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.

NOVEMBER 18, 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. All items on the agenda other than Correspondence and Board and Staff Members Reports are considered items for which the Board may take action. The public will be given opportunity to comment on action items on the agenda when the item is heard.**

I. **PLEDGE OF ALLEGIANCE** - Led by Supervisor Abe

II. **ROLL CALL** - Supervisors Vasquez, Nicoletti, Griego, Abe, Stocker

III. **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. (504-14) Approve application to Feather River Air Quality Management District for an air-healthy mini-grant to replace bike racks at Yuba County Courthouse and Library.

2. (505-14) Approve agreement with Mead and Hunt for engineering services related to North Apron reconstruction and authorize Chair to execute.

3. (506-14) Approve airport lease agreement with Greg Foster, Foster Ranch Limited Partnership, for corporate hanger lease site 11, and authorize Chair to execute.

4. (507-14) Authorize Budget Transfer in the amount of $50,000 from Account No. 126-0000-371-93.00 (Enterprise Zone) to Account No. 126-9504-419-23.00 (Professional Services) for reimbursement of management services provided to the Yuba Sutter Enterprise Zone.

B. Assessor

1. (508-14) Authorize Budget Transfer in the amount of $6,101 from AB 818 Loan Trust to various line items for the purchase of computer and AutoCAD software for cadastral drafting purposes.

C. Clerk of the Board of Supervisors

1. (509-14) Approve minutes of the meetings of October 21, 22, and 28, 2014.

D. Community Development and Services

1. (510-14) Adopt resolution regarding financial assurance for post closure maintenance and corrective action of the Ponderosa Landfill; approve pledge of revenue agreement with California Resources and Recycling and Recovery and authorize Chair to execute. (Public Works and Land Use Committee recommend approval)

2. (511-14) Authorize Director to hire Administration and Accounting Supervisor at Step 5 (1.20 percent) Index.

E. County Counsel

1. (512-14) Adopt resolution rescinding County actions approving Environmental Impact Report and related permits associated with SR20/Kibbe Road intersection improvements and private haul road project.

F. Emergency Services

1. (513-14) Adopt resolution proclaiming existence of ongoing local drought emergency in the County of Yuba.

G. Health and Human Services

1. (514-14) Adopt resolution authorizing acceptance of Maternal, Child and Adolescent Health grant funds for the period of July 1, 2014 through June 20, 2015 and authorizing Chair to execute agreement and other pertinent documents.

2. (515-14) Adopt resolution authorizing the Director or his/her designee to execute California Work Opportunity and Responsibility to Kids (CalWORKs) Subsidized Employment Work Site agreements.

H. Sheriff-Coroner

1. (516-14) Adopt resolution authorizing Chairman to execute contract with California Department of Parks and Recreation for purchase of two personal watercrafts and trailer with federal funds administered by the state.

2. (517-14) Adopt resolutions amending the Position Allocation and Basic Salary Schedules as they relate to the Detention Services Clerk and Deputy Sheriff/Deputy Sheriff Trainee effective November 1, 2014.

IV. **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.**

V. **COUNTY DEPARTMENTS**

A. Administrative Services

1. (518-14) Receive progress update on the Tri-County Juvenile Rehabilitation Facility Project and provide staff direction as appropriate. (Ten minute estimate)

2. (519-14) Approve agreement with Vanir Construction Management Inc. for Phase 1 Construction Management services for the Tri-County Juvenile Rehabilitation Project and authorize Chair to execute. (Five minute estimate)

3. (520-14) Approve agreement with Vanir Construction Management Inc. for Phase 1 Construction Management services for the new Sheriff's facility tenant improvement project and authorize Chair to execute. (Five minute estimate)

B. Board of Supervisors

1. (521-14) Receive report from Yuba County Economic Development Advisory Committee on activities. (No background material) (Ten minute estimate)

C. County Administrator

1. (522-14) Adopt resolution approving a preliminary official statement and Bond Purchase agreement related to the offering and sale of special tax bonds of the County for Community Facilities District 2005-1 (Orchard Montrose Public Improvements) related to Improvement Area C of the district and approving other related documents and actions. (Fifteen minute estimate)

D. Probation

1. (523-14) Adopt resolutions amending the Departmental Position Allocation and Basic Salary Schedules as it relates to Probation Department/Juvenile Facility class series effective November 1, 2014. (Ten minute estimate)

VI. **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. (524-14) Ordinance - Hold public hearing, waive reading, and introduce ordinance repealing and re-enacting Chapter 10.30 regarding requirements of the National Flood Insurance Program and Community Rating System. (First Reading) (Land Use and Public Works Committee recommend approval) (Ten minute estimate)

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

A. (525-14) State of Schools Report from Office of Education pursuant to Williams Uniform Complaints Act.

B. (526-14) Three notices from the State of California Fish and Game Commission regarding the tricolored blackbird, the grey wolf, and regulatory actions.

C. (527-14) Letter from Senator Hannah-Beth Jackson urging a county ordinance for Safe Drug Disposal.

D. (528-14) Notice from Sate of California Department of Fish and Wildlife regarding impacts to hunting from the state-wide ban on lead ammunition for hunting purposes.

VIII. **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.**

IX. **CLOSED SESSION:**

A. Conference with Real Property Negotiator pursuant to Government Code §54956.8 - APN 019-270-047 (Brolliar, Milton M. and Sandra K.) Negotiating Parties: Michael Lee Negotiation: Authorization to make offer

B. Conference with Real Property Negotiator pursuant to Government Code §54956.8 - APN 005-270-037/005-370-001(County) Negotiating Parties: Browns Valley Irrigation District/County/Michael Lee Negotiation: Price and Terms

C. Personnel pursuant to Government Code §54957(b)(1) - Public Appointment Health Officer

D. Pending litigation pursuant to Government Code §54956.9(e)(3) - Two Claims/School and Leonard

E. Conference with legal counsel pursuant to Government Code §54956.9 - Claim/Potential Settlement

F. Personnel pursuant to Government Code §54957.6(a) - Labor Negotiations - DDAA

X. **ADJOURN**

Land Use and Public Works Committee - (Supervisors Abe and Vasquez - Alternate Supervisor Nicoletti)

A. (529-14) Consider ordinance amending Chapter 7.50 of Title VII of the Yuba County Ordinance Code relating to Stormwater Quality - Community Development and Services (Ten minute estimate)

B. (530-14) Consider directing staff to initiate a the Proposition 218 process to propose increases to water and sewer rates for the River Highlands - Gold Village Community Services District - Community Development and Services/Public Works (Ten minute estimate)

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.

THIS PAGE INTENTIONALLY LEFT BLANK



CONSENT

AGENDA

THIS PAGE INTENTIONALLY LEFT BLANK

Administrative Services Memorandum

To: Board of Supervisors
CC: Robert Bendorf, County Administrator
From: Doug McCoy, Director, Administrative Services
Date: November 18, 2014
Re: Approval to apply for FRAQMD mini-grant

Recommendation
Request support for Administrative Services to apply for a Feather River Air Quality Management District (FRAQMD) "mini-grant" to replace our bike racks at the Yuba County Courthouse and the Yuba County Library.

Background
FRAQMD is offering several "mini-grants" or small, expedited grants to fund 'air healthy' projects; such as a school flag project, bike rider energizer stations, teaching an air quality curriculum, and so forth but the one that could most benefit Yuba County employees and residents is a bike rack program.

Discussion
The current bike racks in front of the Yuba County Courthouse and the Yuba County Library are not fastened in place and are in poor condition. They are often moved, and do not represent the County well. Administrative Services proposes replacing these racks with fixed racks identical to those in place at the Government Center and the Packard facility in Linda. Due to time sensitivities, the grant has been submitted but can be withdrawn if the Board chooses not to support the application.

Financial Impact
We do not anticipate impact to the general fund at this time. Funds shall be expended from individual building accounts but will be reimbursed upon installation and receipt of the grant.

Mini Grant Application

Contact Information

Name	Doug McCoy
Company / Organization / School	Yuba County
Street Address	915 8th Street; Suite 119
City ST ZIP Code	Marysville, CA 95901
Work Phone	530-749-7880
E-Mail Address	dmccoy@co.yuba.ca.us

Answer the following for School Flag project:

Person/group responsible for checking the Forecast and raising the flag:

Responsible party is signed up to receive air quality forecast through Enviroflash http://www/enviroflash.info/signup.cfm : ❑ Already signed up ❑ Will sign up once Application approved

Where will you be purchasing flags from:

How much will flags cost including tax and shipping:

Answer the following for May is Bike Month Energizer Station:

Responsible person to run Station:	
Location of Energizer Station:	
Date and time Station will provide refreshment:	
How will you promote Station:	

Answer the following for Bicycle Racks:

I am the: ❑ Owner	☒ Public Agency	❑ Renter (Owner permission attached)
Location(s) of rack:	Yuba County Courthouse and Yuba County Library	
Why a rack is needed	Current racks are not fixed and in poor condition	
Number of racks to purchase	Three (1 Courthouse; 2 Library)	

Answer the following for Air Quality Curriculum / Kickstarter / Other projects

Describe project including cost estimates, goals, timeline, partnering agencies, etc. You may attaché additional pages.

Agreement and Signature

By submitting this application, I affirm that the facts set forth in it are true and complete. I agree to hold harmless the Feather River Air Quality Management District, its officers, and its staff, from any liability arising from or resulting of this project. I also agree to allow the FRAQMD or its designee to audit this project if awarded.

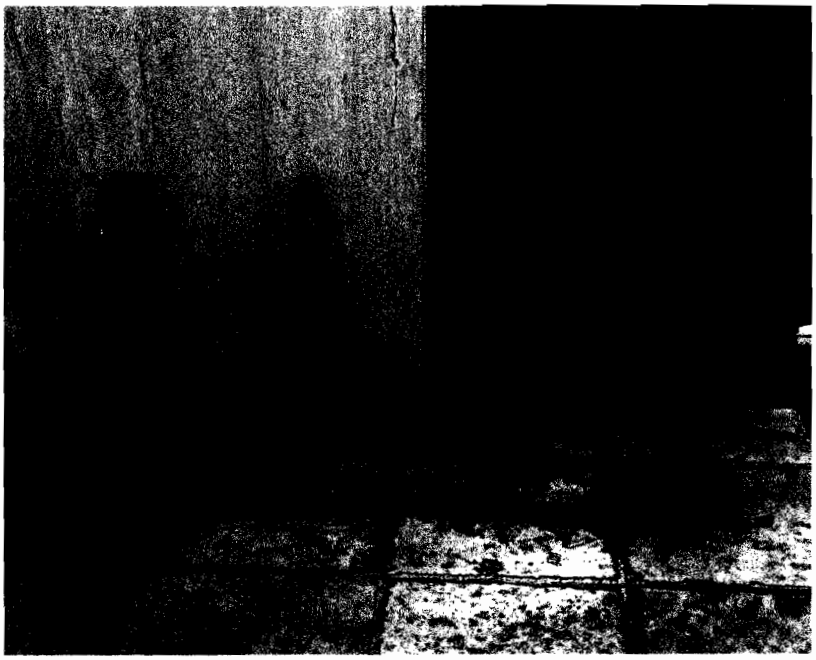
Name (printed)	Douglas W. McCoy
Signature	
Date	November 2, 2014

Please deliver by mail to FRAQMD at 1007 Live Oak Blvd, Suite B-3, Yuba City, CA 95991 beginning October 27, 2014. Projects must be complete and Post Event Wrap submitted by June 12, 2015.

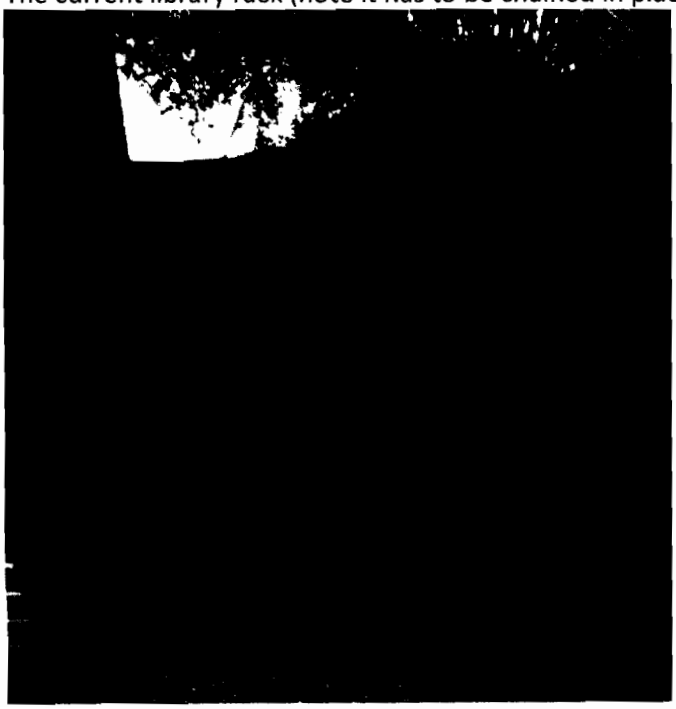
Mini Grant Application

Yuba County desires to place three bike racks at two County buildings; two racks at the County Library and one at the County Courthouse. The current racks are not fastened in place, are in poor condition, and are subject to being dragged away from their desired location.

The current Courthouse rack:

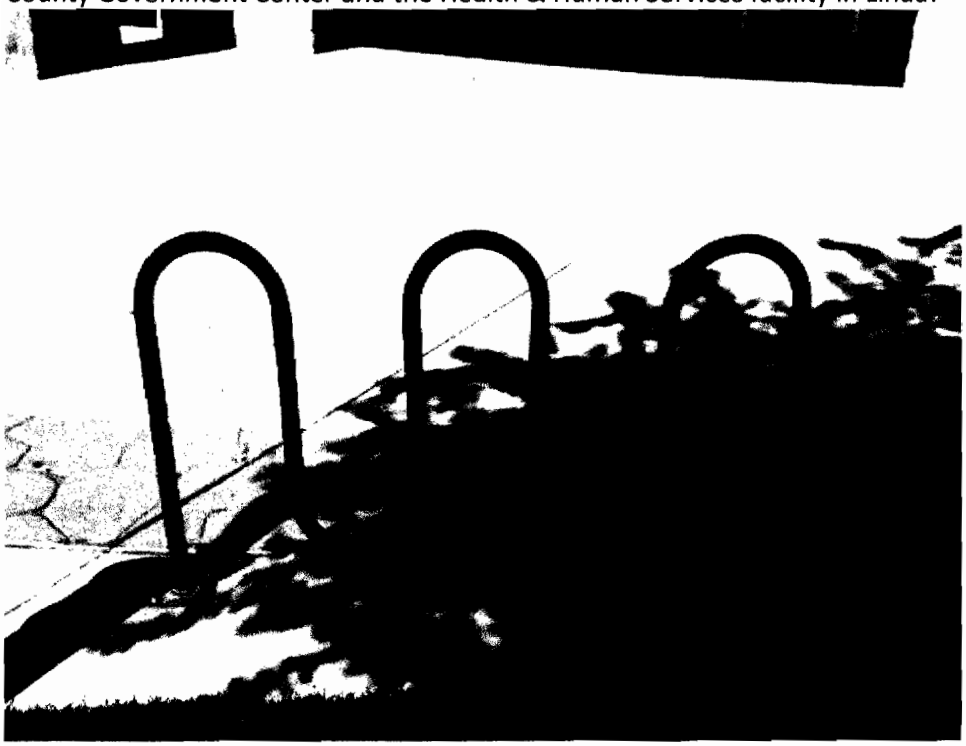


The current library rack (note it has to be chained in place):



Mini Grant Application

This is the style of rack we intend to install in both locations. It is the current style used at the Yuba County Government Center and the Health & Human Services facility in Linda:



Lastly, you'll note in the attached quote the value of the three racks is $1,039.17, but they are not showing sales tax which would add another $60.49. Our total request : $1,099.66

My Account

Account Dashboard
Account Information
Address Book
My Orders
My Product Reviews
Newsletter Subscriptions
My Credit Cards
My Quotes
Credit Application

Recently Viewed Products

Park-It Bike Racks
Wave Bike Racks

Product Comparison

You have no items to compare.

Quote #QBP00013956-001 - Approved

About This Quote: **Quote Information** Email Quote

Quote Date: October 29, 2014

Customer Service

Department **Barco Customer Service**
Phone **1-800-338-2697**

Shipping Address

915 8TH ST
MARYSVILLE, Califomia, 95901-5273
United States
T: 530-749-7887
F: 530-749-7884

Shipping Method

Best Available Rates - Best Available Rates

Items Quoted

Product Name	SKU	Price	Qty	Subtotal	Discount
Park-It Bike Racks/ 7-Bike Rack (surface mount)/ Black	05CL1293BK	$268.85	3 Ordered: 3	$806.55	$0.00

Subtotal:	$806.55
Shipping:	$232.62
Tax:	$0.00
Discount:	-$0.00
Grand Total:	$1,039.17

THIS PAGE INTENTIONALLY LEFT BLANK

The County of Yuba

Department of Administrative Services

Doug McCoy - Director

AIRPORT741-6248
BUILDING & GROUNDS 749-7880
FACILITIES MANAGEMENT749-7880
INFORMATION SERVICES749-7891
PRINT SHOP 749-7880
PURCHASING 749-7880
TELECOMMUNICATIONS 749-7880

(530) 749-7880
FAX (530) 749-7936

November 18, 2014

TO: YUBA COUNTY BOARD OF SUPERVISORS

FROM: Doug McCoy, Director of Administrative Services

SUBJECT: AUTHORIZE THE CHAIRMAN TO EXECUTE AIRPORT ENGINEERING SERVICES AGREEMENT BETWEEN COUNTY OF YUBA AND MEAD & HUNT AS IT RELATES TO FAA AIP 3-06-0149-15-2014 NORTH APRON RECONSTRUCTION

Recommendation:

It is recommended that the Board authorize the Chairman of the Board of Supervisors to execute the subject engineering services agreement between the County of Yuba and Mead & Hunt as it relates to FAA AIP 3-06-0149-15-2014.

Background:

Specialized airport engineering services are required to prepare the necessary plans and specifications for the grant project. Mead & Hunt is the airport's FAA-approved engineering firm. The project scope of work is attached.

Discussion:

The Board was previously advised that the Airport had received a grant award from the Federal Aviation Administration in the amount of $129,870 for completion of engineering requirements for the reconstruction of the north apron pavement . A state matching grant in the amount of $6,494 was also received from the State Division of Aeronautics. The engineering services are estimated at $139,680. The construction of the project will be accomplished by a separate grant and will be brought before the board at a later date.

Committee Action:

This item was not considered by the Public Facilities Committee due to the routine nature of the grant project process. This grant project was previously brought before the board on May 13, 2014, authorizing the filing of the grant with the Federal Aviation Administration and on August 12, 2014, authorizing the matching grant application with the State Department of Transportation.

Fiscal Impact:

There are no costs associated with this agenda item that would impact the General Fund. This project is 94.5 percent grant funded. The remaining funds are available and budgeted within the Airport Enterprise Fund 130 for Fiscal Year 2014-2015.

AGREEMENT FOR PROFESSIONAL SERVICES

This Agreement for engineering services ("Agreement") is made as of the Agreement Date set forth below by and between the County of Yuba, a political subdivision of the State of California ("the County"), and

MEAD & HUNT, INC.
"Consultant"

In consideration of the Services to be rendered, the sums to be paid, and each and every covenant and condition contained herein, the parties hereto agree as follows:

OPERATIVE PROVISIONS

1. Services.

The Consultant shall provide those services described in Attachment "A", Consultant shall provide said services at the time, place and in the manner specified in Attachment "A", Phase 1 through 4.

2. Term.

Commencement Date: October 1, 2014

Termination Date: March 31, 2015

Notwithstanding the term set forth above, and unless this contract is terminated by either party prior to its termination date, the term of this Agreement shall be automatically extended from the termination date for ninety days. The purpose of this automatic extension is to allow for continuation of services, and to allow County time in which to complete a novation or renewal contract for Consultant and County approval.

Consultant understands and agrees that there is no representation, implication, or understanding that the services provided by Consultant pursuant to this Agreement will be purchased by County under a new agreement following expiration or termination of this Agreement, and Consultant waives all rights or claims to notice or hearing respecting any failure to continue purchase of all or any such services from Consultant.

3. Payment.

County shall pay Consultant for services rendered pursuant to this Agreement at the time and in the amount set forth in Attachment "B". The payment specified in Attachment "B" shall be the only payment made to Consultant for services rendered pursuant to this Agreement. Consultant shall submit all billings for said services to County in the manner specified in Attachment "B".

4. Facilities, Equipment and Other Materials and Obligations of County.

Consultant shall, at its sole cost and expense, furnish all facilities, equipment, and other materials which may be required for furnishing services pursuant to this Agreement.

5. Additional Provisions.

Those additional provisions unique to this Agreement are set forth in Attachment "C".

6. General Provisions.

The general provisions set forth in Attachment "D" are part of this Agreement. Any inconsistency between said general provisions and any other terms or conditions of this Agreement shall be controlled by the other term or condition insofar as it is inconsistent with the general provisions.

7. Designated Representatives.

Mary Hansen, Airport Manager, is the representative of the County and will administer this Agreement for the County. Joakim Osthus, P.E., is the point of contact for Consultant. Changes in designated representatives shall occur only by advance written notice to the other party.

8. Attachments.

All attachments referred to herein are attached hereto and by this reference incorporated herein. Attachments include:

Attachment A - Services
Attachment B - Payment
Attachment C - Additional Provisions
Attachment D - General Provisions
Attachment E – Insurance Requirements

9. Termination. County and Consultant shall each have the right to terminate this Agreement upon thirty (30) days written notice to the other party.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on

_____, 2014.

"County"
County of Yuba

_____
Chairman, Board of Supervisors

"Consultant"
Mead & Hunt

INSURANCE PROVISIONS
APPROVED:

Martha Wilson
Risk Manager

APPROVED AS TO FORM:

Angil Morris-Jones
County Counsel

EXHIBIT A

SCOPE OF SERVICES

YUBA COUNTY AIRPORT

Transient Tie-Down Apron Rehabilitation

Airport Design Engineering Work Scope

AIP Project No. 3-06-0149-15

August 2014

PROJECT DESCRIPTION

The Project will consist of the reconstruction of the northern 25,000 square yard portion of the main apron. As part of the reconstruction, existing tie-down anchors will be replaced. Also included is the replacement of the storm drainage infrastructure. The estimated construction cost is approximately $1,100,000.

DESIGN SERVICE PHASES

PHASE I CONTRACT ADMINISTRATION AND COORDINATION

This phase involves those activities required for defining the scope of project, negotiating contract and subcontracts, and general coordination and administration for the duration of the Project, including (but not limited to) the following activities:

1.0 PROJECT SCOPING

1.1 Preliminary Meetings with the Sponsor

Consultant will confer with the Sponsor to ascertain Project requirements, finances, schedules, and other pertinent matters and shall meet with Federal Aviation Administration (FAA) if needed and other concerned agencies and parties on matters affecting the Project and shall arrive at a mutual understanding of such matters with the Sponsor. The Consultant and Sponsor shall discuss what type of environmental documentation (Environmental Assessment or Categorical Exclusion) will be needed and/or what has been prepared for the Project and included in the work scope. The Sponsor shall provide the Consultant with any environmental documents available. Meetings with the Sponsor shall also determine the need for topographical surveying and pavement/geotechnical testing. It is anticipated that there will be a maximum of one meeting with the Sponsor at the Project location.

1.2 Prepare Project Scope of Work and Proposal

This includes preparing the Scope of Work and fee proposal and negotiating the contract scope and fee with the Sponsor. This also includes coordination with subconsultants for scopes and fees.

2.0 PREPARE CONTRACT AND SUBCONTRACTS

This includes preparing the Consultant-Sponsor contract and preparing subconsultant contracts.

3.0 PROJECT COORDINATION (coordination with Design Team, Sponsor, FAA etc.)

Consultant will coordinate with the subconsultants, Sponsor, FAA, and other applicable agencies to complete the work elements in Phase I. Weekly progress meetings will be held with the design team and Sponsor along with monthly meetings with the FAA.

4.0 GENERAL CONTRACT ADMINISTRATION

Provide general administration during the Phase I design and bidding process. Two Project Managers will be assigned to this Project to insure continuity through all phases of work. The Project Managers will be responsible for all work performed by the Project Team. The Project Managers shall:

a. Define tasks, schedules, and costs.
b. Monitor work progress and resolve problems.
c. Maintain up-to-date schedules.
d. Coordinate with the Sponsor to receive their input, address their concerns, keep them informed regarding Project status, obtain their concurrence on Project scope, cost, and schedule, and obtain their input and approval of concepts and Final Design.
e. Focus the efforts of the Consultant and subconsultants to expedite the design of a high-quality, cost-effective Project that meets the needs of the Sponsor.
f. Maintain quality control on all work of the Consultant and subconsultants. Implement and monitor a program of Quality Control (QC) and Quality Assurance (QA).
g. Prepare invoices to submit to the Sponsor in accordance with the County's standard invoice requirements.

5.0 GRANT APPLICATION AND ADMINISTRATION – **NIC**[1]

PHASE I DELIVERABLES

1) Draft Scope of Services – Electronic File
2) Final Scope of Services – Electronic File
3) Executed Contract – Electronic File

PHASE II PRELIMINARY DESIGN (30%)

6.0 TOPOGRAPHICAL SURVEYING

6.1 Coordination to Collect Existing Data and Locate Existing Facilities and Utilities

Consultant will coordinate the collection of existing data and locate known utilities. This task includes collection and review of as-built plans and available existing survey information in order to gather information on existing topography, facilities, and utilities. This also includes coordination for field utility locates with Sponsor and FAA. The Consultant will coordinate with field survey crews to establish survey limits, coordinate access, establish survey schedule, and provide available survey control information.

6.2 Survey Control (Consultant and Subconsultant)

Survey control will be established and used for design surveys. The Consultant will provide a drawing showing the location of the existing or established control for the Project. The Consultant will coordinate necessary bench loop and traverse procedures to verify accuracy of vertical and horizontal control points. If applicable, the Consultant will establish runway end coordinates and runway centerline alignments, and tie these into the project survey control.

[1] NIC = Not In Contract

6.3 Field Work (Subconsultant)

Topographic survey of the pavement area to be repaired as well as surrounding pavement will be performed. Information on utilities, especially the storm drainage will be collected as well both on the apron and at the outlet at the ditch.

6.4 Convert Survey Data for Design Software

This work includes analyzing the topographical surveying data and preparing the data for use with computer modeling. Included are the following separate tasks:

a. Establish design coordinates and alignments to be used for CAD drawings.
b. Input raw survey data into the computer program in order to sort data into company standard layers for efficient analyzing.
c. Verify survey data from previous project with latest field survey.
d. Sort all data points by layers and description for computer modeling.
e. Verify surveyor horizontal and vertical control.
f. Prepare digital terrain model (DTM) of existing ground contours, pavement edges, roadways, electrical equipment, drainage features, buildings, fences, and other miscellaneous entities.
g. Generate three-dimensional contour model from the DTM.
h. Prepare and process data for pavement profiles, grading and/or paving cross sections, and drainage features.

7.0 GEOTECHNICAL INVESTIGATION

7.1 Coordination for Geotechnical Work

This task includes data collection, review of as-built plans, and compiling available existing geotechnical information in order to gather information on existing soil conditions and past geotechnical or pavement test results. Coordination will be done with the geotechnical subconsultant to schedule work and establish any work constraint parameters.

7.2 Establish Project Testing Requirements

The Consultant will determine the type and frequency of geotechnical testing required for the Project. The testing shall consider such items as pavement type, design methodology, type of wheel loading, and weight of design aircraft (e.g. greater than or less than 60,000 pounds). The Consultant will use this information to perform the following tasks:

a. Determine soil boring locations and frequency of testing.
b. Develop a project sketch showing location and coordinates of borings.
c. Determine soil sampling locations and types of soils testing required.

7.3 Field Work and Laboratory Testing (Subconsultant)

The geotechnical consultant will conduct up to twelve (12) borings within the Project area and collect samples for laboratory testing in preparation for the pavement design. The County shall escort the geotechnical consultant and assist in utility locates in areas of geotechnical exploration.

7.4 Analyze Data

After receiving the testing report from the geotechnical firm, the Consultant will analyze the data and any existing previous geotechnical data, consisting of the following tasks:

a. Review geotechnical recommendations.
b. Determine appropriate data for pavement design.
c. Input data for computer modeling with topographical survey data.
d. Prepare pavement data and soil information for incorporation onto plan sheets.
e. Evaluate existing pavement sections for potential recycling and reuse.
f. Evaluate shrink, swell, and consolidation potential.

8.0 PREPARE PLAN SHEETS FOR PRELIMINARY SUBMITTAL

Consultant will complete a project layout sheet that will depict the proposed improvements.

9.0 PREPARE FAA PAVEMENT DESIGN REPORT AND FAA FORM 5100.

This task will consist of using information obtained in the geotechnical investigation to calculate the pavement sections required to support the design vehicle or aircraft using FAA Advisory Circular 150/5320-6E, *Airport Pavement Design and Evaluation.*

The following effort will be completed under this task:

a. Determine critical design aircraft or vehicle based on current and forecasted aircraft fleet mix and vehicular use.
b. Verify the pavement section based on accepted FAA pavement design programs. The applicable design program to be used is FAARFIELD. Develop pavement design alternatives and make recommendations as to the most economical pavement section and/or rehabilitation alternative. A total of 2 pavement design alternatives will be evaluated.
c. Evaluate interim and ultimate pavement strength requirements.
d. Evaluate effects of pavement profile on adjacent operational areas and future runway/taxiway pavement rehabilitation.
e. Calculate sub-excavation, undercutting, and other techniques for subgrade stabilization, if necessary.
f. Prepare Life-Cycle Cost Analysis.
g. Review proposed pavement analysis with FAA Engineer.
h. Prepare pavement design narrative to describe the design procedure, historic design, and justifications for the FAA and Sponsor.
i. Prepare FAA Pavement Design Form 5100 for each separate pavement section for inclusion in the Preliminary Design Report and the final Engineer's Design Report.

10.0 PREPARE PRELIMINARY SURFACE DRAINAGE ANALYSIS

Preliminary surface drainage design will be completed in accordance with standard engineering practices, local requirements, and in accordance with the FAA Advisory Circular 150/5320-5C, *Surface Drainage Design*. The Consultant will also examine whether a Storm Water Pollution Prevention Plan (SWPPP) will be required for the Project. The Consultant will also determine which drainage permits will be needed by the proposed development.

11.0 PREPARE PRELIMINARY COST ESTIMATE

11.1 Calculate Estimated Preliminary Quantities

The Consultant will calculate necessary quantities for the various work items. Quantities will be consistent with the Specifications and acceptable quantity calculation practices.

11.2 Prepare Preliminary Cost Estimate

The Consultant will provide a preliminary cost estimate based on record cost data and similar work. Cost estimate shall be included in the Preliminary Design Report.

12.0 PREPARE PRELIMINARY DESIGN REPORT (PDR)

To document the results of a preliminary design, a PDR will be prepared. The report will include the summary of the Project scope, geometrics, pavement design, electrical design, drainage design, pavement marking, environmental issues, construction phasing plans, and a project schedule. The report will also contain details on alternative design concepts that were investigated as part of the preliminary design effort and recommendations on which alternatives to pursue. An analysis of the impacts of construction on airport operations will be included, as well as an Engineer's cost estimate. This report will also discuss funding, budget, strategies for bidding the Project and potential use of bid alternates. The information will be presented in letter report format for review by the Sponsor.

13.0 PREPARE FAA FORM 7460

Consultant will complete a notice of proposed construction or alteration as per FAA guidelines and will send the form to the Sponsor to be submitted to the FAA.

14.0 PREPARE PRELIMINARY DESIGN SUBMITTAL

Based on Sponsor's comments from preliminary meeting, prepare a preliminary submittal containing:

a. Project Layout Plan
b. Preliminary Design Report
c. Preliminary Cost Estimate

15.0 PREPARE ENVIRONMENTAL DOCUMENTATION – **NIC**

The Consultant has already performed a Categorical Exclusion (CAT EX) Document for the site development project.

16.0 PHASE II PROJECT MEETINGS

The Consultant will arrange and lead meetings during Phase II, as described in the subtasks below. The Consultant will produce drawings and handouts, as needed, to conduct each meeting and will prepare minutes to document the discussions.

16.1 Present Preliminary Design Alternatives and Recommendations to Airport

The Consultant will prepare for and conduct a meeting at the Airport to present the findings of the preliminary engineering phase and any alternatives and recommendations for the Project.

16.2 Coordination Meetings (with FAA, local agencies, subconsultants, etc. and site investigation visits)

The Consultant will conduct additional coordination meeting(s) and site visits to the Airport (or other named site) as needed. One (1) in-person coordination meeting will be held at the Airport.

PHASE II DELIVERABLES
Prior to the completion of Phase II, the Consultant will deliver all of the following information to the Sponsor:

1) Preliminary Design Report – Three (3) copies and electronic file
2) Plans in support of preliminary design – Three (3) copies and electronic file
3) Geotechnical Report – Three (3) copies
4) FAA Form 7460 – Electronic file

PHASE III FINAL DESIGN (60%, 95% and Final)

17.0 PREPARE PLANS

Plan sheets will be prepared depicting the proposed improvements as indicated under Project Description. The following is a general list of drawings that will be used as a guideline. Actual number and title of drawings may be modified during the design phase, as required.

General:

G-001 Cover Sheet, Sheet Index and Symbols
G-002 Legend and Abbreviations
G-003 General Notes
G-021 Project Layout Plan
G-041 Survey Control Plan
G-081 Construction Safety and Phasing Plan

Geotechnical:

B-051 Plan and Log of Soil Borings

Civil:

General

C-001 Civil Legend
C-021 Erosion Control Plans
C-031 Erosion Control Details
C-041 Storm Water Management Plans
C-051 Demolition Plans
C-061 Demolition Details
C-081 Geometrics
C-091 Existing Contours

Site

C-101 Grading and Drainage Plans
C-141 Intersection Details
C-201 Plan and Profiles
C-301 Typical Sections
C-311 Paving Details

Storm Sewer*

C-441 Plan and Profiles
C-451 Drainage Details

C-461 Inlet Layout Plan

Marking
C-651 Marking Plans
C-671 Marking Details

X-Sections
C-901 Cross Sections

18.0 PREPARE SPECIFICATIONS

The Consultant will assemble the Specifications and Bid Documents for the Sponsor to use in obtaining competitive bids for the work. All documents shall meet current FAA Standards for Airport Improvement Program (AIP) funded projects.

18.1 Prepare Bidding and Contract Documents

The Consultant will prepare bidding and Contract Documents including, but not limited to, Invitation for Bids (Notice to Bidders), Instruction to Bidders, Proposal (Bid Form), List of Subcontractors, FAA Required Certifications, Equal Employment Opportunity Clauses, DBE Requirements, Suspension and Debarments Requirements, Sample Construction Contract/Agreement, Bid Bond, Performance Bond, and Payment Bond. All documents shall be based on the current Sponsor standards, modified to include all FAA required provisions and bid forms.

18.2 Prepare FAA Required Provisions

Prepare Specifications detailing the current FAA Required Provisions for construction including: Requirements for Bids for AIP Contracts, Federal Contract Clauses and Requirements for Construction Contracts, Federal EEO Requirements, Requirements Under the DBE Program, Federal Wage Rates, and State Wage Rates.

18.3 Prepare General Provisions

The Consultant will prepare General Provisions in conformance with the current Sponsor Standards. The Consultant will review the Sponsor Standards to identify any conflicts with FAA requirements and shall submit any recommended modifications to the Sponsor for approval.

18.4 Prepare Special Provisions for Airport Construction

The Consultant will prepare Special Provisions to address, or expand on, conditions specific to construction on airports that require additional clarification. They will include, but are not limited to the following items:

a. General Safety Requirements
b. Restricted Work Areas
c. Construction Limitations
d. Haul Roads/Project Access
e. Vehicle Operations, Marking and Control
f. Airport Security
g. Work Schedule and Sequencing
h. Airport Closure and Closure of Runways, Taxiways, and Aprons

i. Barricades
j. Emergency Air Operations
k. Record Drawings
l. Pollution Control
m. SWPPP Requirements and Guidance for Contractor
n. Certified Payroll Requirements
o. Construction Safety and Operations Requirements
p. Additional Quality Control Requirements
q. Pre-Construction Conference
r. Grade Control and Surface Tolerance for Paving Work
s. Contract Time
t. Liquidated Damages

18.5 Prepare Technical Specifications

The Consultant will prepare Technical Specifications using FAA Standard Specifications and FAA Specification format whenever possible. For work not covered by FAA Standards, the Sponsor or Caltrans Standard Specifications shall be used. Technical Specifications shall include, but not limited to, the following:

a. P-152
b. P-154
c. P-208
d. P-401
e. P-403
f. P-602
g. P-603
h. D-701
i. D-751

19.0 PREPARE FINAL SURFACE DRAINAGE ANALYSIS AND FINAL STORM SEWER DESIGN

Using the findings from the preliminary drainage analysis completed in Phase II, a final surface drainage and storm sewer design will be completed in accordance with standard engineering practices, local requirements, and the FAA Advisory Circular 150/5320-5C, *Surface Area Design*.

20.0 STORMWATER POLLUTION PREVENTION PLAN (SWPPP)

If required, the Consultant will develop a SWPPP for the Project that is in general conformance with Best Available Technology (BAT) management practices. The plan will detail types of erosion control measures recommended for the site in addition to other information needed for the NPDES permitting application. This information shall include, but not limited to:

a. Project Location
b. Size of Disturbance of Project
c. Amount of Impervious Surface
d. Hydrologic Classification of Site

e. Receiving Waters

f. Site Drainage Overview

21.0 PREPARE CERTIFICATION OF ENGINEERING AND MODIFICATION OF STANDARDS

The Consultant will complete the Sponsor Certification verifying the Plans and Specifications were developed in accordance with Federal guidelines. If necessary, the Consultant will also prepare a Request for Modification of Federal Construction Standards, if found to be necessary for the Project. The certification will discuss modifications required under the bid packages. The certification will be submitted to the Sponsor for acceptance. Signed copies will be forwarded to the FAA along with final Plans, Contract Documents, Specifications, and the Engineer's Design Report, which includes the certification.

22.0 PREPARE 60% SUBMITTAL

Based on Sponsor's written review comments on the preliminary submittal, prepare 60% engineering and design of all improvements. This work shall include:

a. Prepare and submit 60% Plans.

b. Prepare and submit 60% Specifications and bid documents.

c. Prepare and submit 60% cost estimate.

d. Perform internal QA/QC for all documents included in the 60% submittal.

e. Conduct 60% review meeting with the Sponsor to go over submitted data and discuss schedule for upcoming submittals.

23.0 PREPARE 95% SUBMITTAL

Based on the Sponsor's written review comments on the 60% submittal, prepare 95% engineering and design of all improvements. This work shall include:

a. Prepare and submit 95% Plans

b. Prepare and submit 95% Specifications and bid documents

c. Prepare and submit 95% cost estimate

d. Perform internal QA/QC for all documents included in the 95% submittal

e. Conduct 95% review meeting with the Sponsor to go over submitted data and discuss schedule for upcoming submittals

24.0 PREPARE AND SUBMIT FINAL PLANS AND SPECIFICATIONS

A final set of Plans, Specifications, and Contract Documents will be prepared that will incorporate revisions, modifications, and corrections determined during the FAA and Sponsor's review of the ninety-five percent (95%) submittal.

25.0 PREPARE AND SUBMIT FINAL COST ESTIMATE

25.1 Calculate Estimated Final Quantities

25.2 Prepare Final Cost Estimate

Using the final quantities calculated following the completion of the Plans and Specifications, the Consultant will prepare the final construction cost estimate. The estimate will be based on

information obtained from previous projects, contractors, material suppliers, and other databases available.

26.0 PREPARE AND SUBMIT ENGINEER'S DESIGN REPORT

Prepare the Engineer's Design Report in conformance with FAA requirements. The report will include a summary and explanation of the Project design including geometrics, pavement and electrical design, drainage design, pavement marking, environmental issues, phasing plans, and a project schedule. The report will also contain any alternative design concepts that were investigated and evaluated. A construction operation plan will be included, as well as a final Engineer's cost estimate. This report will also include details for bidding the Project and recommended bid alternates. The report shall include, but not be limited to, the following:

a. Project Scope
b. Design Standards
c. Topographic Survey Summary
d. Geotechnical Investigation Summary (report included as an Appendix)
e. Design Geometrics (reference Federal Advisory Circular 150/5300-13A
f. Pavement Design Analysis (reference Federal Advisory Circular 150/5320-6E)
g. Drainage Considerations
h. Electrical Considerations
i. Pavement Marking Considerations
j. Airport Operational Safety (reference Federal Advisory Circular 150/5370-2F)
k. Construction Estimate
l. Project Schedule and Construction Phasing
m. Summary of Contract Documents
n. Construction Inspection and Testing
o. Deviations from FAA Standards
p. Sponsor/Engineer's Certification for Project Plans and Specifications
q. Draft Construction Management Plan

27.0 PREPARE A CONSTRUCTION SAFETY AND PHASING PLAN

Prepare a Construction Safety and Phasing Plan (CSPP) in conformance with FAA Standards. The CSPP shall be a report following the requirements of AC 150/5370-2F.

28.0 PHASE III PROJECT MEETINGS

The Consultant will arrange and lead the meetings as described below. The Consultant will produce drawings and handouts, as needed, to conduct each meeting and shall issue minutes to document the discussion. The following meetings shall be included in Phase III:

a. 60% Submittal review meeting (1)
b. 95% Submittal review meeting (1)

PHASE III DELIVERABLES

During the Phase III design effort, the Consultant will deliver all of the following information to the Sponsor:

1) 60% Plans, Specifications, and Contract Documents – Three (3) copies each and electronic files
2) 60% Cost Estimates – Three (3) copies each and electronic files
3) 95% Plans, Specifications, and Contract Documents – Three (3) copies each and electronic files
4) 95% Engineer's Design Report – Three (3) Copies and electronic files
5) Final Plans, Specifications and Contract Documents – One (1) set of full and half size plans, one (1) set of original Contract Documents, and electronic files of all documents
6) Final Engineer's Design Report – Three (3) bound copies and electronic files
7) Construction Safety and Phasing Plan – Three (3) bound copies and electronic files

PHASE IV BID ADMINISTRATION

29.0 PREPARE ADVERTISEMENT FOR BIDS

Required advertisement dates and bidding dates will be established. Consultant will prepare the advertisement in conformance with FAA and local standards and submit a copy of the advertisement to the Sponsor. The Sponsor shall arrange for the legal advertising in conformance with local standards and shall pay for the associated cost of advertising. Consultant will place ads in the various trade journals.

30.0 BID DOCUMENTS DISTRIBUTION

Consultant will distribute the bidding documents to interested contractors and suppliers electronically. The Consultant will keep a current list of plan holders and distribute this to interested parties upon request. This task also includes coordination required to facilitate these requests.

31.0 RESPOND TO BIDDERS QUESTIONS

During the bidding process, the Consultant will be available to clarify bidding issues with contractors and suppliers, and for consultation with the various entities associated with the Project. This item also includes contacting bidders to generate interest in the Project.

32.0 PREPARE AND DISTRIBUTE ADDENDA

Consultant will issue up to Two (2) bid addenda as appropriate to interpret, clarify, or change the bidding documents as required by the Sponsor or the FAA. Addenda will be made available to the plan holders either through electronic mail or via bidding website. Any addenda that are generated as a sole result of the Sponsor's error or omission, or FAA request, will be considered as extra services, and the Consultant will be reimbursed for this effort as an amendment to this contract.

33.0 PRE-BID CONFERENCE – **NIC**

34.0 BID OPENING – **NIC**

35.0 BID REVIEW AND BID TABULATION

Consultant will advise Sponsor as to the acceptability of any subcontractors, suppliers, and other persons and organizations proposed by the bidders and as to the acceptability of substitute materials and equipment proposed by bidders. The Consultant will prepare a spreadsheet that includes all bid items for the purpose of evaluating the lowest bidder. The Consultant will input the as-bid unit prices into

the spreadsheet and verify mathematical computations of the bids. The Consultant will then provide recommendations to the Sponsor as to the name of the Apparent Low Bidder.

36.0 PREPARE RECOMMENDATION FOR AWARD

The Consultant will prepare a Recommendation of Award for the Sponsor to accept or reject the bids as submitted. If rejection is recommended, the Consultant will supply an explanation for their recommendation and possible alternative actions that the Sponsor can pursue to complete the Project. Once the Contract Award is made, the Consultant will distribute the bid tabulations at request of the Sponsor.

PHASE IV DELIVERABLES

1) Bid Documents – Electronic files as required for bidding
2) Bid Tabulation – Electronic files
3) Recommendation for Award – Electronic files

SCHEDULE OF COMPLETION

The Consultant will complete all work called for under Phase II – Preliminary Design within thirty five (35) working days from the date when the Sponsor issues the Notice to Proceed with the work. The Consultant will complete 60% submittal described in Phase III – Final Design, within twenty (20) working days of receipt of the Sponsor's review comments on the preliminary submittal. The Consultant will complete the 95% submittal detailed in Phase III – Final Design within twenty (20) working days of receipt of the Sponsor's review comments on the 60% submittal. The Consultant will complete the final Engineer's Design Report and final Contract Documents for use in bidding within ten (10) working days of the receipt of Sponsor and FAA review comments on the 95% submittal.

COMPENSATION FOR SERVICES

A. Payment for all work outlined in Scope of Work, Phase I, II, III, and IV shall be a fixed fee of One Hundred Thirty-nine Thousand Six Hundred Eighty Dollars ($139,680). This fee shall include all labor, materials, expenses, and incidentals necessary to complete the work as described herein. An Engineering Services Cost Estimate is included as *Attachment 1* to this Scope of Work. Payments will be made monthly based on the percentage of work complete.

B. Payment for any additional services requested by the Sponsor will be performed on a time-and-expense basis in conformance with the *Mead & Hunt, Inc. Western Standard Billing Rate Schedule (2014)* included as *Attachment 2* to this Scope of Work. The Consultant will establish the budget for additional services prior to the start of work and may not exceed the budget without written authorization from the Sponsor. Any additional services must be authorized in writing by the Sponsor.

ATTACHMENT 1

Yuba County Airport | Transient Tie-Down Apron Rehabilitation | Fri 5/16/14

AIP No. 3-06-0149-15

Design Cost Estimate

ID	Task Name	Work	Cost
1	**TRANSIENT TIE-DOWN APRON REHABILITATION - DESIGN**	**908 hrs**	**$139,680.00**
2	**Phase 1 - Contract Administration**	**43 hrs**	**$7,680.00**
3	Project Scoping	24 hrs	$4,852.00
4	Preliminary Meeting w Sponsor	*16 hrs*	*$3,540.00*
5	Prepare project scope & proposal	*8 hrs*	*$1,312.00*
6	Prepare Contract & Sub Contracts	7 hrs	$860.00
7	Project Coordination	4 hrs	$656.00
9	General Contract Administration	8 hrs	$1,312.00
12	**Phase 2 - Preliminary Design**	**204 hrs**	**$42,890.00**
13	Topographic Surveying	5 hrs	$4,724.00
14	Coordination	*3 hrs*	*$449.00*
15	Survey Control	*2 hrs*	*$275.00*
16	Survey Field Work (Sub Consultant)	*0 hrs*	*$3,000.00*
17	Convert Survey Data for Design Software (Sub Consultant)	*0 hrs*	*$1,000.00*
18	Geotechnical Investigation	16 hrs	$18,323.00
19	Coordination	*6 hrs*	*$855.00*
20	Establish Project Testing Requirements	*4 hrs*	*$570.00*
21	Geotechnical Field Work (Sub Consultant)	*0 hrs*	*$16,000.00*
22	Analyze Data	*6 hrs*	*$898.00*
23	Prepare Plan Sheets for Preliminary Submittal	32 hrs	$3,844.00
24	Prepare FAA Pavement Design Report and FAA Form 5100	24 hrs	$3,162.00
25	Prepare Preliminary Surface Drainage Analysis	8 hrs	$1,002.00
26	Prepare Preliminary Cost Estimate	16 hrs	$2,130.00
27	Calculate Estimated Preliminary Quantities	*9 hrs*	*$1,102.00*
28	Prepare Preliminary Cost Estimate	*7 hrs*	*$1,028.00*
29	Prepare Preliminary Design Report	27 hrs	$3,291.00
30	Prepare FAA Form 7460	4 hrs	$602.00
34	Prepare Preliminary Design Submittal	8 hrs	$930.00
35	Phase 2 Project Meetings	26 hrs	$4,882.00
36	Present Preliminary Design, Alternatives and Recommendations to Airport	*13 hrs*	*$2,441.00*
37	Coordination Meetings	*13 hrs*	*$2,441.00*
39	**Phase 3 - Final Design**	**603 hrs**	**$82,085.00**
40	Prepare Final Plans	120 hrs	$15,650.00
41	General	*30 hrs*	*$3,810.00*
49	Geotechnical	*3 hrs*	*$353.00*
51	Civil - General	*19 hrs*	*$2,305.00*
60	Civil - Site	*37 hrs*	*$5,276.00*
78	Civil - Storm Sewer	*15 hrs*	*$2,027.00*
89	Civil - Marking	*11 hrs*	*$1,314.00*
92	Civil - X-Sections	*5 hrs*	*$565.00*
104	Prepare Specifications	183 hrs	$22,814.00
105	Prepare Bidding and Contract Documents	*14 hrs*	*$1,572.00*
106	Prepare FAA Required Provisions	*11 hrs*	*$1,166.00*
107	Prepare General Provisions	*22 hrs*	*$2,764.00*
108	Prepare Special Provisions	*28 hrs*	*$3,628.00*
109	Prepare Technical Specifications	*108 hrs*	*$13,684.00*
110	Prepare Final Surface Drainage Analysis and Final Storm Sewer Design	26 hrs	$3,786.00
113	Stormwater Pollution Prevention Plan	51 hrs	$6,757.00
114	Prepare Certification of Engineering and Modification of Standards	6 hrs	$846.00
115	Prepare 60% Submittal	33 hrs	$5,362.00
120	60% Submittal Review Meeting	12 hrs	$2,330.00
121	Prepare 95% Submittal	40 hrs	$6,632.00
126	95% Submittal Review Meeting	12 hrs	$2,330.00
127	Prepare Final Submittal	32 hrs	$4,540.00
132	Prepare Engineer's Design Report	34 hrs	$4,146.00
133	Prepare and Submit Construction Safety & Phasing Plan	54 hrs	$6,892.00
136	**Phase 4 - Bid Administration**	**58 hrs**	**$7,025.00**
137	Prepare Advertisement for Bids	5 hrs	$544.00
138	Bid Document Distribution	6 hrs	$570.00
139	Respond to Bidder's Questions	20 hrs	$2,660.00
140	Prepare & Distribute Addenda	20 hrs	$2,396.00
143	Bid Review & Tabulation	5 hrs	$596.00
144	Prepare Recommendation for Award	2 hrs	$259.00

MEAD & HUNT, Inc.
Western Standard Billing Rate Schedule
Effective January 1, 2014

Standard Billing Rates

Clerical	$77.00 / hour
Interior Designer, Technical Editor	$103.00 / hour
Senior Editor	$152.00 / hour
Registered Land Surveyor	$117.00 / hour
Accounting, Administrative Assistant	$95.00 / hour
Technician I, Technical Writer	$88.00 / hour
Technician II, Surveyor - Instrument Person	$103.00 / hour
Technician III	$111.00 / hour
Technician IV	$134.00 / hour
Senior Technician	$160.00 / hour
Engineer I, Scientist I, Architect I, Planner I	$121.00 / hour
Engineer II, Scientist II, Architect II, Planner II	$133.00 / hour
Engineer III	$144.00 / hour
Senior Engineer, Senior Scientist, Senior Architect, Senior Planner, Senior Economist	$164.00 / hour
Project Engineer, Project Scientist, Project Architect, Project Planner	$177.00 / hour
Senior Project Engineer, Senior Project Scientist, Senior Project Architect, Senior Project Planner	$216.00 / hour
Senior Associate	$263.00 / hour
Principal	$273.00 / hour
Senior Client/Project Manager	$273.00 / hour

Expenses

Geographic Information or GPS Systems	$32.00 / hour
Total Station Survey Equipment	$16.00 / hour
Charges for other equipment may appear in a proposal	
Out-Of-Pocket Direct Job Expenses	cost plus 15%
Such as reproductions, sub-consultants / contractors, etc.	

Travel Expense	$0.90 / mile
Air and Surface Transportation	cost plus 15%
Lodging and Sustenance	cost plus 15%

Billing & Payment

Travel time is charged for work required to be performed out-of-office. A minimum of two hours will be billed for any work out-of-office.

Invoicing is on a monthly basis for work performed. Payment for services is due within 30 days from the date of the invoice. An interest charge of 1.5% per month is made on the unpaid balance starting 30 days after the date of invoice.

This schedule of billing rates is effective January 1, 2014, and will remain in effect until December 31, 2014, unless unforeseen increases in operational costs are encountered. We reserve the right to change rates to reflect such increases.

ATTACHMENT B

PAYMENT

B.1 Base Contract Fee. The Consultant shall be paid for services in connection with the project. County shall pay Consultant on a time-and-expense basis in accordance with Consultant's "Standard Billing Rate Schedule" in effect at the time the services are rendered, unless a lump sum amount is negotiated for any individual task. The Consultant's 2014 "Standard Billing Rate Schedule" is attached. The total charges and payments under this Agreement shall not exceed One Hundred Thirty Nine Thousand Six Hundred Eighty Dollars ($139,680.00) unless specifically authorized in writing by County. Consultant shall submit invoices to County covering work accomplished in the preceding month and County shall pay said invoices within thirty (30) days of receipt.

B.2 Travel Costs. For any Consultant travel requested by County, County shall pay travel costs and associated expenses in accordance with the Consultant's "Standard Billing Rate Schedule" in effect at the time of the travel.

B.3 Authorization Required. Services performed by Consultant and not authorized in this Agreement shall not be paid for by County. Payment for additional services shall be made to Consultant by County if, and only if, this Agreement is amended by both parties in advance of performing additional services.

ATTACHMENT C

OTHER TERMS

None.

ATTACHMENT D

GENERAL PROVISIONS

D.1 Independent Contractor Status. At all times during the term of this Agreement, the following apply:

D.1.1 All acts of Consultant shall be performed as an independent contractor and not as an agent, officer or employee of County. It is understood by both Consultant and County that this Agreement is by and between two independent contractors and is not intended to and shall not be construed to create the relationship of agent, servant, employee, partnership, joint venture or association.

D.1.2 Consultant shall have no claim against County for employee rights or benefits, including, but not limited to, seniority, vacation time, vacation pay, sick leave, personal time off, overtime, medical, dental or hospital benefits, civil service protection, disability retirement benefits, paid holidays or other paid leaves of absence.

D.1.3 Consultant is solely obligated to pay all applicable taxes, deductions and other obligations, including, but not limited to, federal and state income taxes, withholding and Social Security taxes, unemployment and disability insurance and Workers' Compensation and Medi-Care payments.

D.1.4 As an independent contractor, Consultant is not subject to the direction and control of County except as to the final result contracted for under this Agreement. County may not require Consultant to change its manner of doing business, but may require it to redirect its efforts to accomplish what it has agreed to do.

D.1.5 Consultant may provide services to others during the same period service is provided to County under this Agreement.

D.1.6 If in the performance of this Agreement any third persons are employed by Consultant, such persons shall be entirely and exclusively under the direction, supervision and control of Consultant. All terms of employment including hours, wages, working conditions, discipline, hiring and discharging or any other term of employment or requirements of law shall be determined by the Consultant.

D.1.7 As an independent contractor, Consultant hereby indemnifies and holds County harmless from any and all claims that may be made against County based on any contention by any third party that an employer-employee relationship exists by reason of this Agreement.

D.2 Licenses, Permits, etc. Consultant represents and warrants to County that it has all licenses, permits, qualifications, and approvals of whatsoever nature which are legally required

for Consultant to practice its profession. Consultant represents and warrants to County that Consultant shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, and approvals which are legally required for Consultant to practice its profession at the time the services are performed. Failure of the Consultant to comply with this provision shall authorize the County to immediately terminate this agreement notwithstanding Operative Provision No. 9.

D.3 Time. Consultant shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary for the satisfactory performance of Consultant's obligations pursuant to this Agreement. Neither party shall be considered in default of this Agreement to the extent performance is prevented or delayed by any cause, present or future, which is beyond the reasonable control of the party.

D.4 Indemnity. Consultant shall defend, indemnify, and hold harmless County, its elected and appointed councils, boards, commissions, officers, agents, and employees from any liability for damage or claims for damage for personal injury, including death, as well as for property damage, which may arise from the intentional or negligent acts or omissions of Consultant in the performance of services rendered under this Agreement by Consultant, or any of Consultant's officers, agents, employees, Consultants, or subcontractors.

D.5 Contractor Not Agent. Except as County may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of County in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind County to any obligation whatsoever.

D.6 Assignment Prohibited. Consultant may not assign any right or obligation pursuant to this Agreement. Any attempted or purported assignment of any right or obligation pursuant to this Agreement shall be void and of no legal effect.

D.7 Personnel. Consultant shall assign only competent personnel to perform services pursuant to this Agreement. In the event that County, in its sole discretion, at any time during the term of this Agreement, desires the removal of any person or persons assigned by Consultant to perform services pursuant to this Agreement, Consultant shall remove any such person immediately upon receiving written notice from County of its desire for removal of such person or persons.

D.8 Standard of Performance. Consultant shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged. All products of whatsoever nature which Consultant delivers to County pursuant to this Agreement shall conform to the standards or quality normally observed by a person practicing in Consultant's profession.

D.9 Possessory Interest. The parties to this Agreement recognize that certain rights to property may create a "possessory interest", as those words are used in the California Revenue and Taxation Code, §107. For all purposes of compliance by County with Section 107.6 of the California Revenue and Taxation Code, this recital shall be deemed full compliance by the County. All questions of initial determination of possessory interest and valuation of such interest, if any, shall be the responsibility of the County Assessor and the contracting parties hereto. A taxable possessory interest may be created by this contract; and if created, the party in whom such an interest is vested will be subject to the payment of property taxes levied on

such an interest.

D.10 Taxes. Consultant hereby grants to the County the authority to deduct from any payments to Consultant any County imposed taxes, fines, penalties and related charges which are delinquent at the time such payments under this Agreement are due to Consultant.

D.11 Termination. Upon termination of this Agreement as otherwise provided herein, Consultant shall immediately cease rendering service upon the termination date and the following shall apply:

D.11.1 Consultant shall deliver copies of all writings prepared by it pursuant to this Agreement. The term "writings" shall be construed to mean and include: handwriting, typewriting, printing, photostating, photographing, and every other means of recording upon any tangible thing and form of communication or representation, including letters, words, pictures, sounds, or symbols, or combinations thereof.

D.11.2 County shall have full ownership and control of all such writings or other communications delivered by Consultant pursuant to this Agreement.

D.11.3 County shall pay Consultant the reasonable value of services rendered by Consultant to the date of termination pursuant to this Agreement not to exceed the amount documented by Consultant and approved by County as work accomplished to date; provided, however, County shall not in any manner be liable for lost profits which might have been made by Consultant had Consultant completed the services required by this Agreement.. In this regard, Consultant shall furnish to County such financial information as in the judgment of the County is necessary to determine the reasonable value of the services rendered by Consultant. In the event of a dispute as to the reasonable value of the services rendered by Consultant, the decision of the County shall be final. The foregoing is cumulative and does not affect any right or remedy which County may have in law or equity.

Consultant may terminate its services under this Agreement upon thirty (30) days written notice to the County, without liability for damages, if Consultant is not compensated according to the provisions of the Agreement or upon any other material breach of the Agreement by County.

D.12 Non-Discrimination. Throughout the duration of this Agreement, Consultant shall not unlawfully discriminate against any employee of the Consultant or of the County or applicant for employment or for services or any member of the public because of race, religion, color, national origin, ancestry, physical or mental disability, medical condition, marital status, age, sex or sexual orientation. Consultant shall ensure that in the provision of services under this Agreement, its employees and applicants for employment and any member of the public are free from such discrimination. Consultant shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12900, et seq.). The applicable regulations of the Fair Employment Housing Commission implementing Government Code Section 12900, set forth in Chapter 5, 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. Consultant shall also abide by the Federal Civil Rights Act of 1964 and all amendments thereto,

and all administrative rules and regulations issued pursuant to said Act. Consultant shall give written notice of its obligations under this clause to any labor agreement. Consultant shall include the non-discrimination and compliance provision of this paragraph in all subcontracts to perform work under this Agreement.

D.13 Rehabilitation Act of 1973/Americans With Disabilities Act of 1990. In addition to application of the non-discrimination provision of this Agreement, above, Consultant agrees to comply with all provisions of section 504 et seq. of the Rehabilitation Act of 1973, and with all provisions of the Americans with Disabilities Act of 1990, and all amendments thereto, and all administrative rules and regulations issued pursuant to said Acts, pertaining to the prohibition of discrimination against qualified handicapped and disabled persons, in all programs or activities, as to employees or recipients of services.

D.14 Ownership of Information. All professional and technical information developed under this Agreement and all work sheets, reports, and related data shall become the property of County, and Consultant agrees to deliver reproducible copies of such documents to County on completion of the services hereunder. The County agrees to indemnify and hold Consultant harmless from any claim arising out of reuse of the information for other than this project.

D.15 Waiver. A waiver by any party of any breach of any term, covenant or condition herein contained or a waiver of any right or remedy of such party available hereunder at law or in equity shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition herein contained or of any continued or subsequent right to the same right or remedy. No party shall be deemed to have made any such waiver unless it is in writing and signed by the party so waiving.

D.16 Completeness of Instrument. This Agreement, together with its specific references and attachments, constitutes all of the agreements, understandings, representations, conditions, warranties and covenants made by and between the parties hereto. Unless set forth herein, neither party shall be liable for any representations made express or implied.

D.17 Supersedes Prior Agreements. It is the intention of the parties hereto that this Agreement shall supersede any prior agreements, discussions, commitments, representations, or agreements, written or oral, between the parties hereto.

D.18 Captions. The captions of this Agreement are for convenience in reference only and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

D.19 Definitions. Unless otherwise provided in this Agreement, or unless the context otherwise requires, the following definitions and rules of construction shall apply herein.

> **D.19.1 Number and Gender.** In this Agreement, the neuter gender includes the feminine and masculine, and the singular includes the plural, the word "person" includes corporations, partnerships, firms or associations, wherever the context so requires.
>
> **D.2192 Mandatory and Permissive.** "Shall" and "will" and "agrees" are mandatory. "May" is permissive.

D.20 Term Includes Extensions. All references to the term of this Agreement or the Agreement Term shall include any extensions of such term.

D.21 Successors and Assigns. All representations, covenants and warranties specifically set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.

D.22 Modification. No modification or waiver of any provision of this Agreement or its attachments shall be effective unless such waiver or modification shall be in writing, signed by all parties, and then shall be effective only for the period and on the condition, and for the specific instance for which given.

D.23 Counterparts. This Agreement may be executed simultaneously and in several counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

D.24 Other Documents. The parties agree that they shall cooperate in good faith to accomplish the object of this Agreement and to that end, agree to execute and deliver such other and further instruments and documents as may be necessary and convenient to the fulfillment of these purposes.

D.25 Partial Invalidity. If any term, covenant, condition or provision of this Agreement is held by a Court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provision and/or provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

D.26 Jurisdiction. It is agreed by the parties hereto that unless otherwise expressly waived by them, any action brought to enforce any of the provisions hereof or for declaratory relief hereunder shall be filed and remain in a Court of competent jurisdiction in the County of Yuba, State of California.

D.27 Controlling Law. The validity, interpretation and performance of this Agreement shall be controlled by and construed under the laws of the State of California.

D.28 Time is of the Essence. Time is of the essence of this Agreement and each covenant and term a condition herein.

D.29 Authority. All parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles and capacities herein stated and on behalf of any entities, persons, estates or firms represented or purported to be represented by such entity(s), person(s), estate(s) or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order to enter into this Agreement have been fully complied with. Further, by entering into this Agreement, neither party hereto shall have breached the terms or conditions of any other contract or agreement to which such party is obligated, which such breach would have a material effect hereon.

D.30 Conflict of Interest. Neither a County employee whose position in County enables such employee to influence the award of this Agreement or any competing Agreement, nor a spouse or economic dependent of such employee, shall be employed in any capacity by Consultant herein, or have any other direct or indirect financial interest in this Agreement.

Consultant may be subject to the disclosure requirements of the County conflict of interest code if in a position to make decisions or influence decisions that could have an effect on the Consultant's financial interest. The County Administrator shall determine in writing if Consultant has been hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in the Yuba County Conflict of Interest Code.

D.31 Notices. All notices and demands of any kind which either party may require or desire to serve on the other in connection with this Agreement must be served in writing either by personal service or by registered or certified mail, return receipt requested, and shall be deposited in the United States Mail, with postage thereon fully prepaid, and addressed to the party so to be served as follows:

County:

County of Yuba
Administrative Services Department
915 8th Street, Suite 119
Marysville CA 95901

With a copy to:

County of Yuba
County Counsel
915 8th Street, Suite 111
Marysville, CA 95901

Consultant:

Mead & Hunt
133 Airport Boulevard, Suite 100
Santa Rosa, CA 95403

ATTACHMENT E
INSURANCE REQUIREMENTS

Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, his agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (Occurrence Form CG 00 01)
2. Insurance Services Office Form Number CA 00 01 covering Automobile Liability, Code 1 (any auto).
3. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.
4. Errors & Omissions Liability insurance appropriate to the consultant's profession. Architects' and engineers' coverage is to be endorsed to include contractual liability.

Minimum Limits of Insurance

Consultant shall maintain limits no less than:

1. General Liability: (including operations products and completed operations, as applicable.)	$1,000,000	Per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability:	$1,000,000	Per accident for bodily injury and property damage
3. Workers' Compensation:	As required by the State of California	
4. Employer's Liability:	$1,000,000	each accident, $1,000,000 policy limit bodily by disease, $1,000,000 each employee bodily injury by disease
5. Errors & Omissions Liability:	$1,000,000	per occurrence

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the County. At the option of the County, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the County, its officers, officials, employees and volunteers; or the Consultant shall provide a financial guarantee satisfactory to the County guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

The commercial general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. The County, its officers, officials, employees and volunteers are to be covered as insured's as respects: liability arising out of work or operations performed by or on behalf of the Consultant; or automobiles owned, leased or borrowed by the Consultant.
2. For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees or volunteers shall be excess of the Consultants insurance and shall not contribute with it.
3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) day's prior written notice has been provided to the County.

If General Liability, Contractors Pollution Liability and/or Asbestos Pollution Liability and/or Errors & Omissions coverage's are written on a claims-made form:

1. The retroactive date must be shown, and must be before the date of the contract or the beginning of the contract work.
2. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.
3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, the Contractor must purchase an extended period coverage for a minimum of one (1) year after completion of contract work.
4. A copy of the claims reporting requirements must be submitted to the County for review.
5. If the services involve lead-based paint or asbestos identification / remediation, the Contractors Pollution Liability shall not contain lead-based paint or asbestos exclusions. If the services involve mold identification / remediation, the Contractors Pollution Liability shall not contain a mold exclusion and the definition of "Pollution" shall include microbial matter including mold.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the County. Exception may be made for the State Compensation Insurance Fund when not specifically rated.

Verification of Coverage

Consultant shall furnish the County with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on forms provided by the County or on other than the County's forms provided those endorsements conform to County requirements. All certificates and endorsements are to be received and approved by the County before work commences. However, failure to do so shall not operate as a waiver of these insurance requirements. The County reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

Waiver of Subrogation

Consultant hereby agrees to waive subrogation which any insurer of contractor may acquire from vendor by virtue of the payment of any loss. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the County for all work performed by the consultant, its employees, agents and subcontractors.

The County of Yuba

Department of Administrative Services

Doug McCoy, Director

AIRPORT	7
BUILDING & GROUNDS	749-7880
FACILITIES MANAGEMENT	749-7880
INFORMATION SERVICES	749-7891
PRINT SHOP	749-7880
PURCHASING	749-7880
TELECOMMUNICATIONS	749-7880

(530) 749-7880
FAX (530) 749-7936

November 18, 2014

TO: YUBA COUNTY BOARD OF SUPERVISORS

FROM: DOUG MCCOY, Administrative Services Director

SUBJECT: AUTHORIZE THE CHAIRMAN TO EXECUTE AIRPORT LEASE AGREEMENT FOR CORPORATE HANGAR LEASE SITE NO. 11

Recommendation:

It is recommended that the Board authorize the Chairman of the Board of Supervisors to execute the subject airport lease agreement.

Background:

The attached is a new ground leases with Greg Foster, Foster Ranch Limited Partnership. Mr. Foster owns the aircraft hangar facility and has been on the airport since 2009. The lease rate of $.04 cents per square foot is consistent with similar leases and will generate $1,584 annually in new airport revenue.

Discussion:

The location of the hangar ground lease site is shown on the attached layout as Exhibit A to the lease. Mr. Foster has been out of the area for several months and unable to take care of the new lease until now as the lease term start date is July 1, 2014.

Committee Action:

This item was not presented to the committee as it is a standard ground lease that has been before the board a number of times for other new tenants and considered routine. The agreement was reviewed and approved by County Counsel.

Fiscal Impact:

There are no costs associated with this agenda item that would impact the General Fund.

Attachments

AIRPORT LEASE AGREEMENT

THIS LEASE made and entered into this ____ day of _____, 2014, by and between the COUNTY OF YUBA, a political subdivision of the State of California, hereinafter designated "Lessor," and FOSTER RANCH LIMITED PARTNERSHIP, hereinafter called "Lessee."

WITNESSETH

WHEREAS, Lessor owns and operates the public airport facilities situated in the County of Yuba, California, hereinafter referred to as "Airport"; and

WHEREAS, said real property is devoted to and held for airport development, and

WHEREAS, pursuant to the provisions of Section 50478, Government Code, Lessor is authorized to lease all or any portion of said property for the construction and maintenance of hangars, service shops, structures, and other conveniences for airport purposes; and

WHEREAS, Lessor hereby finds that the terms and conditions as set forth herein below are beneficial and necessary, to promote the welfare and convenience of the public using the Airport.

NOW, THEREFORE, IT IS HEREBY AGREED:

1. LEASED PREMISES: Lessor hereby sets over, leases, and demises to Lessee, and Lessee hereby hires from Lessor, all that certain real property situated in the County of Yuba, State of California, and more particularly described as follows:

Yuba County Airport Terminal Area
Master Lease Map
Site Number 11 Hangar (60 ft x 60 ft)
(3,600 square feet)

Attached to this Lease and marked "Exhibit A" is the subject map showing the specific location of the property herein demised, which for this purpose is incorporated herein and by this reference made a part hereof.

2. TERM: The term of this Lease shall be five (5) years commencing on the 1st day of July 2014. Lessee shall have the first right to negotiate to obtain a new lease for the premises upon expiration of the five-year term. The terms of any new lease, or extension of this lease, and the rent to be paid thereunder, are subject to negotiation between the Lessor and Lessee.

3. CONSIDERATION:

A. Lessee hereby agrees to pay as rent for said premises the sum of $.04 cents per square foot of building area per month or One Hundred Forty-Four Dollars ($144.00), payable without deduction, setoff, prior notice, or demand, on or before the first day of each calendar month during the term hereof. Said rental shall be paid in lawful money of the United States of America and shall be paid to Lessor at the address set forth herein for notices, or to such other person or persons, or at such other places, as Lessor may designate in writing. Rent for any period less than a calendar month shall be a pro rata portion of the monthly installment. The Lessee, however, shall have the right to pay one annual payment of all the monthly rents prior to the first day of the following year and by so doing receive a one month's reduction of said rents.

B. Concurrently with Lessee's execution of this Lease, Lessee shall pay to Lessor the sum of the rent for the first and last month of the term of this Lease or Two Hundred Eight-Eight Dollars ($288.00).

4. OTHER CHARGES AND FEES:

Lessee shall meet all expenses and payments in connection with the use of the premises and the rights and privileges herein granted, including taxes, permit fees, license fees, and assessments lawfully levied or assessed upon the premises or property at any time situated therein and thereon. Lessee may, however, at their sole expense and cost, contest any tax, fee, or assessment.

5. PENALTIES: Payments not made by the 10th of the month are subject to a late fee as established by the Board of Supervisors. In the event Lessee is in arrears for thirty (30) days or more after any of the amounts agreed upon with this Lease are due, Lessor shall assess interest at the rate of eighteen percent (18%) annual percentage rate of the payment due for each month unpaid or any portion of a monthly payment which is left unpaid.

6. LEASEHOLD IMPROVEMENTS:

A. Lessee, at its own cost, shall completely build, erect and equip, in accordance with plans and specifications to be approved by Lessor prior to the start of construction, a pre-engineered hangar building approximately 60 ft x 50 ft; building to be painted a color approved by Lessor. The exterior of said building to be compatible with the existing structures.

B. The demised premises and the building constructed thereon shall be used exclusively for the storage of aircraft owned, leased or hired by Lessee and for no other purpose.

C. In the event that Lessee shall fail or refuse to construct said hangar or complete said hangar in a timely manner, the Lessor shall have the right to demand a final date of completion. The Lessee shall make every attempt to construct the hangar within the first year of the lease.

D. Lessee shall submit to Lessor for approval all detailed plans and specifications for all leasehold improvements. Lessor agrees that it shall either approve the plans and specifications as submitted, or transmit proposed revisions to Lessee, within thirty (30) calendar days of receipt of the plans and specifications from Lessee.

E. In the event that Lessor requires revisions of the original plans and specifications, Lessee shall have thirty (30) calendar days from the date of receipt of the proposed revisions to resubmit the plans and specifications for Lessor's approval. Lessor's approval of plans and specifications shall not be withheld unreasonably.

F. Upon receiving Lessor's final approval of the plans and specifications, Lessee shall engage one or more qualified contractors to construct said improvements. Construction shall commence within sixty (60) calendar days of Lessee's receipt of Lessor's final approval of the plans and specifications and shall be scheduled for completion not later than one hundred eighty (180) calendar days after commencement of construction.

G. Lessee, at its own expense, shall procure all necessary permits for any construction of facilities, and all work and installations shall be made in accordance with all applicable laws, ordinances, and rules and regulations of any governmental body having jurisdiction of such matters. Lessee shall save Lessor harmless from any loss or damage by reason of any mechanic's lien or encumbrance of any kind or nature.

H. This Lease shall be subject to the Federal Aviation Administration's approval of any proposed construction as provided for on Federal Aviation Administration Form 7460-1.

I. At the end of the term of this Lease, Lessee shall have the right of removal. If Lessee fails to exercise said right of removal, Lessor may, at its option, remove and dispose of all structures then located on the premises, or may declare said structures abandoned; if so abandoned, title to said structures shall pass to Lessor. In the event of default in the payment of

rent, Lessor may re-enter the premises and use same and all structures thereon for its own purposes. In such event, and in the event default remains uncured for thirty (30) days thereafter, title to the structures shall thereupon pass to Lessor.

7. OTHER ALTERATIONS, ADDITIONS, IMPROVEMENTS:

A. Except for Lessee's work, Lessee shall make no alterations, additions, or improvements in or to the leased premises without Lessor's prior written consent.

B. All of the Lessee's work shall, upon construction or installation, become a part of the leased premises, subject to the use and occupancy of Lessee, and upon expiration or termination of this Lease does not become the property of Lessor. Lessee shall have the right at the termination of the Lease and within a reasonable amount of time after such expiration to remove Lessee's buildings, cement floors, personal property, and trade fixtures, provided any damage to Lessor's property resulting from such removal shall be repaired or restored at Lessee's expense. Any of Lessee's buildings, personal property, or trade fixtures that are not removed after a reasonable amount of time after the date of any termination of this Lease shall thereafter belong to Lessor without payment of any consideration therefor.

8. OPERATIONS: Lessee's approved operation at Airport is pursuant to the provisions of Part 135 of Title 14 of the Code of Federal Regulations, Federal Aviation Administration. Aircraft operated may be owned by Lessee or others. Lessee shall at all times and at its own cost and expense have all its owned or operated commercial aircraft maintained in good operating order and free from known mechanical defects. The method and arrangement for operating on the Airport, including but not limited to the parking of aircraft, shall be subject to the review and approval of the County Airport Manager. The Airport Manager shall at all times have final authority to designate the aprons, ramps, taxiways, runways, roadways, terminal, and common use areas at Airport to be utilized by Lessee in connection with its aircraft.

All of Lessee's activities conducted on Airport must be in accordance with appropriate federal and state statutory and decisional laws, Yuba County ordinances, rules and regulations, and the requirements of any other duly authorized government agency; however, in the event any such law, rules, regulations or requirement is changed subsequent to the execution of this lease and Lessee's activities are affected thereby, Lessee shall be allowed a reasonable time within which to comply with such change. Lessee shall conform and comply with all noise abatement rules and regulations applicable to Airport. Lessee agrees to conduct all flights, activities authorized herein, and ground operations on, at, or near the Airport in accordance with proper rules and regulations of all authorities having jurisdiction over such operations and activities.

9. USE OF COMMON AREAS:

A. Lessee shall be entitled, in common with others so authorized, to the use of all facilities and improvements of a public nature which are or may hereafter be connected with or appurtenant to the Airport, including the use of landing areas, runways, taxiways, navigational aids, terminal facilities, and aircraft parking designated by Lessor.

B. Lessor reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, together with the right to prevent Lessee from erecting, or permitting to be erected, any building or other structure on or adjacent to the Airport which, in the opinion of Lessor, would limit the usefulness of the Airport or constitute a hazard to aircraft.

10. USE OF PREMISES: Except as otherwise specifically limited herein, the leased premises shall be used by Lessee only for the purpose of conducting therein and thereon Lessee's registered aircraft operations and maintenance of the same aircraft and for no other purpose. Except for Lessor's obligations specifically set forth in this Lease and Use Permit, Lessee shall promptly comply with all laws, ordinances, orders, and regulations affecting the leased premises and its cleanliness, safety, occupation, and use. Lessee shall not do or permit anything to be done

in or about the leased premises, or bring or keep anything on the leased premises, that (i) will increase the premiums (unless Lessee pays such increase) or cause cancellation of any insurance on the building, (ii) is prohibited by any insurance on the building, (iii) would invalidate or be in conflict with the insurance coverage on the building, (iv) would invalidate any liability insurance of Lessor, or (v) may be a nuisance or menace to other tenants or users of the Airport provided. If Lessee is prohibited from using the leased premises for the permitted uses and purposes set forth in this paragraph 11 in order to comply with the covenants of this paragraph (other than payment of increased premiums), Lessee may terminate this Lease and Use Permit upon written notice thereof given to Lessor within thirty (30) days of such prohibited use. Lessee agrees to pay for any additional premiums on Lessor's fire and liability insurance policies charged by reason Lessee's use of or operations on the leased premises. No spray painting using inflammable paints or liquids will be done within the building without proper fire prevention and suppression equipment approved by Lessor.

11. SIGNS: During the term of this Lease, Lessee shall have the right, at Lessee's expense, to place in or on the premises a sign or signs identifying Lessee. Said sign or signs shall be of a size, shape, and design, and at a location or locations, approved by the Airport Manager and in conformance with any overall directional graphics or sign program established by Lessor. Notwithstanding any other provision of this Lease, said sign(s) shall remain the property of Lessee. Lessee shall remove, at its expense, all lettering, signs, and placards so erected on the premises at the expiration of the term of this Lease.

12. INSURANCE: Lessee shall throughout the existence of this Lease, at its own cost and expense, procure and maintain in full force and effect comprehensive general liability insurance in the minimum amounts of ONE MILLION DOLLARS ($1,000,000.00) combined single limit as follows:

A. The terms of the attached Exhibit B, "Insurance Provisions," are made a part of this Lease and are incorporated herein by reference.

B. Full Worker's Compensation and Employers' Liability Insurance covering all employees of Lessee as required by law in the State of California.

C. Additional Insureds: The insurance required shall include the County of Yuba, its officers and employees, as additional insureds except with regard to occurrences that are the result of their sole negligence.

D. Cancellation Notice: The insurance required shall provide that no cancellation or material change in any policy shall become effective except upon thirty (30) days' prior written notice to the County of Yuba.

E. Proof of Insurance: Lessee shall furnish proof of coverage satisfactory to the Yuba County Risk Manager as evidence that the insurance required above is being maintained.

13. INDEMNITY: Lessee shall indemnify and defend the County and its officers, agents, and employees against and hold it harmless from any and all loss, damage, and liability for damages, including attorneys' fees and other costs of defense incurred by County, whether for damage to or loss of property, or injury to or death of person, including properties of County and injury to or death of County's officers, agents, and employees, which shall in any way arise out of or be connected with Lessee's operations hereunder, unless such damage, loss, injury or death shall be caused solely by the negligence of County.

14. MAINTENANCE AND REPAIR:

Lessee shall be responsible for the maintenance and repair of the premises and shall keep and maintain the premises in good condition, order, and repair, and shall surrender the same upon the expiration of this Lease in the condition in which they are required to be kept, reasonable wear, tear, and damage by the elements not caused by Lessee's negligence excepted.

15. TAXES: Under this Lease, a possessory interest subject to property taxation may be created. Notice is hereby given pursuant to California Revenue and Taxation Code Section 107.6 that such property interest may be subject to property taxation created, and that the party to whom the possessory interest is vested may be subject to the payment of property taxes levied on such interest. Lessee shall pay all taxes of whatever character that may be levied or charged upon Lessee's operations hereunder and upon Lessee's right to use Airport.

16. UTILITIES: Lessee shall have sole and exclusive responsibility for obtaining all electricity, gas, water, telephone, sewer, or other utility services and for the payment of all rates or charges levied, assessed, or charged against said premises in the operation thereof for such services. Lessee will furnish its own heat, light, and power for the operation of said premises, including but not limited to any service charges, connection or installation fees, related thereto.

17. ASSIGNMENT OR SUBLEASE:

A. Lessee shall not assign or transfer in whole or in part by operation of law or otherwise this Lease or any of the Lessee's rights, duties, or obligations hereunder nor sublet any portion or all of the premises leased hereunder or the hangar constructed upon said premises without Lessor's consent to assignment of this Lease, and the Lessor shall not unreasonably withhold his consent to assignment. Lessor retains the right at time of proposed assignment to terminate Lease and renegotiate a new Lease with proposed assignees at Lessor's option.

B. Lessee shall have the right to sublease up to 100 percent of its leasehold with the approval of the Airport Manager, but sublessees will be required to pay appropriate use and fees or charges as established from time-to-time by the County. Any sublease of this Lease shall also contain the above provision prohibiting further subleasing by sublessees.

C. If Lessee, without securing prior written approval of Lessor, attempts to effect such a transfer, assignment, sublease, or if a transfer occurs by operation of law, Lessor

may terminate this Lease upon thirty (30) days' notice to Lessee without further liability to Lessee and such assignment, transfer, or sublease shall be void.

18. DEFAULT: In the event Lessee is in default in the payment on any amount due under the terms of this Lease or defaults in the performance of any of the covenants or conditions on Lessee's part to be performed, then Lessor, at its option, may terminate this Lease and re-enter upon the premises. Lessor shall have the right to retain all rents and any other sums owing and unpaid to the date of termination hereunder.

19. BANKRUPTCY: In the event of bankruptcy, either voluntary or involuntary, or any assignment for the benefit of creditors made by Lessee, Lessee's interest hereunder shall automatically terminate.

20. FIRE DAMAGE: It is mutually understood and agreed between the parties hereto that in the event any portion of the demised premises be destroyed by fire and the same cannot be repaired within ninety (90) days, then Lessee may elect to terminate this Lease. In the event such restoration can be made within ninety (90) days, Lessor agrees to restore said premises provided further that during the period of non-occupancy by Lessee, the rent for said premises shall be waived during the period of non-occupancy and non-use.

21. BREACH OR NONCOMPLIANCE: The waiver of any breach or noncompliance with any terms, covenants, conditions, or provisions of this Lease or any rules, regulations, or decisions adopted pursuant thereto shall not constitute the waiver of any subsequent breach thereof whether such breach or noncompliance be the same or of a different kind or character.

22. ATTORNEY'S FEES: In case Lessor, without fault on its part, be made a party to any litigation commenced by or against Lessee, Lessee shall pay all costs, reasonable attorney's fees, and expenses which may be incurred or imposed on Lessor by or in connection with such litigation. Should either party hereto bring any action at law or in equity to enforce any of

the rights hereunder, the prevailing party in such action shall be entitled to recover attorney's fees and any other relief that may be granted by the court, whether or not the party prevailing in such action be the party who instituted the same.

23. COMPLIANCE WITH SPONSOR'S FEDERAL GRANT ASSURANCES:

To the extent applicable, Lessee shall comply with all Federal Aviation Administration (FAA) assurances as shown on Exhibit C, attached hereto and made a part hereof.

24. NOTICES: Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party pursuant to this Lease shall be in writing and either served personally or sent by prepaid, first-class mail. Such matters shall be addressed to the other party at the following address:

To County At:

Airport Manager
YUBA COUNTY AIRPORT
1364 Sky Harbor Drive
Olivehurst, CA 95961

To Lessee At:

2160 Feather River Boulevard
Olivehurst, CA 95961

Copy to:

Yuba County
County Counsel
Suite 111
119 8th Street
Marysville, CA 95901

IN WITNESS WHEREOF, the parties have signed this Lease the day and year first above written.

LESSEE

By: _____
Greg Foster

COUNTY OF YUBA

By: _____
Chairman

ATTEST: DONNA STOTTLEMEYER
Clerk of the Board
Of Supervisors

_____

REVIEW OF INSURANCE:

_____
Risk Manager

APPROVED AS TO FORM:

_____
County Counsel
by: Bobbie Ross Todd

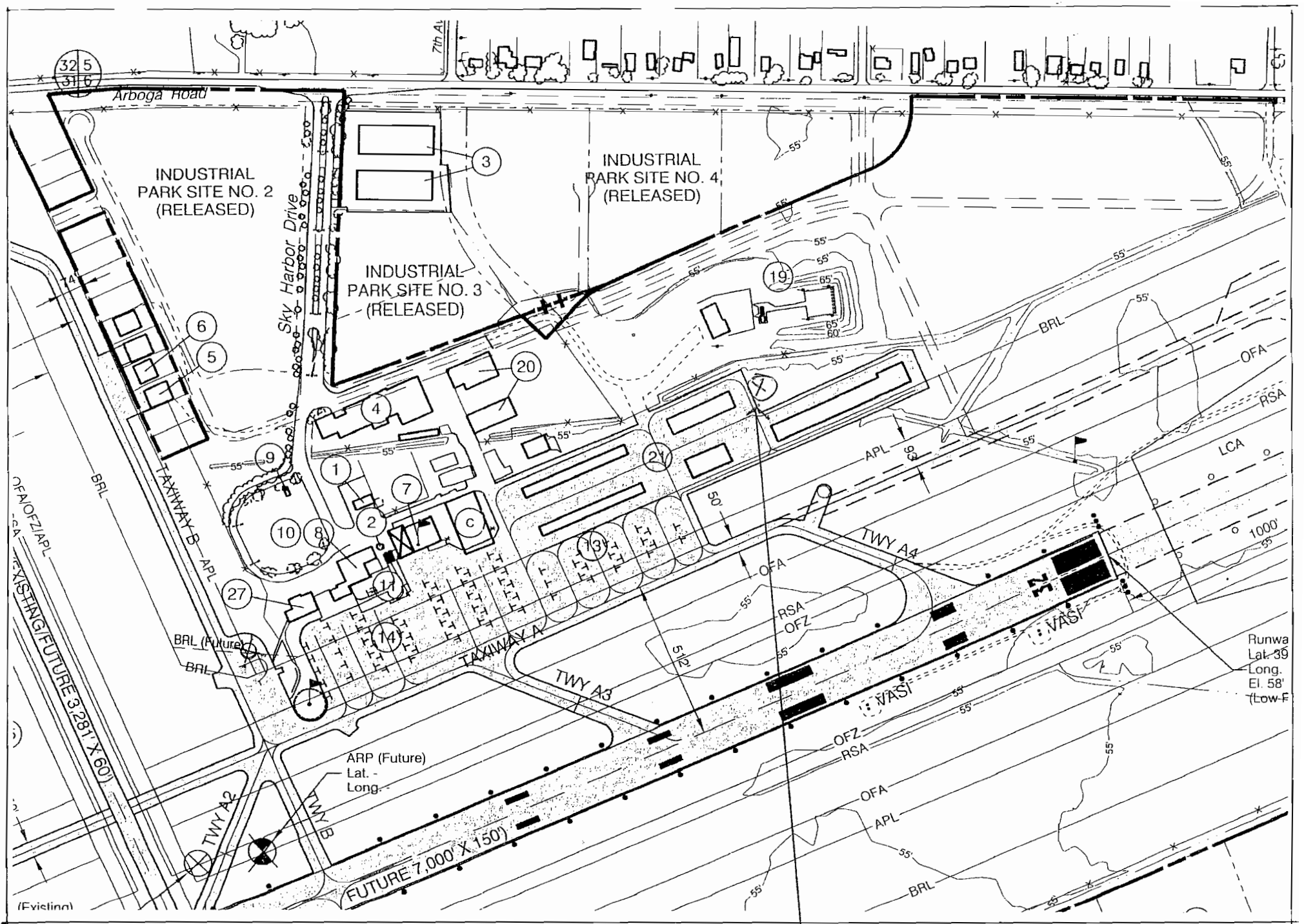


EXHIBIT A

HANGAR CONSTRUCTION LOCATION

EXHIBIT B

INSURANCE PROVISIONS

LESSEE shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the LESSEE, its agents, representatives, or employees.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability** (CGL): Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis for bodily injury and property damage, including products-completed operations, personal injury and advertising injury, with limits no less than $1,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

2. **Automobile Liability:** Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if LESSEE has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than $1,000,000 per accident for bodily injury and property damage.

3. **Workers' Compensation** insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than $1,000,000 per accident for bodily injury or disease.
(Not required if LESEE provides written verification it has no employees)

4. **Professional Liability** (Errors and Omissions) Insurance as appropriate to LESSEE's profession, with limits no less than $1,000,000 per occurrence or claim, $2,000,000 aggregate.

5. **Pollution Legal Liability** with limits no less than $1,000,000 per occurrence or claim, and $2,000,000 policy aggregate.

If the LESSEE maintains higher limits than the minimums shown above, COUNTY requires and shall be entitled to coverage for the higher limits maintained by LESSEE.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status
COUNTY, its officers, officials, employees, and volunteers are to be covered as additional insureds on the auto policy with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of LESSEE; and on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of LESSEE including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the LESSEE's insurance (at least as broad as ISO Form CG 20 10, 11 85 or both CG 20 10 and CG 23 37 forms if later revisions used).

Primary Coverage
For any claims related to this contract, **LESSEE's insurance coverage shall be primary** insurance as respect to COUNTY, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by COUNTY, its officers, officials, employees, or volunteers shall be excess of LESSEE's insurance and shall not contribute with it.

Notice of Cancellation
Each insurance policy required above shall state that **coverage shall not be canceled, except with notice to the COUNTY**.

Waiver of Subrogation
LESSEE hereby grants to COUNTY a waiver of any right to subrogation which any insurer of said LESSEE may acquire against COUNTY by virtue of the payment of any loss under such insurance. LESSEE agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not COUNTY has received a waiver of subrogation endorsement from the insurer.

Deductibles and Self-Insured Retentions
Any deductibles or self-insured retentions must be declared to and approved by COUNTY. COUNTY may require LESSEE to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

Acceptability of Insurers
Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the COUNTY.

Claims Made Policies
If any of the required policies provide coverage on a claims-made basis:
1. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.

2. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.

3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, LESSEE must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work.

Verification of Coverage
LESSEE shall furnish COUNTY with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by COUNTY before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive LESSEE's obligation to provide them. COUNTY reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Subcontractors
LESSEE shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein.

Special Risks or Circumstances
COUNTY reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

EXHIBIT C

FEDERAL AVIATION ADMINISTRATION ASSURANCES

A. COMPLIANCE WITH SPONSOR'S FEDERAL GRANT ASSURANCES: To the extent applicable, Lessee shall comply with all Federal Aviation Administration (FAA) assurances below:

1. The Lessee for itself, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenants and agree that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this Agreement for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar services or benefits, the Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, COT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

2. The Lessee for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that (in the case of leases add "as a covenant running with the land") that: (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination, (3) that the (Lessee, licensee, Lessee, etc. shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

3. That in the event of breach of any of the above nondiscrimination covenants, the County of Yuba shall have the right to terminate the permit and to reenter and repossess said land and the facilities thereon, and hold the same as if said permit had never been made or issued. This provision does not become effective until the procedures of 49 CFR Part 21 are followed and completed including expiration of appeal rights.

4. Lessee shall furnish its accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users thereof and it shall charge fair, reasonable and not unjustly discriminatory prices for each unit or service; PROVIDED, THAT the Lessee may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar type of price reductions to volume purchasers.

5. Non-compliance with Provision 4 above shall constitute a material breach thereof and in the event of such non-compliance the County of Yuba shall have the right to terminate this permit and the estate hereby created without liability therefore or at the election of the County of Yuba or the United States either or both said Governments shall have the right to judicially enforce Provisions.

6. Lessee agrees that it shall insert the above five provisions in any permit by which said Lessee grants a right or privilege to any person, firm or corporation to render accommodations and/or services to the public on the premises herein permitted.

7. The Lessee assures that it will undertake an affirmative action program as required by 14 CFR Par 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The Lessee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The Lessee assures that it will require that its covered suborganizations provide assurances to the Lessee that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR 152, Subpart E, to the same effort.

8. The County of Yuba reserves the right to further develop or improve the landing area of the airport as it sees fit, regardless of the desires or view of the Lessee and without interference or hindrance.

9. The County of Yuba reserves the right, but shall not be obligated to the Lessee to maintain and keep in repair the landing area of the airport and all publicly-owned facilities of the airport together with the right to direct and control all activities of the Lessee in this regard.

10. This lease shall be subordinate to the provisions and requirements of any existing or future agreement between the County of Yuba and the United States, relative to the development, operation or maintenance of the airport.

11. There is hereby reserved to the County of Yuba, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the premises herein permitted. This public right of flight shall include the right to cause in said airspace any noise inherent in the operation of any aircraft used for navigation or flight through the said airspace or landing at, taking off from or operation on the Yuba County Airport.

12. Lessee agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations in the event future construction of a building is planned for the permitted premises, or in the event of any planned modification or alteration of any present of future building or structure situated on the permitted premises.

13. The Lessee by accepting this expressly agrees for itself, its successors and assigns that it will not erect nor permit the erection of any structure or object, nor permit the growth of any tree on the land leased hereunder above the mean sea level elevation of 65 feet. In the event the aforesaid covenants are breached, the owner reserves the right to enter upon

the land permitted hereunder and to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of the Lessee.

14. The Lessee by accepting this permit agrees for itself, its successors and assigns that it will not make use of the permitted premises in any manner which might interfere with the landing and taking off of aircraft from the Yuba County Airport or otherwise constitute a hazard. In the event the aforesaid covenant is breached, the owner reserves the right to enter upon the premises hereby permitted and cause the abatement of such interference at the expense of the Lessee.

15. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308a of the Federal Aviation Act of 1958 (49 U.S.C. 1349a).

16. This permit and all the provisions hereof shall be subject to whatever right the United States Government now has or in the future may have or acquire, affecting the control, operation, regulation and taking over of said airport or the exclusive or non-exclusive use of the airport by the United States during the time of war or national emergency.

The County of Yuba

Department of Administrative Services

Doug McCoy - Director

AIRPORT 741-6248
BUILDING & GROUNDS 749-7880
FACILITIES MANAGEMENT 749-7880
INFORMATION SERVICES 749-7891
PRINT SHOP 749-7880
PURCHASING 749-7880
TELECOMMUNICATIONS 749-7880

(530) 749-7880
FAX (530) 749-7936

November 18, 2014

TO: YUBA COUNTY BOARD OF SUPERVISORS

FROM: Doug McCoy, Director of Administrative Services

SUBJECT: APPROVE REQUEST FOR TRANSFER OR REVISION OF APPROPRIATION, ESTIMATED REVENUE AS IT RELATES TO SERVICES PROVIDED BY THE AIRPORT MANAGER TO THE YUBA-SUTTER ENTERPRISE ZONE PROGRAM, FUND 126

Recommendation:

It is recommended that the Board approve the subject "Request for Transfer or Revision of Appropriation, Estimated Revenue or Funds."

Background:

The budget appropriation is necessary to appropriate revenue from the Yuba-Sutter Enterprise Zone program for management services provided by the Airport Manager for the period July 1, 2014, through December 31, 2014.

Discussion:

The State Enterprise Zone Program ended on December 31, 2013 for new credits earned. The State legislatively approved the continuation of issuing state enterprise zone hiring tax credit vouchers by zone managers through December 31, 2014. Funds were not budgeted initially during budget preparations due to the uncertainty of the revenue anticipated to complete the work through December 31, 2014.

Committee Action:

This item was not presented to the Public Facilities Committee due to the routine nature of the request.

Fiscal Impact:

There are no costs associated with this agenda item that would impact the General Fund.

Attachment

WHITE - AUDITOR
YELLOW - COUNTY ADMINISTRATOR
PINK - DEPARTMENT

COUNTY OF YUBA

AUDIOR-CONTROLLER

DATE _____

REQUEST FOR TRANSFER OR REVISION OF APPROPRIATION, ESTIMATED REVENUE OR FUNDS

TRANSFER # _____

DEPARTMENT ADMINISTRATIVE SERVICES (ENTERPRISE ZONE)

REQUEST APPROVAL OF THE FOLLOWING TRANSFER FISCAL YEAR ENDING JUNE 30, 20 15

BUDGET OR ESTIMATED REVENUE

☒ ESTIMATED REVENUE INCREASE ☐ ESTIMATED REVENUE DECREASE

☐ APPROPRIATION DECREASED ☒ APPROPRIATION INCREASED

ACCOUNT NO.	NAME	AMOUNT
126-0000-371-93-00		50,000

ACCOUNT NO.	NAME	AMOUNT
126-9504-419-23-00		50,000

RECEIVED
OCT 21 2014
COUNTY OF YUBA
AUDITOR - CONTROLLER

FUND TRANSFERS

OPERATING TRANSFERS OUT

ACCOUNT NO.	NAME	AMOUNT

OPERATING TRANSFERS IN

ACCOUNT NO.	NAME	AMOUNT

GENERAL LEDGER (AUDITOR - CONTROLLER USE ONLY)

		AMOUNT				AMOUNT	
FUND	ACCOUNT	DEBIT	CREDIT	FUND	ACCOUNT	DEBIT	CREDIT

REASON FOR TRANSFER: Transfer necessary to allocate funds for reimbursement of the Airport for management services provided to the Yuba-Sutter Enterprise Zone. Funds were not previously allocated as revenue estimates were unclear due to program end.

APPROVED:

☐ AUDITOR-CONTROLLER _____ 10/22/14 _____
Signature Date Signature

DEPARTMENT HEAD OR AUTHORIZED OFFICIAL

☐ COUNTY ADMINISTRATOR Robert Bond 10/21/14 Administrative Services Director
Signature Date TITLE

Approved as to Availability of Budget Amounts and Balances in the Auditor/Controllers Office. AUDITOR - CONTROLLER	[redacted]	*Approved:* BOARD OF SUPERVISORS
Auditor/Controller, Dean E. Sellers		*Clerk of the Board* *Date*

Staff Report

TO: Board of Supervisors

FROM: County Assessor

SUBJECT: Request Board of Supervisors Approve Budget Transfer

DATE: November 18, 2014

Recommendation

Authorize the attached Budget Transfer in the amount of $6,101

Background

Unanticipated need necessitating the acquisition of a computer and related software for assessor's Cadastral Drafting position.

Discussion

The assessor has been using an outdated version of the AutoCAD drafting software and a computer that is no longer compatible for drafting purposes. Budget goals for prior years dictated that we make use of existing equipment and software. It has now come to the point that we will no longer be eligible for vendor support of the older version of our AutoCAD software and we can no longer utilize the existing computer as it is not compatible with the new software.

We were able to purchase a new computer sufficient to operate the updated version of software at a competitive price. We were also able to acquire the new version of AutoCAD software that should be sufficient for several years of service. The assessor utilized existing budgeted accounts to acquire the needed new software and equipment and is now asking to transfer funds from the assessor's AB 818 Loan Trust to reimburse the assessor's budget for the computer and software expenditures.

This item bypassed committee review due to time constraints and this item having no impact to General Fund.

Fiscal Impact:

No impact to county's General Fund – the assessor's AB818 Loan Trust Account has sufficient funds for reimbursement.

Attachment: Budget Transfer Documents

WHITE - AUDITOR
YELLOW - COUNTY ADMINISTRATOR
PINK - DEPARTMENT

DATE 10-14-2014

RECEIVED
OCT 16 2014
COUNTY OF YUBA
AUDITOR-CONTROLLER

AUDIOR-CONTROLLER

TRANSFER # _____

REQUEST FOR TRANSFER OR REVISION OF APPROPRIATION, ESTIMATED REVENUE OR FUNDS

DEPARTMENT Assessor

REQUEST APPROVAL OF THE FOLLOWING TRANSFER FISCAL YEAR ENDING JUNE 30, 20 15

BUDGET OR ESTIMATED REVENUE

☒ ESTIMATED REVENUE INCREASE
☐ ESTIMATED REVENUE DECREASE
☐ APPROPRIATION DECREASED
☒ APPROPRIATION INCREASED

ACCOUNT NO.	NAME	AMOUNT
101-0000-371-97-16		
AB 818 LOAN TRUST		6101

ACCOUNT NO.	NAME	AMOUNT
101-0600-412-1700		
MAINTENANCE EQUIP		1119
101-0600-412-2200		
OFFICE EXPENSE		4982

FUND TRANSFERS

OPERATING TRANSFERS OUT

ACCOUNT NO.	NAME	AMOUNT

OPERATING TRANSFERS IN

ACCOUNT NO.	NAME	AMOUNT

GENERAL LEDGER (AUDITOR - CONTROLLER USE ONLY)

		AMOUNT				AMOUNT	
FUND	ACCOUNT	DEBIT	CREDIT	FUND	ACCOUNT	DEBIT	CREDIT

REASON FOR TRANSFER:
PURCHASE OF UNANTICIPATED NEED FOR NEW COMPUTER AND AUTOCAD SOFTWARE FOR CADASTRAL DRAFTING PURPOSES.

APPROVED:

☒ AUDITOR-CONTROLLER _____ 10/20/14 _____ DEPARTMENT HEAD OR AUTHORIZED OFFICIAL
Signature Date Signature

☒ COUNTY ADMINISTRATOR Robert Bendorf /DM 10/14/14 ASSESSOR
Signature Date TITLE

Approved as to Availability of Budget Amounts and Balances in the Auditor/Controllers Office. AUDITOR - CONTROLLER	[redacted]	Approved: BOARD OF SUPERVISORS
Auditor/Controller, Dean E. Sellers		Clerk of the Board Date

COUNTY OF YUBA

AUDITOR-CONTROLLER'S OFFICE

JOURNAL ENTRY REQUEST FORM

DATE: 10/13/2014

FROM DEPARTMENT: Assessor

APPROVED BY: Bruce Stottlemeyer

PREPARED BY/PHONE#: Bruce Stottlemeyer 7828

EXPLANATION FOR THE TRANSFER (ATTACH CORRESPONDING ORIGINAL DOCUMENTATION):

Transfer $6,101 from assessor's trust account 220-0000-372-9903 for unanticipated purchase of new computer and AutoCAD software.

Fund Name	Account Name	Account Number				Debit	Credit
		FUND	DEPT	BASE	EL-OB		
AB 818 Trust	Operating Transfer Out	220	0000	372	9903	6,101.00	
General Fund	Operating Transfer In	101	0000	372	99-01		6,101.00

THIS PAGE INTENTIONALLY LEFT BLANK

The County of Yuba

BOARD OF SUPERVISORS

OCTOBER 21, 2014 - 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 Nicoletti presided.

I. PLEDGE OF ALLEGIANCE - Following a moment of silence honoring members of the armed services and their families whose lives have been lost followed by the pledge led by Supervisor Vasquez

II. ROLL CALL - Supervisors Vasquez, Nicoletti, Griego, Abe, Stocker

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: Hal Stocker SECOND: Andy Vasquez
AYES: Hal Stocker, Andy Vasquez, John Nicoletti, Mary Jane Griego, Roger Abe
NOES: None ABSENT: None ABSTAIN: None

A. Clerk of the Board of Supervisors

1. (469-14) Appoint Gary Hawthorne to the Resource Conservation District for term to expire November 30, 2016. Approved.

2. (470-14) Appoint Chong Yang to the Yuba County Economic Development Advisory Committee to serve at the pleasure of the Board. Approved.

3. (471-14) Approve September 30, and October 7, 2014 Board meeting minutes. Approved, as written.

4. (472-14) Appoint Robert Roberts to the Keystone Cemetery District for a term to expire October 21, 2018. Approved.

5. (473-14) Appoint Susan Lee to the Browns Valley Cemetery District for a term to expire October 21, 2018. Approved.

B. Community Development and Services

1. (474-14) Approve Amendment No. 2 to agreement with Quincy Engineering Inc. for the Alleghany Road over Oregon Creek Bridge Rehabilitation project and authorize Chair to execute. Approved.

C. Health and Human Services

1. (475-14) Adopt resolution authorizing Health and Human Services to enter into and execute agreements with Foster Family Agencies for the provision of intensive treatment foster care services. (Human Services Committee recommends approval) Adopted Resolution No. 2014-98, which is on file in Yuba County Resolution Book No. 45.

2. (476-14) Adopt resolution authorizing Chair to accept, allocate grants funds from First 5 Yuba for the period of October 1, 2014 through June 30, 2016, and execute related agreements; and authorize a Budget Transfer in the amount of $30,000 from Account No. 106-000-361-47.07 (Grant Revenue) to appropriate revenue for expenditures for the period of October 1, 2014 through June 30, 2015. Adopted Resolution No. 2014-99, which is on file in Yuba County Resolution Book No. 45.

D. Human Resources and Organizational Services

1. (477-14) Approve CSAC-EIA Medical Malpractice extended participation agreement and authorize Chair to execute. Approved.

2. (478-14) Approve Master Labor Agreement with Probation Peace Officers' Association and authorize Chair to execute. Approved.

IV. SPECIAL PRESENTATION

A. (479-14) Present 2014 Employee Recognition Awards. (Fifteen minute estimate) Human Resources Director Martha Wilson and Board members presented the following awards:
- Outstanding Leadership - Cheryle Corniel
- Public Service Excellence - Michele Mazerolle
- Workforce Excellence - Tracy Bryan
- Exceptional Team Work - Adult Services consisting of Kemry Smith, Xia Lia Yang, Rachel Davit, Lois DeAlba, Cyndi Epperson, Chao Her, Cathy Jordan, Stacy Morris, Monica Saini, Wenny McCleary, Karah Glavaris, Greg Knox, Evelyn Morrill, Billy Yang and John Crocker
- Workforce Excellence Sustained Effort - Michelle Ridgeway

B. (480-14) Receive information on Draft Development Code, public review, availability, and comment period. (Fifteen minute estimate) Planning Director Wendy Hartman provided a brief PowerPoint presentation outlining purpose of the Draft Development Code and advised of availability of code, comment period ending on December 5, 2014, and public workshop scheduled November 19, 2014 at 6:00 p.m. in the Board Chambers.

V. PUBLIC COMMUNICATIONS:

Mr. Preston Dickinson, Preston's Telecom Consulting, AT&T representative

VI. COUNTY DEPARTMENTS

A. County Administrator

1. (481-14) Award Public Defender - First Conflict contract to Michael J. Sullinger, Douglas Tibbits, and Philippa Lauben, and authorize Chair to execute. (Five minute estimate) Management Analyst Grace Mull briefly recapped and responded to Board inquiries.

MOTION: Move to approve MOVED: Mary Jane Griego SECOND: Andy Vasquez
AYES: Mary Jane Griego, Andy Vasquez
NOES: None ABSENT: None ABSTAIN: None

VII. ORDINANCES AND PUBLIC HEARINGS: The Clerk read disclaimer.

Supervisor Stocker left the meeting at 10:28 a.m.

A. (482-14) Public Hearing - Hold hearing and adopt findings of facts, conclusion of law and orders authorizing the assessment of administrative and abatement costs and penalties, and recording of lien regarding the subject address of 1859 Turpin Street, Olivehurst (Edward G and Yvonne P Stubbs), in the amount of $17,481.06. (Ten minute estimate) Code Enforcement Manger Jeremy Strang provided a Power Point presentation which recapped the abatement of a public nuisance, cost for same, and responded to Board inquiries.
Supervisor Stocker rejoined the meeting at 10:33 a.m.

Property owner Mr. Ed Stubbs recapped acquiring the property, disputed some associated costs, however understood the cost but was unable to pay, and indicated he would turn the property over to the county to recover costs.

County Counsel Angil Morris-Jones commented on the purpose of the hearing and inability to accept property from owner.

MOTION: Move to Close Public Hearing
MOTION: Move to adopt MOVED: Mary Jane Griego SECOND: Hal Stocker
AYE: Mary Jane Griego, Hal Stocker, Andy Vasquez, John Nicoletti, Roger Abe
NO: None ABSENT: None ABSTAIN: None

MOTION: Move to adopt findings, conclusions, and orders for assessment of costs, penalties in the amount of $17,481.06
MOVED: Mary Jane Griego SECOND: Hal Stocker
AYE: Mary Jane Griego, Hal Stocker, Andy Vasquez, John Nicoletti, Roger Abe
NO: None ABSENT: None ABSTAIN: None

B. (483-14) Public Hearing - Hold hearing and adopt resolution of necessity to acquire property identified as APN 021-150-061 (Butler) for community parkland in East Linda Specific Plan. (30 minute estimate) Chairman Nicoletti provided directions for the hearing.

Public Works Director Mike Lee recapped the steps taken to acquire the property, appraisal of the property, meetings with owners, and steps leading to inability to reach a mutually acceptable purchase price. Mr. Lee responded to Board inquiries.

Mr. William LeBaron, Appraiser, responded to Board inquiries regarding the appraisal and subject property.

Attorney Brian Manning. on behalf of Roberta Butler, challenged the right to take the property, questioned use of the property, acquisition, and objected to the appraisal of the property as improper and not meeting the requirements for eminent domain. Mr. Manning responded to Board inquiries

County Counsel Angil Morris-Jones clarified the resolution and legality of proposed action.

Chairman Nicoletti opened the public hearing. No one came forward.

MOTION: Move to close public hearing and adopt resolution of necessity
MOVED: Hal Stocker SECOND: Mary Jane Griego
AYES: Hal Stocker, Mary Jane Griego, John Nicoletti
NOES: Andy Vasquez, Roger Abe ABSENT: None ABSTAIN: None

Motion failed.

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

Supervisor Abe left the meeting at 11:43 a.m. and returned at 11:47 a.m.

A. (484-14) Two News Releases from U.S. Fish and Wildlife Service regarding the western yellow-billed cuckoo and west coast fisher population. Accepted

IX. 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.

Supervisor Griego:
- Boots and Brews October 25, 2014
- CALAFCO Annual Conference

Supervisor Stocker: Indigenous Days held at Sycamore Ranch October 10-12, 2014

Supervisor Vasquez left at the meeting at 11:44 a.m. and returned at 11:48 a.m.

X. CLOSED SESSION: The Board retired into closed session at 11:48 a.m. and returned at 12:17 p.m. with all present as indicated above.

A. Personnel pursuant to Government Code §54957.6(a) - Labor Negotiations - DDAA/Confidential/Unrepresented/Management No report

County Administrator Robert Bendorf joined closed session at 11:54 a.m. following discussion of DDAA negotiations.

B. Personnel pursuant to Government Code §54957 - Public Appointment - Human Resources and Organizational Services Director No report

XI. ADJOURN: 12:18 p.m.

_____
Chair

ATTEST: DONNA STOTTLEMEYER
CLERK OF THE BOARD OF SUPERVISORS

_____ Approved: _____

The County of Yuba

BOARD OF SUPERVISORS

OCTOBER 22, 2014

The Honorable Board of Supervisors of the County of Yuba met on the above date, commencing at 6:00 p.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 Nicoletti presided.

I. PLEDGE OF ALLEGIANCE - Led by Supervisor Nicoletti

II. ROLL CALL - Supervisors Vasquez, Nicoletti, Griego, Abe, Stocker - Supervisor Abe absent.

Also present were:
- City of Marysivlle - Ricky Samayoa, Christopher Pedigo, Michael Selvidge, Dale Whitmore
- Olivehurst Public Utility District - Gary Bradford, Dennise Burbank, James Carpenter, John Floe
- Linda Fire District - Glen Weldon
- Wheatland Fire Authority - Darryl Stineman

III. REGIONAL FIRE STUDY WORKSHOP

A. (485-14) Receive presentation on Regional Fire Study, findings and recommendations. (Sixty minute estimate) County Administrator Robert Bendorf provided the background regarding discussions for regionalized fire protection for the valley floor which led to the selection of consultants to prepare an analysis for fire services and consolidation. Mr. Bendorf outlined the format for presentation and discussion.

Consultants Stewart Gary and Bill Sager provided a PowerPoint presentation recapping the following regarding the Shared Fire Services Study:
- Procedures for compiling report
- Participants
  - City of Marysville, District 10/Hallwood
  - Linda Fire Protection District
  - Olivehurst Public Utilities District
  - Wheatland Joint Powers Authority – City of Wheatland/Plumas Brophy Fire Protection District
- Findings in Brief
  - Full merger or consolidation of agencies currently is fiscally problematic, requires considerable preparatory work done in phases, could be introduced by contract for shared service agreements
  - Merger or consolidation would improve current operational and fiscal efficiencies
  - Efficiencies include closest-unit automatic aid response, consolidated operational standard procedures, sharing of chief officers for incident command and training

- Salary and Benefit Employee Cost
  - Base salaries and CalPERS retirement plan for Linda Fire significantly higher and other agencies cannot afford this employee cost structure
  - Disparity of compensation and available revenues
  - Salary and Benefit Employee Cost Matrix
  - Recommended incremental approach to consolidation which could start with joint training program, closest unit response, and contract for chief officer coverage service
- Risk Analysis - Overall risk moderate
- Strength, Weaknesses, Opportunities, and Threats Findings
  - Pride in personnel
  - Pride in apparatus maintenance and equipment
  - Need for chief officer coverage
  - Opportunity for joint training at all levels
- Joint Training
- Chiefs Association
- Response Plan on closest unit (first due) rather than jurisdiction
- County-wide Standard Operating Guidelines
- Duty Officer Coverage
- Joint Purchasing
- Fire Prevention
- Fire Dispatch
- Large Fire Management
- Specialized Logistical Services
- Steps for moving forward

Fire Chief Rich Webb, on behalf of the Fire Chiefs, provided their perspective of where they concurred with the study which included:

- Joint training academy
- Joint development/operational program
- Standardized configurations for equipment
- Chiefs Association
- Expand Collaborative efforts beyond Bi County Hazardous Materials Response Team
- Response time for closest unit responding and multi-agency response
- County wide standardized operation guidelines
- Joint purchasing
- Formalize Chief Officer Coverage
- Designated position for fire dispatch within Sheriff's dispatch center during peak hours

Mr. Gary and Mr. Sager responded to inquiries and comments from representatives of the various entities.

Mr. Bendorf opened the floor public comments or questions. There were none.

Supervisor Abe joined the meeting at 7:11 p.m.

Mr. Bendorf provided closing comments, commended the participants and discussions on shared services and how to better serve residents.

IV. ADJOURN: With no further discussion, the meeting adjourned at 7:13 p.m.

_____
Chair

ATTEST: DONNA STOTTLEMEYER
CLERK OF THE BOARD OF SUPERVISORS

_____ Approved: _____

The County of Yuba

BOARD OF SUPERVISORS

OCTOBER 28, 2014 - 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 Administrator Robert Bendorf, County Counsel Angil Morris-Jones, and Deputy Clerk of the Board of Supervisors Rachel Ferris. Chairman Nicoletti presided.

I. PLEDGE OF ALLEGIANCE - A moment of silence honoring members of the armed services and their families whose lives have been lost followed by the pledge 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: Hal Stocker SECOND: Andy Vasquez
AYES: Hal Stocker, Andy Vasquez, John Nicoletti, Mary Jane Griego, Roger Abe
NOES: None ABSENT: None ABSTAIN: None

A. Community Development and Services

1. (487-14) Receive notice of final map under review pending approval identified as Tract Map 2014-01 Montrose at Edgewater Unit 4 Final Map. Received.

B. Emergency Services

1. (488-14) Adopt resolution proclaiming the existence of an ongoing local drought emergency in the County of Yuba. Adopted Resolution No. 2014-100, which is on file in Yuba County Resolution Book No. 45.

C. Health and Human Services

1. (489-14) Adopt resolution authorizing Chair to execute counseling and therapeutic services agreements for Child Welfare Services and California Work Opportunity and Responsibility to Kids programs and rescinding Resolution No. 2013-48. Adopted Resolution No. 2014-101, which is on file in Yuba County Resolution Book No. 45.

2. (490-14) Approve Children's Medical Services Plan and Fiscal Guidelines for Fiscal Year 2014-2015 and authorize Chair to execute certification statements. Approved.

D. Human Resources and Organizational Services

1. (503-14) Adopt resolution amending the Classification System Basic Salary/Hourly Schedule as it relates to the County Administrator. Adopted Resolution No. 2014-102, which is on file in Yuba County Resolution Book No. 45.

IV. SPECIAL PRESENTATION

A. (491-14) Present proclamations recognizing Master Gardeners. (Ten minute estimate) Chairman Nicoletti and Supervisor Stocker presented proclamations recognizing Master Gardeners Kathy Jensen, Barbara Kiernan, Joan Hamill, Barbara McMath, Sara Harris, Gail Roughton, and Cynthia Slayton.

V. PUBLIC COMMUNICATIONS:

Agricultural Commissioner Louie Mendoza advised of press release for cash buyers of walnuts, in accordance with the Yuba County Ordinance Code, and responded to Board inquiries.

VI. COUNTY DEPARTMENTS

A. Community Development and Services

1. (492-14) Approve regionalization of the Housing Authority and adopt resolutions amending Community Development and Service Agency Position Allocation Schedule and Basic Salary Schedule relating to Housing Program Manager and Housing Specialist effective December 1, 2014, and Senior Housing Specialist effect January 1, 2015. (Ten minute estimate) Planning Director Wendy Hartman recapped the regionalization of the Housing Authority, location of regional housing office, and responded to Board inquiries.

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

Adopted Resolution No. 2014-103, Resolution No. 2014-104, which are on file in Yuba County Resolution Book No. 45.

B. County Administrator

1. (493-14) Approve agreement with Yuba County Water Agency relating to the Yuba Levee Financing Authority Revenue Bonds, 2008 Series A, and 2008 Series B, for such purposes, approve related actions and authorize Chair to execute. (Ten minute estimate) County Administrator Robert Bendorf provided a brief recap and advised bonds were approved by the Yuba Levee Finance Authority and the Yuba County Water Agency, and responded to Board inquiries.

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

2. (494-14) Approve Yuba County Employee's Association (YCEA) Master Labor Agreement application of benefits, and benefits specific to Unrepresented Management/Confidential and approve amendment to the Classification System-Basic Salary/Hourly Schedule with the approval of the differential pay adjustment

for the Confidential classification. (Ten minutes estimate) County Administrator Robert Bendorf recapped the following and responded to Board inquiries:

- Cost of Living Adjustment increase of net 2 percent in third year
- Lump sum payments similar to YCEA
- Equity Adjustments
- CalPERS Retirement Contribution
- Health Insurance share of cost
- Vacation conversion to Deferred Compensation
- Specialty Pay - Confidential employees

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

3. (495-14) Adopt resolution authorizing the Issuance of Special Tax Bonds of the County for the County of Yuba Community Facilities District No. 2005-1(Orchard/Montrose Public Improvements) related to Improvement Area "A" of the District, approving and directing the execution of a Fiscal Agent Agreement and approving other related documents and actions. County Administrator Robert Bendorf recapped Special Tax Bonds for Community Facilities District No. 2015-1 (Orchard/Montrose Public Improvements) and history, and responded to Board inquiries.

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

Adopted Resolution No. 2014-105, which is on file in Yuba County Resolution Book No. 45.

VII. ORDINANCES AND PUBLIC HEARINGS: The clerk read the disclaimer.

A. (496-14) Public Hearing - Hold hearing and adopt findings of facts, conclusion of law and orders authorizing the assessment of administrative and abatement costs and penalties, and recording of lien regarding 3203 Feather River Boulevard, Arboga, (JNK Inc), in the amount of $30,296.02. (Ten minute estimate) Supervising Code Enforcement Officer Jeremy Strang provided a PowerPoint presentation, including images of property and marijuana cultivation, and responded to Board inquiries.

Chairman Nicoletti opened the public hearing. Mr. Rashmir Rai advised the property is a rental and was unaware the activity was illegal.

MOTION: Move to close public hearing and adopt findings of fact and costs in the total amount of $30,296.02
MOVED: Andy Vasquez SECOND: Roger Abe
AYES: Andy Vasquez, Roger Abe, John Nicoletti, Mary Jane Griego, Hal Stocker
NOES: None ABSENT: None ABSTAIN: None

B. (497-14) Public Hearing - Hold hearing and adopt findings of facts, conclusion of law and orders authorizing the assessment of administrative and abatement costs and penalties, and recording of lien regarding 5167 Western Avenue, Olivehurst, (Jagjit Singh Chima), in the amount of $7,509.05. (Ten minute estimate) Supervising Code Enforcement Officer Jeremy Strang provided a PowerPoint presentation, including images of property and marijuana cultivation, and responded to Board inquiries.

Code Enforcement Officer John Jacenich responded to specific inquiries regarding when the property became compliant.

Chairman Nicoletti opened the public hearing. Mr. Jasjit Singh Chima advised he was unaware the activity was illegal and felt the property owner should not be held responsible for the costs incurred since the property was a rental.

MOTION: Move to close public hearing and adopt findings of fact and costs in the total amount of $7,509.05.
MOVED: Andy Vasquez SECOND: Mary Jane Griego
AYES: Andy Vasquez, Mary Jane Griego, John Nicoletti, Roger Abe, Hal Stocker
NOES: None ABSENT: None ABSTAIN: None

C. (498-14) Public Hearing - Hold hearing and adopt findings of facts, conclusion of law and orders authorizing the assessment of administrative and abatement costs and penalties, and recording of lien regarding 5390 Feather River Boulevard, West Linda, (Charles Robert Newton) in the amount of $11,749.02. (Ten minute estimate) Supervising Code Enforcement Officer Jeremy Strang provided a PowerPoint presentation including images of property and marijuana cultivation.

Supervisor Stocker left the meeting and 11:02 a.m. and returned at 11:08 a.m.

Chairman Nicoletti opened the public hearing. Ms. Payao Hill advised she had a prescription for 99 plants. Mr. Newton clarified the size of the property as two adjacent lots with a total combined area of 1.25 acres; Ms. Hill and Mr. Newton responded to Board inquiries.

County Counsel Angil Morris-Jones provided clarification between the State regulation and County Ordinance.

MOTION: Move to close public hearing and adopt findings of fact and costs in the total amount of $11,749.02 MOVED: Andy Vasquez SECOND: Mary Jane Griego
AYES: Andy Vasquez, Mary Jane Griego, John Nicoletti, Roger Abe, Hal Stocker
NOES: None ABSENT: None ABSTAIN: None

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

A. (499-14) Letter from Mr. Frank Allen regarding Fish and Game Advisory Commission's bylaw relating to prospective commissioners. Accepted.

B. (500-14) Notice from California Fish and Game Commission regarding sport fishing regulations for 2015. Accepted.

IX. BOARD AND STAFF MEMBERS' REPORTS:

Supervisor Stocker: Memorial Adjournment - Ms. Cheryl Rapp

Supervisor Nicoletti:
- Regional Fire Study Workshop held October 22, 2014
- Boots and Brew held October 24, 2014

- Slow Rise Flood Event training held October 23, 2014
- Lighting issues at N. Beale Road at Lowe Avenue
- Memorial Adjournment - Mr. Curtis Padget

County Administrator Robert Bendorf left the meeting at 11:26 a.m. and did not return.

X. CLOSED SESSION: The Board retired into closed session at 11:26 a.m. and returned at 11:59 a.m. with all members present as indicated above.

A. Personnel pursuant to Government Code §54957(b)(1) - Public Appointment Health Officer Direction provided.

B. Personnel pursuant to Government Code §54957.6(a) - Labor Negotiations – DDAA Direction provided.

XI. ADJOURN 12:00 p.m. in memory of Ms. Cheryl Rapp and Mr. Curtis Paget.

_____
Chair

ATTEST: DONNA STOTTLEMEYER
CLERK OF THE BOARD OF SUPERVISORS

_____ Approved: _____
By: Rachel Ferris, Deputy Clerk

THIS PAGE INTENTIONALLY LEFT BLANK

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

BUILDIN
749-5440 • Fax 749-5616

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

November 18, 2014

TO: Board of Supervisors

FROM: Michael Lee, Public Works Director

SUBJ: Adopt Resolution Regarding Financial Assurance for Postclosure Maintenance and Corrective Action of the Ponderosa Landfill and Approve Associated Pledge of Revenue Agreement

RECOMMENDATION:

Adopt resolution regarding financial assurance for postclosure maintenance and corrective action of the Ponderosa Landfill and approve associated Pledge of Revenue Agreement.

BACKGROUND:

Yuba County owns and operated the Ponderosa Lanfill, until receiving closure certification in December 1995. The State, through CalRecycle, requires owners and operators of landfills to provide adequate financial security to demonstrate that if postclosure maintenance activities are needed at the landfill, that the financial means are available to do so. CalRecycle allows several means of demonstrating financial assurance, but for local agencies, the Pledge of Revenue agreement appears to be the simplest. It does not require the County to set aside the money in trust, but rather to pledge that the County has adequate money in the General Fund to cover the projected costs, if and when they are needed. The timeframe for demonstrating financial assurance is 30 years after landfill closure.

DISCUSSION:

From time to time the costs associated with postclosure maintenance are updated by a consultant expert, EBA Engineering, hired by Recology on the County's behalf. The most recent cost estimate was from July 2013, which is reflected in the updated Pledge of Revenue Agreement, and is estimated at $56,171 per year for the remaining duration of the postclosure maintenance period (ending December 2025)

CalRecycle also recently added the requirement for a pledge of revenue to cover reasonably forseeable corrective action costs. This cost is calculated by a consultant expert, with CalRecycle reviewing and approving of the estimate. The consultant evaluates potential damage from earthquake, rainfall from the 1,000 year event, flooding, tsunami, seiche, and fire. In the case of Ponderosa Landfill, the most probable event is a seismic induced slope failure and erosion of part of the cover. The corrective action cost associated with this most-probable scenario is $206,045.

COMMITTEE ACTION:

Tha Land Use and Public Works Committee considered this item and recommends approval.

FISCAL IMPACT:

The Pledge of Revenue Agreement requires that the County maintain adequate money in the General Fund to cover the following potential costs: $56,171 per year for the remaining period of postclosure maintenance required by CalRecycle regulations (11 more years); $206,045 representing the most recent reasonably forseeable corrective action cost estimate (based on a slope failure from a seismic event). Although it is not anticipated that the County will need to expend these funds, CalRecycle requires a pledge that the County will expend the funds if and when it becomes necessary.

BEFORE THE BOARD OF SUPERVISORS
OF THE COUNTY OF YUBA

RESOLUTION REGARDING	)
FINANCIAL ASSURANCE FOR	)
POSTCLOSURE MAINTENANCE	)
AND CORRECTIVE ACTION OF	)
THE PONDEROSA LANDFILL	)

RESOLUTION NO. _____

WHEREAS, Public Resources Code sections 43500 through 43610.1 and Title 27, California Code of Regulations (Regulations), Division 2, Subdivision 1, Chapter 6, require operators of solid waste landfills to demonstrate the availability of financial resources to conduct closure, postclosure maintenance, and corrective action activities; and

WHEREAS, sections 22228 and 22245 of the Regulations specify a Pledge of Revenue as an acceptable mechanism to demonstrate financial responsibility for financing postclosure maintenance and/or corrective action costs of a solid waste landfill;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors of the County of Yuba:

1. The County of Yuba operated the Ponderosa Landfill, a solid waste landfill, in conformance with the findings, conditions, prohibitions, and requirements contained in Solid Waste Facilities Permit No. 58-AA-0002 issued by the Yuba County Environmental Health Department, serving as the Local Enforcement Agency for the California Department of Resources Recycling and Recovery (CalRecycle).

2. The County of Yuba shall establish a Pledge of Revenue to demonstrate financial responsibility for postclosure maintenance and/or corrective action of the Ponderosa Landfill in accordance with sections 22228 and 22245 of the Regulations.

3. Disbursement of funds for postclosure maintenance and/or corrective action shall be in accordance with the final plan, as approved by CalRecycle.

4. In the event CalRecycle determines that the County of Yuba has failed, or is failing, to perform postclosure maintenance and/or corrective action as required by law, CalRecycle may direct the Auditor-Controller to pay to the Public Works Director from the pledged revenues sufficient funds to ensure postclosure maintenance and/or

corrective action, who then shall be obligated to use such funds for postclosure maintenance and/or corrective action in accordance with the directives of CalRecycle.

5. The Public Works Director is directed to produce an annual report for transmittal to CalRecycle, containing, as appropriate, a revised postclosure maintenance cost estimate, prepared as specified by section 21840 of the Regulations concerning the Ponderosa Landfill.

6. The Public Works Director is directed to produce an annual report for transmittal to CalRecycle, containing, as appropriate, a revised known or reasonable foreseeable release corrective action cost estimate, prepared as specified by section 20380 of the Regulations concerning the Ponderosa Landfill.

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:

_____
CHAIR

ATTEST: DONNA STOTTLEMEYER
CLERK OF THE BOARD OF SUPERVISORS

_____

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

_____

PLEDGE OF REVENUE AGREEMENT
ESTABLISHING FINANCIAL ASSURANCE FOR
POSTCLOSURE MAINTENANCE AND CORRECTIVE ACTION COSTS
PONDEROSA LANDFILL

This agreement establishes a Pledge of Revenue to assure that adequate funds are available to carry out the postclosure maintenance and corrective action costs of the Ponderosa Landfill.

This agreement shall become effective immediately, and is made and entered into by and between the County of Yuba and the California Department of Resources Recycling and Recovery (CalRecycle).

WHEREAS, Public Resources Code sections 43500 through 43610.1 and Title 27, California Code of Regulations (Regulations), Division 2, Subdivision 1, Chapter 6, require operators of solid waste landfills to demonstrate the availability of financial resources to conduct closure, postclosure maintenance, and corrective action activities; and

WHEREAS, sections 22228 and 22245 of the Regulations specify a Pledge of Revenue as an acceptable mechanism to demonstrate financial responsibility for postclosure maintenance and/or corrective action costs of a solid waste landfill; and

WHEREAS, the County of Yuba operated the Ponderosa Landfill, a solid waste landfill, in conformance with the findings, conditions, prohibitions, and requirements contained in Solid Waste Facilities Permit No. 58-AA-0002 issued by the Yuba County Environmental Health Department serving as the Local Enforcement Agency (LEA) for CalRecycle;

WHEREAS, the County of Yuba is pledging revenues from the Yuba County General Fund;

WHEREAS, the County of Yuba has determined that projected net revenues from the County General Fund during the remaining period of postclosure maintenance required by CalRecycle regulations and during the corrective action period shall, during each year of this period, be greater than the yearly monitoring and postclosure maintenance costs and corrective action costs contained in the most recent Cost Estimates for the Ponderosa Landfill, which have been submitted to CalRecycle in accordance with Sections 21840 and 22100-22103 of the Regulations.

NOW, THEREFORE, the Board of Supervisors of the County of Yuba and CalRecycle do agree as follows:

1. The County of Yuba hereby establishes a pledge of revenue to demonstrate financial responsibility for postclosure maintenance and corrective action costs of the Ponderosa Landfill in accordance with Sections 22228 and 22245 of the Regulations.

2. The County of Yuba agrees to pledge net revenues from the County General Fund as described herein.

3. The amount of the pledged revenue shall be equal to $56,171 per year for the remaining period of postclosure maintenance required by CalRecycle regulations, representing the most recent monitoring and postclosure maintenance cost estimate for the Ponderosa Landfill. It is agreed that the amount of this pledge may increase or decrease to match any adjustment to the identified cost estimate which is mutually agreed to by the County of Yuba and CalRecycle.

4. The amount of pledged revenue shall be equal to $206,045 for the estimated length of the reasonably foreseeable corrective action, representing the most recent reasonably foreseeable corrective action cost estimate for the Ponderosa Landfill. It is agreed that the amount of this pledge may increase or decrease to match any adjustment to the identified cost estimate, as approved by CalRecycle, LEA, and RWQCB, as applicable.

5. If the County of Yuba ceases at any time to retain control of its ability to allocate the pledged revenue as identified herein to pay postclosure maintenance and/or corrective action costs, the County of Yuba shall notify CalRecycle and the local enforcement agency and shall obtain alternate coverage within sixty (60) days after the control of funds lapses, pursuant to Section 22245 of the Regulations.

6. In the event that CalRecycle, RWQCB, or LEA staff determine that the County of Yuba has failed, or is failing, to perform postclosure maintenance and/or corrective action as required by law, CalRecycle, RWQCB, and/or LEA staff shall confer with the County of Yuba and attempt to resolve the alleged violation. If no agreement is reached, the matter shall be presented to CalRecycle which shall give reasonable notice, hold a public hearing, and consider the testimony and documentation submitted by CalRecycle and/or LEA staff, the County of Yuba, and any interested parties, prior to making a determination in the matter. In the event CalRecycle then determines that the County of Yuba has failed, or is failing, to perform postclosure maintenance and/or corrective action as required by law, CalRecycle, may direct the Auditor-Controller to pay to the Public Works Director from the pledged revenues

sufficient funds to ensure postclosure maintenance and/or corrective action, who then shall be obligated to use such funds for postclosure maintenance and/or corrective action in accordance with the directives of CalRecycle and RWQCB.

IN WITNESS HEREOF, the parties have executed this agreement on the date as set below.

By the County this _____ day of _____, 2014

By CalRecycle this _____ day of _____, 2014

YUBA COUNTY

_____
CHAIR, BOARD OF SUPERVISORS

ATTEST: DONNA STOTTLEMEYER
CLERK OF THE BOARD OF SUPERVISORS

By_____

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

By_____

DIRECTOR OF PUBLIC WORKS

_____
Michael Lee

STATE OF CALIFORNIA
CALRECYCLE

By_____
Authorized CalRecycle Manager

APPROVED AS TO FORM AND PROCEDURE:

By_____
Elliot Block, Chief Counsel

THIS PAGE INTENTIONALLY LEFT BLANK

The County of Yuba

Community Development & Services Agency

Kevin Mallen, Director
Phone – (530) 749-5430 • Fax – (530) 749-5424
915 8th Street, Suite 123
Marysville, California 95901
www.co.yuba.ca.us

BUILDIN(749-5440 • Fax7[illegible]
CODE ENFORCEMENT 749-5455 • Fax 749-5424
ENVIRONMENTAL HEALTH • CUPA 749-5450 • Fax 749-5454
HOUSING & COMMUNITY SERVICES 749-5460 • Fax 749-5464
PLANNING 749-5470 • Fax 749-5434
PUBLIC WORKS • SURVEYOR 749-5420 • Fax 749-5424

To: Yuba County Board of Supervisors

From: Kevin Mallen, CDSA Director

Date: November 18, 2014

Subject: Authorize Hiring of Administration and Accounting Supervisor at Step 5

Recommendation:
Authorize the Community Development and Services Agency (CDSA) Director to hire an Administration and Accounting Supervisor at Step 5 (1.20%).

Background:
CDSA has a single Administration and Accounting Supervisor that oversees the administrative support functions for our Agency, both directly and through their supervision of the administrative staff. The functions overseen include all the typical administrative functions (phones, reception, filing, billing, etc.), but more importantly, this position is the focal point for CDSA's customer relations. The position is currently held by long time employee, however they will be enjoying a much deserved retirement beginning December 31, 2014.

Discussion:
Due to Human Resources thorough recruiting and screening process for this position, there were several well qualified candidates for the position for CDSA to choose from. Upon interviewing the candidates for the position, it became clear that there was one candidate that had skills, knowledge, and abilities that were at an elevated level from what is typical for this classification and above that of the other candidates. Knowing the vital importance of this position, and the big shoes needing to be filled by the upcoming retirement, I am requesting the Board's authorization to retain what I believe will be a valuable asset to CDSA. The desired candidate's acceptance of the position is contingent upon a starting salary at Step 5.

Committee:
Due to time constraints, this item is being presented directly to the full Board.

Fiscal Impact:
None, the Base Step for this position is $3,806/month, Step 5 is $4,567/month. Due to the longevity/merit index, Step 5 is well below the budgeted incumbent for this position.

THIS PAGE INTENTIONALLY LEFT BLANK

Office of Yuba

County Counsel

MEMO

Date: November 19 2014

To: Yuba County Board of Supervisors
From: John Vacek, Chief Deputy County Counsel

Re: Compliance with Writ of Mandate
Tull, et al. v. Yuba County et al., Case No. YCSCCVPT 03-00774

Summary

The Yuba County Superior Court has issued a Writ of Mandate directing the County of Yuba to rescind certain County actions taken in the approval process for a project near Hallwood. The directions from the Court are to 1) rescind certification of an environmental impact report (EIR) for the State Route 20/Kibbe Road Intersection Improvements and Private Haul Road project [the project]; 2) rescind approval of a grading permit issued in connection with the project, and 3) rescind approval of an encroachment permit issued in connection with the project. A Writ of Mandate is an order from the Court; this particular order is the conclusion of the long running "Kibbe Road" litigation in which the County was the named party, but the real party in interest has been Teichert Construction, Inc. The principal issues in the case were resolved in favor of the Tull plaintiffs in an unpublished decision of the California Court of Appeals, Third Appellate District, on January 11, 2013. Final resolution of the case has been delayed while the Plaintiffs and Teichert Construction resolved the remaining issues in the case, primarily attorney's fees. Those issues have been resolved, the Court has issued a final judgment and the writ, and all that remains is for the County to comply and to show proof of compliance. To that end, County Counsel has prepared the accompanying resolution rescinding all three actions. Assuming that the Board approves the resolution, County Counsel will file a Return to the Writ, which is essentially the proof of compliance.

Background

Teichert Construction, Inc. has a gravel or aggregate quarry on the north side of the Yuba River east of Hallwood. Access to the quarry is though the community of Hallwood. Due to complaints by Hallwood residents of heavy truck traffic through the community, Teichert proposed building an alternate access road to the quarry. That road would have intersected State Route 20 near the intersection with Kibbe Road and would have required that a new intersection be built. The County of Yuba approved several necessary steps in the development proposal as it went along; an environmental impact report for the project, a grading permit, and an encroachment permit. Several residents near the new Kibbe Road proposed intersection were upset that the truck traffic would now be directed their way. Those residents, led by a party

named Tull, sued the County, basically arguing that the EIR was inadequate and the issuance of the permits was illegal. As it was Teichert's project, the County's arrangement with Teichert was that Teichert would defend the action and indemnify the County for any damages and litigation costs. In convoluted litigation that went up and down from the Superior Court to the Court of Appeals at least twice, the Tull plaintiffs and Teichert Constuction litigated the validity of the EIR and various permits that had been issued. In January of 2013 the Third District Court of Appeals issued an opinion affirming the trial court's invalidation of a portion of the EIR. The case was remanded to the Superior Court for proceedings consistent with the Court of Appeal's opinion. In October of 2014 the Tull plaintiff's and Teichert Construction submitted a proposed judgment to the Court, basically settling the case. That proposed judgment was signed by the Court on October 22, 2014. Part of the settlement was an agreement that the EIR was not valid and that the grading and encroachment permits were improperly issued. The judgment therefore also provided for the issuance of a writ of mandate requiring that the County rescind its approval of those actions. A copy of the Writ of Mandate is attached as Exhibit "A". Teichert has complied with its agreement with the County, defending the lawsuit and paying the attorney's fees of the successful litigants. The resolution of the case leaves Teichert essentially back at square one—if it seeks to continue with the project, it will require a new EIR and the permitting process would begin again. It is unclear what Teichert's intentions are at this point.

The Environmental Impact Report and the Permits

The Court's Writ of Mandate requires rescission of three actions by the County of Yuba: 1) certification of the EIR (June 6, 2006 Board of Supervisors action on appeal of January 18, 2006 Planning Commission certification), 2) approval of a grading permit (November 9, 2006 by the Public Works Director), and 3) approval of an encroachment permit (August 28, 2007 by the Board of Supervisors). The Board of Supervisors approval of the EIR was by resolution; a copy of that resolution, No. 2006-73, is attached as Exhibit "B" [the 30 page exhibit to Resolution 2006-73 is not attached, but is certainly available.]. The encroachment permit was considered and approved by the Board of Supervisors at a regular meeting on August 28, 2007. The encroachment permit and the accompanying 46 pages of findings and statement of overriding considerations are not attached to this memorandum, but are available. The approval of the encroachment permit was signed on August 28, 2007 by Board Chairman Hal Stocker. The issuance of the grading permit was a ministerial act by the Public Works Director, not requiring Board of Supervisors action. A copy of the grading permit is not attached, but the circumstances surrounding its issuance are discussed at some length in the Court of Appeals opinion at pp. 42-44. County Counsel has contacted Public Works Director Mike Lee and has been advised by Mr. Lee that the grading permit has been rescinded.

Recommendation

County Counsel has prepared the accompanying Resolution that, if approved, will comply with the Court's directives in the writ of mandate. It is recommended that the resolution be approved.

Fiscal

The proposed action has no effect on the General Fund. As indicated in this memorandum, Teichert Construction, Inc. has entered into a reimbursement agreement with the County to defend and indemnify the County. It is not anticipated that the proposed action would be cost-generating, but if it were it would be covered by the reimbursement agreement.

SUPERIOR COURT OF THE STATE OF CALIFORNIA, COUNTY OF YUBA

FOREST & BOBBIE TULL et al., Petitioners, vs. YUBA COUNTY et al., Respondents. A. TEICHERT & SON, INC. Real Party in Interest.	CASE NO. YCSCCVPT 03-0000774 Consolidated for All Purposes With Case No. YCSCCVPT 07-0000762. **~~[PROPOSED]~~ WRIT OF MANDATE**

~~[PROPOSED]~~ WRIT OF MANDATE

The People of the State of California to Respondent, COUNTY OF YUBA:

Pursuant to the Final Judgment of this Court, per the Honorable Stephen W. Berrier, filed 10/22, 2014, YOU ARE HEREBY COMMANDED:

1. To rescind your certification of the environmental impact report for the State Route 20/Kibbe Road Intersection Improvements and Private Haul Road project;
2. To rescind your approval of the grading permit for the State Route 20/Kibbe Road Intersection Improvements and Private Haul Road project; and
3. To rescind your approval of the encroachment permit for the State Route 20/Kibbe Road Intersection Improvements and Private Haul Road project.

YOU ARE FURTHER COMMANDED to make a written return within sixty (60) days of issuance of this Writ of Mandate, setting forth your compliance with the foregoing terms.

H. STEPHEN KONISHI

DATE: 10/23

YUBA COUNTY SUPERIOR COURT 2014 STATE OF CALIFORNIA

Clerk of the
Yuba County Superior Court

Exhibit A

THIS PAGE INTENTIONALLY LEFT BLANK

BEFORE THE BOARD OF SUPERVISORS
OF THE COUNTY OF YUBA

RESOLUTION DENYING THE APPEAL OF THE CERTIFICATION OF THE FINAL ENVIRONMENTAL IMPACT REPORT FOR THE SR20/KIBBE ROAD INTERSECTION IMPROVEMENTS AND PRIVATE HAUL ROAD PROJECT AND ADOPTING FINDINGS IN SUPPORT OF THE MOTION OF INTENT TO DENY THE APPEAL AND CERTIFY THE EIR (STATE CLEARINGHOUSE NO. 2003062105)	)	**RESOLUTION NO. 2006-** 73

WHEREAS, Teichert, Inc. owns and operates the Hallwood mine, an existing 750-acre mining and processing facility; and

WHEREAS, Teichert, Inc. has proposed the SR20/Kibbe Road Intersection Improvement and Private Haul Road project, and

WHEREAS, the County of Yuba is lead agency pursuant to the California Environmental Quality Act (Public Resources Code Section 21000, *et seq,* hereinafter, CEQA) for issuance of a grading permit and encroachment permit; and

WHEREAS, a Notice of Preparation of an Environmental Impact Report (hereinafter, EIR) was released for public and agency review on April 22, 2004, and the Yuba County Planning Commission held a duly noticed public hearing on the Notice of Preparation on May 11, 2004; and

WHEREAS, the Draft EIR was released for public review and comment on December 22, 2004, with a comment period ending February 7, 2005, and a duly noticed Public Hearing was held before the Yuba County Planning Commission on the Draft EIR on January 26, 2005; and

Exhibit B

WHEREAS, the Planning Division of the Yuba County Community Development Department caused to be prepared a Final EIR, including responses to comments received on the Draft EIR, and distributed to all those who commented on the Draft EIR on October 12, 2005; and

WHEREAS, the Yuba County Planning Commission certified the Final EIR as reflecting the County's independent judgment and as satisfying the requirements of CEQA on January 18, 2006; and

WHEREAS, the Kibbe Area Planning and Protection Association and its members, which include Forest and Bobbie Tull, appealed the Yuba County Planning Commission's certification of the Final EIR on the grounds set forth in a letter from attorney Keith Wagner of the Law Office of J. William Yeates, dated January 27, 2006; and

WHEREAS, the Planning Division of the Yuba County Community Development Department has reviewed the additional comments and concluded that such comments do not raise any new significant environmental effects that are not already addressed by the Final EIR, based on the Record and Argument herein; and

WHEREAS, the Board of Supervisors, based upon the record, testimony and argument herein and having held a public hearing on May 16, 2006 on this matter, did move and adopt a Motion Of Intent To Deny The Appeal Of The Certification of the Final Environmental Impact Report and thereby Upheld the Planning Commission's Certification of the Final EIR; and

WHEREAS, the Board of Supervisors, having adopted the Motion of Intent, directed the preparation of Findings In Support Of The Denial Of The Appeal Of The Certification Of The Final Environmental Impact Report For The SR20/ Kibbe Road Intersection Improvements and Private Haul Road Project.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the County of Yuba as follows:

1. The foregoing recitals are true and correct.

2. The Planning Commission correctly determined that the Final EIR reflects the independent judgment of the County.

3. The Planning Commission correctly certified that the Final EIR satisfies the requirements of CEQA for the proposed project.

4. Based upon the entire record, testimony and argument, the issues raised in the appeal do not constitute "significant new information" that would require revisions to the Final EIR.

5. As directed by the Board of Supervisors, Findings In Support of the Board's Motion Of Intent to Deny The Appeal Of The Certification Of The Final Environmental Impact Report for the SR20/ Kibbe Road Intersection Improvements and Private Haul Road Project have been submitted and considered by this Board and said Findings are marked as Exhibit "A" attached hereto and by this reference are incorporated herein as though set forth in full.

BE IT FURTHER RESOLVED, the Findings, attached hereto as Exhibit "A" are hereby expressly adopted. Based upon the entire record, which includes but is not limited to the findings, Staff Reports and other documents that are a part of such record and for the foregoing reasons stated hereinabove, the Board of Supervisors of the County of Yuba hereby denies the appeal.

PASSED AND ADOPTED this 6th day of June 2006, by the Board of Supervisors of the County of Yuba, by the following vote:

AYES: Supervisors Nicoletti, Griego, Schrader
NOES: None
ABSENT: Supervisors Logue, Stocker
ABSTAIN: None

Chairman
Yuba County Board of Supervisors

ATTEST: DONNA STOTTLEMEYER
CLERK OF THE BOARD OF SUPERVISORS

APPROVED AS TO FORM: COUNTY COUNSEL
DANIEL MONTGOMERY

BEFORE THE BOARD OF SUPERVISORS
OF THE COUNTY OF YUBA

RESOLUTION RESCINDING COUNTY ACTIONS APPROVING ENVIRONMENTAL IMPACT REPORT AND RELATED PERMITS ASSOCIATED WITH SR20/KIBBE ROAD INTERSECTION IMPROVEMENTS AND PRIVATE HAUL ROAD PROJECT

RESOLUTION NO. _____

WHEREAS, Teichert, Inc. as the owner and operator of the Hallwood mine, a gravel and aggregate extraction facility near Hallwood on the north side of the Yuba River, sought to construct a private haul road and associated intersection with State Route 20 near the existing intersection of SR20 and Kibbe Road; and

WHEREAS, at various times Teichert Inc., sought the approval for the project, and sought the issuance of various required permits, from the County of Yuba; and

WHEREAS, the County of Yuba approved various aspects of Teichert, Inc.'s; permitting process, including: 1) certification of an Environmental Impact Report (EIR) for the project (June 6, 2006 Board of Supervisors action on appeal of January 18, 2006 Planning Commission certification), 2) approval of a grading permit (November 13, 2006 by the Public Works Director), and 3) approval of an encroachment permit (August 28, 2007 by the Board of Supervisors), and

WHEREAS, various residents in the vicinity of the proposed project (the "Kibbe Road plaintiffs") objected to the project and sued the County of Yuba, contending that the EIR was invalid and that the grading and encroachment permits had been improperly approved and issued; and

WHEREAS, Teichert, Inc., as the real party in interest, defended the litigation challenging the County of Yuba and its actions in approving and permitting the project; and

WHEREAS, after extensive litigation in both the Yuba County Superior Court and the California Third District Court of Appeals, the Kibbe Road plaintiffs were largely successful and the Courts invalidated a number of the County of Yuba's approvals for or permits necessary for the project; and

WHEREAS, as part of the final judgment in the consolidated cases of *Tull, et al. v. County of Yuba, et al.* (Yuba County Superior Court No. YCSCCVPT 03-00774) and *Kibbe Area Planning and Protection Association, et al. v. County of Yuba, et al.* (Yuba County Superior Court No. YCSCCVPT 07-0000762), the Court issued a Writ of Mandate requiring the County of Yuba to 1) rescind certification of the environmental impact report (EIR) for the State Route 20/Kibbe Road Intersection Improvements and Private Haul Road project; 2) rescind approval of the grading permit issued in connection with the project, and 3) rescind approval of an encroachment permit issued in connection with the project; and

WHEREAS, the Yuba County Board of Supervisors has been advised by staff that the grading permit referenced above has been rescinded by its issuer, the Yuba County Public Works Director;

NOW, THEREFORE, BE IT RESOLVED, The Yuba County Board of Supervisors hereby takes the following actions:

1. The certification of the Environmental Impact Report (EIR) for the project (June 6, 2006 Board of Supervisors action on appeal of January 18, 2006 Planning Commission certification) for the SR/20/Kibbe Road Improvements and Private Haul Road Project is hereby rescinded;
2. The approval of an encroachment permit (August 28, 2007 by the Board of Supervisors) for the SR/20/Kibbe Road Improvements and Private Haul Road Project is hereby rescinded; and
3. The rescission of the grading permit (issued on or about November 13, 2006 by the Public Works Director) by the Yuba County Public Works Director is hereby acknowledged and adopted.

IT IS FURTHER RESOLVED that County Counsel is directed to file a Return to the Writ of Mandate in the consolidated cases of *Tull, et al. v. County of Yuba, et al.* (Yuba County

////

////

////

////

Superior Court No. YCSCCVPT 03-00774) and *Kibbe Area Planning and Protection Association, et al. v. County of Yuba, et al.* (Yuba County Superior Court No. YCSCCVPT 07-0000762), advising the Court of this Resolution and the County of Yuba's compliance with the Court's directives.

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:

_____
JOHN NICOLETTI, CHAIR
BOARD OF SUPERVISORS

ATTEST: DONNA STOTTLEMEYER
CLERK OF THE BOARD OF SUPERVISORS

_____

ANGIL P. MORRIS-JONES
Yuba County Counsel
APPROVED AS TO FORM:

513-14

COUNTY OF YUBA
OFFICE OF EMERGENCY SERVICES

ROBERT BE...
COUNTY ADMINISTRATIOR
DIRECTOR OF EMERGENCY SERVICES

SCOTT BRYAN
EMERGENCY OPERATIONS MANAGER

HOLLY POWERS
EMERGENCY OPERATIONS MANAGER

Board Memo

To: Board of Supervisors

Fr: Scott Bryan, Emergency Operations Manager
Holly Powers, Emergency Operations Planner

Re: Proclaim the existence of a local emergency in the County of Yuba

Date: November 18, 2014

Recommendation:
The Board of Supervisors adopt a resolution proclaiming the existence of a local emergency due to the ongoing drought conditions.

Background:
On January 17, 2014 Governor Edmund G. Brown Jr. declared a Statewide Drought Emergency due to the impacts on the State of California as a result of four continuous years of drought. On February 18, 2014 the Director of Emergency Services proclaimed a local emergency due to the effects the drought has had within the County of Yuba. Your Board ratified said proclamation on February 25, 2014 and extended on October 28, 2014.

Discussion:
With an on-going water shortage affecting the County of Yuba, the final duration of the emergency has not yet been determined. Therefore it is recommended that your Board extend the current proclamation of a local emergency until the end of the incident period per *(Govt. Code Section 8630 (c))*. This proclamation of emergency will be reviewed and renewed no less than once every thirty days. Per *(Govt. Code Section 8630(d)) this* proclamation of emergency shall be terminated as soon as reasonably possible.

Committee Action:
No committee action was taken due to time constraints.

Fiscal Impact:
There is an unknown impact to the general fund as of this date.

THIS PAGE INTENTIONALLY LEFT BLANK

BEFORE THE BOARD OF SUPERVISORS

OF THE COUNTY OF YUBA

IN REFERENCE TO:

THE BOARD OF SUPERVISORS ADOPT A RESOLUTION PROCLAIMING THE EXISTENCE OF AN ONGOING LOCAL DROUGHT EMERGENCY IN THE COUNTY OF YUBA.	))))))	**RESOLUTION NO.** _____

WHEREAS, the Yuba County Director of Emergency Services did hereby proclaim a local emergency in the County of Yuba on February 18, 2014 per Ordinance Code section 4.20; and

WHEREAS, conditions of peril to public health and safety remain in the County of Yuba due to the statewide drought; and

WHEREAS, the County of Yuba Board of Supervisors does hereby find that the aforesaid conditions of peril do warrant and necessitate a proclamation of the existence of a local emergency due to a statewide drought; and

NOW, THEREFORE, IT IS HEREBY PROCLAIMED, that a local emergency continues to exist in the County of Yuba and the Board of Supervisors Proclamations through this resolution of the continual existence of a Local Emergency in the County of Yuba.

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:

Angil P. Morris-Jones, County Counsel

The County of Yuba

HEALTH & HUMAN SERVICES DEPARTMENT

Jennifer Vasquez, 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, Director
Health & Human Services Department

Lynne Olsen, Director of Nurses
Health & Human Services Department

DATE: November 18, 2014

SUBJECT: Resolution of the Board of Supervisors Authorizing the Health and Human Services Department to apply and accept funds for the Maternal, Child and Adolescent Health (MCAH) Grant

RECOMMENDATION: It is recommended that the Board of Supervisors approve the attached Resolution of the Board authorizing the Health and Human Services Department (HHSD) to apply for the California Department of Public Health (CDPH) Maternal Child and Adolescent Health (MCAH) Grant for the period of July 1, 2014 through June 30, 2015; and further authorizing the Chair of the Board to accept funds and to execute documents as required by this application and any pertinent document related to this program and the acceptance of funds.

BACKGROUND: Since 2007, Yuba County, through its Health and Human Services Department, has received MCAH program funds to develop policies and standards, and conduct activities aimed at improving the health and well-being of the women, children, and families of Yuba County.

DISCUSSION: Yuba County's allocation for the period of July 1, 2014, through June 30, 2015, is $169,975.00. The approval of this Board Resolution will authorize HHSD to apply for the funds and will authorize the Chair to execute the annual Agreement Funding Application (AFA)/update form.

COMMITTEE: The Human Services Committee was bypassed due to the routine nature of this request.

FISCAL IMPACT: Approval of this Resolution will not impact County General Funds. The County portion for the MCAH Grant ($49,972) is funded by Public Health Realignment.

THIS PAGE INTENTIONALLY LEFT BLANK

BEFORE THE BOARD OF SUPERVISORS
OF THE COUNTY OF YUBA

RESOLUTION AUTHORIZING THE CHAIRMAN TO ACCEPT MATERNAL, CHILD AND ADOLESCENT HEALTH (MCAH) GRANT FUNDS FOR THE PERIOD OF JULY 1, 2014 THROUGH JUNE 30, 2015, AND EXECUTE THE GRANT AGREEMENT AND OTHER PERTINENT DOCUMENTS	)	**Resolution No. _____**

WHEREAS, the State of California has made grant funds available for the purpose of improving the health and well being of women, children, adolescents, and families; and

WHEREAS, it is in the best interest of its residents for the County of Yuba to apply for and utilize the grant funds for the improvement of the health and well being of women, children, adolescents, and families, particularly those who are low income residents of the County of Yuba.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Yuba as follows: That the submission of an application to the California Department of Public Health for Maternal, Child and Adolescent Health (MCAH) grant funds is hereby authorized; and

BE IT FURTHER RESOLVED by the Board of Supervisors of the County of Yuba, as follows: that the Chair of the Board is hereby authorized to accept One Hundred Sixty Nine Thousand nine Hundred Seventy-Five Dollars ($169,975.00) for

the period July 1, 2014, through June 30, 2015; to execute, upon review and approval of County Counsel, documents as required by the application and the resultant contract for the stated period; to allocate and transfer funds for the stated period; to amend contracts for additional or lesser funding, and to execute amendments or memorandums of understanding developed under this grant if the allocation, or a portion thereof, is awarded. A copy of said contract or any amendment thereto shall be filed in the office of the Clerk of the Board, County of Yuba.

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

By: _____

APPROVED AS TO FORM

_____
Angil P. Morris-Jones,
Yuba County Counsel

The County of Yuba

HEALTH & HUMAN SERVICES DEPARTMENT

Jennifer Vasquez, 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, Director
Health & Human Services Department

Tracy Bryan, Program Manager
Health & Human Services Department

DATE: November 18, 2014

SUBJECT: Resolution authorizing the Director or his/her designee to execute California Work Opportunity and Responsibility to Kids (CalWORKs) Subsidized Employment Work Site Agreements

RECOMMENDATION: Board of Supervisors approval of the Resolution of the Board authorizing the Director of the Health and Human Services Department or his/her designee to execute CalWORKs program subsidized employment worksite agreements with contractors is recommended.

BACKGROUND: The Health and Human Services Department, through its Employment Services, is responsible for administering a subsidized employment program for CalWORKs participants. The subsidized employment program is a Welfare-to-Work activity which provides participants an opportunity to gain valuable vocational training in partnership with local employers. As participants develop necessary skills and valuable job experience, employers are partially reimbursed for wages paid to the participants. The goal is for participants to transition from unemployment to self-sufficiency. Additionally, this activity provides another option to meet federal work participation requirements. The services provided under this agreement will assist participants in achieving self-sufficiency by preparing them for unsubsidized employment, as well as creating job opportunities.

DISCUSSION: The Subsidized Work Experience Agreement will allow Employment Services to enter into a contract with employers willing to provide onsite training to CalWORKs participants. The agreement is being amended to update Worker's Compensation requirements, increase hourly wage reimbursements and to include confidentiality provisions. The agreement also outlines expectations for the contractor and guidelines for wage reimbursement in accordance with regulatory requirements.

COMMITTEE: Due to the routine nature of this request, the Health and Human Services Committee was bypassed.

BEFORE THE BOARD OF SUPERVISORS
OF THE COUNTY OF YUBA

RESOLUTION AUTHORIZING THE DIRECTOR OR HIS/HER DESIGNEE OF THE HEALTH AND HUMAN SERVICES DEPARTMENT TO EXECUTE CALWORKS PROGRAM SUBSIDIZED EMPLOYMENT PROGRAM AGREEMENTS WITH WORK SITE CONTRACTORS	)	**RESOLUTION NO. _____**

WHEREAS, pursuant to the CalWORKs Program, codified in Division 9, Part 3, Chapter 2, commencing with Section 11320, of the California Welfare and Institutions Code, the County of Yuba is required to provide employment and training programs to qualified participants in the CalWORKs Program; and

WHEREAS, the Health and Human Services Department of the County, through its Employment Services, is assigned the responsibility of administering the CalWORKs Program on behalf of the County; and

WHEREAS, it is necessary for the County to enter into multiple contracts with various public and private entities to provide training and work sites for the CalWORKs participants, and

WHEREAS, Resolution of the Board of Supervisors Number 2013-127 was adopted on December 17, 2013 and authorized the Director of the Health and Human Services Department to execute Subsidized Employment Program Agreements in the form attached thereto; and

WHEREAS, the adoption of Resolution Number 2013-127, the Subsidized Employment Program Agreement has been revised.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors of the County of Yuba hereby authorize the Director of the Health & Human Services Department, or his/her designee, to execute, on behalf of the County of Yuba, Subsidized Employment Program Agreements in the form attached hereto and incorporated therein by this reference.

BE IT FURTHER RESOLVED, this Resolution repeals Resolution of the Board of Supervisors Number 2013-127 and this Resolution shall remain in effect until repealed

BE IT FURTHER RESOLVED, this Resolution repeals Resolution of the Board of Supervisors Number 2013-127 and this Resolution shall remain in effect until repealed or until the work experience component of the CalWORKs Program is repealed, whichever is the first to occur.

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

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Chairman

ATTEST: DONNA STOTTLEYMEYER
CLERK OF THE BOARD OF SUPERVISORS

_____

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

CALIFORNIA WORK OPPORTUNITY
And
RESPONSIBILITY TO KIDS PROGRAM
(CalWORKs)

SUBSIDIZED EMPLOYMENT
WORK SITE AGREEMENT

This agreement is entered into and between the County of Yuba ("COUNTY"), a political subdivision of the State of California, on behalf of its Health and Human Services Department, and _____
(hereinafter "CONTRACTOR"), a [ ] public entity [ ] private non-profit entity
[ ] private for profit entity on the _____ day of _____, _____.

WHEREAS, pursuant to the CalWORKs Program, codified in Division 9, Part 3, Chapter 2 commencing with Section 11320, of the California Welfare and Institutions Code, COUNTY is required to provide employment and training activities to qualified participants in the CalWORKs program; and

WHEREAS, the Yuba County Health and Human Services Department, through its Employment Services, is assigned the responsibility of administering the CalWORKs Program on behalf of the COUNTY; and

WHEREAS, CONTRACTOR has available a work site and is willing to make that work site available so that participants in the CalWORKs Program can obtain new job skills or enhance existing job skills that will lead to unsubsidized employment.

NOW, THEREFORE, in consideration of their mutual covenants and conditions, the parties, hereto agree as follows:

1. **TERM.**

Commencement Date: _____

Termination Date: _____

The term of this Agreement shall become effective on_____, and shall continue in force and effect for a period of one (1) year, unless sooner terminated in accordance with the terms of this Agreement.

CONTRACTOR understands and agrees that there is no representation, implication, or understanding that the services provided by CONTRACTOR pursuant to this Agreement will be purchased by COUNTY under a new agreement following expiration or termination of this Agreement, and CONTRACTOR waives all rights or claims to notice or hearing respecting any failure to continue purchase of all or any such services from CONTRACTOR.

2. SERVICES

I. CONTRACTOR agrees:

a. The CalWORKs participant is hired as a member of the CONTRACTOR'S workforce and CONTRACTOR is obligated to compensate the CalWORKs participant for work performed as follows:

   i. Add the CalWORKs participant to payroll and be subject to all tax withholdings, social security withholdings, Employer Federal Insurance Contributions Act (FICA), California Unemployment Insurance, State Disability Insurance and Worker's Compensation as required by law. Other employee benefits such as medical or dental insurance are optional and shall not be reimbursed by COUNTY.

   ii. Pay the CalWORKs participant an hourly wage which is no less than the minimum wage established for the State of California; and

   iii. Pay the CalWORKs participant the same wage rate as non-subsidized employees performing the same or similar work; and

   iv. Ensure the CalWORKs participant is provided the same benefits and wage increases as non-subsidized employees who are performing the same or similar work.

b. Provide supervised work as a training element for subsidized employment participants referred to the CONTRACTOR by COUNTY.

c. Report the CalWORKs participant's attendance and information relating to performance as may be required by COUNTY in a timely manner. CONTRACTOR understands that the CalWORKs participant may not participate in the work activity more than the number of hours per week authorized by the COUNTY. The duration of the assignment shall not exceed 12 months.

d. Inform and consider the CalWORKs participant for any job opening occurring at the work site and to provide the participant with the opportunity to participate in classified service examinations equivalent to the position the participant occupies.

e. Utilize the CalWORKs participant to perform duties at the training level.

f. Provide each participant:

i. Orientation to the work site (i.e. conditions of work, employer expectations, etc.)

ii. Reasonable and proper supervision and instructions regarding duties and work activity.

iii. Safety instructions and equipment necessary for protection against injury and damage in accordance with OSHA Guidelines.

iv. The same working conditions as CONTRACTOR'S current employees and as required by law. (i.e. conditions of work, employer expectations, etc.)

v. CONTRACTOR must maintain compliance with confidentiality regulations. At no time shall CONTRACTOR'S employees, agents, or representatives in any manner, either directly or indirectly, use for personal benefit or divulge, disclose, or communicate in any manner, any information that is confidential to the COUNTY. CONTRACTOR and its employees, agents, and representatives shall protect such information and treat it as strictly confidential.

g. Furnish comprehensive general liability insurance protection and comprehensive automobile liability insurance coverage if CalWORKs participant operates any motor vehicle or heavy equipment as part of the work assignment. CONTRACTOR agrees to provide evidence of insurance coverage to COUNTY upon request.

II. CONTRACTOR assures that:

a. Participants will be used in positions to supplement its workforce. CONTRACTOR understands that under no circumstances shall a CalWORKs participant supplant regular employees of CONTRACTOR, pursuant to Welfare and Institutions Code Section 11324.6, which states a subsidized employment position may not be created as a result of, and may not result in any of the following:

i. Displacement or partial displacement of CONTRACTOR'S current employees, including, but not limited to, a reduction in hours on non-overtime and overtime work, wages or employment benefits.

ii. The filling of positions which would otherwise be promotional opportunities for CONTRACTOR'S current employees, except

when positions are to be filled through an open process in which CalWORKs participants are provided equal opportunity to compete.

iii. The filling of a position, prior to compliance with applicable personnel procedures or provisions of collective bargaining agreements.

iv. The filling of established unfilled public agency positions, unless the positions are unfunded in a public agency budget.

v. The filling of a position created by termination in work force, caused by the CONTRACTOR'S intent to fill the position pursuant to the CalWORKs Program.

vi. A strike, lockout, or other bona fide labor dispute, or violation of any existing collective bargaining agreement between CONTRACTOR and CONTRACTOR'S employees.

vii. The filling of a work assignment customarily performed by a worker in a job classification with a recognized collective bargaining unit in that specific work site, or the filling of a work assignment in any bargaining unit in which funded positions are vacant or in which regular employees are on layoff.

viii. The termination of contract services, prior to its expiration date, that results in the displacement or partial displacement of workers performing contracted services, caused by the CONTRACTOR'S intent to fill the position with a subsidized position pursuant to the CalWORKs Program.

ix. The denial to a CalWORKs participant of protections afforded other workers on the work site by the state and federal laws governing workplace health, safety, and representation.

III. CONTRACTOR shall:

a. Notify the appropriate labor union of the use of a CalWORKs participant by the CONTRACTOR; and

b. Notify non-union employees of the use of a CalWORKs participant by the CONTRACTOR and the availability of the grievance process by the display of the Notice to Employee (Exhibit A) at CONTRACTOR'S work site, provided no CalWORKs participant is identified in said display.

i. All displacement complaints shall be in written form and shall include the full name, address (if any) and the telephone number (if any) of the alleged displaced employee, the full name of the employer against whom the complaint is filed, a clear and concise statement of the facts concerning the alleged displacement, including pertinent dates, and a statement that the complaint has been signed under penalty of perjury. The grievance procedure required by the Manual of Policies and Procedures is attached hereto and incorporated herein by this reference as Exhibit B.

IV. COUNTY shall:

a. Provide an orientation to each CONTRACTOR's worksite supervisor. The orientation will include, but is not limited to, a review of Subsidized Employment Program policies and procedures.

b. Respond to CONTRACTOR as requested involving personnel issues.

c. Have the right to observe and monitor all conditions and activities involved in the performance of this agreement.

d. Have the right to control CONTRACTOR only insofar as the results of CONTRACTOR's services rendered pursuant to this Agreement. COUNTY shall not have the right to control the means by which CONTRACTOR accomplishes services rendered pursuant to this Agreement.

3. PAYMENT

a. COUNTY shall reimburse CONTRACTOR a percentage of the total gross earnings, up to a maximum of eleven dollars ($11.00) per hour, paid to the CalWORKs participant as follows and as detailed in Exhibit D-Payment Reimbursement Agreement:

i. Seventy five percent (75%) of gross earnings paid to CalWORKs participant throughout the first six months of employment.

ii. Fifty percent (50%) of gross earnings paid to CalWORKs participant throughout the subsequent three months of employment. Twenty five percent (25%) of gross earnings paid to CalWORKs participant throughout the remaining three months of employment.

b. "Gross earnings" means the money earned based on hourly pay before any taxes or other deductions have been taken out. If the participant makes $10/hr and works for 40 hours, then the participant's gross earnings are $400.

c. COUNTY will not reimburse CONTRACTOR for any overtime hours worked.

d. COUNTY will not reimburse CONTRACTOR for any hours worked over the authorized amount for each participant.

e. COUNTY shall reimburse CONTRACTOR a fee not to exceed Forty Five Thousand Dollars ($45,000.00) for the duration of the Agreement.

f. CONTRACTOR agrees to provide a complete monthly invoice attached hereto and incorporated herein by this reference as Exhibit C no later than the 10th of the following month. The invoice must include the CalWORKs participant's payroll record and time card as verification of actual hours worked and actual wages paid during the billing period.

    i. If the hourly wage is more than $11.00 per hour, the CONTRACTOR shall invoice at the rate of $11.00 per hour and include payroll records and time cards that reflect the actual wages based on the actual rate.

g. COUNTY will reimburse CONTRACTOR upon review and approval of submitted invoices to the COUNTY to confirm that the hours worked by CalWORKs participant for which payment is requested has been performed. Any overpayment or overtime made to the participant is the sole responsibility of the CONTRACTOR.

h. COUNTY shall not reimburse any claims submitted beyond thirty days following the termination of this agreement.

i. COUNTY shall not reimburse wages without the required invoice and supporting documentation.

j. CONTRACTOR shall not invoice or claim for time not worked such as lunch breaks.

k. CONTRACTOR understands fraudulent invoices or supporting documentation are subject to criminal penalties.

4. GENERAL PROVISIONS

a. Both parties understand that CONTRACTOR is not an agent of the COUNTY. Except as COUNTY may specify in writing, CONTRACTOR shall have no authority, expressed or implied, to act on behalf of COUNTY in any capacity whatsoever as an agent. CONTRACTOR shall have no authority, expressed or implied to bind COUNTY to any obligation whatsoever.

b. CONTRACTOR may not assign or subcontract any right or obligation pursuant to the Agreement. Any attempt or purported assignment of any right or obligation pursuant to this Agreement shall be void and of no legal effect.

c. No modifications of the terms of this Agreement shall be valid or binding unless made in writing and signed by the parties hereto. There are no oral understandings or agreements between the parties that have not been incorporated herein.

d. CONTRACTOR shall not unlawfully discriminate against any employee of the CONTRACTOR, including CalWORKs participants, or applicants for employment or for services or against any member of the public because of race, religion, color, natural origin, ancestry, physical handicap, medical condition, marital status, age, or sex. CONTRACTOR shall comply with the provision of the Fair Employment and Housing Act (Government Code Section 12900, et seq.). The applicable regulations of the Fair Employment Housing Commission implementing Government Code Section 12900, set forth in Chapter 5, Division 4 of Title 2 of the California Code of Regulations and incorporated into this agreement by the reference and made part hereof as if set forth in full.

e. CONTRACTOR shall also abide by the Federal Civil Rights Act of 1964 and all amendments thereto, and all administrative rules and regulations issued to said Act. The Civil Rights Bureau requires the CR 50-Vendor Assurance of Compliance Form (Exhibit E) to be completed for each Agreement that utilizes state and federal funds for the provision of services.

f. In addition to application of the non-discrimination provision of this Agreement, above, CONTRACTOR agrees to comply with all provisions of Section 405, et seq. of the Rehabilitation Act of 1973, and with all provisions of the Americans with Disabilities Act of 1990, and all amendments thereto, and all administrative rules and regulations issued pursuant to said Acts, pertaining to the prohibition of

discrimination against qualified handicapped and disabled persons, in all programs or activities, as to employees or recipients of services.

g. CONTRACTOR understands that the California Department of Social Services Manual of Policies and Procedures (MPP) Section 42-720.4 provides that a specific grievance process shall be used to resolve the complaints of regular employees or their representatives who believe the assignment of a CalWORKs participant to subsidized employment violates any of the displacement provisions set forth in Section 1 Services, Part III.

h. CONTRACTOR warrants that it is knowledgeable of the provisions of Government Code section 8350 et seq. in matters relating to providing a drug-free work place. CONTRACTOR agrees that CONTRACTOR will execute appropriate certifications relating to Drug Free Workplace.

i. COUNTY has verified that the CONTRACTOR does not hold any debarment or suspension filings as verified at CONTRACTOR www.SAM.gov. If a new debarment action arises during the term of this agreement, COUNTY reserves the right to suspend or terminate this contract without penalty.

5. TERMINATION

a. Either party may terminate this Agreement upon 30 calendar days prior written notice to the other party.

b. The COUNTY may immediately terminate this Agreement upon violation of the Agreement by CONTRACTOR, a reduction or elimination of program funding or upon termination of employment of the CalWORKs participant or termination of CalWORKs eligibility.

6. HOLD HARMLESS

a. CONTRACTOR, shall defend, and hold harmless, COUNTY, its elected and appointed councils, boards, commissions, officers, agents and employees from any liability for damage or claims for damage for personal injury, including death as well as for property damage, which may arise from intentional negligent acts or omissions of CONTRACTOR in the performance of services rendered under this Agreement by CONTRACTOR, or any of CONTRACTOR's officers, agents, employees, contractors, or subcontractors, including CalWORKs participants.

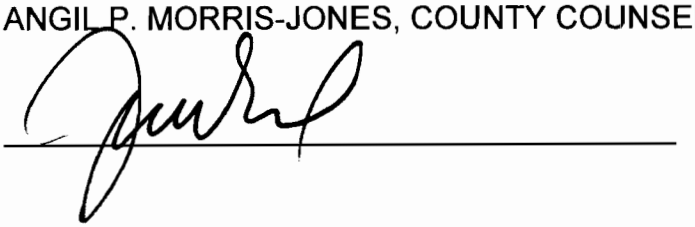
b. COUNTY shall defend, indemnify, and hold harmless CONTRACTOR, its officers, agents, and employees from liability for damage or claims for damage for personal injury, including death as well as for property damage, which may arise from the intentional or negligent acts or omissions of the COUNTY in the performance of services under this Agreement by COUNTY, or any COUNTY's elected and appointed councils, board, commissions, officers, agents, or employees; however, it is expressly understood that CalWORKs participants are not agents, officers or employees of the COUNTY.

IN WITNESS WHEREOF, the parties have executed this Agreement the date first above written

COUNTY OF YUBA		**CONTRACTOR**	
_____		_____	
(Signature)	**(Date)**	**(Signature)**	**(Date)**
_____		_____	
(Printed Name)	**(Title)**	**(Printed Name)**	**(Title)**

Executed pursuant to Resolution _____

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



NOTICE TO EMPLOYEES

Your employer has included CalWORKs subsidized employment program participants in the work force at this location. State law prohibits employers from using CalWORKs participants in a way that will cause other employees to lose their jobs, be laid off, or to have work hours reduced, including overtime hours currently being worked. An employer cannot place CalWORKs participants into jobs which would otherwise be promotional opportunities for existing employees, or into vacant positions which are not newly created jobs. Finally an employer must not violate any personnel rules when including a CalWORKs participant in his or her work force.

If you believe your employer has violated any rules disclosed above and this has led to a problem with your job, you may file a complaint with the county. The county will work with your employer to try to resolve the problem. If the problem cannot be worked out, you may request a hearing with the state.

A complaint against your employer must be in writing and contain the following information:

- Your full name and address (if you have one), and your telephone number (if you have one);
- The full name and address of your employer;
- A clear and brief statement of the facts, including important dates, which have led you to file this complaint;
- A statement that this complaint has been filed under penalty of perjury.

Send your complaints to this address:

YUBA COUNTY HEALTH & HUMAN SERVICES DEPARTMENT
EMPLOYMENT SERVICES
CalWORKs WORKSITE COORDINATOR
P.O. BOX 2320
MARYSVILLE, CA 95901

EMPLOYEE DISPLACEMENT GRIEVANCE PROCESS

The following grievance process shall be used to resolve the complaints of regular employees or their representatives who believe the assignment of a CalWORKs participant for subsidized employment violates any of the displacement provisions set forth in Section 2.

1. INFORMAL RESOLUTION

   A. Upon receipt of a written complaint by the employee or employee's representative, COUNTY shall contact both the complainant and the employer and attempt to informally resolve the complaint. This period of informal resolution shall commence on the date the complaint is received by COUNTY and shall not exceed ten calendar days. However, nothing shall prohibit an informal resolution of the complaint during this grievance process.

   B. Following its efforts to informally resolve the complaint, COUNTY shall send a letter informing the complainant of the following:

      - The employer's response to the complaint, including any actions the employer is willing to take toward informal resolution;
      - The right to request a formal hearing if the complainant is dissatisfied with the employer's informal response;
      - The procedures for filing a formal hearing, including the address to which a request for hearing should be sent; and
      - The time limit for filing a request for formal hearing.

2. FORMAL HEARING

If the complaint cannot be informally resolved, the complainant may request a formal hearing by filing a written request no later than ten calendar days following the employee's receipt of the letter from COUNTY. The date postmarked on this request shall be considered the date of its filing. Formal hearings shall be conducted by the California Department of Social Services (CDSS), State Hearings Division in accordance with the CDSS MPP, Division 22. The following is an overview of the formal hearing process.

   A. CDSS shall inform all parties in writing of the date, time and location of the hearing.

1) Upon the request of any party to the complaint, a hearing may be postponed for good cause prior to or at the hearing. CDSS shall have the authority to request verification to support the request for postponement. The criteria for good cause includes, but is not limited to, the following:

- Death in the family
- Personal illness or injury
- Sudden and unexpected emergencies which prevent the complainant or the employer (or their respective authorized representatives) from appearing
- A conflicting court appearance which can not be postponed

B. Attendance at the hearing is ordinarily limited to complainant, COUNTY representative, employer, legal counsel authorized, authorized interpreter, authorized representatives and witnesses relevant to the issue. Other persons may attend if the complainant agrees to or requests their presence and the Administrative Law Judge (ALJ) determines that their presence will not be adverse to the hearing.

1) An authorized representative is an individual or organization that has been authorized by the complainant or affected employer to act on their behalf in any and all aspects of the formal hearing. An authorized representative may include legal counsel, a relative, friend or other spokesperson.

C. The hearing shall be conducted in an impartial manner and recorded. The issues at the hearing shall be limited to those issues which are reasonably related to the request for hearing.

D. The rights of each party to the complaint shall include the right to:

- Examine witnesses and conduct cross-examination
- Introduce exhibits
- Bring witnesses
- Examine all documents
- Make oral or written argument

All testimony given at the formal hearing shall be submitted under oath, affirmation, or penalty of perjury. Any party who wishes to submit a document into evidence shall provide a copy of the document to the other party free of charge.

E. A written hearing decision shall be issued within 90 calendar days of the date the complaint was received by CDSS. Copies of the written decision shall be sent to all affected parties. When the hearing decision upholds the displacement complaint, the decision shall:

- Require termination of the assignment which brought the complaint and any other assignments which have caused the displacement of regular employees.

- Identify those actions which shall be taken to remedy the displacement

CalWORKs Subsidized Employment Invoice

*****HHSD DO NOT IMAGE*****

Submit Invoice by 10th of Following Month

Contractor's Name and Address	Contact Name and Phone Number

Employee ID	Invoice Date	Invoice Number

Date	Hours	Rate	Amount
		SUBTOTAL	
		% OF COUNTY SHARE	
		AMOUNT TO REIMBURSE	

☐ Copy of Time Sheet ☐ Back-Up Documentation

Certification:

I certify that this invoice is in all respects are true and correct; that all material, supplies, or services claimed have been received or performed, and were used or performed exclusively in connection with the Agreement; that payment has not been previously received for the amount invoiced herein; and that the original invoices, payrolls, or other documentation are on file.

Authorized Signer

Date

Mail original and back-up documentation to:
Yuba County Health and Human Services Department
Attention: CalWORKs Program Manager
P.O. Box 2320
Marysville, CA 95901

Yuba County Health and Human Services Department
Subsidized Employment Program
Bridging Business with Ability

Payment Reimbursement Agreement

As per the CalWORKs Subsidized Employment Work Site Agreement the following has been agreed upon:

Yuba County HHSD, Employment Services will reimburse wages for employee:

_____

To: (Business Name) _____

At the rate of ☐ 75%, ☐ 50%, ☐ 25% of: $ _____/hr

Hours per week will not exceed:_____

Employee start date: _____

Reimbursement of ☐ 75%, ☐ 50%, ☐ 25% will end on: _____

unless subsidized employment is sooner terminated in accordance with Section 5 of the CalWORKs Subsidized Employment Work Site Agreement.

We below agree to these terms:

_____	_____
Employer	Date
_____	_____
Employee	Date
_____	_____
YCHHSD Subsidized Employment Coordinator	Date

VENDOR ASSURANCE OF COMPLIANCE WITH
THE YUBA COUNTY
WELFARE DEPARTMENT
NONDISCRIMINATION IN STATE
AND FEDERALLY ASSISTED PROGRAMS

NAME OF VENDOR/RECIPIENT _____

HEREBY AGREES THAT it will comply with Title VI and VII of the Civil Rights Act of 1964 as amended; Section 504 of the Rehabilitation Act of 1973 as amended; the Age Discrimination Act of 1975 as amended; the Food Stamp Act of 1977, as amended and in particular section 272.6; Title II of the Americans with Disabilities Act of 1990; California Civil Code Section 51 et seq., as amended; California Government Code section 11135-11139.5, as amended; California Government Code section 12940 (c), (h) (1), (i), and (j); California Government Code section 4450; Title 22, California Code of Regulations section 98000 – 98413; Title 24 of the California Code of Regulations, Section 3105A(e); the Dymally-Alatorre Bilingual Services Act (California Government Code Section 7290-7299.8); Section 1808 of the Removal of Barriers to Interethnic Adoption Act of 1996; and other applicable federal and state laws, as well as their implementing regulations [including 45 Code of Federal Regulations (CFR) Parts 80, 84, and 91, 7 CFR Part 15, and 28 CFR Part 42], by ensuring that employment practices and the administration of public assistance and social services programs are nondiscriminatory, to the effect that no person shall because of ethnic group identification, age, sex, color, disability, medical condition, national origin, race, ancestry, marital status, religion, religious creed or political belief be excluded from participation in or be denied the benefits of, or be otherwise subject to discrimination under any program or activity receiving federal or state financial assistance; and HEREBY GIVE ASSURANCE THAT it will immediately take any measures necessary to effectuate this agreement.

THIS ASSURANCE is given in consideration of and for the purpose of obtaining any and all federal and state assistance; and THE VENDOR/RECIPIENT HEREBY GIVES ASSURANCE THAT administrative methods/procedures which have the effect of subjecting individuals to discrimination or defeating the objectives of the California Department of Social Services (CDSS) Manual of Policies and Procedures (MPP) Chapter 21, will be prohibited.

BY ACCEPTING THIS ASSURANCE, the vendor/recipient agrees to compile data, maintain records and submit reports as required, to permit effective enforcement of the aforementioned laws, rules and regulations and permit authorized CDSS and/or federal government personnel, during normal working hours, to review such records, books and accounts as needed to ascertain compliance. If there are any violations of this assurance, CDSS shall have the right to invoke fiscal sanctions or other legal remedies in accordance with Welfare and Institutions Code section 10605, or Government Code section 11135-11139.5, or any other laws, or the issue may be referred to the appropriate federal agency for further compliance action and enforcement of this assurance.

THIS ASSURANCE is binding on the vendor/recipient directly or through contract, license, or other provider services, as long as it receives federal or state assistance.

_____ _____
Date Director's Signature

_____
Address of vendor/recipient (08/13/01)

CR50-Vendor Assurance of Compliance

THIS PAGE INTENTIONALLY LEFT BLANK

Yuba County Sheriff's Department

Steven L. Durfor, Sheriff-Coroner

215 5th Street, Suite 150, Marysville, CA 95901
Ph: 530-749-7777 • Fax: 530-741-6445

NOVEMBER 18, 2014

TO: YUBA COUNTY BOARD OF SUPERVISORS

FR: STEVEN L. DURFOR, SHERIFF-CORONER SLD/pw

RE: CONTRACT WITH DEPARTMENT OF PARKS AND RECREATION, DIVISION OF BOATING AND WATERWAYS, FOR THE PURCHASE OF TWO PERSONAL WATERCRAFT AND DOUBLE TRAILER

RECOMMENDATION:
Approve the contract between the California Department of Parks and Recreation, Division of Boating and Waterways and the County of Yuba for the purchase of two (2) personal watercrafts and double trailer.

BACKGROUND:
In 1997, the Department of Boating and Waterways funded the purchase of 2 Polaris Jet Skis and a double trailer. The equipment is now 17 years old and Polaris has stopped making Jet Ski parts in 2004. Several times a year for long periods, the Boating Division is unable to launch our jet skis on the Yuba and Feather Rivers for search and rescue operations or body recoveries. The Department of Parks and Recreations, Division of Boating and Waterways (DBW) is currently offering State-administered Federal in the amount of $24,000 that will be used to replace the two jet skis and trailer for use in the Sheriff's Boating and Safety Enforcement Program. A copy of the contract is on file with the Clerk of the Board of Supervisors.

DISCUSSION:
The purchase of the new jet skis and trailer will allows the Boat Patrol Unit to launch them from the river's shore in numerous locations throughout the county. This will allow for a quicker response time for rescue operations when every minute counts. The new jet skis we are requesting are also much more stable than our current machines. This allows two personnel the ability to move around on the Jet Ski without tipping it over while conducting rescue operations. The estimates provided to date for the two jet skis and double trailer total $24,000. The cost includes sales tax, licensing and delivery costs.

FISCAL IMPACT:
No fiscal impact to the general fund. The grant will provide the County with $24,000 to purchase the two jet skis and trailer. Though the State keeps title to the equipment, the Sheriff's Department may operate it for its useful life.

COMMITTEE ACTION:
Due to time constraints, and the routine nature of this request, the item was presented directly to the Board of Supervisors.

THIS PAGE INTENTIONALLY LEFT BLANK

BEFORE THE BOARD OF SUPERVISORS

OF THE COUNTY OF YUBA

IN RE: **RESOLUTION NO. _____**

**RESOLUTION AUTHORIZING THE CHAIRMAN)
TO SIGN A CONTRACT WITH THE CALIFORNIA)
DEPARTMENT OF PARKS AND RECREATION)
FOR THE PURCHASE OF TWO PERSONAL)
WATERCRAFTS AND TRAILER WITH FEDERAL)
FUNDS ADMINISTERED BY THE STATE)**

WHEREAS, Yuba County desires Federal funding available for the purchase of 2 Personal Watercrafts and Trailer for the Sheriff's Boat Patrol Unit; and

WHEREAS, the State Department of Parks and Recreation administers a Federal grant for such equipment used in the Boating Safety and Enforcement Program; and

WHEREAS, grant applications must include a contract, and a resolution from the County Board of Supervisors authorizing the Chairman to sign the contract;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors:

1. Affirms Yuba County's intent to purchase 2 new personal watercrafts and trailer for use in the Boating Safety and Enforcement Aid Program with said Federal funds, and, to abide by the terms set forth in the funding contract.

/////

2. Authorize the Chairman of the Board, subject to the approval of County Counsel, to sign the Law Enforcement Equipment Grant Agreement with the State as well as any future amendments thereto.

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

AYES:

NOES:

ABSENT:

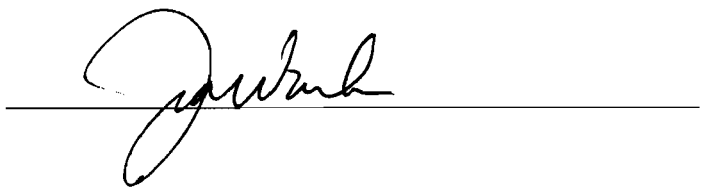
ABSTAIN:

_____
Chairman

ATTEST: DONNA STOTTLEMEYER
CLERK OF THE BOARD OF SUPERVISORS

_____

APPROVED AS TO FORM: COUNTY COUNSEL
ANGIL MORRIS-JONES



State of California – Natural Resources Agency
DEPARTMENT OF PARKS AND RECREATION
DIVISION OF BOATING AND WATERWAYS

GRANT AGREEMENT

GRANTEE YUBA COUNTY SHERIFF'S DEPARTMENT

THE TERM OF THIS AGREEMENT IS: OCTOBER 15, 2014 **THROUGH** JUNE 30, 2029

GRANT TITLE: LAW ENFORCEMENT EQUIPMENT GRANT PROGRAM

GRANT NUMBER: C8957120

The Grantee agrees to the terms and conditions of this contract, hereinafter referred to as Agreement, and the State of California, acting through its Director of Parks and Recreation, pursuant to the State of California agrees to fund the total State grant amount indicated below. The GRANTEE agrees to complete the SCOPE OF WORK as defined in the Agreement.

The General and Special Provisions attached are made a part of and incorporated into the Agreement.

Grantee: County of Yuba
Sheriff's Department

Address: 215 5th Street
Marysville, CA 95901

Agency: Department of Parks and Recreation,
Division of Boating and Waterways
ATTN: Corrina Dugger

Address: One Capitol Mall, Suite 500
Sacramento, CA 95814

BY: _____
(Authorized Signature)

John Nicoletti, Chairman, Board of Supervisors
(Printed Name and Title of Authorized Representative)

Date _____

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

BY: _____
(Authorized Signature)

RAMONA FERNANDEZ, CHIEF OF OPERATIONS
(Printed Name and Title of Authorized Representative)

Date _____

CERTIFICATE OF FUNDING

CONTRACT NO. C8957120	AMENDMENT NO	CALSTARS VENDOR NO 4000003058-02		PROJECT NO
AMOUNT ENCUMBERED BY THIS DOCUMENT $24,000.00	FUND TITLE Federal Trust Fund #0890			AGENCY BILLING CODE NO 032011
PRIOR AMOUNT ENCUMBERED BY THIS DOCUMENT $0.00	ITEM 3790-101-0890	CHAPTER 25	STATUTE 14	FISCAL YEAR 2014/2015
TOTAL AMOUNT ENCUMBERED TO DATE $24,000.00	INDEX 1706	OBJECT CODE 702	PCA CODE 68110	PROJECT/WORK PHASE
T.B.A. NO	*I hereby certify upon my own personal knowledge that the budgeted funds are available for this encumbrance.*			
B.R.NO	ACCOUNTING OFFICER'S SIGNATURE			DATE

"FOR STATE USE ONLY" Please do not sign in this section

BOATING SAFETY AND ENFORCEMENT GRANT AGREEMENT

COUNTY OF YUBA SHERIFF'S DEPARTMENT

EQUIPMENT GRANT # C8957120

State of California
Department of Parks and Recreation
Division of Boating and Waterways

INDEX

DESCRIPTION **PAGE**

SCOPE OF WORK

CONTRACT DEFINITION.....1

GRANT AMOUNT.....1

PURCHASE COMPLETION DATE.....1

SPECIAL PROVISIONS.....2

EXHIBIT A STANDARD TERMS AND CONDITIONS

ARTICLE I, DEFINITIONS.....3

ARTICLE II, TERM OF CONTRACT.....3

ARTICLE III, DISBURSEMENT OF GRANT.....4

ARTICLE IV, EQUIPMENT OWNERSHIP.....4

ARTICLE V, OPERATION AND MAINTENANCE OF EQUIPMENT.....4

ARTICLE VI, TERMINATION OF CONTRACT.....5

ARTICLE VII, REVERSION OF EQUIPMENT TO DEPARTMENT.....6

ARTICLE VIII, LIABILITY.....6

ARTICLE IX, WAIVER OF RIGHTS.....7

ARTICLE X, REMEDIES NOT EXCLUSIVE.....7

ARTICLE XI, OPINIONS AND DETERMINATIONS.....7

ARTICLE XII, ASSIGNMENT OR TRANSFER OF EQUIPMENT.....8

ARTICLE XIII, PROCUREMENT PROCEDURES.....8

DESCRIPTION **PAGE**

EXHIBIT A (continued)

ARTICLE XIV, SUBJECT TO AUDIT.....10

ARTICLE XV, NON-DISCRIMINATION CLAUSE.....10

ARTICLE XVI, DISABLED VETERAN BUSINESS ENTERPRISE PARTICIPATION REQUIREMENT 11

ARTICLE XVII, RECYCLING CERTIFICATION 11

ARTICLE XVIII, CONTRACTORS CERTIFICATION CLAUSES.....12

ARTICLE XIX, DISPOSITION OF PROCEEDS FROM SALE 12

EXHIBIT B GENERAL TERMS AND CONDITIONS (GTC 610).....13

EXHIBIT C 49 CFR 18, UNIFORM ADMINISTRATIVE REQUIREMENTS FOR GRANTS AND COOPERATIVE AGREEMENTS TO STATE AND LOCAL GOVERNMENTS.....17

EXHIBIT D CIRCULAR NO. A-128, AUDITS OF STATE AND LOCAL GOVERNMENTS 54

EXHIBIT E SUGGESTED LANGUAGE FOR RECYCLING CERTIFICATION, CONTRACTOR CERTIFICATION CLAUSES,DVBE AND DARFUR..... 63

EXHIBIT F DARFUR CONTRACTING ACT 67

COPY OF REFERENCED DOCUMENT ON FILE WITH CLERK OF THE BOARD

BOATING SAFETY AND ENFORCEMENT GRANT
EQUIPMENT AND OPERATION CONTRACT

This GRANT AGREEMENT #C8957120, is entered into on October 15, 2014 between the California Department of Parks and Recreation, Division of Boating and Waterways (DEPARTMENT) and the COUNTY OF YUBA, SHERIFF'S DEPARTMENT (GRANTEE). The DEPARTMENT and the GRANTEE agree as follows:

1. **CONTRACT**

This CONTRACT includes **EXHIBIT A**, Standard Terms and Conditions, **EXHIBIT B,** General Terms and Conditions, **EXHIBIT C,** 49 CFR Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, and **EXHIBIT D**, Circular No. A-128, Audits of State and Local Government, **EXHIBIT E**, Suggested Language for Recycling Certification, Contractor Certification Clauses, DVBE and Darfur, **EXHIBIT F**, Darfur Contracting Act.

2. **GRANT**

The DEPARTMENT will make a grant to the GRANTEE of up to $24,000.00, (TWENTY-FOUR THOUSAND DOLLARS AND NO/100 ($24,000.00). This GRANT shall not exceed this amount, shall be made using Federal funds, and shall be used to purchase MISCELLANEOUS EQUIPMENT (2 PERSONAL WATERCRAFT AND TRAILER) accordance with **EXHIBIT A**.

3. **PURCHASE COMPLETION DATE**

The EQUIPMENT purchase shall be completed no later than June 30, 2015. The DEPARTMENT will make payment under this CONTRACT upon receipt of a written request by the GRANTEE as specified in Article III and XIII of **EXHIBIT A** attached hereto.

4.SPECIAL PROVISIONS

(a) GRANTEE hereby certifies that the obligations created by this CONTRACT do not violate the provisions of Sections 1090 to 1096 of the Government Code.

(b) This CONTRACT is not fully executed until signed by the DEPARTMENT, GRANTEE, and approved by the Department of General Services, if required. Grantee may not go out to bid until CONTRACT is fully executed and equipment specifications have been approved by the DEPARTMENT.

(c) GRANTEE hereby certifies that during the performance of this CONTRACT, GRANTEE and any sub-grantees shall fully comply with State regulations regarding the implementation of Disabled Veteran business participation goals as set forth in ARTICLE XVI, **Disabled Veteran Business Enterprise Participation Requirements**, ARTICLE XVII, **Recycling Certification,** and ARTICLE XVIII, **CONTRACTORS CERTIFICATION CLAUSES**.

(d) GRANTEE shall continue with the responsibilities of this CONTRACT during any dispute.

(e) Notices required between the DEPARTMENT and the GRANTEE shall be deemed to have been given when mailed to the respective addresses, first-class postage fully prepaid thereon.

EXHIBIT A

STANDARD TERMS AND CONDITIONS FOR BOATING SAFETY AND ENFORCEMENT EQUIPMENT GRANT AGREEMENT

ARTICLE I — DEFINITIONS

A. **GRANT AGREEMENT** means the contract to which these standard terms and conditions are appended.

B. **EQUIPMENT** means a DEPARTMENT approved electronics, power plant and other equipment purchased for use in boating safety and law enforcement activities.

C. **PURCHASE COSTS** means those costs incurred by the GRANTEE in purchasing the EQUIPMENT; such PURCHASE COSTS shall not include any operation and maintenance costs, nor any costs incurred prior to the effective date of this CONTRACT, nor any indirect or overhead costs claimed by the GRANTEE.

D. **GRANTEE FUNDS** mean any funds provided by the GRANTEE for the operation and maintenance of the EQUIPMENT.

E. **GRANT** means a grant, using FEDERAL FUNDS, made by the DEPARTMENT to the GRANTEE to finance all or part of the PURCHASE COSTS.

ARTICLE II — TERM OF CONTRACT

A. The term of this CONTRACT shall begin on the effective date of the CONTRACT and shall continue for FIFTEEN [15] YEARS from such date unless terminated earlier in accordance with the terms and conditions of this CONTRACT.

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

ARTICLE III — DISBURSEMENT OF GRANT

A. The DEPARTMENT shall have no obligation to disburse the GRANT unless and until the GRANTEE obtains the prior written approval of the DEPARTMENT of the type and cost of the EQUIPMENT and attendant equipment.

B. The DEPARTMENT will reimburse the GRANTEE through the GRANT for the PURCHASE COSTS of the EQUIPMENT.

C. The DEPARTMENT may make payment under this CONTRACT upon receipt of a written payment request by the GRANTEE, such request shall be substantiated by invoices or other such evidence of PURCHASE COSTS and a signed certification that the GRANTEE complied with procurement procedures as outlined in ARTICLE XIII.

ARTICLE IV — EQUIPMENT OWNERSHIP

The DEPARTMENT shall be the legal owner of the EQUIPMENT. The GRANTEE shall not assign, mortgage, hypothecate or transfer its interest in the EQUIPMENT without the prior written approval of the DEPARTMENT.

ARTICLE V — OPERATION AND MAINTENANCE OF EQUIPMENT

A. The GRANTEE shall use the EQUIPMENT for the purposes of boating safety and law enforcement and shall keep the EQUIPMENT available for search and rescue operations.

ARTICLE V — OPERATION AND MAINTENANCE OF EQUIPMENT(CONTINUED)

B. The GRANTEE shall be responsible for the costs of operating and maintaining the EQUIPMENT; the DEPARTMENT shall not be liable for such costs.

C. The GRANTEE shall maintain the EQUIPMENT in good repair.

D. The GRANTEE, at its own expense, agrees to replace the EQUIPMENT if it is destroyed or rendered useless prior to the expiration of this GRANT.

E. Representatives, agents or employees of the GRANTEE in the performance of this GRANT shall act in independent capacity and not as officers, employees or agents of the DEPARTMENT.

F. The GRANTEE shall keep complete and accurate records of all expenditures pertaining to the purchase of additional equipment and the operation and maintenance of the EQUIPMENT; such records shall be available and open to the DEPARTMENT at all reasonable times for inspection and audit by any authorized representative of the DEPARTMENT.

ARTICLE VI – TERMINATION OF GRANT

A. Either DEPARTMENT or GRANTEE may unilaterally terminate this GRANT if a material breach of the GRANT is made by the other; such termination shall become effective NINETY [90] DAYS following the date of receipt by either the DEPARTMENT or the GRANTEE of a written notice of termination from the party initiating the termination.

B. The GRANTEE may terminate this GRANT if the GRANTEE becomes financially or legally unable to comply with the terms and conditions of this GRANT; such termination shall become effective NINETY [90] DAYS following receipt by the DEPARTMENT of a written notice of termination from the GRANTEE.

C. The DEPARTMENT may terminate this GRANT immediately and be relieved of any payments should the legislative body of the GRANTEE fail to appropriate GRANTEE FUNDS or if the

GRANTEE fails to perform the requirements of this Agreement at the time and in the manner herein provided; such termination to become effective upon receipt by the GRANTEE of a written termination notice from the DEPARTMENT.

D. This GRANT shall terminate three years after the effective date specified on page 1 of the GRANT if the GRANTEE has not received all of the GRANT prior to such date.

ARTICLE VII — REVERSION OF EQUIPMENT TO DEPARTMENT

If, for any reason whatsoever, this GRANT is terminated prior to the expiration of the term of the GRANT, then the GRANTEE shall deliver the EQUIPMENT to the DEPARTMENT and shall execute any document necessary to effect appropriate changes in pertinent public records; the reversion of registered title is hereby declared to be in addition to, and not in lieu of, any other remedies for breach of this GRANT which may be available to the DEPARTMENT.

ARTICLE VIII — LIABILITY

A. The GRANTEE waives all claims and recourse against the DEPARTMENT, including the right to contribution for any loss or damage arising from, growing out of or in any way connected with or incident to this GRANT.

B. 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 GRANTEE in the performance of this Agreement. GRANTEE warrants, represents and agrees that it and its subcontractors, employees

and representatives shall at all times comply with all applicable State contracting laws, codes, rules and regulations in the performance of this agreement.

C. If the DEPARTMENT is named as a co-defendant, the GRANTEE shall notify the DEPARTMENT and represent it unless the DEPARTMENT elects to represent itself. If the DEPARTMENT undertakes its own defense, it shall bear its own litigation costs, expenses and attorney's fees.

ARTICLE IX — WAIVER OF RIGHTS

It is the intention of the parties hereto that from time to time either party may waive certain of its rights under this GRANT. Any waiver at this time by either party hereto of its rights with respect to a default or any other matter arising in connection with this GRANT shall not be deemed to be a waiver with respect to any other default or matter.

ARTICLE X — REMEDIES NOT EXCLUSIVE

The use by either the DEPARTMENT or GRANTEE of any remedy specified in this GRANT for the enforcement of this GRANT is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.

ARTICLE XI — OPINIONS AND DETERMINATIONS

Where the terms of GRANT provide for action to be based upon the opinion, judgment, approval, review, or determination of either the DEPARTMENT or GRANTEE, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.

ARTICLE XII — ASSIGNMENT OR TRANSFER OF EQUIPMENT

No assignment or transfer of this GRANT or any part hereof, rights hereunder, or interest herein by GRANTEE shall be valid unless and until it is approved by the DEPARTMENT and made subject to such reasonable terms and conditions as the DEPARTMENT may impose.

ARTICLE XIII — PROCUREMENT PROCEDURES

A. The GRANTEE may use its own procurement procedures which reflect applicable State and Local laws and regulations, provided that the procedures conform to applicable Federal law, the standards identified in **EXHIBIT C, 49 CFR Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments,** and the specifications prepared by the GRANTEE and approved by the DEPARTMENT. **There shall be no changes, corrections, modifications or exceptions to DEPARTMENT approved specifications without advance approval by the DEPARTMENT.**

B. Procurement procedures for boats must be invitation for Bids. Please pay special attention to the specific procurement standards regarding advertising **by your department,** adequate purchase descriptions, sealed bids, and public openings.

C. Procurement procedures used by the GRANTEE must conform to State law and regulations regarding **Disabled Veteran Business Enterprise Participation Requirements,** ARTICLE XVI, **Recycling Certification,** ARTICLE XVII, AND **CONTRACTORS CERTIFICATION CLAUSES,** ARTICLE XVIII. The GRANTEE is responsible, in its sole discretion, for the review of all bids for compliance.

D. **EQUIPMENT AND ELECTRONICS PROCCEDUREMENT PROCEDURES:** Grantee must obtain at least three (3) bids or rate quotations from qualified sources for each item that has a unit cost of $5,000 or more. The bids may be obtained over the phone, but must

be verified with a fax or original copy from the vendor, and must include the make, model, size, name of vendor, date, and cost of item.

E. AWARDING AGENCY REVIEW

(1) Grantees and sub-grantees must make available, upon request of the awarding agency, technical specifications on proposed procurements where the awarding agency believes such review is needed to ensure that the item and/or services specified is the one being proposed for purchase. This review generally will take place prior to the time the specification is incorporated into a solicitation document. However, if the grantee or sub-grantee desires to have the review accomplished after a solicitation has been developed, the awarding agency may still review the specifications, with such review usually limited to the technical aspects of the proposed purchase.

(2) Grantees and sub-grantees must on request make available for Awarding agency pre-award review procurement documents, such as requests for proposals or invitations for bids, independent cost estimates, etc. when:

(A) A grantee's or sub-grantee's procurement procedures or operation fails to comply with the procurement standards in this section; or

(B) The procurement is expected to be awarded without competition or only one bid or offer is received in response to a solicitation; or

(C) The proposed award is to be awarded to other than the apparent low bidder under a sealed bid procurement; or

(D) A proposed GRANT modification changes the scope of a contract.

(3) A grantee or sub-grantee will be exempt from the pre-award review in paragraph **(D)(2)** of this section if the awarding agency determines that its procurement systems comply with the standards of this section.

(A)A grantee or sub-grantee may request that its procurement system be reviewed by the awarding agency to determine whether its system meets these standards in order for its system to be certified. Generally, these reviews shall occur where there

is a continuous high-dollar funding, a third-party contracts are awarded on a regular basis.

(B)A grantee or sub-grantee may self-certify its Procurement system. Such self-certification shall not Limit the warding agency's right to survey the system. Under a self-certification procedure, awarding agencies may wish to reply on written assurances from the grantee or sub-grantee that it is complying with these standards. A grantee or sub-grantee will cite specific procedures, regulations, standards, etc., as being in compliance with these requirements and have its system available for review.

ARTICLE XIV - SUBJECT TO AUDIT

GRANTEE 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. GRANTEE 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. GRANTEE 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, GRANTEE agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement (GC 8546.7, PCC 10115 et seq., and CCR Title 2, Section 1896).

ARTICLE XV — NON-DISCRIMINATION CLAUSE

A. During the performance of this GRANT, GRANTEE and its sub grantees 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, disability (including HIV and AIDS), medical condition (cancer), age, marital status, denial of family and medical care leave and denial of pregnancy disability leave. GRANTEES and sub-grantees shall insure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination and harassment. GRANTEES and sub-grantees shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12900 et seq.) and the

applicable regulations promulgated there under (California Code of Regulations, Title 2, Section 7285.0 et seq.).

The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990 (a-f), are set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations and are incorporated into this GRANT by reference and made a part hereof as if set forth in full. GRANTEE and sub-grantees shall give written notice of their obligations under this clause to labor organization with which they have a collective bargaining or other agreement.

B. GRANTEE shall include the non-discrimination and compliance provisions of this clause in all sub-grants to perform work under this GRANT.

ARTICLE XVI — DISABLED VETERAN BUSINESS ENTERPRISE PARTICIPATION REQUIREMENT

A. State law requires that State contracts have participation goals of 3% for Disabled Veteran Business Enterprises (DVBEs). Local governmental agency contracts where the State retains a proprietary interest must comply with this requirement.

B. GRANTEE is responsible for advising all prospective bidders of responsibilities and requirements by including specific language in any and all invitations for Bids and Requests for proposals.

C. The GRANTEE is responsible for reviewing all bids for compliance with the DVBE participation requirement.

ARTICLE XVII — RECYCLING CERTIFICATION

A. State law requires that state contracts shall have Recycling Certification in writing under penalty of perjury, the minimum, if not exact, percentage of recycled content, both post consumer waste and secondary waste as defined in the Public Contract Code, Sections 12161 and 12200, in materials, goods, or supplies offered or products used in the performance of this Agreement, regardless of whether the product meets the required recycled product percentage as defined in the Public Contract Code, Sections 12161 and 12200.

Contractor may certify that the product contains zero recycled content. (PCC 10233, 10308.5, 10354)

B. GRANTEE is responsible for advising all prospective bidders of responsibilities and requirements by including specific language in any and all Invitations for Bids and Requests for Proposals. Suggested language and forms which may be used are attached to this exhibit.

C. The GRANTEE is responsible for reviewing all bids for compliance with Recycling Certification requirement.

ARTICLE XVIII — CONTRACTOR CERTIFICATION CLAUSES

A. The CONTRACTOR CERTIFICATION CLAUSES contained in document CCC307 are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto.

B. GRANTEE is responsible for advising all prospective bidders of responsibilities and requirements by including specific language in any and all Invitations for Bids and Requests for Proposals. Suggested language and forms which may be used are attached to this exhibit.

C. The GRANTEE is responsible for reviewing all bids for compliance with Recycling Certification requirement.

ARTICLE XIX — DISPOSITION OF PROCEEDS FROM SALE OF EQUIPMENT

If the GRANTEE has contributed money other than GRANT funds to cover the payment of PURCHASE COSTS, and in the event of a sale of the EQUIPMENT after the expiration or termination of this GRANT or the reversion of the EQUIPMENT to the DEPARTMENT, then the proceeds of the EQUIPMENT sale shall be distributed between the DEPARTMENT and the GRANTEE in proportion to their respective contributions in paying the PURCHASE COSTS, e.g.: if the PURCHASE COSTS totaled $100,000 and the GRANT contribution amounts to $60,000, then the DEPARTMENT would receive 60% of the EQUIPMENT sale proceeds and the GRANTEE would receive 40%.

Yuba County Sheriff's Department

Steven L. Durfor, Sheriff-Coroner

215 5th Street, Suite 150, Marysville, CA 95901
Ph: 530-749-7777 • Fax: 530-741-6445

DATE: NOVEMBER 18, 2014

TO: YUBA COUNTY BOARD OF SUPERVISORS

FROM: STEVEN L. DURFOR, SHERIFF-CORONER
JILL ABEL, INTERIM HUMAN RESOURCES DIRECTOR

SUBJECT:
1. CHANGE TITLE OF ONE VACANT OFFICE SPECIALIST POSITION TO DETENTION SERVICES CLERK
2. AMEND THE DEPUTY SHERIFF CLASSIFICATION TO INCLUDE DEPUTY SHERIFF TRAINEE

RECOMMENDATION:

Approve resolutions to amend the Position Allocation and Classification System – Basic Salary/Hourly Schedules as they relate to the Sheriff's Department, effective November 1, 2014.

BACKGROUND:

Office Specialist/Detention Services Clerk

Currently the Sheriff's Department is required to use a county wide Office Specialist employment list to fill vacant Office Specialist positions. The current Office Specialist vacancy is in our Jail Division.

During the past recruitments, it became evident that the county wide Office Specialist list is not appropriately meeting our department needs for filling our vacancies. We are certified a list of candidates that generally waive, decline or fail to show up for an interview. This outcome could largely be due to the extensive background investigation that is required for employment of all Sheriff's Department employees and / or the unique duties assigned to this position.

While this position performs some functions similar to other county Office Specialists, there are some measurable duties outside the mainstream applicant expectations that are normally considered when applying for an Office Specialist position. Duties such as screening inmate vistors, initiating and terminating visiting periods, communicating via two-way radio and releasing inmate property and duties unique to a detention setting. The person in this position must have the ability to establish and maintain effective working relationships with local defense attorneys, probation officers, and law enforcement personnel. They must be able to deal with many diversified classes of people including difficult individuals that may be difficult or have a criminal background.

Deputy Sheriff/Deputy Sheriff Trainee

For the past three decades, law enforcement agencies have the luxury of requiring completion of law enforcement academy as a minimum qualification to be appointed to a position of Deputy Sheriff or Police Officer. Agencies received an adequate number of qualified candidates based on that as minimum qualification.

Due to a declining candidate pool, agencies have more recently developed Deputy Sheriff/Police Officer "Recruit" or "Trainee" positions in order to enable hiring candidates who are either currently enrolled in an academy or who possess the desire to enter the law enforcement field but need a sponsorship in order to attend an academy. Since many of the local agencies have such a classification (Nevada County Sheriff, Butte County Sheriff, Yolo County Sheriff, Placer County Sheriff and Yuba City Police Department), the Yuba County Sheriff's Department has experienced a declining pool of qualified candidates for Deputy Sheriff. Surrounding agencies are recruiting directly from full-time and modular academies and hiring trainees before they meet the minimum qualifications of employment in Yuba County.

DISCUSSION:

Office Specialist/Detention Services Clerk

Changing the title of the position would allow the recruitment to be exclusive to the Sheriff's Department. This would greatly improve our applicant pool to include only persons interested in obtaining employment at the Sheriff's Department.

Deputy Sheriff/Deputy Sheriff Trainee

Amending the Deputy Sheriff classification to include a Deputy Sheriff Trainee would "level the playing field" and increase our ability to compete with local agencies for the best candidates for Deputy Sheriff. This would not increase our allocated positions but allow us to flexibly staff the current positions as either Deputy Sheriff or Deputy Sheriff Trainee. The Deputy Sheriff Trainee pay is being set 6% less than the Deputy Sheriff to remain competitive with other local agencies.

COMMITTEE ACTION

This item was not taken to committee due to it being substantially an administrative change/amendment in the position name and providing clarity to the duties performed.

FISCAL IMPACT:

Office Specialist/Detention Services Clerk
None-Administrative only.

Deputy Sheriff/Deputy Sheriff Trainee
There may be a nominal savings as the Deputy Sheriff Trainee is paid slightly less while in training.

BEFORE THE BOARD OF SUPERVISORS

OF THE COUNTY OF YUBA

RESOLUTION AMENDING THE DEPARTMENTAL POSITION ALLOCATION SCHEDULE) RESOLUTION NO. _____

BE IT RESOLVED that the Departmental Position Allocation Schedule as it relates to the following department(s) is amended effective November 1, 2014 as follows:

DELETE:

DEPARTMENT	CLASSIFICATION	# OF POSITIONS
Sheriff's Department	Office Specialist	1
Sheriff's Department	Deputy Sheriff	52

ADD:

DEPARTMENT	CLASSIFICATION	# OF POSITIONS
Sheriff's Department	Detention Services Clerk	1
Sheriff's Department	Deputy Sheriff/Deputy Sheriff Trainee	52

PASSED AND ADOPTED by the Board of Supervisors of the County of Yuba, State of California, on the _____ day of _____, 2014 by the following votes:

AYES:
NOES:
ABSENT:

_____
CHAIRMAN

ATTEST: Donna Stottlemeyer
Clerk of the Board

By:_____

APPROVED AS TO FORM: Angil Morris-Jones
County Counsel

By:_____

BEFORE THE BOARD OF SUPERVISORS

OF THE COUNTY OF YUBA

RESOLUTION AMENDING THE CLASSIFICATION SYSTEM – BASIC SALARY SCHEDULE

RESOLUTION NO. _____

BE IT RESOLVED that the Classification System – Basic Salary/Hourly Schedule is amended as follows effective November 1, 2014.

ADD:

Code	Classification	Unit	BASE: STEP A	HOURLY	OT Code	WC Code
DESC	Detention Services Clerk	1	$2,516	14.52	N	8810.1
DEST	Deputy Sheriff Trainee	6	$3,892	22.45	N	7720

PASSED AND ADOPTED by the Board of Supervisors of the County of Yuba, State of California, on the _____ day of_____, 2014 by the following votes:

AYES:
NOES:
ABSENT:

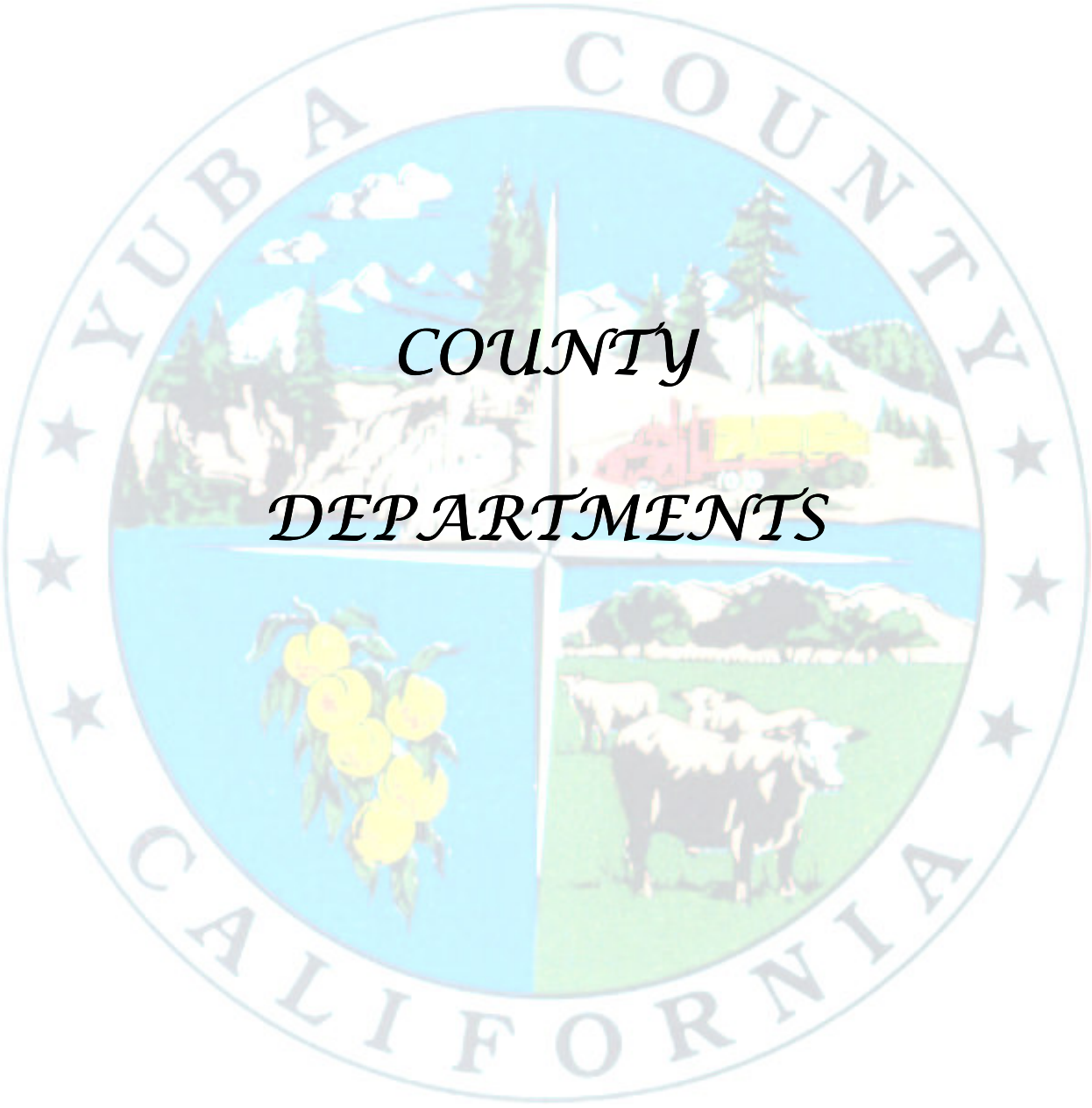
_____
CHAIRMAN

ATTEST: Donna Stottlemeyer
Clerk of the Board

By:_____

APPROVED AS TO FORM: Angil Morris-Jones
County Counsel

By:_____



COUNTY

DEPARTMENTS

THIS PAGE INTENTIONALLY LEFT BLANK

Administrative Services Memorandum

To: Board of Supervisors
CC: Robert Bendorf, County Administrator
From: Doug McCoy, Director, Administrative Services
Date: November 18, 2014
Re: Update on the Tri-County Juvenile Facility Project

Recommendation

It is recommended that staff provide an update to the Board of Supervisors on the progress of the Tri-County Juvenile Rehabilitation Facility Project and for the Board to provide staff direction as appropriate.

Background

Since the initial award of SB81 funding of $5.65 million to support the Tri-County facility, it has been determined additional funding is needed to complete the project. The Board of State and Community Corrections (BSCC) is offering another round of grants available to Counties for juvenile facility construction needs.

The total funding available from BSCC is estimated to be $79.2 million, with $19.2 million earmarked for small counties.

Discussion

A project team comprised of the Colusa, Yuba and Sutter Probation Chiefs and various additional staff has been working with Vanir Construction to determine a conceptual design and determine the actual 'need.' The initial scope of 48 beds remains the target, and with the requisite amount of additional support areas (interview rooms, visitation, locker rooms, etc.) the minimum amount of required space is estimated to be approximately 23,900 square feet. That puts our initial cost estimate at about $12,750,000 for the actual construction. Once we factor in the state-mandated escalation, contingency, and soft costs (architect, staff time, etc.) our total estimated construction cost is around $18,300,000.

County staff and the project committee seeks your Board's direction on whether to proceed with investments in staff time & effort and construction management consultant time toward submitting the application for this additional funding. The application deadline is December 19th.

If the Board supports going forward, the Committee will come back to your Board with a resolution of support of the application that would also include verbiage affirming that the County will fund their share of the project (and where those funds will be coming from).

Fiscal Impact

The estimated construction cost of $18,300,000 is offset by the $5,650,000 from the original grant. If we apply and receive what we anticipate to be our best chance share of this small county grant funding of $9.6 million (the maximum available), it would leave the three counties with a total match due of $3.061 million; or $1.2 million for Yuba and Sutter Counties, and $612,000 for Colusa, using the already agreed upon 40/40/20 allocation methodology.

By way of comparison, the original application 'scoped' the project to cost approximately $8.2 million. After the $5.6 million received via the grant, the local match due to the counties would be $2,571,000. This would have been shared at a rate of $1.03 million for Yuba and Sutter and $514,000 for Colusa using the same methodology as previously stated.

Ultimately, the difference in local match between the two is approximately $500,000. The primary difference between the two designs results is an actual usable and more operationally efficient facility.

Administrative Services Memorandum

To: Board of Supervisors
CC: Robert Bendorf, County Administrator
From: Doug McCoy, Director, Administrative Services
Date: November 18, 2014
Re: Vanir Construction Management for the Tri County Juvenile Rehabilitation Project

---

Recommendation

Recommend the Board approve an agreement with Vanir Construction Management, Inc. for Phase 1 Construction Management services for the Tri County Juvenile Rehabilitation Project, and authorize chair to execute same.

Background

Administrative Services received 3 qualifications submissions for construction management services. After review by Administrative Services and County Administrator staff, it was determined that Vanir Construction Management provided the skills and experience needed for this type of project.

Discussion

In June 2014, Administrative Services brought Vanir Construction Management on to support the immediate project needs under an initial agreement to review the project documentation. This agreement would allow Vanir to continue with the work they have begun to support staff to complete the project establishment work needed for the Round 1 SB81 funding, determine feasibility for Round 2 SB-81 funding, and prepare the application and documentation for such.

Committee Action

Due to the project timeline for the application submission, it has been brought directly to your Board for consideration.

Fiscal Impact

Phase 1 is for all construction management work from pre bid to managing bids and final contract award. The total for this work is $96,060 and is already budgeted to be paid from the Tri County Juvenile Hall Capital expenses account 101-1210-418-2300.

THIS PAGE INTENTIONALLY LEFT BLANK

AGREEMENT BETWEEN

THE COUNT OF YUBA

AND

VANIR CONSTRUCTION MANAGEMENT, INC.

July 8, 2014

TABLE OF CONTENTS

1. RELATIONSHIP OF THE PARTIES 2

2. PROJECT DEFINITION 3

3. CONSTRUCTION MANAGER'S BASIC SERVICES 3

4. DURATION OF THE CONSTRUCTION MANAGER'S SERVICES 12

5. CHANGES IN THE CONSTRUCTION MANAGER'S BASIC SERVICES AND ADDITIONAL COMPENSATION 12

6. OWNER'S RESPONSIBILITIES 13

7. COMPENSATION AND PAYMENT 14

8. INSURANCE AND MUTUAL INDEMNITY 15

9. TERMINATION AND SUSPENSION 17

10. DISPUTE RESOLUTION 18

11. ADDITIONAL PROVISIONS 19

Appendix A: SCHEDULE OF RATES FOR PERSONNEL COSTS 21

Appendix B: ALLOWABLE REIMBURSABLE EXPENSES 22

AGREEMENT BETWEEN
THE COUNTY OF YUBA
AND
VANIR CONSTRUCTION MANAGEMENT, INC.

AGREEMENT made this 8th day of July, of the year 2014.

Between the Owner:

County of Yuba
Administrative services
Government Center
915 8th Street, Suite 119
Marysville, CA 95901

and the Construction Management (CM) firm of:

Vanir Construction Management, Inc.
4540 Duckhorn Drive, Suite 300
Sacramento, CA 95834
Telephone (916) 575-8888

for services in connection with the Project known as:

Tri-County Juvenile Rehabilitation Facility

The County of Yuba (referred to as the "Owner") and Vanir Construction Management, Inc. (referred to as the "CM"), agree as set forth herein.

ARTICLE 1: RELATIONSHIP OF THE PARTIES

1.1 Owner and Construction Manager

The Construction Manager, hereinafter referred to as CM, shall be the Owner's agent in providing the Construction Manager's Services described in Article 3 of this Agreement. The CM and the Owner shall perform as stated in this Agreement and the CM and Owner accepts the relationship of trust and confidence between them, which is established herein.

1.1.1 Standard of Care

The CM covenants with the Owner to furnish its skill and judgment with due care and in accordance with applicable federal, state and local laws and regulations which are in effect on the date of this Agreement first written above, in carrying out their responsibilities defined in Article 3 of this contract.

1.2 Owner and Design Professional

The Owner shall enter into a separate agreement with one or more Design Professionals to provide architectural and engineering design for the Project. The Project is defined in Article 2 of this Agreement.

1.3 Owner and Contractors

The Owner shall enter into separate contract with one or more Contractors for the construction of the Project.

1.4 Relationship of the CM to Other Project Participants

In providing the Construction Manager's Services described in this Agreement, the CM shall endeavor to maintain a working relationship with the Contractors and Design Professional on behalf of the Owner. However, nothing in this Agreement shall be construed to mean that the CM assumes any of the responsibilities or duties of the Contractors or the Design Professional. The Contractors are solely responsible for construction means, methods, sequence and procedures used in the construction of the Project and for the safety of its personnel and its operations and for performing in accordance with the Contractor's contract with the Owner. The Design Professional is solely responsible for the Project design and shall perform in accordance with the agreement between the Design Professional and the Owner. There are no third party beneficiaries of this Owner-CM agreement and no one except the parties to the CM agreement may seek to enforce its terms.

ARTICLE 2: PROJECT DEFINITION

The Project for which the Owner has contracted the services of the CM is described below:

Construct a new Juvenile Rehabilitation facility using design build delivery on a County owned parcel located at 938 14th Street, Marysville, CA. The project will support Yuba, Sutter and Colusa County juvenile rehabilitation functions. The project is partially funded using SB 81 State funds. Scope includes 48 secure beds in sleeping rooms, administration areas, intake, central and housing control, day rooms exercise areas, program spaces, classrooms, medical, pharmaceutical, visiting, food staging, laundry storage and attorney interview rooms.

ARTICLE 3: CONSTRUCTION MANAGER'S BASIC SERVICES

3.1 CM Basic Services

The CM shall perform the Basic Services described in this Article. It is not required that the Basic Services be performed in the sequence in which they are described.

3.2 Phase 1 – Project Establishment

3.2.1 Evaluate options for the full 48 bed program and a reduced program reconciled with existing funding.

3.2.2 Review existing project documentation

3.2.3 Conduct project meetings as required

3.2.4 Coordinate with BSCC/State agencies re: SB 81

3.2.5 Verify and refine existing program as necessary

3.2.6 Meet with local agencies re: offsite development requirements

3.2.7 Develop BIM concepts to meet owner requirements

3.2.8 Establish FF&E scope and requirements

3.2.9 Establish project scope

3.2.10 Establish "3 Page Estimate"

3.2.11 Establish Project Schedule

3.2.12 Meet with State and prepare application for additional funding

3.2.13	Prepare application exhibits
3.2.14	Attend 3 onsite program and concept design review meetings
3.2.15	Attend 3 meetings with State
3.2.16	Submit SB 81 application to State
3.2	**Additional Services for criteria development and design build phase (Not Included in Contract)**
3.2.1	Criteria Development
3.2.2	Project Management
3.2.2.1	Develop project management plan
3.2.2.2	Develop master schedule
3.2.2.3	Coordination with utilities
3.2.2.4	Coordination with Building Department and assigned County inspectors.
3.2.2.5	Coordination with Regulatory and Approving Agencies
3.2.2.6	Coordinate with State Fire marshal
3.2.2.7	Coordinate with Certified Access Compliance Specialist
3.2.2.8	Evaluate permitting requirements
3.2.2.9	Brief and report to Tri-County Juvenile Hall Oversight Committee
3.2.3	Budget Control
3.3.3.1	Develop conceptual estimates
3.3.3.2	Reconcile scope to budget and adjust as required
3.3.3.3	Perform one formal value engineering session
3.3.3.4	Provide decision impact tracking
3.3.3.5	Negotiate budget, fee, mark-ups, and change orders with DB as required
3.3.3.6	Provide cost control during design and construction phase.
3.3.4	Design Build Procurement
3.3.4.1	Work with Owner to establish selection process and bid form
3.3.4.2	Integrate suite of documents and develop RFP
3.3.4.3	Market project with local contracting and design build community
3.3.4.4	Schedule and lead pre-proposal Conference

3.3.4.5	Schedule and lead confidential meeting
3.3.4.6	Respond to proposal RFIs
3.3.4.7	Assist Owner with issuing addendum
3.3.4.8	Review design build proposal and advise Owner. Assist with selection process
3.3.4.9	Recommend Award
3.3.5	Design Build Design Phase
3.3.5.1	Schedule and lead kick off and lessons learned meetings
3.3.5.2	Perform system confirmation review of design process
3.3.5.3	Attend DB led design progress meetings
3.3.5.4	Provide design decision tracking
3.3.5.5	Coordinate with stakeholder
3.3.5.6	Review DB provided life cycle analysis
3.3.5.7	Review change proposals for merit, mitigation, alternatives and negotiate with DB
3.3.5.8	Coordinate with State Fire Marshal
3.3.5.9	Coordinate with certified access compliance specialist
3.3.5.10	Provide project reporting
3.3.5.11	Work with commissioning agent to develop commissioning requirements
3.3.6	Construction Phase
3.3.6.1	Provide on-site construction management
3.3.6.2	Develop project management plan and project specific procedures
3.3.6.3	Coordinate with Owner assigned inspectors, regulatory and approval agencies
3.3.6.4	Review DB Baseline schedule, progress schedules and request for time extensions. Monitor DB schedule performance in the field.
3.3.6.5	Review DB request for equitable compensation for merit, alternatives, mitigation and fair pricing. Assist Owner with the negotiation and resolution of change orders. Assist Owner with documentation in support of change order issuance.
3.3.6.6	Review and respond to Submittals and requests for information transmitted to Owner for response.
3.3.6.7	Review Informational Submittals and RFIs for general compliance and respond to DB if appropriate.

3.3.6.8	Provide Document Control & Project Files. Maintain official project files for transmittal to Owner at project completion.
3.3.6.9	Coordinate with Owner inspectors and review the DB Pay Application. Recommend payment to Owner as applicable.
3.3.6.10	Provide claims avoidance, mitigation and claims services as needed during the duration of this contract.
3.3.6.11	Provide project accounting support as directed by the Owner
3.3.6.12	Provide monthly project reporting or more frequently as required by the Owner.
3.3.6.13	Coordination with Transition Team
3.3.6.14	Coordination with Utilities
3.3.6.15	Assist County with the scope, biding and management of an independent Testing and Inspection Firm
3.3.6.16	Monitor Start up and Functional Performance Testing
3.3.7	Closeout Phase
3.3.7.1	Assist County inspectors with the development and tracking of a punch list. Maintain a database of open punch list items and track contractor action and resolution.
3.3.7.2	Assist County inspectors and observe Contractor startup and testing of project equipment.
3.3.7.3	Monitor Contractor performed functional performance testing
3.3.7.4	Work with Contractor to coordinate County staff training
3.3.7.5	Receive, review and document Contractor provided spare parts, operation and maintenance manuals and warranty,
3.3.7.6	Review as-built documents for completeness and accuracy in conformance with the general contract.
3.3.7.7	Recommend project acceptance and completion to the County. Assist with closeout documentation.

ARTICLE 4: DURATION OF THE CONSTRUCTION MANAGER'S SERVICES

4.1	The duration of Phase 1: Project Establishment, under this Agreement shall commence on the date of execution of this contract or the date of Notice to Proceed issued by the Owner to the CM, and continue for five (5) calendar months.
4.2	Extensions to duration of the CM's services shall be dealt with as outlined in Article 5.

ARTICLE 5: CHANGES IN THE CONSTRUCTION MANAGER'S BASIC SERVICES AND ADDITIONAL COMPENSATION

5.1 Owner Changes

5.1.1 The Owner, without invalidating this Agreement, may make changes in the CM's Basic Services specified in Article 3 of this Agreement. The CM shall promptly notify the Owner of changes that increase or decrease the CM's compensation or the duration of the CM's Basic Services or both.

5.1.2 Additional Compensation and Changes in Duration

The CM shall be entitled to receive additional compensation when the scope of Basic Services is increased or extended through no fault of the CM. If the scope or the duration of the CM's Basic Services is extended, the CM shall be entitled to receive additional compensation. A written request for additional compensation shall be given by the CM to the Owner within thirty (30) days of the occurrence of the event giving rise to such request.

5.1.3 Changes in the CM's Basic Services

Changes in the CM's Basic Services or duration of the Agreement, and entitlement to additional compensation, shall be made by a written Amendment to this Agreement executed by the Owner and the CM. The Amendment shall be executed by the Owner and CM prior to the CM performing the Services required by the Amendment. The CM shall proceed to perform the Services required by the Amendment only after receiving written notice directing the CM to proceed.

5.1.4 Payment of Additional Compensation

The CM shall submit invoices for additional compensation with its invoice for Basic Services and payment shall be made pursuant to the provisions of Article 7 of this Agreement.

ARTICLE 6: OWNER'S RESPONSIBILITIES

6.1 The Owner shall provide to the CM complete information regarding the Owner's requirements for the Project.

6.2 The Owner shall examine information submitted by the CM and shall render decisions pertaining thereto promptly.

6.3 The Owner shall furnish legal, accounting, contract review and insurance counseling services as may be necessary for the Project.

6.4 The Owner shall furnish insurance for the Project as specified in Article 8.

6.5 If the Owner observes or otherwise becomes aware of any fault or defect in the Project or the CM's services, or any nonconformity with the Contract Documents, the Owner shall give prompt written notice thereof to the CM.

6.6 The Owner shall furnish required information and approvals and perform its responsibilities and activities in a timely manner to facilitate orderly progress of the work in cooperation with the CM, consistent with this Agreement and in accordance with the planning and scheduling requirements, and budgetary restraints of the Project.

6.7 The Owner shall retain one or more Design Professionals whose services, duties, and responsibilities shall be described in a written agreement between the Owner and Design Professional. The services, duties, and responsibilities set out in the agreement between the Owner and the Design Professional shall be compatible and consistent with this Agreement and the Contract Documents. The Owner shall, in its agreement with the Design Professional, require that the Design Professional perform its services in cooperation with the CM, consistent with this Agreement and in accordance with the planning and scheduling requirements and budgetary restraints of the Project as determined by the Owner and documented by the CM.

The terms and conditions of the Agreement between the Owner and Design Professional shall not be changed without written notification of the CM. The Owner shall furnish a copy of the Owner-A/E Agreement and any amendments to the CM, that designate the contractual responsibilities of all parties.

6.8 The Owner shall cause any and all agreements between the Owner and any Project contractor or design professional to be compatible and consistent with this Agreement. Each of the agreements shall include waiver of subrogation and shall expressly recognize the CM as the Owner's agent in providing the Construction Manager's Basic and Additional Services specified in this Agreement.

6.9 At the request of the CM, sufficient copies of the Contract Documents shall be furnished to the CM top permit the timely performance of services, by the Owner at the Owner's expense.

6.10 The Owner shall, in a timely manner secure, submit and pay for necessary approvals, easements, assessments, permits and charges required for the construction, use or occupancy of permanent structures or for permanent changes in existing facilities.

6.11 The Owner, its representatives and consultants shall communicate with the Contractor through the CM.

6.12 The Owner shall send to the CM and shall require the Design Professional to send to the CM, copies of all notices and communications sent to or received by the Owner or Design Professional relating to the Project. During the Construction Phase of the Project, the Owner shall require that the Contractors submit all notices and communication relating to the Project directly to the CM.

6.13 The Owner shall designate an officer, employee, or other authorized representatives to act in the Owner's behalf with respect to the Project. The Owner's representative for the Project is Doug McCoy. This representative shall have the authority to approve changes in the scope of the Project and shall be available during working hours and as often as may be required to render decisions and to furnish information in a timely manner.

6.14 The Owner shall fulfill all their contract obligations in their contract with the A/E's and contractor(s), including making periodic progress payments after considering recommendations for such payments by the CM.

ARTICLE 7: COMPENSATION AND PAYMENT

7.1 Compensation for Basic Services

The Owner shall compensate the CM for performing the Basic Services described in Article 3, within timeframes established in Article 4 as follows:

7.1.1 A fixed fee for phase 1, Project Establishment Services of Ninety Six Thousand, sixty dollars ($96,060).

7.1.2 Additional Services listed in Article 3, are not included in this contract. Once the project has been established with BSCC, compensation for additional services can be established under the provisions of Article 5.

7.2 Payment

Payment to be made by the Owner to the CM for the cost of providing services will be based on monthly invoices in conformance with a payment schedule mutually agreed to by the Owner and CM.

7.2.1 The CM will submit an invoice monthly to the Owner per the billing schedule for the billing period. The Owner shall make payment to the CM of one hundred percent (100%) of the approved invoiced amount within thirty (30) days of the Owner's receipt of the invoice.

7.2.2 Payments due to the CM that are unpaid for more than sixty (60) days from the date of the CM's invoice shall bear interest at the prevailing rate.

7.3 Accounting Records

Record of the CM's personnel expense, consultant fees and direct expenses pertaining to the Project shall be maintained on the basis of generally-accepted accounting practices and shall be available for inspection by the Owner or the Owner's representative at mutually convenient times for a period from the date of this Agreement through two years after completion of the Construction Phase Basic Services.

7.4 Compensation for Additional Services

The CM shall be compensated and payments shall be made for performing Additional Services in the same manner as provided in Article 7 for Basic Services or as a reimbursement for labor and expenses. There shall be an increase in the fee set out in Paragraph 7.1.1 in an amount which is mutually agreeable between the Owner and CM. Additional fees shall be developed using the billing rates and approved expenses included in Appendix A.

ARTICLE 8: INSURANCE AND MUTUAL INDEMNITY

8.1 CM's Liability Insurance

8.1.1 The CM shall purchase and maintain insurance as shall protect the CM from the claims set forth below that may arise out of or result from the CM's performance of services pursuant to this Agreement.

8.1.1.1 Claims under Worker's Compensation, that are applicable to the work performed.

8.1.1.2 Claims for damages because of bodily injury or death of any person other than CM's employees.

8.1.1.3 Claims for damages insured by usual personal injury liability coverage.

8.1.1.4 Claims for damages, other than to the work itself, because of injury to or destruction of tangible property, including loss or use therefrom.

8.1.1.5 Claims for damages because of bodily injury or death of any person or property damage arising out of the Ownership, maintenance or use of any motor vehicle.

8.1.2 The CM's Commercial General and Automobile Liability Insurance, as required by Paragraph 8.1.1, shall be written for not less than the following Limits of Liability:

a. Commercial General Liability

1. Bodily Injury:

$1,000,000.00 Each Occurrence

$2,000,000.00 Aggregate

2. Property Damage:

$1,000,000.00 Each Occurrence

$2,000,000.00 Aggregate

b. Commercial Automobile Liability

1. Combined Single Limit:

$1,000,000.00 Each Occurrence

8.1.3 Commercial General Liability insurance may be obtained under a single policy for the full limits required or by a combination of underlying policies with the balance provided by an excess or umbrella liability policy.

8.1.4 The foregoing policies shall contain a provision that coverages afforded under the policies shall not be canceled until at least thirty (30) days written notice has been given to the Owner and shall include an endorsement making the Owner an additional insured under the policies. Certificates of insurance showing such coverages to be in force shall be filed with the Owner prior to commencement of the CM's services.

8.2 CM's Liability Limitation

Section removed in its entirety per email 10/23/2014.

8.3 Other's Insurance

8.3.1 The CM, as agent of the Owner, shall be named as an additional insured in any insurance policy obtained by the Owner for the Project.

8.3.2 The Owner shall require all Project contractors and design professionals ("Owner Consultants") to name the Owner and "Vanir Construction Management, Inc., its shareholders, officers, directors, employees, agents and affiliates" as additional insured on all liability insurance policies obtained by the Owner Consultants for the Project.

8.4 Notices and Recovery

8.4.1 The Owner and CM each shall provide the other with copies of certificates for all policies obtained for the Project. Each party shall provide the other thirty (30) days of notice of cancellation, non-renewal or endorsement reducing or restricting coverage.

8.5 Waiver of Subrogation

8.5.1 The Owner and CM waive all rights against each other and against the Owner Consultants for damages during construction covered by any property insurance as set forth in the Construction Contract. The Owner and the CM shall each require similar waivers from the Owner Consultants.

8.6 Indemnity

8.6.1 The CM hereby indemnifies and holds harmless the Owner and its employees from and against any and all claims, demands, suits and damages for bodily injury and property damage for which the CM is liable that arise out of the negligent acts or omissions of the CM in performing the Construction Manager's Services under this Agreement provided, however, that the CM does not assume any risk of damages to property that is incorporated in or shall be incorporated in or is located at the Project site which is not within the possession of the CM or under the CM's direction or control.

8.6.2 The Owner hereby indemnifies and holds harmless the CM, its employees and subcontractors from and against any and all claims, demands, suits and damages for bodily injury and property damage that arise out of or result from, in whole or in part, wrongful acts

or omissions of the Owner, its employees, agents, representatives, independent contractors, material suppliers, the Contractors and Design Professional.

8.6.3 The Owner shall cause all Project contractors and design professionals ("Owner Consultants") to defend, indemnify and hold harmless the Owner and CM from and against any and all claims, liabilities, demands, suits, damages and expenses (including attorney's fees and litigation costs) arising out of or in any way relating to the performance by each of the Owner Consultants of their respective agreements for services rendered on the Project, including but not limited to claims for personal injury, property damage and/or professional errors and omissions.

The CM shall cause all subconsultants ("CM Subconsultants") to defend, indemnify and hold harmless the Owner and CM from and against any and all claims, liabilities, demands, suits, damages and expenses (including attorney's fees and litigation costs) arising out of or in any way relating to the performance by each of the CM Subconsultants of their respective agreements for services rendered on the Project, including but not limited to claims for personal injury, property damage and/or professional errors and omissions.

ARTICLE 9: TERMINATION AND SUSPENSION

9.1 Termination

9.1.1 This Agreement may be terminated in whole or in part in writing by either party in the event of substantial failure by the other party to fulfill its obligations under this Agreement through no fault of the terminating party; providing that no such termination may be effected unless the other party is given:

(i) Written notification (delivered by certified mail) that the other party is in material breach of the contract and the notification specifies the breach.

(ii) Fifteen (15) calendar days to cure the breach.

(iii) An opportunity for consultation with the terminating party prior to the termination.

(iv) Termination notification (delivered by certified mail) that the breach has not been cured and providing an additional fifteen (15) calendar days prior to termination.

9.1.2 This Agreement may be terminated in whole or in part in writing by the Owner for its convenience; provided the CM is given (i) not less than thirty (30) days written notice (delivered by certified mail) of intent to terminate and (ii) an opportunity for consultation with the Owner prior to termination. In the event of notice of termination, the CM shall take reasonable measures to mitigate termination expenses.

9.1.3 If termination pursuant to Subparagraph 9.1.1 is effected by the Owner, the CM will be paid for work actually performed. The CM shall be entitled to recover termination expenses reasonably incurred. If termination pursuant to Section 9.1.1 is effected by the CM or if termination pursuant to Section 9.1.2 is effected by the Owner, the CM shall be entitled to an equitable adjustment in compensation. The equitable adjustment for any termination shall provide for payment of the CM for services rendered and expenses incurred prior to the termination. In addition, termination expenses reasonably incurred by the CM shall be paid. Termination expenses are defined as those expenses arising prior, during and subsequent to termination that are directly attributable to the termination.

9.1.4 Upon receipt of a termination notice pursuant to Paragraph 9.1.1, the CM shall (i) promptly discontinue all services affected (unless the notice directs otherwise), and (ii) deliver or otherwise make available to the Owner all data, documents, procedures, reports, estimates, summaries, and such other information and materials as may have been accumulated by the CM in performing this Agreement, whether completed or in process.

9.1.5 If, after termination for failure of the CM to fulfill contractual obligations, it is determined that the CM had not so failed, the termination shall be deemed to have been effected for the convenience of the Owner. In such event, adjustment for the compensation provided for in this Agreement shall be made as provided in Section 9.1.3 for termination for the convenience of the Owner.

9.2 Suspension

9.2.1 The Owner may in writing order the CM to suspend all or any part of the Construction Manager's Services for the Project for the convenience of the Owner or for Work stoppage beyond the control of the Owner or the CM. If the performance of all or any part of the Services for the project is so suspended, an adjustment in the CM's compensation shall be made for the increase, if any, in the cost of the CM's performance of this Agreement caused by such suspension, and this Agreement shall be modified in writing accordingly.

9.2.2 In the event the Construction Manager's Services for the Project are suspended, the Owner shall reimburse the CM for all of the costs of its construction staff, assigned Project home office staff, and other costs as provided for by this Agreement for the first thirty (30) days of such suspension. The CM shall reduce the size of its staff for the remainder of the suspension period as directed by the Owner and, during such period, the Owner shall reimburse the CM for all of the costs of the staff continuing their assignment to the Project. Upon cessation of the suspension, the CM shall restore the construction site staff and home office staff to its former size within thirty (30) days of notification from the Owner.

9.2.3 Persons assigned to another project during such suspension periods and not available to return to the Project upon cessation of the suspension shall be replaced. The Owner shall reimburse the CM for costs incurred in relocating previous staff persons returning to the Project or new persons assigned to the Project.

9.2.4 If the Project is suspended by the Owner for more than three (3) months, the CM shall be paid compensation for Services performed prior to receipt of written notice from the Owner of the suspension, together with direct expenses then due and all expenses and costs directly resulting from the suspension. If the Project is resumed after being suspended for more than six (6) months, the CM shall have the option of requiring that its compensation, including rates and fees, be renegotiated. Subject to the provisions of this Agreement relating to termination, a suspension of the Project does not void this Agreement.

ARTICLE 10: DISPUTE RESOLUTION

10.1 Meeting of Principals: In the event of a dispute arising under this Agreement, and prior to the initiation of any litigation under this Article 10, the chief executive officers of Owner and CM shall meet and confer in an attempt to negotiate a resolution to the dispute. If the principals are unsuccessful in resolving the dispute, Owner and CM shall proceed to mediation in the manner provided for in Article 10.2

10.2 Mediation: In the absence of a negotiated resolution, Owner and CM shall submit to voluntary non-binding mediation before a professional alternative dispute resolution firm or retired judge, as mutually agreed upon by Owner and CM. In the event that Owner and CM are unable to agree upon a neutral mediator, the matter shall be jointly submitted to the offices of the American Arbitration Association in Los Angeles, California for appointment of a mediator, in which case the mediation shall be conducted pursuant to the Rules of the American Arbitration Association. The parties shall share equally in the cost of the mediation.

10.3 Choice of Law: In the event the parties are unable to resolve the dispute through mediation, the law of California will govern the dispute and parties agree to litigate the matter in the Yuba County Superior Court (venue) where the Project is located.

ARTICLE 11: ADDITIONAL PROVISIONS

11.1 Confidentiality

11.1.1 The CM shall not disclose or permit the disclosure of any confidential information, except to its agents, employees and other consultants who need such confidential information in order to properly perform their duties relative to this Agreement.

11.2 Limitations and Assignment

11.2.1 The Owner and the CM each binds themselves, their successors, assigns and legal representatives to the terms of this Agreement.

11.2.2 Neither the Owner nor the CM shall assign or transfer its interest in this Agreement without the written consent of the other, except that the CM may assign accounts receivable to a commercial bank for securing loans without approval of the Owner.

11.3 Governing Law

11.3.1 Unless otherwise provided, this Agreement shall be governed by the law of the state where the Project is located.

11.4 Extent of Agreement

11.4.1 This Agreement represents the entire and integrated agreement between the Owner and the CM and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both the Owner and the CM. Nothing contained in this Agreement is intended to benefit any third party. The Contractors and Design Professionals are not intended third party beneficiaries of this Agreement.

11.5 Severability

11.5.1 If any portion of this Agreement is held as a matter of law to be unenforceable, the remainder of this Agreement shall be enforceable without such provisions.

11.6 Meaning of Terms

11.6.1 References made in the singular shall include the plural and the masculine shall include the feminine or the neuter.

11.7 Notices

11.7.1 All Notices required by this Agreement or other communications to either party by the other shall be deemed given when made in writing and deposited in the United States Mail, first class, postage prepaid, addressed as follows:

To the Owner:

County of Yuba, Administrative Services
Attn: Doug McCoy
Government Center
915 8th Street, Suite 119
Marysville, CA 95901

To the CM:

Vanir Construction Management, Inc.
Attn: John A. Kuprenas

4540 Duckhorn Drive, Suite 300
Sacramento, CA 95834

This Agreement is executed as of the day and year first written above.

for County of Yuba

by: _____
Name
Title

for VANIR CONSTRUCTION MANAGEMENT, INC.

by: _____
John A. Kuprenas
President

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

Insurance ✓
Martha K Wilson
Risk Manager

APPENDIX "A"

SCHEDULE OF RATES FOR PERSONNEL COSTS ($/HR)

Position	2014	2015	2016
Principal in Charge	210	216	222
Project Manager	150	155	160
Engineering Support	140	144	197
Estimating	150	155	148
Scheduling	140	144	148
Clerical	70	72	74
SB 81 Specialist	150	155	160
Program Architect	165	170	175
Project Engineer	110	113	116
BIM Support	110	113	116

ALLOWABLE REIMBURSABLE EXPENSES

The items allowable for reimbursement under Article 5 are as follows:

1. Cost of printing and distributing monthly reports.
2. Cost of transportation.
3. Cost of office supplies.
4. Cost of postage, UPS, Federal Express, etc.
5. Cost of temporary facilities, if any.
6. Cost of other items as required, with prior approval from Owner.

Administrative Services Memorandum

To: Board of Supervisors
CC: Robert Bendorf, County Administrator
From: Doug McCoy, Director, Administrative Services
Date: November 18, 2014
Re: Vanir Construction Management for the New Sheriff Facility Project

---

Recommendation

Recommend the Board approve an agreement with Vanir Construction Management, Inc. for Phase 1 Construction Management services for the New Sheriff Facility Tenant Improvement Project, and authorize Chair to execute same.

Background

Administrative Services received 3 qualifications submissions for construction management services. After review by Administrative Services and County Administrator staff, it was determined that Vanir Construction Management provided the skills and experience needed for this type of project.

Discussion

In June 2014, Administrative Services brought Vanir Construction Management on to support the immediate project needs under an initial agreement to determine the feasibility and to coordinate all necessary requirements and documentation needed to prepare the project to go out to bid. This agreement would continue those Phase 1 services with Vanir to manage the project from pre-bid to contract award. With their strong background in public safety and a team of efficient determined staff, Vanir has brought all the pieces together between the architect, engineers, radio consultants, Administrative Services staff, Sheriff staff and YCWA staff.

Committee Action

Due to the project timeline for the YCWA and a need to get more accurate project pricing, it has been brought directly to your Board for consideration.

Fiscal Impact

The total for this Phase 1 work is $151,455 and is already budgeted to be paid from the Yuba Street Capital expenses account 101-1205-418-2300.

AGREEMENT BETWEEN

THE COUNT OF YUBA

AND

VANIR CONSTRUCTION MANAGEMENT, INC.

July 8, 2014

TABLE OF CONTENTS

1. RELATIONSHIP OF THE PARTIES 2

2. PROJECT DEFINITION 3

3. CONSTRUCTION MANAGER'S BASIC SERVICES 3

4. DURATION OF THE CONSTRUCTION MANAGER'S SERVICES 12

5. CHANGES IN THE CONSTRUCTION MANAGER'S BASIC SERVICES AND ADDITIONAL COMPENSATION 12

6. OWNER'S RESPONSIBILITIES 13

7. COMPENSATION AND PAYMENT 14

8. INSURANCE AND MUTUAL INDEMNITY 15

9. TERMINATION AND SUSPENSION 17

10. DISPUTE RESOLUTION 18

11. ADDITIONAL PROVISIONS 19

Appendix A: SCHEDULE OF RATES FOR PERSONNEL COSTS 21

Appendix B: ALLOWABLE REIMBURSABLE EXPENSES 22

AGREEMENT BETWEEN
THE COUNTY OF YUBA
AND
VANIR CONSTRUCTION MANAGEMENT, INC.

AGREEMENT made this 8th day of July, of the year 2014.

Between the Owner:

County of Yuba
Administrative services
Government Center
915 8th Street, Suite 119
Marysville, CA 95901

and the Construction Management (CM) firm of:

Vanir Construction Management, Inc.
4540 Duckhorn Drive, Suite 300
Sacramento, CA 95834
Telephone (916) 575-8888

for services in connection with the Project known as:

New Sheriff Facility

The County of Yuba (referred to as the "Owner") and Vanir Construction Management, Inc. (referred to as the "CM"), agree as set forth herein.

ARTICLE 1: RELATIONSHIP OF THE PARTIES

1.1 Owner and Construction Manager

The Construction Manager, hereinafter referred to as CM, shall be the Owner's agent in providing the Construction Manager's Services described in Article 3 of this Agreement. The CM and the Owner shall perform as stated in this Agreement and the CM and Owner accepts the relationship of trust and confidence between them, which is established herein.

1.1.1 Standard of Care

The CM covenants with the Owner to furnish its skill and judgment with due care and in accordance with applicable federal, state and local laws and regulations which are in effect on the date of this Agreement first written above, in carrying out their responsibilities defined in Article 3 of this contract.

1.2 Owner and Design Professional

The Owner shall enter into a separate agreement with one or more Design Professionals to provide architectural and engineering design for the Project. The Project is defined in Article 2 of this Agreement.

1.3 Owner and Contractors

The Owner shall enter into separate contract with one or more Contractors for the construction of the Project.

1.4 Relationship of the CM to Other Project Participants

In providing the Construction Manager's Services described in this Agreement, the CM shall endeavor to maintain a working relationship with the Contractors and Design Professional on behalf of the Owner. However, nothing in this Agreement shall be construed to mean that the CM assumes any of the responsibilities or duties of the Contractors or the Design Professional. The Contractors are solely responsible for construction means, methods, sequence and procedures used in the construction of the Project and for the safety of its personnel and its operations and for performing in accordance with the Contractor's contract with the Owner. The Design Professional is solely responsible for the Project design and shall perform in accordance with the agreement between the Design Professional and the Owner. There are no third party beneficiaries of this Owner-CM agreement and no one except the parties to the CM agreement may seek to enforce its terms.

ARTICLE 2: PROJECT DEFINITION

The Project for which the Owner has contracted the services of the CM is described below:

Renovation of an existing 56,400 SF building at 720 Yuba Street, Marysville to accommodate a New Sheriff Facility. Scope includes tenant improvement on approximately 44,000 SF with the remaining space available for future expansion. Project also includes a 4,700 SF auxiliary building and coordination with a new communication tower project occurring concurrently.

ARTICLE 3: CONSTRUCTION MANAGER'S BASIC SERVICES

3.1 CM Basic Services

The CM shall perform the Basic Services described in this Article. It is not required that the Basic Services be performed in the sequence in which they are described.

3.2 Phase 1: Pre Award of General Contract Phase

3.2.1 Provide constructability and value engineering review of 100% construction documents.

3.2.2 Review, edit, and recommend Division 0 and 1 specification documents. Work with County to develop general contract documents and bid form.

3.2.3 Perform check estimate of the AE detailed estimate

3.2.4 Develop master project schedule detailing construction management and stakeholder activities necessary for the execution of the project.

3.2.5 Develop and recommend project duration, project phasing and milestone strategy

3.2.6 Confirm liquidated damages value

3.2.7 Evaluate/confirm permitting requirements

3.2.8 Coordinate with County Building Department and assigned building inspectors.

3.2.9 Assist County with bidding of the general contract

3.2.10 Perform local contracting market outreach

3.2.11 Lead pre-bid conference

3.2.12 Receive and manage bid requests for clarification

3.2.13	Manage bid addendum, if any
3.2.14	Assist in bid evaluation and award
3.2.15	Assist with bid protests, if any
3.3	Phase 2: Post Award of General Contract Phase (Not in Contract)
3.3.1	Construction
3.3.1.1	Lead pre-construction meeting
3.3.1.2	Perform Contractor administration including monitoring General Contractor's conformance with contract requirements.
3.3.1.3	Perform construction observation in coordination with County inspectors.
3.3.1.4	Review Contractor safety program for compliance with contract and notify County of observed safety violations, if any
3.3.1.5	Perform schedule management including review and approval of baseline construction schedule, monthly progress schedules, requests for time extension and monitoring schedule perform in the field.
3.3.1.6	Provide cost control and change order management including reviewing evaluating change requests for merit, alternatives and mitigation strategy, perform check or independent estimates of the contractors price proposal, negotiating changes and making recommendation to the County for the award of changes, if any. Provide monthly budget reports to County or more frequently if required.
3.3.1.7	Work with County inspectors to review and approve Contractors monthly pay applications. Assist County with documentation in support of the pay application process.
3.3.1.8	Support County with project accounting as defined by the county.
3.3.1.9	Set up and maintain a document control system and project files. Maintain official project files to be transmitted to the County at the completion of the project.
3.3.1.10	Coordinate the Tower and Sheriff Facility Projects
3.3.1.11	Assist the County with scoping, bidding and managing of an independent testing and inspection firm.
3.3.1.12	Coordinate with County inspectors, approval authorities and utilities
3.3.1.13	Provide claims and dispute mitigation and support during the duration of the project.
3.3.1.14	Provide monthly project reporting or more frequently as required in a format approved by the County.
3.3.1.15	Lead or attend meetings at the project site or County offices as required.
3.3.1.16	Provide monthly digital project photos
3.3.2	Closeout

3.3.2.1 Assist County inspectors with the development and tracking of a punch list. Maintain a database of open punch list items and track contractor action and resolution.

3.3.2.2 Assist County inspectors and observe Contractor startup and testing of project equipment.

3.3.2.3 Monitor Contractor performed functional performance testing

3.3.2.4 Work with Contractor to coordinate County staff training

3.3.2.5 Receive, review and document Contractor provided spare parts, operation and maintenance manuals and warranty,

3.3.2.6 Review as-built documents for completeness and accuracy in conformance with the general contract.

3.3.2.7 Recommend project acceptance and completion to the County. Assist with closeout documentation.

ARTICLE 4: DURATION OF THE CONSTRUCTION MANAGER'S SERVICES

4.1 The duration of Phase 1: Pre-Award of General Contract, under this Agreement shall commence on the date of execution of this contract or the date of Notice to Proceed issued by the Owner to the CM, and continue for four (4) calendar months or until Contractor bids have been received, whichever period is shorter.

4.2 The duration of Phase 2: Post Award of General Contract, under this Agreement shall commence on the date of execution of phase 2 of this contractor or the date of Notice to Proceed for phase 2 after execution of phase 2, issued by the Owner to the CM, and continue for twelve (12) calendar months or until construction is complete, whichever period is shorter.

4.3 Extensions to duration of the CM's phase 1 or phase 2 services shall be dealt with as outlined in Article 5.

ARTICLE 5: CHANGES IN THE CONSTRUCTION MANAGER'S BASIC SERVICES AND ADDITIONAL COMPENSATION

5.1 Owner Changes

5.1.1 The Owner, without invalidating this Agreement, may make changes in the CM's Basic Services specified in Article 3 of this Agreement. The CM shall promptly notify the Owner of changes that increase or decrease the CM's compensation or the duration of the CM's Basic Services or both.

5.1.2 Additional Compensation and Changes in Duration

The CM shall be entitled to receive additional compensation when the scope of Basic Services is increased or extended through no fault of the CM. If the scope or the duration of the CM's Basic Services is extended, the CM shall be entitled to receive additional compensation. A written request for additional compensation shall be given by the CM to the Owner within thirty (30) days of the occurrence of the event giving rise to such request.

5.1.3 Changes in the CM's Basic Services

Changes in the CM's Basic Services or duration of the Agreement, and entitlement to additional compensation, shall be made by a written Amendment to this Agreement executed by the Owner and the CM. The Amendment shall be executed by the Owner and CM prior to the CM performing the Services required by the Amendment. The CM shall proceed to perform the Services required by the Amendment only after receiving written notice directing the CM to proceed.

5.1.4 Payment of Additional Compensation

The CM shall submit invoices for additional compensation with its invoice for Basic Services and payment shall be made pursuant to the provisions of Article 7 of this Agreement.

ARTICLE 6: OWNER'S RESPONSIBILITIES

6.1 The Owner shall provide to the CM complete information regarding the Owner's requirements for the Project.

6.2 The Owner shall examine information submitted by the CM and shall render decisions pertaining thereto promptly.

6.3 The Owner shall furnish legal, accounting, contract review and insurance counseling services as may be necessary for the Project.

6.4 The Owner shall furnish insurance for the Project as specified in Article 8.

6.5 If the Owner observes or otherwise becomes aware of any fault or defect in the Project or the CM's services, or any nonconformity with the Contract Documents, the Owner shall give prompt written notice thereof to the CM.

6.6 The Owner shall furnish required information and approvals and perform its responsibilities and activities in a timely manner to facilitate orderly progress of the work in cooperation with the CM, consistent with this Agreement and in accordance with the planning and scheduling requirements, and budgetary restraints of the Project.

6.7 The Owner shall retain one or more Design Professionals whose services, duties, and responsibilities shall be described in a written agreement between the Owner and Design Professional. The services, duties, and responsibilities set out in the agreement between the Owner and the Design Professional shall be compatible and consistent with this Agreement and the Contract Documents. The Owner shall, in its agreement with the Design Professional, require that the Design Professional perform its services in cooperation with the CM, consistent with this Agreement and in accordance with the planning and scheduling requirements and budgetary restraints of the Project as determined by the Owner and documented by the CM.

The terms and conditions of the Agreement between the Owner and Design Professional shall not be changed without written notification of the CM. The Owner shall furnish a copy of the Owner-A/E Agreement and any amendments to the CM, that designate the contractual responsibilities of all parties.

6.8 The Owner shall cause any and all agreements between the Owner and any Project contractor or design professional to be compatible and consistent with this Agreement. Each of the agreements shall include waiver of subrogation and shall expressly recognize the CM as the Owner's agent in providing the Construction Manager's Basic and Additional Services specified in this Agreement.

6.9 At the request of the CM, sufficient copies of the Contract Documents shall be furnished to the CM top permit the timely performance of services, by the Owner at the Owner's expense.

6.10 The Owner shall, in a timely manner secure, submit and pay for necessary approvals, easements, assessments, permits and charges required for the construction, use or occupancy of permanent structures or for permanent changes in existing facilities.

6.11 The Owner, its representatives and consultants shall communicate with the Contractor through the CM.

6.12 The Owner shall send to the CM and shall require the Design Professional to send to the CM, copies of all notices and communications sent to or received by the Owner or Design Professional relating to the Project. During the Construction Phase of the Project, the Owner shall require that the Contractors submit all notices and communication relating to the Project directly to the CM.

6.13 The Owner shall designate an officer, employee, or other authorized representatives to act in the Owner's behalf with respect to the Project. The Owner's representative for the Project is Doug McCoy. This representative shall have the authority to approve changes in the scope of the Project and shall be available during working hours and as often as may be required to render decisions and to furnish information in a timely manner.

6.14 The Owner shall fulfill all their contract obligations in their contract with the A/E's and contractor(s), including making periodic progress payments after considering recommendations for such payments by the CM.

ARTICLE 7: COMPENSATION AND PAYMENT

7.1 Compensation for Basic Services

The Owner shall compensate the CM for performing the Basic Services described in Article 3, within timeframes established in Article 4 as follows:

7.1.1 A fixed fee for phase 1, Pre-Award of the General Contract phase services of One Hundred Fifty-One and Four Hundred Fifty Five Dollars($151,455)

7.1.2 A fixed fee for phase 2, Post Award of the General Contract phase services for Four Hundred Forty Thousand Nine Hundred and Thirty Five Dollars($440,935). Phase 2 is not included in the contract. Execution of this work requires a change order as specified in article 5.

7.2 Payment

Payment to be made by the Owner to the CM for the cost of providing services will be based on monthly invoices in conformance with a payment schedule mutually agreed to by the Owner and CM.

7.2.1 The CM will submit an invoice monthly to the Owner per the billing schedule for the billing period. The Owner shall make payment to the CM of one hundred percent (100%) of the approved invoiced amount within thirty (30) days of the Owner's receipt of the invoice.

7.2.2 Payments due to the CM that are unpaid for more than sixty (60) days from the date of the CM's invoice shall bear interest at the prevailing rate.

7.3 Accounting Records

Record of the CM's personnel expense, consultant fees and direct expenses pertaining to the Project shall be maintained on the basis of generally-accepted accounting practices and shall be available for inspection by the Owner or the Owner's representative at mutually convenient times for a period from the date of this Agreement through two years after completion of the Construction Phase Basic Services.

7.4 Compensation for Additional Services

The CM shall be compensated and payments shall be made for performing Additional Services in the same manner as provided in Article 7 for Basic Services or as a reimbursement for labor and expenses. There shall be an increase in the fee set out in Paragraph 7.1.1 and/or Paragraph 7.1.2 in an amount which is mutually agreeable between the Owner and CM. Additional fees shall be developed using the billing rates and approved expenses included in Appendix A.

ARTICLE 8: INSURANCE AND MUTUAL INDEMNITY

8.1 CM's Liability Insurance

8.1.1 The CM shall purchase and maintain insurance as shall protect the CM from the claims set forth below that may arise out of or result from the CM's performance of services pursuant to this Agreement.

8.1.1.1 Claims under Worker's Compensation, that are applicable to the work performed.

8.1.1.2 Claims for damages because of bodily injury or death of any person other than CM's employees.

8.1.1.3 Claims for damages insured by usual personal injury liability coverage.

8.1.1.4 Claims for damages, other than to the work itself, because of injury to or destruction of tangible property, including loss or use therefrom.

8.1.1.5 Claims for damages because of bodily injury or death of any person or property damage arising out of the Ownership, maintenance or use of any motor vehicle.

8.1.2 The CM's Commercial General and Automobile Liability Insurance, as required by Paragraph 8.1.1, shall be written for not less than the following Limits of Liability:

a. Commercial General Liability

1. Bodily Injury:

$1,000,000.00 Each Occurrence

$2,000,000.00 Aggregate

2. Property Damage:

$1,000,000.00 Each Occurrence

$2,000,000.00 Aggregate

b. Commercial Automobile Liability

1. Combined Single Limit:

$1,000,000.00 Each Occurrence

8.1.3 Commercial General Liability insurance may be obtained under a single policy for the full limits required or by a combination of underlying policies with the balance provided by an excess or umbrella liability policy.

8.1.4 The foregoing policies shall contain a provision that coverages afforded under the policies shall not be canceled until at least thirty (30) days written notice has been given to the Owner and shall include an endorsement making the Owner an additional insured under the

policies. Certificates of insurance showing such coverages to be in force shall be filed with the Owner prior to commencement of the CM's services.

8.2 CM's Liability Limitation

Section removed in its entirety per email 10/23/2014.

8.3 Other's Insurance

8.3.1 The CM, as agent of the Owner, shall be named as an additional insured in any insurance policy obtained by the Owner for the Project.

8.3.2 The Owner shall require all Project contractors and design professionals ("Owner Consultants") to name the Owner and "Vanir Construction Management, Inc., its shareholders, officers, directors, employees, agents and affiliates" as additional insured on all liability insurance policies obtained by the Owner Consultants for the Project.

8.4 Notices and Recovery

8.4.1 The Owner and CM each shall provide the other with copies of certificates for all policies obtained for the Project. Each party shall provide the other thirty (30) days of notice of cancellation, non-renewal or endorsement reducing or restricting coverage.

8.5 Waiver of Subrogation

8.5.1 The Owner and CM waive all rights against each other and against the Owner Consultants for damages during construction covered by any property insurance as set forth in the Construction Contract. The Owner and the CM shall each require similar waivers from the Owner Consultants.

8.6 Indemnity

8.6.1 The CM hereby indemnifies and holds harmless the Owner and its employees from and against any and all claims, demands, suits and damages for bodily injury and property damage for which the CM is liable that arise out of the negligent acts or omissions of the CM in performing the Construction Manager's Services under this Agreement provided, however, that the CM does not assume any risk of damages to property that is incorporated in or shall be incorporated in or is located at the Project site which is not within the possession of the CM or under the CM's direction or control. The total liability of the CM to

8.6.2 The Owner hereby indemnifies and holds harmless the CM, its employees and subcontractors from and against any and all claims, demands, suits and damages for bodily injury and property damage that arise out of or result from, in whole or in part, wrongful acts or omissions of the Owner, its employees, agents, representatives, independent contractors, material suppliers, the Contractors and Design Professional.

8.6.3 The Owner shall cause all Project contractors and design professionals ("Owner Consultants") to defend, indemnify and hold harmless the Owner and CM from and against any and all claims, liabilities, demands, suits, damages and expenses (including attorney's fees and litigation costs) arising out of or in any way relating to the performance by each of the Owner Consultants of their respective agreements for services rendered on the Project, including but not limited to claims for personal injury, property damage and/or professional errors and omissions.

The CM shall cause all subconsultants ("CM Subconsultants") to defend, indemnify and hold harmless the Owner and CM from and against any and all claims, liabilities, demands, suits, damages and expenses (including attorney's fees and litigation costs) arising out of or in any way relating to the performance by each of the CM Subconsultants of their respective agreements for services rendered on the Project,

including but not limited to claims for personal injury, property damage and/or professional errors and omissions.

ARTICLE 9: TERMINATION AND SUSPENSION

9.1 Termination

9.1.1 This Agreement may be terminated in whole or in part in writing by either party in the event of substantial failure by the other party to fulfill its obligations under this Agreement through no fault of the terminating party; providing that no such termination may be effected unless the other party is given:

(i) Written notification (delivered by certified mail) that the other party is in material breach of the contract and the notification specifies the breach.

(ii) Fifteen (15) calendar days to cure the breach.

(iii) An opportunity for consultation with the terminating party prior to the termination.

(iv) Termination notification (delivered by certified mail) that the breach has not been cured and providing an additional fifteen (15) calendar days prior to termination.

9.1.2 This Agreement may be terminated in whole or in part in writing by the Owner for its convenience; provided the CM is given (i) not less than thirty (30) days written notice (delivered by certified mail) of intent to terminate and (ii) an opportunity for consultation with the Owner prior to termination. In the event of notice of termination, the CM shall take reasonable measures to mitigate termination expenses.

9.1.3 If termination pursuant to Subparagraph 9.1.1 is effected by the Owner, the CM will be paid for work actually performed. The CM shall be entitled to recover termination expenses reasonably incurred. If termination pursuant to Section 9.1.1 is effected by the CM or if termination pursuant to Section 9.1.2 is effected by the Owner, the CM shall be entitled to an equitable adjustment in compensation. The equitable adjustment for any termination shall provide for payment of the CM for services rendered and expenses incurred prior to the termination. In addition, termination expenses reasonably incurred by the CM shall be paid. Termination expenses are defined as those expenses arising prior, during and subsequent to termination that are directly attributable to the termination.

9.1.4 Upon receipt of a termination notice pursuant to Paragraph 9.1.1, the CM shall (i) promptly discontinue all services affected (unless the notice directs otherwise), and (ii) deliver or otherwise make available to the Owner all data, documents, procedures, reports, estimates, summaries, and such other information and materials as may have been accumulated by the CM in performing this Agreement, whether completed or in process.

9.1.5 If, after termination for failure of the CM to fulfill contractual obligations, it is determined that the CM had not so failed, the termination shall be deemed to have been effected for the convenience of the Owner. In such event, adjustment for the compensation provided for in this Agreement shall be made as provided in Section 9.1.3 for termination for the convenience of the Owner.

9.2 Suspension

9.2.1 The Owner may in writing order the CM to suspend all or any part of the Construction Manager's Services for the Project for the convenience of the Owner or for Work stoppage beyond the control of the Owner or the CM. If the performance of all or any part of the Services for the project is so suspended, an adjustment in the CM's compensation shall be made for the increase, if any, in the cost of the CM's performance of this Agreement caused by such suspension, and this Agreement shall be modified in writing accordingly.

9.2.2 In the event the Construction Manager's Services for the Project are suspended, the Owner shall reimburse the CM for all of the costs of its construction staff, assigned Project home office staff, and other costs as provided for by this Agreement for the first thirty (30) days of such suspension. The CM shall reduce the size of its staff for the remainder of the suspension period as directed by the Owner and, during such period, the Owner shall reimburse the CM for all of the costs of the staff continuing their assignment to the Project. Upon cessation of the suspension, the CM shall restore the construction site staff and home office staff to its former size within thirty (30) days of notification from the Owner.

9.2.3 Persons assigned to another project during such suspension periods and not available to return to the Project upon cessation of the suspension shall be replaced. The Owner shall reimburse the CM for costs incurred in relocating previous staff persons returning to the Project or new persons assigned to the Project.

9.2.4 If the Project is suspended by the Owner for more than three (3) months, the CM shall be paid compensation for Services performed prior to receipt of written notice from the Owner of the suspension, together with direct expenses then due and all expenses and costs directly resulting from the suspension. If the Project is resumed after being suspended for more than six (6) months, the CM shall have the option of requiring that its compensation, including rates and fees, be renegotiated. Subject to the provisions of this Agreement relating to termination, a suspension of the Project does not void this Agreement.

ARTICLE 10: DISPUTE RESOLUTION

10.1 Meeting of Principals: In the event of a dispute arising under this Agreement, and prior to the initiation of any litigation under this Article 10, the chief executive officers of Owner and CM shall meet and confer in an attempt to negotiate a resolution to the dispute. If the principals are unsuccessful in resolving the dispute, Owner and CM shall proceed to mediation in the manner provided for in Article 10.2

10.2 Mediation: In the absence of a negotiated resolution, Owner and CM shall submit to voluntary non-binding mediation before a professional alternative dispute resolution firm or retired judge, as mutually agreed upon by Owner and CM. In the event that Owner and CM are unable to agree upon a neutral mediator, the matter shall be jointly submitted to the offices of the American Arbitration Association in Los Angeles, California for appointment of a mediator, in which case the mediation shall be conducted pursuant to the Rules of the American Arbitration Association. The parties shall share equally in the cost of the mediation.

10.3 Choice of Law: In the event the parties are unable to resolve the dispute through mediation, the law of California will govern the dispute and parties agree to litigate the matter in the Yuba County Superior Court (venue) where the Project is located.

ARTICLE 11: ADDITIONAL PROVISIONS

11.1 Confidentiality

11.1.1 The CM shall not disclose or permit the disclosure of any confidential information, except to its agents, employees and other consultants who need such confidential information in order to properly perform their duties relative to this Agreement.

11.2 Limitations and Assignment

11.2.1 The Owner and the CM each binds themselves, their successors, assigns and legal representatives to the terms of this Agreement.

11.2.2 Neither the Owner nor the CM shall assign or transfer its interest in this Agreement without the written consent of the other, except that the CM may assign accounts receivable to a commercial bank for securing loans without approval of the Owner.

11.3 Governing Law

11.3.1 Unless otherwise provided, this Agreement shall be governed by the law of the state where the Project is located.

11.4 Extent of Agreement

11.4.1 This Agreement represents the entire and integrated agreement between the Owner and the CM and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both the Owner and the CM. Nothing contained in this Agreement is intended to benefit any third party. The Contractors and Design Professionals are not intended third party beneficiaries of this Agreement.

11.5 Severability

11.5.1 If any portion of this Agreement is held as a matter of law to be unenforceable, the remainder of this Agreement shall be enforceable without such provisions.

11.6 Meaning of Terms

11.6.1 References made in the singular shall include the plural and the masculine shall include the feminine or the neuter.

11.7 Notices

11.7.1 All Notices required by this Agreement or other communications to either party by the other shall be deemed given when made in writing and deposited in the United States Mail, first class, postage prepaid, addressed as follows:

To the Owner:

County of Yuba, Administrative Services
Attn: Doug McCoy
Government Center
915 8th Street, Suite 119
Marysville, CA 95901

To the CM:

Vanir Construction Management, Inc.
Attn: John A. Kuprenas
4540 Duckhorn Drive, Suite 300
Sacramento, CA 95834

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

This Agreement is executed as of the day and year first written above.

for County of Yuba

by: _____
Name
Title

for VANIR CONSTRUCTION MANAGEMENT, INC.

by: _____
John A. Kuprenas
President

Insurance ✓

APPENDIX "A"

SCHEDULE OF RATES FOR PERSONNEL COSTS

Position	2014	2015	2016
Principal in Charge	210	216	222
Project Manager	150	155	160
Engineering Support	140	144	197
Estimating	150	155	148
Scheduling	140	144	148
Clerical	70	72	74

ALLOWABLE REIMBURSABLE EXPENSES

The items allowable for reimbursement under Article 5 are as follows:

1. Cost of printing and distributing monthly reports.
2. Cost of transportation.
3. Cost of office supplies.
4. Cost of postage, UPS, Federal Express, etc.
5. Cost of temporary facilities, if any.
6. Cost of other items as required, with prior approval from Owner.

VANIR
Construction Management, Inc.

4540 Duckhorn Drive / Suite 300
Sacramento, CA 95834
TEL 916-575-8888
FAX 916-575-8887
www.vanir.com

October 20, 2014

Mr. Doug McCoy
Director
County of Yuba
915 8th Street, Suite 119
Marysville, CA 95901

Mr. McCoy:

We are pleased to submit our proposed fee for the Yuba County Sheriff Facility and Yuba County Water Authority project. The fee is based on the current schedule which anticipates construction start in January 2015 and a 12 month construction period. The fee includes all costs including labor and expenses from the beginning of our services on June 6, 2014 through project completion December 2015. Our fee is distributed between the Sheriff Facility scope of work and the YWCA scope of work.

Position	Rate	Sheriff's Facility		YWCA		Combined Project	
		LOE	Total	LOE	Total	LOE	Total
Labor							
Project Director	$210	120	$25,200	32	$6,720	152	$31,920
Project Manager	$150	2,047	$307,050	690	$103,500	2,737	$410,550
Field Engineer	$110	394	$43,340	128	$14,080	522	$57,420
Estimating	$150	188	$28,200	56	$8,400	244	$36,600
Scheduling	$140	90	$12,600	30	$4,200	120	$16,800
Direct Expenses							
Commissioning	$25,000	0.8	$20,000	0.2	$5,000	1	$25,000
Travel	$500	10	$5,000	3	$1,500	13	$6,500
Software	$400	11	$4,400	3	$1,200	14	$5,600
Supplies	$100	11	$1,100	3	$300	14	$1,400
Printing/Repro	$50	9	$450	3	$150	12	$600
TOTAL			**$447,340**		**$145,050**		**$592,390**

Phase 1: $151,455 (SO $112,360; YCWA $39,095)

Phase 2: $440,935 (SO $334,980; YCWA $105,955)

The County of Yuba

OFFICE OF THE COUNTY ADMINISTRATOR

GOVERNMENT CENTER - 915 8TH STREET, SUITE 115
MARYSVILLE, CALIFORNIA 95901-5273
(530) 749-7575 FAX (530) 749-7312



ROBERT BENDORF
COUNTY ADMINISTRATOR

JOHN FLEMING
ECONOMIC DEVELOPMENT COORDINATOR

RUSS BROWN
COMMUNICATIONS & LEGISLATIVE AFFAIRS COORDINATOR

GRACE M. MULL
MANAGEMENT ANALYST

TEENA CARLQUIST
EXECUTIVE ASSISTANT TO THE COUNTY ADMINISTRATOR

TO: Yuba County Board of Supervisors
FROM: Robert Bendorf, County Administrator RB/tc
RE: Approval of documents related to sale of special tax bonds for Improvement Area C of Community Facilities District No. 2005-1
DATE: November 18, 2014

RECOMMENDATION

It is recommended that the Board of Supervisors adopt the following resolution related to Improvement Area C of Community Facilities District No. 2005-1:

> RESOLUTION APPROVING A PRELIMINARY OFFICIAL STATEMENT AND BOND PURCHASE AGREEMENT RELATED TO THE OFFERING AND SALE OF SPECIAL TAX BONDS OF THE COUNTY FOR THE COUNTY OF YUBA COMMUNITY FACILITIES DISTRICT NO. 2005-1 (ORCHARD/MONTROSE PUBLIC IMPROVEMENTS) RELATED TO IMPROVEMENT AREA C OF THE DISTRICT, AND APPROVING OTHER RELATED DOCUMENTS AND ACTIONS

BACKGROUND

On September 23, 2014, the Board of Supervisors adopted Resolution No. 2014-89 which Resolution authorized the issuance by the County for the County of Yuba Community Facilities District No. 2005-1 (Orchard/Montrose Public Improvements) (the "CFD") of up to $3,200,000 of special tax bonds of the County for the CFD the net proceeds of which are to be used to pay costs of infrastructure improvements necessitated by development in the CFD pursuant to an Acquisition Agreement, dated as of April 1, 2008, between the County, on behalf of the CFD, and Woodside Montrose Inc., as amended. The bonds are to be repaid from special taxes to be levied on property in Improvement Area C of the CFD (the "Woodside Improvement Area"), with the special taxes not to exceed $1,000 per residential unit per year and the first special tax levy to be for fiscal year 2015-16, as required by Resolution No. 2014-69 adopted by the Board of Supervisors on August 12, 2014. Resolution No. 2014-89 also approved a Fiscal Agent Agreement providing the terms of the bonds and a Continuing Disclosure Agreement pursuant to which the County will provide ongoing information regarding the CFD and the bonds for the benefit of the owners of the bonds, and the Resolution authorized the preparation of an Official Statement in preliminary and final form describing the bonds for prospective investors and a Bond Purchase Agreement pursuant to which the bonds are to be sold to Stifel, Nicolaus & Company, Incorporated, the firm selected to underwrite the bonds.

County Staff, working with the consultants, have prepared a draft of the Official Statement, in preliminary form (referred to as the "Preliminary Official Statement"), and the Bond Purchase Agreement has been prepared by counsel to the underwriter. The Board of Supervisors is now being requested to adopt a Resolution approving the Preliminary Official Statement and the Bond Purchase Agreement. If the Board of Supervisors adopts the Resolution the Bonds can then be marketed to prospective investors, sold to the underwriter and issued by the County for the CFD. It is expected that the bonds will be sold in early December, and issued before the end of the year.

The principal amount of the bonds to be issued will be determined based on the advice of the bond underwriter and the County's financial advisor at the time of sale of the bonds, but not in any case more than $3,200,000. This will be the only bond issue by the County for the Woodside Improvement Area to fund costs of the improvements constructed by Woodside Montrose Inc. It should be noted that even though it is expected that the bonds will be issued this year, the special taxes to repay the bonds will not be levied on property in the Woodside Improvement Area until fiscal year 2015-2016, with the first property owner special tax payment delinquent if not paid by December 10, 2015.

FISCAL IMPACT

The bonds to be issued will not be general obligations of the County or the CFD, but will be limited obligations of the County for the CFD secured solely by and payable solely from the special taxes levied on property in the Woodside Improvement Area and amounts held in certain funds and accounts established under the Fiscal Agent Agreement for the bonds. All costs of issuance of the bonds will be paid from the proceeds of the bonds. All administrative costs of the CFD related to the Woodside Improvement Area and the bond program will be paid from proceeds of the special taxes levied on property in the Woodside Improvement Area. The CFD will only be authorized to levy the special taxes on land included within the boundaries of the Woodside Improvement Area as needed to repay the bonds and pay the administrative costs of the bond program, subject in any event to the limitation of $1,000 per residential unit per year commencing fiscal year 2015-16 and ending with fiscal year 2040-41.

Attachments: Resolution
Preliminary Official Statement
Bond Purchase Agreement

BEFORE THE BOARD OF SUPERVISORS

OF THE COUNTY OF YUBA

In Re:

RESOLUTION APPROVING A PRELIMINARY OFFICIAL STATEMENT AND BOND PURCHASE AGREEMENT RELATED TO THE OFFERING AND SALE OF SPECIAL TAX BONDS OF THE COUNTY FOR THE COUNTY OF YUBA COMMUNITY FACILITIES DISTRICT NO. 2005-1 (ORCHARD/MONTROSE PUBLIC IMPROVEMENTS) RELATED TO IMPROVEMENT AREA C OF THE DISTRICT, AND APPROVING OTHER RELATED DOCUMENTS AND ACTIONS	**Resolution No. _____**

WHEREAS, on September 23, 2014, the Board of Supervisors adopted Resolution No. 2014-89 (the "Resolution of Issuance"), which authorized the issuance by the County of Yuba (the "County"), for the County of Yuba Community Facilities District No. 2005-1 (Orchard/Montrose Public Improvements) (the "District"), of its County of Yuba Community Facilities District No. 2005-1 (Orchard/Montrose Public Improvements) – Improvement Area C, 2014 Special Tax Bonds (the "Bonds") in a principal amount not to exceed $3,200,000; and

WHEREAS, the Bonds are to be repaid from special taxes levied by the County on property in Improvement Area C of the District (the "Improvement Area"); and

WHEREAS, the Resolution of Issuance also approved and authorized the execution by the County of a Fiscal Agent Agreement providing the terms and provisions of the Bonds and a Continuing Disclosure Agreement allowing for the provision of periodic information by the County regarding the District and the Bonds during the term of the Bonds; and

WHEREAS, the Resolution of Issuance also authorized the preparation of an Official Statement (the "Official Statement") in preliminary and final form, and a Bond Purchase Agreement (the "Bond Purchase Agreement"), to be used in connection with the offer and sale of the Bonds; and

WHEREAS, there have now been submitted to the Board of Supervisors for its approval the Official Statement in preliminary form (the "Preliminary Official Statement") and the Bond Purchase Agreement, and the Board of Supervisors, with the assistance of County Staff, has reviewed the Preliminary Official Statement and Bond Purchase Agreement and has found them to be in proper order; and

WHEREAS, the Board of Supervisors now desires to approve the Preliminary Official Statement and the Bond Purchase Agreement so that the Bonds may be sold and issued, as contemplated by the Resolution of Issuance, and to approve other related documents and actions as provided in this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Yuba as follows:

Section 1. The Preliminary Official Statement, in the form presented to the Board of Supervisors at this meeting, is hereby approved. The County Administrator is hereby authorized and directed, for and in the name and on behalf of the County, to make changes to the Preliminary Official Statement prior to its dissemination to prospective investors, and to bring the Preliminary Official Statement into the form of the final Official Statement, including in each case such additions thereto or changes therein as are recommended or approved by the County Administrator upon consultation with County Counsel and Disclosure Counsel. The County Administrator and the Chairman of the Board of Supervisors (collectively, the "Authorized Officers"), each acting alone, are hereby authorized and directed to execute and deliver the Official Statement. Stifel, Nicolaus & Company Incorporated, the underwriter for the Bonds (the "Underwriter"), is hereby authorized to distribute copies of the Preliminary Official Statement to persons who may be interested in the purchase of the Bonds and is directed to deliver copies of the Official Statement to all actual purchasers of the Bonds.

The Authorized Officers, each acting alone, are hereby authorized to execute a certificate or certificates to the effect that the Official Statement and the Preliminary Official Statement were deemed "final" as of their respective dates for purposes of Rule 15c2-12 of the Securities Exchange Act of 1934, and each of the Authorized Officers are hereby authorized to so deem such statements final.

Section 2. The Bond Purchase Agreement between the County and the Underwriter, in the form presented to the Board of Supervisors at this meeting, is hereby approved. The Authorized Officers, each acting alone, are hereby authorized and directed to accept the offer of the Underwriter to purchase the Bonds contained in the Purchase Contract (provided that the aggregate principal amount of the Bonds sold thereby is not in excess of $3,200,000, and, as required by the Resolution of Issuance, the interest rate on the Bonds is not in excess of 7.00% per annum and the underwriter's discount (without regard to any original issue discount) is not in excess of 2.50% of the aggregate principal amount of the Bonds), and to execute and deliver the Bond Purchase Agreement in said form, with such additions thereto or changes therein as are recommended or approved by an Authorized Officer upon consultation with County Counsel and Bond Counsel, the approval of such additions or changes to be conclusively evidenced by the execution and delivery of the Bond Purchase Agreement by an Authorized Officer.

Section 3. The name of the Bonds is hereby changed from that set forth in Section 1 of the Resolution of Issuance to now be "County of Yuba Community Facilities District No. 2005-1 (Improvement Area C – Countryside at Montrose), 2014 Special Tax Bonds." All other provisions of the Resolution of Issuance are hereby ratified and confirmed.

Section 4. All actions heretofore taken by the officers and agents of the County with respect to the establishment of the District, the designation of the Improvement Area, and the sale and issuance of the Bonds are hereby approved, confirmed and ratified, and the proper officers of the County are hereby authorized and directed to do any and all things and take any and all actions and execute any and all certificates, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds in accordance with the Resolution of Issuance, this Resolution, and any certificate, agreement, and other document described in the documents therein or herein approved. Whenever in this Resolution any officer of the County is authorized to execute or countersign any document or take any action, such execution, countersigning or

action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer shall be absent or unavailable.

Section 5. This Resolution shall take effect upon its adoption.

* * * * * * *

PASSED AND ADOPTED at a regular meeting of the Board of Supervisors of the County of Yuba on the 18th day of November, 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

COUNTY OF YUBA

By: _____
Chair, Board of Supervisors

ATTEST: DONNA STOTTLEMEYER
Clerk of the Board of Supervisors

By: _____

APPROVED AS TO FORM:

By: _____
Angil P. Morris-Jones,
Yuba County Counsel

25002.08:J12824
11/10/14

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED AS OF NOVEMBER __, 2014

NEW ISSUE – BOOK ENTRY ONLY **NOT RATED**

In the opinion of Quint & Thimmig LLP, Larkspur, California, Bond Counsel, subject however, to certain qualifications described in this Official Statement, under existing law, interest on the 2014 Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Internal Revenue Code of 1986, as amended, but such interest is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. In the further opinion of Bond Counsel, interest on the 2014 Bonds is exempt from personal income taxation imposed by the State of California. See "TAX MATTERS" herein.

$2,685,000*
COUNTY OF YUBA
COMMUNITY FACILITIES DISTRICT NO. 2005-1
(IMPROVEMENT AREA C – COUNTRYSIDE AT MONTROSE),
2014 SPECIAL TAX BONDS

Dated: Date of Delivery **Due: September 1, as shown on inside cover**

The County of Yuba Community Facilities District No. 2005-1 (Improvement Area C – Countryside at Montrose) 2014 Special Tax Bonds (the "2014 Bonds") are authorized to be issued pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (constituting Section 53311 et seq. of the California Government Code) (the "Act") and a Fiscal Agent Agreement (the "Fiscal Agent Agreement"), dated as of December 1, 2014, by and between the County of Yuba, California, on behalf of the County of Yuba Community Facilities District No. 2005-1 (Orchard/Montrose Public Improvements) (the "District"), and U.S. Bank National Association, San Francisco, California, as fiscal agent. The 2014 Bonds are payable from certain Special Tax Revenues derived from the levy of the Special Taxes (as such capitalized terms are defined in the Fiscal Agent Agreement) on real property located within the boundaries of Improvement Area C of the District, and are secured by a pledge of the Special Tax Revenues, after a deduction for District administrative expenses, and moneys deposited in certain funds established under the Fiscal Agent Agreement. See "SECURITY FOR THE 2014 BONDS" herein.

The 2014 Bonds when issued will be registered in the name of Cede & Co., as 2014 Bondowner and nominee for the Depository Trust Company ("DTC"), New York, New York. Purchases of beneficial interests in the 2014 Bonds will be made in book-entry only form. The 2014 Bonds will be issued as fully registered bonds in denominations of $5,000 or any integral multiple thereof. See Appendix F—DTC and the Book-Entry Only System. Interest on the 2014 Bonds is payable March 1 and September 1 of each year, commencing March 1, 2015.

The 2014 Bonds are subject to optional redemption, mandatory redemption from prepayments of special taxes and mandatory sinking fund redemption, all as more fully described herein. See "THE 2014 BONDS—Redemption" herein. $320,000* of the 2014 Bond proceeds will be initially deposited to an Escrow Fund established under the Fiscal Agent Agreement which, if not released in accordance with the terms of the Fiscal Agent Agreement, will result in a redemption at par of the Escrow Term Bonds (as defined herein) on December 1, 2016, from amounts on deposit in the Escrow Fund, or on such later date as is permitted under the Fiscal Agent Agreement. See "THE 2014 BONDS—Redemption" and "SECURITY FOR THE 2014 BONDS—Escrow Fund" herein.

NEITHER THE FAITH AND CREDIT NOR ANY TAXING POWER OF THE COUNTY OF YUBA, OR THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED TO THE PAYMENT OF THE 2014 BONDS. EXCEPT FOR THE SPECIAL TAX REVENUES, NO OTHER TAXES ARE PLEDGED TO THE PAYMENT OF THE 2014 BONDS. THE 2014 BONDS ARE NOT GENERAL OBLIGATIONS OF THE COUNTY, BUT ARE LIMITED OBLIGATIONS OF THE COUNTY FOR THE DISTRICT, PAYABLE SOLELY FROM THE SPECIAL TAX REVENUES AND AMOUNTS IN CERTAIN FUNDS ESTABLISHED UNDER THE FISCAL AGENT AGREEMENT, AS MORE FULLY DESCRIBED HEREIN.

This cover page contains certain information for quick reference only. It is not a complete summary of the terms of this bond issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision with respect to the 2014 Bonds. See the section of this Official Statement entitled "SPECIAL RISK FACTORS" for a discussion of certain risk factors that should be considered, in addition to the other matters discussed herein, in considering the investment quality of the 2014 Bonds.

MATURITY SCHEDULE
(see inside cover)

The 2014 Bonds are offered when, as and if issued by the County for the District, subject to approval as to their legality by Quint & Thimmig LLP, Larkspur, California, Bond Counsel, and certain other conditions. Certain legal matters with respect to the 2014 Bonds will be passed upon for the County and the District by the County Counsel, and by Quint & Thimmig LLP, Larkspur, California, in its capacity as Disclosure Counsel. Certain legal matters related to the 2014 Bonds will be passed upon for the Underwriter by Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, acting as Underwriter's Counsel, and for the Developer by the Law Offices of Craig Sandberg, Folsom, California, acting as counsel to the Developer. Delivery of the 2014 Bonds is expected to occur through the facilities of DTC on or about December 17, 2014.

STIFEL

The date of this Official Statement is December __, 2014.

* Preliminary, subject to change.

$2,685,000*
COUNTY OF YUBA
COMMUNITY FACILITIES DISTRICT NO. 2005-1
(IMPROVEMENT AREA C – COUNTRYSIDE AT MONTROSE),
2014 SPECIAL TAX BONDS

Maturity Schedule

$_____ Serial Bonds; CUSIP Prefix: 988296†

Maturity Date (September 1)	Principal Amount	Interest Rate	Yield	CUSIP Suffix†	Maturity Date (September 1)	Principal Amount	Interest Rate	Yield	CUSIP Suffix†

$_____ ____% Term Bonds due September 1, ____ Price ____% to Yield ____% CUSIP 988296 ____†
$_____ ____% Escrow Term Bonds due September 1, ____ Price ____% to Yield ____% CUSIP 988296 ____†

* Preliminary, subject to change.

† Copyright © 2014 CUSIP Global Services. All rights reserved. CUSIP is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by S&P Capital IQ. This data is not intended to create a database and does not serve in any way as a substitute for CUSIP Global Services. CUSIP numbers have been assigned by an independent company not affiliated with the District and are included solely for the convenience of the owners of the 2014 Bonds. Neither the District nor the Underwriter is responsible for the selection or use of these CUSIP numbers, and no representation is made as to their correctness on the 2014 Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the 2014 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the 2014 Bonds.

GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

The information contained in this Official Statement has been obtained from sources that are believed to be reliable. No representation, warranty or guarantee, however, is made by the Underwriter as to the accuracy or completeness of any information in this Official Statement, including, without limitation, the information contained in the Appendices, and nothing contained in this Official Statement should be relied upon as a promise or representation by the Underwriter.

Neither the County nor the Underwriter has authorized any dealer, broker, salesperson or other person to give any information or make any representations with respect to the offer or sale of 2014 Bonds other than as contained in this Official Statement. If given or made, any such information or representations must not be relied upon as having been authorized by the County or the Underwriter. The information and expressions of opinion in this Official Statement are subject to change without notice, and neither the delivery of this Official Statement nor any sale of the 2014 Bonds shall under any circumstances create any implication that there has been no change in the affairs of any party described in this Official Statement, or in the status of any property described in this Official Statement, subsequent to the date as of which such information is presented.

This Official Statement and the information contained in this Official Statement are subject to amendment without notice. The 2014 Bonds may not be sold, and no offer to buy the 2014 Bonds may be accepted, prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, the 2014 Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

When used in this Official Statement and in any continuing disclosure by the County, in any press release and in any oral statement made with the approval of an authorized officer of the County or any other entity described or referenced in this Official Statement, the words or phrases "will likely result," "are expected to," "will continue," "is anticipated," "estimate," "project," "forecast," "expect," "intend" and similar expressions identify "forward looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized, and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material.

All summaries of the documents referred to in this Official Statement are qualified by the provisions of the respective documents summarized and do not purport to be complete statements of any or all of such provisions.

The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or the completeness of such information.

In connection with the offering of the 2014 Bonds, the Underwriter may overallot or effect transactions that stabilize or maintain the market prices of the 2014 Bonds at levels above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

The 2014 Bonds have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), in reliance upon an exemption from the registration requirements contained in the Securities Act. The 2014 Bonds have not been registered or qualified under the securities laws of any state.

The County maintains an Internet website, but the information on the website is not incorporated in this Official Statement.

This Page Intentionally Left Blank

COUNTY OF YUBA

Board of Supervisors

John Nicoletti, *Chairman*
Mary Jane Griego, *Vice Chair*
Andy Vasquez Jr., *Boardmember*
Roger Abe, *Boardmember*
Hal Stocker, *Boardmember*

County Officials

Robert Bendorf, *County Administrator*
Dan M. Mierzwa, *Treasurer & Tax Collector*
Michael Lee, *Public Works Director*
C. Richard Eberle, *Auditor/ Controller*
Angil Morris-Jones, *County Counsel*
Donna Stottlemeyer, *Clerk of the Board of Supervisors*

PROFESSIONAL SERVICES

Financial Advisor
Fieldman, Rolapp & Associates
Irvine, CA

Fiscal Agent
U.S. Bank National Association
Los Angeles, California

Special Tax Consultant
Goodwin Consulting Group, Inc.
Sacramento, California

Bond Counsel and Disclosure Counsel
Quint & Thimmig LLP
Larkspur, California

This Page Intentionally Left Blank

TABLE OF CONTENTS

INTRODUCTION 1
General 1
Authority for Issuance 1
The 2014 Bonds 2
Application of 2014 Bond Proceeds 2
Security for the 2014 Bonds 2
Reserve Fund 4
The District and the Improvement Area 4
Limited Obligation 5
Issuance of Additional Bonds 5
Bondowners' Risks 5
Continuing Disclosure 5
Other Information 6
PLAN OF FINANCING 6
Overview 6
Sources and Uses of Funds 7
THE 2014 BONDS 7
Authority for Issuance 7
General Provisions 8
Redemption 8
Transfer or Exchange of Bonds 11
Discontinuance of DTC Services 11
Scheduled Debt Service 12
SECURITY FOR THE 2014 BONDS 13
General 13
Limited Obligation 13
Special Taxes 13
Special Tax Fund 14
Summary of Rate and Method 15
Reserve Fund 17
Escrow Fund 18
Covenant for Superior Court Foreclosure 19
No Teeter Plan 20
Investment of Moneys 21
Issuance of Additional Bonds 21
THE IMPROVEMENT AREA 22
Location and Description of the Improvement Area 22
History of the Improvement Area 25
The Developer 26
Land Ownership and Expected Special Tax Levy 27
Assessed Property Values 27
Value-to-Burden Ratio 28
Direct and Overlapping Governmental Obligations 30
Projected Debt Service Coverage 33
SPECIAL RISK FACTORS 34
No General Obligation of the County or the District 35
Payment of the Special Tax is not a Personal Obligation 35
Property Value 35
Exempt Properties 35
Parity Taxes and Special Assessments 36
Insufficiency of Special Taxes 36
Tax Delinquencies 37
Bankruptcy Delays 37
Proceeds of Foreclosure Sales 38
Natural Disasters 38
Hazardous Substances 39
Disclosure to Future Purchasers 39
Property Interests of Government Agencies; Federal Deposit Insurance Corporation 39
No Acceleration Provision 41
Taxability Risk 41
Enforceability of Remedies 41
No Secondary Market 42
Proposition 218 42
Ballot Initiatives 43
IRS Audit of Tax-Exempt Bond Issues 43
Recent Court Action Involving Landowner – Landowner Voted Special Tax District 43
TAX MATTERS 44
LEGAL MATTERS 47
FINANCIAL ADVISOR 47
NO RATING 47
NO LITIGATION 47
UNDERWRITING 47
CONTINUING DISCLOSURE 48
MISCELLANEOUS 49

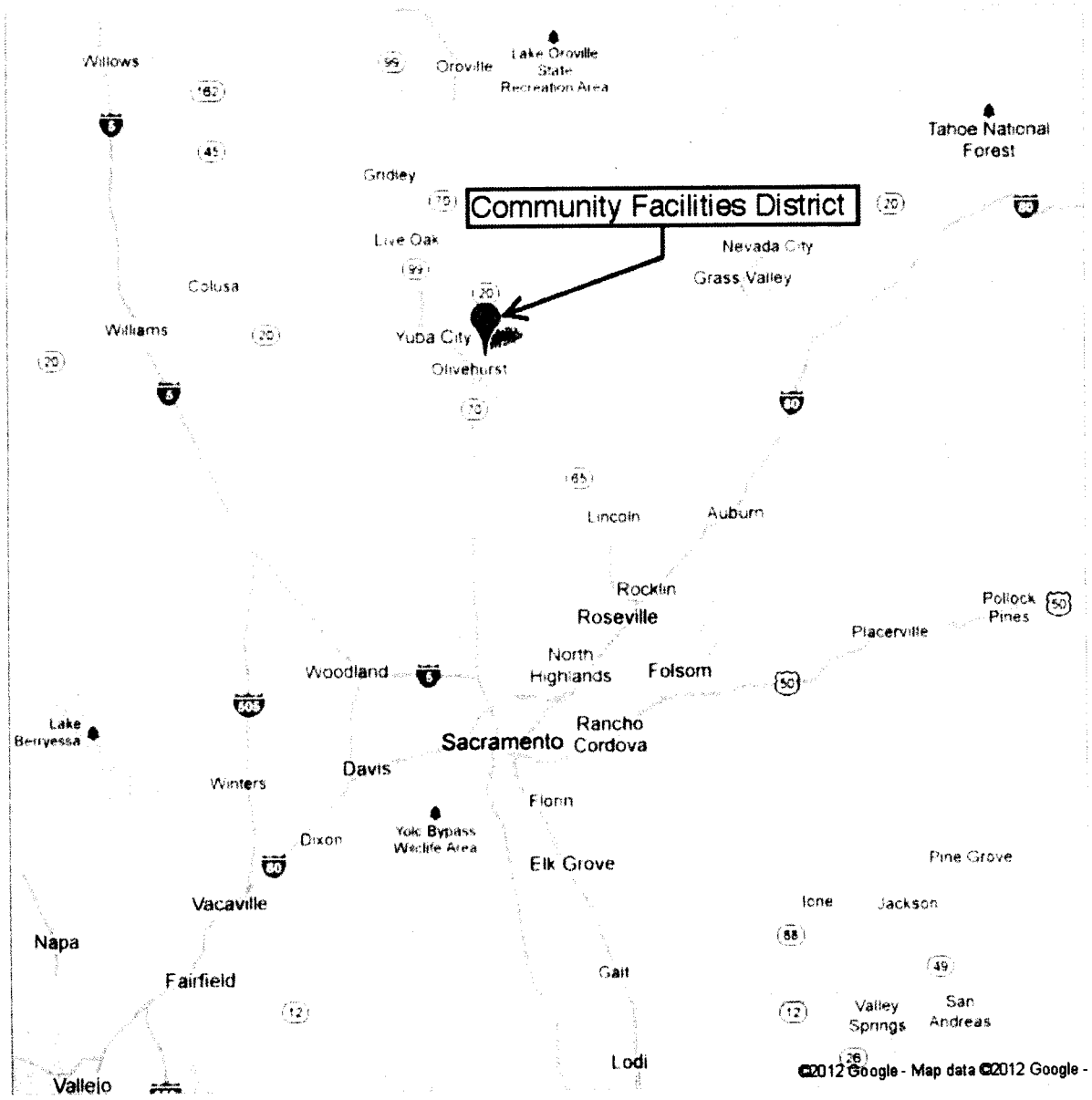
APPENDIX A GENERAL INFORMATION ABOUT THE COUNTY OF YUBA
APPENDIX B AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX
APPENDIX C SUMMARY OF THE FISCAL AGENT AGREEMENT
APPENDIX D FORM OF OPINION OF BOND COUNSEL
APPENDIX E FORMS OF CONTINUING DISCLOSURE AGREEMENTS
APPENDIX F DTC AND THE BOOK-ENTRY ONLY SYSTEM

TABLE OF CONTENTS

INTRODUCTION 1
General 1
Authority for Issuance 1
The 2014 Bonds 2
Application of 2014 Bond Proceeds 2
Security for the 2014 Bonds 2
Reserve Fund 4
The District and the Improvement Area 4
Limited Obligation 5
Issuance of Additional Bonds 5
Bondowners' Risks 5
Continuing Disclosure 5
Other Information 6
PLAN OF FINANCING 6
Overview 6
Sources and Uses of Funds 7
THE 2014 BONDS 7
Authority for Issuance 7
General Provisions 8
Redemption 8
Transfer or Exchange of Bonds 11
Discontinuance of DTC Services 11
Scheduled Debt Service 12
SECURITY FOR THE 2014 BONDS 13
General 13
Limited Obligation 13
Special Taxes 13
Special Tax Fund 14
Summary of Rate and Method 15
Reserve Fund 17
Escrow Fund 18
Covenant for Superior Court Foreclosure 19
No Teeter Plan 20
Investment of Moneys 21
Issuance of Additional Bonds 21
THE IMPROVEMENT AREA 22
Location and Description of the Improvement Area 22
History of the Improvement Area 25
The Developer 26
Land Ownership and Expected Special Tax Levy 27
Assessed Property Values 27
Value-to-Burden Ratio 28
Direct and Overlapping Governmental Obligations 30
Projected Debt Service Coverage 33
SPECIAL RISK FACTORS 34
No General Obligation of the County or the District 35
Payment of the Special Tax is not a Personal Obligation 35
Property Value 35
Exempt Properties 35
Parity Taxes and Special Assessments 36
Insufficiency of Special Taxes 36
Tax Delinquencies 37
Bankruptcy Delays 37
Proceeds of Foreclosure Sales 38
Natural Disasters 38
Hazardous Substances 39
Disclosure to Future Purchasers 39
Property Interests of Government Agencies; Federal Deposit Insurance Corporation 39
No Acceleration Provision 41
Taxability Risk 41
Enforceability of Remedies 41
No Secondary Market 42
Proposition 218 42
Ballot Initiatives 43
IRS Audit of Tax-Exempt Bond Issues 43
Recent Court Action Involving Landowner – Landowner Voted Special Tax District 43
TAX MATTERS 44
LEGAL MATTERS 47
FINANCIAL ADVISOR 47
NO RATING 47
NO LITIGATION 47
UNDERWRITING 47
CONTINUING DISCLOSURE 48
MISCELLANEOUS 49

APPENDIX A GENERAL INFORMATION ABOUT THE COUNTY OF YUBA
APPENDIX B AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX
APPENDIX C SUMMARY OF THE FISCAL AGENT AGREEMENT
APPENDIX D FORM OF OPINION OF BOND COUNSEL
APPENDIX E FORMS OF CONTINUING DISCLOSURE AGREEMENTS
APPENDIX F DTC AND THE BOOK-ENTRY ONLY SYSTEM

REGIONAL LOCATION MAP



OFFICIAL STATEMENT

$2,685,000*
COUNTY OF YUBA
COMMUNITY FACILITIES DISTRICT NO. 2005-1
(IMPROVEMENT AREA C – COUNTRYSIDE AT MONTROSE),
2014 SPECIAL TAX BONDS

This Official Statement, including the cover page and appendices hereto, sets forth certain information concerning the issuance by the County of Yuba, California (the "**County**"), for and on behalf of the County of Yuba Community Facilities District No. 2005-1 (Orchard/Montrose Public Improvements) (the "**District**"), of its County of Yuba Community Facilities District No. 2005-1 (Improvement Area C – Countryside at Montrose), 2014 Special Tax Bonds (the "**2014 Bonds**").

INTRODUCTION

General

This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in this entire Official Statement, including the cover page and appendices hereto, and the documents summarized or otherwise described herein. A full review should be made of this entire Official Statement and such documents prior to making an investment in the 2014 Bonds. The sale and delivery of the 2014 Bonds to potential investors is made only by means of the entire Official Statement.

The 2014 Bonds are being issued under the provisions of the Mello-Roos Community Facilities Act of 1982, as amended (constituting Section 53300 et seq. of the California Government Code) (the "**Act**"), and a Fiscal Agent Agreement, dated as of December 1, 2014 (the "**Fiscal Agent Agreement**"), between the County, for and on behalf of the District, and U.S. Bank National Association, as fiscal agent (the "**Fiscal Agent**"). Capitalized terms used in this Official Statement and not otherwise defined herein have the meanings given to them in the Indenture. See Appendix C – Summary of the Fiscal Agent Agreement.

Authority for Issuance

General. The District was formed under the authority of the Act, which was enacted by the California Legislature to provide an alternative method of financing certain public capital facilities and services, especially in developing areas of the State. The Act authorizes local governmental entities to establish community facilities districts as legally constituted governmental entities within defined boundaries, with the legislative body of the local applicable governmental entity acting on behalf of the community facilities district. Subject to approval by at least a two-thirds vote of the votes cast by the qualified electors within a community facilities district and compliance with the provisions of the Act, the legislative body may issue bonds for the community facilities district established by it and may levy and collect a special tax within such community facilities district to repay such bonds.

The Act has provisions that allow for the legislative body of a duly-formed community facilities district to designate portions of the community facilities district as improvement areas. After the designation of an improvement area, all proceedings for purposes of levying special

* Preliminary, subject to change.

taxes for payment of bonds issued for the improvement area apply only to the designated improvement area.

Bond Authority. The 2014 Bonds are authorized to be issued pursuant to the Act, Resolution No. 2014-89, adopted on September 23, 2014 by the Board of Supervisors of the County (the "**Board of Supervisors**") acting as the legislative body of the District, and the Fiscal Agent Agreement. For more detailed information about the formation of the District, the designation of Improvement Area C of the District (the "**Improvement Area**"), and the authority for issuance of the 2014 Bonds, see "THE 2014 BONDS – Authority for Issuance" and "THE IMPROVEMENT AREA – History of the Improvement Area."

The 2014 Bonds

General. The 2014 Bonds will be issued only as fully registered bonds, in denominations of $5,000 or any integral multiple thereof, and will bear interest at the rates per annum and will mature on the dates and in the principal amounts set forth on the inside cover page of this Official Statement. The 2014 Bonds will be dated the date of their issuance and interest on the 2014 Bonds will be payable on March 1 and September 1 of each year, commencing March 1, 2015 (each an "**Interest Payment Date**"). The 2014 Bonds will be issued in book-entry form only and, when delivered, will be registered in the name of Cede & Co., as nominee of the Depository Trust Company, New York, New York ("**DTC**"), which will act as securities depository for the 2014 Bonds. See "THE 2014 BONDS – General Provisions."

Redemption Prior to Maturity. The 2014 Bonds are subject to optional redemption, mandatory redemption from Special Tax prepayments and mandatory sinking payment redemption prior to maturity. The Escrow Term Bonds are also subject to mandatory redemption in certain circumstances. See "THE 2014 Bonds – Redemption."

Application of 2014 Bond Proceeds

Proceeds of the 2014 Bonds will be used to make a deposit to the Improvement Fund, to make deposits to the Escrow Fund and the Escrow Interest Account therein, to fund a reserve fund for the 2014 Bonds, to pay interest on the 2014 Bonds (other than the Escrow Term Bonds, the interest on which is to be paid from the Escrow Interest Account) through September 1, 2015, and to pay the costs of issuance of the 2014 Bonds and costs of administration incurred in connection with the District. See "PLAN OF FINANCING – Sources and Uses of Funds." The proceeds of the 2014 Bonds deposited to the Improvement Fund, along with amounts (if any) released from the Escrow Fund to the Improvement Fund under the provisions of the Fiscal Agent Agreement, will be used to pay the costs of certain public infrastructure improvements (the "**Improvements**") authorized to be funded for the Improvement Area. See "PLAN OF FINANCING – Overview."

Security for the 2014 Bonds

Pledge Under the Fiscal Agent Agreement. Pursuant to the Fiscal Agent Agreement, the 2014 Bonds are secured by a first pledge of all of the Special Tax Revenues (other than the first $25,000 of Special Tax Revenues received by the County in each Fiscal Year, which are to be used to pay Administrative Expenses or for other authorized purposes), and all moneys deposited in the Bond Fund, the Reserve Fund and, until disbursed in accordance with the Fiscal Agent Agreement, in the Special Tax Fund. In addition to the foregoing, the "**Deemed Escrow Term Bonds**" (being the Escrow Term Bonds in a principal amount equal to the amount then on deposit in the Escrow Fund, without regard to investment earnings or amounts in the Escrow Interest Account) are secured by a first pledge of all monies on the Escrow Fund and the

Escrow Interest Account. See "SECURITY FOR THE 2014 BONDS – General" and "– Escrow Fund."

The Fiscal Agent Agreement defines "**Special Tax Revenues**" as the proceeds of the Special Taxes levied on the taxable property in the Improvement Area and received by the County, including any scheduled payments and any prepayments thereof, interest and penalties thereon and proceeds of the redemption or sale of property sold as a result of foreclosure of the lien of the Special Tax to the amount of said lien, but does not include interest and penalties, if any, collected with the Special Tax that are in excess of the rate of interest payable on the Bonds. The Special Tax Revenues (other than the first $25,000 of Special Tax Revenues received by the County in each Fiscal Year, which are to be used to pay Administrative Expenses or for other authorized purposes) and all moneys deposited into the funds described in the preceding paragraph are dedicated to the payment of the principal of, and interest and any premium on, the 2014 Bonds in accordance with the Fiscal Agent Agreement until all of the 2014 Bonds have been paid or defeased. See "SECURITY FOR THE 2014 Bonds – Special Taxes" and Appendix B – Rate and Method.

Escrow Fund. In order to enhance the security for the repayment of the 2014 Bonds, the Fiscal Agent Agreement establishes the Escrow Fund and the Escrow Interest Account therein. Amounts in the Escrow Fund and the Escrow Interest Account therein, until released from such fund and account in accordance with the Fiscal Agent Agreement, are pledged solely for the payment of debt service on the Deemed Escrow Bonds. Amounts may be released from the Escrow Fund to the Improvement Fund to pay costs of the Improvements as building permits are issued by the County for the 24 currently undeveloped parcels in the Improvement Area. Amounts that have not been so released from the Escrow Fund by October 1, 2016 will be used to redeem the Deemed Escrow Bonds on December 1, 2016 (as such dates may be extended in accordance with the Fiscal Agent Agreement). See "SECURITY FOR THE 2014 BONDS – Escrow Fund."

Special Taxes; Rate and Method. The Special Taxes to be used to pay debt service on the 2014 Bonds will be levied in accordance with the Amended and Restated Rate and Method of Apportionment of Special Tax (referred to in this Official Statement as the "**Rate and Method**," and as described under the heading "THE 2014 BONDS – Authority for Issuance"). "**Special Taxes**" as defined in the Fiscal Agent Agreement, means the Special Taxes levied on the taxable property within the Improvement Area pursuant to the Act, the Rate and Method and the Fiscal Agent Agreement. See "SECURITY FOR THE 2014 BONDS – Special Taxes" and "– Summary of Rate and Method."

Limitations. The first $25,000 of Special Tax Revenues received by the County in each Fiscal Year, as well as amounts in the Administrative Expense Fund, the Improvement Fund and the Costs of Issuance Fund, each of which is established under the Fiscal Agent Agreement, are not pledged to the repayment of the 2014 Bonds. The Improvements funded with proceeds of the 2014 Bonds are not pledged to pay the debt service on the 2014 Bonds. The proceeds of condemnation or destruction of any of the Improvements are not pledged to pay the debt service on the 2014 Bonds. In the event that the Special Taxes are not paid when due, the only sources of funds available to repay the 2014 Bonds (other than the Deemed Escrow Term Bonds, the interest on which is payable from amounts in the Escrow Interest Account and which are subject to redemption from amounts in the Escrow Fund) are amounts held by the Fiscal Agent in the Bond Fund, the Special Tax Fund and the Reserve Fund established under the Fiscal Agent Agreement, and the proceeds, if any, from foreclosure sales of parcels within the Improvement Area in respect of delinquent Special Taxes.

Reserve Fund

The Fiscal Agent Agreement establishes a Reserve Fund (the "**Reserve Fund**") as a reserve for the payment of principal of and interest on the 2014 Bonds. The Reserve Fund is required to be funded in an amount equal to the least of (i) the then Maximum Annual Debt Service, (ii) one hundred twenty-five percent (125%) of the then average Annual Debt Service, or (iii) ten percent (10%) of the initial principal amount of the Bonds (the "**Reserve Requirement**"). The Reserve Fund will be available to pay the debt service on the 2014 Bonds and any Parity Bonds in the event of a shortfall in the amount in the Bond Fund for such purpose, which Parity Bonds may be issued only for refunding purposes. The Reserve Requirement as of the date of issuance of the 2014 Bonds will be $_____. See " SECURITY FOR THE 2014 Bonds – Reserve Fund."

The District and the Improvement Area

The District was formed by the Board of Supervisors pursuant to proceedings conducted under the Act on December 6, 2005, and an election held on that date whereby the then three owners of the land in the District voted in favor of the formation of the District, the levy of a special tax on property in the District and the issuance of bonds for the District. Pursuant to further proceedings conducted under the Act, on August 8, 2007, the Board of Supervisors designated three improvement areas with the District, including the Improvement Area. On January 15, 2008, the then owners of land in the Improvement Area approved the Rate and Method which specifies the manner in which the Special Taxes will be levied on property in the District. See "THE IMPROVEMENT AREA – History of Improvement Area." The Improvement Area includes 231 separate Yuba County Assessor's parcels, all located in the unincorporated area of the County in a subdivision known as Countryside at Montrose (the "**Development**").

As The land in the Improvement Area is being developed by Woodside Montrose 05N, LP, a California limited partnership (the "**Developer**"). The Developer is the successor by merger to Woodside Montrose Inc. ("**Woodside**"), which acquired the property in the Improvement Area in June of 2004 and was the initial developer of the property. See "THE IMPROVEMENT AREA – History of the Improvement Area." As of October 31, 2014, 178 of the parcels in the Improvement Area have been improved with single family detached homes and have been sold to homeowners, 6 of the parcels have been improved with single family detached homes that are owned by the Developer (3 of which are the model homes for the development), construction of homes is underway on 5 of the parcels owned by the Developer, 18 of the parcels are in a finished lot condition and are owned by the Developer, and 24 of the parcels are in an unimproved condition and are owned by the Developer. See "THE IMPROVEMENT AREA – Location and Description of the Improvement Area." The land and improvements comprising the property subject to the levy of Special Taxes in the Improvement Area were valued by the Yuba County Assessor for ad valorem property tax purposes on the 2014-15 secured property tax roll at an aggregate of $37,664,154. Based on the County's Fiscal Year 2014-15 property valuation, 181 of the 231 parcels of taxable Property in the Improvement Area have assessed value to estimated share of 2014 Bond principal ratios in excess of 10:1. See "THE IMPROVEMENT AREA – Value-to-Burden Ratio."

The value of individual parcels vary significantly. In addition, County assessed values may not reflect current market values. No recent independent appraisal of the property subject to the levy of Special Taxes has been conducted in connection with the 2014 Bonds, and no assurance can be given that should Special Taxes levied on one or more of the parcels become delinquent, and should the delinquent parcels be offered for sale at a judicial foreclosure sale, that any bid would be received for the property or, if a bid is received, that such bid would be

sufficient to pay such parcel's delinquent Special Taxes. See "SPECIAL RISK FACTORS – Property Value" and "SPECIAL RISK FACTORS – Insufficiency of Special Taxes."

Limited Obligation

Although the unpaid Special Taxes constitute liens on parcels within the Improvement Area on which they are levied, they do not constitute a personal indebtedness of the property owners. There is no assurance that the Developer or any homeowners will be financially able to pay the Special Taxes levied on their property in the Improvement Area, or that they will pay the Special Taxes even though financially able to do so.

NEITHER THE FAITH AND CREDIT NOR ANY TAXING POWER OF THE COUNTY OF YUBA, OR THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED TO THE PAYMENT OF THE 2014 BONDS. THE 2014 BONDS ARE NOT GENERAL OBLIGATIONS OF THE COUNTY, BUT ARE LIMITED OBLIGATIONS OF THE COUNTY FOR THE DISTRICT PAYABLE SOLELY FROM THE SPECIAL TAX REVENUES DERIVED FROM SPECIAL TAXES LEVIED ON PROPERTY IN THE IMPROVEMENT AREA, AND FROM AMOUNTS IN CERTAIN FUNDS ESTABLISHED UNDER THE FISCAL AGENT AGREEMENT, AS MORE FULLY DESCRIBED HEREIN.

Issuance of Additional Bonds

The County may issue additional bonded indebtedness for the District that is secured by a pledge of and lien on the Special Tax Revenues and on the funds pledged under the Fiscal Agent Agreement for the payment of the 2014 Bonds on a parity with the 2014 Bonds ("**Parity Bonds**"), but only for the purpose of refunding the 2014 Bonds or any outstanding Parity Bonds. See "SECURITY FOR THE 2014 Bonds – Issuance of Additional Bonds." When used in this Official Statement, the term "**Bonds**" means the 2014 Bonds and any Parity Bonds that may be issued in the future under the Fiscal Agent Agreement.

Bondowners' Risks

Certain events could affect the ability of the County to pay the principal of and interest on the 2014 Bonds when due. Except for the Special Tax, no other taxes are pledged to the payment of the 2014 Bonds. See "SPECIAL RISK FACTORS" for a discussion of certain factors that should be considered in evaluating an investment in the 2014 Bonds. The purchase of the 2014 Bonds involves significant risks, and the 2014 Bonds are not appropriate investments for all types of investors.

Continuing Disclosure

The County and the Developer each have agreed to provide, or cause to be provided, to the Electronic Municipal Market Access ("EMMA") maintained by the Municipal Securities Rulemaking Board certain annual financial and other information. The County and the Developer each have further agreed to provide notice of certain enumerated events, and the Developer has agreed to provide mid-year reports with certain limited information. The Developer's annual, mid-year and enumerated event reporting obligations will terminate if and when the Developer owns parcels in the Improvement Area that are subject to less than twenty percent (20%) of the annual Special Tax levy, which may occur within months after the 2014 Bonds are issued. These covenants have been made in order to assist the Underwriter in complying with Rule 15c2-12(b)(5) promulgated under the Securities Exchange Act of 1934, as amended (the "**Rule**"). See "CONTINUING DISCLOSURE" and Appendix E for a description of the specific nature of the annual reports and notices of significant events, as well as the terms

of the Continuing Disclosure Agreements pursuant to which such reports and notices are to be made.

Other Information

This Official Statement speaks only as of its date, and the information contained in this Official Statement is subject to change without notice. Except where otherwise indicated, all information contained in this Official Statement has been provided by the County on behalf of the District.

Copies of the Fiscal Agent Agreement and certain other documents referenced in this Official Statement are available for inspection at the office of, and (upon written request and payment to the County of a charge for copying, mailing and handling) are available for delivery from, the Clerk of the Board of Supervisors, County of Yuba, 915 8th Street, Marysville, California 95901.

PLAN OF FINANCING

Overview

The County, for and on behalf of the District, entered into an Acquisition Agreement in April, 2008 (as amended, the "**Acquisition Agreement**"), with Woodside pursuant to which the County agreed to use proceeds of bonds issued for the District and payable from Special Taxes levied on property in the Improvement Area to pay the costs of specified public infrastructure improvements (referred to in this Official Statement as the "Improvements") the construction of which was necessitated by development occurring in the District. The financing plan anticipates that a single series of "new money" Bonds (being the 2014 Bonds) will be issued to finance costs of some of the Improvements as contemplated by the Acquisition Agreement. The costs of Improvements not funded with proceeds of the 2014 Bonds have been paid for by Woodside, and neither the County nor the District has any obligation to reimburse any of such costs. All of the Improvements have been completed; however additional infrastructure improvements are needed to develop the 24 lots subject to the final tract map. See "THE IMPROVEMENT AREA – Location and Description of the Improvement Area."

In accordance with the Acquisition Agreement, proceeds of the 2014 Bonds deposited to the Improvement Fund and amounts, if any released from the Escrow Fund to the Improvement Fund under the provisions of the Fiscal Agent Agreement will be used to make payments to Woodside Montrose Inc. for costs of the Improvements, all of which have been fully completed. See "PLAN OF FINANCING – Sources and Uses of Funds" and "SECURITY FOR THE 2014 BONDS – Escrow Fund." While the Fiscal Agent Agreement does allow for the issuance of Parity Bonds secured on a parity with the 2014 Bonds, Parity Bonds may only be issued to refund previously issued Bonds. See "SECURITY FOR THE BONDS – Issuance of Additional Bonds."

The Special Tax is to be imposed on the property within the Improvement Area pursuant to the Rate and Method at a rate of $1,000 per developed parcel which is projected to be sufficient to pay the interest on, and principal of and mandatory sinking fund account payments for, the 2014 Bonds as they become due and payable, and to pay the Administrative Expenses as they become due and payable, all in accordance with the provisions in the Fiscal Agent Agreement. See "SECURITY FOR THE 2014 BONDS – Special Taxes," and "– Summary of Rate and Method."

Sources and Uses of Funds

The sources and uses of funds in connection with the 2014 Bonds are as follows:

Principal of 2014 Bonds	$
Plus: Original Issue Premium	
Less: Underwriter's Discount	
Total Sources	$
Deposit to Improvement Fund[(1)]	$
Deposit to Escrow Fund[(2)]	
Deposit to Reserve Fund[(3)]	
Deposit to Capitalized Interest Account of the Bond Fund[(4)]	
Deposit to Costs of Issuance Fund[(5)]	
Deposit to Administrative Expense Fund[(6)]	
Total Uses	$

(1) See "PLAN OF FINANCING – Overview."

(2) Includes a deposit of $26,600 (preliminary, subject to change) to the Escrow Interest Account of the Escrow Fund to be used to pay interest on the Escrow Term Bonds through December 1, 2016. See "SECURITY FOR THE 2014 BONDS – Escrow Fund."

(3) An amount equal to the initial Reserve Requirement. See "SECURITY FOR THE 2014 BONDS – Reserve Fund."

(4) To be used to pay interest on the 2014 Bonds, other than the Escrow Term Bonds, through September 1, 2015.

(5) To be used to pay Costs of Issuance, including fees and expenses of Bond and Disclosure Counsel, the Financial Advisor, the Special Tax Consultant, the Fiscal Agent and the County, printing expenses and other costs related to the issuance of the 2014 Bonds.

(6) To be used to pay Administrative Expenses of the County related to the Improvement Area incurred and payable prior to the receipt of the proceeds of the first Special Tax levy in the Improvement Area.

THE 2014 BONDS

Authority for Issuance

Pursuant to the Act, on November 8, 2005, the Board of Supervisors adopted Resolution No. 2005-271 establishing the District. On August 28, 2007, the Board of Supervisors adopted Resolution No. 2007-120 designating three improvement areas in the District, including the Improvement Area, and on January 15, 2008, the Board of Supervisors adopted Resolution No. 2008-08, after the conduct of an election by the then owners of the property in the Improvement Area, pursuant to which the County is authorized to incur up to $4,000,000 of bonded indebtedness payable from the levy of Special Taxes on property in the Improvement Area, and approved the Amended and Restated Rate and Method of Apportionment of Special Tax for the Improvement Area (referred to in this Official Statement as the "Rate and Method"), a copy of which is attached to this Official Statement as Appendix B. See "THE IMPROVEMENT AREA – History of the Improvement Area."

The 2014 Bonds are authorized to be issued pursuant to the Act, Resolution No. 2014-89 adopted on September 23, 2014, by the Board of Supervisors, acting as the legislative body of the District, and the Fiscal Agent Agreement. The Special Tax to be used to pay debt service on the 2014 Bonds will be levied on taxable property in the Improvement Area in accordance with the Rate and Method.

General Provisions

The 2014 Bonds will be issued only as fully registered bonds, in the denomination of $5,000 or any integral multiple thereof, and will bear interest at the rates per annum and will mature on the dates set forth on the inside cover page of this Official Statement. The 2014 Bonds will be dated the date of their issuance and interest on the 2014 Bonds will be payable on each Interest Payment Date, commencing March 1, 2015.

Each 2014 Bond will bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it will bear interest from such Interest Payment Date; or (b) it is authenticated on or before February 15, 2015, in which event it will bear interest from the date of issuance of the 2014 Bonds; provided, however, that if, as of the date of authentication of any 2014 Bond, interest thereon is in default, such 2014 Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon. The term "**Record Date**" is defined in the Fiscal Agent Agreement as the fifteenth (15th) day of the month next preceding the month of the applicable Interest Payment Date, whether or not such fifteenth (15th) day is a Business Day.

The 2014 Bonds will be payable both as to principal and interest, and as to any applicable premium upon the redemption thereof, in lawful money of the United States of America. The principal of the 2014 Bonds and any premium due upon the redemption thereof will be payable by check of the Fiscal Agent upon presentation and surrender of the applicable 2014 Bonds at the Principal Office of the Fiscal Agent. Interest on the 2014 Bonds will be computed using a year of 360 days comprised of twelve 30-day months.

The 2014 Bonds will be issued in book-entry form only and, when delivered, will be registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the 2014 Bonds. Individual purchases of the 2014 Bonds will be made in book-entry form only. Purchasers of the 2014 Bonds will not receive physical certificates representing their ownership interests in the 2014 Bonds purchased. Principal and interest payments represented by the 2014 Bonds are payable directly to DTC by the Fiscal Agent. Upon receipt of payments of principal and interest, DTC will in turn distribute such payments to the beneficial owners of the 2014 Bonds. See Appendix F – DTC and the Book-Entry Only System. **So long as the 2014 Bonds are registered in the name of Cede & Co., as nominee of DTC, references in this Official Statement to the owners shall mean Cede & Co., and shall not mean the purchasers or Beneficial Owners of the 2014 Bonds.**

Redemption

Optional Redemption. The 2014 Bonds maturing on and after September 1, ____ are subject to optional redemption prior to their stated maturity on any Interest Payment Date occurring on or after September 1, ____, as a whole, or in part among maturities as determined by the Treasurer and by lot within a maturity, at a redemption price equal to the principal amount of the 2014 Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.

Mandatory Sinking Payment Redemption. The 2014 Bonds maturing on September 1, ____, are subject to mandatory sinking payment redemption in part on September 1, ____, and on each September 1 thereafter to maturity, by lot, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date fixed for redemption, without premium, from sinking payments as follows:

Redemption Date (September 1)	Sinking Payments

The Escrow Term Bonds are subject to mandatory sinking payment redemption in part on September 1, ____ and on each September 1 thereafter to maturity, by lot, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date fixed for redemption, without premium, from sinking payments as follows:

Redemption Date (September 1)	Sinking Payments

The amounts in the foregoing tables shall be reduced as a result of any prior partial redemption of the 2014 Bonds maturing on September 1, ____ or the Escrow Term Bonds pursuant to the optional redemption or redemption from special tax prepayments provisions of the Fiscal Agent Agreement, in the manner provided in the Fiscal Agent Agreement and as specified in writing by the Treasurer to the Fiscal Agent. Amounts in the table for the Escrow Term Bonds shall be reduced, prorata, as a result of any prior partial redemption of the Escrow Term Bonds pursuant to the mandatory redemption of Escrow Term Bonds provisions of the Fiscal Agent Agreement, as specified in writing by the Treasurer to the Fiscal Agent.

Mandatory Redemption From Special Tax Prepayments. The 2014 Bonds are subject to mandatory redemption prior to their stated maturity on any Interest Payment Date, from the proceeds of Special Tax Prepayments and corresponding transfers of funds from the Reserve Fund (as described below under "SECURITY FOR THE 2014 Bonds – Reserve Fund"), as a whole or in part by lot and allocated among maturities of the 2014 Bonds so as to maintain substantially level debt service on the Bonds, at a redemption price (expressed as a percentage of the principal amount of the 2014 Bonds to be redeemed), as set forth below, together with accrued interest to the date fixed for redemption:

Redemption Dates	Redemption Prices
any Interest Payment Date to and including March 1, ____	%
September 1, ____ and March 1, ____	
September 1, ____ and March 1, ____	
September 1, ____ and thereafter	

Mandatory Redemption of Escrow Term Bonds. The Escrow Term Bonds are subject to mandatory redemption on December 1, 2016* (or such later date as may be permitted under the Fiscal Agent Agreement), in part, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date fixed for redemption, without premium, from amounts transferred from the Escrow Fund to the Bond Fund pursuant to the Fiscal Agent Agreement. See "SECURITY FOR THE 2014 BONDS – Escrow Fund."

* Preliminary, subject to change.

Purchase of 2014 Bonds In Lieu of Redemption. In lieu of redemption as described above, moneys in the Bond Fund may be used and withdrawn by the Fiscal Agent for purchase of Outstanding 2014 Bonds, upon the filing with the Fiscal Agent of an Officer's Certificate requesting such purchase prior to the selection of 2014 Bonds for redemption, at public or private sale as and when, and at such prices (including brokerage and other charges) as such Officer's Certificate may provide, but in no event may 2014 Bonds be purchased at a price in excess of the principal amount thereof, plus interest accrued to the date of purchase.

Selection of 2014 Bonds for Redemption. Whenever provision is made in the Fiscal Agent Agreement for the redemption of less than all of the 2014 Bonds or any given portion thereof pursuant to the optional redemption provisions of the Fiscal Agent Agreement, the Fiscal Agent shall select the 2014 Bonds to be redeemed, from all 2014 Bonds or such given portion thereof not previously called for redemption among maturities as directed in writing by the Treasurer, and within a maturity by lot in any manner which the Fiscal Agent in its sole discretion shall deem appropriate and fair. Whenever provision is made in the Fiscal Agent Agreement for the redemption of less than all of the 2014 Bonds pursuant to the Special Tax Prepayment provisions of the Fiscal Agent Agreement, the Fiscal Agent will select the 2014 Bonds to be redeemed, from among the maturities of the 2014 Bonds or such given portion thereof not previously redeemed, so as to maintain substantially level debt service on the Bonds, and within a maturity by lot in any manner which the Fiscal Agent in its sole discretion shall deem appropriate and fair. In each case, for purposes of selection of 2014 Bonds to be redeemed, all 2014 Bonds shall be deemed to be comprised of separate $5,000 portions, and such portions shall be treated as separate 2014 Bonds that may be separately redeemed.

Notice of Redemption. The Fiscal Agent will cause notice of any redemption to be mailed by first class mail, postage prepaid, at least 30 days but not more than 60 days prior to the date fixed for redemption, to the Securities Depositories and to one or more Information Services, and to the respective registered Owners of any 2014 Bonds designated for redemption, at their addresses appearing on the Bond registration books in the Principal Office of the Fiscal Agent; but such mailing is not a condition precedent to redemption and failure to mail or to receive any such notice, or any defect therein, will not affect the validity of the proceedings for the redemption of such 2014 Bonds. The redemption notice will state the redemption date and the redemption price and, if less than all of the then Outstanding 2014 Bonds are to be called for redemption, will designate the CUSIP numbers and 2014 Bond numbers of the 2014 Bonds to be redeemed by giving the individual CUSIP number and 2014 Bond number of each 2014 Bond to be redeemed or will state that all 2014 Bonds between two stated 2014 Bond numbers, both inclusive, are to be redeemed or that all of the 2014 Bonds of one or more maturities have been called for redemption, will state as to any 2014 Bond called in part the principal amount thereof to be redeemed, and will require that such 2014 Bonds be then surrendered at the Principal Office of the Fiscal Agent for redemption at the said redemption price, and will state that further interest on such 2014 Bonds will not accrue after the redemption date.

Notwithstanding the foregoing, any notice of redemption in connection with an optional redemption or redemption from Special Tax Prepayments may state that the redemption is conditioned upon receipt by the Fiscal Agent of sufficient moneys to redeem the 2014 Bonds on the anticipated redemption date, and that the redemption will not occur if by no later than the scheduled redemption date sufficient moneys to redeem the 2014 Bonds have not been deposited with the Fiscal Agent. In the event that the Fiscal Agent does not receive sufficient funds by the scheduled redemption date to so redeem the 2014 Bonds to be redeemed, the Fiscal Agent will send written notice to the owners of the 2014 Bonds, to the Securities Depositories and to one or more of the Information Services to the effect that the redemption did not occur as anticipated, and the 2014 Bonds for which notice of redemption was given will remain Outstanding for all purposes of the Fiscal Agent Agreement.

Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the principal of, and interest and any premium on, the 2014 Bonds so called for redemption have been deposited in the Bond Fund, such 2014 Bonds so called will cease to be entitled to any benefit under the Fiscal Agent Agreement other than the right to receive payment of the redemption price, and no interest will accrue thereon on or after the redemption date specified in such notice.

Tender of 2014 Bonds in Payment of Special Taxes. The County has covenanted in the Fiscal Agent Agreement not to permit the tender of 2014 Bonds in payment of any Special Taxes except upon receipt of a certificate of an Independent Financial Consultant that to accept such tender will not result in the County having insufficient Special Tax Revenues to pay the principal or and interest on the 2014 Bonds that will remain Outstanding following such tender.

Transfer or Exchange of 2014 Bonds

So long as the 2014 Bonds are registered in the name of Cede & Co., as nominee of DTC, transfers and exchanges of 2014 Bonds shall be made in accordance with DTC procedures. See Appendix F – "DTC and the Book-Entry Only System." If the book-entry only system for the 2014 Bonds is ever discontinued, any 2014 Bond may, in accordance with its terms, be transferred or exchanged by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such 2014 Bond for cancellation, accompanied by delivery of a duly written instrument of transfer in a form approved by the Fiscal Agent. Whenever any 2014 Bond or 2014 Bonds are surrendered for transfer or exchange, the County will execute and the Fiscal Agent will authenticate and deliver a new 2014 Bond or 2014 Bonds, for a like aggregate principal amount of 2014 Bonds of authorized denominations and of the same maturity. The Fiscal Agent will collect from the Owner requesting such transfer any tax or other governmental charge required to be paid with respect to such transfer or exchange.

No transfers or exchanges of 2014 Bonds will be required to be made (i) within the 15 days prior to the date designated by the Fiscal Agent as the date for selecting 2014 Bonds for redemption, or (ii) with respect to any 2014 Bond after such 2014 Bond has been selected for redemption.

Discontinuance of DTC Services

DTC may determine to discontinue providing its services with respect to the 2014 Bonds at any time by giving written notice to the Fiscal Agent during any time that the 2014 Bonds are Outstanding, and discharging its responsibilities with respect to the 2014 Bonds under applicable law. The County may terminate the services of DTC with respect to the 2014 Bonds if it determines that DTC is unable to discharge its responsibilities with respect to the 2014 Bonds or that continuation of the system of book-entry transfers through DTC is not in the best interest of the Beneficial Owners. The County will mail any such notice of termination to the Fiscal Agent.

Upon the termination of the services of DTC as described in the previous paragraph, and if no substitute Depository willing to undertake the functions can be found which is willing and able to undertake such functions upon reasonable or customary terms, or if the County determines that it is in the best interest of the Beneficial Owners of the 2014 Bonds that they obtain certificated Bonds, the 2014 Bonds will no longer be restricted to being registered in the Registration Books of the Fiscal Agent in the name of Cede & Co., as nominee of DTC, but may be registered in whatever name or name the Owners designate at that time, in accordance with the Fiscal Agent Agreement.

To the extent that the Beneficial Owners are designated as the transferee by the Owners, the 2014 Bonds will be delivered to such Beneficial Owners as soon as practicable in accordance with the Fiscal Agent Agreement.

Scheduled Debt Service

The table below sets forth the scheduled annual debt service payments on the 2014 Bonds, assuming no optional redemption or mandatory redemption from prepayments of Special Taxes of the 2014 Bonds, or any mandatory redemption of the Escrow Term Bonds from amounts in the Escrow Fund.

Year Ending September 1	Principal	Interest	Total Debt Service
2015	$	$ (1)	$
2016			
2017			
2018			
2019			
2020			
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
Totals			

(1) Interest on the 2014 Bonds, other than the Escrow Term Bonds, due on March 1, 2015 and September 1, 2015 is to be paid from amounts in the Capitalized Interest Account of the Bond Fund. Interest on the Escrow Term Bonds due on and prior to December 1, 2016 is payable from the Escrow Interest Account. See "PLAN OF FINANCING – Sources and Uses of Funds" and "SECURITY FOR THE 2014 BONDS – Escrow Fund."

(2) Indicates a scheduled mandatory sinking payment redemption. See "THE 2014 BONDS – Redemption – Mandatory Sinking Payment Redemption."

SECURITY FOR THE 2014 BONDS

General

Pursuant to the Fiscal Agent Agreement, the 2014 Bonds are secured by a first pledge of all of the Special Tax Revenues (other than the first $25,000 of Special Tax Revenues received by the County in each Fiscal Year, which are to be retained by the County to be used to pay Administrative Expenses or for other lawful purposes of the District under the Act), and all moneys deposited in the Bond Fund, the Reserve Fund and, until disbursed in accordance with the Fiscal Agent Agreement, the Special Tax Fund. Special Tax Revenues do not include interest and penalties on foreclosure of the lien of Special Taxes in excess of the rate of interest payable on the 2014 Bonds. The Special Tax Revenues and all moneys deposited into said funds (except as otherwise provided in the Fiscal Agent Agreement) are dedicated to the payment of the principal of, and interest and any premium on, the 2014 Bonds in accordance with the Fiscal Agent Agreement until all of the 2014 Bonds have been paid or defeased. In addition to the foregoing, the Deemed Escrow Term Bonds are secured by a first pledge of all monies in the Escrow Fund and the Escrow Interest Account.

Amounts in the Improvement Fund, the Administrative Expense Fund and the Costs of Issuance Fund, and the first $25,000 of Special Tax Revenues received by the County in each Fiscal Year, are not pledged to the repayment of the 2014 Bonds. The Improvements are not pledged to pay the debt service on the 2014 Bonds. The proceeds of condemnation or destruction of any of the Improvements are not pledged to pay the Debt Service on the 2014 Bonds.

Limited Obligation

The 2014 Bonds are limited obligations of the County on behalf of the District and are payable solely from and secured solely by the Special Tax Revenues (other than the first $25,000 of Special Tax Revenues received by the County in each Fiscal Year, which are to be used to pay Administrative Expenses or for other lawful purposes of the District under the Act), and the amounts in the Bond Fund, the Reserve Fund and the Special Tax Fund created pursuant to the Fiscal Agent Agreement.

In the event that the Special Taxes are not paid when due, the only sources of funds available to repay the 2014 Bonds are amounts held by the Fiscal Agent under the Fiscal Agent Agreement in the Bond Fund, the Special Tax Fund and the Reserve Fund, and the proceeds, if any, from foreclosure sales of parcels with delinquent Special Tax levies; provided that the Deemed Escrow Term Bonds are payable from amounts in the Escrow Fund and the Escrow Interest Account.

Special Taxes

The Rate and Method that was approved in accordance with the provisions of the Act in 2008 by the then owners of the land in the Improvement Area is set forth in its entirety in Appendix B. See "THE IMPROVEMENT AREA – History of the Improvement Area." The Rate and Method provides for the levy of a "**Special Tax**" in order to fund the annual "**Special Tax Requirement**," which includes the amounts needed to pay the debt service on the Bonds, to pay a proportionate share of the costs of administering the Improvement Area, and to replenish any draws on the Reserve Fund. See "SECURITY FOR THE 2014 BONDS – Summary of Rate and Method."

Under the Fiscal Agent Agreement, the County is obligated to fix and levy the amount of Special Taxes within the Improvement Area required for the timely payment of principal of and interest on the outstanding 2014 Bonds becoming due and payable, including any necessary replenishment of the Reserve Fund and an amount estimated to be sufficient to pay the Administrative Expenses, taking into account any prepayments of Special Taxes previously received by the County. The Special Tax will be levied on each parcel of Single Family Residential Property (as defined in the Rate and Method) at a rate of $1,000 per parcel per year. See "SECURITY FOR THE 2014 BONDS – Summary of Rate and Method."

The Special Taxes are payable and are collected in the same manner, at the same time and in the same installment as the County ad valorem taxes on property levied on the secured tax roll are payable, and pursuant to the Act have the same priority, become delinquent at the same times and in the same proportionate amounts and bear the same proportionate penalties and interest after delinquency as do the taxes levied on the tax roll; provided, however, that the Special Taxes may be collected at a different time or in a different manner if necessary to meet the Improvement Area's financial obligations.

Although the Special Taxes will constitute a lien on taxed parcels within the Improvement Area, they do not constitute a personal indebtedness of the owners of the property within the Improvement Area. Pursuant to Section 53356.1 of the Act, in the event of any delinquency in the payment of the Special Tax on a parcel of Taxable Property, the County may order the institution of a superior court action to foreclose the lien on the parcel of Taxable Property within specified time limits. In such an action, the real property subject to the unpaid amount of the Special Tax lien may be sold at judicial foreclosure sale. The Act provides that the Special Taxes are secured by a continuing lien which is subject to the same lien priority in the case of delinquency as *ad valorem* property taxes. See "SECURITY FOR THE 2014 BONDS – Summary of Rate and Method," and "– Covenant for Superior Court Foreclosure" and "SPECIAL RISK FACTORS – Parity Taxes and Special Assessments."

Other liens for taxes and assessments already exist on the property located within the Improvement Area and others could come into existence in the future. See "SPECIAL RISK FACTORS – Parity Taxes and Special Assessments." There is no assurance that any owner of a parcel subject to the Special Tax levy will be financially able to pay the annual Special Taxes or that it will pay such taxes even if financially able to do so. See "SPECIAL RISK FACTORS – Payment of the Special Tax is not a Personal Obligation."

Special Tax Fund

Deposit of Special Tax Revenues. The County is obligated by the Fiscal Agent Agreement to transfer, or cause to be transferred, to the Fiscal Agent, as soon as practicable following receipt, all Special Tax Revenues received by the County, which amounts shall be deposited by the Fiscal Agent in the Special Tax Fund established under the Fiscal Agent Agreement.

Notwithstanding the foregoing,

(i) with respect to the first $25,000 of Special Tax Revenues collected by the County in any Fiscal Year, the County shall retain such amount, and not remit the same to the Fiscal Agent, and the County shall use such amount to pay Administrative Expenses or for any other lawful purpose under the Act consistent with the Rate and Method, as determined from time to time by the Treasurer;

(ii) any Special Tax Revenues constituting the collection of delinquencies in payment of Special Taxes will be separately identified by the County and will be disposed of by the Fiscal Agent first, in the Bond Fund to pay any past due debt service on the Bonds; second, in the Reserve Fund to the extent needed to increase the amount then on deposit in the Reserve Fund to the then Reserve Requirement; and third, to be held in the Special Tax Fund and used for its purposes; and

(iii) any proceeds of Special Tax Prepayments will be separately identified by the County and will be deposited by the Fiscal Agent in the Special Tax Prepayments Account and used to redeem Bonds.

Moneys in the Special Tax Fund will be held by the Fiscal Agent for the benefit of the County and the Owners of the Bonds, will be disbursed as provided below and, pending and disbursement, will be subject to a lien in favor of the Owners of the Bonds and the County.

Disbursements. From time to time as needed to pay the obligations of the Improvement Area, but no later than the Business Day before each Interest Payment Date, the Fiscal Agent will withdraw from the Special Tax Fund and transfer the following amounts in the following order of priority:

(i) to the Bond Fund an amount, taking into account any amounts then on deposit in the Bond Fund and any expected transfers under the Fiscal Agent Agreement from the Reserve Fund, the Special Tax Fund and the Escrow Fund to the Bond Fund, such that the amount in the Bond Fund equals the principal (including any mandatory sinking payment, or principal due pursuant to optional or special tax prepayment redemptions), premium, if any, and interest due on the Bonds on the next Interest Payment Date, and

(ii) to the Reserve Fund an amount, taking into account amounts then on deposit in the Reserve Fund, such that the amount in the Reserve Fund is equal to the Reserve Requirement;

provided that no such transfers shall exceed the amount then available to be transferred from the Special Tax Fund.

In addition to the foregoing, if in any Fiscal Year there are sufficient funds in the Special Tax Fund to make the foregoing transfers to the Bond Fund and the Reserve Fund in respect of the Interest Payment Dates occurring in the Bond Year that commences in such Fiscal Year, the Treasurer may direct the Fiscal Agent to transfer to the Administrative Expense Fund, from time to time, any amount in the Special Tax Fund in excess of the amount needed to make such transfers to the Bond Fund and the Reserve Fund, if the Treasurer determines that monies are needed to pay Administrative Expenses in excess of the amount then on deposit in the Administrative Expense Fund.

Summary of Rate and Method

The Rate and Method is used to allocate the amount of the Special Tax that is needed to be collected each Fiscal Year to fund the Special Tax Requirement among the taxable parcels within the Improvement Area based upon the development status of the parcels. The Rate and Method is set forth in full in Appendix B and the following is a summary of the Rate and Method.

The Rate and Method classifies all Taxable Property, i.e., all assessor's parcels in the Improvement Area not exempt from the Special Tax pursuant to law or the Rate and Method,

into three categories: Developed Property, Excess Public Property (none of which is expected in the District), and Undeveloped Property. The Rate and Method then classifies Developed Property into Commercial Property (none of which is expected in the District), Other Property (none of which is expected in the District), and Single Family Residential Property which includes parcels for which a building permit for a home has been issued on or prior to June 30 of the Fiscal Year preceding the Fiscal Year of the levy. The District, as of October 31, 2014, includes 189 parcels of Single Family Residential Property and approximately 10.2 acres of Undeveloped Property. It is anticipated that, upon completion of construction of all the planned homes for the District (see "THE IMPROVEMENT AREA – Land Ownership and Expected Special Tax Levy"), there will be 231 parcels of Single Family Residential Property and no Undeveloped Property or other property subject to the Special Tax Levy.

On August 12, 2014, the Board of Supervisors adopted Resolution No. 2014-69 pursuant to which it irrevocably and forever directed the Maximum Special Tax that may be levied under the Rate and Method be reduced to $1,000 per home per year, that the first year that the Special Tax be levied on property in the Improvement Area be fiscal year 2015-16 and that in no event shall a Special Tax be levied after Fiscal Year 2040-41. As a consequence of the foregoing, if all of the taxable property in the District consists of 231 lots improved with single family homes as projected by the Developer, the then maximum Special Tax that may be levied in any Fiscal Year will be $231,000. The Rate and Method also specifies that under no circumstances may the Special Tax on a parcel with a home be increased by more than ten percent (10%) as a consequence of delinquency or default in payment of the Special Tax levied on any other parcel or parcels in the Improvement Area. The Rate and Method sets forth a maximum Special Tax on Undeveloped Property of $7,623 per acre. The Rate and Method also contains provisions for a Back-up Special Tax, but those provisions are not expected to apply to the District due to the lot count in the District being greater than what was anticipated when the Rate and Method was approved in 2008.

Each Fiscal Year, commencing with the Special Tax levy for Fiscal Year 2015-16, the person or firm designated by the County to administer the Special Tax will determine the Special Tax Requirement, which is defined in the Rate and Method as the amount necessary in any Fiscal Year for the Improvement Area to (i) pay principal and interest on the Bonds, (ii) create and/or replenish reserve funds for the Bonds; (iii) cure any delinquencies in the payment of principal or interest on Bonds which have occurred in the prior Fiscal Year or, based on existing delinquencies in the payment of Special Taxes within the Improvement Area, are expected to occur in the Fiscal Year in which the tax will be collected; (iv) pay Administrative Expenses, and (v) pay directly for facilities authorized to be funded by the District. The amounts referred to in clauses (i) and (ii) of the preceding sentence may be reduced in any Fiscal Year by: (a) interest earnings on or surplus balances in funds and accounts for the Bonds to the extent that such earnings or balances are available to be applied against debt service pursuant to the Fiscal Agent Agreement; (b) proceeds received by the District from the collection of penalties associated with delinquent Special Taxes in the Improvement Area; and (c) any other revenues available to pay debt service on the Bonds as determined by the District Administrator. The County does not expect to include any amount in the annual Special Tax Requirement to pay directly for any facilities authorized to be funded by the District.

The County will levy the Special Tax in four steps, in the following order, until the amount of the levy equals the amount needed to be collected to satisfy the Special Tax Requirement:

> First: the Special Tax is levied proportionately on each assessor's parcel of Developed Property at up to 100% of the applicable Maximum Special Tax (being $1,000 per year per home for Single Family Residential Property);

Second: if additional moneys are needed, the Special Tax is levied proportionately on each assessor's parcel of Undeveloped Property at up to 100% of the Maximum Special Tax for Undeveloped Property;

Third: if additional moneys are needed, the Special Tax is levied proportionately on each assessor's parcel of Commercial Property (none of which is expected in the District) at up to 100% of the Maximum Special Tax for Undeveloped Property; and

Fourth: if additional moneys are needed, then the Special Tax is levied proportionately on each assessor's parcel of Excess Public Property (none of which is expected in the District) at up to the Maximum Special Tax for Undeveloped Property.

The term "proportionately" as used in the above steps means, for Single Family Residential Property, that the ratio of the actual Special Tax levied in any Fiscal Year to the Maximum Special Tax authorized to be levied in that Fiscal Year is equal for all Assessor's Parcels of Single Family Residential Property within the Improvement Area. For Undeveloped Property, "proportionately" means that the ratio of the actual Special Tax to the Maximum Special Tax is equal for all Assessor's Parcels of Undeveloped Property within the Improvement Area.

As previously stated, as of October 31, 2014, there were 189 parcels of Single Family Residential Property in the District, and 10.2 acres of Undeveloped Property. The Undeveloped Property is expected to be classified into an additional 42 parcels of Single Family Residential Property as these lots are developed and building permits are issued by the County for such lots. See "THE IMPROVEMENT AREA – Land Ownership and Expected Special Tax Levy."

The Special Tax obligation applicable to a parcel within the Improvement Area may be prepaid and the obligation to pay any Special Tax for such parcel may be fully or partially satisfied as described in the Rate and Method. No prepayments of the Special Tax have occurred in the Improvement Area, however no assurance can be given that prepayments of the Special Tax will not occur in the future, as the first Special Tax levy will occur in Fiscal Year 2015-16. Prepayments of the Special Tax will result in a mandatory redemption of the 2014 Bonds. See "THE 2014 BONDS – Redemption – Mandatory Redemption From Special Tax Prepayments."

Reserve Fund

The Fiscal Agent Agreement establishes a debt service reserve fund (the "**Reserve Fund**") as a separate fund to be held in trust by the Fiscal Agent for the benefit of the Owners of the Bonds (which include the 2014 Bonds and any Parity Bonds), as a reserve for the payment of principal of, and interest and any premium on, the Bonds and moneys in the Reserve Fund are subject to a lien in favor of the Owners of the Bonds. The Reserve Fund is required by the Fiscal Agent Agreement to be funded in an amount equal to the Reserve Requirement which amount is, as of any date of calculation, an amount equal to the least of (i) the then Maximum Annual Debt Service on the Bonds, (ii) one hundred twenty-five percent (125%) of the then average Annual Debt Service on the Bonds, or (iii) ten percent (10%) of the initial principal amount of the Bonds. The Reserve Requirement as of the date of issuance of the 2014 Bonds will be $_____.

Except as otherwise provided in the Fiscal Agent Agreement (with respect to the use of moneys in the Reserve Fund for the payment of any rebate liability due to the federal government, the use of excess moneys in the Reserve Fund to pay debt service on the Bonds, and a possible transfer of excess funds in the Reserve Fund to the Improvement Fund upon a mandatory redemption of Deemed Escrow Bonds), all amounts deposited in the Reserve Fund

will be used and withdrawn by the Fiscal Agent solely for the purpose of making transfers to the Bond Fund in the event of any deficiency at any time in the Bond Fund of the amount then required for payment of the principal of, and interest and any premium on, the Bonds. See Appendix C – Summary of Fiscal Agent Agreement.

Whenever the balance in the Reserve Fund exceeds the amount required to redeem or pay the Outstanding Bonds, including interest accrued to the date of payment or redemption and premium, if any, due upon redemption, the Fiscal Agent will transfer the amount in the Reserve Fund to the Bond Fund to be applied, on the next succeeding Interest Payment Date, to the payment and redemption of all of the Outstanding Bonds. In the event that the amount transferred from the Reserve Fund to the Bond Fund exceeds the amount required to pay and redeem the Outstanding Bonds, the balance in the Reserve Fund will be transferred to the County to be used for any lawful purpose under the Act. Notwithstanding the foregoing, no amounts will be transferred from the Reserve Fund until after (i) amounts in the Reserve Fund are withdrawn, at the written request of the Treasurer, for purposes of making payment to the federal government in accordance with the Fiscal Agent Agreement following payment of the Bonds, and (ii) payment of any fees and expenses due to the Fiscal Agent. See Appendix C – Summary of Fiscal Agent Agreement.

Escrow Fund

The Fiscal Agent Agreement provides that $320,000* of the proceeds of the 2014 Bonds will be deposited to an Escrow Fund to be held by the Fiscal Agent, and an additional $26,600.00* will be deposited to an Escrow Interest Account also to be held by the Fiscal Agent. The amount deposited to the Escrow Fund is equal to the initial principal amount of the Escrow Term Bonds, and the amount deposited to the Escrow Interest Account is equal to the interest on the Escrow Term Bonds to December 1, 2016, without any reinvestment earnings. The Fiscal Agent Agreement includes the term "**Deemed Escrow Bonds**" being, as any date of determination, Escrow Term Bonds in a principal amount equal to the amount then on deposit in the Escrow Fund, not including amounts in the Escrow Interest Account or any investment earnings on amounts in the Escrow Fund or the Escrow Interest Account.

Amounts in the Escrow Interest Account will be transferred on the Business Day prior to each Interest Payment Date to the Bond Fund in an amount equal to the interest on the Deemed Escrow Bonds. Amounts will be transferred periodically from the Escrow Fund to the Improvement Fund upon the satisfaction of certain "Release Tests" described below. Amounts in the Escrow Fund as of October 1, 2016 will be used to redeem Deemed Escrow Term Bonds on December 1, 2016 at a redemption price of par plus accrued interest (paid from the Escrow Interest Account); however such dates may be extended upon compliance with certain provisions of the Fiscal Agent Agreement (but not beyond a September 1, 2017 redemption date). See "THE 2014 BONDS – Redemption – Mandatory Redemption of Escrow Term Bonds," and Appendix C – Summary of the Fiscal Agent Agreement.

For any proposed date of release of funds from the Escrow Fund to the Improvement Fund, the Treasurer must determine, for the number of the 24 parcels of Undeveloped Property in the Improvement Area that were unimproved as of the date of issuance of the 2014 Bonds, that, following the date of issuance of the 2014 Bonds, had a building permit for new construction of a single family residence issued by the County. The Treasurer shall then multiply the amount initially deposited to the Escrow Fund on the date of issuance of the 2014 Bonds by a fraction with the number of such parcels for which a building permit has been issued divided by 24 (the number of unimproved parcels as of the date of issuance of the 2014 Bonds), with the resulting amount being the aggregate amount that can be released from the

* Preliminary, subject to change.

Escrow Fund (the "Aggregate Release Amount"). The Treasurer shall then subtract from the Aggregate Release Amount any amounts previously released from the Escrow Fund to determine the amount that can be released from the Escrow Fund. In making the determinations described above, the Treasurer may conclusively rely on a certificate of a Tax Consultant. As an additional requirement for any such disbursement from the Escrow Fund, the Treasurer shall determine if any Special Tax theretofore levied on Undeveloped Property is then delinquent, and no disbursement shall be made to the Improvement Fund if any such delinquency exists at the time the disbursement would otherwise be made. See Appendix C – Summary of the Fiscal Agent Agreement.

Covenant for Superior Court Foreclosure

Foreclosure Under the Act. Pursuant to Section 53356.1 of the Act, in the event of any delinquency in the payment of the Special Tax on the taxed parcel, the County may order the institution of a superior court action to foreclose the lien on the taxed parcel within specified time limits. In such an action, the real property subject to the unpaid amount of the Special Tax lien may be sold at judicial foreclosure sale.

County Foreclosure Covenant. Judicial foreclosure proceedings in the event of delinquent Special Taxes are not mandatory. However, the County has covenanted in the Fiscal Agent Agreement for the benefit of the Bondowners that it will determine or cause to be determined, no later than August 15 of each year, whether or not any owners of property within the Improvement Area are delinquent in the payment of Special Taxes and, if such delinquencies exist, the County, on behalf of the District, will order and cause to be commenced no later than October 1, and thereafter diligently prosecute, an action in the superior court to foreclose the lien of any Special Taxes or installment thereof not paid when due; provided, however, that under the Fiscal Agent Agreement, the County is not required to order the commencement of foreclosure proceedings if (a) the total Special Tax delinquency in the Improvement Area for such Fiscal Year is less than 5% of the total Special Tax levied in such Fiscal Year, or (b) the amount then on deposit in the Reserve Fund is equal to the Reserve Requirement. If both of the preceding clauses are not satisfied as of August 15 of any Fiscal Year the County, on behalf of the District, will diligently institute, prosecute and pursue foreclosure proceedings against any property owner in the Improvement Area that is delinquent in excess of $2,500 (including penalties and interest) in the payment of the Special Tax. No assurance can be given as to the time necessary to complete any foreclosure sale or that any foreclosure sale will be successful. The County is not required to be a bidder at any foreclosure sale.

In a foreclosure proceeding the County is entitled to recover penalties and interest on the delinquent Special Taxes through the date that an order of sale is entered. However, under the Fiscal Agent Agreement, the Special Taxes pledged to the payment of the 2014 Bonds does not include any such penalties and interest collected by the County that are in excess of the rate of interest payable on the 2014 Bonds. Also it should be noted that prompt commencement of foreclosure proceedings may not, in and of itself, result in a timely or complete payment of delinquent Special Taxes.

Sufficiency of Foreclosure Sale Proceeds; Foreclosure Limitations and Delays. No assurances can be given that the real property subject to a judicial foreclosure sale will be sold or, if sold, that the proceeds of sale will be sufficient to pay any delinquent Special Tax installment. Due to the $1,000 maximum annual Special Tax rate for each Single Family Residential Property in the Improvement Area, the Rate and Method is designed to generate each Fiscal Year from all of the taxable property within the Improvement Area (expected to be 231 taxable parcels of Single Family Residential Property at build-out), not more than the $25,000 of priority administrative expenses and up to 110% of the scheduled debt service on the 2014 Bonds. See "THE IMPROVEMENT AREA – Projected Debt Service Coverage." However,

if foreclosure proceedings are necessary, and the Reserve Fund has been depleted, there could be a delay in payments to owners of the 2014 Bonds pending prosecution of the foreclosure proceedings and receipt by the County of the proceeds of the foreclosure sale.

The ability of the County to foreclose the lien of delinquent unpaid Special Taxes may be limited in certain instances and may require prior consent of the obligee in the event the property is owned by or in receivership of a Federal agency. See "SPECIAL RISK FACTORS – Property Interests of Government Agencies; Federal Deposit Insurance Corporation."

No assurances can be given that a judicial foreclosure action, once commenced, will be completed or that it will be completed in a timely manner. If a judgment of foreclosure and order of sale is obtained, the judgment creditor (the County for the Improvement Area) must cause a Notice of Levy to be issued. Under current law, a judgment debtor (property owner) has 120 days from the date of service of the Notice of Levy in which to redeem the property to be sold, which period may be shortened to 20 days for parcels other than those on which a dwelling unit for not more than four persons is located. If a judgment debtor fails to redeem and the property is sold, his only remedy is an action to set aside the sale, which must be brought within 90 days of the date of sale. If, as a result of such an action, a foreclosure sale is set aside, the judgment is revived and the judgment creditor is entitled to interest on the revived judgment as if the sale had not been made (Section 701.680 of the California Code of Civil Procedure). The constitutionality of the aforementioned legislation, which repeals the former one-year redemption period, has not been tested; and there can be no assurance that, if tested, such legislation will be upheld.

Section 53356.6 of the Act requires that property sold pursuant to foreclosure under the Act be sold for not less than the amount of judgment in the foreclosure action, plus post-judgment interest and authorized costs, unless the consent of the owners of 75% of the outstanding Bonds is obtained. However, under Section 53356.6 of the Act, the County, as judgment creditor, is entitled to purchase any property sold at foreclosure using a "credit bid," where the County could submit a bid crediting all or part of the amount required to satisfy the judgment for the delinquent amount of the Special Tax. If the County becomes the purchaser under a credit bid, the County must pay the amount of its credit bid into the Bond Fund, but this payment may be made up to 24 months after the date of the foreclosure sale. Neither the Act nor the Fiscal Agent Agreement requires the County to purchase or otherwise acquire any lot or parcel of property foreclosed upon if there is no other purchaser at such sale, and the County has no intent to be such a purchaser.

The County will levy the Special Tax to pay the current year's debt service and related administrative expenses and to replenish the Reserve Fund to the Reserve Requirement, subject to the Maximum Special Tax rates under the Rate and Method. However, if superior court foreclosure proceedings are necessary to collect delinquent Special Taxes, and if the Reserve Fund is depleted, there could be a delay in payments of principal of and interest on the 2014 Bonds pending prosecution of the foreclosure proceedings and receipt by the County of the proceeds of the foreclosure sale. See "SPECIAL RISK FACTORS – Bankruptcy and Foreclosure Delays" and "– Insufficiency of Special Tax Revenues."

No Teeter Plan

Collection of the Special Taxes is not subject to the "Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds," as provided for in Section 4701 et seq. of the California Revenue and Taxation Code (known as the "Teeter Plan"). Accordingly, collections of Special Taxes will reflect actual delinquencies, if any.

Investment of Moneys

Except as otherwise provided in the Fiscal Agent Agreement, all moneys in any of the funds or accounts established pursuant to the Fiscal Agent Agreement will be invested by the Fiscal Agent solely in Permitted Investments, as directed by the County. See Appendix C – Summary of the Fiscal Agent Agreement for a definition of "**Permitted Investments**" and for additional provisions regarding the investment of funds held under the Fiscal Agent Agreement.

Issuance of Additional Bonds

Parity Bonds. The Fiscal Agent Agreement does not authorize the County to issue any additional "new money" bonds for the Improvement Area on a parity with the 2014 Bonds, but it does authorize the County to issue one or more series of "**Refunding Bonds.**" The Fiscal Agent Agreement defines Refunding Bonds as bonds issued by the County for the District the net proceeds of which are used to refund all or a portion of the then Outstanding Bonds; provided that the debt service on the Refunding Bonds in any Bond Year is not in excess of the debt service on the Bonds being refunded, and the final maturity of the Refunding Bonds is not later than the final maturity of the Bonds being refunded.

Subject to meeting the additional conditions summarized below, Refunding Bonds will be "**Parity Bonds**" that will be secured by a lien on the Special Tax Revenues and funds pledged for the payment of the Bonds under the Fiscal Agent Agreement on a parity with all other Bonds Outstanding under the Fiscal Agreement; the Fiscal Agent Agreement defines "**Bonds**" as the 2014 Bonds and any Parity Bonds.

The County may issue the Parity Bonds subject to the following specific conditions precedent, among others set forth in the Fiscal Agent Agreement:

(A) ***Current Compliance.*** The County must be in compliance on the date of issuance of the Parity Bonds with all covenants set forth in the Fiscal Agent Agreement and all Supplemental Agreements.

(B) ***Payment Dates.*** The interest on the Parity Bonds must be payable on March 1 and September 1, and principal of the Parity Bonds must be payable on September 1 in any year in which principal is payable (provided that there is no requirement that any Parity Bonds pay interest on a current basis).

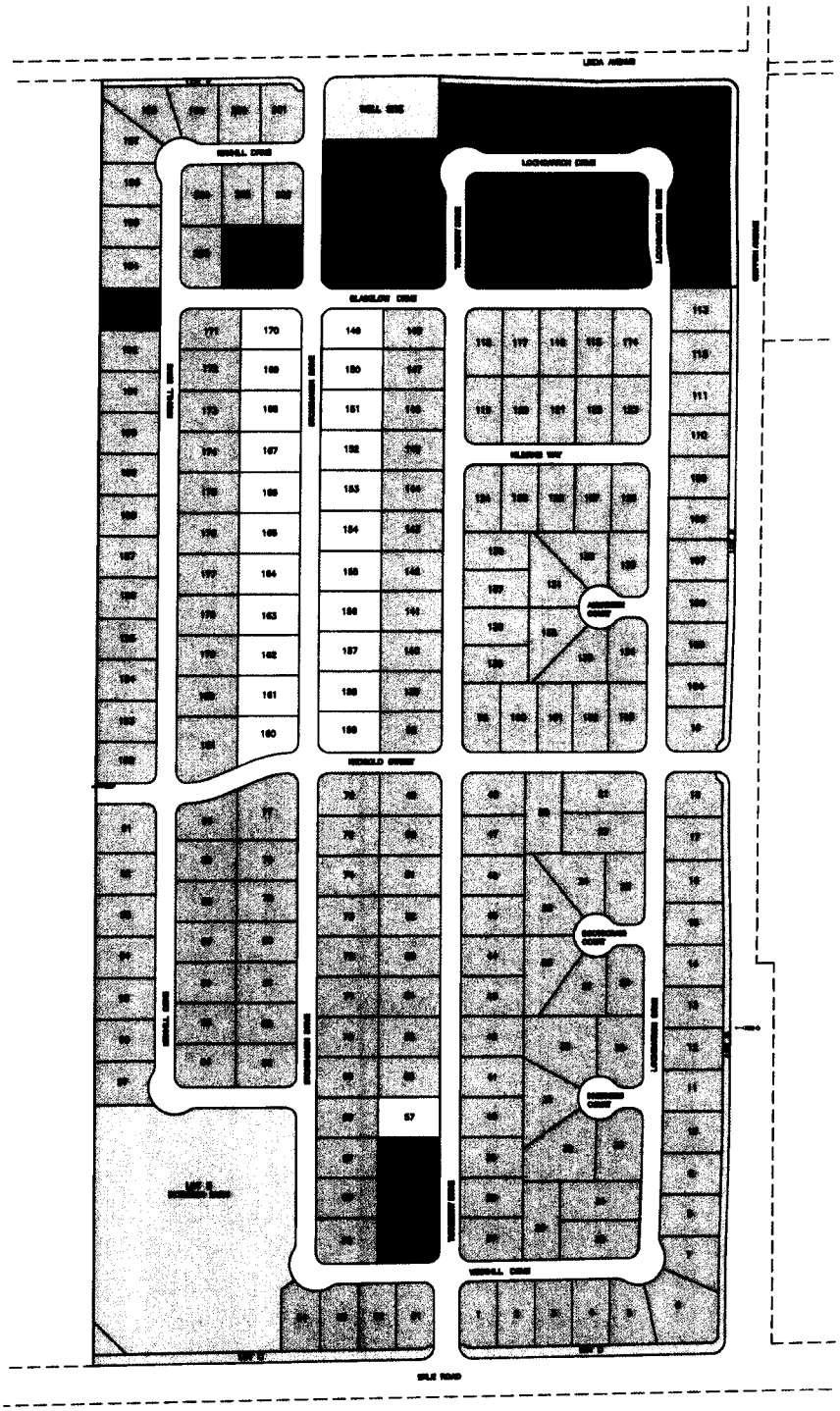
(C) ***Reserve Fund Deposit.*** There must be a deposit to the Reserve Fund (or to a separate account created for such purpose) in an amount necessary so that the amount on deposit in the Reserve Fund (together with the amount in any such separate account), following the issuance of such Parity Bonds, is equal to the Reserve Requirement.

(D) ***Refunding Bonds.*** The Parity Bonds must be Refunding Bonds.

(E) ***Officer's Certificate.*** The County must certify to the Fiscal Agent that the conditions for the issuance of Parity Bonds in the Fiscal Agent Agreement have been met.

Subordinate Bonds. Nothing in the provisions described above will prohibit the County from issuing bonds or otherwise incurring debt secured by a pledge of Special Tax Revenues subordinate to the pledge of such Special Tax Revenues under the Fiscal Agent Agreement.

SITE PLAN OF THE PROPERTY IN THE IMPROVEMENT AREA



Lots indicated in blue have completed homes sold to homebuyers (total of 178 lots).

Lots indicated in green have completed homes, but are owned by the Developer (total of 6 lots). Three of these homes are models.

Lots indicated in yellow are owned by the Developer, 5 of which are under construction and 18 of which are in finished lot condition (total of 23 lots).

Lots indicated in red are owned by the Developer and are in an unimproved condition (total of 24 lots).

Source: The Developer.

The Developer reports that the detention basin indicated in the lower left hand corner of the foregoing site plan has been completed and is in operation, serving the Development. The County took over its maintenance and operation upon acceptance of the detention basin about eight years ago. The well site indicated at the top of the foregoing site plan was dedicated by Woodside to the Linda County Water District as part of the entitlement process for the Development. A well was drilled on the site, but the Linda County Water District has indicated to the Developer that it will not install pumping and distribution equipment at the site until additional water capacity is needed in the area.

History of the Improvement Area

In September, 2005, Woodside, the then owner of the land in the Improvement Area, and the two then owners of land in the other two improvement areas of the District, petitioned the County to form the District in order to finance infrastructure improvements necessitated by their proposed development of the land in the District, including the Improvements. On October 10, 2005, the Board of Supervisors adopted resolutions of intention to form the District and to incur bond indebtedness of the County for the District, and on November 8, 2005, after the conduct of a public hearing, the Board of Supervisors adopted a resolution forming the District and a resolution determining the necessity to incur indebtedness for the District and calling for an election of the three then landowners regarding the District. The election was held on December 6, 2005 at which the landowners unanimously voted in favor of the District and subsequently the Board of Supervisors adopted an Ordinance levying special taxes on property in the District and the County recorded a Notice of Special Tax Lien against the property in the District.

On August 28, 2007, at the request of the three original owners of the land in the District, the Board of Supervisors adopted Resolution No. 2007-120, designating three improvement areas within the District, one of which is the Improvement Area. Following the conduct of an election of the then land owners in the Improvement Area, the Board of Supervisors on January 15, 2008, adopted Resolution No. 2008-08 approving the Amended and Restated Rate and Method of Apportionment of Special Tax for the Improvement Area (referred to in this Official Statement as the "Rate and Method"), and allowing for the County to issue up to $4,000,000 in principal amount of bonds for the District to be repaid from the levy of Special Taxes on property in the Improvement Area. On January 25, 2005, the County recorded an Amended Notice of Special Tax Lien in the County Recorder's Office as Document Number 2008R-001166 against the property in the three improvement areas of the District, and on January 22, 2008, the Board of Supervisors adopted Ordinance No. 1437, amending the prior Ordinance levying special taxes in the District, to allow for separate levies of special taxes in each of the three improvement areas of the District, including the levy of the Special Tax in the Improvement Area.

In April of 2008, the County entered into the Acquisition Agreement with Woodside, and the County entered into similar acquisition agreements with the developers of the other two improvement areas. Woodside and the developer of the property in Improvement Area A of the District, John Mourier Construction, Inc. ("**JMC**"), continued to build the backbone infrastructure improvements needed for development to occur in the three improvement areas of the District and Woodside and JMC subsequently began the construction of homes in the Improvement Area and in Improvement Area A of the District. Due to the national recession, home construction and sales tapered off, and the construction of additional homes in the Improvement Area ceased. However, all of the Improvements to be funded by the Improvement Area and by Improvement Area A were completed.

The Developer reports that in the original entitlement process for the Development, the County required that Woodside provide a site for a future school within the Improvement Area.

The site so reserved is where the 24 undeveloped lots in the Improvement Area are located. The Developer advised that Woodside subsequently offered the site to the Plumas Lake Elementary School District, but the School District declined to accept the site stating that it did not anticipate the need for another school facility in that vicinity. Woodside then was permitted by the County to repurpose the site for additional homes for the Development, and to map the parcel to include an additional 24 lots for single family homes. The final tract map for the 24 lots was recorded in the County Recorder's Office on November 3, 2014.

In the early Summer of 2014, the Developer (successor by merger with Woodside, see "THE IMPROVEMENT AREA – The Developer") requested that the County issue bonds for the District to pay costs of the Improvements pursuant to the Acquisition Agreement, and that the County begin to levy the Special Tax on property in the Improvement Area to repay the bonds. JMC also requested that the County issue bonds for the District to pay costs of improvements pursuant to an acquisition agreement between the County and JMC, and that the County begin to levy a special tax on property in Improvement Area A of the District to repay those bonds. Following the conduct of a public hearing on August 12, 2014, the Board of Supervisors adopted Resolution No. 2014-68 directing County Staff to proceed with the drafting of the documents needed for the issuance of the 2014 Bonds, and adopted Resolution No. 2014-69 limiting the maximum Special Tax for Single Family Residential Property in the Improvement Area to $1,000 per parcel per year, and declaring that the first Special Tax levy would be for Fiscal Year 2015-16, and that the final Special Tax levy on property in the Improvement Area would be for Fiscal Year 2040-41.

On September 23, 2014, the Board of Supervisors adopted Resolution No. 2014-89 authorizing the issuance of the 2014 Bonds and approving the execution and delivery of the Fiscal Agent Agreement and the Continuing Disclosure Agreement that the County will execute in connection with the issuance of the 2014 Bonds. On November 18, 2014, the Board of Supervisors adopted a Resolution approving a Preliminary Official Statement and a Bond Purchase Agreement for the 2014 Bonds, and authorized the preparation of a final Official Statement for the 2014 Bonds.

The Developer

The Developer has advised that the owner of the land in the Improvement Area at the time of formation of the District, Woodside Montrose Inc. (referred to in this Official Statement as "**Woodside**") and its parent, Woodside Group, LLC ("**Woodside Group**"), became the subject of a federal bankruptcy proceeding in 2009. The bankruptcy cases for the reorganized Woodside Group entities were closed in August 2011. As of that date, pre-bankruptcy liability related to these entities had all been resolved, settled or discharged in the bankruptcy process. Upon emergence from bankruptcy on December 31, 2009, the parent of Woodside Group became PH Holding, LLC, a Delaware limited liability company, which later changed its name to Woodside Homes Company, LLC. Woodside was merged into the Developer in November, 2012, and no longer exists.

As of October 31, 2014, the Developer was the owner of 6 of the parcels in the Improvement Area with completed homes (3 of which are the model homes for the Development), 6 of the parcels in the Improvement Area on which homes are under construction, 18 of the parcels in the Improvement Area in finished lot condition, and the 24 parcels in the Improvement Area that are in an undeveloped condition.

The Developer, Woodside 05N, LP, is a California limited partnership wholly owned by Woodside Group, which is a Nevada limited liability company, directly or through its wholly owned subsidiaries. The Developer is owned 99% directly by Woodside Group, as a limited partner. The remaining 1% interest is owned By WDS GP, Inc., a California corporation, as its

general partner, which is wholly owned by Woodside Homes of California, Inc., a California corporation, which in turn is wholly owned by Woodside Group. The parent of Woodside Group is Woodside Homes Company, LLC, a Delaware limited liability company. Woodside Group is an entity whose subsidiaries have engaged in the design, construction and sale of single-family homes throughout Arizona, California, Florida, Maryland, Minnesota, Nevada, Texas, Utah and Virginia under the brand name of "Woodside Homes" since 1977. Woodside Group maintains a website at www.woodsidehomes.com, but the County and the Underwriter have not reviewed the information on that website, have no responsibility for such information and the information is not in any way incorporated into this Official Statement.

The Developer reports that Woodside Homes and its affiliates have built and sold over 40,000 new homes throughout the United States. The Developer has advised that Woodside Homes' business model is to purchase land, entitle and develop if necessary, then construct and sell new homes. In the case of the land in the Improvement Area, the Developer (or Woodside, its predecessor affiliate) has owned the land in the Improvement Area since June, 2004, has used internal funds to construct the Improvements and develop the land in the Improvement Area, and has used internal funds to build the homes in the Improvement Area.

Land Ownership and Expected Special Tax Levy

As of October 31, 2014, 178 of the parcels in the Improvement Area have been improved with completed detached single family homes that have been sold to homeowners, 6 of the parcels in the Improvement Area have been improved with completed detached single family homes that are owned by the Developer (3 of which are the model homes for the Development), homes are under construction on 5 parcels owned by the Developer, 18 of the parcels in the Improvement Area are in a finished lot condition ready for home construction and are owned by the Developer, and 24 parcels are in an unimproved condition and are owned by the Developer. See "THE IMPROVEMENT AREA – History of the Improvement Area." The maximum Special Tax that can be levied under the Rate and Method on Single Family Residential Property in the Improvement Area (parcels for which a building permit has been issued by June 30 of the Fiscal Year preceding the Fiscal Year of the levy) is $1,000 per parcel per year, and the maximum Special Tax levy on the other parcels in the Improvement Area (classified as Undeveloped Property under the Rate and Method) is $7,623 per acre per year. See "SECURITY FOR THE 2014 BONDS – Summary of Rate and Method."

Based on (a) the foregoing, (b) the priority administrative expense amount of $25,000, plus (c) the scheduled debt service on the 2014 Bonds, other than the Escrow Term Bonds, for Fiscal Year 2015-16 of $161,350.00*, if no further development occurs in the Improvement Area, the Special Tax levy for 2015-16 would be $986 on each parcel of Single Family Residential Property and $0.00 on each acre of other property in the Improvement Area.

Assessed Property Values

No Appraisal of Property in the Improvement Area. The County has not commissioned an appraisal of the taxable property in the Improvement Area in connection with the issuance of the 2014 Bonds. Therefore, the valuation of the taxable property in the Improvement Area will be estimated for the purposes of the Act, and set forth in this Official Statement, based on the most recently obtainable County Assessor's values.

Assessed Valuation. The valuation of real property in the County is established by the County Assessor. Assessed valuations are reported at 100% of the full cash value of the property, as defined in Article XIIIA of the California Constitution. Article XIIIA of the California Constitution defines "full cash value" as the appraised value as of February 1, 1975, plus adjustments not to exceed 2% per year to reflect inflation, and requires assessment of "full

cash value" upon change of ownership or new construction. Accordingly, the gross assessed valuation of any particular parcel presented in this Official Statement may not necessarily be representative of the actual market value of that parcel.

The Fiscal Year 2014-15 total assessed value of the taxable property in the Improvement Area is $37,664,154.

Value-to-Burden Ratio

General Information Regarding Value-to-Burden Ratios. The value-to-burden ratio on bonds secured by special taxes will generally vary over the life of those bonds as a result of changes in the value of the property that is security for the special taxes and the principal amount of the bonds.

In comparing the aggregate assessed value of the real property within the Improvement Area and the principal amount of the 2014 Bonds, it should be noted that an individual parcel may only be foreclosed upon to pay delinquent installments of the Special Taxes attributable to that parcel. The principal amount of the 2014 Bonds is not allocated equally among the parcels within the Improvement Area; rather, the principal amount of the 2014 Bonds has been allocated among the parcels within the Improvement Area based on their respective share of the total maximum Special Tax levied in fiscal year 2015-16, and assuming all parcels in the Improvement Area are classified as Single Family Residential Property under the Rate and Method.

Economic and other factors beyond the property owners' control, such as economic recession, deflation of land values, financial difficulty or bankruptcy by one or more property owners, or the complete or partial destruction of Taxable Property caused by, among other possibilities, earthquake, flood, fire or other natural disaster, could cause a reduction in the assessed value within the Improvement Area. See "SPECIAL RISK FACTORS – Property Value" and "– Bankruptcy Delays."

Value-to-Burden Ratio Distribution. Table 1 below sets forth the estimated value-to-lien ratios for the taxable property in the Improvement Area based upon the land ownership status and the values of the property. Table 1 uses, for the values of the parcels, the County Assessor's 2014-15 secured assessment values for the property in the Improvement Area, as well as sales price data as reported by the Developer for parcels sold to homeowners that did not have an improved value as of January 1, 2014 (the County's lien date for its 2014-15 secured tax roll), and 2014-15 assessed values for all other parcels in the Improvement Area.

Table 1
County of Yuba
Community Facilities District No. 2005-1
(Improvement Area C – Countryside at Montrose)

Fiscal Year 2015-16 Estimated Maximum Special Tax; and Parcel Value to Lien Ratios-
County Assessed Values Incremental Sales Prices
(Development Status as of October 31, 2014)

Special Tax Category	Number of Parcels	FY 2015-16 Maximum Special Tax[1]	Percent of Maximum Special Tax	FY 2014-15 Assessed Value	Incremental Sales Price[2]	FY 2014-15 Assessed Value/Sale Price	Estimated Allocation of 2014 Bond Debt[3]	Estimated Value-to-Lien
Developed Parcels								
Completed Homes Sold to Third Parties	178	$178,000	77.1%	$36,354,153	$5,579,157	$41,933,310	$2,068,961	20.27:1
Completed Homes Owned by Woodside	6	6,000	2.6	683,000	0	683,000	69,740	9.79:1
Homes Under Construction Owned by Woodside	5	5,000	2.2	125,000	0	125,000	58,117	2.15:1
Subtotal	189	$189,000	81.8%	$37,162,153	$5,579,157	$42,741,310	$2,196,818	19.46:1
Undeveloped Parcels[4]								
Finished Lots Owned by Woodside	18	$18,000	7.8%	$450,000	$0	$450,000	$209,221	2.15:1
Final Mapped Lots Owned by Woodside	24	24,000	10.4	52,001	0	52,001	278,961	0.19:1
Subtotal	42	$42,000	18.2%	$502,001	$0	$502,001	$488,182	1.03:1
Total	231	$231,000	100.0%	$37,664,154	$5,579,157	$43,243,311	$2,685,000	16.11:1

(1) The maximum Special Tax for Developed Property that is Single Family Residential Property is $1,000 per parcel per year. See "THE IMPROVEMENT AREA – History of the Improvement Area."
(2) Reflects the incremental increase in value from the sale of 24 homes to third parties with an average sales price of $257,000. These parcels do not have an improved value per the County Assessor's records as of January 1, 2014.
(3) The initial principal amount of the 2014 Bonds, including the Escrow Term Bonds, allocated based on percentage of maximum Special Tax. Preliminary, subject to change.
(4) Assigns the maximum Special Tax of $1,000 per parcel per year for Single Family Residential Property to the remaining 42 undeveloped parcels. However, the maximum Special Tax for the 42 parcels would be $77,602, based on their current status as Undeveloped Property. See "SECURITY FOR THE 2014 BONDS – Summary of Rate and Method."
Sources: Yuba County Assessor's Office; the Developer; Stifel Nicolaus & Co. Inc; Goodwin Consulting Group, Inc.

The following table summarizes the projected 2014 Bond debt to value of the parcels in the Improvement Area. Table 2a uses, for the values of the parcels, sales price data as reported by the Developer for parcels sold to homeowners that did not have an improved value as of January 1, 2014 (the County's lien date for its 2014-15 secured tax roll) and 2014-15 assessed values for all other parcels in the Improvement Area.

Table 2
County of Yuba
Community Facilities District No. 2005-1
(Improvement Area C – Countryside at Montrose)

Summary of Value-to-Lien Ratios
Fiscal Year 2015-16 Maximum Special Tax
(Development Status as of October 31, 2014)

Value to Lien	Number of Parcels	FY 2014-15 Assessed Value/ Sales Price[1]	Estimated FY 2015-16 Maximum Special Tax[2]	Total 2014 Bond Debt Lien[3]	% of Total Lien
15:1 and above	177	$41,858,227	$177,000	$2,057,338	76.6%
10:1 to 15:1	4	683,083	4,000	46,494	1.7
3:1 to 10:1	0	0	0	0	0.0
2:1 to 3:1	26	650,000	26,000	302,208	11.3
2:1 and below	24	52,002	24,000	278,961	10.4
Total	231	$43,243,312	$231,000	$2,685,000	100.0%

(1) Reflects sales price data for individual parcels sold to homeowners that do not have an improved value per the County Assessor's records as of January 1, 2014. Values for all other parcels are based on County Assessor's 2014-2015 assessed value.
(2) The maximum Special Tax for Developed Property that is Single Family Residential Property is $1,000 per parcel per year. See "THE IMPROVEMENT AREA – History of the Improvement Area." However, the maximum Special Tax for the 42 parcels would be $77,602, based on their current status as Undeveloped Property. See "SECURITY FOR THE 2014 BONDS – Summary of Rate and Method."
(3) The initial principal amount of the 2014 Bonds, including the Escrow Term Bonds, allocated based on percentage of maximum Special Tax. Preliminary, subject to change.
Sources: Yuba County Assessor's Office; the Developer; Stifel Nicolaus & Co. Inc; Goodwin Consulting Group, Inc.

Direct and Overlapping Governmental Obligations

General. Property within the Improvement Area is subject to general obligation and general fund overlapping debt, and assessments by other governmental agencies. However, the lien for the Special Taxes is co-equal to the lien of the assessments and the lien for general property taxes. Additional indebtedness could be authorized by other public agencies at any time.

To repay direct and overlapping debt the owners of the land within the Improvement Area must pay the annual Special Taxes, special assessments, and the general property tax levy. The ability of the County to collect the Special Taxes could be adversely affected if additional debt is issued with respect to the Taxable Property in the Improvement Area. The land, at any time, could become subject to additional parity debt either by the formation of additional community facilities districts or the imposition of other taxes and assessments by public agencies other than the County on behalf of the property owners within the Improvement Area. The imposition of additional liens on a parity with the Special Taxes may reduce the ability or willingness of the landowners to pay the Special Taxes and may increase the possibility that foreclosure proceeds will not be adequate to pay delinquent Special Taxes.

The current and estimated direct and overlapping obligations affecting the property in the Improvement Area as of November 10, 2014, are shown in the following table. The table

was prepared by California Municipal Statistics, Inc., and is included for general information purposes only. Neither the County nor the Underwriter has independently verified the information in the table and they make no representation as to its completeness or accuracy.

Table 3
County of Yuba
Community Facilities District No. 2005-1
(Improvement Area C - Countryside at Montrose)

Direct and Overlapping Indebtedness

2014-15 Local Secured Assessed Valuation: $37,664,154

DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:	% Applicable	Debt 11/1/14
Yuba Joint Community College District General Obligation Bonds	0.143%	$178,476
Marysville Joint Unified School District General Obligation Bonds	0.143	707,465
The Improvement Area	100.000	2,685,000 (1),(3)
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		$3,570,941
OVERLAPPING GENERAL FUND DEBT:		
Yuba County Certificates of Participation	0.797%	$312,227
Yuba County Board of Education Certificates of Participation	0.797	24,701
Yuba Joint Community College District Certificates of Participation	0.143	25,764
Marysville Joint Unified School District Certificates of Participation	1.054	229,091
Linda Fire Protection District Certificates of Participation	2.478	13,630
TOTAL OVERLAPPING GENERAL FUND DEBT		$605,413
COMBINED TOTAL DEBT		$4,176,354 (2),(3)

Ratios to 2014-15 Assessed Valuation(3):

Direct Debt	7.13%
Total Direct and Overlapping Tax and Assessment Debt	9.48%
Combined Total Debt	11.09%

(1) The initial principal amount of the 2014 Bonds, including the $320,000(3) principal amount of the Escrow Term Bonds.
(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.
(3) Preliminary, subject to change.
Source: California Municipal Statistics.

Sample Tax Bill. Set forth below is Table 4, which provides, for an average parcel of Single Family Residential Property under the Rate and Method, the expected property tax bill that would be received by an owner of the property for fiscal year 2014-15, had the Special Tax been levied for that fiscal year. See "THE IMPROVEMENT AREA – History of the Improvement Area" for information regarding the first fiscal year of the Special Tax levy.

Table 4
County of Yuba
Community Facilities District No. 2005-1
(Improvement Area C – Countryside at Montrose)

Estimated Fiscal Year 2014-15 Illustrative Tax Bill

Assumptions		
Average Sales Price[1]		$258,500
Homeowner's Exemption		(7,000)
Net Expected Assessed Value		$251,500
Ad Valorem Taxes Rate		
County General	1.0000%	$2,515
MJUSD General Obligation Bond 2006	0.0318	80
MJUSD General Obligation Bond 2008	0.0299	75
MJUSD General Obligation Bond 2009	0.0600	151
YCCD General Obligation Bond 2006 A	0.0060	15
YCCD General Obligation Bond 2006 B	0.0100	25
YCCD General Obligation Bond 2006 C	0.0091	23
Total Ad Valorem Taxes	1.1468%	$2,884
Direct Charges		
CSA #70 Law Enforcement		$ 160
TRLIA Levee & Flood Control Assessment		12
CSA #52 Zone C[2]		417
Improvement Area C of CFD No. 2005-1		1,000
Total Direct Charge		$1,590
Total Taxes and Direct Charges		$4,474
Percentage of Net Assessed Value		1.78%

(1) Average sales price of new homes sold by the Developer in 2014, as reported by the Developer.
(2) Tax amount for CSA #52 Zone C. Other parcels may be subject to direct charges for other zones.
Sources: The Developer; Yuba County Tax Collector's Office; Goodwin Consulting Group, Inc.

Other Potential Debt. The County has no control over the amount of additional debt payable from taxes or assessments levied on all or a portion of the Taxable Property within the Improvement Area which may be incurred in the future by other governmental agencies having jurisdiction over all or a portion of the taxable property within the Improvement Area. Furthermore, nothing prevents the owners of taxable property within the Improvement Area from consenting to the issuance of additional debt by other governmental agencies which would be secured by taxes or assessments on a parity with the Special Taxes. To the extent such indebtedness is payable from assessments, other special taxes levied pursuant to the Act or taxes, such assessments, special taxes and taxes will be secured by liens on the taxable property within the Improvement Area on a parity with the lien of the Special Taxes.

Accordingly, the debt on the property within the Improvement Area could increase, without any corresponding increase in the value of the property therein, and thereby severely reduce the estimated value-to-lien ratio that exists at the time the 2014 Bonds are issued. The

imposition of such additional indebtedness could reduce the willingness and ability of the owners of the property within the Improvement Area to pay the Special Taxes when due. See "SPECIAL RISK FACTORS – Parity Taxes and Special Assessments."

Moreover, in the event of a delinquency in the payment of Special Taxes, no assurance can be given that the proceeds of any foreclosure sale of the property with delinquent Special Taxes would be sufficient to pay the delinquent Special Taxes. See "SPECIAL RISK FACTORS – Property Value."

Projected Debt Service Coverage

The Maximum Special Tax that can be levied on parcels classified as Single Family Residential Property in the Improvement Area in any fiscal year is $1,000 per parcel per year. See "SECURITY FOR THE 2014 BONDS – Special Tax" and "– Summary of Rate and Method." However, pursuant to Section 53321(d) of the California Government Code, the Special Tax levied against any parcel for which an occupancy permit for private residential use has been issued may not in any event be increased as a consequence of delinquency of default by the owner of any other parcel within the Improvement Area by more than ten percent (10%) above the amount that would have been levied in the fiscal year had there never been any such delinquencies of defaults. See "SECURITY FOR THE 2014 BONDS – Summary of Rate and Method.

Set forth below in Table 5 is the projected Special Tax Revenue from all 231 parcels in the Improvement Area assuming that the 18 parcels in finished lot condition and the 24 unimproved lots are all developed with single family homes, are available to pay the scheduled debt service on the 2014 Bonds and assuming no delinquencies in the payment of Special Taxes levied in the Improvement Area.

Table 5
County of Yuba
Community Facilities District No. 2005-1
(Improvement Area C – Countryside at Montrose)

Debt Service Coverage

Year Ending Sept. 1	Maximum Special Tax[1]	Priority Administration[2]	Net Special Tax Revenue Available for Debt Service	Non-Escrowed 2014 Bonds Debt Service[3], [4]	Escrow Term Bonds Debt Service[5], [4]	Total 2014 Bond Debt Service[4]	Debt Service Coverage[4]
2016	$231,000	$25,000	$206,000	$161,350	$15,200	$176,550	116.7%
2017	231,000	25,000	206,000	165,350	20,200	185,550	111.0
2018	231,000	25,000	206,000	163,700	19,963	183,663	112.2
2019	231,000	25,000	206,000	161,500	24,725	186,225	110.6
2020	231,000	25,000	206,000	164,300	19,250	183,550	112.2
2021	231,000	25,000	206,000	161,900	24,013	185,913	110.8
2022	231,000	25,000	206,000	164,500	18,538	183,038	112.5
2023	231,000	25,000	206,000	161,900	23,300	185,200	111.2
2024	231,000	25,000	206,000	164,300	17,825	182,125	113.1
2025	231,000	25,000	206,000	161,500	22,588	184,088	111.9
2026	231,000	25,000	206,000	163,000	22,113	185,113	111.3
2027	231,000	25,000	206,000	164,250	21,638	185,888	110.8
2028	231,000	25,000	206,000	160,250	26,163	186,413	110.5
2029	231,000	25,000	206,000	161,250	25,450	186,700	110.3
2030	231,000	25,000	206,000	162,000	24,738	186,738	110.3
2031	231,000	25,000	206,000	162,500	24,025	186,525	110.4
2032	231,000	25,000	206,000	162,750	23,313	186,063	110.7
2033	231,000	25,000	206,000	162,750	22,600	185,350	111.1
2034	231,000	25,000	206,000	162,500	21,888	184,388	111.7
2035	231,000	25,000	206,000	162,000	21,175	183,175	112.5
2036	231,000	25,000	206,000	161,250	25,463	186,713	110.3
2037	231,000	25,000	206,000	160,250	24,513	184,763	111.5
2038	231,000	25,000	206,000	164,000	18,563	182,563	112.8
2039	231,000	25,000	206,000	162,250	22,850	185,100	111.3
2040	231,000	25,000	206,000	165,250	21,900	187,150	110.1
2041	231,000	25,000	206,000	162,750	20,950	183,700	112.1

(1) Assumes all 231 parcels are Single Family Residential Property with a $1,000 maximum Special Tax per parcel per year. However, the maximum Special Tax for the 42 parcels that are currently undeveloped would be $77,602 based on their current status as Undeveloped Property. See "SECURITY FOR THE 2014 BONDS – Summary of Rate and Method."

(2) The first $25,000 of Special Taxes collected by the County each Fiscal Year are retained by the County to pay administrative expenses or for other purposes of the District. See "SECURITY FOR THE 2014 BONDS – Special Tax Fund."

(3) Annual scheduled debt service on the 2014 Bonds, excluding the scheduled debt service on the Escrow Term Bonds. See "SECURITY FOR THE 2014 BONDS – Escrow Fund."

(4) Preliminary, subject to change.

(5) The scheduled debt service on the Escrow Term Bonds, assuming no mandatory redemption of the Escrow Term Bonds. See "SECURITY FOR THE 2014 BONDS – Escrow Fund" and "THE 2014 BONDS – Redemption – Mandatory Redemption of Escrow Term Bonds."

Sources: Stifel Nicolaus & Co. Inc; Goodwin Consulting Group, Inc.

SPECIAL RISK FACTORS

The following is a description of certain risk factors affecting the Improvement Area, the property owners in the Improvement Area, the parcels subject to the levy of Special Taxes and the payment of and security for the 2014 Bonds. The following discussion of risks is not meant to be a complete list of the risks associated with the purchase of the 2014 Bonds and does not necessarily reflect the relative importance of the various risks. Potential investors are advised to consider the following factors along with all other information in this Official Statement in evaluating the investment quality of the 2014 Bonds. There can be no assurance that other risk factors will not become material in the future.

No General Obligation of the County or the District

The County's obligations under the 2014 Bonds and under the Fiscal Agent Agreement are limited obligations of the County on behalf of the District and are payable solely from and secured solely by the Special Tax Revenues and amounts in the Special Tax Fund, the Bond Fund and the Reserve Fund. The 2014 Bonds are not general obligations of the County, but are limited obligations of the County for the District payable solely from the Special Tax Revenues derived from Special Taxes levied on property in the Improvement Area and funds pledged therefor and under the Fiscal Agent Agreement. Neither the faith and credit nor the taxing power of the County or the State of California or of any of their respective political subdivisions is pledged to the payment of the 2014 Bonds.

Payment of the Special Tax is not a Personal Obligation

The owners and users of the parcels in the Improvement Area are not personally obligated to pay the Special Tax. Rather, the Special Tax is an obligation that is secured only by a lien against the property on which it is levied. If the value of a property is not sufficient to secure fully the payment of the Special Tax levied and to be levied on it, the County has no recourse against the owner of the property.

Property Value

If a landowner defaults in the payment of the Special Tax, the only legal remedy is the institution of a superior court action to foreclose on the delinquent property in an attempt to obtain funds with which to pay the Special Tax. The value of the Property in the Improvement Area could be adversely affected by economic factors beyond the County's control, including, without limitation, (i) adverse changes in local market conditions, such as changes in the market value of real property in the vicinity of the Improvement Area, the supply of or demand for competitive properties in such area, and the market value of residential property in the event of sale or foreclosure; (ii) changes in real estate tax rates and other expenses of owning Property, governmental rules (including, without limitation, zoning laws and laws relating to endangered species and hazardous materials) and fiscal policies; and (iii) natural disasters (including, without limitation, wildfire, earthquakes, tsunamis and floods), which may result in uninsured losses. See "SPECIAL RISK FACTORS – Natural Disasters and Potential Drought Conditions."

No assurances can be given that the real property subject to a judicial foreclosure sale will be sold or, if sold, that the proceeds of such sale will be sufficient to pay the delinquent Special Tax installment. No appraisal of the property in the Improvement Area has been conducted (see, however, "THE IMPROVEMENT AREA – Value-to-Burden Ratio" for a description of the Orange County Assessor's valuation of the parcels in the Improvement Area). Although the Act authorizes the County to cause such an action to be commenced and diligently pursued to completion, the Act does not specify any obligation of the County with regard to purchasing or otherwise acquiring any lot or parcel of property sold at the foreclosure sale in any such action if there is no other purchaser at such sale. The County is not obligated and does not expect to be a bidder at any such foreclosure sale. See "SECURITY FOR THE BONDS – Covenant for Superior Court Foreclosure" and "SPECIAL RISK FACTORS – Proceeds of Foreclosure Sales."

Exempt Properties

Certain properties are exempt from the Special Tax in accordance with the Rate and Method. In addition, the Act provides that properties or entities of the state, federal or local government are exempt from the Special Tax; provided, however, that property within the

Improvement Area acquired by a public entity through a negotiated transaction, or by gift or devise, that is not otherwise exempt from the Special Tax, will continue to be subject to the Special Tax. It is possible that property acquired by a public entity following a tax sale or foreclosure based upon failure to pay taxes could become exempt from the Special Tax. In addition, the Act provides that if property subject to the Special Tax is acquired by a public entity through eminent domain proceedings, the obligation to pay the Special Tax with respect to that property, for outstanding Bonds only, is to be treated as if it were a special assessment. The constitutionality and operation of these provisions of the Act have not been tested. See "SECURITY FOR THE 2014 BONDS – Special Tax."

In particular, insofar as the Act requires payment of the Special Tax by a federal entity acquiring property within the Improvement Area, it may be unconstitutional. See "SPECIAL RISK FACTORS – Property Interests of Government Agencies; Federal Deposit Insurance Corporation." If for any reason property within the Improvement Area becomes exempt from taxation by reason of ownership by a nontaxable entity such as the federal government or another public agency, subject to the limitation of the Maximum Special Tax, the Special Tax will be reallocated to the remaining taxable properties within the Improvement Area. This would result in the owners of such property paying a greater amount of the Special Tax and could have an adverse impact upon the timely payment of the Special Tax. Moreover, if a substantial portion of land within the Improvement Area becomes exempt from the Special Tax because of public ownership, or otherwise, the maximum rate that could be levied upon the remaining acreage might not be sufficient to pay principal of and interest on the 2014 Bonds when due and a default would occur with respect to the payment of such principal and interest.

The Act further provides that no other properties or entities are exempt from the Special Tax unless the properties or entities are expressly exempted in a resolution of consideration to levy a new special tax or to alter the rate or method of apportionment of an existing special tax.

Parity Taxes and Special Assessments

The Special Taxes and any penalties thereon will constitute liens against the taxable parcels in the Improvement Area until they are paid. Such lien is on a parity with all special taxes and special assessments levied by other agencies and is coequal to and independent of the lien for general property taxes regardless of when they are imposed upon the taxable parcel. The Special Taxes have priority over all existing and future private liens imposed on the property. The Special Tax has the same lien priority with respect to the property. See "THE IMPROVEMENT AREA – Direct and Overlapping Governmental Obligations" for a description of existing overlapping liens on the property.

The County has no control over the ability of other entities and Improvement Areas to issue indebtedness secured by special taxes or assessments payable from all or a portion of the taxable property within the Improvement Area subject to the levy of Special Taxes. In addition, the landowners within the Improvement Area may, without the consent or knowledge of the County, petition other public agencies to issue public indebtedness secured by special taxes or assessments, and any such special taxes or assessments may have a lien on such property on a parity with the Special Taxes. The imposition of additional indebtedness could reduce the willingness and the ability of the property owners within the Improvement Area to pay the Special Taxes when due.

Insufficiency of Special Taxes

In order to pay debt service on the 2014 Bonds, it is necessary that the Special Taxes levied against taxable parcels within the Improvement Area be paid in a timely manner. The County has established the Reserve Fund in an amount equal to the Reserve Requirement to

pay debt service on the 2014 Bonds and any Parity Bonds to the extent Special Taxes are not paid on time and other funds are not available. See "SECURITY FOR THE 2014 BONDS – Reserve Fund" and Appendix C – Summary of the Fiscal Agent Agreement. Under the Fiscal Agent Agreement, the County has covenanted to maintain in the Reserve Fund an amount equal to the Reserve Requirement; subject, however, to the limitation that the County may not levy the Special Tax in any fiscal year at a rate in excess of the Maximum Special Tax rates permitted under the Rate and Method. In addition, the Act imposes certain limitations on increases in Special Taxes on residential parcels as a consequence of delinquencies in payment of the Special Taxes. See "SECURITY FOR THE 2014 Bonds – Special Tax." Consequently, if a delinquency occurs, the County may be unable to replenish the Reserve Fund to the Reserve Requirement due to the limitation of the Maximum Special Tax rates. If such defaults were to continue in successive years, the Reserve Fund could be depleted and a default on the 2014 Bonds would occur if proceeds of a foreclosure sale did not yield a sufficient amount to pay the delinquent Special Taxes.

The County has made certain covenants regarding the institution of foreclosure proceedings to sell any property with delinquent Special Taxes in order to obtain funds to pay debt service on the 2014 Bonds. See "SECURITY FOR THE 2014 Bonds – Covenant for Superior Court Foreclosure." If foreclosure proceedings were ever instituted, any mortgage or deed of trust holder could, but would not be required to, advance the amount of delinquent Special Taxes to protect its security interest.

Tax Delinquencies

Under provisions of the Act, the Special Taxes, from which funds necessary for the payment of principal of, and interest on, the 2014 Bonds are derived, are being billed to the property within the Improvement Area on the regular property tax bills sent to owners of the parcels. Such Special Tax installments are due and payable, and bear the same penalties and interest for non-payment, as do regular property tax installments. Special Tax installment payments cannot be made separately from property tax payments. Therefore, the unwillingness or inability of a property owner to pay regular property tax bills as evidenced by property tax delinquencies may also indicate an unwillingness or inability to make regular property tax payments and Special Tax installment payments in the future. See "SECURITY FOR THE 2014 BONDS – Reserve Fund" and "-Covenant for Superior Court Foreclosure" for a discussion of the provisions which apply, and procedures which the Improvement Area is obligated to follow under the Fiscal Agent Agreement, in the event of delinquency in the payment of Special Tax installments.

Bankruptcy Delays

The payment of the Special Tax and the ability of the County to commence a superior court action to foreclose the lien of a delinquent unpaid Special Tax, as discussed in "SECURITY FOR THE 2014 BONDS – Covenant for Superior Court Foreclosure," may be limited by bankruptcy, insolvency or other laws generally affecting creditors' rights or by the laws of the State of California relating to judicial foreclosure. Any legal opinion to be delivered concurrently with the delivery of the 2014 Bonds (including Bond Counsel's approving legal opinion) will be qualified as to the enforceability of the various legal instruments by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights, by the application of equitable principles and by the exercise of judicial discretion in appropriate cases.

Although bankruptcy proceedings would not cause the Special Taxes to become extinguished, bankruptcy of a property owner or any other person claiming an interest in the property could result in a delay in superior court foreclosure proceedings and could result in

the possibility of Special Tax installments not being paid in part or in full. Such a delay would increase the likelihood of a delay or default in payment of the principal of and interest on the 2014 Bonds.

Proceeds of Foreclosure Sales

Pursuant to Section 53356.1 of the Act, in the event of any delinquency in the payment of any Special Tax, the Board of Supervisors, as the legislative body of the Improvement Area, may order that the Special Taxes be collected by a superior court action to foreclose the lien within specified time limits. The County has covenanted in the Fiscal Agent Agreement that it will, under certain circumstances, commence such a foreclosure action. See "SECURITY FOR THE 2014 Bonds – Covenant for Superior Court Foreclosure."

No assurances can be given that a taxable parcel in the Improvement Area that would be subject to a judicial foreclosure sale for delinquent Special Taxes will be sold or, if sold, that the proceeds of such sale will be sufficient to pay the delinquent Special Tax installment. Although the Act authorizes the County to cause such an action to be commenced and diligently pursued to completion, the Act does not specify any obligation of the County with regard to purchasing or otherwise acquiring any lot or parcel of property sold at the foreclosure sale in any such action if there is no other purchaser at such sale and the County has not in any way agreed nor does it expect to be such a bidder.

In a foreclosure proceeding, a judgment debtor (i.e., the property owner) has 140 days from the date of service of the notice of levy in which to redeem the property to be sold and may have other redemption rights afforded by law. If a judgment debtor fails to so redeem and the property is sold, his only remedy is an action to set aside the sale, which must be brought within 90 days of the date of sale if the purchaser at the sale was the judgment creditor. If a foreclosure sale is thereby set aside, the judgment is revived and the judgment creditor is entitled to interest on the revived judgment as if the sale had not been made.

If foreclosure proceedings were ever instituted, any holder of a mortgage or deed of trust on the affected property could, but would not be required to, advance the amount of tie delinquent Special Tax installment to protect its security interest.

In the event such superior court foreclosure or foreclosures are necessary, there could be a delay in principal and interest payments to the owners of the 2014 Bonds pending prosecution of the foreclosure proceedings and receipt by the Improvement Area of the proceeds of the foreclosure sale, if any. Judicial foreclosure actions are subject to the normal delays associated with court cases and may be further slowed by bankruptcy actions and other factors beyond the control of the County, including delay due to crowded local court calendars or legal tactics and, in any event could take several years to complete. In particular, bankruptcy proceedings involving the Landowner or any other owner of a taxable parcel in the Improvement Area could cause a delay, reduction or elimination in the flow of Special Tax Revenues to the Fiscal Agent. See "SPECIAL RISK FACTORS – Bankruptcy Delays."

Natural Disasters

The value of the property in the Improvement Area in the future can be adversely affected by a variety of natural occurrences, particularly those that may affect infrastructure and other public improvements and private improvements on the property and the continued habitability and enjoyment of such private improvements. Such occurrences include, without limitation, wildfire, earthquakes and floods. Known active faults that could cause significant ground shaking in the Improvement Area include, but are not limited to, the San Andreas Fault.

One or more of such natural disasters could occur and could result in damage to improvements of varying seriousness. The damage may entail significant repair or replacement costs and that repair or replacement may never occur either because of the cost, or because repair or replacement will not facilitate habitability or other use, or because other considerations preclude such repair or replacement. Under any of these circumstances, the value of the property in the Improvement Area may well depreciate or disappear.

Hazardous Substances

The presence of hazardous substances on a parcel may result in a reduction in the value of a parcel. In general, the owners and operators of a parcel may be required by law to remedy conditions of the parcel relating to releases or threatened releases of hazardous substances. The Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as "**CERCLA**" or the "**Superfund Act**," is the most well-known and widely applicable of these laws, but California laws with regard to hazardous substances are also stringent and similar. Under many of these laws, the owner or operator is obligated to remedy a hazardous substance condition of property whether or not the owner or operator has anything to do with creating or handling the hazardous substance. The effect, therefore, should any of the taxed parcels be affected by a hazardous substance, is to reduce the marketability and value of the parcel by the costs of remedying the condition, because the purchaser, upon becoming owner, will become obligated to remedy the condition just as is the seller.

The County has not independently verified, but is not aware of, the presence of any hazardous substances within the Improvement Area.

Disclosure to Future Purchasers

The willingness or ability of an owner of a parcel to pay the Special Tax, even if the value of the property is sufficient to justify payment, may be affected by whether or not the owner was given due notice of the Special Tax authorization at the time the owner purchased the parcel, was informed of the amount of the Special Tax on the parcel should the Special Tax be levied at the maximum tax rate and, at the time of such a levy, has the ability to pay it as well as pay other expenses and obligations. The County has caused a notice of the Special Tax to be recorded in the Office of the Recorder for the County against the property in the Improvement Area. Although title companies normally refer to such notices in title reports, there can be no guarantee that such reference will be made or, if made, that a prospective purchaser or lender will consider such Special Tax obligation when purchasing a property within the Improvement Area or lending money thereon, as applicable.

California Civil Code Section 1102.6b requires that, in the case of transfers, the seller must at least make a good faith effort to notify the prospective purchaser of the special tax lien in a format prescribed by statute. Failure by an owner of the property to comply with the above requirements, or failure by a purchaser or lessor to consider or understand the nature and existence of the Special Tax, could adversely affect the willingness and ability of the purchaser or lessor to pay the Special Tax when due.

Property Interests of Government Agencies; Federal Deposit Insurance Corporation

The County's ability to collect interest and penalties specified by State law and to foreclose the lien of a delinquent Special Tax payment may be limited in certain respects with regard to properties in which the Internal Revenue Service, the Drug Enforcement Agency, the Federal Deposit Insurance Corporation (the "FDIC") or other similar federal agencies has or obtains an interest.

General. The supremacy clause of the United States Constitution reads as follows: "This Constitution, and the Laws of the United States which shall be made in Pursuance thereof; and all Treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, any Thing in the Constitution or Laws of any State to the contrary notwithstanding." The foregoing is generally interpreted to mean that, unless the United States Congress has otherwise provided, if a federal governmental entity owns a parcel that is subject to Special Taxes within the District but does not pay taxes and assessments levied on the parcel (including the Special Taxes), the applicable State and local governments cannot foreclose on the parcel to collect the delinquent taxes and assessments. Moreover, unless the United States Congress has otherwise provided, if the federal government has a mortgage interest in the parcel and the District wishes to foreclose on the parcel as a result of delinquent Special Taxes, the property cannot be sold at a foreclosure sale unless it can be sold for an amount sufficient to pay delinquent taxes and assessments on a parity with the Special Taxes and preserve the federal government's mortgage interest. In Rust v. Johnson 597 F.2d 174 (9th Cir. 1979), the United States Court of Appeal, Ninth Circuit (the "Ninth Circuit"), held that FNMA is a federal instrumentality for purposes of this doctrine, and not a private entity, and that, as a result, an exercise of state power over a mortgage interest held by FNMA constitutes an exercise of state power over property of the United States.

The County has not undertaken to determine whether any federal governmental entity currently has, or is likely to acquire, any interest (including a mortgage interest) in any of the parcels subject to the Special Taxes, and therefore expresses no view concerning the likelihood that the risks described above will materialize while the 2014 Bonds are outstanding.

FDIC. In the event that any financial institution making any loan which is secured by real property within the Improvement Area is taken over by the FDIC, and prior thereto or thereafter the loan or loans go into default, resulting in ownership of the property by the FDIC, then the ability of the County to collect interest and penalties specified by State law and to foreclose the lien of delinquent unpaid Special Taxes may be limited. The FDIC's policy statement regarding the payment of state and local real property taxes (the "Policy Statement") provides that real property owned by the FDIC is subject to state and local real property taxes only if those taxes are assessed according to the property's value, and that the FDIC is immune from real property taxes assessed on any basis other than property value. According to the Policy Statement, the FDIC will pay its proper tax obligations when they become due and payable and will pay claims for delinquent property taxes as promptly as is consistent with sound business practice and the orderly administration of the institution's affairs, unless abandonment of the FDIC's interest in the property is appropriate. The FDIC will pay claims for interest on delinquent property taxes owed at the rate provided under state law, to the extent the interest payment obligation is secured by a valid lien. The FDIC will not pay any amounts in the nature of fines or penalties and will not pay nor recognize liens for such amounts. If any property taxes (including interest) on FDIC owned property are secured by a valid lien (in effect before the property became owned by the FDIC), the FDIC will pay those claims. The Policy Statement further provides that no property of the FDIC is subject to levy, attachment, garnishment, foreclosure or sale without the FDIC's consent. In addition, the FDIC will not permit a lien or security interest held by the FDIC to be eliminated by foreclosure without the FDIC's consent.

The Policy Statement states that the FDIC generally will not pay non ad valorem taxes, including special assessments, on property in which it has a fee interest unless the amount of tax is fixed at the time that the FDIC acquires its fee interest in the property, nor will it recognize the validity of any lien to the extent it purports to secure the payment of any such amounts. Special taxes imposed under the Law and a special tax formula which determines the special tax due each year, are specifically identified in the Policy Statement as being imposed each year and therefore covered by the FDIC's federal immunity. The Ninth Circuit issued a

ruling on August 28, 2001 in which it determined that the FDIC, as a federal agency, is exempt from special taxes levied pursuant to the Law.

The County is unable to predict what effect the application of the Policy Statement would have in the event of a delinquency with respect to a parcel in which the FDIC has an interest, although prohibiting the lien of the FDIC to be foreclosed on at a judicial foreclosure sale would likely reduce the number of or eliminate the persons willing to purchase such a parcel at a foreclosure sale. Owners of the 2014 Bonds should assume that the District will be unable to foreclose on any parcel owned by the FDIC. Such an outcome could cause a draw on the Reserve Fund and perhaps, ultimately, a default in payment of the 2014 Bonds. The District has not undertaken to determine whether the FDIC currently has, or is likely to acquire, any interest in any of the parcels, and therefore expresses no view concerning the likelihood that the risks described above will materialize while the 2014 Bonds are outstanding.

No Acceleration Provision

The 2014 Bonds and the Fiscal Agent Agreement do not contain a provision allowing for the acceleration of the 2014 Bonds in the event of a payment default or other default under the terms of the 2014 Bonds or the Fiscal Agent Agreement or in the event interest on the 2014 Bonds becomes included in gross income for federal income tax purposes.

Taxability Risk

As discussed herein under the caption "TAX MATTERS," interest on the 2014 Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date the 2014 Bonds were issued, as a result of future acts or omissions of the County in violation of its covenants in the Fiscal Agent Agreement. There is no provision in the 2014 Bonds or the Fiscal Agent Agreement for special redemption or acceleration or for the payment of additional interest should such an event of taxability occur, and the 2014 Bonds will remain outstanding until maturity or until redeemed under one of the redemption provisions contained in the Fiscal Agent Agreement.

In addition, as discussed under the caption "TAX MATTERS," Congress is or may be considering in the future legislative proposals, including some that carry retroactive effective dates, that, if enacted, would alter or eliminate the exclusion from gross income for federal income tax purposes of interest on municipal bonds, such as the 2014 Bonds. Prospective purchasers of the 2014 Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. The County can provide no assurance that federal tax law will not change while the 2014 Bonds are outstanding or that any such changes will not adversely affect the exclusion of interest on the 2014 Bonds from gross income for federal income tax purposes. If the exclusion of interest on the 2014 Bonds from gross income for federal income tax purposes were amended or eliminated, it is likely that the market price for the 2014 Bonds would be adversely impacted.

Enforceability of Remedies

The remedies available to the Fiscal Agent and the registered owners of the 2014 Bonds upon a default under the Fiscal Agent Agreement or any other document described in this Official Statement are in many respects dependent upon regulatory and judicial actions that are often subject to discretion and delay. Under existing law and judicial decisions, the remedies provided for under such documents may not be readily available or may be limited. Any legal opinions to be delivered concurrently with the issuance of the 2014 Bonds will be qualified to the extent that the enforceability of the legal documents with respect to the 2014 Bonds is

subject to limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally and by equitable remedies and proceedings generally.

Judicial remedies, such as foreclosure and enforcement of covenants, are subject to exercise of judicial discretion. A California court may not strictly apply certain remedies or enforce certain covenants if it concludes that application or enforcement would be unreasonable under the circumstances and it may delay the application of such remedies and enforcement.

No Secondary Market

No representation is made concerning any secondary market for the 2014 Bonds. There can be no assurance that any secondary market will develop for the 2014 Bonds. Investors should understand the long-term and economic aspects of an investment in the 2014 Bonds and should assume that they will have to bear the economic risks of their investment to maturity. An investment in the 2014 Bonds may be unsuitable for any investor not able to hold the 2014 Bonds to maturity.

Proposition 218

An initiative measure entitled the "Right to Vote on Taxes Act" (the "**Initiative**") was approved by the voters of the State at the November 5, 1996 general election. The Initiative added Article XIIIC and Article XIIID to the California Constitution. According to the "Title and Summary" of the Initiative prepared by the California Attorney General, the Initiative limits "the authority of local governments to impose taxes and property-related assessments, fees and charges." Provisions of the Initiative have been and will continue to be interpreted by the courts. The Initiative could potentially impact the Special Taxes otherwise available to the Improvement Area to pay the principal of and interest on the 2014 Bonds as described below.

Among other things, Section 3 of Article XIIIC states, "...the initiative power shall not be prohibited or otherwise limited in matters of reducing or repealing any local tax, assessment, fee or charge." The Act provides for a procedure, which includes notice, hearing, protest and voting requirements to alter the rate and method of apportionment of an existing special tax. However, the Act prohibits a legislative body from adopting any resolution to reduce the rate of any special tax or terminate the levy of any special tax pledged to repay any debt incurred pursuant to the Act unless such legislative body determines that the reduction or termination of the special tax would not interfere with the timely retirement of that debt. On July 1, 1997, the Governor of the State signed a bill into law enacting Government Code Section 5854, which states that:

> Section 3 of Article XIIIC of the California Constitution, as adopted at the November 5, 1996, general election, shall not be construed to mean that any owner or beneficial owner of a municipal security, purchased before or after that date, assumes the risk of, or in any way consents to, any action by initiative measure that constitutes an impairment of contractual rights protected by Section 10 of Article I of the United States Constitution.

Accordingly, although the matter is not free from doubt, it is likely that Article XIIIC has not conferred on the voters the power to repeal or reduce the Special Taxes if such reduction would interfere with the timely retirement of the 2014 Bonds.

It may be possible, however, for voters or the Board of Supervisors acting as the legislative body of the Improvement Area to reduce the Special Taxes in a manner that does not

interfere with the timely repayment of the 2014 Bonds, but which does reduce the maximum amount of Special Taxes that may be levied in any year below the existing levels. Furthermore, no assurance can be given with respect to the future levy of the Special Taxes in amounts greater than the amount necessary for the timely retirement of the 2014 Bonds. Therefore, no assurance can be given with respect to the levy of Special Taxes for Administrative Expenses (as defined in the Fiscal Agent Agreement). Nevertheless, the County has covenanted that it will not consent to, or conduct proceedings with respect to, a reduction in the maximum Special Taxes that may be levied in the Improvement Area below an amount, for any fiscal year, equal to 110% of the aggregate of the debt service due on the 2014 Bonds in such fiscal year, plus a reasonable estimate of Administrative Expenses for such fiscal year. However, no assurance can be given as to the enforceability of the foregoing covenant.

The interpretation and application of Article XIIIC and Article XIIID will ultimately be determined by the courts with respect to a number of the matters discussed above, and it is not possible at this time to predict with certainty the outcome of such determination or the timeliness of any remedy afforded by the courts. See "– Enforceability of Remedies."

Ballot Initiatives

Articles XIIIC and XIIID of the California Constitution were adopted pursuant to measures qualified for the ballot pursuant to California's constitutional initiative process, and the State Legislature has in the past enacted legislation which has altered the spending limitations or established minimum funding provisions for particular activities. On March 6, 1995 in the case of Rossi v. Brown, the State Supreme Court held that an initiative can repeal a tax ordinance and prohibit the imposition of further such taxes and that the exemption from the referendum requirements does not apply to initiatives. From time to time, other initiative measures could be adopted by California voters or legislation enacted by the legislature. The adoption of any such initiative or legislation might place limitations on the ability of the State, the County, or local Improvement Areas to increase revenues or to increase appropriations.

IRS Audit of Tax-Exempt Bond Issues

The Internal Revenue Service has initiated an expanded program for the auditing of tax-exempt bond issues, including both random and targeted audits. It is possible that the 2014 Bonds will be selected for audit by the Internal Revenue Service. It is also possible that the market value of the 2014 Bonds might be affected as a result of such an audit of the 2014 Bonds (or by an audit of similar bonds).

Recent Court Action Involving Landowner – Landowner **Voted Special Tax District**

On August 1, 2014, in a decision in City of San Diego. v. Melvin Shapiro, an Appellate Court invalidated an election held by the City of San Diego (the term "City" as used in this paragraph and the next paragraph means the City of San Diego) to authorize the levying of special taxes on hotels City-wide pursuant to a City charter ordinance creating a convention center facilities district (the "CCFD") much like a community facilities district established under the provisions of the Act. While the CCFD is comprised of all of the real property in the entire City, the special tax was to be levied only on hotel properties located within the CCFD. At the election to authorize such special tax, the electorate was defined to consist solely of (a) the owners of real property in the City on which a hotel is located, and (b) the lessees of real property owned by a governmental entity on which a hotel is located. Such approach to determining who would constitute the qualified electors of the CCFD was based on Section 53326(c) of the Law, which generally provides that, if a special tax will not be apportioned in any tax year on residential property, the legislative body may provide that the vote shall be by the landowners of the proposed district whose property would be subject to the special tax. The

Court held that such landowners and lessees are neither "qualified electors" of the City for purposes of Articles XIII A, Section 4 of the California Constitution, nor a proper "electorate" under Article XIIIC, Section 2(d) of the California Constitution.

The Court specifically noted that the decision did not require the Court to consider the distinct question of whether landowner voting to impose special taxes under Section 53326(b) of the Act (which was the nature of the voter approval through which the District was formed, as the developers of land in the three improvement areas of the District were the sole owners of the land in the District at the time of the District formation) violates the California Constitution in districts that lack sufficient registered voters to conduct an election among registered voters. In the case of the CCFD, at the time of the election all of the registered voters in the City were within the CCFD. With respect to the District, there were no registered voters within the District at the time of the election to authorize the Special Tax and issuance of bonds by the District. Thus, by its terms, the Court's holding does not apply to the formation and Special Tax election in the District.

Moreover, Section 53341 of the Act provides that any "action or proceeding to attack, review, set aside, void or annul the levy of a special tax...shall be commenced within 30 days after the special tax is approved by the voters." Similarly, Section 53359 of the Law requires that any action to determine the validity of bonds issued pursuant to the Law be brought within 30 days of the voters approving the issuance of such bonds. Also, Section 860 et seq. of the California Code of Civil Procedure effectively provides that any legal challenge to the 2014 Bonds and the Fiscal Agent Agreement be filed within 60 days of the date the Fiscal Agent Agreement and the 2014 Bonds were approved by the Board of Supervisors. The landowners in the Improvement Area, as the sole qualified electors in the Improvement Area at the time, approved the Special Tax and the issuance of bonds for the Improvement Area on January 15, 2008; and the 2014 Bonds were authorized to be issued and the Fiscal Agent Agreement and the 2014 Bonds were approved by Resolution No. 2014-89 adopted by the Board of Supervisors, as the legislative body of the District, on September 23, 2014. The County is not aware of any action being filed challenging the formation of the District, the designation of the Improvement Area, the authority to levy the Special Tax on property in the Improvement Area, or the validity or enforceability of the Fiscal Agent Agreement or the 2014 Bonds. See "NO LITIGATION." Given the foregoing, the County believes that no successful challenge to the levy of the Special Tax in the Improvement Area or the issuance or validity of the 2014 Bonds may now be brought.

TAX MATTERS

Federal tax law contains a number of requirements and restrictions which apply to the 2014 Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed therewith, and certain other matters. The County has covenanted in the Fiscal Agent Agreement to comply with all requirements that must be satisfied in order for the interest on the 2014 Bonds to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the 2014 Bonds to become includable in gross income for federal income tax purposes retroactively to the date of issuance of the 2014 Bonds.

Subject to the County's compliance with the above-referenced covenants, under present law, in the opinion of Quint & Thimmig LLP, Bond Counsel, interest on the 2014 Bonds (i) is excludable from the gross income of the owners thereof for federal income tax purposes, and (ii) is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, but interest on the 2014 Bonds is taken into account, however,

in computing an adjustment used in determining the federal alternative minimum tax for certain corporations.

In rendering its opinion, Bond Counsel will rely upon certifications of the County with respect to certain material facts within the County's knowledge. Bond Counsel's opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

The Internal Revenue Code of 1986, as amended (the "**Code**"), includes provisions for an alternative minimum tax ("**AMT**") for corporations in addition to the corporate regular tax in certain cases. The AMT, if any, depends upon the corporation's alternative minimum taxable income ("**AMTI**"), which is the corporation's taxable income with certain adjustments. One of the adjustment items used in computing the AMTI of a corporation (with certain exceptions) is an amount equal to 75% of the excess of such corporation's "adjusted current earnings" over an amount equal to its AMTI (before such adjustment item and the alternative tax net operating loss deduction). "**Adjusted current earnings**" would include certain tax-exempt interest, including interest on the 2014 Bonds.

Ownership of the 2014 Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax exempt obligations. Prospective purchasers of the 2014 Bonds should consult their tax advisors as to applicability of any such collateral consequences.

The issue price (the "**Issue Price**") for each maturity of the 2014 Bonds is the price at which a substantial amount of such maturity of the 2014 Bonds is first sold to the public. The Issue Price of a maturity of the 2014 Bonds may be different from the price set forth, or the price corresponding to the yield set forth, on the inside cover page of this Official Statement.

If the Issue Price of a maturity of the 2014 Bonds is less than the principal amount payable at maturity, the difference between the Issue Price of each such maturity, if any, of the 2014 Bonds (the "**OID 2014 Bonds**") and the principal amount payable at maturity is original issue discount.

For an investor who purchases an OID 2014 Bond in the initial public offering at the Issue Price for such maturity and who holds such OID 2014 Bond to its stated maturity, subject to the condition that the County comply with the covenants discussed above, (a) the full amount of original issue discount with respect to such OID 2014 Bond constitutes interest which is excludable from the gross income of the owner thereof for federal income tax purposes; (b) such owner will not realize taxable capital gain or market discount upon payment of such OID 2014 Bond at its stated maturity; (c) such original issue discount is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Code, but is taken into account in computing an adjustment used in determining the alternative minimum tax for certain corporations under the Code, as described above; and (d) the accretion of original issue discount in each year may result in an alternative minimum tax liability for corporations or certain other collateral federal income tax consequences in each year even though a corresponding cash payment may not be received until a later year. Owners of OID 2014 Bonds should consult their own tax advisors with respect to the state and local tax consequences of original issue discount on such OID 2014 Bonds.

Owners of 2014 Bonds who dispose of 2014 Bonds prior to the stated maturity (whether by sale, redemption or otherwise), purchase 2014 Bonds in the initial public offering, but at a

price different from the Issue Price or purchase 2014 Bonds subsequent to the initial public offering should consult their own tax advisors.

If a 2014 Bond is purchased at any time for a price that is less than the 2014 Bond's stated redemption price at maturity or, in the case of an OID 2014 Bond, its Issue Price plus accreted original issue discount reduced by payments of interest included in the computation of original issue discount and previously paid (the "**Revised Issue Price**"), the purchaser will be treated as having purchased a 2014 Bond with market discount subject to the market discount rules of the Code (unless a statutory de minimis rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a 2014 Bond is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser's election, as it accrues. Such treatment would apply to any purchaser who purchases an OID 2014 Bond for a price that is less than its Revised Issue Price even if the purchase price exceeds par. The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such 2014 Bond. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the 2014 Bonds.

An investor may purchase a 2014 Bond at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as "**bond premium**" and must be amortized by an investor on a constant yield basis over the remaining term of the 2014 Bond in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a tax-exempt bond. The amortized bond premium is treated as a reduction in the tax-exempt interest received. As bond premium is amortized, it reduces the investor's basis in the 2014 Bond. Investors who purchase a 2014 Bond at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the 2014 Bond's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the 2014 Bond.

There are or may be pending in the Congress of the United States legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or affect the market value of the 2014 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Prospective purchasers of the 2014 Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The Internal Revenue Service (the "**Service**") has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the 2014 Bonds. If an audit is commenced, under current procedures the Service may treat the County as a taxpayer and the 2014 Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the 2014 Bonds until the audit is concluded, regardless of the ultimate outcome.

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax exempt obligations, including the 2014 Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any 2014 Bond owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any 2014 Bond owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

In the further opinion of Bond Counsel, interest on the 2014 Bonds is exempt from California personal income taxes.

Ownership of the 2014 Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the 2014 Bonds. Prospective purchasers of the 2014 Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

The complete text of the final opinion that Bond Counsel expects to deliver upon issuance of the 2014 Bonds is set forth in Appendix D.

LEGAL MATTERS

Concurrent with the issuance of the 2014 Bonds, Quint & Thimmig LLP, San Francisco, California, Bond Counsel, will render its opinion substantially in the form set forth in Appendix D to this Official Statement. Quint & Thimmig LLP, San Francisco, also is acting as Disclosure Counsel to the County with respect to the 2014 Bonds. Certain legal matters will be passed upon for the County and the District by the County Counsel. Certain legal matters related to the 2014 Bonds will be passed upon for the Underwriter by Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, acting as Underwriter's Counsel, and for the Developer by the Law Offices of Craig Sandberg, Folsom, California, acting as counsel to the Developer. Payment of the fees and expenses of Bond and Disclosure Counsel, and of Underwriter's Counsel, is contingent on the issuance of the 2014 Bonds.

FINANCIAL ADVISOR

The County has retained Fieldman, Rolapp & Associates, Irvine, California, as Financial Advisor in connection with the issuance of the 2014 Bonds. The Financial Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement. The Financial Advisor is an independent financial advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities. Compensation paid to the Financial Advisor is contingent upon the successful issuance of the 2014 Bonds.

NO RATING

The County has not made, and does not intend to make, any application to any rating agency for the assignment of a rating to the 2014 Bonds.

NO LITIGATION

The County is not aware of any pending or threatened litigation challenging the validity of the 2014 Bonds, the Special Taxes securing the 2014 Bonds, or any action taken by the County in connection with the formation of the District, the designation of the Improvement Area, the levying of the Special Taxes or the issuance of the 2014 Bonds.

UNDERWRITING

The 2014 Bonds are being purchased through negotiation by Stifel, Nicolaus & Company, Incorporated (the "**Underwriter**"). The Underwriter agreed to purchase the 2014 Bonds at a price of $_____ (which is equal to the par amount of the 2014 Bonds, plus a net original issue premium of $_____, and less an underwriter's discount of $_____). The

initial public offering prices set forth on the inside cover page may be changed by the Underwriter. The Underwriter may offer and sell the 2014 Bonds to certain dealers and others at prices lower than the public offering prices set forth on the inside cover page hereof.

CONTINUING DISCLOSURE

The County and the Developer each have agreed for the benefit of the Owners of the 2014 Bonds, in separate Continuing Disclosure Agreements, to provide annually certain financial information and operating data, and to provide notices of the occurrence of certain enumerated events. In addition, the Developer has agreed to provide mid-year reports with certain limited information. See Appendix E – Forms of Continuing Disclosure Certificates.

The covenants in the Continuing Disclosure Agreements have been made by the County and the Developer in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) (the "Rule"). A failure by the County or the Developer to comply with its respective confirming disclosure obligations will not constitute a default under the Fiscal Agent Agreement. However, the Continuing Disclosure Agreements provide that, in the event of a failure of the County or the Developer, as applicable, to comply with any provision of their respective Continuing Disclosure Agreement, any 2014 Bond owner, any Beneficial Owner or the Underwriter may seek specific performance by court order to cause it to comply with its obligations under its respective Continuing Disclosure Agreement.

The Developer's obligation to provide continuing annual, mid-year and significant event disclosure will terminate if and when the Developer is no longer the owner of property in the Improvement Area that is subject to twenty percent (20%) or more of the Special Tax levy for the then current fiscal year. If the Developer sells an additional ___ homes in the Improvement Area to others, it will meet that threshold, which may occur in the next few months.

The County has advised that during the past five years, the County and its related entities have never failed to comply in all material respects with previous continuing disclosure undertakings pursuant to the Rule, except as follows:_____.

The Developer has advised the County that the Developer, its parent and its affiliates have not failed in the previous five years to comply in all material respects with any continuing disclosure obligations under the Rule, except as follows:_____.

MISCELLANEOUS

Included herein are brief summaries of certain documents and reports, which summaries do not purport to be complete or definitive, and reference is made to such documents and reports for full and complete statements of the contents thereof. Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the County or the District and the purchasers or Owners of any of the 2014 Bonds.

The execution and delivery of this Official Statement has been duly authorized by the Board of Supervisors.

COUNTY OF YUBA, CALIFORNIA, for and on behalf of the COUNTY OF YUBA COMMUNITY FACILITIES DISTRICT NO. 2005-1 (ORCHARD/MONTROSE PUBLIC IMPROVEMENTS)

By: _____
County Administrator,
County of Yuba, California

APPENDIX A

GENERAL INFORMATION ABOUT THE COUNTY OF YUBA

The information in this section of the Official Statement is presented as general background data. The 2014 Bonds are payable solely from the Special Tax Revenues and amounts held in certain funds under the Fiscal Agent Agreement, as described in the Official Statement.

General

Yuba County is located in California's Central Valley along the Feather River. Yuba County was one of the original counties of California, formed in 1850 at the time of statehood. According to the U.S. Census Bureau, the county has a total area of 644 square miles (1,670 km^2), of which 632 square miles (1,640 km^2) is land and 12 square miles (31 km^2) (1.9%) is water. It is the fifth-smallest county in California by total area. National protected areas within Yuba County include portions of the Plumas National Forest and the Tahoe National Forest.

A portion of the county, where Marysville (the county seat) and most of the population lives, is west of the mountains on the valley floor. There is a great deal of agriculture business in this part of the county, especially fruit orchards, rice fields, and cattle grazing.

Population

The table below summarizes population of the County and the State for the past five years.

POPULATION
Yuba County and California

Year	Yuba County	California
2010	72,155	37,253,956
2011	72,316	37,427,946
2012	72,642	37,668,804
2013	73,278	37,984,138
2014	73,682	38,340,074

Source: State of California, Department of Finance, E-4 Population Estimates for Cities, Counties, and the State, 2011-2014, with 2010 Census Benchmark. Sacramento, California, May 2014. Dates as of January 1 of each year except 2010 which is measured as of April 1.

Employment

The following table summarizes the historical numbers of workers by industry in Yuba County for the last five years:

YUBA COUNTY
Labor Force and Industry Employment
Annual Averages by Industry

	2009	2010	2011	2012	2013[(1)]
Total, All Industries	15,600	15,100	15,500	16,600	16,700
Total Farm	900	900	1,000	900	900
Total Nonfarm	14,700	14,200	14,500	15,700	15,900
Goods Producing	1,300	1,200	1,200	2,000	2,000
Mining, Logging and Construction	700	700	700	1,400	1,400
Manufacturing	600	500	500	600	600
Service Providing	13,400	13,000	13,400	13,700	13,800
Trade, Transportation & Utilities	2,000	2,000	2,000	2,100	2,200
Information	200	200	200	200	200
Financial Activities	300	300	300	300	300
Professional & Business Services	800	800	900	900	900
Educational & Health Services	2,500	2,600	2,500	2,700	2,700
Leisure & Hospitality	1,100	1,100	1,200	1,300	1,400
Other Services	300	300	300	400	400
Government	6,200	5,700	6,000	5,900	5,700

Source: California Employment Development Department Industry Employment & Labor Force - by Annual Average, based on March 2013 benchmark.
(1) Last available full year data.
*Does not include proprietors, self-employed, unpaid volunteers or family workers, domestic workers in households, and persons involved in labor/management trade disputes. Employment reported by place of work. Items may not add to totals due to independent rounding.

The following tables summarize historical employment and unemployment for Yuba County, the State of California and the United States for the past five years:

YUBA COUNTY, CALIFORNIA, AND UNITED STATES
Civilian Labor Force, Employment, and Unemployment
(Annual Averages)

Year	Area	Labor Force	Employment	Unemployment	Unemployment Rate [1]
2009	Yuba County	28,400	23,500	4,900	17.2%
	California	18,208,300	16,144,500	2,063,900	11.3
	United States	154,142,000	139,877,000	14,265,000	9.3
2010	Yuba County	28,100	22,700	5,400	19.1%
	California	18,316,400	16,051,500	2,264,900	12.4
	United States	153,889,000	139,064,000	14,825,000	9.6
2011	Yuba County	28,000	22,900	5,100	18.3%
	California	18,384,900	16,226,600	2,158,300	11.7
	United States	153,617,000	139,869,000	13,747,000	8.9
2012	Yuba County	27,900	23,200	4,700	16.8%
	California	18,494,900	16,560,300	1,934,500	10.5
	United States	154,975,000	142,469,000	12,506,000	8.1
2013	Yuba County	27,100	23,300	3,800	14.0%
	California	18,596,800	16,933,300	1,663,500	8.9
	United States	155,389,000	143,929,000	11,460,000	7.4

Source: California Employment Development Department Industry Employment & Labor Force - by Annual Average, based on March 2013 benchmark and US Department of Labor, Federal Bureau of Labor Statistics

(1) The unemployment rate is computed from unrounded data, therefore, it may differ from rates computed from rounded figures available in this table.

Major Employers

The table below sets forth the principal employers of the County.

YUBA COUNTY
2014 Principal Employers

Employer Name	Location	Industry
Appeal Democrat	Marysville	Newspapers (Publishers/Mfrs)
Beale Air Force Base	Beale AFB	Military Bases
Bishop's Pumpkin Farm	Wheatland	Fruits & Vegetables & Produce-Retail
Comprehensive Security Svc Inc	Marysville	Security Guard & Patrol Service
Golden West Aviation Assn Inc	Marysville	Organizations
Haycart Custom Farming Inc	Plumas Lake	Farming Service
Linda Elementary School	Marysville	Schools
Lindhurst High School	Olivehurst	Schools
Lone Tree School Kitchen	Beale AFB	Schools
Marysville Care & Rehab Ctr	Marysville	Nursing & Convalescent Homes
Marysville School District	Marysville	Schools
Pacific Gas & Electric Co	Marysville	Electric Companies
Pacific Gas & Electric Co	Marysville	Electric Companies
Pacific Gas & Electric Co	Marysville	Electric Companies
Pacific Gas & Electric Co	Marysville	Electric Companies
Recology Yuba-Sutter	Marysville	Garbage Collection
Richard R Wilbur Ranch	Marysville	Ranches
Rideout Regional Medical Ctr	Marysville	Hospitals
Shoei Foods USA Inc	Olivehurst	Food Products-Retail
Sierra Kiwi Inc	Marysville	Fruits & Vegetables-Growers & Shippers
Transportation Department	Marysville	State Government-Transportation Programs
Transportation Dept-Equipment	Marysville	State Government-Transportation Programs
US Post Office	Marysville	Post Offices
Walmart Supercenter	Marysville	Department Stores
Yuba County Health & Human Svc	Marysville	County Government-Social/Human Resources

Source: California Employment Development Department – Major Employers by County. Data retrieved October 9, 2014.

Construction Activity

The following tables reflects the five-year history of building permit valuation for the County:

YUBA COUNTY
Building Permits and Valuation
(Dollars in Thousands)

	2009	2010	2011	2012	2013
Permit Valuation:					
New Single-family	$ 14,145	$ 8,748	$ 10,149	$ 11,670	$ 16,318
New Multi-family	214	-	-	-	6,875
Res. Alterations/Additions	2,531	2,794	3,982	1,625	3,203
Total Residential	16,891	11,542	14,131	13,295	26,397
Total Nonresidential	4,962	3,690	13,855	19,677	57,005
Total All Building	$ 21,853	$ 15,233	$ 27,986	$ 32,973	$ 83,403
New Dwelling Units:					
Single Family	107	60	68	75	99
Multiple Family	2	-	-	-	48
Total	109	60	68	75	147

Sources: Construction Industry Research Board: "Building Permit Summary."
Note: Totals may not add due to independent rounding.

Median Household Income

The following table summarizes the median household effective buying income for the County, the State of California and the nation for the past five years.

YUBA COUNTY, CALIFORNIA AND UNITED STATES
Effective Buying Income

Year	Area	Total Effective Buying Income (000's Omitted)	Median Household Effective Buying Income
2009	Yuba County	$ 1,202,023	$ 37,891
	California	844,823,319	49,736
	United States	6,571,536,768	43,252
2010	Yuba County	$ 1,106,293	$ 34,836
	California	801,393,028	47,177
	United States	6,365,020,076	41,368
2011	Yuba County	$ 1,097,820	$ 34,935
	California	814,578,457	47,062
	United States	6,438,704,663	41,253
2012	Yuba County	$ 1,149,160	$ 38,161
	California	864,088,827	47,307
	United States	6,737,867,730	41,358
2013	Yuba County	$ 1,065,205	$ 36,860
	California	858,676,636	48,340
	United States	6,982,757,379	43,715

Source: The Nielsen Company (US), Inc.

APPENDIX B

COUNTY OF YUBA
COMMUNITY FACILITIES DISTRICT NO. 2005-1
(IMPROVEMENT AREA C – COUNTRYSIDE AT MONTROSE)
2014 SPECIAL TAX BONDS

AMENDED AND RESTATED
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax applicable to each Assessor's Parcel in Improvement Area C of the County of Yuba Community Facilities District No. 2005-1 (Orchard/Montrose Public Improvements) shall be levied and collected according to the tax liability determined by the Board of Supervisors of the County of Yuba or its designee, through the application of the appropriate amount or rate for Taxable Property, as described below. All of the property in Improvement Area C, unless exempted by law or by the provisions of Section G below, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acre" or **"Acreage"** means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Final Map or other parcel map recorded with the County.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, (commencing with Section 53311), Division 2 of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means the actual or reasonably estimated costs to the County or Improvement Area C (or both), or any designee thereof directly related to the administration of Improvement Area C including, but not limited to, the following: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules; the costs of collecting the Special Taxes; the costs of remitting the Special Taxes to the fiscal agent or trustee; the costs of the fiscal agent or trustee (including legal counsel) in the discharge of the duties required of it under the Bond indenture or other legal document authorizing the issuance of Bonds; the costs of complying with arbitrage rebate requirements; the costs of providing continuing disclosure; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs related to any appeal of the levy or application of the Special Tax; and the costs associated with the release of funds from an escrow account, if any. Administrative Expenses shall also include amounts estimated or advanced by the County or Improvement Area C for any other administrative purposes of Improvement Area C, including, but not limited to, attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

"Administrator" means the person or firm designated by the County to administer the Special Taxes according to this Amended and Restated Rate and Method of Apportionment of Special Tax.

"Assessor's Parcel" or **"Parcel"** means a lot or parcel shown on an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor designating parcels by Assessor's Parcel number.

"Authorized Facilities" means those facilities that are authorized to be funded by the CFD.

"Board" means the County of Yuba Board of Supervisors.

"Bonds" means any bonds or other debt (as defined in Section 53317(d) of the Act), whether in one or more series, issued, insured, or assumed by Improvement Area C.

"Buildable Lot" means an individual lot within a Final Map for which a building permit may be issued without further subdivision of such lot.

"Capitalized Interest" means funds in a capitalized interest account available to pay interest on Bonds.

"**CFD**" or "**CFD No. 2005-1**" means the County of Yuba Community Facilities District No. 2005-1 (Orchard/Montrose Public Improvements).

"Commercial Property" means, in any Fiscal Year, all Parcels of Developed Property for which a building permit was issued for construction of a building to be used for a commercial venture permitted within the County's commercial zoning codes.

"County" means the County of Yuba.

"Developed Property" means, in any Fiscal Year, all Parcels of Taxable Property for which a building permit for new construction was issued on or prior to June 30 of the preceding Fiscal Year.

"Excess Commercial Property" means the acres of Commercial Property that exceed the acreage exempted in Section G below. In any Fiscal Year in which a Special Tax must be levied on Excess Commercial Property pursuant to Step 3 in Section E below, Excess Commercial Property shall be those Assessor's Parcel(s) in Improvement Area C that most recently became Commercial Property based on the dates on which building permits were issued creating such Commercial Property.

"Excess Public Property" means the acres of Public Property that exceed the acreage exempted in Section G below. In any Fiscal Year in which a Special Tax must be levied on Excess Public Property pursuant to Step 4 in Section E below, Excess Public Property shall be those Assessor's Parcel(s) in Improvement Area C that most recently became Public Property based on the dates on which Final Maps recorded creating such Public Property.

"Expected Maximum Special Tax Revenue" means the expected aggregate Maximum Special Tax revenue that can be collected from all property within Improvement Area C. The Expected Maximum Special Tax Revenue at the time of the Resolution of Change is shown in Attachment 1 of this Amended and Restated Rate and Method of Apportionment of Special Tax and may be reduced due to prepayments or land use changes, as permitted in Section D below.

"Expected Residential Lot Count" means, for Improvement Area C, 207 Buildable Lots of Single Family Residential Property.

"Final Bond Sale" means the last series of Bonds issued by Improvement Area C, which issuance shall generally use up the remaining capacity available from the Maximum Special Tax revenues that can be generated within Improvement Area C.

"Final Map" means a final map, or portion thereof, approved by the County pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq) that creates Buildable Lots.

"Fiscal Year" means the period starting July 1 and ending on the following June 30.

"Improvement Area C" means Improvement Area C of CFD No. 2005-1.

"Maximum Special Tax" means the greatest amount of Special Tax that can be levied on an Assessor's Parcel in any Fiscal Year determined in accordance with Sections C and D below.

"Other Property" means, in any Fiscal Year, all Parcels of Developed Property within the boundaries of Improvement Area C that are not Commercial Property or Single Family Residential Property.

"Proportionately" means, for Developed Property, that the ratio of the actual Special Tax levied in any Fiscal Year to the Maximum Special Tax authorized to be levied in that Fiscal Year is equal for all Assessor's Parcels of Developed Property within Improvement Area C. For Undeveloped Property, "Proportionately" means that the ratio of the actual Special Tax to the Maximum Special Tax is equal for all Assessor's Parcels of Undeveloped Property within Improvement Area C.

"Public Property" means any Assessor's Parcels within the boundaries of Improvement Area C that are owned by the United States of America, the State of California, the County, or other local governments or public agencies.

"Residential Unit" means an individual single-family detached, half-plex, duplex, triplex, fourplex, townhome, or condominium unit.

"Resolution of Change" means the resolution adopted by the Board on October 2, 2007 with respect to, among other matters, the alteration of the rate and method of apportionment of special tax for Improvement Area C.

"Single Family Residential Property" means, in any Fiscal Year, all Parcels of Developed Property for which a building permit was issued for construction of one or more Residential Units that are offered as for-sale units.

"Special Tax" means a special tax levied in any Fiscal Year to pay the Special Tax Requirement.

"Special Tax Requirement" means the amount necessary in any Fiscal Year to: (i) pay principal and interest on the Bonds, (ii) create and/or replenish reserve funds for the Bonds; (iii) cure any delinquencies in the payment of principal or interest on Bonds which have occurred in the prior Fiscal Year or, based on existing delinquencies in the payment of Special Taxes within Improvement Area C, are expected to occur in the Fiscal Year in which the tax will be collected; (iv) pay Administrative Expenses, and (v) pay Authorized Facilities to be funded directly from Special Tax proceeds so long as a Special Tax is not levied for such purpose on Undeveloped Property. The amounts referred to in clauses (i) and (ii) of the preceding sentence may be reduced in any Fiscal Year by: (i) interest earnings on or surplus balances in funds and accounts for the Bonds to the extent that such earnings or balances are available to be applied against debt service pursuant to a Bond indenture, Bond resolution, or other legal document that sets

forth these terms; (ii) proceeds received by CFD No. 2005-1 from the collection of penalties associated with delinquent Special Taxes in Improvement Area C; and (iii) any other revenues available to pay debt service on the Bonds as determined by the Administrator.

"Taxable Property" means all of the Assessor's Parcels within the boundaries of Improvement Area C which are not exempt from the Special Tax pursuant to law or Section G below.

"Undeveloped Property" means, in any Fiscal Year, all Parcels of Taxable Property within Improvement Area C that are not Developed Property.

B. DATA FOR ANNUAL ADMINISTRATION OF SPECIAL TAXES

On or about July 1 of each Fiscal Year, the Administrator shall identify the current Assessor's Parcel numbers for Taxable Property within Improvement Area C. The Administrator shall then (i) categorize each Parcel of Taxable Property as Developed Property or Undeveloped Property, (ii) categorize Developed Property as Single Family Residential Property, Commercial Property, or Other Property, (iii) determine if there is Excess Commercial Property or Excess Public Property, and (iv) determine the Special Tax Requirement.

In any Fiscal Year, if it is determined that (i) a parcel map for a portion of property in Improvement Area C was recorded after January 1 of the prior Fiscal Year (or any other date after which the Assessor will not incorporate the newly-created Parcels into the then current tax roll), (ii) because of the date the parcel map was recorded, the Assessor does not yet recognize the new Parcels created by the parcel map, and (iii) one or more of the newly-created Parcels meets the definition of Developed Property, the Administrator shall calculate the Special Tax for the property affected by recordation of the parcel map by determining the Special Tax that applies separately to each newly-created Parcel, then applying the sum of the individual Special Taxes to the master Assessor's Parcel that was subdivided by recordation of the Assessor's Parcel Map.

C. MAXIMUM SPECIAL TAXES

1. Developed Property

The following Maximum Special Tax rates shall apply to all Parcels of Developed Property within Improvement Area C for each Fiscal Year in which the Special Taxes are collected:

TABLE 1

Developed Property
Maximum Special Taxes

Land Use Category	Maximum Special Tax
Single Family Residential Property	$1,550 per Residential Unit*
Other Property	$7,623 per Acre

* Reduced to $1,000 per Residential Unit by action of the Board of Supervisors on August 12, 2014. See "THE IMPROVEMENT AREA – History of the Improvement Area" in the text of this Official Statement.

The Maximum Special Tax for a Parcel shall not change once a Parcel is classified as Developed Property.

2. *Undeveloped Property*

The Maximum Special Tax for Parcels of Undeveloped Property within Improvement Area C shall be $7,623 per Acre.

D. BACK-UP SPECIAL TAX FORMULA

The Maximum Special Taxes set forth in Table 1 above are calculated based on the Expected Residential Lot Count. If, ***prior to the Final Bond Sale,*** a change to the Expected Residential Lot Count (a "Land Use Change") is proposed that will result in a reduction in the Expected Maximum Special Tax Revenues, no action will be needed pursuant to this Section D as long as the reduction in Expected Maximum Special Tax Revenues does not reduce debt service coverage on outstanding Bonds below the amount committed to in the Bond documents. Upon approval of the Land Use Change, the Administrator shall update Attachment 1 to show the reduced Expected Maximum Special Tax Revenues, and the reduced Expected Maximum Special Tax Revenues shall be the amount used to determine the amount of the Final Bond Sale.

If a Land Use Change is proposed ***after the Final Bond Sale,*** the following steps shall be applied:

Step 1: By reference to Attachment 1 (which shall be updated by the Administrator each time a Land Use Change has been processed according to this Section D), the Administrator shall identify the Expected Maximum Special Tax Revenues for Improvement Area C;

Step 2: The Administrator shall calculate the Maximum Special Tax revenues that could be collected from property in Improvement Area C if the Land Use Change is approved;

Step 3: If the amount determined in Step 2 is more than that calculated in Step 1, the Land Use Change may be approved without further action. If the revenues calculated in Step 2 are less than those calculated in Step 1, and if:

(a) The landowner does not withdraw the request for the Land Use Change that was submitted to the County; **then**

(b) Before approval of the Land Use Change, the landowner requesting the Land Use Change must prepay a portion of the Special Tax for Improvement Area C in an amount that corresponds to the lost Maximum Special Tax revenue, as determined by applying the steps set forth in Section H below.

If the prepayment required pursuant to step (b) above is not received by the County at the earlier of (i) 30 days after approval of the Land Use Change or (ii) by July 1 of the Fiscal Year following the Fiscal Year in which the Land Use Change was approved, the amount of the prepayment required pursuant to Step 3.b shall be allocated on a per-acre basis and included on the next property tax bill for all Parcels of Taxable Property within the property affected by the Land Use Change that are still owned by the landowner or an entity of which the landowner is a part. If the landowner is no longer an owner of any Parcel within the Land Use Change area, the required

prepayment shall be allocated on a per-acre basis to all Parcels of Taxable Property within the area affected by the Land Use Change. The amount allocated to each Assessor's Parcel shall be added to and, until paid, shall be a part of, the Maximum Special Tax for the Assessor's Parcel.

If multiple Land Use Changes are proposed at one time (which may include approval of multiple Final Maps at one time), the Administrator may consider the combined effect of all the Land Use Changes to determine if there is a reduction in Expected Maximum Special Tax Revenue that necessitates implementation of Step 3.b. If, based on this comprehensive analysis, the Administrator determines that there is a reduction in Expected Maximum Special Tax Revenue, the Administrator shall determine the required prepayment (pursuant to Section H) by analyzing the combined impact of all of the proposed Land Use Changes.

Notwithstanding the foregoing, if the Administrator analyzes the combined impacts of multiple Land Use Changes, and the County subsequently does not approve one or more of the Land Use Changes that was proposed, the Administrator shall once again apply the three steps set forth above to determine the combined impact of those Land Use Changes.

The duties imposed on the Administrator pursuant to this Section D to review Land Use Changes, to review Final Maps and to make certain calculations are intended only to facilitate the administration of the Special Tax and to better assure the sufficiency of tax capacity to pay debt service on Bonds. Such duties are not intended to give any developer, subdivider or owner of property any right to receive notice of the potential impact of a Land Use Change on the Special Tax applicable to a Parcel; and each developer, subdivider or owner of property whose property is the subject of a Land Use Change shall be responsible for understanding the impact thereof on the Special Tax applicable to such property.

E. METHOD OF LEVY OF THE SPECIAL TAX

Commencing with Fiscal Year 2008-09 and for each following Fiscal Year, the Administrator shall determine the Special Tax Requirement to be collected in that Fiscal Year. The Special Tax shall then be levied according to the following steps:

Step 1: The Special Tax shall be levied Proportionately on each Parcel of Developed Property up to 100% of the ***Maximum*** Special Tax for such Fiscal Year until the amount levied on Developed Property is equal to the Special Tax Requirement prior to applying Capitalized Interest;

Step 2: If additional revenue is needed to satisfy the Special Tax Requirement after Step 1 and after applying Capitalized Interest to reduce the Special Tax Requirement, the Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for Undeveloped Property for such Fiscal Year determined pursuant to Section C.2;

Step 3: If additional revenue is needed to satisfy the Special Tax Requirement after applying the first two steps, the Special Tax shall be levied Proportionately on each Parcel of Excess Commercial Property up to 100% of the Maximum Special Tax for Undeveloped Property for such Fiscal Year;

Step 4: If additional revenue is needed to satisfy the Special Tax Requirement after applying the first three steps, the Special Tax shall be levied ***proportionately*** on each Parcel of Excess Public Property, up to 100% of the Maximum Special Tax for Undeveloped Property for such Fiscal Year.

F. MANNER OF COLLECTION OF THE SPECIAL TAX

The Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes, provided, however, that prepayments are permitted as set forth in Section H below and provided further that the County may directly bill the Special Taxes, may collect Special Taxes at a different time or in a different manner, and may collect delinquent Special Taxes through foreclosure or other available methods.

The Special Tax shall be levied and collected until principal and interest on the Bonds have been repaid, costs of constructing or acquiring Authorized Facilities from Special Tax proceeds have been paid and all Administrative Expenses have been reimbursed. However, in no event shall a Special Tax be levied after Fiscal Year 2040-41*. Under no circumstances may the Special Tax on a Parcel of Developed Property be increased by more than ten percent (10%) as a consequence of delinquency or default in payment of the Special Tax levied on another Parcel or Parcels in Improvement Area C.

G. EXEMPTIONS

Notwithstanding any other provision of this Amended and Restated Rate and Method of Apportionment of Special Tax, no Special Tax shall be levied on up to 30.48 Acres of Public Property. A Special Tax may be levied on Excess Public Property pursuant to Step 4 of Section E; however, a public agency may require that the Special Tax obligation on land conveyed to it that would be classified as Excess Public Property be prepaid pursuant to Section H below.

All Commercial Property shall be taxed as Excess Commercial Property pursuant to Step 3 of Section E. In addition, no Special Tax shall be levied in any Fiscal Year on Parcels that have fully prepaid the Special Tax obligation pursuant to the formula set forth in Section H.

H. PREPAYMENT OF SPECIAL TAX

The following definitions apply to this Section H:

"Construction Fund" means an account specifically identified in the Indenture to hold funds which are available to acquire or construct Authorized Facilities.

"Future Facilities Cost" means the Public Facilities Requirement (as defined below) minus public facility costs funded by Previously Issued Bonds (as defined below), interest earnings on the construction fund actually earned prior to the date of prepayment, Special Taxes, developer equity, and/or any other source of funding.

"Indenture" means the bond indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended, and/or supplemented from time to time, and any instrument replacing or supplementing the same.

---

* As determined by the Board of Supervisors by Resolution No. 2014-69 adopted on August 12, 2014. See "THE IMPROVEMENT AREA – History of the Improvement Area" in the text of this Official Statement.

"Outstanding Bonds" means all Previously Issued Bonds which remain outstanding, with the following exception: if a Special Tax has been levied against, or already paid by, an Assessor's Parcel making a prepayment, and a portion of the Special Tax will be used to pay a portion of the next principal payment on the Bonds that remain outstanding, that next principal payment shall be subtracted from the total Bond principal that remains outstanding, and the difference shall be used as the amount of "Outstanding Bonds" for purposes of the prepayment formula.

"Previously Issued Bonds" means all Bonds that have been issued for Improvement Area C prior to the date of prepayment.

"Public Facilities Requirement" means either $3,200,000 in 2007 dollars, which shall increase on January 1, 2008, and on each January 1 thereafter by the percentage increase, if any, in the construction cost index for the San Francisco region for the prior twelve (12) month period as published in the Engineering News Record or other comparable source if the Engineering News Record is discontinued or otherwise not available, or such other number as shall be determined by the Administrator to be an appropriate estimate of the net construction proceeds that will be generated from all Bonds that have been or are expected to be issued on behalf of Improvement Area C. The Public Facilities Requirements shown above may be adjusted or separate Public Facilities Requirements identified each time property annexes into Improvement Area C; at no time shall the added Public Facilities Requirement for that annexation area exceed the amount of public improvement costs that are expected to be supportable by the Maximum Special Tax revenues generated within that annexation area.

1. Full Prepayment of Special Tax Obligation

The Special Tax obligation applicable to an Assessor's Parcel in Improvement Area C may be prepaid and the obligation of the Assessor's Parcel to pay the Special Tax permanently satisfied as described herein, provided that a prepayment may be made only if there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of prepayment. An owner of an Assessor's Parcel intending to prepay the Special Tax obligation shall provide the County with written notice of intent to prepay. Within 30 days of receipt of such written notice, the County or its designee shall notify such owner of the prepayment amount for such Assessor's Parcel. Prepayment must be made not less than 75 days prior to any interest payment date for Bonds to be redeemed with the proceeds of such prepaid Special Taxes.

The Prepayment Amount shall be calculated as follows (capitalized terms as defined below):

Bond Redemption Amount	
plus:	Future Facilities Amount
plus:	Redemption Premium
plus:	Defeasance Requirement
plus:	Administrative Fees and Expenses
minus:	Reserve Fund Credit
equals	Prepayment Amount

As of the proposed date of prepayment, the Prepayment Amount shall be determined by application of the following steps:

Step 1. Determine the greater of (i) the total Maximum Special Tax that could be collected from the Assessor's Parcel prepaying the Special Tax in the Fiscal Year in which prepayment would be received by the County, or (ii) the ***Maximum*** Special Tax that could be collected from the Parcel at buildout based on anticipated land uses at the time the prepayment is calculated.

Step 2. Divide the Maximum Special Tax computed pursuant to Step 1 for such Assessor's Parcel by the lesser of (i) the Maximum Special Tax revenues that could be collected in that Fiscal Year from property in Improvement Area C, or (ii) the Maximum Special Tax revenues that could be generated at buildout of property in Improvement Area C based on anticipated land uses at the time the prepayment is calculated.

Step 3. Multiply the quotient computed pursuant to Step 2 by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid (the "Bond Redemption Amount").

Step 4. Compute the current Future Facilities Costs.

Step 5. Multiply the quotient computed pursuant to Step 2 by the amount determined pursuant to Step 4 to compute the amount of Future Facilities Costs to be prepaid (the **"Future Facilities Amount"**).

Step 6. Multiply the Bond Redemption Amount computed pursuant to Step 3 by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed (the **"Redemption Premium"**).

Step 7. Compute the amount needed to pay interest on the Bond Redemption Amount starting with the first Bond interest payment date after which the prepayment has been received until the earliest redemption date for the Outstanding Bonds.

Step 8. Compute the amount of interest the County reasonably expects to derive from the reinvestment of the Bond Redemption Amount plus the Redemption Premium from the first Bond interest payment date after which the prepayment has been received until the redemption date for the Outstanding Bonds.

Step 9. Take the amount computed pursuant to Step 7 and subtract the amount computed pursuant to Step 8 (the **"Defeasance Requirement"**).

Step 10. Determine the costs of computing the prepayment amount, the costs of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the **"Administrative Fees and Expenses"**).

Step 11. If and to the extent so provided in the Indenture pursuant to which the Outstanding Bonds to be redeemed were issued, a reserve fund credit shall be calculated as a reduction, if any, in the applicable reserve fund for the Outstanding Bonds to be redeemed pursuant to the prepayment (the **"Reserve Fund Credit"**).

Step 12. The Special Tax prepayment is equal to the sum of the amounts computed pursuant to Steps 3, 5, 6, 9, and 10, less the amount computed pursuant to Step 11 (the **"Prepayment Amount"**).

Step 13. The amounts computed pursuant to Steps 3, 6, and 9, less the amount computed pursuant to Step 11, shall be deposited in the appropriate fund established under the Indenture and used to retire Outstanding Bonds or make debt service payments. The amount computed pursuant to Step 5 shall be deposited in the Construction Fund, and the amount determined in Step 10 shall be deposited in the fund established to pay Administrative Expenses.

With respect to any Parcel that prepays its Special Tax obligation, the Administrator shall cause a notice to be recorded in compliance with the Act to release the Special Tax lien on such Parcel, and the obligation of such Parcel to pay the Special Tax shall cease.

2. Partial Prepayment of Special Tax Obligation

A partial prepayment of the Special Tax obligation may be made in an amount equal to any percentage of full prepayment desired by the party making a partial prepayment. The Maximum Special Tax that can be levied on a Parcel after a partial prepayment is made is equal to the Maximum Special Tax that could have been levied prior to the prepayment, reduced by the percentage of the full prepayment that the partial prepayment represents, all as determined by or at the direction of the Administrator.

The property owner requesting to make a partial prepayment shall provide the County with written notice of his/her intent to partially prepay the Special Tax obligation and shall identify the percentage of such obligation that is intended to be prepaid. Within 30 days of receipt of such written notice, the County shall notify such owner of the partial prepayment amount, which must be received not less than 75 days prior to any interest payment date for Bonds to be redeemed with the proceeds of such prepaid Special Taxes.

Once the sum of the partial prepayments for the applicable Parcels in Improvement Area C has been received by the County, the Maximum Special Taxes shall be reduced by the same percentage by which the Special Tax obligation was reduced. The Administrator shall record an amended Notice of Special Tax lien against those Parcels within Improvement Area C that has partially prepaid identifying the reduced Maximum Special Tax rates that resulted from the partial prepayment.

I. INTERPRETATION OF SPECIAL TAX FORMULA

The County reserves the right to make minor administrative and technical changes to this document that do not materially affect the rate and method of apportioning Special Taxes. In addition, the interpretation and application of any section of this document shall be left to the County's discretion. Interpretations may be made by the County by resolution of the Board for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Tax.

J. APPEALS

Any property owner claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the Administrator not later than one calendar year after having paid the Special Tax that is disputed. The Administrator shall promptly review the appeal and, if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and decide the appeal. If the property owner disagrees with the Administrator's decision relative to the appeal, the owner may then file a written appeal with the Board whose subsequent decision shall be binding. If the decision of the Administrator (if the appeal is not filed with the Board) or the Board (if the appeal is filed with the Board) requires the Special Tax to be modified or changed in favor of the property owner, no cash refund shall be made for prior years' Special Tax levies, but an adjustment shall be made to the next Special Tax levy(ies). This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

ATTACHMENT 1

IMPROVEMENT AREA C OF THE
COUNTY OF YUBA
COMMUNITY FACILITIES DISTRICT NO. 2005-1
(ORCHARD/MONTROSE PUBLIC IMPROVEMENTS)

EXPECTED RESIDENTIAL LOT COUNT AND
EXPECTED MAXIMUM SPECIAL TAX REVENUE
AT RESOLUTION OF CHANGE

Expected Residential Lot Count	Assigned Maximum Special Tax per Unit	Expected Maximum Special Tax Revenue
207	$1,550	$320,850

APPENDIX C

SUMMARY OF THE FISCAL AGENT AGREEMENT

[to come]

APPENDIX D

FORM OF OPINION OF BOND COUNSEL

December __, 2014

Board of Supervisors
County of Yuba, California
915 8th Street
Marysville, California 95901

OPINION: $_____ County of Yuba Community Facilities District No. 2005-1 (Improvement Area C – Countryside at Montrose), 2014 Special Tax Bonds

Members of the Board of Supervisors:

We have acted as bond counsel to the County of Yuba, California (the "County") in connection with the issuance by the County, for the County of Yuba Community Facilities District No. 2005-1 (Orchard/Montrose Public Improvements) (the "District"), of its $_____ County of Yuba Community Facilities District No. 2005-1 (Improvement Area C – Countryside at Montrose), 2014 Special Tax Bonds (the "Bonds"). The Bonds are being issued pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, constituting Sections 53311 et seq. of the California Government Code (the "Act"), a Fiscal Agent Agreement, dated as of December 1, 2014 (the "Fiscal Agent Agreement"), by and between the County, for the District, and U.S. Bank National Association, as fiscal agent, and Resolution No. 2014-89 adopted by the Board of Supervisors of the County on September 23, 2014 (the "Resolution").

In connection with this opinion, we have examined the law and such certified proceedings and other documents as we deem necessary to render this opinion. As to questions of fact material to our opinion, we have relied upon representations of the County contained in the Resolution and in the Fiscal Agent Agreement, and in the certified proceedings and certifications of public officials and others furnished to us, without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The County is a public body, corporate and politic, duly organized and existing under the laws of the State of California, with the power to enter into the Fiscal Agent Agreement and perform the agreements on its part contained therein and issue the Bonds.

2. The Fiscal Agent Agreement has been duly entered into by the County and constitutes a valid and binding obligation of the County enforceable upon the County in accordance with its terms.

3. Pursuant to the Act, the Fiscal Agent Agreement creates a valid lien on the funds pledged by the Fiscal Agent Agreement for the security of the Bonds, on a parity with the pledge thereof with respect to any Parity Bonds that may be issued under, and as such term is defined in, the Fiscal Agent Agreement.

4. The Bonds have been duly authorized, executed and delivered by the County and are valid and binding limited obligations of the County for the District, payable solely from the sources provided therefor in the Fiscal Agent Agreement.

5. Subject to the County's compliance with certain covenants, interest on the Bonds (i) is excludable from gross income of the owners thereof for federal income tax purposes, and (ii) is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Internal Revenue Code of 1986, as amended, but is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. Failure by the County to comply with certain of such covenants could cause interest on the Bonds to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

6. The interest on the Bonds is exempt from personal income taxation imposed by the State of California.

Ownership of the Bonds may result in other tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds, the Resolution and the Fiscal Agent Agreement may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and also may be subject to the exercise of judicial discretion in accordance with general principles of equity.

In rendering this opinion, we have relied upon certifications of the County and others with respect to certain material facts. Our opinion represents our legal judgment based upon such review of the law and facts that we deem relevant to render our opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

APPENDIX E

FORMS OF CONTINUING DISCLOSURE AGREEMENTS

CONTINUING DISCLOSURE AGREEMENT
(for the County of Yuba)

THIS CONTINUING DISCLOSURE AGREEMENT (the "Disclosure Agreement"), dated as of December 1, 2014, is by and between GOODWIN CONSULTING GROUP, INC., as dissemination agent (the "Dissemination Agent"), and the COUNTY OF YUBA, CALIFORNIA, a public body, corporate and politic, duly organized and existing under the laws of the State of California (the "County").

RECITALS:

WHEREAS, the County has issued, for and on behalf of the County of Yuba Community Facilities District No. 2005-1 (Orchard/Montrose Public Improvements) (the "District"), its County of Yuba Community Facilities District No. 2005-1 (Improvement Area C – Countryside at Montrose), 2014 Special Tax Bonds (the "Bonds") in the initial principal amount of $_____; and

WHEREAS, the Bonds have been issued pursuant to a Fiscal Agent Agreement, dated as of December 1, 2014 (the "Fiscal Agent Agreement"), by and between U.S. Bank National Association, as fiscal agent (the "Fiscal Agent"), and the County, for and on behalf of the District; and

WHEREAS, this Disclosure Agreement is being executed and delivered by the County and the Dissemination Agent for the benefit of the owners and beneficial owners of the Bonds and in order to assist the underwriter of the Bonds in complying with S.E.C. Rule 15c2-12(b)(5).

AGREEMENT:

NOW, THEREFORE, for and in consideration of the premises and mutual covenants herein contained, and for other consideration the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. Definitions. In addition to the definitions of capitalized terms set forth in Section 1.03 of the Fiscal Agent Agreement, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section or in the Recitals above, the following terms shall have the following meanings when used in this Disclosure Agreement:

"*Annual Report*" means any Annual Report provided by the County pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

"*Beneficial Owner*" shall mean any person who (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bond (including persons holding any Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bond for federal income tax purposes.

"Disclosure Representative" means the Treasurer, or the Treasurer's designee, or such other officer or employee as the County shall designate as the Disclosure Representative hereunder in writing to the Dissemination Agent from time to time.

"Dissemination Agent" means Goodwin Consulting Group, Inc., acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the County and which has filed with the County a written acceptance of such designation.

"EMMA" or *"Electronic Municipal Market Access"* means the centralized on-line repository for documents to be filed with the MSRB, such as official statements and disclosure information relating to municipal bonds, notes and other securities as issued by state and local governments.

"Listed Events" means any of the events listed in Section 5(a) or 5(b) of this Disclosure Agreement.

"MSRB" means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule, or any other repository of disclosure information which may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

"Official Statement" means the Official Statement, dated November __, 2014, relating to the Bonds.

"Participating Underwriter" means the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Rule" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 2. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the County and the Dissemination Agent for the benefit of the owners and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule.

Section 3. Provision of Annual Reports.

(a) *Delivery of Annual Report.* The County shall, or shall cause the Dissemination Agent to, not later than the March 1 occurring after the end of each fiscal year of the County, commencing with the report for the 2013-14 fiscal year, which is due not later than March 1, 2015, file with EMMA, in a readable PDF or other electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a package and may cross-reference other information as provided in Section 4 of this Disclosure Agreement; provided that any audited financial statements of the County may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date.

(b) *Change of Fiscal Year.* If the County's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c), and subsequent Annual Report filings shall be made no later than six months after the end of such new fiscal year end.

(c) *Delivery of Annual Report to Dissemination Agent.* Not later than fifteen (15) Business Days prior to the date specified in subsection (a) (or, if applicable, subsection (b) of this Section 3 for providing the Annual Report to EMMA), the County shall provide the Annual Report to the Dissemination Agent (if other than the County). If by such date, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall notify the County.

(d) *Report of Non-Compliance.* If the County is the Dissemination Agent and is unable to file an Annual Report by the date required in subsection (a) (or, if applicable, subsection (b)) of this Section 3, the County shall send a notice to EMMA substantially in the form attached hereto as Exhibit A. If the County is not the Dissemination Agent and is unable to provide an Annual Report to the Dissemination Agent by the date required in subsection (c) of this Section 3, the Dissemination Agent shall send a notice to EMMA in substantially the form attached hereto as Exhibit A.

(e) *Annual Compliance Certification.* The Dissemination Agent shall, if the Dissemination Agent is other than the County, file a report with the County certifying that the Annual Report has been filed with EMMA pursuant to Section 3 of this Disclosure Agreement, stating the date it was so provided and filed.

Section 4. Content of Annual Reports. It is acknowledged that the Closing Date for the Bonds occurred after the end of the 2013-2014 fiscal year of the County. In light of the foregoing, submission of the Official Statement shall satisfy the County's obligation to file an Annual Report for fiscal year 2013-2014.

The Annual Report for each fiscal year commencing with the Annual Report for the 2014-2015 fiscal year, shall contain or incorporate by reference the following:

(a) *Financial Statements.* Audited financial statements of the County for the most recently completed fiscal year, prepared in accordance generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the County's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) *Other Annual Information.* The Annual Report for each fiscal year commencing with fiscal year 2014-2015 shall also include the following information:

(i) The principal amount of Bonds Outstanding as of the September 30 next preceding the date of the Annual Report.

(ii) The balance in the Reserve Fund, and a statement of the Reserve Requirement, as of the September 30 next preceding the date of the Annual Report.

(iii) The balance in the Improvement Fund and the Escrow Fund as of the September 30 next preceding the date of the Annual Report.

(iv) The total assessed value of all parcels within the Improvement Area on which the Special Taxes are levied, as shown on the assessment roll of the County Assessor last equalized prior to the September 30 next preceding the date of the Annual Report, and a statement of assessed value-to-lien ratios therefor, either by individual parcel or by categories, in a table similar to Table ___ in the Official Statement.

(v) The Special Tax aggregate delinquency rate for all parcels within the Improvement Area on which the Special Taxes are levied, the aggregate number of

parcels within the Improvement Area on which the Special Taxes are levied and which are delinquent in payment or Special Taxes, and the percentage of the most recent annual Special Tax levy that is delinquent, all as of the September 30 next preceding the date of the Annual Report.

(vi) The status of foreclosure proceedings for any parcels within the Improvement Area on which the Special Taxes are levied and a summary or the results of any foreclosure sales, or other collection efforts with respect to delinquent Special Taxes, as of the September 30 next preceding the date of the Annual Report.

(vii) The identity of any property owner representing more than five percent (5%) of the annual Special Tax levy who is delinquent in payment of such Special Taxes, as shown on the assessment roll of the County Assessor last equalized prior to the September 30 next preceding the date of the Annual Report, the number of parcels so delinquent, and the total dollar amount of all such delinquencies.

(viii) A land ownership summary listing property owners responsible for more than five percent (5%) of the annual Special Tax levy, as shown on the assessment roll of the County Assessor last equalized prior to the December next preceding the date of the Annual Report, in a table similar to Table ___ in the Official Statement.

(ix) The most recent annual information required to be provided to the California Debt and Investment Advisory Commission pursuant to Section 5.19 of the Fiscal Agent Agreement.

(c) *Cross References.* Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the County or related public entities, which are available to the public on EMMA. The County shall clearly identify each such other document so included by reference.

If the document included by reference is a final official statement, it must be available from EMMA.

(d) *Further Information.* In addition to any of the information expressly required to be provided under paragraph (b) of this Section 4, the County shall provide such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

Section 5. Reporting of Listed Events.

(a) *Reportable Events.* The County shall, or shall cause the Dissemination (if not the County) to, give notice of the occurrence of any of the following events with respect to the Bonds:

(1) Principal and interest payment delinquencies.

(2) Unscheduled draws on debt service reserves reflecting financial difficulties.

(3) Unscheduled draws on credit enhancements reflecting financial difficulties.

(4) Substitution of credit or liquidity providers, or their failure to perform.

(5) Defeasances.

(6) Rating changes.

(7) Tender offers.

(8) Bankruptcy, insolvency, receivership or similar event of the obligated person.

(9) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.

Note: For the purposes of the event identified in subparagraph (8), the event is considered to occur when any of the following occur: the appointment of a receiver, trustee or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(b) *Material Reportable Events.* The County shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material:

(1) Non-payment related defaults.

(2) Modifications to rights of security holders.

(3) Bond calls.

(4) The release, substitution, or sale of property securing repayment of the securities.

(5) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms.

(6) Appointment of a successor or additional trustee, or the change of name of a trustee.

(c) *Time to Disclose.* The County shall, or shall cause the Dissemination Agent (if not the County) to, file a notice of such occurrence with EMMA, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of any Listed Event. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(5) and (b)(3) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to owners of affected Bonds under the Fiscal Agent Agreement.

Section 6. Identifying Information for Filings with EMMA. All documents provided to EMMA under this Disclosure Agreement shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The County's obligations under this Disclosure Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the County shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

Section 8. Dissemination Agent.

(a) *Appointment of Dissemination Agent.* The County may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement and may discharge any such agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be Goodwin Consulting Group, Inc.

If the Dissemination Agent is not the County, the Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the County pursuant to this Disclosure Agreement. It is understood and agreed that any information that the Dissemination Agent may be instructed to file with EMMA shall be prepared and provided to it by the County. The Dissemination Agent has undertaken no responsibility with respect to the content of any reports, notices or disclosures provided to it under this Disclosure Agreement and has no liability to any person, including any Bond owner, with respect to any such reports, notices or disclosures. The fact that the Dissemination Agent or any affiliate thereof may have any fiduciary or banking relationship with the County shall not be construed to mean that the Dissemination Agent has actual knowledge of any event or condition, except as may be provided by written notice from the County.

(b) *Compensation of Dissemination Agent.* The Dissemination Agent shall be paid compensation by the County for its services provided hereunder as agreed to between the Dissemination Agent and the County from time to time and all expenses, legal fees and expenses and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder, with payment to be made from any lawful funds of the District. The Dissemination Agent shall not be deemed to be acting in any fiduciary capacity for the County, the owners of the Bonds, the Beneficial Owners, or any other party. The Dissemination Agent may rely, and shall be protected in acting or refraining from acting, upon any written direction from the County or a written opinion of nationally recognized bond counsel. The Dissemination Agent may at any time resign by giving written notice of such resignation to the County. The Dissemination Agent shall not be liable hereunder except for its negligence or willful misconduct.

(c) *Responsibilities of Dissemination Agent.* In addition of the filing obligations of the Dissemination Agent set forth in Sections 3(e) and 5, the Dissemination Agent shall be obligated, and hereby agrees, to provide a request to the County to compile the information required for its Annual Report at least 30 days prior to the date such information is to be provided to the Dissemination Agent pursuant to subsection (c) of Section 3. The failure to provide or receive any such request shall not affect the obligations of the County under Section 3.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the County may amend this Disclosure Agreement (and the Dissemination Agent shall agree to any amendment so requested by the County that does not impose any greater

duties or risk of liability on the Dissemination Agent), and any provision of this Disclosure Agreement may be waived, provided that all of the following conditions are satisfied:

(a) *Change in Circumstances.* If the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a) or (b), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or the type of business conducted.

(b) *Compliance as of Issue Date.* The undertaking, as amended or taking into account such waiver, would, in the opinion of a nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances.

(c) *Consent of Holders; Non-impairment Opinion.* The amendment or waiver either (i) is approved by the Bond owners in the same manner as provided in the Fiscal Agent Agreement for amendments to the Fiscal Agent Agreement with the consent of Bond owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Bond owners or Beneficial Owners.

If this Disclosure Agreement is amended or any provision of this Disclosure Agreement is waived, the County shall describe such amendment or waiver in the next following Annual Report and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the County. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(c), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 10. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the County from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the County chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the County shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or future notice of occurrence of a Listed Event.

Section 11. Default. In the event of a failure of the County to comply with any provision of this Disclosure Agreement, any Bond owner, any Beneficial Owner, the Fiscal Agent or the Participating Underwriter may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the County to comply with its obligations under this Disclosure Agreement. The sole remedy under this Disclosure Agreement in the event of any failure of the County to comply with this Disclosure Agreement shall be an action to compel performance.

Section 12. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the County, the Fiscal Agent, the Dissemination Agent, the Participating Underwriter and the

owners and the Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 13. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Disclosure Agreement as of the date first above written.

COUNTY OF YUBA, CALIFORNIA

By: _____

Its: _____

GOODWIN CONSULTING GROUP, INC.,
as Dissemination Agent

By: _____

Its: _____

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Obligor:	County of Yuba, California
Name of Bond Issue:	$_____ County of Yuba Community Facilities District No. 2005-1 Community Facilities District No. 2005-1 (Improvement Area C – Countryside at Montrose), 2014 Special Tax Bonds
Date of Issuance:	December __, 2014

NOTICE IS HEREBY GIVEN that the Obligor has not provided an Annual Report with respect to the above-named Bonds as required by Section 5.17 of the Fiscal Agent Agreement, dated as of December 1, 2014, between the Obligor and U.S. Bank National Association, as fiscal agent. The Obligor anticipates that the Annual Report will be filed by _____.

Date: _____

By: Goodwin Consulting Group, Inc., as Dissemination Agent

CONTINUING DISCLOSURE AGREEMENT – DEVELOPER

This Continuing Disclosure Agreement – Developer (the "Disclosure Agreement") dated as of December 1, 2014, is executed and delivered by Woodside 05N, LP, a California limited partnership (the "Developer"), and Goodwin Consulting Group, Inc., as dissemination agent (the "Dissemination Agent"), in connection with the execution and delivery by the County of Yuba, California (the "County"), for and on behalf of the County of Yuba Community Facilities District No. 2005-1 (Orchard/Montrose Public Improvements) (the "District"), of its County of Yuba Community Facilities District No. 2005-1 (Improvement Area C – Countryside at Montrose) 2014 Special Tax Bonds (the "Bonds"). The Bonds are being issued pursuant to a Fiscal Agent Agreement, dated as of December 1, 2014, by and between the County, for and on behalf of the District, and U.S. Bank National Association, as fiscal agent (the "Fiscal Agent Agreement").

The Developer covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Developer for the benefit of the Bondowners and Beneficial Owners and in order to assist the Participating Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

SECTION 2. Definitions. In addition to the definitions set forth in the Fiscal Agent Agreement, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings when used herein:

"Affiliate" shall mean, with respect to any Person, (a) each Person that, directly or indirectly, owns or controls, whether beneficially or as an agent, guardian or other fiduciary, twenty-five percent (25%) or more of any class of Equity Securities of such Person, (b) each Person that controls, is controlled by or is under common control with such Person or any Affiliate of such Person or (c) each of such Person's executive officers, directors, joint venturers and general partners; provided, however, that in no case shall the County be deemed to be an Affiliate of the Developer for purposes of this Disclosure Agreement. For the purpose of this definition, "control" of a Person shall mean the possession, directly or indirectly, of the power to direct or cause the direction of its management or policies, whether through the ownership of voting securities, by contract or otherwise.

"Annual Report" shall mean any Annual Report provided by the Developer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

"Beneficial Owner" shall mean any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of the Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

"Disclosure Representative" shall mean the _____ of the Developer or his designee acting on behalf of the Developer, or such other officer or employee as the Developer shall designate in writing to the Dissemination Agent from time to time.

"Dissemination Agent" shall mean Goodwin Consulting Group, Inc., acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent

designated in writing by the Developer and which has filed with the Developer and the County a written acceptance of such designation.

"District" shall mean the County of Yuba Community Facilities District No. 2005-1 (Orchard/Montrose Public Improvements).

"EMMA" shall mean the Electronic Municipal Market Access system of the MSRB.

"Equity Securities" of any Person shall mean (a) all common stock, preferred stock, participations, shares, general partnership interests or other equity interests in and of such person (regardless of how designated and whether or not voting or non-voting) and (b) all warrants, options and other rights to acquire any of the foregoing.

"Fiscal Year" shall mean the period beginning on July 1 of each year and ending on the next succeeding June 30.

"Government Authority" shall mean any national, state or local government, any political subdivision thereof, any department, agency, authority or bureau of any of the foregoing, or any other Person exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"Listed Event" shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

"Official Statement" shall mean the Official Statement, dated November __, 2014, relating to the Bonds.

"Participating Underwriter" shall mean the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds, which is Stifel, Nicolaus & Company, Incorporated.

"Person" shall mean any natural person, corporation, partnership, firm, association, Government Authority or any other Person whether acting in an individual fiduciary, or other capacity.

"Repository" shall mean the MSRB or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Unless otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at http://emma.msrb.org.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"Semiannual Report" shall mean any report to be provided by the Developer on or prior to December 15 of each year pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

"State" shall mean the State of California.

SECTION 3. Provision of Annual Reports.

(a) The Developer shall, or shall cause the Dissemination Agent to, not later than June 15 of each year, commencing June 15, 2015, provide to the Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. If , in any year, June 15 falls on a Saturday, Sunday or a holiday on which the Dissemination Agent's offices are closed for business, such deadline shall be extended to the next following day on which the Dissemination Agent's offices are open for business. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Agreement, provided that the audited financial statements, if any, of the Developer may be submitted separately from the balance of the Annual Report and later than the date required for the filing of the Annual Report if they are not available by that date. In addition, until such time as _____, the Developer shall, or shall cause the Dissemination Agent to, not later than December 15 of each year, commencing December 15, 2015, provide to the Repository a Semiannual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. If , in any year, December 15 falls on a Saturday, Sunday or a holiday on which the Dissemination Agent's offices are closed for business, such deadline shall be extended to the next following day on which the Dissemination Agent's offices are open for business.

(b) Not later than fifteen (15) Business Days prior to the date specified in subsection (a) for providing the Annual Report and Semiannual Report to Repositories, the Developer shall provide the Annual Report or the Semiannual Report, as applicable, to the Dissemination Agent or shall provide notification to the Dissemination Agent that the Developer is preparing, or causing to be prepared, the Annual Report or the Semiannual Report, as applicable, and the date which the Annual Report or the Semiannual Report, as applicable, is expected to be available. If by such date, the Dissemination Agent has not received a copy of the Annual Report or the Semiannual Report, as applicable, or notification as described in the preceding sentence, the Dissemination Agent shall notify the Developer of such failure to receive the report.

(c) If the Dissemination Agent is unable to provide an Annual Report or Semiannual Report to Repositories by the date required in subsection (a) or to verify that an Annual Report or Semiannual Report has been provided to the Repository by the date required in subsection (a), the Dissemination Agent shall send a notice to the Repository in the form required by the Repository.

(d) The Developer shall, or shall cause the Dissemination Agent to:

(i) determine each year prior to the date for providing the Annual Report and the Semiannual Report the name and address of the Repository; and

(ii) promptly after receipt of the Annual Report, file a report with the Developer and the County certifying that the Annual Report or the Semiannual Report, as applicable, has been provided pursuant to this Disclosure Agreement, stating the date it was provided to the Repository.

(e) Notwithstanding any other provision of this Disclosure Agreement, any of the required filings hereunder shall be made in accordance with the MSRB's EMMA system or in another manner approved under the Rule.

SECTION 4. Content of Annual Report and Semiannual Report.

(a) The Developer's Annual Report and Semiannual Report shall contain or include by reference the information which is available as of the date of the filing of the Annual Report or the Semiannual Report, as applicable, relating to the following:

1. An update to the section in the Official Statement entitled "THE IMPROVEMENT AREA – Land Ownership and Current Special Tax Levy," including an update of Table ___ therein and a discussion of the sources of funds to finance development of property owned by the Developer and its Affiliates within the District, and whether any material defaults exist under any loan arrangement related to such financing.

2. A summary of development activity within the District, including the number of parcels for which building permits have been issued, the number of parcels for which certificates of occupancy have been issued, and as to property owned by the Developer and its Affiliates, the number of parcels for which sales have closed, including the names of the purchasers.

3. Status of completion of the development being undertaken by the Developer and its Affiliates and any major legislative, administrative and judicial challenges known to the Developer to or affecting the construction of the development or the time for construction of any public or private improvements to be made by the Developer or any Affiliate within the District (the "Developer Improvements").

4. Status of Special Tax payments on all parcels owned by the Developer and its Affiliates.

5. In the Annual Report only, the audited financial statements of the Developer for its most recently completed fiscal year (which currently ends on each December 31), prepared in accordance with generally accepted accounting principles as promulgated to apply to private entities from time to time by the Financial Accounting Standards Board. If the Developer has audited financial statements prepared and the audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements for the preceding year, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) In the event that as a result of subsequent amendment of the Rule, interpretive releases, no- action letters or other official guidance from the Securities and Exchange Commission or its staff, the information required to satisfy the Rule shall differ from the information described above, the Developer shall provide to the Dissemination Agent such other information as is available to the Developer and not otherwise readily available to the County.

(c) Any and all of the items listed above may be included by specific reference to other documents, including official statements of debt issues which have been submitted to the Repository or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB. The Developer shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Developer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material under clauses (b) and (c) within 10 business days after the occurrence of any of the following events:

1. Failure to pay any real property taxes, special taxes or assessments levied within the District on a parcel owned by the Developer or any Affiliate.

2. Damage to or destruction of any of the Developer Improvements or the District Improvements which has a material adverse effect on the value of the parcels owned by the Developer or any Affiliate.

3. Material default by the Developer or any Affiliate on any loan with respect to the construction or permanent financing of the Developer Improvements.

4. Material default by the Developer or any Affiliate on any loan secured by property within the District owned by the Developer or any Affiliate.

5. Payment default by the Developer or any Affiliate on any loan of the Developer or any Affiliate (whether or not such loan is secured by property within the District) which is beyond any applicable cure period in such loan.

6. The filing of any proceedings with respect to the Developer or any Affiliate, in which the Developer or any Affiliate, may be adjudicated as bankrupt or discharged from any or all of their respective debts or obligations or granted an extension of time to pay debts or a reorganization or readjustment of debts.

7. The filing of any lawsuit against the Developer or any of its Affiliates which, in the reasonable judgment of the Developer, will adversely affect the completion of the District Improvements, the Developer Improvements or the development of parcels owned by the Developer or its Affiliates within the District, or litigation which if decided against the Developer, or any of its Affiliates, in the reasonable judgment of the Developer, would materially adversely affect the financial condition of the Developer or its Affiliates.

(b) Whenever the Developer obtains knowledge of the occurrence of a Listed Event, the Developer shall as soon as possible determine if such event would be material under applicable federal securities laws. The Fiscal Agent shall have no responsibility to determine the materiality of any of the Listed Events.

(c) If the Developer determines that knowledge of the occurrence of a Listed Event would be material under applicable federal securities laws, the Developer shall promptly file a notice of such occurrence with the Dissemination Agent which shall then distribute such notice to the Repository, with a copy to the County.

SECTION 6. Termination of Reporting Obligation. The Developer's obligations under this Disclosure Agreement shall terminate upon the following events:

(a) the legal defeasance, prior redemption or payment in full of all of the Bonds,

(b) if as of the date for filing the Annual Report the Developer and its Affiliates own property within the District which is responsible for less than twenty

percent (20%) of the Special Taxes levied in the Fiscal Year for which the Annual Report is being prepared, or

(c) upon the delivery by the Developer to the County of an opinion of nationally recognized bond counsel to the effect that the information required by this Disclosure Agreement is no longer required. Such opinion shall be based on information publicly provided by the Securities and Exchange Commission or a private letter ruling obtained by the Developer or a private letter ruling obtained by a similar entity to the Developer.

If such termination occurs prior to the final maturity of the Bonds, the Developer shall give notice of such termination in the same manner as for an Annual Report hereunder.

SECTION 7. Dissemination. The Developer may from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. If the Dissemination Agent is not the Developer, the Dissemination Agent shall not be responsible in any manner for the form or content of any notice or report prepared by the Developer pursuant to this Disclosure Agreement. The Dissemination Agent may resign by providing (i) thirty days written notice to the Developer and the Fiscal Agent and (ii) upon appointment of a new Dissemination Agent hereunder.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Developer may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5, it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) This Disclosure Agreement, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel addressed to the County, the Fiscal Agent and the Participating Underwriter, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances;

(c) The amendment or waiver either (i) is approved by the Bondowners in the same manner as provided in the Fiscal Agent Agreement for amendments to the Fiscal Agent Agreement with the consent of Bondowners, or (ii) does not, in the opinion of nationally recognized bond counsel addressed to the County and the Fiscal Agent, materially impair the interests of the Bondowners or Beneficial Owners of the Bonds; and

(d) The Developer, or the Dissemination Agent, shall have delivered copies of the amendment and any opinions delivered under (b) and (c) above.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Developer shall describe such amendment in the next Annual Report or Semiannual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting

principles, on the presentation) of financial information or operating data being presented by the Developer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given to the Repository, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison of financial data described in clause (ii) of the preceding sentence shall be provided at the time financial statements, if any, are filed under Section 4(a)(5) hereof.

SECTION 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Developer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Developer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Developer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

The Developer acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Developer, and that under some circumstances compliance with this Disclosure Agreement, without additional disclosures or other action, may not fully discharge all duties and obligations of the Developer under such laws.

SECTION 10. Default. In the event of a failure of the Developer to comply with any provision of this Disclosure Agreement, any Participating Underwriter or any Bondowner or Beneficial Owner of the Bonds may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Developer or the Dissemination Agent to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Fiscal Agent Agreement, and the sole remedy under this Disclosure Agreement in the event of any failure of the Developer to comply with this Disclosure Agreement shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement and the Developer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of theirs powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Developer agrees to pay the Dissemination Agent a reasonable annual fee for the performance of its duties hereunder. The Dissemination Agent shall not be deemed to be acting in any fiduciary capacity for the Developer, the Participating Underwriter, Bondowners or Beneficial Owners or any other party. The Dissemination Agent may rely and shall be protected in acting or refraining from acting upon a direction from the Developer or an opinion of nationally recognized bond counsel. The obligations of the Developer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds. No person shall have any right to commence any action against the Dissemination Agent seeking any remedy other than to

compel specific performance of this Disclosure Agreement. The Dissemination Agent may conclusively rely upon the Annual Report provided to it by the Developer as constituting the Annual Report required of the Developer in accordance with this Disclosure Agreement and shall have no duty or obligation to review such Annual Report. The Dissemination Agent shall have no duty to prepare the Annual Report nor shall the Dissemination Agent be responsible for filing any Annual Report not provided to it by the Developer in a timely manner in a form suitable for filing with the Repositories. Any company succeeding to all or substantially all of the Dissemination Agent's corporate trust business shall be the successor to the Dissemination Agent hereunder without the execution or filing of any paper or any further act.

SECTION 12. Reporting Obligation of Developer's Transferees. The Developer shall, in connection with any sale or transfer of ownership of land within the District which will result in the transferee (which term shall include any successors and assigns of the Developer) becoming responsible for the payment of more than twenty (20) percent of the Special Taxes levied on property within the District in the Fiscal Year following such transfer, cause such transferee to enter into a disclosure agreement with terms substantially similar to the terms of this Disclosure Agreement, whereby such transferee agrees to provide its audited financial statements, if any, and the information of the type described in Section 4(a)(2) and (4) of this Disclosure Agreement; provided that such transferee's obligations under such disclosure agreement shall terminate upon the sold or transferred land being improved with structures, or the land owned by the transferee becoming responsible for the payment of less than twenty (20) percent of the annual Special Taxes.

SECTION 13. Developer as Independent Contractor. In performing under this Disclosure Agreement, it is understood that the Developer is an independent contractor and not an agent of the County or the District.

SECTION 14. Notices. Notices should be sent in writing to the following addresses. The following information may be conclusively relied upon until changed in writing.

Disclosure Representative:	[to come]
Dissemination Agent:	Goodwin Consulting Group, Inc. 555 University Avenue, Suite 280 Sacramento, CA 95825 Attention: Cindy Yan
Fiscal Agent:	U.S. Bank National Association One California Street, Suite 1000 Mail Code: SF-CA-SFCT San Francisco, CA 94111 Attention: Global Corporate Trust Services
Participating Underwriter:	Stifel, Nicolaus & Company, Incorporated One Montgomery Street, 35th Floor San Francisco, CA 94104
County or District:	Yuba County 915 8th Street, Suite 103 Marysville, CA 95901-4187 Attention: County Treasurer-Tax Collector

SECTION 15. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Developer, the County, the Dissemination Agent, the Fiscal Agent, the Participating Underwriter and Bondowners and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 16. Assignability. The Developer shall not assign this Disclosure Agreement or any right or obligation hereunder except to the extent permitted to do so under the provisions of Section 12 hereof. The Dissemination Agent may, with prior written notice to the Developer and the County, assign this Disclosure Agreement and the Dissemination Agent's rights and obligations hereunder to a successor Dissemination Agent.

SECTION 17. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof.

SECTION 18. Governing Law. The validity, interpretation and performance of this Disclosure Agreement shall be governed by the laws of the State of California applicable to contracts made and performed in California.

SECTION 19. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

WOODSIDE 05N, LP, a California limited partnership

By: _____

Its: _____

GOODWIN CONSULTING GROUP, INC., as Dissemination Agent

By: _____

Its: _____

APPENDIX F

DTC AND THE BOOK-ENTRY ONLY SYSTEM

The information in this Appendix F has been provided by The Depository Trust Company ("DTC"), New York, NY, for use in securities offering documents, and the County does not take responsibility for the accuracy or completeness thereof. The County cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute the Beneficial Owners either (a) payments of interest, principal or premium, if any, with respect to the 2014 Bonds or (b) certificates representing ownership interest in or other confirmation of ownership interest in the 2014 Bonds, or that they will so do on a timely basis or that DTC, DTC Direct Participants or DTC Indirect Participants mill act in the manner described in this Official Statement.

The following description of DTC, the procedures and record keeping with respect to beneficial ownership interests in the 2014 Bonds, payment of principal, interest and other payments on the 2014 Bonds to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the 2014 Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

Neither the issuer of the 2014 Bonds (the "Issuer") nor the trustee, fiscal agent or paying agent appointed with respect to the 2014 Bonds (the "Agent") take any responsibility for the information contained in this Appendix.

No assurances can be given that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the 2014 Bonds, (b) certificates representing ownership interest in or other confirmation or ownership interest in the 2014 Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the 2014 Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the 2014 Bonds (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks,

trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). On August 8, 2011, Standard & Poor's downgraded its rating of DTC from AAA to AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org. *The information contained on this Internet site is not incorporated herein by reference.*

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

THE FISCAL AGENT, AS LONG AS A BOOK-ENTRY-ONLY SYSTEM IS USED FOR THE 2014 BONDS, WILL SEND ANY NOTICE OF REDEMPTION OR OTHER NOTICES ONLY TO CEDE & CO., OR ITS SUCCESSOR AS DTC'S PARTNERSHIP NOMINEE. ANY FAILURE OF CEDE & CO., OR ITS SUCCESSOR AS DTC'S PARTNERSHIP NOMINEE TO ADVISE ANY PARTICIPANT, OR OF ANY PARTICIPANT TO NOTIFY ANY BENEFICIAL OWNER OF ANY NOTICE AND ITS CONTENT OR EFFECT WILL NOT AFFECT THE VALIDITY OR SUFFICIENCY OF THE PROCEEDINGS RELATING TO THE REDEMPTION OF THE 2014 BONDS CALLED FOR REDEMPTION OR OF ANY OTHER ACTION PREMISED ON SUCH NOTICE.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

10. The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

12. THE IMPROVEMENT AREA, THE COUNTY AND THE UNDERWRITER CANNOT AND DO NOT GIVE ANY ASSURANCES THAT DTC, THE PARTICIPANTS OR OTHERS WILL DISTRIBUTE PAYMENTS OF PRINCIPAL, INTEREST OR PREMIUM, IF ANY, WITH RESPECT TO THE 2014 BONDS PAID TO DTC OR ITS NOMINEE AS THE REGISTERED OWNER, OR WILL DISTRIBUTE ANY REDEMPTION NOTICES OR OTHER NOTICES, TO THE BENEFICIAL OWNERS, OR THAT THEY WILL DO SO ON A TIMELY BASIS OR WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT. THE IMPROVEMENT AREA, THE COUNTY AND THE UNDERWRITER ARE NOT RESPONSIBLE OR LIABLE FOR THE FAILURE OF DTC OR ANY PARTICIPANT TO MAKE ANY PAYMENT OR GIVE ANY NOTICE TO A BENEFICIAL OWNER WITH RESPECT TO THE 2014 BONDS OR AN ERROR OR DELAY RELATING THERETO.

$_____
COUNTY OF YUBA
COMMUNITY FACILITIES DISTRICT NO. 2005-1
(IMPROVEMENT AREA C – COUNTRYSIDE AT MONTROSE),
2014 SPECIAL TAX BONDS

BOND PURCHASE AGREEMENT

_____, 2014

County of Yuba, California
Marysville, California

Ladies and Gentlemen:

Stifel, Nicolaus & Company, Incorporated (the "Underwriter"), acting not as a fiduciary or agent for you, but on behalf of itself, offers to enter into this Bond Purchase Agreement (the "Purchase Agreement") with the County of Yuba, California (the "County") acting on behalf of the County of Yuba Community Facilities District No. 2005-1 (Orchard/Montrose Public Improvements) (the "District") which, upon acceptance, will be binding upon the County and upon the Underwriter. This offer is made subject to acceptance of it by the County on the date hereof, and if not accepted will be subject to withdrawal by the Underwriter upon notice delivered to the County at any time prior to the acceptance hereof by the County.

The County acknowledges and agrees that: (i) the purchase and sale of the Bonds (defined below) pursuant to this Purchase Agreement is an arm's-length commercial transaction between the County and the Underwriter; (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as a principal and is not acting as a Municipal Advisor (as defined in Section 15B of The Securities Exchange Act of 1934, as amended); (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the County with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the County on other matters); and (iv) the County has consulted its own legal, financial and other advisors to the extent it has deemed appropriate for this transaction.

1. Purchase, Sale and Delivery of the Bonds.

(a) Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriter agrees to purchase from the County, and the County agrees to sell to the Underwriter, all (but not less than all) of the County of Yuba Community Facilities District No. 2005-1 (Improvement Area C – Countryside at Montrose), 2014 Special Tax Bonds (the "Bonds") in the aggregate principal amount specified in Exhibit A hereto. The Bonds shall be dated the Closing Date (hereinafter defined), and bear interest from said date (payable semiannually on March 1 and September 1 in each year, commencing March 1, 2015) at the rates per annum and maturing on the dates and in the amounts set forth in Exhibit A hereto. The purchase price for the Bonds shall be the amount specified as such in Exhibit A hereto.

(b) The Bonds shall be substantially in the form described in, shall be issued and secured under the provisions of, and shall be payable and subject to redemption as provided in, the Fiscal Agent Agreement by and between the County and U.S. Bank National Association, as Fiscal Agent (the "Fiscal Agent"), dated as of December 1, 2014 (the "Fiscal Agent Agreement"), approved by Resolution No. 2014-89 adopted by the Board of Supervisors of the County (the "Board"), acting as the legislative body of the District, on September 23, 2014 (the "Resolution of Issuance"). The Bonds and interest thereon will be payable from a special tax (the "Special Tax") levied and collected on the taxable land within Improvement Area C of the District (the "Improvement Area") in accordance with Resolution No. 2005-271 adopted by the Board on November 8, 2005 and Resolution No. 2007-137 adopted by the Board on October 23, 2007 (together, the "Resolution of Formation"). Proceeds of the sale of the Bonds will be used in accordance with the Fiscal Agent Agreement and the Mello-Roos Community Facilities Act of 1982, as amended (Sections 53311 et seq. of the Government Code of the State of California) (the "Law"), to acquire certain public improvements described in the Resolution of Formation. The Resolution of Issuance, the Resolution of Formation and Resolution Nos. 2005-272, 2005-273, 2005-283, 2007-120, 2007-131, 2008-08, 2008-39, 2014-69 and Ordinance No. 1437, adopted by the Board on January 22, 2008, are collectively referred to herein as the "District Resolutions."

(c) At or prior to the acceptance hereof by the County, the County shall cause to be delivered to the Underwriter a 15c2-12 Certificate of the County, dated as of the date of this Purchase Agreement (the "County Certificate"), in substantially the form attached hereto as Exhibit B, with only such changes therein as shall have been accepted by the Underwriter.

(d) Subsequent to its receipt of the County Certificate deeming the Preliminary Official Statement for the Bonds, dated _____, 2014 which Preliminary Official Statement, together with the cover page and all appendices thereto, is herein collectively referred to as the "Preliminary Official Statement"), final for purposes of Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12"), the Underwriter has distributed copies of the Preliminary Official Statement. The County hereby ratifies the use by the Underwriter of the Preliminary Official Statement and authorizes the Underwriter to use and distribute the final Official Statement dated the date hereof (including all information previously permitted to have been omitted by Rule 15c2-12, and any supplements and amendments thereto as have been approved by the County as evidenced by the execution and delivery of such document by an officer of the County (the "Official Statement")), the Fiscal Agent Agreement, the Continuing Disclosure Agreement of the County (the "County Disclosure Agreement"), this Purchase Agreement, any other documents or contracts to which the County or the District is a party related to the Bonds, and all information contained therein, and all other documents, certificates and statements furnished by the County to the Underwriter in connection with the transactions contemplated by this Purchase Agreement, in connection with the offer and sale of the Bonds by the Underwriter. The Underwriter hereby agrees to deliver a copy of the Official Statement to the Municipal Securities Rulemaking Board (the "MSRB") through the Electronic Municipal Marketplace Access website of the MSRB on or before the Closing Date and otherwise to comply with all applicable statutes and regulations in connection with the offering and sale of the Bonds, including, without limitation, MSRB Rule G-32 and Rule 15c2-12.

(e) At 8:00 A.M., Pacific Daylight Time, on December 17, 2014, or at such earlier time or date as shall be agreed upon by the Underwriter and the County (such time and date being herein referred to as the "Closing Date"), the County will deliver (i) to the Depository Trust Company in New York, New York, the Bonds in definitive form (all Bonds being in book-entry form registered in the name of Cede & Co. and having the CUSIP numbers assigned to them printed thereon), duly

executed by the officers of the County, as provided in the Fiscal Agent Agreement, and (ii) to the Underwriter, at the offices of Bond Counsel, or at such other place as shall be mutually agreed upon by the County and the Underwriter, the other documents herein mentioned; and the Underwriter shall accept such delivery and pay the purchase price of the Bonds in immediately available funds (such delivery and payment being herein referred to as the "Closing"). Notwithstanding the foregoing, the Underwriter may, in its discretion, accept delivery of the Bonds in temporary form upon making arrangements with the County which are satisfactory to the Underwriter relating to the delivery of the Bonds in definitive form.

(f) Except as otherwise disclosed in writing and agreed to by the County, the Underwriter agrees to make a bona fide public offering of the Bonds at the initial public offering price or prices set forth on the inside cover page of the Official Statement and in Exhibit A hereto; provided, however, the Underwriter reserves the right to change such initial public offering prices as the Underwriter deems necessary or desirable, in its sole discretion, in connection with the marketing of the Bonds, and to sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) and others at prices lower than the initial offering prices set forth in the Official Statement. A "bona fide public offering" shall include an offering to institutional investors or registered investment companies, regardless of the number of such investors to which the Bonds are sold. The Underwriter shall provide to the County on the Closing Date a certificate stating that the Underwriter made a bona fide public offering of the Bonds at the initial public offering price or prices set forth on the inside cover page of the Official Statement and in Exhibit A.

2. Representations, Warranties and Agreements of the County. The County represents, warrants and covenants to and agrees with the Underwriter that:

(a) The County is a public agency duly organized and validly existing pursuant to the Constitution of the State of California (the "State") and laws of the State, and has duly authorized the formation of the District pursuant to the Resolution of Formation and the Law. The Board, as the legislative body of the District, has duly adopted the District Resolutions, and has caused to be recorded in the real property records of the County of Yuba as Document No. 2008R-001166 recorded on January 25, 2008, an Amended Notice of Special Tax Lien (the "Notice of Special Tax Lien") (such District Resolutions and Notice of Special Tax Lien being collectively referred to herein as the "Formation Documents"). Each of the Formation Documents remains in full force and effect as of the date hereof and has not been amended. The District is duly organized and validly existing as a community facilities district under the laws of the State of California. The County has, and at the Closing Date will have, as the case may be, full legal right, power and authority (i) to execute, deliver and perform its obligations under this Purchase Agreement and the County Disclosure Agreement, and to carry out all transactions on its part contemplated by each of such agreements, (ii) to issue, sell and deliver the Bonds to the Underwriter pursuant to the Resolution of Issuance and the Fiscal Agent Agreement as provided herein, and (iii) to carry out, give effect to and consummate the transactions on its part contemplated by the Formation Documents and by the Fiscal Agent Agreement, the Acquisition Agreement between the County and Woodside Montrose, Inc., this Purchase Agreement and the County Disclosure Agreement (collectively, the "District Documents") and the Official Statement.

(b) The County has complied, and will at the Closing Date be in compliance, in all material respects, with the Formation Documents and the District Documents, and any immaterial compliance by the County, if any, will not impair the ability of the County to carry out, give effect to or consummate the transactions on its part contemplated by the foregoing. From and after the date of

issuance of the Bonds, the County will continue to comply with the covenants of the County contained in the District Documents.

(c) The Board has duly and validly: (i) adopted the District Resolutions, (ii) called, held and conducted in accordance with all requirements of the Law elections within the Improvement Area to approve the levy of the Special Tax within the Improvement Area and the issuance of the Bonds and recorded the Notice of Special Tax Lien which established a continuing lien on the land within the Improvement Area securing the payment of the Special Tax, (iii) authorized and approved the execution, delivery and due performance by the County for the District of the Bonds and the District Documents, (iv) authorized the preparation, delivery and distribution of the Preliminary Official Statement and the Official Statement, and (v) authorized and approved the performance by the County of its obligations contained in, and the taking of any and all action as may be necessary to carry out, give effect to and consummate the transactions on its part contemplated by, each of the District Documents (including, without limitation, the collection of the Special Tax), the Bonds and the Official Statement and at the Closing Date, the Formation Documents will be in full force and effect and the District Documents and the Bonds will constitute the valid, legal and binding obligations of the County for the District and (assuming due authorization, execution and delivery by other parties thereto, where necessary) will be enforceable upon the County in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other laws affecting the enforcement of creditors' rights in general and to the application of equitable principles if equitable remedies are sought.

(d) To the best of the County's knowledge, neither the District nor the County is in breach of or default under any applicable law or administrative rule or regulation of the State or the United States, or of any department, division, agency or instrumentality thereof, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, trust agreement, contract, agreement or other instrument to which the District or the County is a party or is otherwise subject or bound, a consequence of which could be to materially and adversely affect the performance by the District or the County of their obligations under the Bonds, the Formation Documents or the District Documents, and compliance with the provisions of each thereof will not conflict with or constitute a breach of or default under any applicable law or administrative rule or regulation of the State or the United States, or of any department, division, agency or instrumentality thereof, or under any applicable court or administrative decree or order, or a material breach of or default under any loan agreement, note, resolution, trust agreement, contract, agreement or other instrument to which the District or the County, as the case may be, is a party or is otherwise subject or bound.

(e) Except for compliance with the blue sky or other states securities law filings, as to which the County makes no representations, all approvals, consents, authorizations, elections and orders of or filings or registrations with any State governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to, or the absence of which would materially adversely affect, the performance by the County of its obligations hereunder, or under the Formation Documents or the District Documents, have been obtained and are in full force and effect.

(f) The Special Tax constituting the security for the Bonds has been duly and lawfully authorized and may be levied under the Law, the State Constitution and the applicable laws of the State, and the Special Tax, when levied, will constitute a valid and legally binding continuing lien on the properties on which it has been levied.

(g) The County shall not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without the prior written consent of the Underwriter. Until the date which is twenty-five (25) days after the "end of the underwriting period" (as hereinafter defined), if any event shall occur of which the County is aware, as a result of which it may be necessary to supplement the Official Statement in order to make the statements in the Official Statement, in light of the circumstances existing at such time, not misleading, the County shall forthwith notify the Underwriter of any such event of which it has knowledge and shall cooperate fully in furnishing any information available to it for any supplement to the Official Statement necessary, in the Underwriter's opinion, so that the statements therein as so supplemented will not be misleading in light of the circumstances existing at such time and the County shall promptly furnish to the Underwriter a reasonable number of copies of such supplement. As used herein, the term "end of the underwriting period" means the later of such time as (i) the County delivers the Bonds to the Underwriter, or (ii) the Underwriter does not retain, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds for sale to the public. Unless the Underwriter gives notice to the contrary, the "end of the underwriting period" shall be deemed to be the Closing Date. Any notice delivered pursuant to this provision shall be written notice delivered to the County at or prior to the Closing Date, and shall specify a date (other than the Closing Date) to be deemed the "end of the underwriting period."

(h) The Fiscal Agent Agreement creates a valid pledge of the Special Taxes and the moneys in the Special Tax Fund, the Bond Fund, the Escrow Fund and the Reserve Fund established pursuant to the Fiscal Agent Agreement, including the investments thereof, subject in all cases to the provisions of the Fiscal Agent Agreement permitting the application thereof for the purposes and on the terms and conditions set forth therein. Until such time as moneys have been set aside in an amount sufficient to pay all then outstanding Bonds at maturity or to the date of redemption if redeemed prior to maturity, plus unpaid interest thereon to maturity or to the date of redemption if redeemed prior to maturity, and premium, if any, the County will faithfully perform and abide by all of its covenants and undertakings, and the provisions contained in the Fiscal Agent Agreement.

(i) Except as disclosed in the Official Statement, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body is pending with respect to which the County has been served with process or, to the best knowledge of the County, threatened (i) which would materially adversely affect the ability of either the County or the District to perform their obligations under the Bonds, the Formation Documents or the District Documents, or (ii) seeking to restrain or to enjoin the issuance, sale or delivery of the Bonds, the application of the proceeds thereof in accordance with the Fiscal Agent Agreement, or the collection or application of the Special Tax pledged or to be pledged to pay the principal of and interest on the Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Bonds, the Formation Documents, the District Documents, or any action contemplated by any of said documents, or (iii) in any way contesting the completeness or accuracy of the Preliminary Official Statement or the powers or authority of the County or the District with respect to the Bonds, the Formation Documents, the District Documents, or any action of the County or the District contemplated by any of said documents; nor is there any action pending with respect to which the County has been served with process or, to the best knowledge of the County, threatened against the County or the District which alleges that interest on the Bonds is not excludable from gross income for federal income tax purposes or is not exempt from California personal income taxation.

(j) The County will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order

for the Underwriter to qualify the Bonds for offer and sale under the "Blue Sky" or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate; provided, however, the County shall not be required to register as a dealer or a broker of securities or to consent to service of process in connection with any blue sky filing.

(k) Any certificate signed by any official of the County authorized to do so and delivered to the Underwriter in connection with the Bonds or this Purchase Agreement shall be deemed a representation and warranty to the Underwriter as to the statements made therein.

(l) The County will apply the proceeds of the Bonds in accordance with the Fiscal Agent Agreement and as described in the Official Statement.

(m) The information contained in the Preliminary Official Statement (other than under the captions "THE 2014 BONDS — General Provisions" as they relate to the Book-Entry Only System, and "THE IMPROVEMENT AREA— The Developer" and in Appendix F thereto, as to which no view is expressed) was as of the date thereof, and the information contained in the Official Statement (other than under the captions "THE 2014 BONDS — General Provisions" as they relate to the Book-Entry Only System, and "THE IMPROVEMENT AREA— The Developer" and in Appendix F thereto, as to which no view is expressed) as of its date and on the Closing Date shall be, true and correct in all material respects and such information does not and shall not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(n) The Preliminary Official Statement heretofore delivered to the Underwriter has been deemed final by the County as of its date, except for the omission of such information as is permitted to be omitted in accordance with paragraph (b)(1) of Rule 15c2-12. The County hereby covenants and agrees that, within seven (7) business days from the date hereof, the County shall cause a final printed form of the Official Statement to be delivered to the Underwriter in a quantity mutually agreed upon by the Underwriter and the County so that the Underwriter may comply with paragraph (b)(4) of Rule 15c2-12 and Rules G-12, G-15, G-32 and G-36 of the Municipal Securities Rulemaking Board.

(o) Except as otherwise disclosed in the Preliminary Official Statement, the County is, and has always been, in material compliance with respect to all reporting obligations in the last five years that it has undertaken under Rule 15c2-12 for all indebtedness issued by the County.

(p) Except as otherwise disclosed in the Preliminary Official Statement, the Formation Documents have not been amended, terminated, rescinded or modified.

(q) The County shall not voluntarily undertake any course of action inconsistent with satisfaction of the requirements applicable to the County as set forth in this Purchase Agreement.

(r) The County shall cooperate with the Underwriter in the qualification of the Bonds for offering and sale and the determination of their eligibility for investment under the laws of such jurisdictions as the Underwriter may designate.

(s) The County shall not knowingly take or omit to take any action that, under existing law, may adversely affect the exemption from state income taxation or the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

3. Conditions to the Obligations of the Underwriter. The obligations of the Underwriter to accept delivery of and pay for the Bonds on the Closing Date shall be subject, at the option of the Underwriter, to the accuracy in all material respects of the representations and warranties of the County contained herein, as of the date hereof and as of the Closing Date, to the accuracy in all material respects of the statements of the officers and other officials of the County made in any certificates or other documents furnished pursuant to the provisions hereof, to the performance by the County of its obligations to be performed hereunder at or prior to the Closing Date and to the following additional conditions:

(a) At the Closing Date, the Formation Documents and the District Documents shall be in full force and effect, and shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter, and there shall have been taken in connection therewith, with the issuance of the Bonds and with the transactions contemplated thereby and by this Purchase Agreement, all such actions as, in the opinion of Quint & Thimmig LLP, Bond Counsel for the County, and Stradling Yocca Carlson & Rauth, a Professional Corporation, counsel to the Underwriter, shall be necessary and appropriate.

(b) The information contained in the Official Statement will, as of the Closing Date and as of the date of any supplement or amendment thereto pursuant to Section 2(g) hereof, be true, correct and complete in all material respects and will not, as of the Closing Date or as of the date of any supplement or amendment thereto pursuant to Section 2(m) hereof, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(c) Between the date hereof and the Closing Date, the market price or marketability of the Bonds at the initial offering prices set forth in the Official Statement shall not have been materially adversely affected, in the judgment of the Underwriter (evidenced by a written notice to the County terminating the obligation of the Underwriter to accept delivery of and pay for the Bonds), by reason of any of the following:

(1) legislation introduced in or enacted (or resolution passed) by the Congress of the United States of America or recommended to the Congress by the President of the United States, the Department of the Treasury, the Internal Revenue Service, or any member of Congress, or favorably reported for passage to either House of Congress by any committee of such House to which such legislation had been referred for consideration or a decision rendered by a court established under Article III of the Constitution of the United States of America or by the Tax Court of the United States of America, or an order, ruling, regulation (final, temporary or proposed), press release or other form of notice issued or made by or on behalf of the Treasury Department or the Internal Revenue Service of the United States of America, with the purpose or effect, directly or indirectly, of imposing federal income taxation upon the interest that would be received by the owners of the Bonds beyond the extent to which such interest is subject to taxation as of the date hereof;

(2) legislation introduced in or enacted (or resolution passed) by the Congress of the United States of America, or an order, decree or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds, or the Bonds, including any or all underlying arrangements, are not

exempt from registration under or other requirements of the Securities Act of 1933, as amended, or that the Fiscal Agent Agreement is not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended, or that the issuance, offering or sale of obligations of the general character of the Bonds, or of the Bonds, including any or all underwriting arrangements, as contemplated hereby or by the Official Statement or otherwise is or would be in violation of the federal securities laws, rules or regulations as amended and then in effect;

(3) any amendment to the federal or California Constitution or action by any federal or California court, legislative body, regulatory body or other authority materially adversely affecting the tax status of the County or the District, their property, income or securities (or interest thereon), the validity or enforceability of the Special Tax as contemplated by the Formation Documents, the District Documents or the Official Statement;

(4) any event occurring, or information becoming known, which, in the judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Preliminary Official Statement or the Official Statement, or results in the Preliminary Official Statement or the Official Statement containing any untrue statement of a material fact or omitting to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(5) the declaration of war or the escalation of, or engagement in, military hostilities by the United States or the occurrence of any other national or international emergency or calamity relating to the effective operation of the government of, or the financial community in, the United States which, in the judgment of the Underwriter, makes it impracticable or inadvisable to proceed with the offering or the delivery of the Bonds on the terms and in the manner contemplated in the Preliminary Official Statement or the Official Statement;

(6) the declaration of a general banking moratorium by federal, State of New York or State of California authorities, or the general suspension of trading on any national securities exchange or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on the New York Stock Exchange or other national securities exchange, whether by virtue of determination by that exchange or by order of the Securities and Exchange Commission (the "SEC") or any other governmental authority having jurisdiction that, in the Underwriter's reasonable judgment, makes it impracticable for the Underwriter to market the Bonds or enforce contracts for the sale of the Bonds;

(7) the imposition by the New York Stock Exchange or other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Bonds or obligations of the general character of the Bonds or securities generally, or the material increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of, the Underwriter;

(8) the entry of an order by a court of competent jurisdiction which enjoins or restrains the County from issuing permits, licenses or entitlements within the Improvement Area or which order, in the reasonable opinion of the Underwriter, otherwise materially and adversely affects proposed development of property within the Improvement Area;

(9) a material disruption in securities settlement, payment or clearance services affecting the Bonds shall have occurred;

(10) there shall have been any material adverse change in the affairs of the County that in the Underwriter's reasonable judgment will materially adversely affect the market for the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds;

(11) there shall be established any new restriction on transactions in securities materially affecting the free market for securities (including the imposition of any limitation on interest rates) or the extension of credit by, or a change to the net capital requirements of, underwriters established by the New York Stock Exchange, the SEC, any other federal or State agency or the Congress of the United States, or by Executive Order; or

(12) a stop order, release, regulation, or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made to the effect that the issuance, offering, or sale of the Bonds, including all the underlying obligations as contemplated hereby or by the Official Statement, or any document relating to the issuance, offering or sale of the Bonds is or would be in violation of any provision of the federal securities laws at the Closing Date, including the Securities Act, the Exchange Act, and the Trust Indenture Act of 1939, as amended.

(d) On the Closing Date, the Underwriter shall have received counterpart originals or certified copies of the following documents, in each case satisfactory in form and substance to the Underwriter:

(1) The Formation Documents and the District Documents, together with a certificate dated as of the Closing Date of the Secretary of the Board to the effect that each Formation Document is a true, correct and complete copy of the one duly adopted by the Board;

(2) The Official Statement;

(3) An approving opinion for the Bonds, dated the Closing Date and addressed to the County, of Quint & Thimmig LLP, Bond Counsel for the County, in the form attached to the Preliminary Official Statement as Appendix D, and an unqualified letter of such counsel, dated the Closing Date and addressed to the Underwriter, to the effect that such approving opinion addressed to the County may be relied upon by the Underwriter to the same extent as if such opinion was addressed to it;

(4) A supplemental opinion, dated the Closing Date and addressed to the Underwriter, of Quint & Thimmig LLP, Bond Counsel for the County, to the effect that (i) this Purchase Agreement, the Acquisition Agreement and the Continuing Disclosure Agreement have been duly authorized, executed and delivered by the County, and, assuming such agreements constitute a valid and binding obligation of the other respective parties thereto, constitute the legally valid and binding agreements of the County for the District enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, moratorium, insolvency or other laws affecting creditor's rights or remedies and may be subject to general principles of equity (regardless of whether such enforceability is considered in equity or at law); (ii) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Fiscal Agent Agreement is exempt from qualification under the Trust Indenture Act of 1939, as amended; (iii) the information contained in the Official Statement on the cover and under the captions "INTRODUCTION," "THE 2014 BONDS," "SECURITY FOR THE 2014 BONDS," "TAX MATTERS" and Appendices C and D thereof is accurate, insofar as such information purports to

summarize or replicate certain provisions of the Law, the Bonds and the Fiscal Agent Agreement and the exclusion from gross income for federal income tax purposes and exemption from State of California personal income taxes of interest on the Bonds; and (iv) the Special Tax has been duly and validly authorized in accordance with the provisions of the Law;

(5) An opinion, dated the Closing Date and addressed to the Underwriter, of Stradling Yocca Carlson & Rauth, a Professional Corporation, counsel for the Underwriter, to the effect that (i) the Bonds are exempt from the registration requirements of the Securities Act of 1933, as amended, and the Fiscal Agent Agreement is exempt from qualification under the Trust Indenture Act of 1939, as amended; and (ii) without having undertaken to determine independently the accuracy or completeness of the statements contained in the Official Statement, but on the basis of their participation in conferences with representatives of the County, Bond Counsel, representatives of the Underwriter, Woodside 05N, LP ("Woodside"), and others, and their examination of certain documents, nothing has come to their attention which has led them to believe that the Official Statement as of its date and as of the Closing Date contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except that no opinion or belief need to be expressed as to any information relating to The Depository Trust Company, or any information relating to CUSIP numbers, or with respect to any financial or statistical data or forecasts or estimates or assumptions or any expressions of opinion or assessed valuations);

(6) A certificate or certificates, dated the Closing Date and signed by an authorized officer of the County, ratifying the use and distribution by the Underwriter of the Preliminary Official Statement and the Official Statement in connection with the offering and sale of the Bonds; and certifying that (i) the representations and warranties of the County contained in Section 2 hereof are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date; (ii) to the best of his or her knowledge, no event has occurred since the date of the Official Statement affecting the matters contained therein which should be disclosed in the Official Statement for the purposes for which it is to be used in order to make the statements and information contained in the Official Statement not misleading in any material respect, and the Bonds, the Formation Documents and the District Documents conform as to form and tenor to the descriptions thereof contained in the Official Statement; (iii) the County has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied under the Formation Documents, the District Documents and the Official Statement at or prior to the Closing Date; and (iv) the representations and warranties of the County contained in the County Certificate are true and correct in all material respects on and as of the Closing Date, with the same effect as if made on the Closing Date, except that all references therein to the Preliminary Official Statement shall be deemed to be references to the Official Statement;

(7) An opinion, dated the Closing Date and addressed to the Underwriter, of County Counsel, to the effect that (i) to its current actual knowledge and except as disclosed in the Official Statement, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body is pending with respect to which the County has been served with process or is known to such counsel to be threatened, as to which the County is or would be a party, which would materially adversely affect the ability of the County or the District to perform their obligations under the Bonds, the Formation Documents or the District Documents, or which seeks to restrain or enjoin the issuance, sale and delivery of the Bonds or exclusion from gross income for federal income tax purposes or State of California personal income taxes of interest

on the Bonds, or the application of the proceeds thereof in accordance with the Fiscal Agent Agreement, or the collection or application of the Special Tax to pay the principal of and interest on the Bonds, or which in any way contests or affects the validity or enforceability of the Bonds, the Formation Documents or the District Documents or the accuracy of the Official Statement, or any action of the County contemplated by any of said documents; (ii) the County is duly organized and validly existing as a public entity under the laws of the State of California and the District is duly organized and validly existing as a community facilities district under the laws of the State of California, and the County has full legal right, power and authority to issue the Bonds and to perform all of its obligations under the Formation Documents and the District Documents; (iii) the County has obtained all approvals, consents, authorizations, elections and orders of or filings or registrations with any State governmental authority, board, agency or commission having jurisdiction which constitute a condition precedent to the levy of the Special Tax, the issuance of the Bonds or the performance by the County of its obligations thereunder or under the Fiscal Agent Agreement, except that no opinion need be expressed regarding compliance with blue sky or other securities laws or regulations, whatsoever; (iv) the Board has duly and validly adopted the Formation Documents at meetings of the Board which were called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and the Formation Documents are now in full force and effect and have not been amended; and (v) the County has duly authorized, executed and delivered the District Documents and the Bonds and has duly authorized the preparation and delivery of the Official Statement;

(8) One or more certificates dated the Closing Date from Goodwin Consulting Group, Inc. addressed to the County and the Underwriter to the effect that (i) the amount of the Special Taxes that could be levied in each Fiscal Year on all Parcels (as defined in the Rate and Method of Apportionment of Special Tax for the Improvement Area) of Developed Property in the Improvement Area that are not delinquent in the payment of any Special Taxes then due and owing, less $25,000 for Administrative Expenses (as defined in the Rate and Method of Apportionment of Special Tax for the Improvement Area), is at least one hundred ten percent (110%) of the total Annual Debt Service for each such Fiscal Year on the Bonds and (ii) all information supplied by them for use in the Official Statement is true and correct as of the date of the Official Statement and as of the Closing Date;

(9) A certificate of the County dated the Closing Date, in a form acceptable to Bond Counsel, to the effect that the Bonds are not arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended;

(10) A certificate of the Fiscal Agent and an opinion of counsel to the Fiscal Agent dated the Closing Date and addressed to the County and the Underwriter to the effect that the Fiscal Agent has authorized the execution and delivery of the Fiscal Agent Agreement and that the Fiscal Agent Agreement is a valid and binding obligation of the Fiscal Agent enforceable in accordance with its terms;

(11) A Letter of Representations of Woodside in connection with the printing of the Preliminary Official Statement dated the date of the Preliminary Official Statement, substantially in the form attached as part of Exhibit C hereto or as such Letter of Representation may be modified with the approval of the Underwriter and Underwriter's Counsel, and a Closing Certificate of Woodside dated the Closing Date, substantially in the form attached as part of Exhibit C hereto;

(12) A continuing disclosure agreement executed by Woodside in the form attached in Appendix E to the Preliminary Official Statement (the "Developer Continuing Disclosure Agreement");

(13) An opinion letter from counsel to Woodside addressed to the County and the Underwriter, to the effect that (i) Woodside is a California limited partnership, duly organized and existing under the laws of the State, (ii) Woodside has duly and validly authorized the execution and delivery of the Developer Continuing Disclosure Agreement and the same is in full force and effect as of the Closing Date and is a valid and legally binding obligation of Woodside, enforceable against Woodside in accordance with its terms, (iii) the execution and delivery by Woodside of the Developer Continuing Disclosure Agreement and the performance of its obligations thereunder do not and will not result in a violation of any provision of, or in default under any agreement or other instrument to which Woodside is a party, (iv) Woodside is not in violation of any provision of or in default under, its organizational documents or any agreement or other instrument, violation of or default under which would materially and adversely affect the business, properties, assets, liabilities or conditions (financial or other) of Woodside, (v) except as set forth in the Official Statement, there is no litigation pending against Woodside (with service of process to Woodside having been duly given and completed) or overtly threatened against Woodside which would materially and adversely affect the validity or enforceability of the Developer Continuing Disclosure Agreement, Woodside's ability to complete the development of its property as proposed in the Official Statement or to pay the Special Taxes and (vi) without having undertaken to determine independently the accuracy or completeness of the statements contained in the Official Statement and without passing upon or assuming responsibility for the accuracy, completeness or fairness of such statements, no information has come to the attention during the course of their representation of Woodside which causes them to believe that the statements contained in the Official Statement under the captions "THE IMPROVEMENT AREA – Location and Description of the Improvement Area," "– History of the Improvement Area," " – The Developer" and "CONTINUING DISCLOSURE" as of the date of the Official Statement contained, or as of the date hereof contains, any untrue statement of a material fact or as of the date of the Official Statement omitted, or as of the date hereof omits, to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except that no opinion or belief need to be expressed as to any information which is attributable to a source other than Woodside, contained in the Official Statement);

(14) Such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the statements and information contained in the Preliminary Official Statement and the Official Statement, of the County's representations and warranties contained herein and the due performance or satisfaction by the County at or prior to the Closing of all agreements then to be performed and all conditions then to be satisfied by the County and the District in connection with the transactions contemplated hereby and by the Official Statement;

(15) Written confirmation from the County's [dissemination agent] or a subsidy thereof in a form acceptable to the Underwriter that, except as disclosed in the Official Statement, the County has timely filed materially complete continuing disclosure reports with respect to the County's non-community facilities district continuing disclosure requirements relating to Rule 15c2-12 in each of the last five fiscal years;

(16) Written confirmation from the [Special Tax Consultant] in a form acceptable to the Underwriter that, except as disclosed in the Official Statement, the County has timely filed materially complete continuing disclosure reports with respect to the continuing disclosure requirements relating to Rule 15c2-12 with respect to each of the County's community facilities districts in each of the last five fiscal years;

(17) G-17 letter from the Underwriter acknowledged by the County;

(18) A letter of Quint & Thimmig LLP, as disclosure counsel to the County ("Disclosure Counsel"), addressed to the Underwriter and the County, to the effect that nothing has come to such counsel's attention that would lead them to believe that the Official Statement, as of its date and as of the Closing Date (but excluding therefrom the appendices thereto, financial statements and statistical data, and information regarding The Depository Trust Company and its book-entry system, as to which no opinion need be expressed), contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(19) A certificate of Fieldman, Rolapp & Associates, as financial advisor to the County (the "Financial Advisor"), dated as of the Closing Date, in form and substance satisfactory to Disclosure Counsel, Bond Counsel and the Underwriter, including a statement to the effect that nothing has come to their attention that would lead them to believe that the Official Statement, including the cover page, as of its date and as of the Closing Date, contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

If the County shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, accept delivery of and pay for the Bonds contained in this Purchase Agreement, or if the obligations of the Underwriter to purchase, accept delivery of and pay for the Bonds shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and neither the Underwriter nor the County shall be under any further obligation hereunder, except that the respective obligations of the County and the Underwriter set forth in Section 5, Section 6 and Section 8 hereof shall continue in full force and effect.

4. Conditions of the County's Obligations. The County's obligations hereunder are subject to the Underwriter's performance of its obligations hereunder, and are also subject to the following conditions:

(a) As of the Closing Date, no litigation shall be pending or, to the knowledge of the duly authorized officer of the County executing the certificate referred to in Section 3(d)(6) hereof, threatened, to restrain or enjoin the issuance or sale of the Bonds or in any way affecting any authority for or the validity of the Bonds, the Formation Documents, the District Documents or the existence or powers of the County or the District; and

(b) As of the Closing Date, the County shall receive the approving opinion of Bond Counsel referred to in Section 3(d)(3) hereof, dated as of the Closing Date.

5. Expenses. Whether or not the Bonds are delivered to the Underwriter as set forth herein:

(a) The Underwriter shall be under no obligation to pay, and the County shall pay or cause to be paid (out of any legally available funds of the District) all expenses incident to the performance of the County's obligations hereunder, including, but not limited to, the cost of printing, engraving and delivering the Bonds to the Underwriter, the cost of preparation, printing, distribution and delivery of the Fiscal Agent Agreement, the Preliminary Official Statement, the Official Statement and all other agreements and documents contemplated hereby (and drafts of any thereof) in such reasonable quantities as requested by the Underwriter; and the fees and disbursements of the Financial Advisor, the Special Tax Consultant, the Fiscal Agent, Bond Counsel and Disclosure Counsel and any accountants, engineers or any other experts or consultants the County has retained in connection with the Bonds; and

(b) The County shall be under no obligation to pay, and the Underwriter shall pay, any fees of the California Debt and Investment Advisory Commission, the cost of preparation of any "blue sky" or legal investment memoranda and this Purchase Agreement; expenses to qualify the Bonds for sale under any "blue sky" or other state securities laws; and all other expenses incurred by the Underwriter in connection with its public offering and distribution of the Bonds (except those specifically enumerated in paragraph (a) of this section), including the fees and disbursements of its counsel and any advertising expenses.

6. Notices. Any notice or other communication to be given to the County under this Purchase Agreement may be given by delivering the same in writing to the County at 915 8th Street, Suite 115, Marysville, California 95901, Attention: County Administrator; and any notice or other communication to be given to the Underwriter under this Purchase Agreement may be given by delivering the same in writing to Stifel, Nicolaus & Company, Incorporated, One Montgomery Street, 35th Floor, San Francisco, California 94104, Attention: Eileen Gallagher, Managing Director.

7. Parties in Interest. This Purchase Agreement is made solely for the benefit of the County, the District and the Underwriter (including their successors or assigns), and no other person shall acquire or have any right hereunder or by virtue hereof.

8. Survival of Representations and Warranties. The representations and warranties of the County set forth in or made pursuant to this Purchase Agreement shall not be deemed to have been discharged, satisfied or otherwise rendered void by reason of the Closing or termination of this Purchase Agreement and regardless of any investigations made by or on behalf of the Underwriter (or statements as to the results of such investigations) concerning such representations and statements of the County and regardless of delivery of and payment for the Bonds.

9. Effective. This Purchase Agreement shall become effective and binding upon the respective parties hereto upon the execution of the acceptance hereof by the County and shall be valid and enforceable as of the time of such acceptance.

10. No Prior Agreements. This Purchase Agreement supersedes and replaces all prior negotiations, agreements and understandings between the parties hereto in relation to the sale of Bonds for the County.

11. Governing Law. This Purchase Agreement shall be governed by the laws of the State applicable to contracts made and performed in the State.

12. Counterparts. This Purchase Agreement may be executed simultaneously in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

Very truly yours,

STIFEL, NICOLAUS & COMPANY,
INCORPORATED

By: _____
Managing Director

ACCEPTED:

COUNTY OF YUBA, CALIFORNIA

By: _____
County Administrator

Time: ____a.m./p.m.

EXHIBIT A

MATURITY SCHEDULE

COUNTY OF YUBA
COMMUNITY FACILITIES DISTRICT NO. 2005-1
(IMPROVEMENT AREA C – COUNTRYSIDE AT MONTROSE),
2014 SPECIAL TAX BONDS

Maturity Date (September 1)	*Principal Amount*	*Interest Rate*	*Yield*	*Price*
	$	%	%	

The purchase price of the Bonds shall be $_____, which is the principal amount thereof ($_____) less original issue discount of $_____ and less Underwriter's discount of $_____.

EXHIBIT B

COUNTY OF YUBA
COMMUNITY FACILITIES DISTRICT NO. 2005-1
(IMPROVEMENT AREA C – COUNTRYSIDE AT MONTROSE),
2014 SPECIAL TAX BONDS

RULE 15c2-12 CERTIFICATE

The undersigned hereby certifies and represents that he is the County Administrator of the County of Yuba, California (the "County"), and, as such, is duly authorized to execute and deliver this certificate and further hereby certifies that:

(1) this certificate is being delivered in connection with the sale and issuance of the County of Yuba Community Facilities District No. 2005-1 (Improvement Area C – Countryside at Montrose), 2014 Special Tax Bonds (the "Bonds") in order to enable the underwriter of the Bonds to comply with Rule 15c2-12 promulgated under the Securities and Exchange Act of 1934, as amended (the "Rule");

(2) in connection with the sale and issuance of the Bonds, there has been prepared a Preliminary Official Statement dated _____, 2014 setting forth information concerning the Bonds and the County of Yuba Community Facilities District No. 2005-1 (Orchard/Montrose Public Improvements) (the "Preliminary Official Statement"); and

(3) except for the Permitted Omissions, the Preliminary Official Statement is deemed final within the meaning of the Rule. As used herein, the term "Permitted Omissions" refers to the offering price(s), interest rates(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings and other terms of the Bonds depending on such matters, all as set forth in the Rule.

IN WITNESS WHEREOF, I have hereunto set my hand as of _____, 2014.

COUNTY OF YUBA, CALIFORNIA

By: _____
Its: County Administrator

EXHIBIT C

COUNTY OF YUBA
COMMUNITY FACILITIES DISTRICT NO. 2005-1
(IMPROVEMENT AREA C – COUNTRYSIDE AT MONTROSE),
2014 SPECIAL TAX BONDS

LETTER OF REPRESENTATIONS OF
WOODSIDE 05N, LP

_____, 2014

County of Yuba
915 8th Street, Suite 115
Marysville, California 95901

County of Yuba Community Facilities District No. 2005-1
(Orchard/Montrose Public Improvements)
915 8th Street, Suite 115
Marysville, California 95901

Stifel, Nicolaus & Company, Incorporated
One Montgomery Street, 35th Floor
San Francisco, California 94104

Ladies and Gentlemen:

Reference is made to the County of Yuba Community Facilities District No. 2005-1 (Improvement Area C – Countryside at Montrose), 2014 Special Tax Bonds (the "Bonds") and to the Bond Purchase Agreement to be entered into in connection therewith (the "Purchase Agreement"). This Letter of Representations (the "Letter of Representations") is delivered pursuant to and in satisfaction of Section 3(d)(11) of the Purchase Agreement. Capitalized terms used and not otherwise defined herein have the meanings ascribed to them in the Purchase Agreement.

The undersigned certifies that he or she is familiar with the facts herein certified and is authorized and qualified to certify the same as an authorized officer or representative of Woodside 05N, LP, a California limited partnership (the "Developer"), and the undersigned, on behalf of the Developer, further certifies as follows:

1. The Developer is duly organized and validly existing under the laws of the State of California, qualified to transact business in the State of California and has all requisite right, power and authority: (i) to execute and deliver this Letter of Representations and the Developer Continuing Disclosure Agreement; and (ii) to undertake all of the transactions on its part described in the Preliminary Official Statement.

2. As set forth in the Preliminary Official Statement, certain property within Improvement Area C of the County of Yuba Community Facilities District No. 2005-1

(Orchard/Montrose Public Improvements) (the "Community Facilities District") is held in the name of the Developer (herein the "Property"). The undersigned, on behalf of the Developer, makes the representations herein with respect to all such Property. Except as otherwise described in the Preliminary Official Statement, the Developer is and the Developer's expectation as of the date of this Letter of Representations is that the Developer shall remain the party responsible for the development of the Property.

3. The Developer has, or will have prior to the Closing, duly authorized the execution and delivery at the Closing of the Developer Continuing Disclosure Agreement and the performance by the Developer of its obligations thereunder. Except as described in the Preliminary Official Statement, the Developer and its parent and Affiliates[2] have not failed to comply in all material respects with any previous undertakings with regard to Rule 15c2-12 of the Securities and Exchange Commission to provide annual reports, semi-annual reports or notices of listed events in the last five years.

4. Except as disclosed in the Preliminary Official Statement, to the Actual Knowledge of the Undersigned,[1] the Developer and its Affiliates[2] have not violated any applicable law or administrative regulation of the State of California or the United States of America, or any agency or instrumentality of either, which violation could reasonably be expected to materially and adversely affect the Developer's ability to pay Special Taxes due with respect to the Property.

5. Except as disclosed in the Preliminary Official Statement, to the Actual Knowledge of the Undersigned, (a) the Developer and its Affiliates are not in breach of or in default under any applicable judgment or decree or any loan agreement, option agreement, development agreement, indenture, fiscal agent agreement, bond or note (collectively, the "Material Agreements") to which the Developer or its Affiliates are a party or otherwise subject, which breach or default could reasonably be expected to materially and adversely affect the Developer's ability to complete the development of the Property as proposed in the Preliminary Official Statement or to pay the Special Taxes due with respect to the Property and (b) no event has occurred and is continuing that with the passage of time or giving of notice, or both, would constitute such a breach or default.

---

[1] As used in this Letter of Representations, the phrase "Actual Knowledge of the Undersigned" shall mean the knowledge of the undersigned as of the date hereof obtained from interviews with such current officers and responsible employees of the Developer and its Affiliates as the undersigned has determined are likely, in the ordinary course of their respective duties, to have knowledge of the matters set forth herein. The undersigned has not conducted any extraordinary inspection or inquiry other than such inspections or inquiries as are prudent and customary in connection with the ordinary course of the Developer's current business and operations.

[2] "Affiliate" means, with respect to a Person (i) any other Person directly, or indirectly through one or more intermediaries, controlling, controlled by or under common control with such Person, and (ii) for whom information, including financial information or operating data, concerning such Person referenced in clause (i) is material to an evaluation of the Community Facilities District and the Bonds (i.e., information relevant to the Developer's development plans with respect to its Property and the payment of its Special Taxes, or such Person's assets or funds that would materially affect the Developer's ability to develop its Property as described in the Preliminary Official Statement or to pay its Special Taxes). "Person" means an individual, a corporation, a partnership, a limited liability company, an association, a joint stock company, a trust, any unincorporated organization or a government or political subdivision thereof. For purposes hereof, the term "control" (including the terms "controlling," "controlled by" or "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

6. Except as described in the Preliminary Official Statement, there is no material indebtedness of the Developer or its Affiliates that is secured by an interest in the Property. Neither the Developer nor, to the Actual Knowledge of the Undersigned, any of its Affiliates is in default on any obligation to repay borrowed money, which default is reasonably likely to materially and adversely affect the Developer's ability to complete the development of the Property as proposed in the Preliminary Official Statement or to pay the Special Taxes due with respect to the Property.

7. Except as set forth in the Preliminary Official Statement, no action, suit, proceeding, inquiry or investigation at law or in equity, before or by any court, regulatory agency, public board or body is pending against the Developer (with proper service of process or proper notice to the Developer having been accomplished) or, to the Actual Knowledge of the Undersigned, is pending against any current Affiliate (with proper service of process to such Affiliate having been accomplished) or to the Actual Knowledge of the Undersigned is threatened in writing against the Developer or any such Affiliate which if successful, is reasonably likely to materially and adversely affect the Developer's ability to complete the development of the Property as described in the Preliminary Official Statement or to pay the Special Tax or *ad valorem* tax obligations on its Property when due.

8. As of the date thereof, the Preliminary Official Statement, solely with respect to information contained therein with respect to the Developer, its Affiliates, ownership of the Property, the Developer's development plan, the Developer's financing plan, and contractual arrangements of the Developer or any Affiliates (including, if material to the Developer's development plan or the Developer's financing plan) as set forth under the captions "THE IMPROVEMENT AREA – Location and Description of the Improvement Area," "– History of the Improvement Area," "– The Developer" and "CONTINUING DISCLOSURE" (excluding therefrom information which is identified as having been provided by a source other than the Developer), is true and correct in all material respects and did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

9. The Developer covenants that, while the Bonds or any refunding obligations related thereto are outstanding, the Developer and its Affiliates which it controls will not bring any action, suit, proceeding, inquiry or investigation at law or in equity, before any court, regulatory agency, public board or body, that in any way seeks to challenge or overturn the formation of the Community Facilities District, to challenge the adoption of Ordinance No. 1437 of the County levying Special Taxes within the Improvement Area, to invalidate the Community Facilities District or any of the Bonds or any refunding bonds related thereto, or to invalidate the special tax liens imposed under Section 3115.5 of the Streets and Highways Code based on recordation of the amended notice of special tax lien relating thereto. The foregoing covenant shall not prevent the Developer in any way from bringing any other action, suit or proceeding including, without limitation, (a) an action or suit contending that the Special Tax has not been levied in accordance with the methodologies contained in the Community Facilities District's Rate and Method of Apportionment of Special Taxes for the Improvement Area pursuant to which the Special Taxes are levied, (b) an action or suit with respect to the application or use of the Special Taxes levied and collected or (c) an action or suit to enforce the obligations of the County and/or the Community Facilities District under the District Resolutions, the Fiscal Agent Agreement, or

any other agreements among the Developer, the County, and/or the Community Facilities District or to which the Developer is a beneficiary.

10. Except as disclosed in the Preliminary Official Statement, to the Actual Knowledge of the Undersigned, the Developer is not aware that any other public debt secured by a tax or assessment on the Property exists or is in the process of being authorized or any assessment districts or community facilities districts have been or are in the process of being formed that include any portion of the Property.

11. The Developer has been developing or has been involved in the development of numerous projects over an extended period of time. It is likely that the Developer and some of its Affiliates have been delinquent at one time or another in the payment of *ad valorem* property taxes, special assessments or special taxes. To the actual knowledge of the employees of the Developer involved in the issuance of the Bonds, neither it nor any Affiliate has been delinquent to any material extent in the payment of any *ad valorem* property tax, special assessment or special tax on property owned by the Developer or any current Affiliate during the period of its ownership included within the boundaries of a community facilities district or an assessment district within California that (a) would have caused a draw on a reserve fund relating to such assessment district or community facilities district financing or (b) resulted in a foreclosure action being commenced against the Developer or any such Affiliate.

12. The Developer consents to the issuance of the Bonds. The Developer acknowledges and agrees that the proceeds of the Bonds will be used as described in the Preliminary Official Statement.

13. The Developer intends to comply with the provision of the Mello-Roos Community Facilities District Act of 1982, as amended relating to the Notice of Special Tax described in Government Code Section 53341.5 in connection with the sale of the Property, or portions thereof.

14. To the Actual Knowledge of the Undersigned, the Developer is able to pay its bills as they become due and no legal proceedings are pending against the Developer (with proper service of process to the Developer having been accomplished) or, to the Actual Knowledge of the Undersigned, threatened in writing in which the Developer may be adjudicated as bankrupt or discharged from any and all of its debts or obligations, or granted an extension of time to pay its debts or obligations, or be allowed to reorganize or readjust its debts, or be subject to control or supervision of the Federal Deposit Insurance Corporation.

15. To the Actual Knowledge of the Undersigned, Affiliates of the Developer are able to pay their bills as they become due and no legal proceedings are pending against any Affiliates of the Developer (with proper service of process to such Affiliate having been accomplished) or to the Actual Knowledge of the Undersigned, threatened in writing in which the Affiliates of the Developer may be adjudicated as bankrupt or discharged from any or all of their debts or obligations, or granted an extension of time to pay their debts or obligations, or be allowed to reorganize or readjust their debts or obligations, or be subject to control or supervision of the Federal Deposit Insurance Corporation.

16. Based upon its current development plans, including, without limitation, its current budget and subject to economic conditions and risks generally inherent in the development of real property, and except as disclosed in the Preliminary Official Statement including in the sections entitled "THE IMPROVEMENT AREA – Location and Description of the Improvement Area," "– History of the Improvement Area" and "– The Developer," the Developer anticipates that it will have sufficient funds to complete the development of the Property as described in the Preliminary Official Statement and to pay Special Taxes levied against the Property when due and does not anticipate that the County or the Community Facilities District will be required to resort to a draw on the Reserve Fund for payment of principal of or interest on the Bonds due to the Developer's nonpayment of Special Taxes. However, neither the Developer nor its Affiliates are obligated to make any additional capital contribution or loan to the Developer at any time, and the Developer reserves the right to change its development plan and financing plan for the Property at any time without notice.

17. Solely as to the limited information described in Paragraph 8 above concerning the Developer, its Affiliates, ownership of the Property, the Developer's development plan, the Developer's financing plan, the Developer's lenders, if any, and contractual arrangements of the Developer or any Affiliates (including, if material to the Developer's development plan or the Developer's financing plan, other loans of such Affiliates) as set forth in the Preliminary Official Statement under the captions "THE IMPROVEMENT AREA – Location and Description of the Improvement Area," "– History of the Improvement Area," "– The Developer" and "CONTINUING DISCLOSURE" (excluding therefrom information which is identified as having been provided by a source other than the Developer), the Developer agrees to indemnify and hold harmless, to the extent permitted by law, the County, the Community Facilities District, and their officials and employees, and each Person, if any, who controls any of the foregoing within the meaning of Section 15 of the Securities Act of 1933, as amended, or of Section 20 of the Securities Exchange Act of 1934, as amended, against any and all losses, claims, damages or liabilities, joint or several, to which such indemnified party may become subject under any statute or at law or in equity or otherwise and shall reimburse any such indemnified party for any reasonable legal or other expense reasonably incurred by it in connection with investigating any such claim against it and defending any such action, insofar as such losses, claims, damages, liabilities or actions arise from any untrue statement or alleged untrue statement by the Developer of a material fact contained in the above-referenced information in the Preliminary Official Statement, as of its date, or the omission or alleged omission by the Developer to state in the Preliminary Official Statement, as of its date, a material fact necessary to make the statements made by the Developer contained therein, in light of the circumstances under which they were made not misleading. This indemnity provision shall not be construed as a limitation on any other liability which the Developer may otherwise have to any indemnified party, *provided* that in no event shall the Developer be obligated for double indemnification, or for the negligence or willful misconduct of an indemnified party.

18. If between the date hereof and the Closing Date any event relating to or affecting the Developer, its Affiliates, ownership of the Property, the Developer's development plan, the Developer's financing plan, the Developer's lenders, if any, and contractual arrangements of the Developer or any Affiliates (including, if material to the Developer's development plan or the Developer's financing plan, other loans of such Affiliates) shall occur of which the undersigned has actual knowledge and which the undersigned believes would cause the information under the sections of the Preliminary

Official Statement indicated in Paragraph 8 hereof, to contain an untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the undersigned shall notify the County and the Underwriter and if in the opinion of counsel to the County or the Underwriter such event requires the preparation and publication of a supplement or amendment to the Preliminary Official Statement, the Developer shall reasonably cooperate with the County in the preparation of an amendment or supplement to the Preliminary Official Statement in form and substance satisfactory to counsel to the County and to the Underwriter.

19. For the period through 25 days after the "End of the Underwriter Period" as defined in the Purchase Agreement, if any event relating to or affecting the Developer, its Affiliates, ownership of the Property, the Developer's development plan, the Developer's financing plan, the Developer's lenders, if any, and contractual arrangements of the Developer or any Affiliates (including, if material to the Developer's development plan or the Developer's financing plan, other loans of such Affiliates) shall occur as a result of which it is necessary, in the opinion of the Underwriter or counsel to the County, to amend or supplement the Official Statement in order to make the Official Statement not misleading in the light of the circumstances existing at the time it is delivered to a purchaser, the Developer shall reasonably cooperate with the County and the Underwriter in the preparation of an amendment or supplement to the Official Statement in form and substance satisfactory to the Underwriter and Disclosure Counsel which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to a purchaser, not misleading.

20. The Developer agrees to deliver a Closing Certificate dated the date of issuance of the Bonds at the time of issuance of the Bonds in substantially the form attached as Exhibit A.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK; EXECUTION PAGE FOLLOWS]

21. On behalf of the Developer, I have reviewed the contents of this Letter of Representations and have met with counsel to the Developer for the purpose of discussing the meaning of its contents.

The undersigned has executed this Certificate solely in his or her capacity as an officer of Developer and he or she will have no personal liability arising from or relating to this Certificate. Any liability arising from or relating to this Certificate may only be asserted against the Developer.

Woodside 05N, LP, a California limited partnership

By: _____

EXHIBIT A

COUNTY OF YUBA
COMMUNITY FACILITIES DISTRICT NO. 2005-1
(IMPROVEMENT AREA C – COUNTRYSIDE AT MONTROSE),
2014 SPECIAL TAX BONDS

CLOSING CERTIFICATE OF WOODSIDE 05N, LP

_____, 2014

County of Yuba
915 8th Street, Suite 115
Marysville, California 95901

County of Yuba Community Facilities District No. 2005-1
(Orchard/Montrose Public Improvements)
915 8th Street, Suite 115
Marysville, California 95901

Stifel, Nicolaus & Company, Incorporated
One Montgomery Street, 35th Floor
San Francisco, California 94104

Ladies and Gentlemen:

Reference is made to County of Yuba Community Facilities District No. 2005-1 (Orchard/Montrose Public Improvements) (the "Community Facilities District") (Improvement Area C – Countryside at Montrose), 2014 Special Tax Bonds (the "Bonds") and to the Bond Purchase Agreement, dated _____, 2014 (the "Purchase Agreement"), entered into in connection therewith. This certificate is delivered by Woodside 05N, LP, a California limited partnership (the "Developer") pursuant to the Purchase Agreement. Capitalized terms used herein or in the Letter of Representations (defined below) and not otherwise defined have the meanings ascribed to them in the Purchase Agreement. A copy of a Letter of Representations (the "Letter of Representations"), dated _____, 2014, delivered by the Developer, is attached hereto as Exhibit A.

The undersigned certifies that he or she is familiar with the facts herein certified and is authorized and qualified to certify the same as an authorized officer or representative of the Developer, and the undersigned, on behalf of the Developer, further certifies as follows:

1. The Developer has received the final Official Statement relating to the Bonds. Each statement, representation and warranty made in the Letter of Representations is true and correct in all material respects on and as of the date hereof with the same effect as if made on the date hereof, except that all references therein to the Preliminary Official Statement shall be deemed to be references to the final Official Statement.

2. To the Actual Knowledge of the Undersigned, no event has occurred since the date of the Preliminary Official Statement affecting the statements and information described in Paragraph 8 of the Letter of Representations relating to the Developer, its Affiliates, ownership of the Property, the Developer's development plan, the Developer's financing plan, the Developer's lenders, if any, and contractual arrangements of the Developer or any Affiliates (including, if material to the Developer's development plan or the Developer's financing plan, other loans of such Affiliates) which should be disclosed in the Official Statement for the purposes for which it is to be used in order to make such statements and information contained in the Official Statement not misleading in any material respect.

3. The Developer Continuing Disclosure Agreement has been duly authorized, executed, and delivered by the Developer and, assuming due authorization, execution and delivery by the other party thereto, constitutes a legal, valid, and binding agreement of the Developer, enforceable against the Developer in accordance with its terms, subject to laws relating to bankruptcy, insolvency, or other laws affecting the enforcement of creditors' rights generally and the application of equitable principles if equitable remedies are sought.

4. The undersigned has executed this Certificate solely in his or her capacity as an officer of Developer and he or she will have no personal liability arising from or relating to this Certificate. Any liability arising from or relating to this Certificate may only be asserted against the Developer.

Woodside 05N, LP, a California limited partnership

By: _____

The County of Yuba

HUMAN RESOURCES and ORGANIZATIONAL SERVICES

MARTHA K. WILSON, DIRECTOR

915 8TH STREET, STE 113
MARYSVILLE, CA 95901

(530) 749-7860 • PHONE
(530) 749-7864 • FAX

TO: Board of Supervisors

FROM: Martha Wilson, Human Resources Director
Jim Arnold, Chief Probation Officer

SUBJECT: Restructure Juvenile Facility Class Series within Probation Department

DATE: November 18, 2014

RECOMMENDATION

Adopt resolutions to amend the Position Allocation and Classification System – Basic Salary/Hourly Schedules as they relate to the Probation Department, effective November 1, 2014.

BACKGROUND

In May of 2014, a Joint Exercise of Powers Agreement was signed by Yuba County, Sutter County and Colusa County to establish and operate the Tri-County Regional Juvenile Rehabilitation Facility. This agreement establishes a new management structure for the operation of the facility, including adding a Superintendent to manage the day-to-day operations of the facility. Currently, the Assistant Chief Probation Officer is fulfilling this role in addition to his management responsibilities over four other Probation Divisions. With the construction of a new juvenile facility, it has become readily apparent the Superintendent position is needed at this time to assist in the planning and development phases.

Along with the changes to management structure and personnel, the department intends to address recruitment challenges to fill the juvenile facility line staff positions. Recent recruitment efforts have resulted in shallow applicant pools. Our last recruitment for Group Counselor I/II resulted in only four applicants to interview.

DISCUSSION

The Probation Department would like to modify the Juvenile Hall's current structure by the following actions:

1. Add the Superintendent of Institutions as required by the Joint Exercise of Powers Agreement. The base salary proposed was determined from an internal and external salary study.

2. Change the title of Probation Program Manager I to Deputy Superintendent to better reflect the overall structure of the Juvenile Facility as outlined in the Joint Exercise of Powers Agreement and to increase its base salary equivalent to its management counterparts in the Probation Department.
3. Since we have proposed to delete the Probation Program Manager I.
4. Address our recruitment challenges by changing the titles of the Group Counselor class series to Juvenile Corrections Officer class series.

The attached Resolutions update the County position allocation and salary/hourly schedules.

COMMITTEE

This item has bypassed committee due to limited Board of Supervisors meetings and due to the time sensitivity of getting this position in place.

FISCAL IMPACT

The estimated fiscal impact for the current year is approximately $79,265. Pursuant to the Joint Exercise of Powers Agreement, 40% ($31,706) of the total will be offset by Sutter County and 20% ($15,853) will be offset by Colusa County. The Yuba County Probation Department will absorb the remaining balance of $31,706, which has already been approved in the Probation Department's FY 14/15 budget.

BEFORE THE BOARD OF SUPERVISORS

OF THE COUNTY OF YUBA

RESOLUTION AMENDING THE DEPARTMENTAL POSITION ALLOCATION SCHEDULE) RESOLUTION NO. _____

BE IT RESOLVED that the Departmental Position Allocation Schedule as it relates to the following department(s) is amended effective November 1, 2014 as follows:

DELETE:

DEPARTMENT	CLASSIFICATION	# OF POSITIONS
Probation	Group Counselor I/II	26
Probation	Supervising Group Counselor	7
Probation	Probation Program Manager I	2
Probation	Probation Program Manager II	2

ADD:

DEPARTMENT	CLASSIFICATION	# OF POSITIONS
Probation	Juvenile Corrections Officer I/II	26
Probation	Supervising Corrections Officer	7
Probation	Probation Program Manager	2
Probation	Deputy Superintendent	2
Probation	Superintendent of Institutions	1

PASSED AND ADOPTED by the Board of Supervisors of the County of Yuba, State of California, on the _____ day of _____, 2014 by the following votes:

AYES:
NOES:
ABSENT:

_____
CHAIRMAN

ATTEST: Donna Stottlemeyer
Clerk of the Board

By:_____

APPROVED AS TO FORM: Angil Morris-Jones
County Counsel

By: Angil P. Morris-Jones

BEFORE THE BOARD OF SUPERVISORS

OF THE COUNTY OF YUBA

RESOLUTION AMENDING THE CLASSIFICATION SYSTEM – BASIC SALARY SCHEDULE

RESOLUTION NO. _____

BE IT RESOLVED that the Classification System – Basic Salary/Hourly Schedule is amended as follows effective November 1, 2014.

DELETE:

Code	Classification	Unit	BASE: STEP A	HOURLY	OT Code	WC Code
GRCA	Group Counselor Aide – Extra Help			12.02	N	9410.PB
GRCO-1	Group Counselor I	16	$2,646	15.27	N	9410.PB
GRCO-2	Group Counselor II	16	$3,067	17.69	N	9410.PB
SUGC	Supervising Group Counselor	17	$3,555	20.51	N	9410.PB
PPMG-1	Probation Program Manager I	8	$5,065	29.22	E	9410.PB
PPMG-2	Probation Program Manager II	8	$5,534	31.93	E	9410.PB

ADD:

Code	Classification	Unit	BASE: STEP A	HOURLY	OT Code	WC Code
JCOA	Juvenile Corrections Aide – Extra Help			12.02	N	9410.PB
JCOF-1	Juvenile Corrections Officer I	16	$2,646	15.27	N	9410.PB
JCOF-2	Juvenile Corrections Officer II	16	$3,067	17.69	N	9410.PB
SJCO	Supervising Juvenile Corrections Officer	17	$3,555	20.51	N	9410.PB
PPMG	Probation Program Manager	8	$5,534	31.93	E	9410.PB
DSUP	Deputy Superintendent	8	$5,534	31.93	E	9410.PB
SPIN	Superintendent of Institutions	8	$6,290	36.29	E	9410.PB

PASSED AND ADOPTED by the Board of Supervisors of the County of Yuba, State of California, on the _____ day of_____, 2014 by the following votes:

AYES:
NOES:
ABSENT:

_____
CHAIRMAN

ATTEST: Donna Stottlemeyer
Clerk of the Board

By:_____

APPROVED AS TO FORM: Angil Morris-Jones
County Counsel

By:_____



ORDINANCES AND PUBLIC HEARINGS

THIS PAGE INTENTIONALLY LEFT BLANK

524-14

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

BUILDING
749-5440 • Fax 749-5616

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

TO: Board of Supervisors

FROM: Michael G. Lee, Director of Public Works

SUBJECT: Update Ordinance Code Chapter 10.30, Floodplain Management

DATE: November 18, 2014

Recommendation

That the Board repeal and re-enact Ordinance Code Title X, Chapter 10.30 in its entirety to better address the requirements of the National Flood Insurance Program and the Community Rating System.

Background

The National Flood Insurance Program (NFIP) provides flood insurance and disaster relief to property owners who live in participating communities. Participation in the NFIP is voluntary; Yuba County joined the NFIP in 1983. Participants in the NFIP have to meet certain minimum standards for construction and floodplain management, and also have to adopt a floodplain management ordinance that specifies the County's floodplain management requirements. The State of California provides a template for floodplain management ordinances; this template reflects the minimum standards required by the NFIP.

Discussion

The NFIP also encourages communities to implement higher standards under the Community Rating System (CRS) program. The CRS program provides incentives in the form of premium discounts for communities to go beyond the minimum floodplain management requirements by developing extra flood protection measures. A community's CRS classification determines the premium discount for policyholders. There are ten CRS classifications: Class "1" requires the most credit points and gives the greatest premium discount (45%); while Class "10" receives no discount. Yuba County is a Class "6" community, and receives a 20% discount on flood insurance premiums. The standards for achieving discounts changed in 2013, so Yuba County needs to adjust its floodplain management standards accordingly. The proposed changes clarify NFIP minimum requirements, remove the existing prohibition against having enclosed

areas below the lowest floor elevation, update references, and remove other minor inconsistencies within the chapter.

Committee Action:

The Land and Public Works Committee reviewed this request on October 28, 2014 and recommended approval.

Fiscal Impact:

The fiscal impact of updating ordinance code chapter 10.30 is anticipated to be negligible.

ORDINANCE NO. _____

AN ORDINANCE AMENDING TITLE X, CHAPTER 10.30 OF THE YUBA COUNTY ORDINANCE CODE BY REPEALING AND REENACTING CHAPTER 10.30 AS AMENDED RELATING TO FLOODPLAIN MANAGEMENT

The following ordinance 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 _____, 20____, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Chairman of the Board of Supervisors
of the County of Yuba, State of California

ATTEST: DONNA STOTTLEMEYER
Clerk of the Board of Supervisors

By:_____

APPROVED AS TO FORM
ANGIL MORRIS-JONES
Yuba County Counsel

By:_____

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 before the expiration of fifteen (15) days after its passage a summary shall be published with the names of the 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. Chapter 10.30 of Title X of the Yuba County Ordinance Code is hereby repealed and Chapter 10.30 is hereby reenacted as amended and set forth herein below:

CHAPTER 10.30

FLOODPLAIN MANAGEMENT

Sections

10.30.010 STATUTORY AUTHORIZATION
10.30.020 FINDINGS OF FACT
10.30.030 STATEMENT OF PURPOSE
10.30.040 METHODS OF REDUCING FLOOD LOSSES
10.30.050 DEFINITIONS
10.30.060 GENERAL PROVISIONS
10.30.070 ADMINISTRATION
10.30.080 PROVISIONS FOR FLOOD HAZARD REDUCTION
10.30.090 VARIANCE PROCEDURES

10.30.010 STATUTORY AUTHORIZATION. The Legislature of the State of California has in Government Code Sections 65302, 65560, and 65800 conferred upon local governments the authority to adopt regulations designed to promote the public health, safety, and general welfare of its citizenry. Therefore, the County of Yuba does hereby adopt the following floodplain management regulations.

10.30.020 FINDINGS OF FACT.

(a) The flood hazard areas of Yuba County are subject to periodic inundation which results in loss of life and property, health and safety hazards, disruption of commerce and governmental services, extraordinary public expenditures for flood protection and relief, and impairment of the tax base, all of which adversely affect the public health, safety, and general welfare.

(b) These flood losses are caused by uses that are inadequately elevated, floodproofed, or

protected from flood damage. The cumulative effect of obstructions in areas of special flood hazards which increase flood heights and velocities also contributes to flood losses.

10.30.030 STATEMENT OF PURPOSE. It is the purpose of this ordinance to promote the public health, safety, and general welfare, and to minimize public and private losses due to flood conditions in specific areas by legally enforceable regulations applied uniformly throughout the community to all publicly and privately owned land within flood prone, mudslide [i.e. mudflow] or flood related erosion areas. These regulations are designed to:

(a) Protect human life and health;

(b) Minimize expenditure of public money for costly flood control projects;

(c) Minimize the need for rescue and relief efforts associated with flooding and generally undertaken at the expense of the general public;

(d) Minimize prolonged business interruptions;

(e) Minimize damage to public facilities and utilities such as water and gas mains; electric, telephone and sewer lines; and streets and bridges located in areas of special flood hazard;

(f) Help maintain a stable tax base by providing for the sound use and development of areas of special flood hazard so as to minimize future blighted areas caused by flood damage;

(g) Ensure that potential buyers are notified that property is in an area of special flood hazard; and

(h) Ensure that those who occupy the areas of special flood hazard assume responsibility for their actions.

10.30.040 METHODS OF REDUCING FLOOD LOSSES. In order to accomplish its purposes, this ordinance includes regulations to:

(a) Restrict or prohibit uses which are dangerous to health, safety, and property due to water or erosion hazards, or which result in damaging increases in erosion or flood heights or velocities;

(b) Require that uses vulnerable to floods, including facilities which serve such uses, be protected against flood damage at the time of initial construction, and mitigated to prevent future losses for existing structure;

(c) Control the alteration of natural floodplains, stream channels, and natural protective barriers, which help accommodate or channel floodwaters;

(d) Control filling, grading, dredging, and other development which may increase flood

damage; and

(e) Prevent or regulate the construction of flood barriers which will unnaturally divert floodwaters or which may increase flood hazards in other areas.

10.30.050 DEFINITIONS. Unless specifically defined below, words or phrases used in this ordinance shall be interpreted so as to give them the meaning they have in common usage and to give this ordinance its most reasonable application.

(a) "A zone" - see "Special flood hazard area".

(b) "Accessory structure" means a structure that is either:

i. Solely for the parking of no more than 2 cars; or

ii. A small, low cost shed for limited storage, less than 450 square feet and $2,500 in value.

(c) "Accessory use" means a use which is incidental and subordinate to the principal use of the parcel of land on which it is located.

(d) "Alluvial fan" means a geomorphologic feature characterized by a cone or fan-shaped deposit of boulders, gravel, and fine sediments that have been eroded from mountain slopes, transported by flood flows, and then deposited on the valley floors, and which is subject to flash flooding, high velocity flows, debris flows, erosion, sediment movement and deposition, and channel migration.

(e) "Apex" means a point on an alluvial fan or similar landform below which the flow path of the major stream that formed the fan becomes unpredictable and alluvial fan flooding can occur.

(f) "Appeal" means a request for a review of the Floodplain Administrator's interpretation of any provision of this ordinance.

(g) "Area of shallow flooding" means a designated AO or AH Zone on the Flood Insurance Rate Map (FIRM). The base flood depths range from one to three feet; a clearly defined channel does not exist; the path of flooding is unpredictable and indeterminate; and velocity flow may be evident. Such flooding is characterized by ponding or sheet flow.

(h) "Area of special flood hazard" - See "Special flood hazard area."

(i) "Base flood" means a flood which has a one percent chance of being equaled or exceeded in any given year (also called the "100-year flood"). Base flood is the term used throughout this ordinance.

(j) "Base flood elevation" (BFE) means the elevation shown on the Flood Insurance Rate

Map for Zones AE, AH, A1-30, VE and V1-V30 that indicates the water surface elevation resulting from a flood that has a 1-percent or greater chance of being equaled or exceeded in any given year.

(k) "Basement" means any area of the building having its floor subgrade - i.e., below ground level - on all sides.

(l) "Building" - see "Structure".

(m)"Development" means any man-made change to improved or unimproved real estate, including but not limited to buildings or other structures, mining, dredging, filling, grading, paving, excavation or drilling operations or storage of equipment or materials. For the purposes of this ordinance, the following activities shall not be considered development:

1. Normal farming activities; or
2. Residential and commercial landscape maintenance.

Forma

(n) "Encroachment" means the advance or infringement of uses, plant growth, fill, excavation, buildings, permanent structures or development into a floodplain which may impede or alter the flow capacity of a floodplain.

(o) "Existing manufactured home park or subdivision" means a manufactured home park or subdivision for which the construction of facilities for servicing the lots on which the manufactured homes are to be affixed (including, at a minimum, the installation of utilities, the construction of streets, and either final site grading or the pouring of concrete pads) is completed before May 17, 1982.

(p) "Expansion to an existing manufactured home park or subdivision" means the preparation of additional sites by the construction of facilities for servicing the lots on which the manufactured homes are to be affixed (including the installation of utilities, the construction of streets, and either final site grading or the pouring of concrete pads).

(q) "Flood, flooding, or flood water" means:

i. A general and temporary condition of partial or complete inundation of normally dry land areas from the overflow of inland or tidal waters; the unusual and rapid accumulation or runoff of surface waters from any source; and/or mudslides (i.e., mudflows); and

ii. The condition resulting from flood-related erosion.

(r) "Flood Boundary and Floodway Map (FBFM)" means the official map on which the Federal Emergency Management Agency or Federal Insurance Administration has delineated both the areas of special flood hazards and the floodway.

(s) "Flood Insurance Rate Map (FIRM)" means the official map on which the Federal

Emergency Management Agency or Federal Insurance Administration has delineated both the areas of special flood hazards and the risk premium zones applicable to the community.

(t) "Flood Insurance Study" means the official report provided by the Federal Insurance Administration that includes flood profiles, the Flood Insurance Rate Map, the Flood Boundary and Floodway Map, and the water surface elevation of the base flood.

(u) "Floodplain or flood-prone area" means any land area susceptible to being inundated by water from any source - see "Flooding."

(v) "Floodplain Administrator" is the community official designated by title to administer and enforce the floodplain management regulations.

(w) "Floodplain management" means the operation of an overall program of corrective and preventive measures for reducing flood damage and preserving and enhancing, where possible, natural resources in the floodplain, including but not limited to emergency preparedness plans, flood control works, floodplain management regulations, and open space plans.

(x) "Floodplain management regulations" means this ordinance and other zoning ordinances, subdivision regulations, building codes, health regulations, special purpose ordinances (such as grading and erosion control) and other application of police power which control development in flood-prone areas. This term describes federal, state or local regulations in any combination thereof which provide standards for preventing and reducing flood loss and damage.

(y) "Floodproofing" means any combination of structural and nonstructural additions, changes, or adjustments to structures which reduce or eliminate flood damage to real estate or improved real property, water and sanitary facilities, structures, and their contents. For guidelines on dry and wet floodproofing, see FEMA Technical Bulletins TB 1-93, TB 3-93, and TB 7-93.

(z) "Floodway" means the channel of a river or other watercourse and the adjacent land areas that must be reserved in order to discharge the base flood without cumulatively increasing the water surface elevation more than one foot. Also referred to as "Regulatory Floodway."

(aa) "Floodway fringe" is that area of the floodplain on either side of the "Regulatory Floodway" where encroachment may be permitted.

(bb) "Fraud and victimization" as related to Section 10.30.090 of this ordinance, means that the variance granted must not cause fraud on or victimization of the public. In examining this requirement, the County of Yuba will consider the fact that every newly constructed building adds to government responsibilities and remains a part of the community for fifty to one-hundred years. Buildings that are permitted to be constructed

below the base flood elevation are subject during all those years to increased risk of damage from floods, while future owners of the property and the community as a whole are subject to all the costs, inconvenience, danger, and suffering that those increased flood damages bring. In addition, future owners may purchase the property, unaware that it is subject to potential flood damage, and can be insured only at very high flood insurance rates.

(cc) "Functionally dependent use" means a use which cannot perform its intended purpose unless it is located or carried out in close proximity to water. The term includes only docking facilities, port facilities that are necessary for the loading and unloading of cargo or passengers, and ship building and ship repair facilities, and does not include long-term storage or related manufacturing facilities.

(dd) "Governing body" is the local governing unit, i.e. county or municipality, that is empowered to adopt and implement regulations to provide for the public health, safety and general welfare of its citizenry.

(ee) "Hardship" as related to Section 10.30.090 of this ordinance means the exceptional hardship that would result from a failure to grant the requested variance. The County of Yuba requires that the variance be exceptional, unusual, and peculiar to the property involved. Mere economic or financial hardship alone is not exceptional. Inconvenience, aesthetic considerations, physical handicaps, personal preferences, or the disapproval of one's neighbors likewise cannot, as a rule, qualify as an exceptional hardship. All of these problems can be resolved through other means without granting a variance, even if the alternative is more expensive, or requires the property owner to build elsewhere or put the parcel to a different use than originally intended.

(ff) "Highest adjacent grade" means the highest natural elevation of the ground surface prior to construction next to the proposed walls of a structure.

(gg) "Historic structure" means any structure that is:

i. Listed individually in the National Register of Historic Places (a listing maintained by the Department of Interior) or preliminarily determined by the Secretary of the Interior as meeting the requirements for individual listing on the National Register;

ii. Certified or preliminarily determined by the Secretary of the Interior as contributing to the historical significance of a registered historic district or a district preliminarily determined by the Secretary to qualify as a registered historic district;

iii. Individually listed on a state inventory of historic places in states with historic preservation programs which have been approved by the Secretary of Interior; or

iv. Individually listed on a local inventory of historic places in communities with

historic preservation programs that have been certified either by an approved state program as determined by the Secretary of the Interior or directly by the Secretary of the Interior in states without approved programs.

(hh) "Levee" means a man-made structure, usually an earthen embankment, designed and constructed in accordance with sound engineering practices to contain, control or divert the flow of water so as to provide protection from temporary flooding.

(ii) "Levee system" means a flood protection system which consists of a levee, or levees, and associated structures, such as closure and drainage devices, which are constructed and operated in accordance with sound engineering practices.

(jj) "Lowest floor" means the lowest floor of the lowest enclosed area, including basement (see "Basement" definition).

i. An unfinished or flood resistant enclosure below the lowest floor that is usable solely for parking of vehicles, building access or storage in an area other than a basement area, is not considered a building's lowest floor provided it conforms to applicable non-elevation design requirements, including, but not limited to:

1. The flood openings standard in Section 10.30.080(a)(iii)(3);

2. The anchoring standards in Section 10.30.080(a)(i);

3. The construction materials and methods standards in Section 10.30.080(a)(ii); and

4. The standards for utilities in Section 10.30.080(b).

ii. For residential structures, all subgrade enclosed areas are prohibited as they are considered to be basements (see "Basement" definition). This prohibition includes below-grade garages and storage areas.

(kk) "Manufactured home" means a structure, transportable in one or more sections, which is built on a permanent chassis and is designed for use with or without a permanent foundation when attached to the required utilities. The term "manufactured home" does not include a "recreational vehicle".

(ll) "Manufactured home park or subdivision" means a parcel (or contiguous parcels) of land divided into two or more manufactured home lots for rent or sale.

(mm) "Market value" shall be determined by estimating the cost to replace the structure in new condition and adjusting that cost figure by the amount of depreciation which has accrued since the structure was constructed.

i. The cost of replacement of the structure shall be based on a square foot cost factor determined by reference to a building cost estimating guide recognized by the building construction industry.

ii. The amount of depreciation shall be determined by taking into account the age and physical deterioration of the structure and functional obsolescence as approved by the Floodplain Administrator, but shall not include economic or other forms of external obsolescence.

Use of replacement costs or accrued depreciation factors different from those contained in recognized building cost estimating guides may be considered only if such factors are included in a report prepared by an independent professional appraiser and supported by a written explanation of the differences.

(nn) "Mean sea level" means, for purposes of the National Flood Insurance Program, the National Geodetic Vertical Datum (NGVD) of 1929, North American Vertical Datum (NAVD) of 1988, or other datum, to which base flood elevations shown on a community's Flood Insurance Rate Map are referenced.

(oo) "New construction", for floodplain management purposes, means structures for which the "start of construction" commenced on or after May 17, 1982, and includes any subsequent improvements to such structures.

(pp) "New manufactured home park or subdivision" means a manufactured home park or subdivision for which the construction of facilities for servicing the lots on which the manufactured homes are to be affixed (including at a minimum, the installation of utilities, the construction of streets, and either final site grading or the pouring of concrete pads) is completed on or after May 17, 1982.

(qq) "Normal Farming Activities" means plowing, seeding, cultivating, minor drainage, harvesting, field leveling outside defined watercourses, contouring, and planting.

(rr) "Obstruction" includes, but is not limited to, any dam, wall, wharf, embankment, levee, dike, pile, abutment, protection, excavation, channelization, bridge, conduit, culvert, building, wire, fence, rock, gravel, refuse, fill, structure, vegetation or other material in, along, across or projecting into any watercourse which may alter, impede, retard or change the direction and/or velocity of the flow of water, or due to its location, its propensity to snare or collect debris carried by the flow of water, or its likelihood of being carried downstream.

(ss) "One-hundred-year flood" or "100-year flood" - see "Base flood."

(tt) "Program deficiency" means a defect in a community's floodplain management regulations or administrative procedures that impairs effective implementation of those floodplain management regulations.

Forma
numbe
Tab st

(uu) "Public safety and nuisance" as related to Section 10.30.090 of this ordinance, means that the granting of a variance must not result in anything which is injurious to safety or health of an entire community or neighborhood, or any considerable number of persons, or unlawfully obstructs the free passage or use, in the customary manner, of any navigable lake, or river, bay, stream, canal, or basin.

(vv) "Recreational vehicle" means a vehicle which is:

i. Built on a single chassis;

ii. 400 square feet or less when measured at the largest horizontal projection;

iii. Designed to be self-propelled or permanently towable by a light-duty truck; and

iv. Designed primarily not for use as a permanent dwelling but as temporary living quarters for recreational, camping, travel, or seasonal use.

(ww) "Regulatory floodway" means the channel of a river or other watercourse and the adjacent land areas that must be reserved in order to discharge the base flood without cumulatively increasing the water surface elevation more than one foot.

(xx) "Remedy a violation" means to bring the structure or other development into compliance with State or local floodplain management regulations, or if this is not possible, to reduce the impacts of its noncompliance. Ways that impacts may be reduced include protecting the structure or other affected development from flood damages, implementing the enforcement provisions of the ordinance or otherwise deterring future similar violations, or reducing State or Federal financial exposure with regard to the structure or other development.

Forma Level: at: 49 Indent

(yy) "Riverine" means relating to, formed by, or resembling a river (including tributaries), stream, brook, etc.

Forma Level: at: 49 Indent

(zz) "Sheet flow area" - see "Area of shallow flooding."

Forma Level: at: 49 Indent

(aaa) "Special flood hazard area (SFHA)" means an area in the floodplain subject to a 1 percent or greater chance of flooding in any given year. It is shown on an FBFM or FIRM as Zone A, AO, A1-A30, AE, A99, AR or, AH.

Forma Level: at: 49 Indent

(bbb) "Start of construction" includes substantial improvement and other proposed new development and means the date the building permit was issued, provided the actual start of construction, repair, reconstruction, rehabilitation, addition, placement, or other improvement was within 180 days from the date of the permit. The actual start means either the first placement of permanent construction of a structure on a site, such as the pouring of slab or footings, the installation of piles, the construction of columns, or any work beyond the stage of excavation; or the placement of a manufactured home on a foundation. Permanent construction does not include land preparation, such as clearing,

Forma Level: at: 49 Indent

grading, and filling; nor does it include the installation of streets and/or walkways; nor does it include excavation for a basement, footings, piers, or foundations or the erection of temporary forms; nor does it include the installation on the property of accessory buildings, such as garages or sheds not occupied as dwelling units or not part of the main structure. For a substantial improvement, the actual start of construction means the first alteration of any wall, ceiling, floor, or other structural part of a building, whether or not that alteration affects the external dimensions of the building.

(ccc) "Structure" means a walled and roofed building that is principally above ground; this includes a gas or liquid storage tank or a manufactured home. For the purposes of this ordinance, "walled and roofed" means that the structure has two or more rigid walls and a fully secured roof.

(ddd) "Substantial damage" means:

i. Damage of any origin sustained by a structure whereby the cost of restoring the structure to its before damaged condition would equal or exceed 50 percent of the market value of the structure before the damage occurred; or

ii. Flood-related damages sustained by a structure on two separate occasions during a 10-year period for which the cost of repairs at the time of each such event, on the average, equals or exceeds 25 percent of the market value of the structure before the damage occurred. This is also known as "repetitive loss."

(eee) "Substantial improvement" means any reconstruction, rehabilitation, addition, or other improvement of a structure, the cost of which equals or exceeds 50 percent of the market value of the structure before the "start of construction" of the improvement. This term includes structures which have incurred "substantial damage", regardless of the actual repair work performed. The term does not, however, include either:

i. Any project for improvement of a structure to correct existing violations or state or local health, sanitary, or safety code specifications which have been identified by the local code enforcement official and which are the minimum necessary to assure safe living conditions; or

ii. Any alteration of a "historic structure," provided that the alteration will not preclude the structure's continued designation as a "historic structure."

(fff) "Variance" means a grant of relief from the requirements of this ordinance which permits construction in a manner that would otherwise be prohibited by this ordinance.

(ggg) "Violation" means the failure of a structure or other development to be fully compliant with this ordinance. A structure or other development without the elevation certificate, other certifications, or other evidence of compliance required in this ordinance is presumed to be in violation until such time as that documentation is provided.

(hhh) "Water surface elevation" means the height, in relation to the National Geodetic

Vertical Datum (NGVD) of 1929, North American Vertical Datum (NAVD) of 1988, or other datum, of floods of various magnitudes and frequencies in the floodplains of coastal or riverine areas.

(iii) "Watercourse" means a lake, river, creek, stream, wash, arroyo, channel or other topographic feature on or over which waters flow at least periodically. Watercourse includes specifically designated areas in which substantial flood damage may occur.

Forma
Level:
at: 58
Indent

10.30.060 GENERAL PROVISIONS.

(a) LANDS TO WHICH THIS ORDINANCE APPLIES. This ordinance shall apply to all areas of special flood hazards within the jurisdiction of Yuba County.

(b) BASIS FOR ESTABLISHING THE AREAS OF SPECIAL FLOOD HAZARD. The areas of special flood hazard identified by the Federal Emergency Management Agency (FEMA) in the "Flood Insurance Study (FIS) for Yuba County, California" dated November 17, 1981 or subsequent versions currently effective, with accompanying Flood Insurance Rate Maps (FIRM's) and Flood Boundary and Floodway Maps (FBFM's), dated May 17, 1982 or subsequent versions currently effective, and all subsequent amendments and/or revisions, are hereby adopted by reference and declared to be a part of this ordinance. This FIS and attendant mapping is the minimum area of applicability of this ordinance and may be supplemented by studies for other areas which allow implementation of this ordinance and which are recommended to the County of Yuba by the Floodplain Administrator. The study, FIRM's and FBFM's are on file at the Community Development and Services Agency, 915 8th Street, Marysville, CA.

(c) COMPLIANCE. No structure or land shall hereafter be constructed, located, extended, converted, or altered without full compliance with the terms of this ordinance and other applicable regulations. Violation of the requirements (including violations of conditions and safeguards) shall constitute a misdemeanor. Nothing herein shall prevent the County of Yuba from taking such lawful action as is necessary to prevent or remedy any violation.

(d) ABROGATION AND GREATER RESTRICTIONS. This ordinance is not intended to repeal, abrogate, or impair any existing easements, covenants, or deed restrictions. However, where this ordinance and another ordinance, easement, covenant, or deed restriction conflict or overlap, whichever imposes the more stringent restrictions shall prevail.

(e) INTERPRETATION. In the interpretation and application of this ordinance, all provisions shall be:

i. Considered as minimum requirements;

ii. Liberally construed in favor of the governing body; and

iii. Deemed neither to limit nor repeal any other powers granted under state statutes.

(f) WARNING AND DISCLAIMER OF LIABILITY. The degree of flood protection required by this ordinance is considered reasonable for regulatory purposes and is based on scientific and engineering considerations. Larger floods can and will occur on rare occasions. Flood heights may be increased by man-made or natural causes. This ordinance does not imply that land outside the areas of special flood hazards or uses permitted within such areas will be free from flooding or flood damages. This ordinance shall not create liability on the part of Yuba County, any officer or employee thereof, the State of California, or the Federal Emergency Management Agency, for any flood damages that result from reliance on this ordinance or any administrative decision lawfully made hereunder.

(g) SEVERABILITY. This ordinance and the various parts thereof are hereby declared to be severable. Should any section of this ordinance be declared by the courts to be unconstitutional or invalid, such decision shall not affect the validity of the ordinance as a whole, or any portion thereof other than the section so declared to be unconstitutional or invalid.

10.30.070 ADMINISTRATION.

(a) DESIGNATION OF THE FLOODPLAIN ADMINISTRATOR. The Community Development and Services Agency Director or designee is hereby appointed to administer, implement, and enforce this ordinance by granting or denying development permits in accord with its provisions.

(b) DUTIES AND RESPONSIBILITIES OF THE FLOODPLAIN ADMINISTRATOR. The duties and responsibilities of the Floodplain Administrator shall include, but not be limited to the following:

i. Permit Review.

Review all development permits to determine:

1. Permit requirements of this ordinance have been satisfied, including determination of substantial improvement and substantial damage of existing structures;

2. All other required state and federal permits have been obtained;

3. The site is reasonably safe from flooding;

4. The proposed development does not adversely affect the carrying capacity of areas where base flood elevations have been determined but a floodway has not been designated. This means that the cumulative effect of the proposed development when combined with all other existing and anticipated development will not increase the water surface elevation of the base flood more than 1 foot at any point within the County of Yuba nor adversely affect adjacent property owners; and

5. All Letters of Map Revision (LOMR's) for flood control projects are approved prior to the issuance of building permits. Building Permits must not be issued based on Conditional Letters of Map Revision (CLOMR's). Approved CLOMR's allow construction of the proposed flood control project and land preparation as specified in the "start of construction" definition.

ii. Development of Substantial Improvement and Substantial Damage Procedures.

The County shall utilize FEMA publication FEMA P-758,"Substantial Improvement / Substantial Damage Desk Reference" or its successor document for identifying and administering requirements relating to substantial improvement and substantial damage. ~~The County shall utilize FEMA publication FEMA 213, "Answers to Questions About Substantially Damaged Buildings," for indentifying and administering requirements for substantial improvement and substantial damage.~~

iii. Review, Use and Development of Other Base Flood Data.

When base flood elevation data has not been provided by FEMA in accordance with Section 10.30.060(b), the Floodplain Administrator shall require the development permit applicant to present for review base flood elevation and floodway data from a federal or state agency, or other source, in order to administer Section 10.30.080. If a base flood elevation is not available, a base flood elevation shall be developed by the applicant using the detailed methods as described in the most current edition of FEMA publication, FEMA 265, "Managing Floodplain Development in Approximate Zone A Areas – A Guide for Obtaining and Developing Base (100-year) Flood Elevations". The simplified methods presented in FEMA 265 may be utilized for projects less than 5 acres or 50 lots, whichever is lesser, or for development permit applications for agricultural uses. If the floodplain administrator determines that developing data to establish the base flood elevation would be excessively expensive, the floodplain administrator may at his/her discretion alternatively approve a lowest floor elevation which is five feet above the highest adjacent grade.

iv. Notification of Other Agencies.

1. Alteration or relocation of a watercourse:

   a. Notify adjacent communities and the California Department of Water Resources prior to alteration or relocation;

   b. Submit evidence of such notification to the Federal Emergency Management Agency; and

   c. Assure that the flood carrying capacity within the altered or relocated portion of said watercourse is maintained.

2. Base Flood Elevation changes due to physical alterations:

Within 6 months of information becoming available or project completion, whichever comes first, the Floodplain Administrator shall submit or assure that the permit applicant submits technical or scientific data to FEMA for a Letter of Map Revision (LOMR).

3. Changes in corporate boundaries:

   Notify FEMA in writing whenever the corporate boundaries have been modified by annexation or other means and include a copy of a map of the community clearly delineating the new corporate limits.

v. Documentation of Floodplain Development.

Obtain and maintain for public inspection and make available as needed the following:

1. Certification required by Section 10.30.080(a)(iii)(1) and Section 10.30.080(d) (Lowest floor elevation of r~~R~~esidential ~~Construction~~ structures);

2. Certification required by Section 10.30.080(a)(iii)(2) (Lowest floor elevation or floodproofing of n~~N~~onresidential ~~Construction~~structures);

~~2.~~3. Certification required by Section 10.30.080(d) (Lowest floor elevation of manufactured homes).

~~3.~~4. Certification required by Section 10.30.080(a)(iii)(3) (Flood Openings);

~~4.~~5. Certification of elevation required by Section 10.30.080(c)(i)(3) (Subdivisions and Other Proposed Development);

~~5.~~6. Certification required by Section 10.30.080(f)(ii) (Floodways); and

~~6.~~7. Maintain a record of all variance actions, including justification for their issuance, and report such variances issued in its biennial report submitted to the Federal Emergency Management Agency.

vi. Map Determination.

Make interpretations where needed, as to the exact location of the boundaries of the areas of special flood hazard, where there appears to be a conflict between a mapped boundary and actual field conditions. The person contesting the location of the boundary shall be given a reasonable opportunity to appeal the interpretation as provided in Section 10.30.090.

vii. Remedial Action.

Take action to remedy violations of this ordinance as specified in Section 10.30.060(c).

viii. Planning.

Assure Yuba County General Plan is consistent with floodplain management objectives contained in Chapter 10.30.

ix. Non-conversion of Enclosed~~Enclosed~~ Areas Below the Lowest Floor.

Non-Conversion of Enclosed Areas below Lowest Floor: As a condition of receiving a building permit, owners of proposed structures with enclosed areas below the lowest floor must sign a non-conversion agreement, promising not to improve, finish, or otherwise convert the area below the lowest floor and granting the County of Yuba the right to inspect the enclosed area upon prior notice of at least 72 hours. ~~All areas below the BFE are prohibited from being enclosed, and T~~to To ensure that the areas below the BFE shall not be ~~enclosed, used solely for parking vehicles, limited storage, or access to the building and not be finished for use as human habitation without first becoming fully compliant with the floodplain management ordinance in effect at the time of conversion,~~finished for use as human habitation, the Floodplain Administrator shall:

1. Determine which applicants for new construction and/or substantial improvements have ~~fully enclosed~~ areas below the lowest floor that are ~~5~~4 (four) feet or higher;

2. Enter into a "NON-~~ENCLOSURE~~CONVERSION~~CONVERSION~~ AGREEMENT FOR CONSTRUCTION WITHIN FLOOD HAZARD AREAS" or equivalent with the County of Yuba. The agreement shall be recorded with the Yuba County Recorder as a deed restriction~~, and prohibit any building enclosures, including breakaway walls, below the BFE~~. The ~~non-conversion~~NON-CONVERSION~~ENCLOSURE~~ agreement shall be in a form acceptable to the Floodplain Administrator and County Counsel; and

3. Have the authority to inspect any area of a structure below the base flood elevation to ensure compliance upon prior notice of at least 72 hours.

(c) DEVELOPMENT PERMIT. A development permit shall be obtained before any construction or other development, including manufactured homes, within any area of special flood hazard established in Section 10.30.060. Application for a development permit shall be made on forms furnished by the County of Yuba. The applicant shall provide the following minimum information:

i. Plans in duplicate, drawn to scale, showing:

1. Location, dimensions, and elevation of the area in question, existing or proposed structures, storage of materials and equipment and their location;

2. Proposed locations of water supply, sanitary sewer, and other utilities;
3. Grading information showing existing and proposed contours, any proposed fill, and drainage facilities;
4. Location of the regulatory floodway when applicable;
5. Base flood elevation information as specified in Section 10.30.060 or Section 10.30.070(b)(iii);
6. Proposed elevation in relation to mean sea level, of the lowest floor (including basement) of all structures; and
7. Proposed elevation in relation to mean sea level to which any nonresidential structure will be floodproofed, as required in Section 10.30.080(a)(iii)(2) of this ordinance and detailed in FEMA Technical Bulletin TB 3-93.

ii. Certification from a registered civil engineer or architect that the nonresidential floodproofed building meets the floodproofing criteria in Section 10.30.080(a)(iii)(2).

iii. For a crawl-space foundation, location and total net area of foundation openings as required in Section 10.30.080(a)(iii)(3) of this ordinance and detailed in FEMA Technical Bulletins 1-93 and 7-93.

iv. Description of the extent to which any watercourse will be altered or relocated as a result of proposed development.

v. All appropriate certifications listed in Section 10.30.070(b)(v) of this ordinance.

~~v.~~vi. For improvements and repairs to existing structures with the lowest floor below the BFE in a Special Flood Hazard Area (SFHA), applicant must provide evidence that such proposed improvements or repairs do not constitute substantial improvements or repairs to the structure prior to obtaining a building permit. For repairs to structures damaged by flood, fire, or other disasters, such evidence must be in accordance with FEMA P-758 "Substantial Improvement / Substantial Damage Desk Reference."

(d) APPEALS. The Board of Supervisors of Yuba County shall hear and decide appeals when it is alleged there is an error in any requirement, decision, or determination made by the Floodplain Administrator in the enforcement or administration of this ordinance.

Any person who wishes to appeal the decision of the Floodplain Administrator may, within ~~fifteen~~ ten (10~~5~~) days after such decision is rendered, file an appeal with the Clerk of the Board of Supervisors. The appeal shall be in writing and shall set forth the grounds upon which relief is requested. The decision of the Board of Supervisors shall be final with respect to any variance of appeal.

10.30.080 PROVISIONS FOR FLOOD HAZARD REDUCTION.

(a) STANDARDS OF CONSTRUCTION. In all areas of special flood hazards the following standards are required:

i. Anchoring.

All new construction and substantial improvements of structures, including manufactured homes, shall be adequately anchored to prevent flotation, collapse or lateral movement of the structure resulting from hydrodynamic and hydrostatic loads, including the effects of buoyancy.

ii. Construction Materials and Methods.

All new construction and substantial improvements of structures, including manufactured homes, shall be constructed:

1. With flood resistant materials, and utility equipment resistant to flood damage for areas ~~below~~ less than one foot above the base flood elevation;

2. Using methods and practices that minimize flood damage;

3. With electrical, heating, ventilation, plumbing and air conditioning equipment and other service facilities that are designed and/or located so as to prevent water from entering or accumulating within the components during conditions of flooding; and

4. Within Zones AH or AO, so that there are adequate drainage paths around structures on slopes to guide flood waters around and away from proposed structures.

~~4.~~5. If fill is placed at a site to elevate a building pad above the base flood elevation, then buildings constructed within flood hazard areas must be constructed on compacted fill in accordance with the construction specifications or at least 90 density per ASTM-D698 or equivalent, and extending at least five feet beyond the building foundation walls before dropping below the base flood elevation and shall include appropriate protection from erosion and scour. The design of the fill must be approved by a registered professional engineer.

iii. Elevation and Floodproofing.

1. Residential Construction. All new construction or substantial improvements of residential structures shall have the lowest floor, including basement:

a. In AE, AH, A1-30 Zones, elevated one foot above the base flood elevation.

b. In an AO zone, elevated above the highest adjacent grade to a height one foot

above the depth number specified in feet on the FIRM, or elevated at least three feet above the highest adjacent grade if no depth number is specified.

c. In an A zone, without BFE's specified on the FIRM (unnumbered A zone), elevated one foot above the base flood elevation, as determined under Section 10.30.070(b)(iii). If the floodplain administrator determines that developing data to establish the base flood elevation would be excessively expensive, the floodplain administrator may at his/her discretion alternatively approve a lowest floor elevation which is five feet above the highest adjacent grade. ~~In an A zone, without BFE's specified on the FIRM (unnumbered A zone), elevated one foot above the base flood elevation, as determined under Section 10.30.070(b)(iii).~~

Upon the completion of the structure, the elevation of the lowest floor, including basement, shall be certified by a registered civil engineer or licensed land surveyor, and verified by the community building inspector to be properly elevated. Such certification and verification shall be in the form of a National Flood Insurance Program – Elevation Certificate and shall be provided to the Floodplain Administrator. ~~Such certification and verification shall be provided to the Floodplain Administrator.~~

2. Nonresidential Construction. All new construction or substantial improvements of nonresidential structures shall either be elevated to conform with Section 10.30.080(a)(iii)(1) or:

   a. Be floodproofed, together with attendant utility and sanitary facilities, below the elevation recommended under Section 10.30.080(a)(iii)(1), so that the structure is watertight with walls substantially impermeable to the passage of water;

   b. Have structural components capable of resisting hydrostatic and hydrodynamic loads and effects of buoyancy; and

   c. Be certified by a registered civil engineer or architect that the standards of Sections 10.30.080(a)(iii)(2)(a&b) are satisfied. Such certification shall be provided to the Floodplain Administrator.

3. Flood Openings. All new construction and substantial improvements of structures with fully enclosed areas below the lowest floor (excluding basements) that are usable solely for parking of vehicles, building access or storage, and which are subject to flooding, shall be designed to automatically equalize hydrostatic flood forces on exterior walls by allowing for the entry and exit of floodwater. Designs for meeting this requirement must meet the following minimum criteria:

   a. For non-engineered openings:

1. Have a minimum of two openings on different sides having a total net area of not less than one square inch for every square foot of enclosed area subject to flooding;

2. The bottom of all openings shall be no higher than one foot above grade;

~~2.~~3. Openings must be located so that the portion of the opening intended to allow for inflow and outflow is below the BFE;

~~3.~~4. Openings may be equipped with screens, louvers, valves or other coverings or devices provided that they permit the automatic entry and exit of floodwater. The measurement of the net open area must take into consideration any coverings that have solid obstructions, such as grilles, fixed louvers, or faceplates; and

~~4.~~5. Buildings with more than one enclosed area must have openings on exterior walls for each area to allow flood water to directly enter; or

b. Be certified by a registered civil engineer or architect.

4. Manufactured homes.

a. See Section 10.30.080(d).

iv. Garages and low cost accessory structures.

1. Attached garages.

a. A garage attached to a residential structure, constructed with the garage floor slab below the BFE, must be designed to allow for the automatic entry of flood waters. See 10.30.080(a)(iii)(3). Areas of the garage below the BFE must be constructed with flood resistant materials. See Section 10.30.080(a)(ii).

b. A garage attached to a nonresidential structure must meet the above requirements or be dry floodproofed. For guidance on below grade parking areas, see FEMA Technical Bulletin TB-6.

2. Detached garages and accessory structures.

a. "Accessory structures" used solely for parking (2 car detached garages or smaller) or limited storage (small, low-cost sheds), as defined in Section 10.30.050, may be constructed such that its floor is below the base flood elevation (BFE), provided the structure is designed and constructed in accordance with the following requirements:

1. Use of the accessory structure must be limited to parking or limited storage;

2. The portions of the accessory structure located below the BFE must be built using flood-resistant materials;

3. The accessory structure must be adequately anchored to prevent flotation, collapse and lateral movement;

4. Any mechanical and utility equipment in the accessory structure must be elevated or floodproofed ~~to or~~at least one foot above the BFE;

5. The accessory structure must comply with floodplain encroachment provisions in Section 10.30.080(f);

~~5.~~6. The owner has first obtained a wet-floodproofing variance for the accessory structure, except that no variance is required for small, low-cost sheds; and

~~6.~~7. The accessory structure must be designed to allow for the automatic entry of flood waters in accordance with Section 10.30.080(a)(iii)(3).

b. Detached garages and accessory structures not meeting the above standards must be constructed in accordance with all applicable standards in Section 10.30.080(a).

v. Agricultural structures

1. Agricultural structures shall be elevated or dry-floodproofed to at least one foot above the BFE. Agricultural structures may be constructed such that its floor is below the BFE provided the owner applies for and receives a wet-floodproofing variance in accordance with Section 10.30.090.

(b) STANDARDS FOR UTILITIES.

i. All new and replacement water supply and sanitary sewage systems shall be designed to minimize or eliminate:

1. Infiltration of flood waters into the systems; and

2. Discharge from the systems into flood waters.

ii. On-site waste disposal systems shall be located to avoid impairment to them, or contamination from them during flooding.

(c) STANDARDS FOR SUBDIVISIONS AND OTHER PROPOSED DEVELOPMENT.

i. All new subdivision proposals and other proposed development, including proposals

for manufactured home parks and subdivisions, greater than 50 lots or 5 acres, whichever is the lesser, shall:

1. Identify the Special Flood Hazard Areas (SFHA) and Base Flood Elevations (BFE).

2. Identify the elevations of lowest floors of all proposed structures and pads on the final plans.

3. If the site is filled above the base flood elevation, the following as-built information for each structure shall be certified by a registered civil engineer or licensed land surveyor and provided as part of an application for a Letter of Map Revision based on Fill (LOMR-F) to the Floodplain Administrator:

   a. Lowest floor elevation.

   b. Pad elevation.

   c. Lowest adjacent grade.

ii. All subdivision proposals and other proposed development shall be consistent with the need to minimize flood damage.

iii. All subdivision proposals and other proposed development shall have public utilities and facilities such as sewer, gas, electrical and water systems located and constructed to minimize flood damage.

iv. All subdivisions and other proposed development shall provide adequate drainage to reduce exposure to flood hazards.

(d) STANDARDS FOR MANUFACTURED HOMES.

i. All manufactured homes that are placed or substantially improved, on sites located: (1) outside of a manufactured home park or subdivision; (2) in a new manufactured home park or subdivision; (3) in an expansion to an existing manufactured home park or subdivision; or (4) in an existing manufactured home park or subdivision upon which a manufactured home has incurred "substantial damage" as the result of a flood, shall:

   1. Within Zones A1-30, AH, and AE on the community's Flood Insurance Rate Map, be elevated on a permanent foundation such that the lowest floor of the manufactured home is elevated one foot above the base flood elevation and be securely fastened to an adequately anchored foundation system to resist flotation, collapse, and lateral movement.

ii. All manufactured homes to be placed or substantially improved on sites in an existing

manufactured home park or subdivision within Zones A1-30, AH, and AE on the community's Flood Insurance Rate Map that are not subject to the provisions of Section 10.30.080(d)(i) will be securely fastened to an adequately anchored foundation system to resist flotation, collapse, and lateral movement, and be elevated so that either the:

1. Lowest floor of the manufactured home is at least one foot above the base flood elevation; or

2. Manufactured home chassis is supported by reinforced piers or other foundation elements of at least equivalent strength that are no less than 36 inches in height above grade.

Upon the completion of the structure, the elevation of the lowest floor including basement shall be certified by a registered civil engineer or licensed land surveyor, and verified by the community building inspector to be properly elevated. Such certification and verification shall be in the form of a National Flood Insurance Program – Elevation Certificate and shall be provided to the Floodplain Administrator.~~Such certification and verification shall be provided to the Floodplain Administrator.~~

(e) STANDARDS FOR RECREATIONAL VEHICLES.

i. All recreational vehicles placed in Zones A1-30, AH, and AE will either:

1. Be on the site for fewer than 180 consecutive days; or

2. Be fully licensed and ready for highway use. A recreational vehicle is ready for highway use if it is on its wheels or jacking system, is attached to the site only by quick disconnect type utilities and security devices, and has no permanently attached additions; or

3. Meet the permit requirements of Section 10.30.070(c) of this ordinance and the elevation and anchoring requirements for manufactured homes in Section 10.30.080(d)(i).

(f) FLOODWAYS. Since floodways are an extremely hazardous area due to the velocity of flood waters which carry debris, potential projectiles, and erosion potential, the following provisions apply:

i. Until a regulatory floodway is adopted, no new construction, substantial development, or other development (including fill) shall be permitted within Zones A1-30 and AE, unless it is demonstrated that the cumulative effect of the proposed development, when combined with all other development, will not increase the water surface elevation of the base flood more than 1 foot at any point within the County of Yuba.

ii. Within an adopted regulatory floodway, the County of Yuba shall prohibit encroachments, including fill, new construction, substantial improvements, and other development, unless certification by a registered civil engineer is provided demonstrating that the proposed encroachment shall not result in any increase in flood levels during the occurrence of the base flood discharge.

iii. If Sections 10.30.080(f)(i & ii) are satisfied, all new construction, substantial improvement, and other proposed new development shall comply with all other applicable flood hazard reduction provisions of Section10.30.080.

10.30.090 VARIANCE PROCEDURE.

(a) NATURE OF VARIANCES. The issuance of a variance is for floodplain management purposes only. Insurance premium rates are determined by statute according to actuarial risk and will not be modified by the granting of a variance.

The variance criteria set forth in this section of the ordinance are based on the general principle of zoning law that variances pertain to a piece of property and are not personal in nature. A variance may be granted for a parcel of property with physical characteristics so unusual that complying with the requirements of this ordinance would create an exceptional hardship to the applicant or the surrounding property owners. The characteristics must be unique to the property and not be shared by adjacent parcels. The unique characteristic must pertain to the land itself, not to the structure, its inhabitants, or the property owners.

It is the duty of the Yuba County Board of Supervisors to help protect its citizens from flooding. This need is so compelling and the implications of the cost of insuring a structure built below flood level are so serious that variances from the flood elevation or from other requirements in the flood ordinance are quite rare. The long term goal of preventing and reducing flood loss and damage can only be met if variances are strictly limited. Therefore, the variance guidelines provided in this ordinance are more detailed and contain multiple provisions that must be met before a variance can be properly granted. The criteria are designed to screen out those situations in which alternatives other than a variance are more appropriate.

(b) CONDITIONS FOR VARIANCES.

i. Generally, variances may be issued for new construction, substantial improvement, and other proposed new development to be erected on a lot of one-half acre or less in size contiguous to and surrounded by lots with existing structures constructed below the base flood level, providing that the procedures of Sections 10.30.070 and 10.30.080 of this ordinance have been fully considered. As the lot size increases beyond one-half acre, the technical justification required for issuing the variance increases.

ii. Variances to allow wet floodproofing of new or substantially improved non-

residential structures may be issued for the following categories of structures:

1. Structures functionally dependent upon close proximity to water;
2. Accessory structures used solely for parking (two-car detached garages or smaller) or limited storage; and
3. Agricultural structures used exclusively in connection with the production, harvesting, storage, drying, or raising of agricultural commodities, storage of agricultural equipment, or providing temporary shelter for livestock.

ii. iii. Variances may be issued for the repair or rehabilitation of "historic structures" (as defined in Section 10.30.050 of this ordinance) upon a determination that the proposed repair or rehabilitation will not preclude the structure's continued designation as an historic structure and the variance is the minimum necessary to preserve the historic character and design of the structure.

iii. iv. Variances shall not be issued within any mapped regulatory floodway if any increase in flood levels during the base flood discharge would result.

iv. v. Variances shall only be issued upon a determination that the variance is the "minimum necessary" considering the flood hazard, to afford relief. "Minimum necessary" means to afford relief with a minimum of deviation from the requirements of this ordinance. For example, in the case of variances to an elevation requirement, this means the Yuba County Board of Supervisors need not grant permission for the applicant to build at grade, or even to whatever elevation the applicant proposes, but only to that elevation which the Yuba County Board of Supervisors believes will both provide relief and preserve the integrity of the local ordinance.

v. vi. Any applicant to whom a variance is granted shall be given written notice over the signature of a community official that:

1. The issuance of a variance to construct a structure below the base flood level will result in increased premium rates for flood insurance up to amounts as high as $25 for $100 of insurance coverage, and

2. Such construction below the base flood level increases risks to life and property. It is recommended that a copy of the notice shall be recorded by the Floodplain Administrator in the Office of the Yuba County Recorder and shall be recorded in a manner so that it appears in the chain of title of the affected parcel of land.

vi. The Floodplain Administrator will maintain a record of all variance actions, including justification for their issuance, and report such variances issued in its biennial report submitted to the Federal Emergency Management Agency.

(c) ~~APPEAL~~ BOARD GUIDELINES.

i. In hearing requests for variances, the Yuba County Board of Supervisors shall consider all technical evaluations, all relevant factors, standards specified in other

sections of this ordinance, and the:

1. Danger that materials may be swept onto other lands to the injury of others;

2. Danger of life and property due to flooding or erosion damage;

3. Susceptibility of the proposed facility and its contents to flood damage and the effect of such damage on the existing individual owner and future owners of the property;

4. Importance of the services provided by the proposed facility to the community;

5. Necessity to the facility of a waterfront location, where applicable;

6. Availability of alternative locations for the proposed use which are not subject to flooding or erosion damage;

7. Compatibility of the proposed use with existing and anticipated development;

8. Relationship of the proposed use to the comprehensive plan and floodplain management program for that area;

9. Safety of access to the property in time of flood for ordinary and emergency vehicles;

10. Expected heights, velocity, duration, rate of rise, and sediment transport of the flood waters expected at the site; and

11. Costs of providing governmental services during and after flood conditions, including maintenance and repair of public utilities and facilities such as sewer, gas, electrical, and water system, and streets and bridges.

ii. Variances shall only be issued upon a:

1. Showing of good and sufficient cause;

2. Determination that failure to grant the variance would result in exceptional "hardship" to the applicant; and

3. Determination that the granting of a variance will not result in increased flood heights, additional threats to public safety, or extraordinary public expense, create a nuisance (see "Public safety and nuisance"), cause "fraud and victimization" of the public, or conflict with existing local laws or ordinances.

iii. Variances may be issued for new construction, substantial improvement, and other proposed new development necessary for the conduct of a functionally dependent use

provided that the provisions of Sections 10.30.090(c)(i) through 10.30.090(c)(iv) are satisfied and that the structure or other development is protected by methods that minimize flood damages during the base flood and does not result in additional threats to public safety and does not create a public nuisance.

Upon consideration of the factors of Section 10.30.090(b)(i) and the purposes of this ordinance, the Yuba County Board of Supervisors may attach such conditions to the granting of variances as it deems necessary to further the purposes of this ordinance.

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 portion of this ordinance. The Board of Supervisors hereby declares that it would have passed this ordinance and every section, subsection, sentence, clause or phrase thereof, irrespective of the fact any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional.

THIS PAGE INTENTIONALLY LEFT BLANK

CORRESPONDENCE



THIS PAGE INTENTIONALLY LEFT BLANK

525-14 A

Yuba County Office of Education
Scotia Holmes Sanchez, Ed.D.
Superintendent

935 14th Street
Marysville, CA 95901
Telephone: 530-749-4900
Fax: 530-741-6500
http://www.yubacoe.org

RECEIVED
OCT 28 2014
Clerk/Board of Supervisors

October 21, 2014

Donna Stottlemeyer
Clerk of the Board
Yuba County Government Center
915 8th Street, Suite 109
Marysville, CA 95901

Dear Donna,

Each year, pursuant to the Williams Uniform Complaints Act, Education Code §1240, the County Superintendent of Schools must submit a report to the Board of Supervisors describing the state of the schools in said county. Enclosed you will find a copy of the Williams Report for distribution to the Board of Supervisors at the November 18, 2014 Board Meeting.

Should you require additional information, please do not hesitate to contact me 749-4854 or maggie.nicoletti@yubacoe.12.ca.us. Thank you for your attention in this matter.

Sincerely,

Maggie Nicoletti

Maggie Nicoletti
Executive Assistant to the Superintendent

BOS CORRESPONDENCE

Yuba County Office of Education
Scotia Holmes Sanchez, Ed.D.
Superintendent

935 14th Street
Marysville, CA 95901
Telephone: 530-749-4900
Fax: 530-741-6500
http://www.yubacoe.org

October 21, 2014

Gay Todd, Superintendent, Marysville Joint Unified School District
Jill Segner, Principal, Cedar Lane Elementary School

RE: Williams Visit-Cedar Lane Elementary School

Dear Dr. Todd and Ms. Segner:

California Education Code Section 1240 requires that I, as Superintendent of Schools, visit schools identified in Yuba County and report to you the results of my visit. This report concerns my visit to Cedar Lane Elementary School which is in the Marysville Joint Unified School District. Let me state at the outset that the visit was a positive, professional experience with a focus by the entire staff on seeking to improve the learning of each student at Cedar Lane Elementary School.

The purpose of my visit as specified in California Education Code 1240 was:

1. To ensure that students have access to "sufficient" instructional materials in four core subjects of English/language arts, mathematics, history/social science, and science;

2. To assess compliance with facilities maintenance to determine the condition of a facility that "poses an emergency or urgent threat to the health or safety of pupils or staff"; and

3. To determine if the school has provided accurate data for the annual School Accountability Report Card (SARC) related to instructional materials and facilities maintenance.

The law further requires that as the Superintendent of Schools in Yuba County, I annually monitor and review:

1. Teacher assignments in Decile 1-3 schools;

2. Receive quarterly reports on complaints filed with the school district concerning insufficient instructional materials, teacher vacancies and misassignment and emergency or urgent facilities issues under the Uniform Complaint Procedure; and

3. Expanded audit review authority in the areas of use of Instructional Materials Program Funds, teacher misassignment and information reported on the School Accountability Report Card.

While the areas enumerated in this paragraph are not mandated to be a part of this report to you, they are being included so that you and the citizens of our community will have a complete understanding of the environment in which Cedar Lane Elementary School is functioning.

Before proceeding with the report, let me define some basic terms:

- "Sufficient instructional materials" means every pupil, including English language learners, has a textbook in the four core areas to use in class and to take home.

- "Facilities standards" means that each school district that receives state funding for facilities is required to establish a facilities inspection program and to ensure that each of the schools is maintained in good repair.

- "Good repair" is defined as maintaining schools that are clean, safe, and functional.

My findings during my visit to Cedar Lane Elementary School related to the areas of instructional materials, facilities, School Accountability Report Card, teacher misassignment, audit findings, and uniform complaint notices are summarized below:

School Facilities:
The facility inspection for health and safety and for the verification of the district's facility evaluation was completed. The school's 2014 State Facility Inspection Tool (FIT) is attached. The facility inspection was limited to the fifteen areas identified in the Facility Inspection Tool which was developed by the Office of Public School Construction. Where there is a discrepancy between the FIT and the personal evaluation during the Williams review, the items were brought to the attention of the school administration and are listed below. Though some of these items may have open work orders and scheduled completion dates, other items have not yet been identified as facility needs.

- **GAS LEAKS** – Good Repair
- **MECH/HVAC** – Good Repair
- **SEWER** - Good Repair
- **INTERIOR SURFACES** – Good Repair
- **OVERALL CLEANLINESS** – Good Repair
- **PEST/VERMIN INFESTATION** - Good Repair
- **ELECTRICAL** – Poor: 2 D's = (Deficiency) 1-Main building had broken/missing electrical box covers in several rooms. 2-Rm G111 has a broken plug cover and light diffuser
- **RESTROOMS** – Good.
- **SINKS/ FOUNTAINS** – Good.
- **FIRE SAFETY** – Good
- **HAZARDOUS MATERIALS** – Good
- **STRUCTURAL DAMAGES** – Good Repair
- **ROOFS** – Good Repair
- **PLAYGROUND/SCHOOL GROUNDS** – Fair: 1-D (Deficiency) P-206 Remove tree between portables.
- **WINDOWS/DOORS/GATES/FENCES** – Fair: 1-D (Deficiency) Rm. G111 Door hinge needs tightened (door drags).

Instructional Materials:
The Williams Verification Visit to Cedar Lane School occurred on September 5, 2014. This was an announced visit. Twenty-five percent of the classrooms were visited as required under the Williams' statutes. Classroom visits and review of the Instructional Materials Inventory revealed that there were sufficient numbers of English/language arts, math, history/social science, and science textbooks provided to the students at Cedar Lane Elementary School.

School Accountability Report Card:
Yuba County Office of Education is required to review the accuracy of the data reported on the most recent school accountability report cards of Decile 1-3 schools with respect to the availability of sufficient textbooks and instructional materials, and the safety, cleanliness, and adequacy of school facilities, including "good repair." To that end, the 2012-2013 School Accountability Report Card, published during the 2013-2014 school year was reviewed.

- **School Facilities:** The SARC reports that the facilities inspection was completed by the district in August 2013 resulting in an overall rating of "Good." See the attached Facility Inspection Tool for details of school facility condition on September 5, 2014.

- **Instructional Materials**: The SARC reports that students have sufficient textbooks in the four core subjects. This was verified by the September 5, 2014 Williams visit.

Teacher Misassignment:
Monitoring for teacher misassignments will be conducted in the spring and reported in the 3rd quarter report.

Audit Review:
There were no audit findings for this site.

Uniform Complaint:
A Uniform Complaint form was posted in every classroom visited by the Williams team.
No uniform complaints were reported during the fourth quarter of the 2013-2014 school year (April 1-June 30th).

In conclusion, let me assure each of you receiving this report and especially the Marysville Joint Unified School District Board, Dr. Gay Todd, Marysville Joint Unified School District Superintendent, and the entire staff of Cedar Lane Elementary School, that the Yuba County Office of Education is available to support any actions that need to be taken to address the needs identified in this report.

Sincerely,

Scotia Holmes Sanchez

Scotia Holmes Sanchez, Superintendent
Yuba County Office of Education

Commissioners
Michael Sutton, President
Monterey
Jack Baylis, Vice President
Los Angeles
Jim Kellogg, Member
Discovery Bay
Richard Rogers, Member
Santa Barbara
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

October 29, 2014

TO ALL AFFECTED AND INTERESTED PARTIES:

This is to provide you with a Notice of Receipt of Petition which will be published in the California Regulatory Notice Register on October 31, 2014.

Sincerely,

Sheri Tiemann

Sheri Tiemann
Associate Governmental Program Analyst

Attachment

BOS CORRESPONDENCE B

Commissioners
Michael Sutton, President
Monterey
Jack Baylis, Vice President
Los Angeles
Jim Kellogg, Member
Discovery Bay
Richard Rogers, Member
Santa Barbara
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

CALIFORNIA FISH AND GAME COMMISSION
NOTICE OF RECEIPT OF PETITION

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of Section 2073.3 of the Fish and Game Code, the California Fish and Game Commission (Commission), on October 8, 2014, received a petition from the Center for Biological Diversity to take emergency action to list the Tricolored blackbird (*Agelaius tricolor*) as endangered under the California Endangered Species Act.

The Tricolored blackbird was historically distributed throughout most of the Central Valley, adjacent foothills, coastal ranges and southern California. Habitat types required by this species include riparian, marsh, and agricultural fields. Tricolored blackbirds are medium-sized, nesting in dense colonies.

Pursuant to Section 2073 of the Fish and Game Code, the Commission has forwarded the petition to the California Department of Fish and Wildlife for its review and recommendation. The Commission will consider taking emergency action to list the Tricolored blackbird as an endangered species at its December 3, 2014, meeting in Van Nuys.

Interested parties may contact Ms. Helen Birss, Habitat Conservation Planning Branch Chief, California Department of Fish and Wildlife, 1416 Ninth Street, Suite 1260, Sacramento, CA 95814, or telephone 916.653.9834, for information on the petition or to submit information to the Department relating to the petitioned species.

October 15, 2014

Fish and Game Commission

Sonke Mastrup
Executive Director

Commissioners
Michael Sutton, President
Monterey
Jack Baylis, Vice President
Los Angeles
Jim Kellogg, Member
Discovery Bay
Richard Rogers, Member
Santa Barbara
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

October 29, 2014

TO ALL AFFECTED AND INTERESTED PARTIES:

This is to provide you with a Notice of Findings regarding the gray wolf which will be published in the California Regulatory Notice Register on October 31, 2014.

Sincerely,

Sheri Tiemann

Sheri Tiemann
Associate Governmental Program Analyst

Attachment

CALIFORNIA FISH AND GAME COMMISSION
NOTICE OF FINDINGS AND NOTICE OF PROPOSED RULEMAKING
Gray Wolf
(*Canis lupus*)

NOTICE IS HEREBY GIVEN that the California Fish and Game Commission (Commission), at its June 4, 2014 meeting in Fortuna, California, made a finding pursuant to California Fish and Game Code section 2075.5(e), that the petitioned action to add the gray wolf (*Canis lupus*) to the list of endangered species under the California Endangered Species Act, Fish & G. Code, § 2050 *et seq.* (CESA) is warranted.[1] *See also* Cal. Code Regs., tit. 14, § 670.1, subd. (i)(1).

NOTICE IS ALSO GIVEN that the Commission, consistent with Fish and Game Code section 2075.5, proposes to amend Title 14, section 670.5, of the California Code of Regulations, to add the California gray wolf to the list of species designated as endangered under CESA. *See also id.*, tit. 14, 670.1, subd. (j).

I. BACKGROUND AND PROCEDURAL HISTORY

On February 27, 2012, the Center for Biological Diversity (Center), Big Wildlife, the Environmental Protection Information Center, and Klamath-Siskiyou Wildlands Center petitioned (Petition) the Commission to list the gray wolf as an endangered species under CESA. Cal. Reg. Notice Register 2012, No. 15–Z, p. 494. The Commission received the Petition on March 12, 2012, and referred it to the Department of Fish and Wildlife (Department) for an initial evaluation on March 13, 2012. Cal. Reg. Notice Register 2012, No. 15-Z, p. 494. On June 20, 2012, the Commission granted a request by the Department for an additional thirty (30) days to complete its initial evaluation of the Petition.

On August 1, 2012, the Department submitted its Initial Evaluation of the Petition to List the Gray Wolf (*Canis lupus*) under the California Endangered Species Act (CESA) (August 1, 2012) (hereafter, the 2012 Candidacy Evaluation Report), recommending that the Petition provided sufficient information such that listing may be warranted and, therefore, that the Commission accept the Petition for further evaluation under CESA. Fish & G. Code, § 2073.5, subd. (a)(2); Cal. Code Regs., tit. 14, § 670.1, subd. (d).

On October 3, 2012, the Commission voted to accept the Petition for further evaluation and to initiate a review of the status of the species in California pursuant to Fish and Game Code section 2074.2, subdivision (e)(2). Upon publication of the Commission's notice of determination, the gray wolf was designated a candidate species on November 2, 2012. Cal. Reg. Notice Register 2012, No. 44-Z, p. 1610 (2012 Candidacy Evaluation Report).

Consistent with the Fish and Game Code and controlling regulation, the Department commenced a 12-month status review of the gray wolf 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 independent reviewers who possess the knowledge and expertise to critique the validity of the report. Fish & G. Code, §§ 2074.4, 2074.8; Cal. Code Regs., tit. 14, § 670.1, subd. (f)(2).

---

[1] The definition of an "endangered species" for purposes of CESA is found in Fish and Game Code section 2062.

The effort culminated with the Department's final Status Review of the gray wolf (*Canis lupus)* (February 5, 2014) (Status Review), which the Department submitted to the Commission at its meeting in Sacramento, California, on February 5, 2014. The Department recommended to the Commission that designating gray wolf as an endangered species under CESA is not warranted. Fish & G. Code, § 2074.6; Cal. Code Regs., tit. 14, § 670.1, subd. (f).

The Commission considered the Petition, the Department's 2012 Candidacy Evaluation Report, the Department's Status Review, and other information included in the Commission's administrative record of proceedings at its meeting in Ventura, California on April 16, 2014, and at its meeting in Fortuna, California on June 4, 2014. Fish & G. Code, § 2075; Cal. Code Regs., tit. 14, § 670.1, subds. (g) and (i). After receiving additional information and oral testimony, the Commission determined, based on the requirements of CESA and the evidence before it, that listing gray wolf as an endangered species under CESA is warranted. Fish & G. Code, § 2075.5(a); Cal. Code Regs., tit. 14, § 670.1, subd. (i)(1)(A). In so doing, the Commission directed its staff to prepare findings of fact consistent with its determination for consideration and ratification by the Commission at a future meeting. The Commission also directed its staff, in coordination with the Department, to begin formal rulemaking under the California Government Code to add the gray wolf to the list of endangered species set forth in Title 14, section 670.5, of the California Code of Regulations. Fish & G. Code, § 2075.5(e)(2); Cal. Code Regs., tit. 14, § 670.1, subd. (j); Gov. Code, § 11340 *et seq.*

II. STATUTORY AND LEGAL FRAMEWORK

The Commission has prepared these findings as part of its final action under CESA to designate the gray wolf as an endangered species. As set forth above, the Commission's determination that listing the gray wolf is 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 and threatened species under CESA. Cal. Const., art. IV, § 20, subd. (b); Fish & G. Code, § 2070.[2]

As set forth above, the CESA listing process for gray wolf began in the present case with the Center's submittal of its Petition to the Commission in March 2012. Cal. Reg. Notice Register 2012, No. 15–Z, p. 494. 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, 16 Cal.4th 105, 114–116 (1997);

California Forestry Association v. California Fish and Game Commission, 156 Cal.App.4th 1535, 1541–1542 (2007);

[2] Pursuant to this authority, standards, and procedures, the Commission may add, remove, uplist or downlist any plant or animal species to the list of endangered or threatened species, or to notice that any such species is a candidate for related action under CESA upon acceptance of a listing petition. Fish & G. Code, § 2074.2(a)(2); s*ee also* Cal. Code Regs., tit. 14, § 670.1, subd. (i)(1)(A)–(C). In practical terms, any of these actions may be commonly referred to as subject to CESA's "listing" process.

Center for Biological Diversity v. California Fish and Game Commission, 166 Cal.App.4th 597, 600 (2008); and

Natural Resources Defense Council v. California Fish and Game Commission, 28 Cal.App.4th 1104, 1111–1116 (1994).

The "is warranted" determination at issue here for the gray wolf is established by Fish and Game Code section 2075.5. 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 gray wolf, the Commission made the finding under section 2075.5(2) that the petitioned action is warranted.

The Commission is guided in making this determination by the Fish and Game Code, CESA, other controlling law, and factual findings. The Fish and Game Code, for example, defines an endangered species under CESA as a "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, overexploitation, predation, competition, or disease." Fish & G. Code, § 2062. 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 Ass'n v. California Fish and Game Comm'n, supra*, 156 Cal.App.4th at 1540, 1549-1551. The Fish and Game Code, CESA, and other controlling law do not require a species to have a continuous presence or a breeding population in California in order to meet the definition of "endangered" or "threatened."

The Commission is also guided in making its determination regarding gray wolf 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.

Likewise, the Commission is guided in its determination regarding the gray wolf by Fish and Game Code section 2070. This section provides that the Commission shall add or remove species from the list it establishes under CESA upon receipt of sufficient information that the action is warranted. As the Commission's findings reflect, the gray wolf's continued existence in California is in serious danger due to multiple threats.

Furthermore, CESA provides policy direction indicating that all state agencies, boards, and commissions shall seek to conserve endangered species 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 gray wolf 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 Ass'n v. California Fish and Game Comm'n, supra*, 156 Cal.App.4th at 1545-1546 (citing *San Bernardino Valley Audubon Society v. City of Moreno Valley*, 44 Cal.App.4th 593, 601 (1996); Fish & G. Code, §§ 2051 and 2052).

Finally, in considering these factors, CESA and controlling regulation 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 requirements and public hearing opportunities before the Commission are also considerable. Fish & G. Code, §§ 2073.3, 2074, 2074.2, 2075, 2075.5 and 2078; Cal. Code Regs., tit. 14, § 670.1, subds. (c), (e), (g) and (i); *see also* Gov. Code, § 11120 *et seq.* All of these requirements are in addition to those proscribed 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. Fish & G. Code, §§ 2073.4, 2073.5, 2074.4 and 2074.6; Cal. Code Regs., tit. 14, § 670.1, subds. (d), (f) and (h).

III. FACTUAL BASES FOR THE COMMISSION'S FINDING

CESA provides for the listing of either "native species or subspecies of a bird, mammal, fish, amphibian, reptile, or plant." Fish and G. Code, §§ 2062 and 2067. The Petition, and the Commission's finding, applies to the gray wolf in California.

The factual bases for the Commission's finding that listing gray wolf as an endangered species under CESA is warranted are set forth in detail in the Commission's administrative record of proceedings. Substantial evidence in the administrative record of proceedings in support of the Commission's determination includes, but is not limited to, the Petition, the Department's 2012 Candidacy Evaluation Report, the Department's 2014 Status Review, and other information presented to the Commission and otherwise included in the Commission's administrative record of proceedings as it existed up to and including the meeting in Fortuna, California on June 4, 2014. The Commission made its final determination under CESA with respect to gray wolf at that meeting. Fish & G. Code, § 2075; Cal. Code Regs., tit. 14, § 670.1, subds. (g) and (i).

The Commission finds the substantial evidence supports the Commission's determination under CESA that the continued existence of gray wolf in the State of California is endangered by one or a combination of the following factors:

1. Overexploitation;
2. Predation;
3. Disease;
4. Other natural occurrences or human-related activities.

The Commission also finds that there is in the record of administrative proceedings substantial evidence to establish that designating the gray wolf as an endangered species under CESA is warranted. The following Commission findings highlight in more detail some but not all of the evidence in the administrative record of proceedings that support the Commission's determination that the gray wolf is in serious danger of becoming extinct throughout all, or a significant portion, of its range:

1. It is likely that wolves historically occurred in California and were widely distributed in the State. Status Review at 10 ("While limited the available information suggests that wolves were distributed widely in California, particularly in the Klamath-Cascade Mountains, North Coast Range, Modoc Plateau, Sierra Nevada, Sacramento Valley, and San Francisco Bay Area. The genetic evidence from southeastern California suggests that the Mexican wolf may have occurred in California, at least as dispersing individuals. While the majority of historical records are not verifiable, for the purposes of this status review, the Department concludes that the gray wolf likely occurred in much of the areas depicted (CDFW 2011a) (Figure 1)); 2012 Candidacy Evaluation Report at 4 ("As to the science available at this time and the reasonable inferences that can be drawn from that information, it indicates to the Department at this time that wolves were likely broadly distributed in California historically ... ."); *id.* at 10 ("In summary, historic anecdotal observations are most consistent with a hypothesis that wolves were not abundant, but widely distributed in California.").

2. There is sufficient evidence to conclude that wolves occurred historically in California. However, by the late 1920's, the species was extirpated from the state. Status Review at 4 ("2012 Candidacy Evaluation Report at 4) ("As to the science available at this time and the reasonable inferences that can be drawn from that information ... humans likely purposefully extirpated the species in California early in the twentieth century.")

3. Following listing of the gray wolf under the federal Endangered Species Act in 1974 and recovery efforts during the 1990s, a population of gray wolves in the Northern Rocky Mountain states has been re-established through a federal recovery program, and dispersing wolves from this population have established territories and several packs in Washington and Oregon. 2014 Status Review at 28.

4. In September 2011, a radio-collared, sub-adult gray wolf known as "OR7" dispersed from the Imnaha pack in northeastern Oregon and arrived in California on December 28, 2011, marking the first documented individual of the species in California since the 1920s. 2012 Candidacy Evaluation Report at 4 ("a single lone wolf, a dispersing young male named 'OR7,' entered California in December 2011, remaining largely in the State since that time"); *id.* at 10 ("The first gray wolf detected in California after many decades occurred in December 2011 with the arrival of 'OR7,' a radio-collared, sub-adult gray wolf that dispersed from a pack in Oregon."); *id.* ("OR7 dispersed from the Northeastern Oregon's Imnaha pack in September 2011.")

5. The gray wolf is once again present in California, on at least an intermittent basis, and foreseeably will continue to be present in California, as discussed below. OR-7's range now includes California and Oregon. OR7 has established a range that includes portions of Northern California, as this wolf is known to have crossed back and forth across the Oregon-California border since 2011 and to have been present in California in each of those years. Status Review at 4 ("The lone radio-collared gray wolf, OR7, dispersed from northeastern Oregon's wolf population to California in December 2011 and has been near the Oregon/California border since that time, crossing back and forth."); *id.* at 18 ("As far as the Department is aware, there is one gray wolf (OR7) that is near the Oregon/California border such that it may be in either state at any time."); 2012 Candidacy Evaluation Report at 11 ("OR7 has passed back and forth over the

California/Oregon border several times over the last five months ... ."); California Department of Fish and Wildlife, Gray Wolf OR7: Updates on wolves migrating to California (available at http://californiagraywolf.wordpress.com); *see also* Oregon Department of Fish and Wildlife, OR-7 Timeline of Events (available at http://www.dfw.state.or.us/wolves/OR-7.asp) (documenting OR7's presence in California in each of 2011, 2012, 2013, and 2014).

6. OR7 has utilized areas of suitable habitat, primarily on public lands, comprised of ponderosa pine forests, mixed conifer forests, lava flows, sagebrush shrublands, juniper woodlands, as well as private lands including timberlands and agricultural lands, and has exhibited normal dispersal behavior for a young male gray wolf as he has sought to find other wolves, to establish his own pack, or to become part of an established wolf pack. 2012 Candidacy Evaluation Report at 10 ("It is believed that OR7 is exhibiting normal dispersal behavior for young male wolves, seeking to find other wolves, to establish his own pack, and/or to become part of an established wolf pack."); *id.* at 11 ("OR7 has passed through ponderosa pine forests, mixed conifer forests, lava flows, sagebrush shrublands, juniper woodlands, and agricultural lands"); *id.* ("Although OR7 has used private lands (timberlands in particular), most of its route has traversed public lands.").

7. On June 4, 2014, the State of Oregon Department of Fish and Wildlife confirmed that OR7 had mated with a female wolf of unknown origin, and that the pair was denning with a litter of at least two pups on public land in southwestern Oregon. *See* Press Release, Oregon Department of Fish and Wildlife, Pups for wolf OR7 (June 4, 2014) ("Wolf OR7 and a mate have produced offspring in southwest Oregon's Cascade Mountains, wildlife biologists confirmed this week."); Comments of Pamela Flick, Defenders of Wildlife (June 4, 2014 Commission hearing) (reporting breaking news that a remote camera in southwestern Oregon has detected at least two pups).

8. As the gestation period for gray wolves is 62-63 days and OR7 was documented in northern California on February 5, 2014, it is likely that OR7's mate was traveling with OR7 in California at the time. Status Review at 10 ("The gestation period for wolves is 62-63 days."); Testimony of Amaroq Weiss, June 4, 2014 Commission Meeting (Powerpoint slides at 15) ("A breeding population is likely on the border right now and a pregnant female was likely present in California already this year."); L.D. Mech & L. Boitani, editors. Wolves: behavior, ecology, and conservation. University of Chicago Press, Chicago, Illinois, USA (cited in 2012 Candidacy Evaluation Report and Status Review) (discussing in Chapter 2 the reproductive behavior of wolves, and how wolves spend many months together leading up to impregnation and gestation).

9. The evidence in the record regarding wolf migration and dispersal behavior at a minimum indicates that wolves other than OR7 have similarly dispersed or will disperse to California, as most wolves from Oregon packs are not collared with radio transmitters and their presence in California may not otherwise have been detected ("we have acknowledged that we know of one [wolf, OR7]" and that "there could be others that we don't know about"); U.S. Fish and Wildlife Service, Montana Fish, Wildlife & Parks, Nez Perce Tribe, National Park Service, Blackfeet Nation, Confederated Salish and Kootenai Tribes, Wind River Tribes, Washington Department

of Wildlife, Oregon Department of Wildlife, Utah Department of Wildlife Resources, and USDA Wildlife Services. 2011. Rocky Mountain Wolf Recovery 2010 Interagency Annual Report. C.A. Sime and E. E. Bangs, eds. USFWS, Ecological Services, 585 Shepard Way, Helena, Montana. 59601. (2011) at 2 (noting that "it is difficult to locate lone dispersing wolves."); Carroll (2013) (Peer Review) at 5-6 ("[n]ot all Oregon wolves are detected and collared" so "it is possible that not all wolves dispersing to California have been detected"). Petition at 15 ("... it is impossible to rule out the possibility that previous dispersal events to California may ... have occurred, which simply went un-detected because it is difficult to locate and track dispersing individual wolves"); Comments of Eric Loft (April 16, 2014 Commission Hearing).

10. The presence of wolves in California is small and is likely to remain small for the foreseeable future. Eisenberg (2013) (Peer Review) at 2 ("Any wolves becoming established in California will initially constitute a small population.").

11. Dispersing wolves and small wolf populations are inherently at risk due to demographic and environmental stochasticity and in the case of wolves, of being killed by poachers, or hunters that mistake them for coyotes. Status Review at 5 ("A small population in California would be at some inherent risk although the species has demonstrated high potential to increase in other states. Dispersing individuals and small packs would likely be at highest risk due to population size."); *id.* at 19 ("It is possible that a coyote hunter could mistake a gray wolf for a coyote, particularly at a long distance."); *id.* at 22 ("With at least one gray wolf near the border of Oregon/California, and the knowledge that populations or species ranges are typically so large that they could range across both states ..., an individual wolf, or a small number of wolves would be threatened in their ability to reproduce depending on the number and sex of the animals present in the range."); 2012 Candidacy Evaluation Report at 6 ("Wolves are often confused with coyotes (*Canis latrans*) and domestic dogs (*C. lupus familiaris*), and wolf hybrids, which result from the mating of a wolf and a domestic dog.").

12. Despite losses of areas of the gray wolf's historic range in California, large tracts of habitat remain in the State that are sufficient to support a wolf population, particularly in the Modoc Plateau, Sierra Nevada, and Northern Coastal Mountains. Status Review at 17 ("Habitat Suitability Modeling: There are studies that have modeled potential suitable wolf habitat in California. Carroll (2001) modeled potential wolf occupancy in California using estimates of prey density, prey accessibility and security from human disturbance (road and human population density). Results suggested that areas located in the Modoc Plateau, Sierra Nevada, and the Northern Coastal Mountains could be potentially suitable habitat areas for wolves.

13. Since entering California, there have been threats to harm or kill OR7 or other wolves found in the State. (See e.g. May 6, 2013 Center for Biological Diversity letter to Department of Fish and Wildlife, p.13.) Although many people are supportive of gray wolves as a component of wildland ecosystems, wolves are considered a threat to livestock and wild ungulates by many other people, and are considered a threat to people by some. For example, the administrative record includes reports of statements by county supervisors from Modoc, Siskiyou, and Lassen counties expressing a desire to kill wolves in the area, a sentiment which represents an

parvovirus, cataracts, arthritis, cancer, rickets, pneumonia, and Lyme disease."); *id.* ("The transmission of disease from domestic dogs, e.g. parvovirus, is a grave conservation concern for recovering wolf populations (Paquet and Carbyn 2003; Smith and Almberg 2007). Recently, two wolves and two pups in Oregon were found to have died from parvovirus (ODFW 2013b). The disease is not thought to significantly impact large wolf populations, but it may hinder the recovery of small populations (Mech and Goyal 1993)."); *id.* ("Canine distemper and canine infectious hepatitis: Both diseases are known to occur in wolves and more recently canine parvovirus has become prevalent in several wolf populations (Brand et al. 1995)"); E.S. Almberg, P.C. Cross, A.P. Dobson, D.W. Smith and P.J. Hudson. 2012. Parasite invasion following host reintroduction: a case study of Yellowstone's wolves. *Philosophical Transactions of the Royal Society Bulletin*. 367, p. 2840-2851).").

16. Listing the gray wolf under CESA will allow the species to benefit from CESA's protections, and would further the intent of the Legislature and be consistent with the objectives of CESA, *i.e.*, the conservation, protection, restoration, and enhancement of species in their range in California. Protecting the gray wolf under CESA will also strengthen the Department's existing stakeholder process to develop a state wolf plan, by providing clarity as to the management tools and options that will be available to the Department and to stakeholders. Status Review at 33 ("If the gray wolf species is listed under CESA, it may increase the likelihood that State and Federal land and resource management agencies will allocate funds towards protection and recovery actions."); Carroll (2013) (Peer Review) at 6 ("Rather than using a dubious interpretation of CESA to decline to list a species due to its temporary and uncertain absence from state, California should follow the example of Washington and Oregon in using the relevant state statutes to protect colonizing wolves while at the same time developing multi-stakeholder plans that proactively restore wolf conservation and management issues.").

IV. FINAL DETERMINATION BY THE COMMISSION

The Commission has weighed and evaluated the evidence presented for and against designating gray wolf as an endangered species under CESA. This information includes the Petition; the Department's Petition Evaluation Report; the Department's status review; the Department's related recommendations; written and oral comments received from members of the public, the regulated community, various public agencies, and the scientific community; and other evidence included in the Commission's record of proceedings. Based upon the evidence in the record the Commission has determined that the best information available indicates that the continued existence of the one or more gray wolves in California is in serious danger of extinction or threatened by present or threatened overexploitation, predation, disease, or other natural occurrences or human-related activities, where such factors are considered individually or in combination. (See generally Cal. Code Regs., tit. 14, § 670.1, subd. (i)(1)(A); Fish & G. Code, §§ 2062, 2067.) The Commission determines that there is sufficient evidence in the record to indicate that designating the gray wolf as an endangered species under CESA is warranted at this time and, with the adoption and publication of these findings and further proceedings under the California Administrative Procedure Act, the gray wolf shall be listed as endangered. See Cal. Code Regs., tit. 14, § 670.1, subd. (i)(1)(A).

Commissioners
Michael Sutton, President
Monterey
Jack Baylis, Vice President
Los Angeles
Jim Kellogg, Member
Discovery Bay
Richard Rogers, Member
Santa Barbara
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

November 5, 2014

TO ALL INTERESTED AND AFFECTED PARTIES:

This is to provide you with a copy of the notice of proposed regulatory action relative to Section 662, Title 14, California Code of Regulations, relating to petitions for regulation changes, which will be published in the California Regulatory Notice Register on November 7, 2014.

Please note the dates of the public hearings related to this matter and associated deadlines for receipt of written comments.

Sincerely,

Sherrie Fonbuena

Sherrie Fonbuena
Associate Governmental Program Analyst

Attachment

TITLE 14. Fish and Game Commission
Notice of Proposed Changes in Regulations

NOTICE IS HEREBY GIVEN that the Fish and Game Commission (Commission), pursuant to the authority vested by Section 108 of the Fish and Game Code and to implement, interpret or make specific sections 108 and 207 of the Fish and Game Code and sections 11340.6 and 11340.7 of the Government Code, proposes to add Section 662, Title 14, California Code of Regulations, relating to petitions for regulation change.

Informative Digest/Policy Statement Overview

Under current law (Government Code Section 11340.6) any interested person may petition the Fish and Game Commission (Commission) to adopt, amend or repeal a regulation. This section also requires that any petition clearly and concisely state the substance or nature of the requested regulation change, the reason for the request, and reference to the authority of the Commission to take the requested action.

The proposed action adds new Section 662, Title 14, California Code of Regulations (CCR). The proposed regulation outlines the process under which petitions will be evaluated and scheduled for receipt and Commission action and requires the use of the form entitled "PETITION TO THE CALIFORNIA FISH AND GAME COMMISSION FOR REGULATORY CHANGE," FGC 1 (New 10/23/14, and being incorporated by reference), for submitting regulation change proposals.

The benefits of the proposed regulation are increased transparency and understanding of the Commission's regulatory process and consistency in the processing of public requests for regulation change.

Commission staff has searched the CCR and has found that the proposed regulation is neither inconsistent nor incompatible with existing state regulations.

NOTICE IS GIVEN that any person interested may present statements, orally or in writing, relevant to this action at a hearing to be held in the Airtel Plaza Hotel, 7277 Valjean Avenue, Van Nuys, California, on Wednesday, December 3, 2014 at 8:30 a.m., or as soon thereafter as the matter may be heard.

NOTICE IS ALSO GIVEN that any person interested may present statements, orally or in writing, relevant to this action at a hearing to be held in the Resources Building, First Floor Auditorium, 1416 Ninth Street, Sacramento, California, on Wednesday, February 11, 2015 at 8:30 a.m., or as soon thereafter as the matter may be heard. Written comments may be submitted on or before 12:00 noon on February 6, 2015 at the address given below, or by fax at (916) 653-5040, or by e-mail to FGC@fgc.ca.gov. All comments must be received no later than February 11, 2015 at the hearing in Sacramento, California. If you would like copies of any modifications to this proposal, please include your name and mailing address.

The regulation as proposed in strikeout-underline format, as well as an initial statement of reasons, including environmental considerations and all information upon which the proposal is based (rulemaking file), are on file and available for public review from the agency representative, Sonke Mastrup, Executive Director, Fish and Game Commission, 1416 Ninth Street, Box 944209, Sacramento, California 94244-2090, phone (916) 653-4899. Please direct requests for the above mentioned documents and inquiries concerning the regulatory process to

Sonke Mastrup or Sherrie Fonbuena at the preceding address or phone number. Sherrie Fonbuena, [(916) 654-9866 or Sherrie.Fonbuena@fgc.ca.gov] has been designated to respond to questions on the substance of the proposed regulations. Copies of the Initial Statement of Reasons, including the regulatory language, may be obtained from the address above. Notice of the proposed action shall be posted on the Fish and Game Commission website at http://www.fgc.ca.gov.

Availability of Modified Text

If the regulations adopted by the Commission differ from but are sufficiently related to the action proposed, they will be available to the public for at least 15 days prior to the date of adoption. Any person interested may obtain a copy of said regulations prior to the date of adoption by contacting the agency representative named herein.

If the regulatory proposal is adopted, the final statement of reasons may be obtained from the address above when it has been received from the agency program staff.

Impact of Regulatory Action/Results of the Economic Impact Analysis

The potential for significant statewide adverse economic impacts that might result from the proposed regulatory action has been assessed, and the following initial determinations relative to the required statutory categories have been made:

(a) Significant Statewide Adverse Economic Impact Directly Affecting Businesses, Including the Ability of California Businesses to Compete with Businesses in Other States:

The proposed action will not have a significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states. The proposed regulation only affects the process through which the Commission will receive and consider petitions for regulation changes.

(b) Impact on the Creation or Elimination of Jobs Within the State, the Creation of New Businesses or the Elimination of Existing Businesses, or the Expansion of Businesses in California; Benefits of the Regulation to the Health and Welfare of California Residents, Worker Safety, and the State's Environment:

The Commission does not anticipate any impacts on the creation or elimination of jobs, the creation of new business, the elimination of existing businesses or the expansion of businesses in California.

As mentioned above under the Informative Digest/Policy Statement Overview, the benefits of the proposed regulations are increased transparency and understanding of the Commission's regulatory process and consistency in the processing of public requests for regulation change.

The Commission does not anticipate any benefits to worker safety or the environment.

(c) Cost Impacts on a Representative Private Person or Business:

The agency is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

(d) Costs or Savings to State Agencies or Costs/Savings in Federal Funding to the State: None.

(e) Nondiscretionary Costs/Savings to Local Agencies: None.

(f) Programs Mandated on Local Agencies or School Districts: None.

(g) Costs Imposed on Any Local Agency or School District that is Required to be Reimbursed Under Part 7 (commencing with Section 17500) of Division 4, Government Code: None.

(h) Effect on Housing Costs: None.

Effect on Small Business

It has been determined that the adoption of this regulation may affect small business. The Commission has drafted the regulations in Plain English pursuant to Government Code sections 11342.580 and 11346.2(a)(1).

Consideration of Alternatives

The Commission must determine that no reasonable alternative considered by the Commission, or that has otherwise been identified and brought to the attention of the Commission, would be more effective in carrying out the purpose for which the action is proposed, would be as effective and less burdensome to affected private persons than the proposed action, or would be more cost effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

FISH AND GAME COMMISSION

Sonke Mastrup
Executive Director

Dated: October 27, 2014

THIS PAGE INTENTIONALLY LEFT BLANK

527-14

CAPITOL OFFICE
STATE CAPITOL, ROOM 2032
SACRAMENTO, CA 95814
TEL 916 651-4019
FAX 916 651-4919

SANTA BARBARA COUNTY OFFICE
222 E. CARRILLO STREET
SUITE 309
SANTA BARBARA, CA 93101
TEL 805-965-0862
FAX 805-965-0701

VENTURA COUNTY OFFICE
300 E. ESPLANADE DRIVE
SUITE 430
OXNARD, CA 93036
TEL 805-988-1940
FAX 805-988-1945

California State Legislature

SENATOR
HANNAH-BETH JACKSON
NINETEENTH SENATE DISTRICT

CHAIR
SENATE JUDICIARY
JOINT LEGISLATIVE COMMITTEE ON EMERGENCY MANAGEMENT
VICE CHAIR
CALIFORNIA LEGISLATIVE WOMEN'S CAUCUS
COMMITTEES
BUDGET & FISCAL REVIEW
ENVIRONMENTAL QUALITY
ELECTIONS & CONSTITUTIONAL AMENDMENTS
NATURAL RESOURCES & WATER
JOINT COMMITTEES
FAIRS, ALLOCATION & CLASSIFICATION
LEGISLATIVE AUDIT

RECEIVED
NOV 03 2014
Clerk/Board of Supervisors

October 30, 2014

Yuba County Board Of Supervisors
915 8th St Ste 109
Marysville CA 95901-5273

Dear Board Members:

Over the last two years, I have worked with numerous stakeholders to develop legislation that would create a convenient and environmentally responsible home-generated prescription drug disposal program. These efforts included my hosting several large stakeholder meetings, working with legislative consultants, and meeting with hundreds of individuals with an interest in the safe handling and disposal of unused medications. During that time, I introduced two bills, SB 727 (2013) and SB 1014 (2014) in response to the feedback I received to help decrease the supply of unused prescription drugs in homes across California. Due to the current legislative climate, moving forward with these programs was unsuccessful.

I am now respectfully requesting your participation and help to move this critical issue forward in our state. Adopting a county ordinance similar to Alameda County's Safe Drug Disposal ordinance will help California residents prevent prescription drug abuse, address their disposal needs now, and increase support for a statewide solution.

The Alameda County Board of Supervisors unanimously adopted the first Safe Medication Disposal Ordinance in the country in July 2012. Pharmaceutical manufacturers with medications being sold or distributed in Alameda County must participate in and fund a program to collect and dispose of unwanted drugs. The ordinance was challenged by Pharmaceutical Research and Manufacturers of America, Generic Pharmaceutical Association, and Biotechnology Industry Organization on the basis that the ordinance violates the dormant Commerce Clause for interstate commerce and discriminates against out-of-county producers. In August 2013, the U.S. District Court upheld the ordinance, as did the Ninth U.S. Circuit Court of Appeals in September 2014.

Alameda County's ordinance may be found here:
http://www.acgov.org/aceh/safedisposal/documents/SDD_Ordinance.pdf.

BOS CORRESPONDENCE C

I encourage you to consider introducing a similar ordinance in your county to demonstrate your support for, and commitment to, addressing this problem. A preponderance of evidence points to the need for action:

- The National Drug Control Strategy of 2014 lists providing safe medicine take-back as one of four key interventions to prevent prescription drug abuse.
- In October 2013, the DEA's seventh National Take-Back Day collected 324 tons of expired and unwanted medications across the nation. Since the inception of National Take-Back Day in 2010, it has resulted in the disposal of more than 3.4 million pounds of unused medications.
- In 2010, CalRecycle identified 297 take-back programs in California including one-time take-back events, continuous take-back programs, and mail-back programs. The majority of these programs are funded and run by local governments.
- 70% of Americans are taking at least one prescription medication.
- Studies estimate between 10 – 33% of medications go unused.
- Poisoning is one of the fastest rising causes of accidental death among older adults, particularly from overdoses of prescription drugs and over-the-counter medications.
- A 2013 study by The Partnership at Drugfree.org found that one in four teens had intentionally misused a prescription drug in their lifetime — a 33% increase from five years ago.
- According to the National Institute on Drug Abuse, accidental overdose deaths from prescription opiates have quadrupled since 1999 and now outnumber those from heroin and cocaine combined.
- Flushing expired or unused medications down the toilet can add to the pharmaceuticals in our streams and drinking water and is extremely costly, if not impossible, to eradicate.
-

Until a cohesive statewide strategy is established, the most effective way to help prevent the risk of accidental poisoning and abuse of unused medications in your county is to increase disposal options through the adoption of an ordinance. I hope you will give this important public safety and environmental issue your most serious consideration.

Sincerely,

Hannah-Beth Jackson

HANNAH-BETH JACKSON
Senator, 19th District

HBJ: lb

FACT SHEET ON HOW TO DRAFT PHARMACEUTICAL STEWARDSHIP ORDINANCES

(Revised 10/29/2014)

This fact sheet is intended to be used as a tool for anyone considering a producer responsibility ordinance for household pharmaceuticals. It summarizes key elements of the two existing pharmaceutical ordinances that have passed in the U.S. for Alameda County California and King County Washington. In addition, it includes San Francisco's new ordinance that was introduced October 21, 2014. The consensus is that the best ordinance to start with is San Francisco's which was the most recently introduced and was based on the best of both Alameda and King County ordinances.

Questions to ask and have policy leadership answer before going to Counsel to draft an Ordinance:

1. What medications much be accepted by the program? (OTC, vitamins, controlled)?
2. Will producers pay 100% of the program hard costs?
3. Will it include convenience requirements?
4. Will it require a producer funded and managed public education/outreach program?
5. Will pharmacies be required to (1) host bins, and/or (2) advertise the program?
6. Will it allow producers to charge the cost to the consumer visibly or be internalized in price?
7. Will it require producers to pay fees to reimburse for public agency oversight costs?
8. Will it allow the public agency to assess a penalty/fine for failure to comply, and if so what?

Comparison of Ordinances by the Counties of Alameda, King and San Francisco:

Question	**Alameda County** Safe Medication Disposal Ordinance Adopted 7/24/12	**King County** Secure Medicine Return Ordinance Adopted 6/20/13	**San Francisco** Safe Drug Disposal Ordinance Introduced 10/21/14
Are over-the-counter medications covered?	**No**	**Yes**	**Yes**
Are vitamins/ supplements covered?	**No**	**No**	**No**
Are controlled substances covered?	**Yes,** partially, special provisions for how controlled are handled.	**Yes**	**Yes**
Will producers pay 100% of the program hard costs?	**Yes**	**No** – The County funds collection bins up to maximum of 400 bins.	**Yes**

Will it have convenience standards, and if so what?	**No**, but an explanation of how the system will be convenient and adequate to serve the needs of residents is required in the plan.	**Yes** – Every retail pharmacy and law enforcement office that volunteers must be included in the system. If a jurisdiction does not have at least 1 site plus one additional site for every 30,000 population, then producers must also provide periodic collection events or mail-back services, or some combination.	**Yes –** Every Supervisorial District must have at least 5 drop-off sites geographically distributed to provide reasonably convenient & equitable access. If this cannot be achieved due to lack of drop-off sites, periodic collection events and/or mail-back services shall be provided.
Will it require a public education/outreach program?	**Yes**	**Yes**	**Yes**
Will pharmacies be required to (1) host bins, or (2) advertise the program?	**No**	**No**, all potential collectors will participate voluntarily.	**No**, the separate Safe Drug Disposal Information ordinance requires pharmacies to display ads for the collection program.
Will it allow producers to charge visible fees?	**No**	**No**	**No**
Will it provide oversight fees to reimburse costs incurred by the public agency?	**Yes**	**Yes**	**Yes**
Allows the public agency to assess a penalty/ fine?	**Yes**, max. penalty of $1,000/day.	**Yes**, max. penalty of $2,000/ day.	**Yes**, $50-$500 per day fines/up to 6 mo. jail

Ordinance Lead Attorney and Technical Staff by Jurisdiction:

Alameda County, CA:
Kathleen Pacheco, Senior Deputy County Counsel - Ph: 510-272-6700 kathleen.pacheco@acgov.org
Bill Pollock, Hazardous Waste Manager - Ph: 510-670-6460 bill.pollock@acgov.org

King County, WA:
Amy Eiden, Deputy Prosecuting Attorney - Ph: 206-477-1082 amy.eiden@kingcounty.gov
Taylor Watson, Program Implementation Manager - Ph: 206-263-3072 taylor.watson@kingcounty.gov

San Francisco, CA:
Joshua S. White, Deputy City Attorney - Ph: 415-554-4661 Joshua.White@sfgov.org
Maggie Johnson, Residential Toxics Reduction Coordinator - Ph: 415-355-5006
margaret.johnson@sfgov.org

State of California – Natural Resources Agency
DEPARTMENT OF FISH AND WILDLIFE
Director's Office
1416 Ninth Street, 12th Floor
Sacramento, CA 95814
www.wildlife.ca.gov

EDMUND G. BROWN JR., Governor
CHARLTON H. BONHAM, Director

528-14 D

October 31, 2014

RECEIVED
NOV 05 2014
Clerk/Board of Supervisors

To Whom It May Concern:

The California Department of Fish and Wildlife (CDFW) is preparing a draft environmental document to address potential impacts resulting from the implementation of the state-wide ban on lead ammunition for hunting purposes. CDFW has prepared the attached Initial Study (IS), detailed project description, and a preliminary analysis of the impacts identified in the IS. The comment period resulting from this Notice of Preparation (NOP) is from October 31 through December 1, 2014. Comments may be provided by email to Craig Stowers (craig.stowers@wildlife.ca.gov) or by letter to the following address:

Attn: Craig Stowers
California Department of Fish and Wildlife
1812 9th Street
Sacramento, CA 95811

A public scoping meeting will also be held to solicit comments regarding what the document should address. This meeting is scheduled for November 14, 2014 from 1:00 - 3:00 pm at 1812 9th Street, Sacramento, CA.

BOS CORRESPONDENCE D

Notice of Preparation

To: All State Agencies

(Address)

From: Eric Loft, Branch Chief
CDFW - Wildlife Branch
1812 9th St., Sacramento, CA 95811
(Address)

Subject: Notice of Preparation of a Draft Environmental Impact Report

The California Fish and Game Commission will be the Lead Agency and will prepare an environmental impact report for the project identified below. We need to know the views of your agency as to the scope and content of the environmental information which is germane to your agency's statutory responsibilities in connection with the proposed project. Your agency will need to use the EIR prepared by our agency when considering your permit or other approval for the project.

The project description, location, and the potential environmental effects are contained in the attached materials. A copy of the Initial Study (☒ is ☐ is not) attached.

Due to the time limits mandated by State law, your response must be sent at the earliest possible date but not later than 30 days after receipt of this notice.

Please send your response to Mr. Craig Stowers at the address shown above. We will need the name for a contact person in your agency.

Project Title: Prohibition on the Use of Ammunition Containing Lead for the Take of Wildlife with a Firearm

Project Applicant, if any:

Date October 28, 2014

Signature

Title Branch Chief

Telephone 916-445-3555

Reference: California Code of Regulations, Title 14, (CEQA Guidelines) Sections 15082(a), 15103, 15375.

Print Form

Appendix G

Environmental Checklist Form

NOTE: The following is a sample form and may be tailored to satisfy individual agencies' needs and project circumstances. It may be used to meet the requirements for an initial study when the criteria set forth in CEQA Guidelines have been met. Substantial evidence of potential impacts that are not listed on this form must also be considered. The sample questions in this form are intended to encourage thoughtful assessment of impacts, and do not necessarily represent thresholds of significance.

1. Project title: Prohibition on the Use of Ammunition Containing Lead for the Take of Wildlife

2. Lead agency name and address:
California Fish and Game Commission
1416 9th Street, Room 1320
Sacramento, CA 95814

3. Contact person and phone number: Eric Loft, Chief, Wildlife Branch (916) 445-3555

4. Project location: Statewide

5. Project sponsor's name and address:
California Department of Fish and Wildlife
1416 9th Street, Room 1208
Sacramento, CA 95814

6. General plan designation: NA 7. Zoning: NA

8. Description of project: (Describe the whole action involved, including but not limited to later phases of the project, and any secondary, support, or off-site features necessary for its implementation. Attach additional sheets if necessary.)
AB 711 (Chap. 742, Statutes of 2013) requires the Fish and Game Commission to promulgate regulations by July 1, 2015 that phase in the use of nonlead ammunition for the take of wildlife with a firearm in California. The statute requires nonlead ammunition to be used for the take of all wildlife in the state by July 1, 2019. See attached sheet for project description.

9. Surrounding land uses and setting: Briefly describe the project's surroundings:
The project occurs on wildlands in California that are open for hunting and the take of wildlife with a firearm.

10. Other public agencies whose approval is required (e.g., permits, financing approval, or participation agreement.)
NA

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

☐ Aesthetics	☐ Agriculture and Forestry Resources	☐ Air Quality
☒ Biological Resources	☐ Cultural Resources	☐ Geology /Soils
☐ Greenhouse Gas Emissions	☒ Hazards & Hazardous Materials	☐ Hydrology / Water Quality
☐ Land Use / Planning	☐ Mineral Resources	☐ Noise
☐ Population / Housing	☐ Public Services	☒ Recreation
☐ Transportation/Traffic	☐ Utilities / Service Systems	☐ 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.



Signature — Date: 10/31/14

Signature — Date

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 a project-specific screening analysis).

2) All answers must take account of the whole action involved, including off-site as well as on-site, 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) This is only a suggested form, and lead agencies are free to use different formats; however, lead agencies should normally address the questions from this checklist that are relevant to a project's environmental effects in whatever format is selected.

9) 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 significance.

SAMPLE QUESTION
Issues:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
I. AESTHETICS -- Would the project:				
a) Have a substantial adverse effect on a scenic vista?	☐	☐	☐	☒
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	☐	☐	☐	☒
c) Substantially degrade the existing visual character or quality of the site and its surroundings?	☐	☐	☐	☒
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	☐	☐	☐	☒
II. AGRICULTURE AND FOREST 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. -- 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?	☐	☐	☐	☒
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?	☐	☐	☐	☒
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	☐	☐	☐	☒

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Production (as defined by Government Code section 51104(g))?				
d) Result in the loss of forest land or conversion of forest land to non-forest use?	☐	☐	☐	☒
de) 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?	☐	☐	☐	☒
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:				
a) Conflict with or obstruct implementation of the applicable air quality plan?	☐	☐	☐	☒
b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?	☐	☐	☐	☒
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)?	☐	☐	☐	☒
d) Expose sensitive receptors to substantial pollutant concentrations?	☐	☐	☐	☒
e) Create objectionable odors affecting a substantial number of people?	☐	☐	☐	☒
IV. BIOLOGICAL RESOURCES -- 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?	☐	☐	☒	☐
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or US Fish and Wildlife Service?	☐	☐	☐	☒
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of	☐	☐	☐	☒

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?				
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?	☐	☐	☐	☒
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	☐	☐	☐	☒
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?	☐	☐	☐	☒
V. CULTURAL RESOURCES -- Would the project:				
a) Cause a substantial adverse change in the significance of a historical resource as defined in § 15064.5?	☐	☐	☐	☒
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to § 15064.5?	☐	☐	☐	☒
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	☐	☐	☐	☒
d) Disturb any human remains, including those interred outside of formal cemeteries?	☐	☐	☐	☒
VI. GEOLOGY AND SOILS -- 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.	☐	☐	☐	☒
ii) Strong seismic ground shaking?	☐	☐	☐	☒
iii) Seismic-related ground failure, including liquefaction?	☐	☐	☐	☒
iv) Landslides?	☐	☐	☐	☒

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
b) Result in substantial soil erosion or the loss of topsoil?	☐	☐	☐	☒
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?	☐	☐	☐	☒
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?	☐	☐	☐	☒
e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?	☐	☐	☐	☒
VII. GREENHOUSE GAS EMISSIONS -- Would the project:				
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	☐	☐	☐	☒
b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?	☐	☐	☐	☒
VIII. HAZARDS AND HAZARDOUS MATERIALS - Would the project:				
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	☐	☐	☐	☒
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?	☐	☐	☐	☒
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	☐	☐	☐	☒
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?	☐	☐	☐	☒
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	☐	☐	☐	☒

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
for people residing or working in the project area?				
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?	☐	☐	☐	☒
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	☐	☐	☐	☒
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?	☐	☐	☒	☐
IX. HYDROLOGY AND WATER QUALITY -- Would the project:				
a) Violate any water quality standards or waste discharge requirements?	☐	☐	☐	☒
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)?	☐	☐	☐	☒
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?	☐	☐	☐	☒
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?	☐	☐	☐	☒
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?	☐	☐	☐	☒
f) Otherwise substantially degrade water quality?	☐	☐	☐	☒
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?	☐	☐	☐	☒

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
h) Place within a 100-year flood hazard area structures which would impede or redirect flood flows?	☐	☐	☐	☒
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?	☐	☐	☐	☒
j) Inundation by seiche, tsunami, or mudflow?	☐	☐	☐	☒
X. LAND USE AND PLANNING - Would the project:				
a) Physically divide an established community?	☐	☐	☐	☒
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?	☐	☐	☐	☒
c) Conflict with any applicable habitat conservation plan or natural community conservation plan?	☐	☐	☐	☒
XI. MINERAL RESOURCES -- 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?	☐	☐	☐	☒
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?	☐	☐	☐	☒
XII. NOISE -- 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?	☐	☐	☐	☒
b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?	☐	☐	☐	☒
c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?	☐	☐	☐	☒
d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?	☐	☐	☐	☒

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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?	☐	☐	☐	☒
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?	☐	☐	☐	☒
XIII. POPULATION AND HOUSING -- 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)?	☐	☐	☐	☒
b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?	☐	☐	☐	☒
c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?	☐	☐	☐	☒
XIV. PUBLIC SERVICES				
a) 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:				
Fire protection?	☐	☐	☐	☒
Police protection?	☐	☐	☐	☒
Schools?	☐	☐	☐	☒
Parks?	☐	☐	☐	☒
Other public facilities?	☐	☐	☐	☒
XV. RECREATION --				
a) Would the project 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?	☐	☐	☐	☒

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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?	☒	☐	☐	☐
XVI. TRANSPORTATION/TRAFFIC -- 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?	☐	☐	☐	☒
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?	☐	☐	☐	☒
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?	☐	☐	☐	☒
d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	☐	☐	☐	☒
e) Result in inadequate emergency access?	☐	☐	☐	☒
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?	☐	☐	☐	☒
XVII. UTILITIES AND SERVICE SYSTEMS -- Would the project:				
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?	☐	☐	☐	☒
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?	☐	☐	☐	☒
c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which	☐	☐	☐	☒

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
could cause significant environmental effects?				
d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?	☐	☐	☐	☒
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?	☐	☐	☐	☒
f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?	☐	☐	☐	☒
g) Comply with federal, state, and local statutes and regulations related to solid waste?	☐	☐	☐	☒
XVIII. MANDATORY FINDINGS OF SIGNIFICANCE --				
a) Does the project 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?	☐	☐	☐	☒
b) Does the project 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)?	☐	☐	☐	☒
c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	☐	☐	☐	☒

Note: Authority cited: Sections 21083, 21083.05, Public Resources Code. Reference: Section 65088.4, Gov. Code; Sections 21080, 21083.05, 21095, Pub. Resources Code; *Eureka Citizens for Responsible Govt. v. City of Eureka* (2007) 147 Cal.App.4th 357; *Protect the Historic Amador Waterways v. Amador Water Agency* (2004) 116 Cal.App.4th at 1109; *San Franciscans Upholding the Downtown Plan v. City and County of San Francisco* (2002) 102 Cal.App.4th 656.

Project Description

Assembly Bill 711 (Chapter 742, Statutes of 2013) was signed by the Governor on October 11, 2013 and became effective January 1, 2014. As enacted, Fish and Game Code section 3004.5 requires full implementation of the statute's ban on the use of nonlead ammunition by July 1, 2019; after this date, nonlead ammunition will be required when taking any wildlife with a firearm statewide. In addition, section 3004.5 requires that by July 1, 2015, the Fish and Game Commission (Commission) must promulgate regulations that phase in the statute's requirements, and that, if any of the statute's requirements can be implemented practicably, in whole or in part, in advance of July 1, 2019, the Commission shall implement those requirements.

Beginning in January 2014, the California Department of Fish and Wildlife (Department) initiated an intensive public outreach effort designed to solicit ideas from both hunters and nonhunters on the least disruptive way to phase in the transition from traditional lead to nonlead ammunition consistent with section 3004.5. The Department shared a "starting point" proposal with the public at a total of 16 outreach meetings throughout the state, from Susanville to San Diego. This starting point proposal, as modified by public input received at these meetings, formed the basis for the proposed regulatory language adding a new Section 250.1 to Title 14, California Code of Regulations. The draft regulations constitute the proposed project for the purposes of this environmental document. See Appendix A for the draft regulatory text.

By way of background, ammunition falls into several broad categories including centerfire, rimfire, shotshells, and balls or sabots used in muzzleloading weapons. Centerfire ammunition is available in a variety of sizes (calibers) for both rifles and pistols and is most commonly used for the take of big game animals. Rimfire ammunition is available in smaller sizes, primarily .22 and .17 caliber, and is used most commonly for the take of small game mammals and the control of nongame "varmint" species such as ground squirrels. Shotgun ammunition comes in a variety of gauges and a range of shot or pellet sizes. Shotshells are most commonly used for waterfowl and upland game birds, although larger shot sizes (size 0 or 00 buckshot) and shotgun "slugs" may be used for the take of big game species. Balls and sabots are typically used for the take of big game species using muzzleloading rifles.

The proposed regulations' phasing reflects the relative availability (by both type and volume) of nonlead rifle and shotgun ammunition. Nonlead shotgun ammunition has been required for the take of ducks and geese nationwide since 1991 and nonlead shotshells in waterfowl sizes are widely available. These shells are suitable for the take of larger upland game birds such as pheasants, grouse, band-tailed pigeons and wild

turkeys. They may also be effective for the take of small game mammals, furbearing mammals, and nongame species. Nonlead shotgun shells in smaller shot sizes for dove, quail, and snipe are produced, but are currently not available in the volume necessary to supply the more than 170,000 quail and dove hunters in the state. Nonlead centerfire rifle ammunition is available in the more commonly used big game calibers such as .270, .30-06, and .308. Nonlead ammunition has been required for the take of big game mammals in the condor range since 2008 and the volume of nonlead ammunition has been sufficient to supply the 48,000 deer hunters within the condor range.

Phase 1

Effective July 1, 2015, nonlead ammunition will be required when taking all wildlife on state Wildlife Areas and Ecological Reserves. These Department lands constitute approximately 925,000 acres in California, with high ecological values and some of these areas are popular with hunters. In addition, nonlead ammunition will be required for hunters taking Nelson bighorn sheep in California's desert areas. This requirement will affect a small number of hunters; in 2014 only 14 tags were issued for bighorn sheep statewide. A similar number is anticipated for the 2015 season.

Phase 2

Effective July 1, 2016, nonlead ammunition will be required when taking upland game birds with a shotgun, except for dove, quail, and snipe, and any game birds taken under the authority of a licensed game bird club as provided in sections 600 and 600.4, Title 14, California Code of Regulations. In addition, nonlead ammunition will be required for the take of resident small game mammals, furbearing mammals, nongame mammals, nongame birds, and any wildlife for depredation purposes, with a shotgun statewide. However, in light of the uncertainty regarding the retail availability of nonlead centerfire and rimfire ammunition in smaller calibers, it will still be legal to take small game, furbearing, and nongame mammals, as well as nongame birds and wildlife for depredation purposes with traditional lead rimfire and centerfire ammunition during phase 2.

Phase 3

Pursuant to Fish and Game Code section 3004.5, effective July 1, 2019, only nonlead ammunition may be used when taking any wildlife with a firearm for any purpose in California.

Nonlead Implementation - Initial Study

Impact Significance Analysis

A. Less Than Significant Impact

1. IV(a) - Biological Resources. Beneficial and less than significant impacts may occur to species identified as a candidate, sensitive, or otherwise special status as a result of the proposed action. Whereas hunting activity is regulated generally by regulations for specific hunt programs, the proposed action is limited to the phasing in of a ban on lead ammunition that will become effective, regardless, as of July 1, 2019. Thus, the proposed action may benefit listed and special status species such as bald and golden eagles by reducing the potential ingestion of lead from carcasses and gut piles from animals killed with lead ammunition.

2. VIII(h) - Hazards and Hazardous Materials. Less than significant impacts may occur regarding the exposure of people or structures to significant risk of loss, injury, or death from wildfire as a result of the proposed action. A study completed by the US Forest Service in August, 2013 (Research Paper RMRS-RP-104; A Study of Ignition by Rifle Bullets) concludes that steel jacketed and solid copper bullets could reliably cause ignition possibly due to their larger fragment size and the overall "hardness" of the materials when compared to lead. However, most of the ignitions were the result of test firing bullets directly into a steel target, which caused the bullet to fragment and the fragments to then fall into a deep bed of peat (a very fine and dry organic material). These conditions are not often encountered in actual hunting situations; the targets are soft-bodied and tend to dampen fragmenting and heating of bullets as they travel to the target, and the substrates into which those fragments may fall are also not typical of conditions found while hunting.

In addition, it should be noted the study referenced above pertained only to rifle bullets and not nonlead loads fired from shotguns. The smaller size of the projectile (shotgun pellets) and the low muzzle velocities associated with this weapon type may mitigate against the heating identified with nonlead rifle bullets. Moreover, the target zone (mainly slightly to severely above a perpendicular plane) would serve to slow down projectile speeds and allow more time for cooling before hitting any ground based ignition sources.

B. Potentially Significant Impact

XV(b) - Recreation. Although not specifically suggested by the Appendix G Initial Study Checklist, the Department notes that in the event that retail availability of nonlead ammunition fails to meet the demand of California hunters, a potentially significant impact on hunting based recreation in California may occur as a result of the proposed action. Conflicting information regarding market availability and overall cost has been presented by proponents and opponents of the law and has informed the Department's

development of the proposed action. For example, one study, sponsored by the National Shooting Sports Foundation (Southwick Associates 2014), predicts that hunting participation in California may drop by as much as 36% as a result of the proposed regulations. However, a second study sponsored by Audubon California, Defenders of Wildlife, and the Humane Society of the United States (Thomas, 2014) concluded that nonlead ammunition was already commercially available and a two year transition period was adequate to allow manufacturers to adjust for the anticipated increase in demand.

Research by the California Department of Fish and Wildlife indicates that while many different nonlead bullets and cartridges have been certified by the Fish and Game Commission and are advertised for sale by different manufacturers, very few of them are actually available for purchase either in sporting goods stores that typically sell ammunition or from on-line vendors. Furthermore, bullets and cartridges for calibers considered to be "uncommon" are essentially unavailable for purchase by California hunters. Additionally, costs are often substantially higher for nonlead ammunition of all calibers. All indications from ammunition manufacturers suggest they will not be increasing production of nonlead ammunition and most likely will not be able to meet the demand the legislation will create in California.

For these reasons, potentially significant impacts to recreation may occur as a result of: 1) requiring hunters to use nonlead ammunition that may not be available for purchase, which, in turn, may reduce hunting activity in the State; 2) hunters choosing not to participate in their chosen recreational activity due to the substantially higher costs – either through purchasing more expensive nonlead ammunition or purchasing new weapons, barrels or chokes – to comply with the new regulatory requirements.



Land Use and Public Works Committee

YUBA COUNTY
CALIFORNIA

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

BUILDING
749-5440 • Fax 749-5616

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

TO: Land Use and Public Works Committee

FROM: Michael G. Lee, Director of Public Works

SUBJECT: Amend Chapter 7.50 to Title VII of the Yuba County Ordinance Code relating to Stormwater Quality

DATE: November 18, 2014

Recommendation

That the Board amend Chapter 7.50 to Title VII of the Yuba County Ordinance Code relating to Stormwater Quality.

Background

The National Pollution Discharge Elimination System (NPDES) program regulates storm water discharges as mandated by the federal Clean Water Act. In California, the State Water Resources Control Board regulates storm water quality by issuing NPDES permits to industries, construction sites, and municipalities. On February 5, 2013, the State Water Resources Control Board issued a new General Permit for the Discharge of Storm Water from small municipal separate storm sewer systems (MS4s); this permit covers smaller municipalities with populations less than 100,000. The Small MS4 General Permit (WQ Order No. 2013-0001-DWQ) became effective on July 1, 2013, and requires small municipalities to update their storm water quality ordinances to control pollutant discharges pursuant to the new permit standards.

Discussion

The federal Clean Water Act (CWA) was amended in 1987 to address urban stormwater runoff pollution of the nation's waters. In 1990, US EPA established a permitting program that applies to storm drain systems owned and operated by cities, towns and unincorporated local governments. This permitting program requires storm drain system operators like a city or county to implement a stormwater management program as a means to control polluted discharges from the storm drain system.

In California, small (less than 100,000 population) municipalities and unincorporated counties are required to obtain coverage under a statewide NPDES municipal general stormwater

permit (Phase II Permit) issued by the State Water Resources Control Board (State Water Board). The County of Yuba is subject to the conditions of the regulations described in the current Phase II Permit. The Phase II Permit currently requires the county to implement its Stormwater Management Plan with the goal of reducing the discharge of pollutants to the maximum extent practicable (MEP). MEP is the performance standard specified in Section 402(p) of the Clean Water Act. The Stormwater Management Plan specifies the best management practices (BMPs) used to address the Phase II Permit program areas. The program areas include public education and outreach; public information and participation; illicit discharge detection and elimination; construction and post-construction stormwater controls for development projects; and good housekeeping for municipal operations.

The new Phase II Permit regulations dramatically increase permit requirements for cities and counties statewide. The permit includes seven general program elements and requires the county to perform and report on 97 different water quality activities. The new permit elements include a greatly expanded public outreach effort, mandatory certifications for staff, and a requirement for post-construction best management practices (BMPs) for projects that create or replace 5,000 square feet or more of impervious surface.

Fiscal Impact:

The fiscal impact of updating the county's stormwater quality ordinance is minimal as the ordinance revisions primarily update definitions and define the statewide permit requirements for best management practices associated with development and construction activities. However, the fiscal impact of complying with the new General Permit is estimated to require between $150,000 and $200,000 in annual funding for future fiscal years.

ORDINANCE NO. _____

AMENDING
CHAPTER 7.50 TO TITLE VII OF
THE YUBA COUNTY ORDINANCE CODE
RELATING TO STORMWATER QUALITY

The following ordinance, 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:

_____
John Nicoletti,Chairman of the Board of
Supervisors of the County of Yuba

ATTEST: DONNA STOTTLEMEYER
Clerk of the Board of Supervisors

By:_____

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

Angil P. Morris-Jones, County Counsel

Ordinance 7.50

STORMWATER QUALITY

Section

7.50.010 Title.

7.50.020 Purpose and Intent.

7.50.030 Findings.

7.50.040 Applicability.

7.50.050 Definitions.

7.50.060 Responsibility for Administration.

7.50.070 Conflicts with other laws.

7.50.080 Discharge prohibitions.

7.50.090 Exemptions to prohibited discharges.

7.50.100 Discharge in violation of existing NPDES permit.

7.50.110 Discharge in violation of County's NPDES permit—Indemnification.

7.50.120 Acts potentially resulting in violation of Federal Clean Water Act and/or Porter-Cologne Act.

7.50.130 ~~Right of entry—Inspections.~~Authority to Inspect

7.50.140 Concealment and Abetting.

7.50.150 Reduction of pollutants in stormwater, Best Management Practices.

7.50.160 Containment and notification of illicit discharges.

7.50.170 Coordination with hazardous materials inventory and response program.

7.50.180 Enforcement.

7.50.190 Violation.

7.50.200 Penalty

7.50.210 Administrative appeals.

7.50.220 Civil actions.

7.50.230 Nuisance abatement—Urgency abatement.

7.50.240 Regulatory fee structure authorized.

7.50.010 Title.

The ordinance codified in this ordinance shall be known as the "Yuba County Stormwater Quality Ordinance" of the County of Yuba, and may be so cited.

7.50.020 Purpose and Intent.

A. The purpose of this ordinance is to ensure that Yuba County is compliant with state and federal laws and fulfills its requirements to:

Protect the health, safety, and general welfare of the citizens of Yuba County; enhance and protect the quality of waters of the state in Yuba County by reducing pollutants in stormwater discharges to the maximum extent practicable and controlling nonstormwater discharges to the storm drain system; to cause the use of best management practices (Section 7.50.050) by the County and its citizens that will reduce the adverse effects of polluted runoff discharges on waters of the state~~, and; to ensure the county is compliant with applicable state and federal law~~.

———B. This chapter is intended to assist in the protection and enhancement of the water quality of watercourses, water bodies and wetlands in a manner pursuant to and consistent with the Federal Clean Water Act (33 U.S.C. Sections 1251 et seq.) and any subsequent amendments thereto, by reducing pollutants in storm water discharges to the maximum extent practicable and by prohibiting non-storm water discharges into the storm drain system. This chapter is also intended to assist in meeting the requirements of the California State Water Resources Control Board Order No. 2013-0001-DWQ and any subsequent amendments thereto.

C. ___This ordinance seeks to promote these purposes by:

Prohibiting illicit discharges to the storm drain system; establishing authority to adopt requirements for stormwater management, including source control requirements, to reduce pollution to the maximum extent practicable; establishing authority to adopt requirements for development projects to reduce stormwater pollution and erosion both during construction and after the project is complete, and; establishing authority that will enable the county to implement and enforce any stormwater management plan adopted by the county.

7.50.030 Findings.

The Yuba County Board of Supervisors has determined that the health, safety, and general welfare of the citizens of Yuba County are adversely affected by the discharge of pollution into storm drain systems and waters of the state. The Board of Supervisors further finds that any violation of this ordinance constitutes a public nuisance.

7.50.040 Applicability.

This ordinance applies to all unincorporated areas of the county. However, some provisions of this ordinance only apply to those areas within the Phase II MS4 permit boundary as delineated on the most current permit boundary map as approved by the California State Water Resources Control Board.

7.50.050 Definitions.

As used in this ordinance:

"Best Management Practices (BMP's)" means schedules of activities, prohibitions of practices, general good housekeeping practices, pollution prevention and educational practices, maintenance procedures, and other management practices to prevent the discharge of pollution directly or indirectly into stormwater, receiving waters, or stormwater conveyance systems. BMP's also include treatment practices, operating procedures, and practices to control site runoff, spillage or leaks, sludge or water disposal, or drainage from raw materials storage.

"Construction Activity" means any public or private projects involving roadwork, paving, utility installation, structural construction (new or redevelopment), demolition, grading, excavation, or landscaping that has soil disturbance or has pollutants exposed to stormwater. It does not include routine maintenance to maintain original line and grade, hydraulic capacity, or original purposes of a facility, nor does it include emergency construction activities required to immediately protect public health and safety.

"Construction Site" means any project, including projects requiring coverage under the General Construction Permit, that involves soil disturbing activities including, but not limited to, clearing, grading, paving, disturbances to ground such as stockpiling, and excavation.

"County" means the County of Yuba.

"Development" means any activity that moves soils or substantially alters the pre-existing vegetated or man-made cover of any land. Development includes any activity that may be considered new development or redevelopment. This also includes, but is not limited to, grading, digging, cutting, scraping, stockpiling or excavating of soil, placement of fill materials, paving, pavement removal, exterior construction, substantial removal of vegetation where soils are disturbed including but not limited to removal by clearing or grubbing, or any activity which bares soil or rock or involves streambed alterations or the diversion or piping of any watercourse. Development does not include

routine maintenance to maintain original line and grade, hydraulic capacity, or the original purpose of the facility, nor does it include emergency construction activities (i.e., land disturbances) required to protect public heath and safety.

"Discharge" means the release, threatened release, or placement of any material into the County's storm drain system, including but not limited to stormwater, wastewater, solid materials, liquids, hazardous waste, raw materials, debris, litter, or any other substance.

"Enforcement Agency." The Yuba County department of Public Works is the primary Enforcement Agency for the purposes of this ordinance. The Enforcement Agency shall coordinate program activities with and authorize personnel of other departments to serve as Enforcement Officials to effectuate the purposes of this ordinance.

"Enforcement Official" means any agent of the County authorized by the ~~Enforcement Agency~~Yuba County Director of Public Works to enforce compliance with this chapter.

"Hazardous waste" means any material, including any substance, waste or combination thereof, that because of its quality, concentration or physical, chemical or infectious characteristics, may cause, or significantly contribute to, a substantial present or potential hazard to human health, safety, property or the environment, when improperly treated, stored, transported, disposed of, or otherwise managed. As defined in California Health and Safety Code Section 25117.

"Illicit connection." An illicit connection is defined by either of the following:

1. Any drain or water conveyance facility, either surface or subsurface, which allows an illicit discharge to enter the storm drain system, including but not limited to any conveyances which allow any nonstormwater discharge including sewage, process wastewater, and wash water to enter the storm drain system and any connection to the storm drain system from indoor drains and sinks, regardless of whether such drain or connection has been previously allowed, permitted, or approved by a government agency,

Or

2. Any drain or conveyance connected from a commercial or industrial land use to the storm drain system which has not been documented in plans, maps, or equivalent records and approved by the County.

"Illicit discharge" means any direct or indirect nonstormwater discharge to the county's municipal storm drain system, except as otherwise exempted, including the introduction of pollution into the storm drain system.

"Industrial activity" means activities subject to NPDES permits as defined in 40 CFR 122.26(b)(14).

"Maximum Extent Practicable (MEP)" means a technology-based standard established by Congress in the Clean Water Act Section 402(p)(3)(B)(iii) for stormwater discharge to apply to all small municipal separate storm sewer system (MS4) operators regulated under the NPDES program. MEP is generally the result of emphasizing pollution prevention and source control best management practices (BMP's) as the preferred method of preventing water pollution. The MEP approach is an ever-evolving, flexible and advancing concept, which considers technical and economic feasibility. As knowledge about controlling urban runoff continues to evolve, so does what constitutes MEP.

"Municipal Separate Storm Sewer System (MS4)" means a conveyance or system of conveyances (including roads with drainage systems, municipal streets, catch basins, curbs, gutters, ditches, man-made channels, or storm drains) owned by a state, county, city, town, or other public body, that is designed or used for collecting or conveying stormwater, which is not a combined sewer, and which is not a part of a publicly owned treatment works.

"National Pollutant Discharge Elimination System (NPDES)" means the primary permitting program under the Clean Water Act (33 U.S.C. Section 1251 et seq.) which regulates most discharges to surface water.

"Noncommercial vehicle washing" means the washing and rinsing of passenger vehicles on private property in which no commercial enterprise or non-profit fundraising is being conducted in the washing of those vehicles.

"Nonstormwater Discharge" means a discharge to the storm drain system that is not composed entirely of stormwater and that has been polluted, as defined in this section.

"Pollutant" means anything which causes or contributes to pollution, as defined in this section. Pollutants include, but are not limited to: paints, varnishes, solvents, oil, automotive fluids, yard wastes, refuse, rubbish, garbage, litter, discarded or abandoned objects, floatable materials, pesticides, herbicides, fertilizers, detergents, soaps, hazardous substances, hazardous waste, sewage, fecal coliform and pathogens, dissolved and particulate metals, animal wastes, wastes and residues that result from constructing a building or structure (including but not limited to sediments, slurries, and concrete rinsates), and noxious or offensive matter of any kind.

"Pollution" means the human-made or human-induced alteration of the quality of waters to a degree that causes or contributes to an exceedance of water quality standards contained in the statewide water quality control plan, the California Toxics Rule, or in the applicable regional water quality control board basin plan.

"Porter-Cologne Act" means the Porter-Cologne Water Quality Control Act, as amended (California Water Code Section 13000 et seq.).

"Property owner" means any person, entity, company, and/or authorized representative having title to real property within the geographic area affected by this ordinance.

"Regional Water Quality Control Board (RWQCB)" means the Central Valley Regional Water Quality Control Board or the California Regional Water Quality Control Board.

"Storm Drain System," also "Municipal Storm Drain System~~,~~" or "Stormwater conveyance system" means facilities owned or operated by the county by which stormwater is collected and/or conveyed, including but not limited to any roads with drainage systems, municipal streets, gutters, curbs, inlets, piped storm drain, pumping facilities, impervious surfaces used for parking, retention and detention basins, natural and human-made or altered drainage channels, reservoirs, and other drainage structures which are within the county and are not part of a publicly owned treatment works as defined at 40 CFR Section 122.2.

"Stormwater" means any surface flow, runoff, and drainage consisting entirely of water from precipitation events, which has not been polluted.

"Stormwater Pollution Prevention Plan (SWPPP)" means ~~the construction site's water quality management plan required by the state's construction general stormwater permit~~a document that describes the best management practices to be implemented by the owner or operator of a business, commercial development, residential development, or construction project, to eliminate non-stormwater discharges and/or to reduce them to the maximum extent practicable (as defined by the State of California Regional Water Quality Control Board), pollutant discharges to the stormwater conveyance system.

"Surface water" means all water naturally open to the atmosphere (which includes, but is not limited to rivers, lakes, reservoirs, ponds, streams, impoundments, seas, estuaries, etc.) and all springs, wells, or other collectors directly influenced by surface water.

"Urgency Abatement." Urgency involves the discharge or a threatened discharge condition which causes or threatens to cause an imminent threat to public health, safety, welfare, the environment, or a violation of a NPDES permit.

"Watercourse" means any natural stream, whether flowing continuously or not, that is fed from permanent or natural sources, and includes, without limitation, rivers, creeks, runs and rivulets.

"Waters of the State" means all surface watercourses and water bodies, including lakes, bays, ponds, impounding reservoirs, springs, wells, rivers, streams, creeks, marshes, inlets, canals, and all other bodies of surface waters (Porter Cologne Section 13050(e)), and which are within the County of Yuba. This definition includes, but is broader than, waters of the United States.

"Waters of the United States" means surface watercourses and water bodies as defined at 40 CFR Section 122.2, including all natural waterways and definite channels and depressions in the earth that may carry water, even though such waterways may only carry water during rains and storms and may not carry stormwater at and during all times and seasons.

Any term(s) defined in the Federal Clean Water Act, as amended, and/or defined in the regulations for the stormwater discharge permitting program issued by the Environmental Protection Agency, as amended, and which are not specifically defined in this section, shall, when used in this ordinance, have the same meaning as set forth in such act or regulation.

7.50.060 Responsibility for Administration.

The Director of Public Works of the county of Yuba shall administer the provisions of this ordinance. Any duties herein may be performed by other departments of the county.

7.50.070 Conflicts with other laws.

In the event of any conflict between this chapter and any Federal or State law or regulation, that requirement which establishes the higher standard for public health or safety shall govern. To the extent permitted by law, nothing in this ordinance shall preclude enforcement of any other applicable law, regulation, order, permit, or county ordinance.

7.50.080 Discharge prohibitions.

Except as provided in Section 7.50.090 of this ordinance, it is unlawful for any person to make or cause to be made any illicit discharge into the storm drain system.

Notwithstanding the exemptions provided by Section 7.50.090, if the Enforcement Agency determines any otherwise exempt discharge causes or significantly contributes to violations of any plan standard, or conveys significant quantities of pollutants to surface water(s) or watercourse(s), or is a danger to public health or safety, such discharge shall be prohibited from entering the storm drain system.

7.50.090 Exemptions to prohibited discharges.

Subject to the authority granted by the Regional Water Quality Control Board and the enforcement official, ~~Discharges from~~ the following dischargesactivities shall not be prohibited except as otherwise provided by this ordinance:

A. Water line flushing and discharges from potable water sources;

~~B.~~ ~~Landscape~~ Incidental and minimal runoff from landscape irrigation and lawn watering;

C. Diverted stream flows and irrigation water;

D. Springs, rising groundwater, and flows from riparian habitat and wetlands;

E. Uncontaminated groundwater infiltration (as defined at 40 Code of Federal Regulation Section 35.2005(b)(20));

F. Uncontaminated pumped groundwater, foundation drains, footing drains, and water from crawl space pumps;

G. Air conditioning condensation;

~~H.~~ Individual residential car washing on private property in which no commercial enterprise or non-profit fundraising is being conducted in the washing of those vehicles;

I. Dechlorinated swimming pool discharges;

J. Firefighting flows;

K. Any discharge not containing wastes as defined in California Water Code Section 13050(d) and California Health & Safety Code Section 25117; and

L. Any discharge regulated under a NPDES permit issued to the discharger and administered by the state, provided that the discharger is in compliance with all requirements of the permit and other applicable laws.

7.50.100 Discharge in violation of existing NPDES permit.

~~Any person subject to any individual and/or industrial NPDES stormwater discharge permit shall comply with all provisions of such permit and any regulations or ordinances promulgated thereto, including requirements of the Excavations, Fills, Borrow-pits, and Borrow-Areas Ordinance of Yuba County (Chapter 11.25). Proof of compliance with such permit may be required in a form acceptable to the Enforcement Agency prior to or as a condition of a subdivision map, site plan, building permit, or development, redevelopment, or improvement plan; upon inspection of the facility; during any enforcement proceeding or action; or for any other reasonable cause.~~It is unlawful for any person to cause, either individually or jointly, any discharge to the stormwater conveyance system that results in or contributes to a violation of this chapter or the county's MS4 NPDES permit.

The construction, use, maintenance or continued existence of illicit connections is prohibited. This prohibition includes illicit connections made in the past, regardless of whether the connection was permissible under law or practices applicable or prevailing at the time of the connections. Upon final adoption of this ordinance, any property owner or lessee who maintains an illicit connection shall, within thirty (30) days from the effective date of this ordinance, disconnect and discontinue use of such connection.

7.50.110 Discharge in violation of County's NPDES permit—Indemnification.

Any discharge that would result in or contribute to a violation of any NPDES permit for stormwater discharges to the county issued by the California State Water Resources Control Board or Regional Water Quality Control Board and any amendment, revision or reissuance thereof, either separately considered or when combined with other discharges, is prohibited. Liability for any such discharge shall be the responsibility of the person(s) so causing or responsible for the discharge, and such person(s) shall defend, indemnify and hold harmless the county in any administrative or judicial enforcement action relating to such discharge.

7.50.120 Acts potentially resulting in violation of Federal Clean Water Act and/or Porter-Cologne Act.

The standards set forth herein and promulgated pursuant to this ordinance are minimum standards. This ordinance does not intend or imply that compliance to these minimum standards will ensure that there will be no contamination, pollution, nor unauthorized discharge of pollutants into the waters of the state. This ordinance shall not create liability on the part of the county, or any agent or employee thereof for any

damage that results from any discharger's reliance upon this ordinance or any administrative decision made thereunder.

7.50.130 ~~Right of entry—Inspections~~Authority to Inspect.

A. The Enforcement Official is authorized to enter any building or premises for the purpose of making an inspection to enforce this ordinance, using the provisions of Ordinance 7.36.830 of this code.

B. The Enforcement Official may conduct inspections related to purposes of implementing this chapter on private or public property. Inspections shall be based upon such reasonable selection processes as may be deemed necessary to carry out the objectives of this ordinance, including, but not limited to, visual evidence, complaints received, knowledge or physical evidence of industrial activities or other pollutant sources, random sampling, sampling in areas with evidence of stormwater contamination, illicit connections, discharge of nonstormwater to the county storm drain system, or similar factors.

C. During any inspection, the Enforcement Official may take samples as necessary in order to implement and enforce the provisions of this chapter. This authority may include the installation of sampling and metering devices on private property, or requiring the person owning or occupying the premises to supply samples.

D. The Enforcement Official may require monitoring, analysis and reporting of discharges from any premises to the stormwater conveyance system. The burden, including cost, of these activities, analyses and reports incurred in complying with the requirement shall, to the extent permitted by law, be borne by the property owner or occupant of the facility or activity for which testing and monitoring has been requested.

7.50.140 Concealment and Abetting.

Causing, permitting, aiding, abetting, or concealing a violation of any provision of this ordinance shall constitute a violation.

7.50.150 Reduction of pollutants in stormwater, Best Management Practices.

A. General Requirements. Any person engaging in activities that may result in pollutants entering the storm drain system shall implement best management practices to the maximum extent practicable to prevent and reduce such pollutants.

B. ~~Maintenance. All BMP's shall be protected and maintained to ensure continuous and fully effective performance as designed~~Business-related Activities.

1. Stormwater Pollution Prevention Plan. For businesses within the county's MS4 permit boundary that are engaged in activities which may result in pollutant discharges, the enforcement official may require the development and implementation of a storm water pollution prevention plan. This Stormwater Pollution Prevention Plan shall include an employee training program. An employee training program is a documented employee training program that may be required to be implemented by a business pursuant to a storm water pollution prevention plan, for the purpose of educating its employees on methods of reducing discharge of pollutants to the storm water conveyance system. Business activities that may require a storm water pollution prevention plan include, but are not limited to, maintenance, storage, manufacturing, assembly, equipment operations, vehicle loading or fueling, or cleanup procedures carried out partially or wholly out of doors.

2. Businesses within the county's MS4 permit boundary that are also required to have a hazardous materials release response and inventory plan, under Chapter 6.95 (commencing with Section 25500) of Division 20 of the California Health and Safety Code, shall include in that plan provisions for compliance with this chapter, including the provisions prohibiting non-storm water discharges and illegal discharges, and requiring the release of pollutants to be reduced to the maximum extent practicable.

3. Businesses within the county's MS4 permit boundary that are also required to have a hazardous waste generator contingency plan and emergency procedures, pursuant to California Code of Regulations, Title 22, Sections 66265.51 to 66265.56, shall include in that plan provisions for compliance with this chapter, including the provisions prohibiting non-storm water discharge and illegal discharges, and requiring the release of pollutants to be reduced to the maximum extent practicable.

C. Construction Activities.

1. Any person performing construction activities in the county shall prevent pollutants from entering the storm water conveyance system and comply with all applicable Federal, State and local laws, ordinances or regulations, including but not limited to, the current California NPDES General Permit for storm water discharges associated with construction activity (Construction General Permit) and applicable county ordinances. All construction projects within the county's MS4 permit boundary, regardless of size, having soil disturbance or activities exposed to storm water must, at a minimum, implement BMPs for erosion and sediment controls, soil stabilization, dewatering, source controls, pollution prevention measures, and prohibited discharges.

2. Any person subject to a construction activity NPDES storm water discharge permit shall comply with all provisions of such permit. Proof of compliance with said permit may be required in a form acceptable to the enforcement official prior to, or as a condition of, a subdivision map, site plan, building permit, grading permit, or development or improvement plan, upon inspection of the facility, during any enforcement proceeding or action, or for any other reasonable cause. Prior to issuance of a construction permit or approval of the proposed improvement plans, for projects subject

to the State's current Construction NPDES General Permit, the WDID number and the Storm Water Pollution Prevention Plan shall be submitted to the county. For projects within the county's MS4 permit boundary that involve less than an acre of soil disturbance or otherwise not subject to the Construction General Permit, an Erosion and Sediment Control Plan must be submitted to the county.~~Illicit Connection. The construction, use, maintenance or continued existence of illicit connections is prohibited. This prohibition includes illicit connections made in the past, regardless of whether the connection was permissible under law or practices applicable or prevailing at the time of the connections. Upon final adoption of this ordinance, any property owner or lessee who maintains an illicit connection shall, within thirty (30) days from the effective date of this ordinance, disconnect and discontinue use of such connection.~~

D. Waste Disposal. No person shall throw, deposit, leave, maintain, keep, or permit to be thrown, deposited, left, or maintained in or upon any public or private property, driveway, parking area, street, alley, sidewalk, component of the storm drain system, or waters of the state, any refuse, rubbish, garbage, litter, or other discarded or abandoned objects, ordinances, and accumulations, so that the same may cause or contribute to pollution.

E. Construction Activities. Any person performing construction work within the county shall implement appropriate BMP's to prevent the discharge from the site of soil or construction wastes or debris, including contaminants from construction materials, tools, and equipment to the stormwater drainage system.

F. Sidewalks. Every property owner or any tenant in legal possession of the property upon which there is a paved sidewalk shall maintain that portion of the sidewalk on the property free of dirt or litter to the maximum extent practicable. Sweepings from the sidewalk shall not be swept into or otherwise allowed to enter the gutter or roadway, storm drain system, or any waters of the state, but shall instead be disposed of in receptacles maintained as required for proper disposal of solid waste.

G. Watercourse Protection. Every person owning property through which a watercourse passes, or such person's lessee, shall keep and maintain that part of the watercourse within the property reasonably free of trash, debris, and other obstacles that would pollute, contaminate, or significantly retard the flow of water through the watercourse. Any owner or lessee that conducts development as defined in this ordinance shall maintain existing privately owned structures within or adjacent to a watercourse such that the effective functioning and physical integrity of the watercourse is protected, and in a manner which does not cause pollution.

~~———~~H. Development within the county's MS4 permit boundary. The Enforcement Official may require controls as appropriate to minimize the long- term, post-construction activity discharge of storm water pollutants from new development(s) or modifications to existing development(s). Controls may include source control measures to prevent pollution of storm water, treatment controls designed to remove pollutants from storm water, low impact development measures, and/or

hydromodification measures to offset the difference between the pre and post-construction peak flow runoff rates and volumes. Proponents of all applicable development and redevelopment projects will be required to meet the requirements and design standards specified in the current State of California Phase II MS4 NPDES Permit and as may be described in further detail in the county's Design Standards.

At the earliest planning stages, project proponents shall assess and evaluate how site conditions, such as soils, vegetation, and flow paths will influence the placement of buildings and paved surfaces. The evaluation will be used to optimize the site layout to meet the goals of capturing and treating runoff. Each project proponent will submit a map of the project dividing the site into discrete drainage management areas to show in each how runoff will be managed using site design measures, source controls, treatment controls, and hydromodification measures as defined by the current MS4 permit. All site design measures, source controls, treatment controls, and hydromodification measures must be selected, sized, and situated in accordance with the guidance provided in the current MS4 permit and the county's Design Standards. Documentation of the site's post-construction storm water design measures must be submitted to the county's Public Works Department for review and approval prior to the commencement of the project.

Project proponents must sign an operation and maintenance agreement in which they legally bind themselves to maintain the installed post-construction design measures in an effective and good operational condition until the property ownership is transferred. A written operation and maintenance plan for the proposed storm water design measures is required to be submitted to and approved by the County with the signed agreement. The agreement will be recorded with the deed by the County Clerk making it transferrable to the new owner; or, when there are multiple property owners responsible for the maintenance of the control measures, the agreement will consist of a legally binding covenant between the County and the homeowners association or maintenance district. The owner or association responsible for the maintenance of the control measures may be required by the County to submit an annual self-certification that the storm water control measures are effective and are being maintained in accordance with the submitted and approved Operation and Maintenance Plan.~~Development. The County may incorporate appropriate BMPs to control the volume, rate, and potential pollutant loading of stormwater runoff from development. These required BMPs will be contained in any land use entitlement and construction or building-related permit to be issued relative to such development or redevelopment. The owner and developer shall comply with the terms, provisions, and conditions of such land use entitlements and building permits as required in this ordinance.~~

I. Compliance with Industrial or Construction Activity Storm Water Permit.

1. Any person subject to the State's current Industrial NPDES General Permit for storm water discharge shall comply with all provisions of such permit. Proof of compliance with said permit may be required in a form acceptable to the enforcement official upon inspection of the facility; during any enforcement proceeding or action; or for any other reasonable cause.

2. Any person subject to the State's current Construction NPDES General Permit for storm water discharge shall comply with all provisions of such permit. Proof of compliance with said permit may be required in a form acceptable to the enforcement official prior to or as a condition of a subdivision map, site plan, building permit, and development or improvement plan; upon inspection of the facility; during any enforcement proceeding or action; or for any other reasonable cause.

J. Paved Areas. Persons owning, operating, or maintaining a paved area, including the paved areas of a parking lot, gas station, paved private street, road, or driveway, and related storm drain systems shall clean those structures as frequently and as thoroughly as practicable in a manner that does not result in discharge of pollutants to the storm drain system.

7.50.160 Containment and notification of illicit discharges.

Any person owning or occupying a premises who has knowledge of any ~~illicit discharge~~release of pollutants or non-stormwater discharge from or across those premises which might enter the storm drain system, except as provided in Section 7.50.090 of this ordinance, shall:

A. Immediately take all reasonable action to contain and abate the ~~illicit~~ release of pollutants or non-stormwater discharge, and;

B. Notify the Enforcement Agency or its designated contact person within twenty-four (24) hours of the illicit discharge. The Enforcement Agency may require the owner of the property and/or the responsible person to take corrective actions within a specified time pursuant to this ordinance.

7.50.170 Coordination with hazardous materials inventory and response program.

Any business subject to the Yuba County Hazardous Materials Emergency Response Plan (Area Plan) shall include, at the first opportunity for revision, provisions in that plan for compliance with this ordinance.

7.50.180 Enforcement.

Any person who violates a provision of this ordinance may be subject to administrative, civil, or criminal liability as provided in this ordinance.

A. **Primary Authority**. The Enforcement Agency is empowered to use any of the provisions of Sections 7.50.190 through 7.50.230 of this code where appropriate to correct violations of, and secure compliance with the provisions of this ordinance.

B. **Warning Not Required.** Issuance of a warning shall not be a requirement prior to using any enforcement provision of this ordinance. Violations of this code are not tiered and are subject to citations without Notice of Noncompliance.

This section is to establish procedures for enforcement of the provisions of this code and is intended to support timely correction of nuisances and violations of the provisions of this code while assuring due process of law in the abatement or correction of such nuisances and violations.

It shall be the duty of the Enforcement Official to enforce the provisions of this code and the Enforcement Official has the following responsibilities and authorities in the enforcement and administration of the provisions of this chapter:

A. To review with affected individuals the provisions of this code through initiation of administrative hearings and other methods to support voluntary compliance with its provisions;

B. To issue citations for violations of this code, and to issue stop work orders pursuant to the provisions of the Uniform Building Code;

C. To initiate necessary proceedings to forfeit bonds or cash deposits;

D. To initiate proceedings to revoke land use permits and other entitlements granted under any Yuba County code;

E. To initiate and conduct nuisance abatement proceedings and to carry out additional abatement responsibilities regarding violations of this code;

F. To carry out any other special enforcement programs initiated by ordinance, order or resolution of the Board of Supervisors, and any other responsibilities and authorities specified by this subchapter or this code;

G. To recover enforcement investigation and processing costs.

7.50.190 Violation.

A. **Informal Warning.** Whenever the Enforcement Official determines that a violation of a provision of this ordinance has occurred or may occur, the Enforcement Agency may provide a warning to any person and/or owner responsible for the condition giving rise to such violation or potential violation. Such warning may include the distribution of educational materials to assist in future compliance with this ordinance. This warning may be provided in person or in a written Notice of Correction.

B. **Notice of Noncompliance**. Whenever the Enforcement Official determines that a violation has occurred, the Enforcement Official may serve a Notice of Noncompliance to any person and/or owner responsible for the violation. Each Notice of Noncompliance shall contain the following information:

1. The date of the violation;

2. The address or a definite description of the location where the violation occurred;

3. The ordinance section violated and a description of the violation;

4. A time limit by which the violation shall be corrected, after which further enforcement and/or corrective actions may be taken by the County if the violation is not fully corrected;

5. The name and signature of the individual preparing the Notice of Noncompliance; and

6. Notice to the violator of potential liability under the Federal Clean Water Act or State Porter Cologne Water Quality Act.

C. **Administrative Compliance Order**. Whenever the Enforcement Official determines that a violation has occurred, the Enforcement Official may serve an Administrative Compliance Order to any person and/or owner responsible for the violation. Each Administrative Compliance Order shall contain the following information:

1. The date of the violation;

2. The address or a definite description of the location where the violation occurred;

3. The ordinance section violated and a description of the violation;

4. An order to either cease all activities or correct all deficiencies which are believed to be causing the violation;

5. A time limit by which the violation shall be corrected, after which corrective actions will be taken by the county if the violation is not fully corrected;

6. A statement that the County will charge the person and/or owner for all administrative costs associated with enforcement actions;

7. An order prohibiting the continuation or repeated occurrence of the violation;

8. The name and signature of the individual preparing the citation;

9. A statement outlining the procedure for appeal of the order; and

10. Notice to the violator of potential liability under the Federal Clean Water Act or State Porter Cologne Water Quality Act.

D. **Citation**. The Enforcement Official is authorized to issue citations for infractions of this section using the provisions found in this code.

E. **Misdemeanor**. Any violation of this ordinance is a misdemeanor and may be punishable using the provisions of this code.

F. **Service**. The Enforcement Officer is authorized to use the provisions of this code to serve a Notice of Correction, Notice of Noncompliance, Administrative Compliance Order, and/or Citations to effectuate the provisions of this ordinance.

G. **Separate Violation**—Intent.

1. Each day in which a violation occurs and each separate failure to comply with any provision of this ordinance is a separate offense and punishable by penalties in accordance with this ordinance.

2. A violation of the provisions of this ordinance shall occur irrespective of the negligence or intent of the violator to construct, maintain, operate, or utilize an illicit connection, or to cause, allow or facilitate any discharge or threatened discharge.

7.50.200 Penalty

A. For any violations of the ordinance, the penalty shall be punishment by either a fine not exceeding two thousand dollars ($2,000.00) per occurrence, or imprisonment in the county jail for a term not exceeding six months, or by both such fine and imprisonment (misdemeanor), or as an infraction, with a fine not to exceed five hundred dollars ($500.00) per violation. The penalty imposed for a conviction under this section may include probation and/or conditional sentence.

B. The Enforcement Official is authorized to issue citations for infractions of this section using the provisions found in this code.

C. Civil Penalty. In addition to any other penalty provided, any person who willfully violates any of the provisions of this code shall be liable for civil penalties of up to five hundred dollars ($500.00) per day per violation for each day's violation of this code, ordinance, or regulation, not to exceed a total civil penalty of one hundred thousand dollars ($100,000.00) per violation and not to exceed a total for all violations of two hundred fifty thousand dollars ($250,000.00).

   (1) This penalty shall be recovered in a civil action brought by the Yuba County Counsel or the Yuba County District Attorney.

   (2) The provisions of this subsection shall be applicable to all violations, and each day's violation thereof, of any offense committed after the effective date of the ordinance codified in this subsection.

   (3) As to offenses committed prior to the effective date of this subsection, the provisions of said ordinance shall be applicable to continuing violations thereof which occur from and after the effective date of said ordinance.

D. Each day's violation of this code, ordinance or regulation, shall constitute a separate and distinct offense.

E. When pronouncing sentence on any matter involving a violation of this code, the court is authorized, as a condition of sentence or condition of probation, to award costs of enforcement in addition to any fines imposed, and/or to order that the property be brought into compliance with all applicable laws, and/or such other orders as the court may deem proper.

F. The remedies enumerated in this section are cumulative and in addition to any and all other remedies provided by law.

7.50.210 Administrative appeals.

A. Any person receiving an Administrative Compliance Order under Section 7.50.190(C) of this ordinance, or any person required to perform monitoring, analysis, reporting or corrective activities by any Enforcement Official and who is aggrieved by this decision of the Enforcement Official may appeal the decision in writing to the Director of Public Works within ten (10) days following the effective date of the decision. Upon receipt of such appeal, the Director of Public Works shall request a report and recommendation from the authorized county employee and shall set the matter for hearing at the earliest practical date. At such hearing, the Director of Public Works may base his or her decision on additional evidence, and may reject, affirm or modify the Enforcement Official's decision.

B. The decision of the Director of Public Works may be appealed to the Board of Supervisors by filing a notice of appeal with the clerk of the Board of Supervisors within ~~fifteen (15)~~ten (10) days of receipt of the decision of the Director of Public Works. Such appeal shall be in writing and shall set forth fully the grounds for the appeal. The board shall thereupon fix a time and place for a public hearing of such appeal. The Clerk of the Board shall give notice to the appellant of the time and place of hearing by serving it personally or by depositing it in the U.S. Post Office, postage prepaid, addressed to the appellant at his/her last known address at least five days prior thereto.

C. At the hearing before the Board of Supervisors, the appellant may appear in person or by counsel and present any relevant evidence relating to the grievance; the Enforcement Agency may present evidence in rebuttal thereof. The hearing may be continued from time to time, not to exceed thirty (30) days in all. The Board of Supervisors shall conduct a hearing and make findings as appropriate. The decision of the Board of Supervisors shall be final.

7.50.220 Civil actions.

In addition to any other remedies provided in this section, any violation of this ordinance may be enforced by civil action brought by the county. In any such action, the county may seek, as appropriate and allowed by law, any or all of the following remedies:

A. A temporary restraining order, preliminary and permanent injunction;

B. Reimbursement for the costs of any investigation, inspection or monitoring survey which led to the establishment of the violation, and for the reasonable costs of preparing and bringing action under this division;

C. Costs incurred in removing, correcting or terminating the adverse effect(s) resulting from the violation;

D. Compensatory damages for loss or destruction of water quality, wildlife, fish and aquatic life. Costs and damages under this subsection shall be paid to the county and shall be used exclusively for costs associated with monitoring and establishing stormwater discharge pollution control system and/or implementing or enforcing the provisions of this division.

7.50.230 Nuisance abatement—Urgency abatement.

A. Nuisance Abatement. The Enforcement Agency may, in addition to other authorized procedures set forth in this ordinance, take action to abate any nuisance in accordance with the procedures found in this code. The costs of any such abatement undertaken by the County shall be borne by the owner and shall be collectable in accordance with the provisions of Chapter 7.36 of the Yuba County Ordinance Code.

B. Urgency Abatement. The Enforcement Agency may, in addition to other authorized procedures, take immediate action to abate any discharge or threatened discharge from any source to the storm drain system when, in the discretion of the Enforcement Agency, the discharge or threatened discharge causes or threatens to cause a condition which presents an imminent danger to the public health, safety, or welfare, or the environment, or a violation of an NPDES permit. The Enforcement Agency must first make reasonable attempts to contact and compel the responsible person and/or owner to abate the discharge or threatened discharge in a satisfactory manner. Any expense related to such remediation undertaken by the County shall be fully reimbursed by the property owner~~The costs of any such abatement shall be borne by the owner~~ and shall be collectable in accordance with the provisions of Chapter 7.36 of the Yuba County Ordinance Code.

7.50.240 Regulatory fee structure authorized.

The Enforcement Agency shall collect such fees as may be authorized by the Board of Supervisors to establish and collect regulatory costs, which include routine inspections and other regulatory functions associated with this ordinance. Any such fees shall be established by resolution of the Board of Supervisors or by Ordinance.

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

BUILDING
749-5440 • Fax 749-5616

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

TO: Land Use and Public Works Committee

FROM: Michael G. Lee, Director of Public Works

SUBJECT: Initiate Proposition 218 Process to Increase Fees at River Highlands CSD

DATE: November 18, 2014

Recommendation

That the Board direct staff to initiate the Proposition 218 process to propose increases to water and sewer rates for the River Highlands / Gold Village Community Services District.

Background

It has been five years since water and sewer rates for River Highlands / Gold Village CSD have increased. Since that time, expenses associated with state fees, electrical power, and other routine operational and maintenance expenses have continued to increase. Thus, the District is now operating at a loss associated with the provision of both water and sewer services. The proposed water and sewer rate increases are necessary to offset the anticipated operation and maintenance expenses associated with the provision of water and sewer service.

Discussion

Article XIIID of the California State Constitution and the Proposition 218 Omnibus Implementation Act require that the River Highlands / Gold Village Community Services District notify all affected owners of proposed utility increases. Under Proposition 218, a proposed increase in fees requires the Board of Directors to hold a public hearing, and the increase can only occur absent a majority protest of the customers. An owner of record of a parcel or parcels subject to the proposed rate changes may submit a written protest against the proposed rate increase prior to the public hearing. If timely written protests are filed by a majority of the affected property owners, the proposed rate increase will not be imposed. One written protest per parcel, filed by the owner of the parcel, shall be counted in calculating a majority protest to the proposed rate increase. Regarding the proposed water and sewer fees, property owners may protest one proposed fee increase and not protest the other, may protest both proposed fee increases, or not oppose either proposed fee increase.

The proposed action of initiating the Proposition 218 process is only the first step in the overall process of increasing water and sewer fees. Should the Board of Supervisors direct staff to initiate this process, staff will begin a public outreach effort that includes multiple mailers to all Gold Village customers and a public workshop. The tentative schedule for this effort is as follows:

1. **October 31, 2014**: CDSA received the final water and sewer rate studies from the Rural Community Assistance Corporation (RCAC);
2. **December 9, 2014**: Present recommended water and sewer rates to Board of Supervisors, request permission to begin Proposition 218 process;
3. **December 19, 2014**: Staff will mail information regarding the proposed rate increases to every property owner. Each assessment notice will contain separate mail-in ballots for water and sewer rates; the property owner can return the ballots to indicate his or her approval or disapproval of the assessment;
4. **January - February, 2015**: A public workshop will be held to inform the residents of their options regarding the Proposition 218 vote and the need for fee increases. *Note: This date may vary, but experience shows it best to hold within one or two weeks of the public hearing*;
5. **February 10, 2015**: A public hearing will be held at least 45 days after the formal Proposition 218 notice is distributed to affected customers;
6. **March 1, 2015**: New water and sewer rates may go into effect absent a majority protest.

Fiscal Impact:

The fiscal impact of initiating the Proposition 218 process is anticipated to be negligible. Should the proposed water and sewer fees be imposed, the revenues generated by user fees are anticipated to be sufficient to cover operational and maintenance expenses associated with the provision of water and sewer services to the River Highlands / Gold Village Community Services District. The proposed fee increases are based upon Water and Sewer Rate Analyses prepared by the Rural Community Assistance Corporation (RCAC), and are as follow:

Water: Current fee of $77.54 per month.

Proposed monthly water rate: A $40 Base Rate and a $31 Reserve Account Surcharge per connection plus commodity charge as follows:

Up to 750 cubic feet per month =	$0.025 per cubic foot
751-1,250 cubic feet per month =	$0.050 per cubic foot
1,251-1,650 cubic feet per month=	$0.100 per cubic foot

Over 2,000 cubic feet per month = $0.400 per cubic foot

The proposed fee would be effective March 1, 2015. It is further proposed that the monthly water fee be increased by an additional $2.00 on March 1, 2016 and by an additional $2.00 each year thereafter to offset inflation. The annual adjustments will occur each year for a period not to exceed five years.

Sewer: Current fee of $246.53 per month per connection.

Proposed monthly sewer rate: $330.00 per month per connection.

The proposed fee would be effective March 1, 2015. It is further proposed that the monthly sewer fee be increased by an additional $5.00 on March 1, 2016 and by an additional $5.00 each year thereafter to offset inflation. The annual adjustments will occur each year for a period not to exceed five years.

River Highlands Community Services District

WATER SYSTEM #5800820

SMARTSVILLE, CA

WATER RATE ANALYSIS

October 2014

Prepared by:

RCAC
www.rcac.org

Mary Fleming, RDS
Richard Culp, PE
Stevan Palmer, RDS

Funded by:

CDPH
California Department of
Public Health

Purpose and Objective

The California Department of Public Health (CDPH) requested that Rural Community Assistance Corporation (RCAC) complete a rate analysis, including Capital Improvement Planning recommendations and an evaluation of current water user rates for the River Highlands Community Services District (RHCSD). The rate analysis was developed using historical water use data and financial records provided by Yuba County Public Works, who has managed the system since 2009.

An accurate and useful rate analysis not only identifies the total annual revenue required by a utility to conduct its normal day-to-day operations, but it also anticipates and plans for future operating and capital needs. Furthermore, the analysis attempts to determine whether the projected revenue under existing rates will satisfy those needs. The primary objective of this process is to ensure that the utility has the ability to obtain sufficient funds to develop, construct, operate, maintain, and manage its water system on a continuing basis, in full compliance with federal, state and local requirements.

DISCLAIMER

The recommendations contained in this financial analysis are based on financial information provided to RCAC by Yuba County Public Works.

Although every effort was made to assure the reliability of this information, no warranty is expressed or implied as to the correctness, accuracy or completeness of the information contained herein.

1. Financial Planning

The objective of developing a financial plan for a water system is to determine cash needs, revenue requirements and anticipated timing of utility costs to ensure that adequate funds are available to meet operational and maintenance needs as they occur. Financial planning for a small water system normally includes an examination of:

- Operating revenues,
- Operation and maintenance (O&M) expenses,
- Debt service (principal and interest payments) on borrowed funds, and
- Reserve requirements.

The financial plan calculates the minimum revenues necessary to maintain viable and self-sustaining enterprises.

Operating Revenues

1. Revenues are the main sources of income to a utility and are typically thought of as operating and non-operating. Operating revenue is the stable and reliable income that comes from customer rates or user charges. Non-operating revenue such as interest on checking and reserve accounts, meter deposits, connection fees, and late payments, penalties and reconnection fees may also be considered operating revenue if they are stable and dependable revenue sources. For example, a water system with consistent

growth that is expected to continue may consider connection fees as an operating revenue source unless the connection fees are considered capital revenues. Connection fees typically include a small fee for installing the connection (materials & labor) and a larger capacity charge that represents the value of the infrastructure into which they are buying. Some utilities dedicate this buy-in revenue to capital reserves, rather than funding annual operations. A utility may borrow to invest in new wells to allow new connections rather than declare a moratorium on new homes. The new connection fees then pay back the reserves or loans used to create the new capacity.

Operating Expenses

This is the first cost category that is considered when developing a financial plan. Operating and maintenance costs include the day-to-day expenses of providing drinking water to customers. Expenses include labor, insurance, materials, electricity and chemicals.

Water System Reserves

Reserves are an accepted way to stabilize and support a utility financial management. Small systems usually fund the operating expenses but don't often consider putting money aside for a specific upcoming financial need or project, or for an amount that can be used to provide rate stabilization in years when revenues are unusually low or expenditures are unusually high. The rationale for maintaining adequate reserve levels is two-fold. First, it helps to assure that the utility will have adequate funds available to meet its financial obligations in times of varying needs. Secondly, it provides a framework around which financial decisions can be made to determine when reserve balances are inadequate or excessive and what specific actions need to be taken to remedy the situation.

Utility reserve levels can be thought of as a savings account. Reserve balances are funds that are set aside for a specific cash flow requirement, financial need, project, task, or legal covenant. Common reserve balances are established around the following four areas: operating reserve, capital improvement, emergency, and debt service reserve. These balances are maintained in order to meet short-term cash flow requirements, and at the same time, minimize the risk associated with meeting financial obligations and continued operational needs under adverse conditions.

Debt Service Reserve

Water utilities that have issued debt to pay for capital assets will often have required reserves that are specifically defined to meet the legal covenants of the debt. Normally, debt service reserve represents an amount equal to one full annual loan payment and can be accumulated to this level over a period of five to ten years. RHCSD has old debt dating back to the time when the utility was operated as a special district in the form of a bond that is in default and has not been paid against for at least five years. The bond debt is substantial (in excess of two million dollars), however based on lack of records it is unclear as to what the bond proceeds were used for and which parcels, if any, have a payment obligation. The county has requested the bond debt not be taken into consideration for the purposes of this rate study.

Operating Reserve

Operating reserves are established to provide the utility with the ability to withstand short term cash-flow fluctuations. There can be a significant length of time between when a

system provides a service and when a customer pays for that service. In addition, a system's cash flow can be affected by weather and seasonal demand patterns. Because of potential delays in collecting payment many utilities attempt to keep an amount of cash equal to at least 45 days or one-eighth of their annual cash O&M expenses in an operating reserve to mitigate potential cash flow problems. With an operating budget of $102,995 FYE June 30, 2015, RHCD's operating reserve should be funded in the amount of $12,874. A five year budget projection was completed assuming a 5% annual inflation rate. The projection assumes Operating Reserves are available in the utility's current cash in bank, will be immediately fully funded and remain untapped in subsequent years, thereby requiring only the increase due to inflation to be funded in years 2016 – 2019.

Emergency Reserve

In addition to operating reserves, emergency reserves are an important tool for financial sustainability. Emergency reserves are intended to help utilities deal with short-term emergencies which arise from time to time such as main breaks or pump failures. The appropriate amount of emergency reserves will vary greatly with the size of the utilities and should depend on major infrastructure assets. An emergency reserve is intended to fund the immediate replacement or reconstruction of the system's single most critical asset; an asset whose failure will result in an immediate water outage or threat to public safety. An emergency reserve of $50,000 funded over 5 years was the basis for this rate analysis.

Capital Improvement Reserve

A capital improvement reserve (also called a repair and replacement reserve) is intended to be used for replacing system assets that have become worn out or obsolete. Annual depreciation is frequently used to estimate the minimum level of funding for this capital reserve. But it is important to understand that depreciation expense is an accounting concept for estimating the decline in useful life of an asset and does not represent the current replacement cost of that asset. As an example, a brand new system with a construction cost of $1 million and a service life of 100 years should (in theory) be setting aside $10,000 per year to fully capitalize the replacement cost of the infrastructure as it wears out. Many smaller systems find this to be impossible because of the effect on rates which explains the large number of small systems that are falling into disrepair.

To initiate a capital improvement plan (CIP), a small water or sewer system will start with a list of assets that includes the remaining service life, theoretical replacement costs in today's dollars and the remaining service life. It then calculates the monthly and annual reserve that must be collected from each customer to fully capitalize the replacement cost of each asset. In reality, the assets will fail and be replaced gradually, but the replacement cost of water system assets is often a shock to small systems who are struggling to keep rates reasonable.

One alternative method is to set-aside an annual amount equal to one-to-two percent of the total original cost asset value of the utility's property. Larger systems often have sufficient non-operating revenue to fund these reserve levels without affecting rates, but smaller systems often do not, leaving them to fund their CIP reserves from rates alone. An alternative method is to set-aside sufficient reserve funds to cover 100 percent of the cost of replacing short-lived assets, such as well pumps, electronic controls, vehicles, etc.

The county does not maintain a separate balance sheet or asset schedule for the RHCSD. According to the most current audited financial statements, which date back to June 30, 2006, RHCSD's property and equipment for the water system were purchased at a cost of $409,055. It is not known what individual equipment and/or structures are included in this cost. Additionally, the county obtained a CDPH grant in the amount of $228,000 for improvements to the system to be completed in three projects:

1. Project #1 – Telemetry System - $61,000
2. Project #2 – Development of Well #1 - $111,000
3. Project #3 – Full Meter Installation - $56,000

These three are the initial projects from recommendations in a water system evaluation conducted by Kennedy/Jenks Consultants in May, 2011. The evaluation contains additional recommendations for improvements and replacements in the estimated amount of $547,067. When these have been completed, the total water system property and equipment costs will be $1,184,122. With estimated useful life of 15 – 50 years at a 1% inflation rate, future replacement costs are estimated at $1,881,738. Recommended annual reserve funding for the equipment replacement was $66,940, or $797 per connection. Funding 2% of the estimated future replacement costs of $1,881,738 would amount to funding the CIP reserve account in the amount of $37,635, or $448 per connection annually. Given the high costs of operating the utility, either of these amounts would be a hardship on the community. An annual reserve funding of $22,096 was used in this analysis; this amount equates to $263.05 per year per connection. That value represents 2% of the original cost of the equipment, which is far less than would normally be recommended.

Table 1.1 Capital Improvement Plan

River Highlands CSD Capital Improvement Plan Water System Equipment List	Year Acquired	Est. Cost	Orig Est. Life	Current Age	Current Year 2014 Life Remain	Adjusted Life Remain Min. 5 Years	Inflation Rate Past 1.00%	Current Value 2014 with Inflation	Inflation Rate Future 1.00%	Future Value Replacement Cost	Amount to be Reserved Orig. Cost	Annual CIP Reserves Required
Unidentified Water System Equipment per 2006 Audited Financials:												
Equipment Per 2006 Audited Financials	1981	$142,095	50	33	17	17	*1.0%*	$197,326	*1.0%*	$233,694	*2.00%*	$2,842
Equipment Acquired in 2006 Per 2006 Audited Financials	2006	$50,477	50	8	42	42	*1.0%*	$54,659	*1.0%*	$83,016	*2.00%*	$1,010
Structures and Improvements Per 2006 Audited Financials	1981	$216,483	50	33	17	17	*1.0%*	$300,628	*1.0%*	$356,035	*2.00%*	$4,330
Total Equipment at 6/30/2006 Per 2006 Audited Financials		$409,055						$552,613		$672,745		$8,181
[redacted]												
Recommended Improvements Per Ma, 2011 Report from Kennedy/Jenks Consultants												
High Priority:												
North Well - New Wireless System for well / booster tank	2015	$8,384	25	-1	26	26		$8,384	*1.0%*	$10,859	*2.00%*	$168
North Well - Electrical panel cover	2015	$2,277	40	-1	41	41		$2,277	*1.0%*	$3,424	*2.00%*	$46
South Well - Replace Pump	2015	$7,018	40	-1	41	41		$7,018	*1.0%*	$10,553	*2.00%*	$140
South Well - Electrical Panel Support / Cover	2015	$2,277	25	-1	26	26		$2,277	*1.0%*	$2,949	*0.00%*	$0
Treatment Plant - Treatment for Iron & Maganese	2015	$77,037	50	-1	51	51		$77,037	*1.0%*	$127,964	*0.00%*	$0
Total High Priority Improvements		$96,993						$96,993	*1.0%*	$155,751		$354
Other Recommended Improvements from Kennedy/Jenks Consultants												
Well #4 (Test Well) Reconstruct	2016	$11,883	30	-2	32	32		$11,883	*1.0%*	$16,338	*2.00%*	$238
Well #5 (Test Well) Reconstruct	2016	$19,591	30	-2	32	32		$19,591	*1.0%*	$26,936	*2.00%*	$392
Storage Tank Replacement	2016	$418,600	50	-2	52	52		$418,600	*1.0%*	$702,281	*2.00%*	$8,372
Total Other Recommended Improvements from Kennedy/Jenks		$450,074						$450,074	*1.0%*	$745,555		$9,001
Proposed Upgrades subtotal		***547,067***						***547,067***		***901,306***		***9,355***
Total		$1,184,122						$1,327,680		$1,881,738		$22,096

Affordability Index

The affordability index measures the burden of costs passed from the water utility to the users against the median household income (MHI) for the area and is used by funding agencies to determine grant and low interest loan eligibility. Many funding organizations look for an affordability ratio of 1.5 percent before approving grant money to low income communities. Median household income for the RHCSD is estimated at $56,875. With a current base rate of $75 per connection, RHCSD is within the 1.5 percent threshold.

Affordability Index = average annual residential bill for water/annual MHI

3. Rate Basics

Rate Structures

The following are types of rates structures common to drinking water systems:

- **Uniform Flat Rate:** Customers pay the same amount regardless of the quantity of water used. This type of rate is easiest to administer; however, it is not fair to the lowest water users and can promote high consumption which then may cost the utility more to provide that water.
- **Single or Uniform Block Rate:** Customers are charged a constant price per volume regardless of the amount of water used. The cost per block of water is often added to a minimum charge for having service available. This rate tends to be more equitable to customers as the cost to customer is in direct proportion to the amount use. This is RHCSD's current water rate structure.
- **Inclining or Increasing Block Rate:** This rate is designed to promote water use efficiency, as the price of water increases as the amount used increases.

Fixed versus Variable Expenses

Water must be available to customers at all times whether the customer is using the water or not. A large share of water system costs are associated with bringing the first drop of water to the customer's meter regardless of whether any water is used. Fixed costs are those that must be recovered by RHCSD to ensure that drinking water is available to its customers.

Fixed costs are usually recovered from each customer on an equal basis through the use of a minimum fee (a minimum monthly bill). Fixed costs may cover 100 percent of some expenses in a system's budget, but only a portion of other types of expenses. For example, fixed expenses generally include all debt service expenses on construction loans, financial reserves for emergencies or equipment replacement and overhead costs, like insurance and bonding. Fixed costs should also include a portion of other system operating expenses. For example, a percentage of wages and fringe benefits for time spent in reading each meter and preparing each customer's bill.

The method for identifying all or part of some expenses as fixed costs involves determining to what extent each of the line item expenses in the budget benefits every customer of the system regardless of their level of usage. This is a determination that each utility must make for itself. Fixed costs should generally be recovered in a system's minimum bill, the minimum monthly fee charged equally to each customer within each customer classification (residential, multi-

residential, commercial, etc.) or by meter size (3/4-inch, 1-inch, etc.). For small systems with fewer customers to spread costs among, the proportion of fixed costs will be higher than larger systems. Many small systems find it impossible to recover all fixed costs in a monthly minimum so they tend to shift a certain percentage to the variable side. Fixed costs for small systems are usually in the range of one-third to one-half of the system's total operating costs.

Variable costs are system expenses that are more directly related to how much water is pumped, treated, stored and distributed. Most costs for electricity, operator wages and benefits, chemicals and repairs can be classified as variable costs because they are directly related to the amount of water customers' use. To recover variable expenses, rate structures use a "consumption charge" or "flow charge" per volume, such as per thousand gallons or hundred cubic feet.

4. Customer Water Demands

When analyzing water rates, it is important to understand existing patterns of consumption among the system's customers. A large portion of customers may use a small percentage of water, and a small portion of customers may use a large percentage.

Understanding how customers use water is important when you are considering seasonal operational needs, infrastructure replacement and water use efficiency to name a few.

RHCSD currently serves 84 customers. The monthly water use for July 1, 2013 through June 30, 2014 is shown in the table and graph below:

Table 4.1 Usage

Date	Gallons Used (Individual Connections Not Metered)					
	North Well	Well #1	Well #3	Total Usage Gallons	Total Usage Cubic Feet	% of Annual Usage
July 2013	1,430,600		11,900	1,442,500	192,848	13%
August 2013	1,813,700		-	1,813,700	242,473	16%
September 2013	1,192,500		2,300	1,194,800	159,733	11%
October 2013	744,800		301,400	1,046,200	139,866	9%
November 2013	936,500		5,900	942,400	125,989	8%
December 2013	776,200		100	776,300	103,783	7%
January 2014	Meter not Read	42,370	124,200	166,570	22,269	2%
February 2014	856,160	43,859	152,494	1,052,513	140,710	9%
February 2014	260,882	-	-	260,882	34,877	2%
March 2014	229,588	6	14	229,608	30,696	2%
March 2014	232,042	1	-	232,043	31,022	2%
April 2014	256,152	73	1	256,226	34,255	2%
April 2014	286,726	-	-	286,726	38,332	3%
May 2014	357,845	-	-	357,845	47,840	3%
May 2014	407,100	-	-	407,100	54,425	4%
June 2014	627,770	105	-	627,875	83,941	6%
Total	10,408,565	86,414	598,309	11,093,288	1,483,060	100%
Average Monthly Usage				924,441	123,588	
Average Monthly Usage Per Connection				11,005	1,471	

5. Water Rate Analysis

The current RHCSD water rates and water billing revenues for the period of July 1, 2013 through June 30, 2014 are shown in the table below:

Table 5.1 Summary of current RHCSD Annual water rates and revenues from water sales 2014			
Current rates 2014	**Base Rate**	**# of accounts**	**Total Monthly Revenue**
Monthly Base Rate	$75.00	84	$6,300
Total Annualized Revenue			**$75,600**

The RHCSD water department budget for 2015 was used to develop a breakdown of fixed and variable operating costs as presented in Table 5.2 below. The actual operating expenses reported in RHCSD financial statements for FYE 6/30/2013 and projected FYE 6/30/2014 were $69,912 and $152,749, respectively. Repairs of aging equipment and the necessity to use more contract services for operating the system caused the utility costs to double in 2014. It is anticipated that the contractor costs will decrease in future years but will not return to the levels of 2013. It is also projected that repairs and maintenance costs of $20k annually will be the norm.

Table 5.2

River Highlands Community Services District Water System Budget	Budget FYE 6/30/2015	Estimated % Fixed Costs	Fixed costs	Variable costs
Cost of goods sold:				
Water Operator Contract	$20,000	90%	$18,000	$2,000
Utilities	$16,887	75%	$12,665	$4,222
Maintenance & Repairs	$32,782	60%	$19,669	$13,113
Supplies	$2,641	60%	$1,585	$1,056
Expense				
Administration	$30,000.00	80%	$24,000	$6,000
Licenses/Permits	$685	100%	$685	$0
Total Operating Budget	**102,995**		**76,604**	**26,391**
Annual Emergency Reserve	10,000	(assumes 20% of $50,000/year for 5 years)		
Annual Operating Reserve	2,575	(Assumes Operating Reserves will be funded over five years)		
Annual Debt Service Reserves				
Annual Replacement CIP reserve	22,096			
Total Annual Reserves	**34,671**			
Total Annual Budget	**137,666**			

TOTAL ANNUAL OPERATING BUDGET	$102,995
TOTAL FIXED COST OF ANNUAL BUDGET	$76,604
% OF ANNUAL BUDGET THAT IS FIXED	74%
TOTAL VARIABLE COST OF ANNUAL BUDGET	$26,391
% OF ANNUAL BUDGET THAT IS VARIABLE	26%

Using the budget in Table 5.2, a base plus usage rate structure is recommended. The base rate of $40.00 will be escalated by $2.00 each year for five years. In addition, a monthly surcharge of $31.00 will be assessed to fund reserve accounts. To promote conservation, incremental tiers for usage will be implemented. In Table 5.3 below, the commodity charges have been adjusted to the incremental tier levels:

Table 5.3 Tiered Rates
1. Up to 750 cubic feet per month = $.025 per cf
2. 751 – 1250 cubic feet per month = $.05 per cf
3. 1251 – 1650 cubic feet per month = $.10 per cf
4. 1651 – 2000 cubic feet per month = $.20 per cf
5. Over 2000 cubic feet per month = $.40 per cf

Table 5.4 Summary of Proposed RHCSD Water Rates / Revenue

Proposed Increase	**Monthly Rate**	**# of Active Accounts**	**Total Monthly Revenue**
Monthly Base Rate	$40.00	84	$3,360
Monthly Reserve Account Surcharge	$31.00	84	$2,604
Commodity Charges Per CF:	**Per CF**	**CF per Month**	
Up to 750 CF per Month - 0.025 per CF	$0.025	63,000	$1,575
750 - 1250 CF per Month - 0.05 per CF	$0.050	42,000	$2,100
1251 - 1650 CF per Month - 0.10 per CF	$0.100	18,588	$1,859
1651 - 2000 CF per Month - 0.20 per CF	$0.200	unknown	
Over 2000 CF per Month - 0.40 per CF	$0.400	unknown	
Total Commodity Charge Revenue:			**$11,498**
Total Annualized Revenue:			**$137,974**

Table 5.5 below illustrates the impact of the rate schedule suggested in table 5.2. Assuming a 2% annual inflation rate, the rate structure should adequately cover operating costs and reserve account funding until FYE 2018.

Table 5.5

Increased Rate Assumes 2% Inflation		# of Active Accounts	Average Monthly Revenue	Average Annual Revenue	
[redacted]					
[redacted]			$11,497.80	$137,973.60	
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Total Monthly Required Reserves Fund	$2,889	$2,889	$2,889	$2,889	$2,889
[redacted]					
Total Fixed Budget	$76,604	$78,136	$79,699	$81,293	$82,919
Total Variable Budget	$26,391	$26,919	$27,457	$28,006	$28,566
Total Budget (Excluding Reserve Funding)	$102,995	$105,055	$107,156	$109,299	$111,485
Total Budget (Including Reserve Funding)	$137,666	$139,726	$141,827	$143,970	$146,156
Estimated Annual Revenue from Base Rate	$40,320	$42,336	$44,352	$46,368	$48,384
Estimated Annual Revenue from Reserve Surcharge	$31,248	$31,248	$31,248	$31,248	$31,248
Estimated Annual Revenue from Commodity Charge	$66,406	$66,406	$66,406	$66,406	$66,406
Total Estimated Annual Revenue	$137,974	$139,990	$142,006	$144,022	$146,038
Total Target Revenue	$137,666	$139,726	$141,827	$143,970	$146,156
Variance	$308	$264	$179	$52	-$118

Conclusions and Recommendations

Key points to remember with any rate adjustment:

- Successful utilities are those that strive to be transparent. In day-to-day operations, RHCSD should strive to promote its services (highlights and the low points), and continuously educate its customers on why it is necessary to raise and adjust rates.
- The ability of the current rate structure to generate adequate revenue will depend on maintaining a vigorous collection and shut-off policy to keep delinquent accounts at a minimum.
- In order to achieve and maintain long term viability, water systems should review its rates annually or no less than a minimum of every two years. Keeping track of customer seasonal and annual water demands will help determine operation's needs, budget forecasts and rate adjustments.
- RHCSD should begin metering individual connections and charge the established usage commodity charge as soon as possible. The recommended rate structures will not provide adequate funding if the commodity charges are not implemented with the rate adjustment.
- RHCSD should raise water use rates to provide sufficient revenues for funding future operations and adequately fund reserves.
- RHCSD should continue with development of a Capital Improvement Plan and conduct a rate analysis after the anticipated construction has been completed to ensure replacement reserves are funded to the highest level feasible. Failure to save adequate CIP reserves will force RHCSD to finance a larger percentage of future capital projects, incurring the added cost of interest.
- RHCSD should establish policies for reserve accounts as recommended above and distribute existing unrestricted reserves accordingly. CIP reserves should be moved to and maintained in the highest interest bearing accounts available to offset inflation.
- RHCSD should begin the process of increasing water rates to the recommended rates above.

River Highlands Community Services District

SMARTSVILLE, CA

SEWER RATE ANALYSIS

October 2014

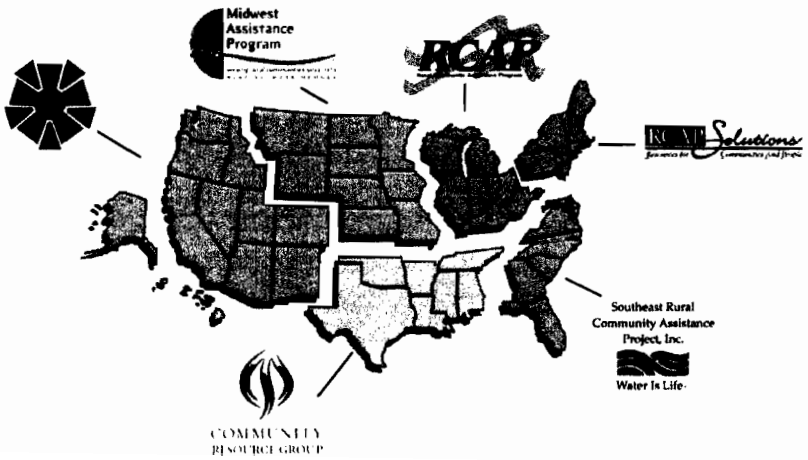
Prepared by:

RCAC
www.rcac.org

Mary Fleming, RDS
Stevan Palmer, RDS
Richard Culp, P.E.

Funded by:

Rural Community Assistance Partnership



Purpose and Objective

Yuba County Public Works (YCPW) requested that Rural Community Assistance Corporation (RCAC) complete a rate analysis, including Capital Improvement Planning recommendations and an evaluation of current sewer user rates for the River Highlands Community Services District (RHCSD). The rate analysis was developed using historical financial records provided by YCPW, who has managed the system since 2009. An accurate and useful rate analysis not only identifies the total annual revenue required by a utility to conduct its normal day-to-day operations, but it also anticipates and plans for future operating and capital needs. Furthermore, the analysis attempts to determine whether the projected revenue under existing rates will satisfy those needs. The primary objective of this process is to ensure that the utility has the ability to obtain sufficient funds to develop, construct, operate, maintain, and manage its sewer system on a continuing basis, in full compliance with federal, state and local requirements.

DISCLAIMER

The recommendations contained in this financial analysis are based on financial information provided to RCAC by YCPW. Although every effort was made to assure the reliability of this information, no warranty is expressed or implied as to the correctness, accuracy or completeness of the information contained herein.

1. Financial Planning

The objective of developing a financial plan for a sewer system is to determine cash needs, revenue requirements and anticipated timing of utility costs to ensure that adequate funds are available to meet operational and maintenance needs as they occur. Financial planning for a small sewer system normally includes an examination of:

- Operating revenues,
- Operation and maintenance (O&M) expenses,
- Debt service (principal and interest payments) on borrowed funds, and
- Reserve requirements.

The financial plan calculates the minimum revenues necessary to maintain viable and self-sustaining enterprises.

Operating Revenues

Revenues are the main sources of income to a utility and are typically thought of as operating and non-operating. Operating revenue is the stable and reliable income that comes from customer rates or user charges. Non-operating revenue such as interest on checking and reserve accounts, connection fees, and late payments, penalties and reconnection fees may also be considered operating revenue if they are stable and dependable revenue sources. For example, a sewer system with consistent growth that is expected to continue may consider connection fees as an operating revenue source unless the connection fees are considered capital revenues. Connection fees typically include a small fee for installing the connection (materials & labor) and a larger capacity charge that represents the value of the infrastructure

into which they are buying. Some utilities dedicate this buy-in revenue to capital reserves, rather than funding annual operations. A utility may borrow to invest in new lines to allow new connections rather than declare a moratorium on new homes. The new connection fees then pay back the reserves or loans used to create the new capacity.

Operating Expenses

This is the first cost category that is considered when developing a financial plan. Operating and maintenance costs include the day-to-day expenses of providing sewer service to customers. Expenses include labor, insurance, materials, electricity and chemicals.

Sewer System Reserves

Reserves are an accepted way to stabilize and support a utility financial management effort. Small systems usually fund the operating expenses but don't often consider putting money aside for a specific upcoming financial need or project, or for an amount that can be used to provide rate stabilization in years when revenues are unusually low or expenditures are unusually high. The rationale for maintaining adequate reserve levels is two-fold. First, it helps to assure that the utility will have adequate funds available to meet its financial obligations in times of varying needs. Secondly, it provides a framework around which financial decisions can be made to determine when reserve balances are inadequate or excessive and what specific actions need to be taken to remedy the situation.

Utility reserve levels can be thought of as a savings account. Reserve balances are funds that are set aside for a specific cash flow requirement, financial need, project, task, or legal covenant. Common reserve balances are established around the following four areas: operating reserve, capital improvement, emergency, and debt service reserve. These balances are maintained in order to meet short-term cash flow requirements, and at the same time, minimize the risk associated with meeting financial obligations and continued operational needs under adverse conditions.

Debt Service Reserve

Sewer utilities that have issued debt to pay for capital assets will often have required reserves that are specifically defined to meet the legal covenants of the debt. Normally, debt service reserve represents an amount equal to one full annual loan payment and can be accumulated to this level over a period of five to ten years. RHCSD has old debt dating back to the time when the utility was operated as a special district in the form of a bond that is in default and has not been paid against for at least five years. The bond debt is substantial (in excess of two million dollars), however based on lack of records it is unclear as to what the bond proceeds were used for and which parcels, if any, have a payment obligation. The County has requested the bond debt not be taken into consideration for the purposes of this rate study.

RHCSD incurred a debt in the amount of $91,000 from Cleanup and Abatement Account, (CAA) payable to the State Water Board in annual installments of $4,550, or $4.51 per connection monthly. The debt will mature on September 1, 2030.

Operating Reserve

Operating reserves are established to provide the utility with the ability to withstand short term cash-flow fluctuations. There can be a significant length of time between when a system provides a service and when a customer pays for that service. In addition, a system's cash flow can be affected by weather and seasonal demand patterns. Because of potential delays in collecting payment many utilities attempt to keep an amount of cash equal to at least 45 days or one-eighth of their annual cash O&M expenses in an operating reserve to mitigate potential cash flow problems. With an operating budget of $297,050 FYE June 30, 2015, RHCD's operating

reserve should be funded in the amount of $37,131. A five year budget projection was completed assuming a 2% annual inflation rate. To minimize the impact on the rates, the budget has been modified to fund the operating reserves over five years ($7,426 annually, or $7.37 per connection monthly).

Emergency Reserve

In addition to operating reserves, emergency reserves are an important tool for financial sustainability. Emergency reserves are intended to help utilities deal with short-term emergencies which arise from time to time such as main breaks or pump failures. The appropriate amount of emergency reserves will vary greatly with the size of the utilities and should depend on major infrastructure assets. An emergency reserve is intended to fund the immediate replacement or reconstruction of the system's single most critical asset; an asset whose failure will result in an immediate sewer outage or threat to public safety. An emergency reserve of $50,000 funded over 5 years was the basis for this rate analysis. The $10,000 annual emergency reserve funding breaks down to $9.92 per month for each connection.

Capital Improvement Reserve

A capital improvement reserve (also called a repair and replacement reserve) is intended to be used for replacing system assets that have become worn out or obsolete. Annual depreciation is frequently used to estimate the minimum level of funding for this capital reserve. But it is important to understand that depreciation expense is an accounting concept for estimating the decline in useful life of an asset and does not represent the current replacement cost of that asset. As an example, a brand new system with a construction cost of $1 million and a service life of 100 years should (in theory) be setting aside $10,000 per year to fully capitalize the replacement cost of the infrastructure as it wears out. Many smaller systems find this to be impossible because of the effect on rates which explains the large number of small systems that are falling into disrepair.

To initiate a capital improvement plan (CIP), a small water or sewer system will start with a list of assets that includes the remaining service life, theoretical replacement costs in today's dollars and the remaining service life. It then calculates the monthly and annual reserve that must be collected from each customer to fully capitalize the replacement cost of each asset. In reality, the assets will fail and be replaced gradually, but the replacement cost of sewer system assets is often a shock to small systems who are struggling to keep rates reasonable.

One alternative method is to set-aside an annual amount equal to one-to-two percent of the total original cost asset value of the utility's property. Larger systems often have sufficient non-operating revenue to fund these reserve levels without affecting rates, but smaller systems often do not, leaving them to fund their CIP reserves from rates alone. An alternative method is to set-aside sufficient reserve funds to cover 100 percent of the cost of replacing short-lived assets, such as well pumps, electronic controls, vehicles, etc.

The county does not maintain a separate balance sheet or asset schedule for the RHCSD. According to the most current audited financial statements, which date back to June 30, 2006, RCAC was informed by YCPW that numerous upgrades have been completed on the system in recent years. However, a complete schedule of existing structures and equipment was not provided for this analysis. The CIP was developed using a schedule of replacements expected by the County in the foreseeable future.

Fully funding the estimated future replacement costs of $640,171 would amount to annually funding the CIP reserve account in the amount of $52,122. On a per connection basis, this equates to $620 annually or $52 per month. Given the high costs of operating the utility the cost of fully funding the reserve account is prohibitive and would create a hardship on the community. An amount of $10,359 (2% of original estimated cost of $517,169), was used in a set of rate calculations. This amounts to $123.32 annually for each connection or $10.28 per month for each home.

Table 1.1 Capital Improvement Plan

River Highlands CSD Capital Improvement Plan Waste Water System Equipment List	Year Acquired	Quantity	Est. Cost Each	Est. Cost	Orig Est. Life	Current Age	Current Year 2014 Life Remain	Adjusted Life Remain Minimum 5 Years	Inflation Rate Past 1.0%	Current Value 2014 with Inflation	Inflation Rate Future 1.0%	Future Value Future Value Replacement Cost	Amount to Be Reserved Percentage of Orig. Cost	Annual CIP Reserves Required
LIFT STATION:														
Power-Flow 15 hp Submersible pumps (2)	2014	2	$ 7,065	$14,130	6	0	6	6	1.0%	$14,130	1.0%	$14,999	2.0%	$283
SIEMENS PLC SIMATIC S7-1200	2010	1	$5,486	$5,486	10	4	6	6	1.0%	$5,709	1.0%	$6,060	2.0%	$110
SIEMENS SITRANS FLOW TRANSMITTER / SENSOR MODEL 5100W	2010	1	$4,572	$4,572	10	4	6	6	1.0%	$4,758	1.0%	$5,050	2.0%	$91
CONCRETE HOLDING TANK	1960	1	$13,568	$13,568	30	34	-4	5	1.0%	$19,030	1.0%	$20,001	2.0%	$271
TOTAL LIFT STATION				**$37,756**						**$43,627**		**$46,110**		**$755**
MEMBRANE BIOREACTOR:														
Dontech Drum Screen	2010	1	$ 20,675	$20,675	10	4	6	6	1.0%	$21,514	1.0%	$22,838	2.0%	$414
Generac Generator	2010	1	$ 17,225	$17,230	10	4	6	6	1.0%	$17,930	1.0%	$19,033	2.0%	$345
Hach SC200 Controller w/ LDO Sensor	2010	1	$ 4,308	$4,308	10	4	6	6	1.0%	$4,483	1.0%	$4,759	2.0%	$86
Hach SC200 W/ 1720E Turbidimeter	2010	1	$ 4,308	$4,308	10	4	6	6	1.0%	$4,483	1.0%	$4,759	2.0%	$86
Hallett UV Sysytem	2010	4	$ 3,446	$13,784	10	4	6	6	1.0%	$14,344	1.0%	$15,226	2.0%	$276
ISCO 4700 Sampler	2010	2	$ 5,169	$10,338	10	4	6	6	1.0%	$10,758	1.0%	$11,420	2.0%	$207
Roots EasyAir 8000 Blowers	2010	3	$ 2,067	$6,201	10	4	6	6	1.0%	$6,453	1.0%	$6,850	2.0%	$124
SIEMENS SITRANS FLOW TRANSMITTER / SENSOR MODEL 5100W	2010	1	$ 4,308	$4,308	10	4	6	6	1.0%	$4,483	1.0%	$4,759	2.0%	$86
SIEMENS FILTER MEMBRANES	2010	2	$ 9,053	$18,106	10	4	6	6	1.0%	$18,841	1.0%	$20,000	2.0%	$362
WILO-EMU Submersible Mixer Model TR 16, 174-4/6	2010	1	$ 4,572	$4,572	5	4	1	5	1.0%	$4,758	1.0%	$5,000	2.0%	$91
SIEMENS PLC SIMATIC S7-1200	2010	1	$ 5,431	$5,431	10	4	6	6	1.0%	$5,652	1.0%	$5,999	2.0%	$109
TOTAL MEMBRANE BIOREACTOR				**$109,261**						**$113,697**		**$120,642**		**$2,185**
SEWER LINE:														
Sewer Line Linear Feet (6 & 8 inch pipes)	2010	4400	$ 50	$220,000	25	4	21	21	1.0%	$228,933	1.0%	$282,135	2.0%	$4,400
1/2 mile for force main from lift station to treatment plant	2010	2640	$ 50	$132,000	25	4	21	21	1.0%	$137,360	1.0%	$169,281	2.0%	$2,640
TOTAL SEWER LINE				$352,000						$366,293		$451,416		$7,040
Total CIP				$517,969						$543,338		$640,171		$10,359

Affordability Index

The affordability index measures the burden of costs passed from the sewer utility to the users against the median household income (MHI) for the area and is used by funding agencies to determine grant and low interest loan eligibility. Many funding organizations look for an affordability ratio of 1.5 percent before approving grant money to low income communities. Median household income for the RHCSD is estimated at $56,875. With a current rate of $246.53 per connection, RHCSD's current rate is at 5.2% before any necessary increase to cover future costs.

River Highlands Community Services District and Yuba County (Discharger) collectively own and operate the Hammonton Gold Village Wastewater Treatment Plant (Facility). Gold Village Land Development LLC owns the property. Easements and a 99 year site lease provide access to the Facility. The Facility serves 84 households, and is permitted to discharge up to 0.026 million gallons per day of treated municipal wastewater to irrigate fields, or to an unnamed tributary of Sanford Creek which ultimately flows into the Yuba River below Englebright Dam. Current information regarding discharge was not available for this study. The Facility includes a new tertiary-level treatment and ultraviolet light disinfection system. Treated wastewater is discharged to surface water during wet weather months only. A brief history of the system is as follows:

- The RHCSD WWTP failed in 2006, and a new facility needed to be constructed.
- The County was appointed as receiver, and built a new plant in 2010 with grants fund provided by USDA and State of California.
- New development is severely challenged because of limited water supply even though the new plant has some additional treatment capacity.
- RHCSD has severely limited financial and management resources, due to the small size of the service area, and failed to meet regulatory requirements from 2002, when the 84 Gold Village homes were completed until the County gained receivership in 2009. From the period of 2002 until 2009 RHCSD failed to submit required monitoring reports. A disinfection system failed in 2004, but was not replaced. When the plant failed in 2006, an RWQCB inspection found it to be poorly operated and maintained with various regulatory violations.
- RHCSD has drawn down reserves as a result of the treatment plant failure in 2006. The District was paying high monthly payments to transport effluent to another provider and then for an interim facility. The District is struggling to get funding for facility improvements, has significantly higher costs per account than the other providers, and has the highest rate among the other jurisdictions. RHCSD does not have the financial ability to provide adequate wastewater services.
- RHCSD has had no governing body demonstrated by a lack of contested elections in recent years.

Affordability Index = average annual residential bill for sewer/annual MHI

2. Rate Basics

Rate Structures

The following are types of rates structures common to sewer systems:

- **Uniform Flat Rate:** Customers pay the same amount regardless of the usage. This type of rate is easiest to administer; however, it has been argued that it is not fair to the connections that produce less waste water. This is the rate structure for RHCSD.
- **Flat Rate by Connection Class:** Connection "classes" are determined such as residential or commercial. A different flat rate is established for each class based on presumed inequality of usage between the classes.
- **Rate Based on Water Usage**: In this rate structure, a base rate is usually established for having the connection available and a commodity fee is charged based on metered water usage. It assumes waste water created is directly linked to water usage.
- **Equivalent Dwelling Unit (EDU):** In this rate structure each connection is assigned a designated EDU. Typically one residential house will equal one EDU; occasionally it may be arbitrarily determine, for instance, one school may equal two EDU's, a restaurant may equal three EDU's and so on. Some utilities charge according to number of toilets to which a connection is linked.
- **Based on Waste Strength:** Some utilities base their rates by measured biochemical oxygen demand or B.O.D.

Fixed versus Variable Expenses

Sewer must be available to customers at all times whether the customer is using the sewer or not. A large share of sewer system costs are associated with taking the waste water from the customer's connection regardless of whether any waste water is produced. Fixed costs are those that must be recovered by RHCSD to ensure that the sewer connection is available to its customers.

Fixed costs are usually recovered from each customer on an equal basis through the use of a minimum fee (a minimum monthly bill). Fixed costs may cover 100 percent of some expenses in a system's budget, but only a portion of other types of expenses. For example, fixed expenses generally include all debt service expenses on construction loans, financial reserves for emergencies or equipment replacement and overhead costs, like insurance and bonding. Fixed costs should also include a portion of other system operating expenses. For example, a percentage of wages and fringe benefits for time spent in preparing each customer's bill and depositing payments.

The method for identifying all or part of some expenses as fixed costs involves determining to what extent each of the line item expenses in the budget benefits every customer of the system regardless of their level of usage. This is a determination that each utility must make for itself. Fixed costs should generally be recovered in a system's minimum bill, the minimum monthly fee charged equally to each customer within each customer classification. For small systems with fewer customers to spread costs among, the proportion of fixed costs will be higher than larger systems. Many small systems find it impossible to recover all fixed costs in a monthly minimum so they tend to shift a certain percentage to the variable side. Fixed costs for small systems are usually in the range of one-third to one-half of the system's total operating costs.

Variable costs are system expenses that are more directly related to how much waste water is pumped and treated. Most costs for electricity, operator wages and benefits, chemicals and repairs can be classified as variable costs because they are directly related to the amount of sewage customers' produce. To recover variable expenses, many rate structures use a "consumption charge" or "flow charge" per volume based on water usage, such as per thousand gallons or hundred cubic feet.

3. Sewer Rate Analysis

The current RHCSD sewer rates and sewer billing revenues for the period of July 1, 2013 through June 30, 2014 are shown in the table below:

Table 3.1

Summary of current RHCSD Annual sewer rates and revenues from sewer connections 2014

Current rates 2014	Base Rate	# of accounts	Total Monthly Revenue
Monthly Base Rate	$246.53	84	$20,709
Total Annualized Revenue			**$248,502**

The RHCSD sewer department budget for 2015 was used to develop a breakdown of fixed and variable operating costs as presented in Table 3.2 below. The actual operating expenses reported in RHCSD financial statements for Fiscal Year Ending FYE 6/30/2013 and projected FYE 6/30/2014 were $331,193 and $309,608, respectively. Repairs of aging equipment and the necessity to use more contract services for operating the system caused the utility costs to climb from FYE 6/30/2011 through FYE 6/30/2013. The contract operator cost declined significantly in FYE 6/30/2014 however, that savings was offset by increased repair costs. YCPW estimated the contract operator costs to continue at an average of $175,000 annually. The sewer system has been operating at a significant loss for the past several years. Without a rate increase, it is estimated the system will have a shortfall of nearly $50,000 in FYE 6/30/2015 with no dollars available for reserve funding.

Table 3.2 Budget Based on CIP Funded at 2% of Estimated Original Cost

River Highlands Community Services District - Sewer System Budget	Budget FYE 6/30/2015	Estimated % Fixed Costs	Fixed costs	Variable costs
Cost of goods sold:				
Sewer Operator Contract	$ 175,000	$ 1	$ 140,000	$ 35,000
Utilities	$ 15,500	$ 1	$ 7,750	$ 7,750
Maintenance & Repairs/Emergencies	$ 60,000	$ 1	$ 36,000	$ 24,000
Supplies	$ 20,000	$ 1	$ 12,000	$ 8,000
Expense				
Administration	$ 16,000	$ 1	$ 12,800	$ 3,200
Licenses/Permits	$ 9,250	$ 1	$ 9,250	$ -
Taxes	$ 200	$ 1	$ 200	$ -
Porta-Potty Service	$ 1,100	$ 1	$ 990	$ 110
Total Operating Budget	**297,050**		**218,990**	**78,060**
Annual Emergency Reserve	10,000	(assumes 20% of $50,000 per year for 5 years)		
Annual Operating Reserve	7,426	(assume 0.125 of annual operating costs reserved over 5 years)		
Annual Debt Service Reserves	4,550	(CAA loan $91,000 over 20 years zero interest matures 9/01/2030)		
Annual Replacement CIP reserve	**10,359**	**(assumes 2% funding of CIP annually)**		
Total Annual Reserves	**32,335**			
Total Annual Budget	**329,385**			
TOTAL ANNUAL OPERATING BUDGET	**$297,050**			
TOTAL FIXED COST OF ANNUAL BUDGET	**$218,990**			
% OF ANNUAL BUDGET THAT IS FIXED	**74%**			
TOTAL VARIABLE COST OF ANNUAL BUDGET	**$78,060**			
% OF ANNUAL BUDGET THAT IS VARIABLE	**26%**			

Table 3.3 below illustrates the required base rate if budget in Table 3.2 is adopted. Assuming a 2% inflation rate, a flat rate of $330 per month per connection increasing $5.00 each year for five years should cover all operating costs and reserve funding until FYE 6/30/2019, at which time the operating and emergency reserves will be fully funded freeing over $17,000 annually to cover any increased operating costs and to increase funding to CIP reserves

Table 3.3

Increased Rate Assumes 2% Inflation Rate		# of active accounts	Monthly Revenue	Annual Revenue	

Conclusions and Recommendations

Key points to remember with any rate adjustment:

- Successful utilities are those that strive to be transparent. In day-to-day opera RHCSD should strive to promote its services (highlights and the low points), and continuously educate its customers on why it is necessary to raise and adjust rates.
- The ability of the current rate structure to generate adequate revenue will depend on maintaining a vigorous collection and shut-off policy to keep delinquent accounts at a minimum.
- In order to achieve and maintain long term viability, sewer systems should review its rates annually or no less than a minimum of every two years.
- YCPW should continually seek ways to decrease the costs of operating the utility. It is recommended a cost comparison be conducted to determine if it would be prudent to hire staff to operate the system rather than to contract it out.
- RHCSD should raise sewer use rates to provide sufficient revenues for funding future operations and adequately fund reserves.
- RHCSD should continue with development of a Capital Improvement Plan that has all current equipment and structures listed with expected useful lives of each as well as projected replacement costs. The CIP reserves should be funded based on this schedule. Failure to save adequate CIP reserves will force RHCSD to finance a larger percentage of future capital projects, incurring the added cost of interest.
- RHCSD should establish policies for reserve accounts as recommended above and distribute any existing unrestricted reserves accordingly. CIP reserves should be moved to and maintained in the highest interest bearing accounts available to offset inflation.
- RHCSD should begin the process of increasing sewer rates to the recommended rates above.