the appeal process (36 CFR 215). Only those who submit timely project-specific written comments during a public comment period are eligible to file an objection. Individuals or representatives of an entity submitting comments must sign the comments or verify identity upon request.

The Forest Service will accept comments on this proposal for 30 days following publication of the opportunity to comment legal notice which is the exclusive means for calculating the comment period. Commenters should not rely upon dates or timeframe information provided by any other source. It is the commenter's responsibility to ensure timely receipt of comments (36 CFR 218.25).

Comments may be mailed to: Earl Ford, Forest Supervisor, c/o Erika Brenzovich, Project Leader, Mt. Hough Ranger District, 39696 Highway 70, Quincy, California, 95971. The office business hours for those submitting hand-delivered comments are: 8:00 A.M. – 4:30 P.M. Monday through Friday, excluding holidays. Electronic comments must be submitted in a format such as an email message, plain text (.txt), rich text format (.rtf), portable document format (.pdf), or Word (.doc or .docx) to: comments-pacificsouthwest-plumas-mthugh@fs.fed.us. Please indicate the name "PG&E Herbicide Vegetation Management Program" on the subject line of your email. Names of commenters will be part of the public record subject to the Freedom of Information Act.

Sincerely,

A handwritten signature in dark ink, appearing to read "Earl W. Ford", is written over the printed name.

EARL W. FORD
Forest Supervisor

OLIVEHURST PUBLIC UTILITY DISTRICT*Our mission is to provide high quality services to enhance our community's quality of life.***BOARD OF DIRECTORS**

Gary Bradford Dennise Burbank James Carpenter Ron Dougherty Jeff Phinney

GENERAL MANAGER

Timothy R. Shaw

December 19, 2013

RECEIVED
 DEC 20 2013
 Clerk/Board of Supervisors

Yuba County Board of Supervisors
 Yuba County
 915 8th Street, Suite 109
 Marysville, CA 95901

Re: Olivehurst Public Utility District
Annexation No. 5 to Community Facilities District No. 2005-2

Honorable Members of the Board of Supervisors:

The Olivehurst Public Utility District proposes to annex property that is located within unincorporated territory of the County to the District's Community Facilities District No. 2005-2 pursuant to the authority of the Mello-Roos Community Facilities Act of 1982, Chapter 2.5, Part 1, Division 2, Title 5, of the Government Code of the State of California.

As required by Government Code Section 53315.6, enclosed herewith you will find a copy of the Board of Directors' Resolution No. 2273 entitled "A Resolution of the Board of Directors of the Olivehurst Public Utility District Declaring Its Intention to Annex Territory to Community Facilities District No. 2005-2 (Park Maintenance) and to Levy a Special Tax to Pay for Certain Maintenance Services (Annexation No. 5)."

Sincerely,

A handwritten signature in cursive script, appearing to read "Tim Shaw".

Tim Shaw
 General Manager
 OLIVEHURST PUBLIC UTILITY DISTRICT

Enclosure

cc: Deborah Fields

BOS CORRESPONDENCE E

RESOLUTION NO. 2273

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE OLIVEHURST PUBLIC UTILITY DISTRICT DECLARING ITS INTENTION TO ANNEX TERRITORY TO COMMUNITY FACILITIES DISTRICT NO. 2005-2 (PARK MAINTENANCE) AND TO LEVY A SPECIAL TAX TO PAY FOR CERTAIN MAINTENANCE SERVICES (Annexation No. 5)

WHEREAS, pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), the Board of Directors (the "Board") of Olivehurst Public Utility District (the "District"), on September 15, 2005 approved Resolution No. 2101 establishing the Olivehurst Public Utility District Community Facilities District No. 2005-2 (Park Maintenance) (the "CFD");

WHEREAS, the Board called a special election for September 15, 2005 at which the questions of levying a special tax and establishing an appropriations limit with respect to the CFD were submitted to the qualified electors within the CFD;

WHEREAS, on September 15, 2005 the Board adopted Resolution No. 2103 determining the results of the special election and finding that more than two-thirds (2/3) of all votes cast at the special election were cast in favor of the proposition presented, and such proposition passed;

WHEREAS, the Board has determined, because of the proposed development of certain property within the District, to initiate proceedings for the annexation of such property to the CFD in accordance with the Act.

NOW, THEREFORE BE IT RESOLVED by the District that:

Section 1. Description of Territory to be Annexed. Public convenience and necessity require, and this Board proposes and intends, that the District annex certain territory to the CFD. The territory to be annexed is described in a map entitled "Annexation Map No. 5 of Community Facilities District No. 2005-2 (Park Maintenance), Olivehurst Public Utility District, County of Yuba" which is on file with the District Clerk. The District Clerk is hereby authorized and directed to endorse the certificates set forth on the map and to record the map in accordance with the provisions of Section 3111 of the Streets and Highways Code of the State of California.

Section 2. Description of Territory Included in Existing CFD. The boundaries of the territory currently included in the CFD are described in a map entitled "Map of District Boundaries, Community Facilities District No. 2005-2 (Park Maintenance), Olivehurst Public Utility District, Yuba County, State of California," recorded on October 20, 2005 in Book 2 of Maps of Assessment and Community Facilities Districts at Page 5 in the Office of the Yuba County Recorder, "Annexation Map No. 1 of Community Facilities District No. 2005-2 (Park Maintenance), Olivehurst Public Utility District, Yuba County, State of California," recorded on November 30, 2006, in Book 5 of Maps of Community Facilities Districts at Pages 7 and 8 in the office of the Yuba County Recorder; Annexation Map No. 2 to Community Facilities District 2005-2 (Park

Maintenance), Olivehurst Public Utility District, Yuba County, State of California," recorded on January 31, 2007, in Book 2 of Maps of Community Facilities Districts at Page 11 in the office of the Yuba County Recorder; Annexation Map No. 3 to Community Facilities District 2005-2 (Park Maintenance), Olivehurst Public Utility District, Yuba County, State of California," recorded on April 25, 2007, in Book 2 of Maps of Community Facilities Districts at Page 20 in the office of the Yuba County Recorder; and Annexation Map No. 4 to Community Facilities District 2005-2 (Park Maintenance), Olivehurst Public Utility District, Yuba County, State of California," recorded on February 4, 2008, in Book 2 of Maps of Community Facilities Districts at Pages 21 and 22 in the office of the Yuba County Recorder.

Section 3. Specification of the Type of Services Provided. The type of services to be provided in the territory proposed to be annexed to the CFD is the same as that provided in the existing CFD and are more particularly described in Exhibit A attached hereto. The services authorized to be financed by the CFD are in addition to those currently provided in the territory of the CFD and do not supplant services already available within that territory.

Section 4. Plan for Providing Services. The public services that are financed by taxes collected in the CFD will be provided to residents of the current CFD and residents of the territory proposed to be annexed on the same basis.

Section 5. Specification of Special Taxes to be Levied. Except where funds are otherwise available, a special tax sufficient to pay for all services (including incidental expenses) to be provided in or for the territory to be annexed and secured by a continuing lien against all nonexempt real property in the CFD will be annually levied within the territory proposed to be annexed to the CFD. The rate, method of apportionment, and manner of collection of such special tax is set forth in Exhibit B hereto (the "Special Tax Formula"). For purposes of the Special Tax Formula, the territory proposed to be annexed to the CFD will be designated as Benefit Zone 6.

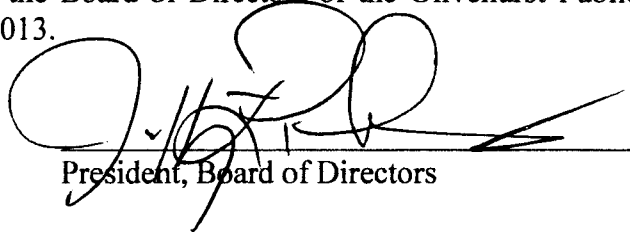
Section 6. No Alteration of the Special Tax Levied in the Existing Community Facilities District. The Board does not propose to alter the special tax rate levied within the existing CFD as a result of the proposed annexation.

Section 7. Public Hearing. The Board hereby fixes 7:00 p.m., or as soon thereafter as practicable, on Wednesday, January 16, 2014, at the regular meeting place of the Board, 1970 9th Avenue, Olivehurst, California, as the time and place for a public hearing on the annexation of territory to the CFD.

Section 8. Notice of Hearing. The Board directs the Clerk of the Board to publish a notice of the hearing, in substantially the form attached hereto as Exhibit C, once not later than seven days prior to the date fixed for the hearing, in a newspaper of general circulation published in the area of the CFD.

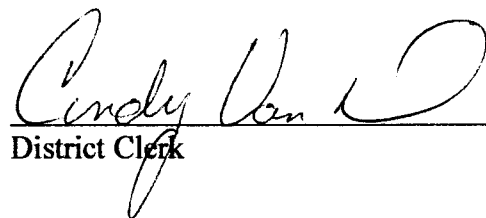
Section 9. Effective Date. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the Board of Directors of the Olivehurst Public Utility District on this 21st day of November, 2013.



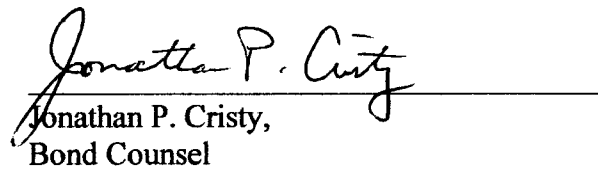
President, Board of Directors

ATTEST:



District Clerk

**APPROVED AS TO FORM AND LEGAL
SUFFICIENCY:**



Jonathan P. Cristy,
Bond Counsel

* * * * *

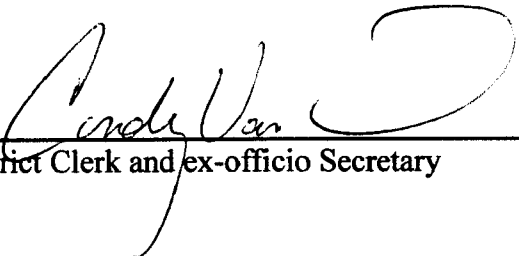
I hereby certify that the foregoing is a full, true, and correct copy of a Resolution duly adopted and passed by the Board of Directors of the Olivehurst Public Utility District, Yuba County, California, at a meeting thereof held on the 21st day of November, 2013, by the following vote:

AYES, AND IN FAVOR THEREOF: Director Carpenter, Burbank, Bradford,
Dougherty, and Phinney.

NOES : None.

ABSTAIN : None.

ABSENT : None.



District Clerk and ex-officio Secretary

EXHIBIT A

DESCRIPTION OF SERVICES

Authorized services are park maintenance services. Eligible costs include, but are not limited to, salaries and benefits of District staff; District overhead costs; costs of contracting services; costs of acquisition, maintenance and replacement of necessary maintenance equipment and supplies, and utility costs associated with providing park maintenance services within the Park Maintenance CFD No. 2005-2.

EXHIBIT B

OLIVEHURST PUBLIC UTILITY DISTRICT COMMUNITY FACILITIES DISTRICT NO. 2005-2 (PARK MAINTENANCE) RATE AND METHOD OF APPORTIONMENT

1. Basis of Special Tax Levy

A Special Tax authorized under the Mello-Roos Community Facilities Act of 1982 (Act) applicable to the land in the Community Facilities District No. 2005-2 (Park Maintenance) (CFD) of the Olivehurst Public Utility District (District) shall be levied and collected according to the tax liability determined by the District through the application of the appropriate amount or rate, as described below.

2. Definitions

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, Sections 53311 and following of the California Government Code.

"Administrative Expenses" means the actual or estimated costs incurred by the District to form the CFD and to determine, levy and collect the Special Taxes, including compensation of District employees for administrative work performed in relation to the CFD, the fees of consultants and legal counsel, the costs of collecting installments of the Special Taxes upon the general tax rolls, preparation of required reports; and any other costs required to administer the CFD as determined by the District.

"Administrator" means the General Manager of the District, or his or her designee.

"Annexation Parcel" means any Parcel that is annexed to the CFD after it is formed. An Annexation Parcel will be assigned to an existing or new Benefit Zone.

"Annual Costs" means for each Benefit Zone in each Fiscal Year, the total of 1) Authorized Services 2) Administrative Expenses; and 3) any amounts needed to cure actual or estimated delinquencies in Special Taxes for the current or previous Fiscal Year.

"Authorized Services" mean those services, as listed in the resolution forming the CFD.

"Base Year" means the Fiscal Year beginning July 1, 2005 and ending June 30, 2006.

"Benefit Zone" means an area within the CFD that has similar service provision requirements under the CFD. Each Benefit Zone will have a separate cost analysis and cost allocation plan which is used to establish the Maximum Annual Special Tax for Taxable Parcels in each land use classification for a Benefit Zone. The CFD is formed with just one Benefit Zone. As property is annexed to the CFD, new Benefit Zones will be created as needed.

“Board” means the Board of Directors of the Olivehurst Public Utility District acting for the CFD under the Act.

“CFD” means the Community Facilities District No. 2005-2 (Park Maintenance) of the Olivehurst Public Utility District, Yuba County, California.

“County” means the County of Yuba, California.

“County Assessor's Parcel” means a lot or Parcel with an assigned Assessor's Parcel Number in the maps used by the County Assessor in the preparation of the tax roll.

“County Service Area” means any county service area pursuant to Section 25210.1 and following of the California Government Code established by the County or other government agency authorized to fund and provide park maintenance services within the CFD boundaries.

“Developed Parcel” means a Parcel that has one of the following land uses defined as follows:

Tax Category	Land Use Approval
Single-Family Residential	Final Subdivision Map
Multifamily Residential	Building Permit

Once classified as a Developed Parcel, no Parcel shall be removed from the developed classification unless the special use permit/building permit expires, is revoked, or is otherwise terminated.

“District” means the Olivehurst Public Utility District in Yuba County, California.

“Final Subdivision Map” means a recorded map designating individual single family residential Parcels.

“Fiscal Year” means the period starting July 1 and ending the following June 30.

“Large Lot Parcel” means any Parcel designated for residential uses delineated on a Large Lot Subdivision Map.

“Large Lot Subdivision Map” means a recorded subdivision map delineating Parcels by land use. However, the Large Lot Subdivision Map does not delineate individual single family residential parcels. A Final Subdivision Map will delineate individual single family parcels.

“Maximum Annual Special Tax” means the greatest amount of Special Tax that can be levied against a Parcel calculated by multiplying the Maximum Annual Special Tax Rate times the assigned Net Acres or Units to a Taxable Parcel.

“Maximum Annual Special Tax Rate” means the amount shown in Attachment 1 for a Fiscal Year for a Benefit Zone that is used in calculating the Maximum Annual Special Tax for a Parcel based on its land use classification.

“Maximum Annual Special Tax Revenue” means the greatest amount of revenue that can be collected in total from a group of Parcels by levying the Maximum Annual Special Tax on all Taxable Parcels.

“Multifamily Residential Parcel” means a Parcel with a building permit for multi-family residential use.

“Net Acre” is the area of a Parcel associated with developable uses after dedication of all public uses and rights-of-way.

“Parcel” means any County Assessor's Parcel in the CFD based on the equalized tax rolls of the County as of January 1 of each Fiscal Year.

“Parcel Number” means the Assessor's Parcel Number for any Parcel based on the equalized tax rolls of the County as of January 1 of each Fiscal Year.

“Public Parcel” means any Parcel, in its entirety, that is or is intended to be publicly owned that is normally exempt from the levy of general ad valorem property taxes under California law, including public streets, schools, parks, and public drainageways; public landscaping, wetlands, greenbelts, and public open space. These parcels are exempt from the levy of Special Taxes. Any such Parcel shall be a Tax-Exempt Parcel.

“Single Family Residential Parcel” means a single family residential lot created by the recordation of a Final Subdivision Map.

“Special Tax(es)” mean(s) any tax levy under the Act in the CFD.

“Tax Collection Schedule” means the document prepared by the District for the County Auditor-Controller to use in levying and collecting the Special Taxes each Fiscal Year.

“Tax Escalation Factor” means an annual percentage increase in the Maximum Annual Special Tax Rate based upon the Consumer Price Index (CPI) (prior calendar year annual average, San Francisco, All Urban Consumers (CPI-U) Index), or the CPI (prior calendar year annual average, Pacific West Cities, All Urban Wage Earners and Clerical Workers), whichever is greater.

“Taxable Parcel” means any Parcel that is not a Tax-Exempt Parcel.

“Tax-Exempt Parcel” means a Parcel not subject to the Special Tax. Tax-Exempt Parcels are Public Parcels (subject to the limitations set forth in Section 4, below) and nonresidential use parcels, such as commercial, office, retail, industrial, etc. Privately owned Parcels that are non-developable, such as common areas, wetlands, and open space, are exempt from the levy of Special Taxes as determined by the District.

“Undeveloped Parcel” means a Parcel which is not a Developed Parcel or a Large Lot Final Map Parcel.

“Unit(s)” means the number of taxable developed residential unit(s) assigned to a Parcel, or a portion thereof, by the Administrator.

3. Duration of the Special Tax

Parcels in the CFD will remain subject to the Special Tax in perpetuity.

If the Special Tax ceases to be levied, the District shall direct the County Recorder to record a Notice of Cessation of Special Tax. Such notice will state that the obligation to pay the Special Tax has ceased and that the lien imposed by the Notice of Special Tax Lien is extinguished. The Notice of Cessation of Special Tax shall additionally identify the book and page of the Book of Maps of Assessment and Community Facilities Districts where the map of the boundaries of the CFD is recorded.

4. Assignment of Maximum Annual Special Tax

A. Classification of Parcels. By June 30 of each Fiscal Year, using the Definitions in **Section 2** above, the parcel records of the Assessor's Secured Tax Roll as of January 1, and other County development approval records, the District shall cause:

1. Each Parcel to be classified as a Tax-Exempt Parcel or a Taxable Parcel; and
2. Each Taxable Parcel is to be further classified as a Developed Parcel, Large Lot Parcel or Undeveloped Parcel.

B. Assignment of Maximum Annual Special Tax.

Attachment 1 shows the Base Year Maximum Annual Special Tax Rates. Each Fiscal Year following the Base Year, the Maximum Annual Special Tax Rates may be increased in accordance with the Tax Escalation Factor.

In the event the District, County, County Service Area, or other public agency levies and collects an assessment or special tax (other than the Special Tax) in a Fiscal Year to fund Authorized Services of the CFD, the Maximum Annual Special Tax shall be reduced by an equal amount in the same Fiscal Year.

The Maximum Annual Special Tax is then assigned to Taxable Parcels using the steps below.

1. **Developed Parcels.** The Maximum Annual Special Tax is assigned to each Developed Parcel by multiplying the Units (for Single Family Residential Parcels and Multifamily Residential Parcels) times the Maximum Annual Special Tax Rate for the tax category shown in **Attachment 1**, as increased by the Tax Escalation Factor each Fiscal Year after the Base Year.
2. **Large Lot Parcels.** The Maximum Annual Special Tax is assigned to each Large Lot Parcel by multiplying the Net Acres times the Maximum Annual Special Tax Rate for Large Lot Parcels shown in **Attachment 1**, as increased by the Tax Escalation Factor each Fiscal Year after the Base Year.

3. **Undeveloped Parcels.** The Maximum Annual Special Tax is assigned to each Undeveloped Parcel by multiplying Net Acres times the Maximum Annual Special Tax Rate for Undeveloped Parcels shown in Attachment 1, as increased by the Tax Escalation Factor each Fiscal Year after the Base Year.
- C. **Conversion of a Tax-Exempt Parcel to a Taxable Parcel.** If a Tax-Exempt Parcel is not needed for public use and is converted to a taxable use or transferred to a private owner, it shall become subject to the Special Tax. The Maximum Annual Special Tax for such a Parcel shall be assigned according to the Sections 4.A and 4.B above. Conversely, if a privately owned parcel is converted to a public use, it shall become tax-exempt.

5. **Calculating Annual Special Taxes**

The District shall compute the Annual Costs and determine the Maximum Annual Special Tax for each Taxable Parcel based on the assignment of the Special Tax in Section 4. The District will then determine the tax levy for each Taxable Parcel using the following process:

- A. Compute the Annual Costs for each Benefit Zone using the definition of Annual Costs in Section 2.
- B. Calculate the Special Tax levy for each Taxable Parcel by the following steps:

Step 1 Compute 100 percent of the Maximum Annual Special Tax Revenue for all Developed Parcels for each Benefit Zone.

Step 2: Compare the Annual Costs for each Benefit Zone with the Maximum Annual Special Tax Revenue for the Benefit Zone calculated in the previous step.

Step 3: If the Annual Costs for a Benefit Zone are less than the Maximum Annual Special Tax Revenue for the Benefit Zone, decrease proportionately the Special Tax levy for each Developed Parcel in the Benefit Zone until the revenue from the Special Tax levy equals the Annual Costs for the Benefit Zone.

Step 4: If the Annual Costs for a Benefit Zone are greater than the Maximum Annual Special Tax Revenue from Developed Parcels for the Benefit Zone, levy a Special Tax proportionately on each Large Lot Parcel in the Benefit Zone to an amount equal to the amount of Annual Costs for the Benefit Zone, or until 100 percent of the Maximum Annual Special Tax is reached for such Large Lot Parcels.

Step 5: If the Annual Costs for a Benefit Zone are greater than the Maximum Annual Special Tax Revenue from Developed Parcels and Large Lot Parcels for the Benefit Zone, levy a Special Tax proportionately on each Undeveloped Parcel in the Benefit Zone to an amount equal to the amount of Annual Costs for the Benefit Zone, or until 100 percent of the Maximum Annual Special Tax is reached for such Undeveloped Parcels.

- C. Levy on each Taxable Parcel the amount calculated above.
- D. Prepare the Tax Collection Schedule and, unless an alternative method of collection has been selected pursuant to Section 9, send it to the County Auditor requesting that it be placed on the general, secured property tax roll for the Fiscal Year. The Tax Collection Schedule shall not be sent later than the date required by the Auditor for such inclusion.

The District shall make every effort to correctly calculate the Special Tax for each Parcel. It shall be the burden of the taxpayer to correct any errors in the determination of the parcels subject to the tax and their Special Tax assignments.

6. Records Maintained for the CFD

As development and subdivision occurs within the CFD, the District will maintain a file containing records of the following information for each Parcel:

- The current County Assessor's Number; and
- Number of Units assigned by the Administrator to each Single-Family Residential Parcels and Multifamily Residential Parcel.

The file containing the information listed above will be available for public inspection.

7. Appeals

Any taxpayer who feels that the amount of the Special Tax assigned to a Parcel is in error may file a notice with the District appealing the levy of the Special Tax. The District will then promptly review the appeal, and if necessary, meet with the applicant. If the District verifies that the tax should be modified or changed, a recommendation at that time will be made to the Board and, as appropriate, the Special Tax levy shall be corrected and, if applicable in any case, a refund shall be granted.

Interpretations may be made by Resolution of the Board for purposes of clarifying any vagueness or ambiguity as it relates to the Special Tax rate, the method of apportionment, the classification of properties or any definition applicable to the CFD.

8. Prepayment of the Special Tax Obligation

The Maximum Annual Special Tax for a Taxable Parcel may not be prepaid. The Special Tax is collected to fund Authorized Services in perpetuity, or until the Board determines that the Special Tax should no longer be collected.

9. Manner of Collection

The Special Tax will be collected in the same manner and at the same time as ad valorem property taxes, provided, however, that the Administrator or its designee may directly bill the Special Tax and

may collect the Special Tax at a different time, such as on a monthly or other periodic basis, or in a different manner, if necessary, to meet the District's financial obligations.

Attachment 1
Community Facilities District No. 2005-2
Maximum Annual Special Tax Rates - Base Year 2005-2006

Tax Category	Maximum Annual Special Tax	
	Rate Per Unit	Unit
	[1] [2] [3]	
Developed Parcels		
Single Family Residential	\$220	Per Unit
Multifamily Residential	\$165	Per Unit
Large Lot Parcels	\$220	Per Acre
Undeveloped Parcels	\$220	Per Acre

"att_1"

[1] Maximum Annual Special Tax Rate increased by the Tax Escalation Factor in each Fiscal Year after the Base Year of 2005-2006.

[2] In the event an assessment or special tax is collected in a Fiscal Year by the District, County, County Service Area, or other public agency to fund Authorized Services within the boundaries of the CFD, other than the Special Tax, the Maximum Annual Special Tax will be reduced by an amount equal to the assessment or special tax in the same Fiscal Year for each Benefit Zone.

[3] These Maximum Annual Special Tax Rates apply to Benefit Zones 1, 2, 3, 4 and 5. Benefit Zone 1 is that project known as Wheeler Ranch. Benefit Zone 2 is the project known as Feather Glen. Benefit Zone 3 is the project known as Draper Ranch North. Benefit Zone 4 is the project known as Thoroughbred Acres. Benefit Zone 5 is the project known as Cobblestone Phase 2. Benefit Zone 6 is the project known as Rio Del Oro Village 16.

EXHIBIT C

NOTICE OF PUBLIC HEARING ON RESOLUTION OF INTENTION TO ANNEX TERRITORY TO AN EXISTING COMMUNITY FACILITIES DISTRICT

NOTICE IS HEREBY GIVEN that the Board of the Olivehurst Public Utility District on November 21, 2013, adopted its Resolution No. ____, in which it declared its intention to annex territory to existing Community Facilities District No. 2005-2 (Park Maintenance) (the "CFD"), and to levy a special tax to pay for certain maintenance services, all pursuant to the provisions of the Mello Roos Community Facilities Act of 1982, Chapter 2.5, Part 1, Division 2, Title 5 of the California Government Code. The resolution describes the territory to be annexed, specifies the type of services to be financed, and describes the rate and method of apportionment of the proposed special tax. No change in the tax levied in the existing CFD is proposed. For further details, the resolution is available at the office of the District Clerk, 1970 9th Avenue, Olivehurst, California 95961.

NOTICE IS HEREBY FURTHER GIVEN that the Board has fixed January 16, 2014, at the hour of 7:00 p.m., or as soon thereafter as the matter may be heard, at the regular meeting place of the Board, 1970 9th Avenue, Olivehurst, California, as the time and place when and where the Board will hold a public hearing to consider the annexation. At the hearing, the testimony of all interested persons for or against the annexation of the territory or the levying of the special taxes will be heard.

DATED: _____

District Clerk, Olivehurst Public Utility District

* * * * *

I hereby certify that the foregoing is a full, true, and correct copy of a Resolution duly adopted and passed by the Board of Directors of the Olivehurst Public Utility District, Yuba County, California, at a meeting thereof held on the 21st day of November, 2013, by the following vote:

AYES, AND IN FAVOR THEREOF:	Director Carpenter, Burbank, Bradford, Dougherty, and Phinney.
NOES	: None.
ABSTAIN	: None.
ABSENT	: None.

District Clerk and ex-officio Secretary

Central Valley Regional Water Quality Control Board

NOTICE OF PUBLIC HEARING
concerning
Amendments to the Water Quality Control Plan
for the
Tulare Lake Basin
to
Edit and Update Language

RECEIVED

DEC 20 2013

Clerk/Board of Superintendents

The Regional Water Quality Control Board, Central Valley Region (Central Valley Water Board) will hold a public hearing to consider adoption of the proposed amendments to the Water Quality Control Plan for the Tulare Lake Basin (Basin Plan) to correct errors and update language in the Basin Plan. These amendments include correcting the description of the boundary between the San Joaquin River Basin and the Tulare Lake Basin; correcting a typographical error in the confined animal provisions; updating references to the California Department of Public Health, the California Department of Resources Recycling and Recovery, and the California Department of Fish and Wildlife; incorporating State Water Resources Control Board (State Water Board) policies that are pertinent to the Basin Plan; and other corrections of typographic errors and updating of Basin Plan language.

The public hearing, to be conducted during the March 2014 Central Valley Water Board meeting, is scheduled at the time and location noted below:

Date: 27 to 28 March 2014 (Please contact staff two weeks prior to the meeting for the exact date.)

Time: 8:30 am

Place: Regional Water Quality Control Board office
11020 Sun Center Drive, Suite 200
Rancho Cordova, CA 95670

After hearing testimony, the Central Valley Water Board may choose to act on the staff proposal, make revisions to the proposal, or may choose to continue or close the hearing and vote on the proposal at a future meeting.

Interested persons may download the draft Staff Report for the proposed Basin Plan amendments in PDF format from the Central Valley Water Board's Internet website at:

http://www.waterboards.ca.gov/centralvalley/water_issues/basin_plans/tularelakebasin_changes.shtml

Copies of these documents can also be obtained by contacting or visiting the Central Valley Water Board's office at 1685 E Street, Fresno, California 93706 weekdays between 8:00 a.m. and 5:00 p.m. Staff's contact information: Pam Buford, 559-445-5576, pbuford@waterboards.ca.gov. To continue receiving notifications regarding these amendments, you must subscribe to the "Basin Plan Triennial Review for the Tulare Lake Basin" mailing list through our webpage at:

http://www.waterboards.ca.gov/resources/email_subscriptions/reg5_subscribe.shtml or by sending a written request to Pam Buford at the above postal or email address.

Written comments must be submitted by **15 February 2014** to Pam Buford at the above postal or email address. Written comments received after this date will not be accepted. Staff will review comments received and prepare responses and final recommendations for the Board to consider during its March 2014 Board meeting.

At the hearing, staff will summarize written comments and will present a final recommendation for Board consideration. Interested persons will be provided the opportunity to present oral comments to the Central Valley Water Board at the hearing, and are expected to orally summarize their written submittals. All exhibits presented at the hearing, including charts, graphs, and other testimony, must be left with the Board and will become part of the administrative record. Oral testimony will be limited in time by the Water Board Chair.

The hearing facilities will be accessible to persons with disabilities. Individuals requiring special accommodations are requested to contact Kiran Lanfranchi-Rizzardi at (916) 464-4839 at least 5 working days prior to the meeting. TTY users may contact the California Relay Service at 1-800-735-2929 or voice line at 1-800-735-2922.

Please bring the above information to the attention of anyone you know who would be interested in this matter.



CLAY RODGERS, Assistant Executive Officer

11 December 2013



EDMUND G. BROWN JR.
GOVERNOR

MATTHEW RODRIGUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

Central Valley Regional Water Quality Control Board

NOTICE OF PUBLIC HEARING concerning Amendments to the Water Quality Control Plan for the Sacramento River and San Joaquin River Basins to Edit and Update Language

The Regional Water Quality Control Board, Central Valley Region (Central Valley Water Board) will hold a public hearing to consider adoption of the proposed amendments to the Water Quality Control Plan for the Sacramento and San Joaquin River Basins (Basin Plan) to correct errors and update language in the Basin Plan. These amendments include correcting the description of the boundary between the San Joaquin River Basin and the Tulare Lake Basin; removing, correcting and updating footnotes in several tables; correcting typographical errors; and updating references to the California Department of Public Health and the California Department of Fish and Wildlife. In addition the amendments will incorporate the State Water Resources Control Board (State Water Board) policies for compliance schedules and recycled water and update the incorporation of the implementation policy for toxics and the enforcement policy.

The public hearing, to be conducted during the March 2014 Central Valley Water Board meeting, is scheduled at the time and location noted below:

Date: 27 to 28 March 2014 (Please contact staff two weeks prior to the meeting for the exact date.)
Time: 8:30 am
Place: Regional Water Quality Control Board office
11020 Sun Center Drive, Suite 200
Rancho Cordova, CA 95670

After hearing testimony, the Central Valley Water Board may choose to act on the proposal, make revisions to the staff proposal, or may choose to continue or close the hearing and vote on the proposal at a future meeting.

Interested persons may download the draft Staff Report for the proposed Basin Plan amendments in PDF format from the Central Valley Water Board's Internet website at:

http://www.waterboards.ca.gov/centralvalley/water_issues/basin_plans/changes.shtml

Copies of these documents can also be obtained by contacting or visiting the Central Valley Water Board's office at 11020 Sun Center Drive, #200, Rancho Cordova, California 95670-6114 weekdays between 8:00 a.m. and 5:00 p.m. Confirmation of the hearing date and any questions regarding the proposed amendments should be directed to Betty Yee at 916-464-4643 or betty.yee@waterboards.ca.gov. To continue receiving notifications regarding these amendments, you must subscribe to the "Basin Plan Triennial Review for the Sacramento & San Joaquin River Basins" mailing list through our webpage at:

KARL E. LONGLEY ScD, P.E., CHAIR | PAMELA C. CREEDON P.E., BCPE, EXECUTIVE OFFICER

11020 Sun Center Drive #200, Rancho Cordova, CA 95670 | www.waterboards.ca.gov/centralvalley

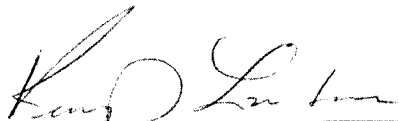
http://www.waterboards.ca.gov/resources/email_subscriptions/reg5_subscribe.shtml or by sending a written request to Ms. Betty Yee at the above postal or email address.

Written comments must be submitted by **14 February 2014** to Ms. Betty Yee at the above postal or email address. Written comments received after this date will not be accepted. Staff will review comments received and prepare responses and final recommendations for the Board to consider during its March 2014 Board meeting.

At the hearing, staff will summarize written comments and will present a final recommendation for Board consideration. Interested persons will be provided the opportunity to present oral comments to the Central Valley Water Board at the hearing, and are expected to orally summarize their written submittals. All exhibits presented at the hearing, including charts, graphs, and other testimony, must be left with the Board and will become part of the administrative record. Oral testimony will be limited in time by the Water Board Chair.

The hearing facilities will be accessible to persons with disabilities. Individuals requiring special accommodations are requested to contact Ms. Kiran Lanfranchi-Rizzardi at (916) 464-4839 at least 5 working days prior to the meeting. TTY users may contact the California Relay Service at 1-800-735-2929 or voice line at 1-800-735-2922.

Please bring the above information to the attention of anyone you know who would be interested in this matter.



KENNETH LANDAU, Assistant Executive Officer

11 December 2013



EDMUND G. BROWN JR.
GOVERNOR

MATTHEW RODRIGUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

Central Valley Regional Water Quality Control Board

NOTICE OF PUBLIC HEARING concerning Amendments to the Water Quality Control Plans for the Sacramento River and San Joaquin River Basins and the Tulare Lake Basin Regarding Onsite Wastewater System Implementation Program

The Regional Water Quality Control Board, Central Valley Region (Central Valley Water Board) will hold a public hearing to consider adoption of the proposed amendments to the Water Quality Control Plans for the Sacramento and San Joaquin River Basins and the Water Quality Control Plan for the Tulare Lake Basin (Basin Plans) regarding the onsite wastewater system implementation program. The proposed amendments will incorporate the *Water Quality Control Policy for Siting, Design, Operation, and Maintenance of Onsite Wastewater Treatment Systems* (OWTS Policy), adopted by the State Water Resources Control Board on 19 June 2012, into the Basin Plans.

Copies of the proposed resolution, associated staff report, text of the proposed Basin Plan amendment, and other relevant documents are available on the Board's website at:

http://www.waterboards.ca.gov/centralvalley/water_issues/owts/index.shtml

Copies of these documents can also be obtained by contacting or visiting the Central Valley Water Board's office at 11020 Sun Center Drive, #200, Rancho Cordova, California 95670-6114 weekdays between 8:00 a.m. and 5:00 p.m. Staff contact information: Betty Yee, 916-464-4643, betty.yee@waterboards.ca.gov.

These amendments are completely within the scope of the OWTS Policy as analyzed by the State Water Board in the Substitute Environmental Document for the OWTS Policy. As such, the recommended actions do not require further environmental review pursuant to the California Environmental Quality Act. (Pub. Res. Code §21166; Cal. Code Regs. tit. 14, §§15161, 15163.) At the conclusion of the hearing, the Central Valley Water Board will consider adopting the proposed amendments to the Basin Plans.

Written comments and evidence regarding the proposed actions must be submitted by **14 February 2014** to Ms. Betty Yee at the above postal or email address. Written comments and evidence submitted after this date will not be accepted into the record, unless allowed by the chair of the Central Valley Water Board. Comments and evidence received by this date will be considered in preparation of staff recommendations to the Central Valley Water Board. The Water Board will provide an opportunity for oral comments at the hearing. Time limits may be imposed. Please note that all exhibits, charts, graphs, and other testimony timely presented as evidence must be left with the Water Board as part of the administrative record. If you have any questions regarding these documents or the proposed actions, please contact Betty Yee at 916-464-4643 or betty.yee@waterboards.ca.gov. To continue receiving notifications regarding the implementation of the OWTS Policy in the Central Valley, you must subscribe to the "OWTS – Onsite Wastewater Treatment System Policy Implementation" mailing list through our webpage

at: http://www.waterboards.ca.gov/resources/email_subscriptions/reg5_subscribe.shtml or by sending a written request to Betty Yee at the above postal or email address.

The public hearing, to be conducted during the March 2014 Central Valley Water Board meeting, is scheduled at the time and location noted below:


Date: 27 to 28 March 2014 (Please contact staff two weeks prior to the meeting for the exact date.)

Time: 8:30 am

Place: Regional Water Quality Control Board office
11020 Sun Center Drive, Suite 200
Rancho Cordova, CA 95670

The hearing facilities will be accessible to persons with disabilities. Individuals requiring special accommodations are requested to contact Ms. Kiran Lanfranchi-Rizzardi at (916) 464-4839 at least 5 working days prior to the meeting. TTY users may contact the California Relay Service at 1-800-735-2929 or voice line at 1-800-735-2922.

Please bring the above information to the attention of anyone you know who would be interested in this matter.



KENNETH LANDAU, Assistant Executive Officer

11 December 2013

Enclosed are notices of public hearing for three separate basin plan amendments:

- Amendments to the Water Quality Control Plans for the Sacramento River and San Joaquin River Basins and the Tulare Lake Basin Regarding Onsite Wastewater System Implementation Program
- Amendments to the Water Quality Control Plan for the Sacramento River and San Joaquin River Basins to Edit and Update Language
- Amendments to the Water Quality Control Plan for the Tulare Lake Basin to Edit and Update Language

Please see notices for information on how to participate in the public process and for staff contact information.

Commissioners**Michael Sutton**, President

Monterey

Richard Rogers, Vice President

Santa Barbara

Jim Kellogg, Member

Discovery Bay

Jack Baylis, Member

Los Angeles

Jacque Hostler-Carmesin, Member

McKinleyville

STATE OF CALIFORNIA
Edmund G. Brown Jr., Governor**Fish and Game Commission****Sonke Mastrup**, Executive Director

1416 Ninth Street, Room 1320

Sacramento, CA 95814

(916) 653-4899

(916) 653-5040 Fax

www.fgc.ca.gov

December 24, 2013

TO ALL AFFECTED AND INTERESTED PARTIES:

This is to provide you with a Notice of Findings regarding the Townsend's big-eared bat (*Corynorhinus townsendii*) which will be published in the California Regulatory Notice Register on December 27, 2013.

Sincerely,

Sheri Tiemann

Associate Governmental Program Analyst

Attachment

RECEIVED
CALIFORNIA
FISH AND GAME
COMMISSION

CALIFORNIA FISH AND GAME COMMISSION

2013 NOV 14 PM 3:07

NOTICE OF FINDINGS

Townsend's Big-eared Bat

(*Corynorhinus townsendii*)

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of Section 2074.2 of the Fish and Game Code, the California Fish and Game Commission, at its June 26, 2013, meeting in Sacramento, California, accepted for consideration the petition submitted to list the Townsends Big-eared Bat as a threatened or endangered species. The Commission determined, based on the best available science, the extensive information contained in the petition, the Department of Fish and Wildlife petition evaluation report, and oral testimony that designating Townsend's Big-eared Bat as an endangered or threatened species under CESA may be warranted (see Sections 2073.5 and 2074.2 of the Fish and Game Code).

Pursuant to subdivision (a)(2) of Section 2074.2 of the Fish and Game Code, the aforementioned species is hereby declared a candidate species as defined by Section 2068 of the Fish and Game Code.

Within one year of the date of publication of this notice of findings, the Department of Fish and Wildlife shall submit a written report, pursuant to Section 2074.6 of the Fish and Game Code, indicating whether the petitioned action is warranted. Copies of the petition, as well as minutes of the June 26, 2013, Commission meeting, are on the Commission web site or available for public review from Sonke Mastrup, Executive Director, Fish and Game Commission, 1416 Ninth Street, Box 944209, Sacramento, California 94244-2090, phone (916) 653-4899. Written comments or data related to the petitioned Action should be directed to the Commission at the aforementioned address.



Sonke Mastrup

Executive Director

California Fish and Game Commission

Commissioners
Michael Sutton, President
Monterey

Richard Rogers, Vice President

Santa Barbara

Jim Kellogg, Member

Discovery Bay

Jack Baylis, Member

Los Angeles

Jacque Hostler-Carmesin, Member

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December 24, 2013

TO ALL AFFECTED AND INTERESTED PARTIES:

This is to provide you with a Notice of Findings regarding the American pika which will be published in the California Regulatory Notice Register on December 27, 2013.

Sincerely,

Sheri Tiemann

Associate Governmental Program Analyst

Attachment

NOTICE OF FINDINGS
American pika
(*Ochotona princeps schisticeps*)

NOTICE IS HEREBY GIVEN that the Fish and Game Commission (Commission), at its May 22, 2013 meeting in Los Angeles, California, made a finding pursuant to Fish and Game Code section 2075.5, that the petitioned action to add the American pika (*Ochotona princeps schisticeps*) to the list of threatened or endangered species under the California Endangered Species Act (CESA)(Fish & G. Code, § 2050 et seq.) is not warranted. (See also Cal. Code Regs., tit. 14, § 670.1, subd. (i)(1).)

NOTICE IS ALSO GIVEN that, at its December 11, 2013, meeting in San Diego, California, the Commission adopted the following findings outlining the reasons for its rejection of the petition.

I.
BACKGROUND AND PROCEDURAL HISTORY

Petition History

The Center for Biological Diversity (Petitioner) submitted a petition to the Commission on August 21, 2007, to list the American pika (*Ochotona princeps*) as a threatened species, pursuant to CESA. As an alternative, the Petitioner asked that the Commission list each of the then recognized five subspecies of the American pika occurring in California as, variously, either endangered or threatened species. The Commission received the petition on August 22, 2007. The Commission referred it for evaluation to the Department on August 30, 2007. On September 12, 2007, the Department asked the Commission to grant the Department an additional 30 days, for a total 120 days, to evaluate the petition pursuant to Fish & Game Code section 2073.5. On October 19, 2007, the Commission granted this request.

The Department evaluated the petition, using the information in that document and other relevant information available at that time, and found that the scientific information presented in the petition was insufficient to indicate that either of the petitioned actions may be warranted. That is, the Commission found in its independent judgment at the time that the petition did not provide sufficient scientific information to indicate that the following actions may be warranted: 1) State listing of the pika as a threatened species, or 2) State listing of any of the five subspecies of the pika occurring in California as, variously, either endangered or threatened species. The Department's review of additional scientific information supported these findings. The Department recommended in its December 21, 2007, evaluation report to the Commission, pursuant to Fish and Game Code section 2073.5, subdivision (a), that the Commission reject the petition.

On April 10, 2008, the Commission determined that the petition provided insufficient information to indicate the petitioned action may be warranted. On June 24, 2009, the Commission set aside its April 10, 2008 decision, and again determined that the petition did not provide sufficient information to indicate the petitioned action may be warranted. The Petitioner challenged the Commission's actions on both occasions in related litigation. As a result of the litigation, the Commission reconsidered Petitioner's petition to list the American pika as threatened or endangered under CESA, including a new submission by Petitioner dated May 15, 2009. The Commission treated the petition, including Petitioner's new submission, as an amended petition pursuant to Fish and Game Code section 2073.7, and also determined the amendment to be substantive. At its February 3, 2011 meeting, the Commission transmitted the amended petition to the Department for review.

The Petitioner submitted another comment letter to the Commission on March 31, 2011. The Commission voted at its May 4, 2011, meeting that the March 31, 2011, letter submitted by the Petitioner amounted to yet another substantive amendment of the petition. The Commission indicated in a memorandum to the Department dated May 13, 2011, that the Department's evaluation report should be submitted to the Commission on or before August 2, 2011. On June 27, 2011, the Department requested that the Commission grant the Department an additional 30 days, for a total 120 days, to evaluate the amended petition, pursuant to Fish and Game Code section 2073.5, subdivision (b). On August 3, 2011, the Commission granted this request.

The Department submitted its initial evaluation of the amended petition to the Commission on August 23, 2011, with a recommendation to reject the petition. At the October 19, 2011, Commission meeting, the Department presented a summary of its evaluation of the petition. At that meeting, the Department Director presented a new recommendation to the Commission, indicating the Commission should accept the petition, designate the American pika as a candidate species under CESA, and direct the Department to conduct a 12-month review of the status of the species in California. The Commission voted to accept the petition based on its determination that there was sufficient information to indicate that the petitioned action may be warranted. On November 11, 2011, the Commission published notice of its findings to accept the amended petition for further review under CESA, as well as notice of the American pika's designation as a candidate species under State law (Cal. Reg. Notice Register 2001, No. 45-Z, p. 1826). With related notice of its candidacy, the CESA prohibition against unauthorized "take" of the American pika is currently in effect. (Fish & G. Code, § 2080, 2085).

Consistent with the Fish and Game Code and controlling regulation, the Department commenced a 12-month status review of the American pika following published notice of its designation as a candidate species under CESA. As part

of that effort, the Department solicited data, comments, and other information from interested members of the public, and the scientific and academic community; and the Department submitted a preliminary draft of its status review for independent peer review by a number of individuals acknowledged to be experts on the American pika, possessing the knowledge and expertise to critique the scientific validity of the report. (Fish & G. Code, §§ 2074.4, 2074.8; Cal. Code Regs., tit. 14, § 670.1, subd. (f)(2).) The effort culminated with the Department's final Status Review of the American pika (*Ochotona princeps schisticeps*) in California (February 25, 2013) (Status Review), which the Department submitted to the Commission at its meeting in Santa Rosa, California, on April 17, 2013. The Department recommended to the Commission based on its Status Review and the best science available to the Department that designating the American pika as a threatened or endangered species under CESA is not warranted. (Fish & G. Code, § 2074.6; Cal. Code Regs., tit. 14, § 670.1, subd. (f).) Following receipt, the Commission made the Department's Status Review available to the public, inviting further review and input. (*Id.*, § 670.1, subd. (g).)

On May 22, 2013, at its meeting in Los Angeles, California, the Commission considered final action regarding the Center's petition to designate American pika as an endangered or threatened species under CESA. (See generally Fish & G. Code, § 2075.5; Cal. Code Regs., tit. 14, § 670.1, subd. (i).) In so doing, the Commission considered the petition, as amended, public comment, the Department's 2008 Candidacy Evaluation Report, the Department's 2013 Status Review, and other information included in the Commission's administrative record of proceedings. Following public comment and deliberation, the Commission determined, based on the best available science, that designating American pika as an endangered or threatened species under CESA is not warranted. (Fish & G. Code, § 2075.5(1); Cal. Code Regs., tit. 14, § 670.1, subd. (i)(2).) At the same time, the Commission directed its staff in coordination with the Department to prepare findings of fact consistent with the Commission's determination for consideration and ratification by the Commission at a future meeting.

Species Description

The American pika is a small mammal in the Order Lagomorpha. Until recently, the American pika was considered to consist of 356 subspecies belonging to five distinct evolutionary lineages. The five formerly recognized California subspecies are now regarded as one subspecies, *Ochotona princeps schisticeps*. The American pika occurs in most of the western United States and the Canadian provinces of Alberta and British Columbia. In California, it is found from the Oregon border south through the Cascade region to Tulare and Inyo counties in the Sierra Nevada. The American pika inhabits the range above the

mid-montane conifer belt in California's Sierra Nevada and other high elevation mountain ranges. Although often considered to be rare below 2,500 m elevation in California, American pikas have been reported at multiple locations below that elevation in the southern portion of their range, and in northeastern California they have been found as low as 1,250 m in elevation. The American pika primarily lives in high-elevation patches of talus with adjacent herbaceous or shrub vegetation, as well as in old lava formations.

American pikas are predominantly diurnal, although during hot weather they may adjust their daily activity pattern to avoid excessive heat. American pikas are territorial and their populations in many locations function as meta-populations. Dispersal by American pika from a population is generally believed to be more likely at high-elevation (cooler) sites than at warmer low-elevation sites. The American pika is herbivorous and engages in both feeding and haying (haypiling) while foraging. Haying is the caching of food for later consumption. The American pika harvests herbaceous vegetation or tall grasses for storage in hay piles, which allows them to survive harsh winters.

American pikas behaviorally thermoregulate in response to high ambient temperatures by reducing activity on warm days or during mid-day hours. The American pika does not hibernate but remains active throughout the winter, using cover to abate the effects of extremely cold temperatures and to access stored food. High temperature is a primary factor controlling the initial dispersal success of juveniles, primarily at low-elevation sites. In general, temperatures within the rock matrix of talus fields have been found to be lower and less variable than on the surface of the talus in the summer. Generally, winter temperatures within talus are warmer than the external air.

The population size for the American pika in California is uncertain but, based on the best available scientific information, it appears well-distributed and relatively stable.

Federal Status

The American pika is not currently listed as endangered or threatened nor is it a candidate for listing under the federal Endangered Species Act. In October 2007, the Center petitioned the U.S. Fish and Wildlife Service (Service) to list the American pika and conduct a status review of each of the recognized subspecies of American pika. The Service advised the Center that the petition could not be addressed at that time because existing court orders and settlement agreements for other listing actions required nearly all of the listing funding. Subsequently, the Center filed a notice of intent to sue over the Service's failure to publish a petition finding. The Service then entered into a settlement agreement requiring the Service to submit a petition finding to the Federal Register by May 1, 2009, and to submit a status review finding to the Federal Register by February 1, 2010. On February 10, 2010, the Service published the results of its status review, in which

it concluded that the American pika did not meet the criteria for listing under the federal Endangered Species Act (USFWS 2010). The Service acknowledged that the American pika is potentially vulnerable to the impacts of climate change in portions of its range, but that the best available scientific information indicated that the species will be able to survive despite higher temperatures and that there is enough suitable high elevation habitat to prevent the species from becoming threatened or endangered.

II. STATUTORY AND LEGAL FRAMEWORK

The Commission has prepared these findings as part of its final action under CESA regarding the Center's petition to designate American pika as an endangered or threatened species under CESA. As set forth above, the Commission's determination that listing American pika is not warranted marks the end of formal administrative proceedings under CESA prescribed by the Fish and Game Code and controlling regulation. (See generally Fish & G. Code, § 2070 et seq.; Cal. Code Regs., tit. 14, § 670.1.) The Commission, as established by the California Constitution, has exclusive statutory authority under California law to designate endangered, threatened, and candidate species under CESA. (Cal. Const., art. IV, § 20, subd. (b); Fish & G. Code, § 2070.)¹

The CESA listing process for American pika began in the present case with the Center's submittal of its petition to the Commission in September 2007. (Cal. Reg. Notice Register 2007, No. 38-Z, p. 1572.) The regulatory process that ensued is described above in some detail, along with related references to the Fish and Game Code and controlling regulation. The CESA listing process generally is also described in some detail in published appellate case law in California, including

- *Mountain Lion Foundation v. California Fish and Game Commission* (1997) 16 Cal.4th 105, 114-116;
- *California Forestry Association v. California Fish and Game Commission* (2007) 156 Cal.App.4th 1535, 1541-1542;
- *Center for Biological Diversity v. California Fish and Game Commission* (2008) 166 Cal.App.4th 597, 600; and
- *Natural Resources Defense Council v. California Fish and Game Commission* (1994) 28 Cal.App.4th 1104, 1111-1116.

The "is not warranted" determination at issue here for American pika stems from Commission obligations established by Fish and Game Code section 2075.5.

¹ The Commission, pursuant to this authority, may add, remove, uplist, downlist, or choose not to list any plant or animal species to the list of endangered or threatened species, or designate any such species as a candidate for related action under CESA. (See also Cal. Code Regs., tit. 14, § 670.1, subd. (i)(1)(A)-(C) and (2).) In practical terms, any of these actions is commonly referred to as subject to CESA's "listing" process.

Under this provision, the Commission is required to make one of two findings for a candidate species at the end of the CESA listing process; namely, whether the petitioned action is warranted or is not warranted. Here with respect to American pika, the Commission made the finding under section 2075.5(1) that the petitioned action is not warranted.

The Commission was guided in making this determination by various statutory provisions and other controlling law. The Fish and Game Code, for example, defines an endangered species under CESA as a native species or subspecies of a bird, mammal, fish, amphibian, reptile or plant which is in serious danger of becoming extinct throughout all, or a significant portion, of its range due to one or more causes, including loss of habitat, change in habitat, over exploitation, predation, competition, or disease. (Fish & G. Code, § 2062.)

Similarly, the Fish and Game Code defines a threatened species under CESA as a native species or subspecies of a bird, mammal, fish, amphibian, reptile or plant that, although not presently threatened with extinction, is likely to become an endangered species in the foreseeable future in the absence of the special protection and management efforts required by this chapter. (*Id.*, § 2067.)

Likewise as established by published appellate case law in California, the term "range" for purposes of CESA means the range of the species within California. (*California Forestry Association v. California Fish and Game Commission, supra*, 156 Cal. App.4th at p. 1540, 1549-1551.)

The Commission was also guided in making its determination regarding American pika by Title 14, section 670.1, subdivision (i)(1)(A), of the California Code of Regulations. This provision provides, in pertinent part, that a species shall be listed as endangered or threatened under CESA if the Commission determines that the species' continued existence is in serious danger or is threatened by any one or any combination of the following factors:

1. Present or threatened modification or destruction of its habitat;
2. Overexploitation;
3. Predation;
4. Competition;
5. Disease; or
6. Other natural occurrences or human-related activities.

Fish and Game Code section 2070 provides similar guidance. This section provides that the Commission shall add or remove species from the list of endangered and threatened species under CESA only upon receipt of sufficient scientific information that the action is warranted. Similarly, CESA provides policy direction not specific to the Commission per se, indicating that all state agencies, boards, and commissions shall seek to conserve endangered and threatened species and shall utilize their authority in furtherance of the purposes

of CESA. (Fish & G. Code, § 2055.) This policy direction does not compel a particular determination by the Commission in the CESA listing context. Yet, the Commission made its determination regarding American pika mindful of this policy direction, acknowledging that “[l]aws providing for the conservation of natural resources’ such as the CESA ‘are of great remedial and public importance and thus should be construed liberally.” (*California Forestry Association v. California Fish and Game Commission*, *supra*, 156 Cal. App.4th at pp. 1545-1546, citing *San Bernardino Valley Audubon Society v. City of Moreno Valley* (1996) 44 Cal.App.4th 593, 601; Fish & G. Code, §§ 2051, 2052.)

Finally in considering these factors, CESA and controlling regulations require the Commission to actively seek and consider related input from the public and any interested party. (See, e.g., *Id.*, §§ 2071, 2074.4, 2078; Cal. Code Regs., tit. 14, § 670.1, subd. (h).) The related notice obligations and public hearing opportunities before the Commission are also considerable. (Fish & G. Code, §§ 2073.3, 2074, 2074.2, 2075, 2075.5, 2078; Cal. Code Regs., tit. 14, § 670.1, subds. (c), (e), (g), (i); see also Gov. Code, § 11120 et seq.) All of these obligations are in addition to the requirements prescribed for the Department in the CESA listing process, including an initial evaluation of the petition and a related recommendation regarding candidacy, and a 12-month status review of the candidate species culminating with a report and recommendation to the Commission as to whether listing is warranted based on the best available science. (Fish & G. Code, §§ 2073.4, 2073.5, 2074.4, 2074.6; Cal. Code Regs., tit. 14, § 670.1, subds. (d), (f), (h).)

III.

FACTUAL AND SCIENTIFIC BASES FOR THE COMMISSION’S FINDING

The factual and scientific bases for the Commission’s finding that designating American pika as an endangered or threatened species under CESA is not warranted are set forth in detail in the Commission’s administrative record of proceedings. The evidence in the administrative record in support of the Commission’s determination includes, but is not limited to, the Department’s 2008 Candidacy Evaluation Report and 2013 Status Review, and other information specifically presented to the Commission and otherwise included in the Commission’s administrative record as it exists up to and including the Commission meeting in Los Angeles, California, on May 22, 2013, and up to and including the adoption of these findings.

The Commission finds the substantial evidence highlighted in the preceding paragraph, along with other evidence in the administrative record, supports the Commission’s determination that the continued existence of American pika in the State of California is not in serious danger of becoming extinct or threatened by one or a combination of the following factors:

1. Present or threatened modification or destruction of its habitat;

2. Overexploitation;
3. Predation;
4. Competition;
5. Disease; or
6. Other natural occurrences or human-related activities.

The Commission also finds that the same evidence constitutes sufficient scientific information to establish that designating American pika as an endangered or threatened species under CESA is not warranted. The Commission finds in this respect that the American pika is not in serious danger of becoming extinct throughout all, or a significant portion, of its range. Similarly, the Commission finds that, although the dynamics and effects of climate change due to global warming are real, the American pika is not presently threatened with extinction and it is also unlikely to become an endangered species in the foreseeable future in the absence of the special protection and management efforts required by CESA.

The following Commission findings highlight in more detail some of the scientific and factual information and other evidence in the administrative record of proceedings that support the Commission's determination that designating American pika as an endangered or threatened species under CESA is not warranted:

1. The primary threat to the continued existence of the species is considered to be future climate change, which may reduce the area available as suitable habitat for American pika in California. However, some data suggest the American pika may be able to contend with a generally warmer and drier future climate.
2. The species is currently widely distributed in California and is thought to be common where it occurs. Although climate change has occurred and will continue to occur, the American pika has existed in western North America for millennia, during a period characterized by repeated periods of warming and cooling, suggesting the species may be able to persist during projected future changes.
3. The overall population size for the American pika in California is unknown and cannot be accurately determined because of the lack of available data on population numbers, densities, and trends over time across their range. However, resurveys of distribution at historically-occupied pika sites have been conducted in several areas in California, as well as in the Great Basin ranges of Nevada. In California, these studies have found pikas occupying some but not all of the historical sites. More study is necessary to fully understand the American pika's re-colonization behavior of historical sites. A recent meta-analysis of several resurvey projects found that the amount of talus habitat in the vicinity of the historical site had the

strongest ability to predict whether pikas still occupied the site. Elevation was another significant factor, with low elevation sites more likely to have lost pikas than high elevation sites. However, the extent of low elevation talus habitat available to American pika in California is not presently known.

4. The climate modeling studies reviewed by the Commission as part of its analysis of the pika CESA listing petition, as amended, do not typically consider aspects of a species' ecology other than the apparent correlations of species occurrence with (typically) coarse-scale climate variables. Nor do the models consider the capacity of the species to behaviorally or physiologically adapt to different climatic conditions. Additionally, the studies do not consider changes in human adaptation that could influence the model projected climate change. In sum, a number of survey studies on American pikas in California and elsewhere have explored the relationships between pika occurrence and climate variables. Although climate has been implicated in recent loss of pikas from some historically-occupied sites in some studies, other studies have not found such a pattern.
5. Because of the American pika's thermoregulatory characteristics, it has been suggested that several climate change effects could threaten the continued existence of the species, including mortality and stress associated with increasing temperatures; changes in foraging and dispersal behavior; mortality and stress associated with more extreme cold in the winter; changes in nutrient and water availability in forage plants; increased competition or predation; and combined effects of all these factors. However, American pika have been found in low-elevation areas (for example, Lava Beds National Monument) and studies on talus temperatures show ameliorative benefits of the talus ecology for the American pika (warmer in winter, cooler in summer), both of which suggest that American pika may be sufficiently adaptable to rising temperatures to persist despite global warming.
6. Other potential indirect effects on pikas due to climate change, such as how climate change may affect disease dynamics and predator-prey relations are presently unknown. Livestock grazing near talus habitat may affect pika habitat and cause pikas to change their foraging behavior. Mining may disturb or directly injure pikas. However, these potential impacts are not clearly understood.
7. The Commission considered factors such as overexploitation, predation, competition, and disease to not be a serious threat to the American pika currently or in the foreseeable future.

IV.

ADDITIONAL CONSIDERATIONS INFORMING THE COMMISSION'S FINAL DETERMINATION

The Commission's determination that designating American pika as an endangered or threatened species under CESA is not warranted is informed by various additional considerations. In general, the Fish and Game Code contemplates a roughly 12-month long CESA listing process before the Commission, including multiple opportunities for public and Department review and input, and peer review specifically whenever possible. (See generally Fish & G. Code, § 2070 et seq.; Cal. Code Regs., tit. 14, § 670.1.) The CESA listing process for American pika, in contrast, is approaching the 7-year mark. This length of time is not unusual compared to other recent CESA listing actions by the Commission.² What the length of time does underscore in the present case, however, is the depth, breadth, and complexity of the scientific and legal issues that the Commission has considered in making its final determination regarding American pika. This section highlights some of those issues to more fully document the Commission's final determination in the present case.

From the initial receipt of the Center's petition in August 2007 through the Commission's decision in May 2013 that listing is not warranted, the Commission received numerous comments and other significant public input regarding the status of American pika from a biological and scientific standpoint, and with respect to the petitioned action under CESA, including the listing process generally. Similarly, the Commission received many comments focusing on the current and historical status of American pika throughout all or a significant portion of its range. The Commission also received comments regarding the status of American pika under the federal Endangered Species Act (ESA)(16 U.S.C. § 1531 et seq.). Finally, the Commission received various comments and other important information regarding a number of scientific issues related to the status of American pika in California. The Commission, as highlighted below, was informed by and considered all of these issues, among others, in making its final determination that designating American pika as an endangered or threatened species under CESA is not warranted. (Fish & G. Code, § 2075.5(1); Cal. Code Regs., tit. 14, § 670.1, subd. (i)(2).)

SCIENTIFIC DETERMINATIONS REGARDING THE STATUS OF THE AMERICAN PIKA IN CALIFORNIA

CESA directs the Department to prepare this report regarding the status of the American pika in California based upon the best scientific information. Key to the Department's related analyses are relevant factors highlighted in regulation.

² For example, with respect to the California tiger salamander, a species recently designated as endangered or threatened under CESA, the Commission received the petition on January 30, 2004, and adopted findings that listing is warranted on May 20, 2010. (See Cal. Reg. Notice Register 2004, No. 9-Z, p. 270; Cal. Reg. Notice Register 2010, No. 23-Z, p. 855).

Under the pertinent regulation, a "species shall be listed as endangered or threatened ... if the Commission determines that its continued existence is in serious danger or is threatened by any one or any combination of the following factors: (1) present or threatened modification or destruction of its habitat; (2) overexploitation; (3) predation; (4) competition; (5) disease; or (6) other natural occurrences or human-related activities." (Cal. Code Regs., tit. 14, § 670.1 (i)(1)(A)).

Also key from a scientific standpoint are the definitions of endangered and threatened species, respectively, in the Fish and Game Code. An endangered species under CESA, for example, is one "which is in serious danger of becoming extinct throughout all, or a significant portion, of its range due to one or more causes, including loss of habitat, change in habitat, over exploitation, predation, competition, or disease." (Fish & G. Code, § 2062.) A threatened species under CESA is one "that, although not presently threatened with extinction, is likely to become an endangered species in the foreseeable future in the absence of special protection and management efforts required by [CESA]." (Id., § 2067.)

Present or Threatened Modification or Destruction of Habitat

Projections of the effects human-caused climate change would have on the American pika are predicted based on climatic models and models of future habitat extent. These models indicate a possible reduction in the amount of suitable habitat for the American pika in California by the end of this century (2100). However, some of the models that predict American pika habitat failed to predict currently occupied habitat. Alternatively, some of the reduction in climatically suitable habitat conditions for the American pika in California may be ameliorated by behavioral and physiological mechanisms. In summary, the best available scientific information suggests a substantial reduction in the geographic range of the American pika in California could occur by 2100, but the effect on the species' future existence at that time is currently uncertain. A generally warming climate with more extreme weather conditions may have several impacts to American pika populations, including reduced opportunities for successful dispersal between habitat islands, reduced overwinter survival (reduced winter snowpack will reduce insulation cover and create harsher winter conditions or, conversely, heavier snowpack from extreme winters could delay spring emergence of forage vegetation), and these factors may interact with others to increase population impacts. There is significant, current uncertainty about the degree of continued warming and the effect of this continued warming on the ability of the American pika to persist in California during and after the timeframe current modeling suggests climate change may pose a significant threat to the species (2100 and after). In short, the Commission considers future habitat impacts of projected climate change may be a threat to the continued existence of the American pika in California by the end of the century, but not

until then at the earliest based on the best scientific information currently available.

Overexploitation

The American pika in California is designated as a nongame mammal, and therefore may not be legally taken. (See, e.g., Cal. Code Regs., tit. 14, § 472). There is no indication that American pikas have been harvested for recreational or commercial purposes. A few individual American pikas have been captured over the past several years for research purposes; only one mortality from these studies has occurred. The Commission determines based on the best scientific information available, there is not a threat to the species' continued existence due to overexploitation.

Predation

American pikas are subject to predation by a variety of native predators and are adapted to contend with predation pressure by several characteristics, such as vigilant behavior, central-place foraging with good escape cover, and relatively moderate reproduction rate. It is possible climate change may affect the predator-prey relationships for the pika, either by allowing additional predator species to move into areas occupied by the pika or by negatively impacting some current pika predators by altering their preferred prey. Climate change may force individual pikas to contend with greater predation risk while foraging or dispersing, or may relieve them of some predation risk. The Department concluded, and the Commission so finds, that the effects of predation as a threat to pika populations are uncertain, as are any climate change-induced effects on predation, to American pikas. There is not sufficient scientific evidence to indicate that predation is a current threat to the continued existence of the species in California or that it will be in the foreseeable future.

Competition

The Commission does not consider native competitors to the American pika in California to be a threat to the continued existence of the species. However, climate change may allow additional competitor species to move into areas occupied by the American pika and to impact those American pika populations. Additional or new competitors may reduce the fitness of individual pikas and reduce the viability of American pika populations where the competitors invade. However, it is also possible that some native competitors will be adversely affected by climate change, thus relieving American pikas of some competition from these species. The Department concluded, and the Commission so finds, that the effect and magnitude of climate change on species competition with American pikas are currently unknown. There is not sufficient, current scientific evidence to indicate that competition is a threat to or that it will be a threat in the foreseeable future to the continued existence of the American pika in California.

Disease

Diseases occur naturally in American pika populations. Health assessments of American pika populations in California are just beginning. As with the other factors, however, it is possible that climate change may facilitate the transmission or increase the virulence of diseases currently endemic in American pika populations. The Commission could not currently determine the magnitude of the risks to pika populations from disease, nor from the interaction of climate change and disease. The best scientific information available to the Department and the Commission from disease studies in other pika populations suggests this factor is not currently a threat nor will it be a threat in the foreseeable future to the continued existence of the species in California.

Other Natural Occurrences or Human-related Activities

The Commission does not consider mining or grazing to be significant threats to the continued existence of the American pika in California. Other human-related activities contribute to global climate change (e.g. fossil fuel emissions, land use practices, agricultural practices), and therefore indirectly threaten American pika populations in California through the habitat, competition, predation, and disease pathways discussed above. Most human-related (anthropogenic) contributions to global climate change are projected to increase in the future. The Commission finds that anthropogenic contributions to climate warming may pose a threat to the species by the end of the 21st century, but that the species is not currently in serious danger of becoming extinct throughout all or a significant portion of its range in California and the same is true of the foreseeable future.

Summary of Key Findings

Based on the criteria described above, the best scientific information available to the Commission indicates the American pika is not currently in serious danger of becoming extinct in California in the next few decades, nor at any time by the end of the century even if existing climate change models and the currently predicted trajectory of suitable pika habitat in California comes to fruition at that time. At the present time, in contrast, the species is widespread through its known range in California and the uncertainty of the models precludes the ability of the Commission to categorically know or state the danger of the threat to the species. Models predict reduction in American pika habitat and therefore populations, distribution, and abundance, but not extinction.

It will be imperative for the Department and for the conservation community to study and monitor the distribution and abundance of the American pika over the next few decades, and as climate change models become more data driven, to be able to better assess the foreseeable future. Such monitoring will ultimately inform the Department from a scientific basis whether the American pika is

trending toward a serious danger of becoming extinct, or not. In that regard, the Department has made a number of future management recommendations, including:

- Habitat-specific demographic information for the American pika, as per Kreuzer and Huntly (2003), should be collected by the Department and its partners. Such studies would inform conservation planning for the American pika by allowing better evaluation of habitat areas needing protection, as well as adaptation planning for climate change.
- Comprehensive genetic studies of American pika populations in California and adjacent states should be conducted to provide a better understanding of the genetic structure of the *schisticeps* subspecies. Such information is essential for conservation planning.
- Research and consider implementing management activities that would ensure that American pika populations persist despite projected climate change impacts.
- Continue and expand monitoring efforts for pika populations and their habitat as part of comprehensive climate change monitoring and adaptation planning for high-elevation small mammal communities in California.³
- Assess and recommend measures to reduce potential significant impacts to American pika populations associated with activities such as mining and livestock grazing, as part of the environmental review process for such projects.
- Assess the greenhouse gas emissions associated with proposed projects and activities reviewed under the California Environmental Quality Act. Such assessments and associated recommendations should be made by the Department as part of its general approach to the issue of climate change.
- Adaptation planning for climate change impacts on California's wildlife is an on-going task of the Department. See the California Climate Change

³ The Department, along with federal and academic partners, led the formation in 2009 of the California Pika Consortium (CPC). The CPC consists of pika researchers, wildlife and land management agency representatives, and non-government organization members with its major purpose of facilitating communication on issues related to the American pika and other high-elevation small mammals in California. The group has generally met once or twice a year since its first meeting in 2009 to share information, prioritize research topics, discuss standardized field techniques, and to visit natural and human-made pika sites in the eastern Sierra Nevada and western Great Basin. The CPC served as the model for the formation of the North American Pika Consortium (NAPC), which pursues similar goals throughout the geographic range of pikas in North America; CPC members are actively engaged with NAPC activities. These two organizations provide a forum for discussions of American pika biology, conservation, and adaptation planning. The Department will continue to rely on the CPC for information related to the American pika.

Adaptation Strategy (California Natural Resources Agency 2009 and DFG's Vision Document, DFG Climate Science Web Page) for more information. The Department, along with its diverse group of stakeholders, is also actively working to address climate change adaptation actions for fish, wildlife, and habitats across the state. Integrating climate change considerations into Department functions, management activities, and conservation planning efforts such as the state Wildlife Action Plan, are serious undertakings by the Department that have placed it on the path towards successfully addressing climate change and the many challenges it presents.

- Complete the Mammal Species of Special Concern update to determine whether the American pika should be designated as a Species of Special Concern.⁴ Conduct the follow-up climate-change analysis for the American pika and other at-risk mammal taxa currently funded by a State Wildlife Grant. Depending on the results of these analyses, the American pika may be among those species prioritized for additional research and monitoring if funding is available.

⁴ "Species of Special Concern" (SSC) is a Department administrative designation intended to alert biologists, land managers, and others to a species' declining status and to encourage them to afford these species additional management consideration. SSCs are defined as species, subspecies, or distinct populations of an animal native to California that currently satisfies one or more of the following (not necessarily mutually exclusive) criteria: is extirpated from the State or, in the case of birds, in its primary seasonal or breeding role; is listed as federally-, but not State-, threatened or endangered; meets the State definition of threatened or endangered but has not been formally listed; is experiencing, or formerly experienced, serious (noncyclical) population declines or range retractions (not reversed) that, if continued or resumed, could qualify it for State threatened or endangered status; has naturally small populations exhibiting high susceptibility to risk from any factor(s), that if realized, could lead to declines that would qualify it for State threatened or endangered status (Comrack et al. 2008).

The Mammal Species of Special Concern (MSSC) list had been in a state of ad hoc revision since the list was established in 1986 (Williams 1986). The American pika is not currently designated as an MSSC. The MSSC list is now undergoing a formal update and revision using an objective, criterion-based method developed by the Department (see Shuford and Gardali 2008 for a recent published example of the current method). As part of the update process, the American pika is being evaluated, scored, and ranked using eight criteria along with all other mammalian taxa naturally occurring in California. It is too early in the evaluation process to ascertain whether the American pika will be on the updated MSSC list. Additional evaluation of climate change impacts to California mammals, including the American pika, will be made in a follow-up analysis for the MSSC project.

Finally, the issues highlighted in this section represent only a portion of the complex issues aired and considered by the Commission during the CESA listing process for American pika. The issues addressed here in these findings represent some, but not all of the information, issues, and considerations affecting the Commission's final determination. Other issues aired before and considered by the Commission are addressed in detail in the Commission's administrative record of proceedings.

**V.
FINAL DETERMINATION BY THE COMMISSION**

The Commission has weighed and evaluated all information and inferences for and against designating American pika as an endangered or threatened species under CESA. This information includes scientific and other general evidence in the Center's 2007 petition, as amended, the Department's 2008 Candidacy Evaluation Report and 2013 Status Review, and the Department's related recommendations based on the best available science, written and oral comments received from members of the public, various public agencies, and the scientific community; and other evidence included in the Commission's administrative record of proceedings. Based upon the evidence in the administrative record the Commission has determined that the best scientific information available indicates that the continued existence of American pika in California is not in serious danger or threatened in the foreseeable future by present or threatened modifications or destruction of the species' habitat, overexploitation, predation, competition, disease, or other natural occurrences or human-related activities; stated another way, the Commission did not find sufficient evidence of endangerment at this time. (See generally Cal. Code Regs., tit. 14, § 670.1, subd. (i)(1)(A); Fish & G. Code, §§ 2062, 2067.) The Commission finds for the same reason that there is not sufficient scientific information at this time to indicate that the petitioned action is warranted. (See *Id.*, § 2070.) The Commission finds, as a result, that designating American pika as an endangered or threatened species under CESA is not warranted and that, with adoption of these findings, American pika for purposes of its legal status under CESA shall revert to its status prior to the filing of the Center's 2007 petition. (*Id.*, § 2075.5(2); Cal. Code Regs., tit. 14, § 670.1, subd. (i)(2).)

Fish and Game Commission

Dated: December 11, 2013

Sonke Mastrup
Executive Director

Commissioners
Michael Sutton, President
Monterey

Richard Rogers, Vice President

Santa Barbara

Jim Kellogg, Member

Discovery Bay

Jack Baylis, Member

Los Angeles

Jacque Hostler-Carmesin, Member

McKinleyville

STATE OF CALIFORNIA
Edmund G. Brown Jr., Governor

Fish and Game Commission



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December 24, 2013

TO ALL AFFECTED AND INTERESTED PARTIES:

This is to provide you with a Notice of Findings regarding the Northern spotted owl which will be published in the California Regulatory Notice Register on December 27, 2013.

Sincerely,

A handwritten signature in cursive script that reads "Sheri Tiemann".

Sheri Tiemann

Associate Governmental Program Analyst

Attachment

**CALIFORNIA FISH AND GAME COMMISSION
NOTICE OF FINDINGS**

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of Fish and Game Code Section 2074.2, the California Fish and Game Commission (Commission), at its August 7, 2013, meeting in San Luis Obispo, accepted the petition filed by the Environmental Protection and Information Center to list the Northern spotted owl (*Strix occidentalis caurina*) as an endangered or threatened species based on a finding that the petition provided sufficient information to indicate that the petitioned action may be warranted. At this meeting, the Commission announced its intention to ratify its findings at a future meeting.

NOTICE IS ALSO GIVEN that, at its December 11, 2013, meeting in San Diego, the Commission adopted the following findings outlining the reasons for the acceptance of the petition.

**I
BACKGROUND**

September 7, 2012. The Commission office received a petition from the Environmental Protection Information Center (EPIC) to list the Northern spotted owl as endangered or threatened under the California Endangered Species Act (CESA) (Fish & G. Code, § 2050 et seq.).

September 10, 2012. The Commission office referred the petition to the Department of Fish and Wildlife (Department) for review and analysis pursuant to Section 2073.5 of the Fish and Game Code.

October 5, 2012. The Commission submitted a notice of receipt of the petition, for publication in the California Regulatory Notice Register, as well as for mailing to interested and affected parties.

November 19, 2012. The Department submitted a written request for a 30-day extension to evaluate the petition.

December 12, 2012. The Commission approved the Department's request for a 30-day extension to evaluate the petition.

February 6, 2013. The Department submitted its written initial evaluation of the petition (report).

March 6, 2013. The Commission announced receipt of the Department's report and indicated its intent to consider the petition, the Department's report, and public comments at the April 17, 2013 meeting.

April 17, 2013. The Commission considered the petition, the Department's report, and took additional related public comments. Thereafter, the Commission postponed further deliberations concerning the petition until the August 7, 2013 meeting in order to receive further information on questions raised during the meeting.

August 7, 2013. The Commission took further comments, deliberated, and accepted the petition, finding that it contained sufficient information to indicate the petitioned action may be warranted. The Commission directed staff to prepare a draft statement of Commission findings pursuant to Fish and Game Code Section 2074.2.

II STATUTORY REQUIREMENTS

A species is endangered under CESA if it "is in serious danger of becoming extinct throughout all, or a significant portion, of its range due to one or more causes, including loss of habitat, change in habitat, over exploitation, predation, competition, or disease." (Fish & G. Code, § 2062.) A species is threatened under CESA if it is "not presently threatened with extinction [but] is likely to become an endangered species in the foreseeable future in the absence of the special protection and management efforts required by [CESA]...." (*Id.*, § 2067.) The Commission exercises exclusive statutory authority with respect to whether a species should be listed as endangered or threatened under CESA. (*Id.*, § 2070.)

The Commission makes the determination as to whether a species currently faces a serious danger of extinction throughout all or a significant portion of its range, (or for a listing as threatened whether such a future threat is likely) on a case-by-case basis after evaluating and weighing all available biological and management information.

Non-emergency listings involve a two-step process. First, the Commission considers a petition to list the species and determines whether the petitioned action "may be warranted." (Fish & G. Code, § 2074.2.) If it determines the action "may be warranted," the species is designated as a candidate, related regulatory protection attaches to the species following published notice, and the Department commences a year-long scientific, peer-reviewed study of the species' status in California. (Fish & G. Code, §§ 2074.6, 2084, 2085.) At the second step of the listing process, the Commission considers the Department's status report and information provided by other parties, and makes a final decision whether to formally list the species as endangered or threatened. (*Id.*, § 2075.5.)

To be accepted by the Commission as an initial matter, a petition to list a species under CESA must include sufficient scientific information that listing may be warranted. (Fish & G. Code, § 2072.3; Cal. Code Regs., tit. 14, § 670.1, subds. (d), (e).) The petition must include information regarding the species' population trend, range, distribution, abundance and life history; factors affecting the species' ability to survive and reproduce; the degree and immediacy of the threat to the species; the impact of existing management efforts; suggestions for future management of the species; the availability and sources of information about the species; information about the kind of habitat necessary for survival of the species; and a detailed distribution map. (Fish & G. Code, § 2072.3; Cal. Code Regs., tit. 14, § 670.1, subd. (d)(1).)

Within 10 days of receipt, the Commission forwards the petition to the Department for an initial evaluation. (Fish & G. Code, § 2073.) Within 90 days thereafter, CESA directs the Department to submit an initial report to the Commission evaluating the information for and against the petitioned action, and including a recommendation on whether the petitioned action may be warranted. (Fish & G. Code, § 2073.5.) The Department may request and be granted a time extension of up to 30 additional days to submit its initial evaluation report to the Commission. (*Ibid.*) Upon receipt of the Department's initial report, the Commission schedules the petition for consideration at a noticed public hearing. (*Id.*, § 2074.) At the hearing, the Commission considers the petition itself, the Department's initial written evaluation of the petition, and other comments and information received by the Commission regarding the petitioned action. The Commission, in turn, considers whether there is sufficient scientific information to indicate the petitioned action may be warranted. (*Id.*, § 2074.2.)

The requisite standard of proof to be used by the Commission in deciding whether listing may be warranted was described in *Natural Resources Defense Council v. California Fish and Game Commission* (1994) 28 Cal.App.4th 1104 (*NRDC*). In *NRDC*, the court determined that “the section 2074.2 phrase ‘petition provides sufficient information to indicate that the petitioned action may be warranted’ means that amount of information, when considered in light of the Department’s written report and the comments received, that would lead a reasonable person to conclude there is a substantial possibility the requested listing could occur[.]” (*Id.* at p. 1125.) This “substantial possibility” standard is more demanding than the low “reasonable possibility” or “fair argument” standard found in the California Environmental Quality Act (CEQA), but is lower than the standard for a preliminary injunction, which would require the Commission to determine that a listing is “more likely than not” to occur. (*Ibid.*) Distinguishing the fair argument standard under CEQA, the *NRDC* court also noted the “substantial possibility” standard at candidacy under CESA involves an exercise of the Commission’s discretion, and a weighing of evidence for and against listing. (*Ibid.*)

In *Center for Biological Diversity v. California Fish and Game Commission* (2008) 166 Cal.App.4th 597 (*CBD*), the court acknowledged “the Commission is the finder of fact in the first instance in evaluating the information in the record.” (*Id.* at p. 611, citing *NRDC*, 28 Cal.App.4th at p. 1125.) The court explained:

“If the information clearly would lead a reasonable person to conclude that there is a substantial possibility that listing could occur, rejection of the petition is outside the Commission’s range of discretion under section 2074.2. (*Id.* at p. 611.)

[T]he standard, at this threshold in the listing process, requires only that a substantial possibility of listing could be found by an objective, reasonable person. The Commission is not free to choose between conflicting inferences on subordinate issues and thereafter rely upon those choices in assessing how a reasonable person would view the listing decision. Its decision turns not on rationally based doubt about listing, but on the absence of any substantial possibility that the species could be listed after the requisite review of the status of the species by the Department[.]”

(*Ibid.*)

Thus at candidacy, without choosing between conflicting inferences, the Commission must objectively evaluate and weigh the information both for and against the listing action and determine whether there is a substantial possibility that the listing could occur. (*Id.* at p. 612.) In order for the Commission to reject a petition, the scientific evidence viewed as a whole must establish the absence of a substantial possibility that the listing could occur.

III REASON FOR FINDING

The following discussion sets forth and provides an explanation of the bases for the Commission’s determination that the petition provides sufficient information to indicate that the petitioned action to list the Northern spotted owl (NSO) as threatened or endangered may be warranted. The discussion below is not a comprehensive overview of all information considered by the Commission in reaching its determination. However, all written and oral comments, and other information presented to the Commission regarding the petition are considered part of the administrative record of proceedings. The Commission made its determination based upon and after considering its administrative record of proceedings.

Guided by the *NRDC* and *CBD* cases, the Commission now finds, pursuant to Fish and Game Code section 2074.2, subdivision (a)(1), that the petition and other information provide sufficient information to indicate that the petitioned action may be warranted. The Commission also finds that the information before the Commission would lead a reasonable person to conclude that there is a substantial possibility that the listing could occur.

The specific bases for these findings are as follows:

1. Population Size and Abundance:

The petition (pages 12-15) does not include direct information about the population size or abundance of NSO populations in California, nor does it discuss abundance range-wide. The Department deemed the relevant information found in the literature cited in the petition and other scientific documents consulted for its evaluation report to be inconclusive to determine the abundance of NSO range-wide or in California, and concluded that further research and analysis is required to determine the abundance for NSO populations in California. (Evaluation Report, page 6.)

Based on information in the petition and other data available to the Department at the time of its evaluation, the Department's report states that there is uncertainty about whether the declining population trends from specific study areas has translated into an overall decrease in abundance of NSO in California. (Evaluation Report, page 6.) However, based on the studies and the potential threats, the Department acknowledges that abundance may have declined. (Evaluation Report, page 6.)

Comments received from Humboldt Redwood Company (HRC) assert that HRC has, "through our surveys and monitoring over time, found that HRC's forestlands contain a very high density of NSO occurring on the managed landscape." (4/4/13 letter to FGC, page 1.)

2. Population Trend:

The petition summarizes the population trend of NSO (pages 3, 12-15), but does not assess the species' current population trend in California specifically. The petition describes declining population trends over the entire range of NSO, including California, Oregon, and Washington in the United States, and British Columbia, Canada. The petition (pages 13-14) primarily cites a recent study (Forsman et al. 2011) that analyzed eleven study areas spanning Washington, Oregon and northern California cumulatively comprising approximately 9% of the NSO's range. This study indicates an average annual decline of 2.9% for the entire population from 1985 to 2006. For California, two of the three study areas identified declining annual population trends over the analysis period; 1.7% for NSO in Northwest California (1988-2006) and 2.8% for NSO within Green Diamond (1990-2006) land ownership. The third California study area (Hoopa: 1992-2006) is apparently stable, with a point estimate of decline that is not statistically significant.

The evaluation report notes that, while the Department maintains a spotted owl occurrence database that consists of occurrences for both NSO and California spotted owls, until recently the database has not been regularly updated due to budget constraints and therefore population trend data for northern spotted owl populations in California are not readily available to the Department. (Evaluation Report, page 5.) Reports from Mendocino Redwood Company (MRC 2010), Humboldt Redwood Company (HRC 2012), and Green Diamond Resource Company (Green Diamond 2011)

summarized survey results over at least a 10-year period and estimated population trend as characterized by territory occupancy. Respectively, the first report indicated a stable occupancy rate; the second, a varying but apparent overall downward trend; and the third a downward trend over the 10+ year time frame. (Evaluation Report as amended, page 5.) The annual progress report for federal lands in Northwestern California shows a fairly stable NSO population over the last 15 years, however, a body of recent research indicates that increasing threats from barred owls and other factors may negatively influence this trend in the future (Franklin et al. 2012) (Evaluation Report, page 5.)

The petition also discusses and cites literature that indicates population trends on public land declined at a slightly lower rate than those on privately owned and managed lands (Anthony 2006, Davis et al. 2011, Forsman et al. 2011) (page 14). These studies consider the difference to be largely due to the management guidelines developed in the Northwest Forest Plan including the retention of late seral forest stands and other high quality NSO habitats required in the plan. For 8 sites located on federal lands in portions of California, Oregon and Washington from 1985 to 2008, the NSO population trend shows a 2.8% decline each year. The annual decline for just the Northwestern California NSO study area during this period was 1.7% (Davis et al. 2011).

Comments received from HRC assert that "there does not appear to be evidence of a steady decline, and to the contrary there appears to be a stable or slightly increasing number of NSO." (4/4/13 letter to FGC, page 1.) Comments received from Mendocino Redwood Company (MRC) assert that "occupancy estimates for NSO territories show, at a minimum, a dynamically stable population trend over the past 13 years" and "territory occupancy remained relatively constant over this time and increased slightly during the past three years." (4/5/13 letter to FGC, page 1.) Comments received from Sierra Pacific Industries (SPI) cite a "5-year landscape survey strategy" on "170,000 acres of SPI ownership," the results of which "indicated over the 23 years to date since 1989, the study area...demonstrates a stable population..." (4/5/13 letter to FGC, page 2.) Campbell Timberland Management (CTM) asserts that, "[a]lthough we have not conducted an analysis of annual rates of population change for the NSO on the [approximately 165,000 acres of industrial timberlands] ownerships, other analyses have been conducted suggesting the populations of NSOs occurring on the ownerships are stable." CTM concludes that "[e]ven though our analyses are not robust indicators of annual rates of population change as they do not consider contributions of variables such as immigration, productivity, and other vital rates in open populations, it provides evidence of no discernible decline of NSOs in the study area regardless of contributory effects." (4/5/13 letter to FGC, pages 1-2.) Crane Mills asserts that "[b]ased on our analysis, we can safely conclude that the NSO population in and around our Main Block ownership is stable and has been over the last 24 years." (4/11/13 letter to FGC, page 3.)

Based on information in the petition and other data consulted for the petition evaluation, the Department concluded in its report that there is sufficient evidence to conclude that population trends are declining and warrant further evaluation to determine the extent of the decline in terms of the population's threat of extinction. (Evaluation Report, page 5.)

3. Population Range and Distribution:

The petition (pages 7-10) accurately describes the known historic and current NSO range in California that runs south from Siskiyou to Marin County in Northwestern California. It also discusses that the ranges of the NSO and California spotted owl meet at the southern end of the Cascade Range, near the Pit River area (Gutiérrez and Barrowclough 2005). The petition (Figure 1 on page 8) identifies all

the occupied physiographic provinces in the U.S. occupied by NSO, including three in California: California Coast, California Klamath, and California Cascades (USFWS 2008b).

The petition does not discuss a recent restriction or contraction of the species range or any changes or stability of the range in California; however, the factors identified as contributors to range reduction in the northern part of the species' range may also be factors in many California locations. (Evaluation Report, page 6.)

The petition (pages 9-10) includes very limited information addressing NSO distribution. The current distribution map included with the Department's report shows an increase in the total number of known records, but does not readily impart any new information about the distribution of NSO in California. (Evaluation Report, page 6 and Appendix B.)

The Department did not find evidence to indicate that the distribution of NSO has changed during the time period of years for which surveying/monitoring of the species distribution has occurred. (Evaluation Report, page 6.)

4. Kind of Habitat Necessary for Survival:

The petition (pages 11-12) lists general, range-wide habitat characteristics necessary for NSO survival, including relatively large areas of complex, older forests for breeding, foraging, roosting and dispersal life history functions (Forsman et al. 2011). However, the petition does not specifically describe habitats that exist in California, nor how available habitat types influence NSO populations found in the state. The only habitat information related to California in the petition attributed to Franklin et al. (2000) is nonspecific to habitat types (page 12).

The petition cites research supporting the assertion that both the amount and the spatial distribution of nesting, roosting, foraging, and dispersal habitat influences NSO reproductive success and long-term population viability (pages 11-12). The petition and the Department's report agree that there have been extensive studies supporting a strong association of northern spotted owls with older forests throughout its range. (Evaluation Report, page 8.)

Citing Diller and Thome (1999), the petition states that breeding occupancy is related to the presence of mature and old-growth forests in Northwestern California, as NSO usually occur in the oldest forests available on private lands (page 12). Then, citing several studies (Carey et al. 1992, Rosenberg and Anthony 1992, Buchanan et al. 1995, LaHaye and Gutiérrez 1999, Lehmkuhl et al. 2006) the petition identifies understory structural characteristics of late-successional forest habitats as important for NSO and its prey (page 12). These conclusions are supported by the referenced studies and the information the Department has in its possession. (Evaluation Report, page 8.)

The petition states that NSO fecundity, production, survival, and recruitment are positively correlated to a larger proportion of older forest habitats in a pair's home range (Forsman et al. 2011, Bart and Forsman 1992, Franklin et al. 2000, Dugger et al. 2005, Olson et al. 2004)(page 12). Additionally, the effects of barred owls have been found to increase with a decrease in the proportion of old forest habitat in a home range (Dugger et al. 2011); however, most of these studies cited are associated with habitats in Southern Oregon and would need further analyses to determine how strongly this correlates with habitats found in California. (Evaluation Report, page 8.)

The petition describes dispersal habitat (page 12) as forested stands with adequate tree size and canopy closure to provide for foraging opportunities and protection from avian predators. The Petition asserts that population growth can occur only if there is adequate habitat in an appropriate configuration to allow for the dispersal of owls across the landscape; including dispersing juveniles, nonresident sub-adults, and adults that have not yet recruited into the breeding population (page 12). The Department's report cites studies (e.g., Davis and Lint 2005) showing a distinct lack of dispersal habitat connectivity within two of the three California Provinces (California Coast and Cascades Provinces). (Evaluation Report, page 8.) However, the Department notes that this and other studies show that a variety of habitats are used for dispersal, and more information is needed to determine what key elements of dispersal habitat structure are required for a sustainable population range-wide and in California (LaHaye and Gutiérrez 1999, Thome et al. 1999, Franklin et al. 2000, Gonzales 2005, Phillips et al. 2010). (Evaluation Report, page 8.)

Comments received from the California Forestry Association (CFA) assert that "Habitat for the NSO is abundant and of high quality on California's private forestlands. The dynamic yet stable population of [NSO] on private forestlands in California is indicative of the high-quality habitat that is present on these lands. California's private forestlands are some of the most productive in the nation, for not only the sustainable production of forests and their products, but also for the production of prey and food sources for the [NSO]. This abundant food source actually results in a smaller home range for many [NSOs], quite often resulting in higher densities of NSO on private forestlands than public." (4/12/13 letter to FGC, page 2.)

Comments received from the Sierra Club's Redwood Chapter and Sierra Club California criticize the "U.S. Fish and Wildlife Service strategy for spotted owl recovery centered on the creation of a network of federally-owned 'late-successional reserves' as habitat islands for [NSO], while largely ignoring habitat destruction elsewhere. As a result, [NSO] have been nearly extirpated on state and private lands throughout the region, and their population status on federal lands remains precarious." (4/10/13 letter to FGC, page 1, 4/16/13 letter to FGC, page 1.)

5. Degree and Immediacy of Threat:

The petition (page 3 and pages 15-25) discusses the degree and immediacy of threat to NSO, relying on sources ranging from USFWS federal listing documents to specific focused studies. The petition provides information that spans potential or documented threats to NSO range-wide, including impacts to the owl populations and prey base, loss of critical habitats by fire, logging and urban development, and other potentially increasing impacts by barred owls, predation, and disease.

The Department's report notes that while the petition did not discuss potential impact and degree of threat from climate change, the research readily available suggests it poses a threat that warrants a full evaluation (Franklin et al. 2000, Spies et al. 2010, Glenn et al. 2011). (Evaluation Report, page 10.)

While loss of late-seral forest and other required habitat elements across the NSO's range is well-documented (USFWS 2011a, Moeur et al. 2005, Raphael 2006, Courtney et al. 2004), the petition describes extensive habitat loss in Washington and Oregon over the last 20 years (Courtney et al. 2004, Davis and Lint 2005, Campbell et al. 2010) but does not cite studies discussing historic or recent habitat loss for California. The petition instead identifies twenty-seven Sierra Pacific Industries (SPI) timber harvesting plans (THPs) (Table 3 in the Petition) as activities "destroying northern spotted owl habitat in violation of the ESA Section 9 'Take' prohibition" (pages 16-17), and

concludes that over 2833 ha (7000 ac) of NSO habitat have been or will be destroyed by these plans. However, no supporting data was provided with the petition for the information in the table, and the Department's report concludes that a more in-depth evaluation is needed to assess the impacts of timber harvest activities in California for direct, indirect and cumulative effects to NSO populations. (Evaluation report, page 10.)

The petition and the Department's report agree that one of the greatest threats to the NSO, both in California and across its range, is the increasing competition by the barred owl. Barred owls have expanded westward and now completely overlap the range of the NSO. The barred owl is known to prey upon, hybridize with, displace and out-compete northern spotted owls (USFWS 2011a). The petition and the Department's report agree that the barred owl poses an increasing threat to NSO due to competition for breeding and foraging habitats, and the associated significant negative effects on NSO reproduction and survivorship. (Evaluation report, page 11.)

The Department's report shows a north to southward trend in the expansion of the barred owl range, with this threat recently moving into California. Studies cited in the Department's report indicate that the barred owl may be the primary reason for the near-extirpation of NSO in Canada, as well as the factor in the marked declines in Washington and Oregon (Forsman 2011, USFWS 2011a, USFWS 2012b, Dark et al. 1998, Kelly et al. 2003). (Evaluation report, page 11.) After a period of initial invasion, barred owl populations increase as do their potential impacts to NSO. Currently, the California portion of the NSO's range is experiencing the post-invasion increase in barred owls. As in other parts of the NSO's range, the barred owl may be the primary reason for recent declines in California. Recent scientific information (Diller et al. 2010) cited in the Department's report suggests a strong negative link between barred and NSO. The related research cited above on Green Diamond Resource Company land found in most cases that NSO reoccupied areas where barred owls were removed. (Evaluation report, page 11.)

The petition further identifies predation and West Nile Virus as potential threats that may have a negative impact on the northern spotted owl populations in the future (page 18). A more thorough evaluation of current research is required to determine the extent to which these factors may influence owl population viability in California. The Department's report identifies Trichomoniasis as a disease that has been recently identified in NSO carcasses (CDFG 2012b) but which requires more analysis prior to understanding the disease or its impact on the species. (Evaluation report, page 11.) While the petition suggests certain correlations regarding predation and disease impacts to NSO, the Department's report concludes that, in the absence of research specific to diseases and predation effects in California, the scientific uncertainty limits conclusions regarding the importance of these factors in affecting the viability of NSO populations without further evaluation. (Evaluation report, page 11.)

Much of the information included in the petition supporting the degree and immediacy of threat was derived from studies conducted outside of California. However, the Department's report points out that, while the magnitude and mechanisms of the threats may differ between California and other portions of the NSO's range, the non-California studies provide useful information regarding potential in-state threats. (Evaluation report, page 11.)

Comments received from the Sustainable Forest Action Coalition raise the threat of fire and state that "[w]ithout the flexibility to properly manage our public and private forest land, our state faces even more issues that are at least as or more critical than this current NSO issue...Allowing management on these forest lands is our only hope for reduction in size, number and intensity of wildfires...It is common that these fires are destroying more NSO, Goshawk, fisher and other

species habitat than has ever been impacted by proper forest management." (4/11/13 letter to FGC, page 2.)

Comments received from the Sierra Club's Mother Lode Chapter list "habitat loss due to aggressive logging practices, competition from the barred owl, and the absence of species recovery efforts" as threats "heavily impact[ing]" NSO. (4/15/13 letter to FGC, page 1.) Comments received from Forests Forever assert that "[c]oupled with continued habitat loss is the very significant threat posed by the barred owl, which displaces [NSO] and thrives in the highly fragmented and simplified industrial forest landscapes." (7/19/13 letter to FGC, page 1.)

6. Existing Management Efforts:

The petition (pages 19-23) asserts that there are overall regulatory and management inadequacies between federal lands, non-federal lands, and within each U.S. state within the NSO's range. The petition points to the inadequacy of federal protections to stop declines in NSO populations in California, noting that the NSO population has not stabilized since the 1990 Federal Endangered Species Act (ESA) listing in spite of the protections afforded by the Northwest Forest Plan (NWFP) (Davis et al. 2011, USFWS 2011a). The Petition concludes that this is due to insufficient protections and a lack of recovery planning outside of late-successional reserves established on federal lands by the NWFP (page 19).

The petition cites DellaSala 2011 for the proposition that management deficiencies occur in the following areas:

- (a) variable and often inadequate protection given to owls and owl habitat;*
- (b) lack of landscape-scale planning, especially on non-federal lands;*
- (c) use of survey protocols and other standards that fail to incorporate current relevant science;*
- (d) prevalence of discretionary guidelines and/or unclear or unsuitable direction;*
- (e) failure to consistently require involvement of personnel with biological expertise in evaluating/assessing ecological information. (page 19.)*

The Department's report explains that, while it conducted "take" consultations of all THPs until June 1999, its involvement in biological assessment and evaluation for the species in THP review has been limited in the last few years. Subsequently, the U.S. Fish and Wildlife Service (USFWS) picked up the work until about spring 2008, when the California Department of Forestry and Fire Protection (CAL FIRE) began reviewing THPs following USFWS guidelines and supported by technical assistance from USFWS regarding specific plans and issues. Beginning January 1, 2013, the Department will resume full participation in the THP review process. (Evaluation report, page 12.)

The petition asserts that NSO's federal threatened designation under ESA, which prohibits all non-permit take, is insufficient to ensure the long-term survival of NSO in California (page 19). The Department's report indicates that the USFWS has issued survey guidance, including updates (most recently, USFWS 2011b) to identify situations where a development project may take an NSO. (Evaluation report, page 12.)

The Department's revised report indicates that NSO is currently designated a species of special concern in California, and governmental entities and land managers are required to evaluate any potential impacts to native biological resources during CEQA review. Projects that have the

potential to impact NSO are required to comply with the California Environmental Quality Act (CEQA) or an equivalent Certified Regulatory Program such as the Forest Practices Act. (Evaluation report, pages 12-13.) To comply with CEQA dictates, projects must avoid "take" under the federal ESA and must be developed to identify and mitigate significant direct and cumulative significant impacts. CAL FIRE has also developed guidance specific to California to avoid take of NSO by timber harvest (CALFIRE 2012). (Evaluation report, page 13.)

Comments received from Green Diamond Resource Company (GDRCo) assert that "[e]xisting management efforts to protect and conserve the NSO in California have been and continue to be effective because of the direct requirements of the ESA, and because of the response of the State of California and landowners to the federal ESA listing of the NSO that has been in place for over 20 years." (4/12/13 letter to FGC, page 3.) GDRCo additionally states that "listing of the NSO under the CESA will not improve on the existing procedures and standards for the protection and conservation of NSO that apply to federal actions and state and local projects in California," however, such a listing "does have the potential to interfere with existing conservation efforts dedicated to NSO in California" by interfering with the implementation of habitat conservation plans. (4/12/13 letter to FGC, page 5.) Comments received from the CFA laud "California's robust regulatory process" which ensures that timber harvesting plans "contain provisions for the protection of NSO individuals, nests, related activity centers, and the surrounding forest habitat." (4/12/13 letter to FGC, page 2.)

Comments received from the Sierra Club's Redwood Chapter assert that, "[a]lthough listed as 'threatened' under the federal ESA for more than 20 years, [NSO] populations continue to decline, with an acceleration of the trend in recent years. In California, vast areas that once offered prime habitat no longer support any [NSO] at all. Relentless habitat loss, competition from the invasive barred owl, and inadequate regulatory mechanisms are combining to push this species ever closer to extinction." (4/10/13 letter to FGC, page 1.) Comments received from Forests Forever cite the "inadequacy of regulatory mechanisms, especially the lack of recovery efforts on state and private lands," for the conclusion that "[w]ithout CESA protections, a more holistic view of species recovery and landscape-scale conservation that includes private and state owned lands, the [NSO] is likely to go extinct in the foreseeable future." (4/11/13 letter to FGC, page 1.) Forests Forever additionally states that "[t]he heavy reliance on fragmented reserves on federal lands without a comprehensive approach to [NSO] conservation on non-federal lands has proven to be a critical error, and one of the primary reasons why recovery has failed." (7/19/13 letter to FGC, page 1.)

IV

FINAL DETERMINATION BY COMMISSION

The Commission has determined and hereby finds based on its administrative record of proceedings that there is sufficient scientific information to indicate that listing NSO as endangered or threatened may be warranted. In making this determination, the Commission finds its administrative record includes sufficient scientific information to lead a reasonable person to conclude there is a substantial possibility that the listing could occur. In short:

- Data indicates the NSO population trends in California may be in decline and warrant further examination to determine the extent of the decline in terms of the threat of extinction;

- Information indicates the loss of suitable habitat from either timber management activities, catastrophic wild fires, or both may be a threat to the northern spotted owl across its entire range. Again, however, further examination of the loss of suitable habitat is warranted to assess the impacts of, among other things, timber harvest activities in California for direct, indirect, and cumulative effects to northern spotted owl populations;
- Information indicates that another threat to the northern spotted owl in California may be increased competition by the barred owl (*Strix varia*). Evidence indicates barred owls may pose a threat to northern spotted owls due to competition for breeding and foraging habitats, and the associated significant negative effects on northern spotted owl reproduction and survivorship; and
- Disease and effects of climate change on habitat are uncertain, but pose potential new threats to the northern spotted owl in California that also merit further consideration to assess existing science regarding the species' status in California.

Fish and Game Commission

Dated: December 11, 2013

Sonke Mastrup
Executive Director



Public Facilities Committee





Administrative Services Memorandum

To: Public Facilities Committee
CC: Robert Bendorf, County Administrator
From: Doug McCoy, Director, Administrative Services
Date: January 14, 2014
Re: Smoking Ordinance

Recommendation

Consider revisions to the County smoking ordinance

Background

Yuba County currently restricts smoking at all County buildings to be more than 20' from a door or operable window except for the Health & Human Services facility, where the perimeter is 50' from any door or operable window.

Discussion

This proposed revision makes all County buildings consistent at a 50' perimeter for smokers to stay away from a door or operable window.

It also significantly reduces a recurring problem of smoke being drawn into a buildings air intakes and being spread throughout the interior of the building. These intake locations are often near doors and windows.

Fiscal Impact

There is no fiscal impact to the General Fund to make this change.

ORDINANCE NO. _____

**ORDINANCE REPEALING AND RENACTING CHAPTER 7.15.040 OF THE YUBA
COUNTY CODE OF ORDINANCES**

The following ordinances consisting of three (3) sections, was duly and regularly passed and adopted by the Board of Supervisors of the County of Yuba, State of California, at a regular meeting of the Board of Supervisors held on _____ day of _____, 2014, by the following vote:

AYES:

NOES:

ABSENT:

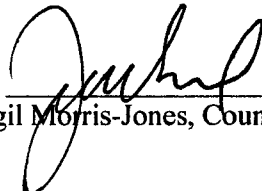
ABSTAIN:

Chair of the Board of Supervisors
County of Yuba
State of California

ATTEST: DONNA STOTTLEMEYER
Clerk of the Board of Supervisors

By: _____

APPROVED AS TO FORM:

By: 

Angil Morris-Jones, County Counsel

THE BOARD OF SUPERVISORS OF THE COUNTY OF YUBA, STATE OF CALIFORNIA DOES ORDAIN AS FOLLOWS:

Section 1. This ordinance shall take effect thirty (30) days after its passage, and shall become operative and in full force on April 1, 2014. Before the expiration of thirty (30) days after its passage a summary shall be published with the names of members voting for and against the same, once in a local newspaper of general circulation in the County of Yuba, State of California.

Section 2. Sections 7.15.040 of the Yuba County Code of Ordinances is hereby repealed and re-enacted to read as reflected below and by this reference is incorporated herein as set forth in full:

7.15.040 - Smoking prohibited.

Smoking is prohibited in all County-owned/leased buildings and all County-owned vehicles, as defined in this Chapter.

- (1) No public employee or member of the public shall smoke any tobacco product inside a County-owned/leased building, or in an outdoor area within 50 feet of the main exit, entrance or operable window of a County-owned/leased building.

Section 3. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be unconstitutional and invalid, such decision shall not affect the validity of the remaining portions of this ordinance. The Board of Supervisors hereby declares that it would have passed this ordinance and every subsection, sentence, clause, or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared unconstitutional.