

YOLO HABITAT CONSERVANCY

AGENDA

September 21, 2020



BOARD MEMBERS

GARY SANDY, COUNTY OF YOLO
DON SAYLOR, COUNTY OF YOLO
WILL ARNOLD, CITY OF DAVIS
MARTHA GUERRERO, CITY OF WEST SACRAMENTO
PIERRE NEU, CITY OF WINTERS
XOCHITL RODRIGUEZ, CITY OF WOODLAND
MATT DULCICH, UNIVERSITY OF CALIFORNIA, DAVIS

THIS MEETING WILL OCCUR BY TELECONFERENCE

TELECONFERENCE OPTIONS TO JOIN ZOOM MEETING:

By Computer: <https://yolocounty.zoom.us/j/92675319807>

Meeting ID: 926 7531 9807

OR

By Phone: (408) 638-0968

Meeting ID: 926 7531 9807

Further instructions on how to electronically participate can be found in the
PUBLIC PARTICIPATION note at the end of this agenda.

Alexander Tengolics
Executive Director

Philip J. Pogledich
County Counsel

5:30 P.M. CALL TO ORDER

1. Pledge of Allegiance
2. Roll Call
3. Approval of the Agenda Order
4. Public Comment: This is time reserved for the public to address the Conservancy Board on matters not on the agenda.
5. Board Correspondence

CONSENT CALENDAR

6. Approve July 20, 2020 meeting minutes
7. Authorize Chair to execute a contract with Lance, Soll & Lunghard, LLP not to exceed \$40,604 for audit services through December 31, 2021 with the option to extend for two subsequent fiscal years
8. Approve first amendment to contract with Consero Solutions to increase contract amount by \$20,000 for a contract maximum of \$50,000 for assistance with a RFP for a comprehensive monitoring concept and to extend the term through June 30, 2021
9. Receive FY 19-20 easement endowment report, approve amendment to agreement with the California Waterfowl Association, and authorize the transfer of the endowment associated with Chickahominy Creek Ranch 1 to the California Waterfowl Association

REGULAR AGENDA

10. Approve revised Advisory Committee composition
11. Approve Memorandum of Understanding with Yolo County Natural Resources Division regarding Cache Creek Area Plan projects and payment of land cover fees for permanent impacts to 37 acres of bank swallow habitat
12. Receive FY19-20 year end fiscal report and authorize staff to evaluate and implement a transition to an operational fund model
13. Executive Director's Report

ADJOURNMENT

Next meeting scheduled for: November 16, 2020

I declare under penalty of perjury that the foregoing agenda was posted September 18, 2020 by 5:00 p.m. at the following places:

- On the bulletin board at the east entrance of the Erwin W. Meier Administration Building, 625 Court Street, Woodland, California; and
- On the bulletin board outside the Board of Supervisors Chambers, Room 206 in the Erwin W. Meier Administration Building, 625 Court Street, Woodland, California.
- On the YHC website: www.yolohabitatconservancy.org

By: _____
Lupita Ramirez, Deputy Clerk

NOTICE

If requested, this agenda can be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 and the Federal Rules and Regulations adopted in implementation thereof. Persons seeking an alternative format should contact the Clerk of the Board for further information. In addition, a person with a disability who requires a modification or accommodation, including auxiliary aids or services, in order to participate in a public meeting should telephone or otherwise contact the Assistant to the Director, Shawna Stevens as soon as possible and at least 24 hours prior to the meeting at (530) 723-5504.

PUBLIC PARTICIPATION INSTRUCTIONS:

Based on guidance from the California Department of Public Health and the California Governor's Office, in order to minimize the spread of the COVID-19 virus, please do the following:

1. You are strongly encouraged to observe the Yolo Habitat Conservancy meeting via computer: <https://yolocounty.zoom.us/j/92675319807>, Meeting ID: 926 7531 9807 or phone in via 1-408-638-0968 Meeting ID: 926 7531 9807.
2. If you are joining the meeting via zoom and wish to make a comment on an item, press the "raise a hand" button. If you are joining the meeting by phone, press *9 to indicate a desire to make comment. The chair will call you by name or phone number when it is your turn to comment. Speakers will be limited to 3 minutes (subject to change).

Yolo Habitat Conservancy

Meeting Date: 09/21/2020

Information

SUBJECT

Approve July 20, 2020 meeting minutes

Attachments

Attachment A. July 20, 2020 Minutes

Form Review

Inbox

Reviewed By

Date

Alexander Tengolics

Alexander Tengolics

09/17/2020 08:57 AM

Alexander Tengolics

Alexander Tengolics

09/17/2020 08:57 AM

Form Started By: Alexander Tengolics

Started On: 09/15/2020 08:08 AM

Final Approval Date: 09/17/2020

YOLO HABITAT CONSERVANCY

July 20, 2020

MINUTES

The Yolo Habitat Conservancy Board met on the 20th day of July, 2020, via teleconference at 5:30 p.m. pursuant to the Governor's Executive Order N-29-20 (March 17, 2020), available at the following [link](#).

Present: Will Arnold
Martha Guerrero
Pierre Neu
Xochitl Rodriguez
Gary Sandy
Don Saylor
Matt Dulcich

Staff Present: Alexander Tengolics, Executive Director
Phil Pogledich, County Counsel
Julie Dachtler, Senior Deputy Clerk

Attendees: Chris Alford, Provided update on Item No. 11
Bob Spencer, Consultant, Update on Item No. 9

5:30 P.M. CALL TO ORDER

Pledge of Allegiance

1. Approval of the Agenda Order

Minute Order No. 20-23: Approved agenda as submitted.

MOTION: Sandy. SECOND: Guerrero. AYES: Guerrero, Neu, Rodriguez, Sandy, Saylor. ABSENT: Arnold.

2. Public Comment: This is time reserved for the public to address the Conservancy Board on matters not on the agenda.

There was no public comment.

3. Board Correspondence

There was no Board Correspondence.

CONSENT CALENDAR

Minute Order No. 20-24: Approved Consent Agenda Item Nos. 4-8, except for Agenda Item No. 5, which was moved to the Regular Agenda.

MOTION: Arnold. SECOND: Sandy. AYES: Arnold, Guerrero, Neu, Rodriguez, Sandy, Saylor.

4. Approve May 18, 2020 meeting minutes

Approved the minutes of May 18, 2020 on Consent.

5. Receive and file monthly financial report through May 31, 2020

Minute Order No. 20-25: Approved recommended action.

MOTION: Sandy. SECOND: Guerrero. AYES: Arnold, Guerrero, Neu, Rodriguez, Sandy, Saylor.

6. Authorize signing authority for the Executive Director

Approved recommended action on Consent.

7. Approve fourth amendment to contract with Urban Economics to increase contract amount by \$10,000 for a contract maximum of \$30,000 and extend the term through June 30, 2021

Approved **Agreement No. 20-01** on Consent.

8. Authorize Chair to execute a sole-sourced contract with Geocon Consultants, Inc. in the amount of \$25,000 for on-call geotechnical and environmental services through June 30, 2021

Approved **Agreement No. 20-02** on Consent.

REGULAR AGENDA

9. Approve updated mitigation receiving site credit in lieu of land cover fee policy and updated land/easement in lieu of land cover and wetlands fee policy (10 minutes)

Minute Order No. 20-26: Approved recommended action.

MOTION: Guerrero. SECOND: Sandy. AYES: Arnold, Guerrero, Neu, Rodriguez, Sandy, Saylor.

10. Approve Final Yolo Regional Conservation Investment Strategy/Local Conservation Plan and associated Memorandum of Understanding with the California Department of Water Resources (15 minutes)

Minute Order No. 20-27: Approved recommended action by **Agreement No. 20-03**.

MOTION: Guerrero. SECOND: Neu. AYES: Arnold, Guerrero, Neu, Rodriguez, Sandy, Saylor.

11. Approve the grant resolutions and conservation easements for the Peabody Ranch West and Peabody Ranch East properties, authorize the Executive Director to make minor modifications as-needed and take any further actions necessary to finalize and execute these documents and complete any the transactions after consultation with Conservancy's legal counsel, and authorize the Executive Director to proceed with the development and execution of purchase and sale agreements for each property in consultation with the Conservancy's legal counsel

Minute Order No. 20-28: Approved recommended action by **Resolution Nos. 20-02 and 20-03.**

MOTION: Sandy. SECOND: Neu. AYES: Arnold, Guerrero, Neu, Rodriguez, Sandy, Saylor.

12. Executive Director's Report (10 minutes)

Received report from the Executive Director.

ADJOURNMENT

Next meeting scheduled for: September 21, 2020

Yolo Habitat Conservancy

Meeting Date: 09/21/2020

Information

SUBJECT

Authorize Chair to execute a contract with Lance, Soll & Lunghard, LLP not to exceed \$40,604 for audit services through December 31, 2021 with the option to extend for two subsequent fiscal years

Attachments

Staff Report

Attachment A. Contract

Form Review

Inbox

Reviewed By

Date

Alexander Tengolics

Alexander Tengolics

09/17/2020 09:08 AM

Alexander Tengolics

Alexander Tengolics

09/17/2020 09:33 AM

Form Started By: Alexander Tengolics

Started On: 09/15/2020 08:11 AM

Final Approval Date: 09/17/2020



Yolo Habitat Conservancy

County of Yolo • City of Davis • City of Winters • City of West Sacramento
City of Woodland • University of California, Davis

To: Don Saylor, Chair
Members of the Board

From: Alexander Tengolics
Executive Director

Re: Authorize Chair to execute a contract with Lance, Soll & Lunghard, LLP not to exceed \$40,604 for audit services through December 31, 2021 with the option to extend for two subsequent fiscal years

Date: September 21, 2020

REQUESTED ACTION:

1. Authorize Chair to execute a contract with Lance, Soll & Lunghard, LLP not to exceed \$40,604 for audit services through December 31, 2021 with the option to extend for two subsequent fiscal years (Attachment A.)

BACKGROUND:

The Conservancy's contract with its current auditor, Maze & Associates, is slated to expire at the end of calendar year and has exhausted all previously appropriated funding. With the change in the administrative model, staff recommends the Conservancy contract with the County's auditor, Lance, Soll & Lunghard, LLP (LSL). The County's contract with LSL was subject to an RFP in 2019. Staff solicited a quote from LSL, which responded with a 2-year proposal at \$10,000/year with the option to extend for two subsequent fiscal years.

ATTACHMENTS:

Attachment A. Contract

AGREEMENT NO. _____

THIS AGREEMENT is made this 21st day of September 2020, by and between the Yolo Habitat Conservancy (referred to hereinafter as the “Conservancy”), and Lance, Soll & Lunghard, LLP (“Consultant”), who agree as follows:

AGREEMENT

1. Consultant shall provide on-call engineering geologic and environmental services. Specific services to be performed will be identified by written task orders authorized by the Conservancy’s Executive Director and provided to the Consultant by the Conservancy on an as-needed basis. Task orders may include any of the services described in **Attachment A** hereto.
2. Consultant shall perform said services between October 1, 2020 and December 31, 2021 with the option at the discretion of the Executive Director to extend the agreement up through December 31, 2023. Either party may terminate this Agreement for any reason by providing thirty (30) days advance written notice of termination to the other party. In addition, the Conservancy may suspend work under this Agreement at any time by providing written notice to Consultant, who shall cease all work immediately upon receipt thereof until otherwise directed by the Conservancy.
3. Total compensation to Consultant shall not exceed the rates set forth in Attachment A, nor shall total compensation exceed \$40,604. Hourly rates shall not increase during the term of this Agreement.
4. During the term of this Agreement, Consultant shall maintain the insurance described in **Attachment B** hereto at its sole cost and expense.
5. On a monthly basis, Consultant shall submit an invoice detailing the services provided, the amount of time spent providing the service, the rate per hour, and an itemization of the actual expenses for which reimbursement is requested. If requested by the Conservancy, Consultant shall provide any further documentation to verify the compensation and reimbursement sought by Consultant. All services provided by Consultant which may be eligible for grant reimbursement shall be invoiced in a manner (generally, by grant and task) that meets applicable requirements for reimbursement from available grant funds. At the option of the Conservancy, this may include using a billing template for time entries. Within fifteen (15) calendar days of the receipt of Consultant’s detailed invoice, the Conservancy shall either authorize payment for services performed to its reasonable satisfaction or advise Consultant in writing of any concerns that the Conservancy has with the invoice and any need for further documentation. The Conservancy shall use reasonable efforts to ensure that the County Auditor-Controller processes payment of each invoice with forty-five (45) calendar days after the Conservancy approves payment.

There shall be no penalty for late payments.

6. To the greatest extent permitted under California law, Consultant shall defend, indemnify, and hold harmless the Conservancy, including all officers, officials, employees and agents from any and all claims, demands, liability, damages, cost or expenses (including but not limited to attorneys’ fees) in law or equity that may at any time arise or be asserted based in whole or in part upon any negligent or other wrongful act or omission of the Consultant, it’s officers, agents, or employees.
7. Consultant shall comply with all applicable laws and regulations, including but not limited to any that are promulgated to protect the public health, welfare and safety or prevent conflicts of interest. Consultant shall defend the Conservancy and reimburse it for any fines, damages or costs (including attorneys’ fees) that might be incurred or assessed based upon a claim or determination that Consultant has violated any applicable law or regulation.
8. This Agreement is subject to the Conservancy, the State of California and the United States appropriating and approving sufficient funds for the activities required of the Contractor pursuant to this Agreement. If the Conservancy’s adopted budget and/or its receipts from California and the United States do not contain sufficient

funds for this Agreement, the Conservancy may terminate this Agreement by giving ten (10) days advance written notice thereof to the Consultant, in which even the Conservancy shall have no obligation to pay the Consultant any further funds or provide other consideration and the Consultant shall have no obligation to provide any further services under this Agreement.

9. If Consultant fails to perform any part of this Agreement, the Conservancy may notify the Consultant of the default and Consultant shall remedy the default. If Consultant fails to do so, then, in addition to any other remedy that Conservancy may have, Conservancy may terminate this Agreement and withhold any or all payments otherwise owed to Consultant pursuant to this Agreement.

10. Consultant understands that he/she is not an employee of the Conservancy and is not eligible for any employee benefits, including but not limited to unemployment, health/dental insurance, worker's compensation, vacation or sick leave.

11. All documents and information developed under this Agreement and all work products, reports, and related data and materials shall become the property of the Conservancy. Consultant shall deliver all of the foregoing to the Conservancy upon completion of the services hereunder, or upon earlier termination of this Agreement. In addition, Consultant shall retain all of its own records regarding this Agreement and the services provided hereunder for a period of not less than four (4) years and shall make them available to the Conservancy for audit and discovery purposes.

12. This Agreement constitutes the entire agreement of the parties, and no other agreements or representations, oral or written, have been made or relied upon by either party. This Agreement may only be amended in writing signed by both parties, and any other purported amendment shall be of no force or effect. This Agreement, including all attachments, shall be subject to disclosure pursuant to the California Public Records Act. In the event of any conflict between the provisions of this Agreement and either of the attachments hereto, the provision requiring the higher level of performance from Consultant shall govern.

13. This Agreement shall be deemed to be executed within the State of California and construed in accordance with and governed by laws of the State of California. Any action or proceeding arising out of this Agreement shall be filed and resolved in a California State Court located in Woodland, California.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first written above by affixing their signatures hereafter.

Consultant

Consultant's Signature

Printed Name

Street Address/PO Box

City/State/Zip

Phone

Conservancy

Don Saylor, Board Chair

Approved as to Form:

Phillip J. Pogledich, County Counsel
Counsel to the Yolo Habitat Conservancy



June 22, 2020

Yolo County Habitat/Natural Community Conservation Plan
Joint Powers Agency
611 North Street
Woodland, CA 95695

LANCE, SOLL & LUNGHARD, LLP (LSL) is pleased to provide you a proposal for audit services. As a leader in the field of governmental accounting and auditing, we appreciate this opportunity to present our professional qualifications. Because of our extensive California local government experience, dedication to excellence, and determination to retain the brightest talent, we hope you find that LSL is the most qualified accounting firm to provide professional audit services to Yolo County Habitat/Natural Community Conservation Plan Joint Powers Agency (Habitat JPA).

For over 85 years, we have met the accounting needs of organizations throughout California and neighboring states. Currently, we provide auditing services to over 70 municipal clients in California. Our extensive experience in local government auditing has led to the development of efficient procedures that provide numerous benefits to our clients. Approximately 30% of our practice deals with the government sector and related services. Generally, our government sector services break down into the following major classifications: attestation, compliance, performance, strategic planning and tax services.

As a firm, we have extensive experience with audits of municipalities in California including Cities, Counties, Water and Electric Utilities, and compliance with OMB Uniform Guidance. We are familiar with federal and state grant programs typically awarded to municipalities. We have also performed engagements related to bond reporting, including issuing letters of comfort and other services.

ANNUAL SERVICES

The Habitat JPA will receive the following services for fiscal years ending June 30, 2020 and 2021, with the option to extend for two subsequent fiscal years:

- Audit the Habitat JPA's basic financial statements in accordance with Generally Accepted Auditing Standards (GAAS) in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States
- Express an opinion on the financial statements.
- Evaluate internal controls over financial reporting and on compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters.
- Apply limited procedures related to the Required Supplementary Information (RSI).



Yolo County Habitat/Natural Community Conservation Plan

Joint Powers Agency

Page 2

- Prepare a Report to the Board of Directors which identifies significant audit findings, difficulties encountered in performing the audit, identify any corrected and uncorrected misstatements, disagreements with management, management representations, control deficiencies, significant deficiencies and material weaknesses, if any, and recommendations for improvements in accounting and administrative controls.
- Present the results of the audit and the annual financial statements to the Board as requested

The fees for these services will be as follows:

SERVICE TO BE PROVIDED	FY 2020-21	FY2021-22	Optional FY2022-23	Optional FY2023-24
Audit of the Habitat JPA's Basic Financial Statements and Related Reports	\$ 10,000	\$ 10,000	\$ 10,200	\$ 10,404

If during the course of our audit, irregularities and illegal acts, or indications of illegal acts are noted, we will communicate immediately and in writing such irregularities and illegal acts, or indications of illegal acts to the appropriate level of management and/or Directors of the Habitat JPA. During the course of our engagement, we will be available free of charge for consultation on financial accounting and reporting matters. Our working papers will be retained for three (3) years, unless we are notified in writing by the Habitat JPA of the need to extend the retention period.

LSL is a public accounting firm licensed by the State of California, Department of Consumer Affairs, as a Public Accounting Partnership. All key staff assigned to the audit of the Habitat JPA will be licensed as Certified Public Accountants by the State of California, Department of Consumer Affairs. LSL is independent with respect to the Habitat JPA and we are an Equal Opportunity Employer. LSL has no conflict of interest regarding any other work performed for the Habitat JPA.

We are committed to providing the services discussed above. For purposes of this proposal, Brandon T Young, CPA, Partner, is entitled to represent the firm, empowered to submit the bid, and authorized to sign a contract with the Habitat JPA. I can be reached at the address below or by phone at (916) 503 -9691, or through email at Brandon.Young@lslcpas.com.

Brandon T. Young, CPA
Engagement Partner
Lance, Soll & Lunghard, LLP
2151 River Plaza Drive, Suite 150
Sacramento, California 95833

ATTACHMENT B

STANDARD INSURANCE REQUIREMENTS

A. During the term of this Agreement, Consultant shall at all times maintain, at its expense, the following coverages and requirements. The comprehensive general liability insurance shall include broad form property damage insurance.

1. Minimum Coverages. Insurance coverage shall be with limits not less than the following:
 - a. **Comprehensive General Liability** – \$1,000,000/occurrence and \$2,000,000/aggregate.
 - b. **Automobile Liability** – \$1,000,000/occurrence (general) and \$500,000/occurrence (property) (include coverage for Hired and Non-owned vehicles).
 - c. **Professional Liability/Malpractice/Errors and Omissions** – \$1,000,000/occurrence and \$2,000,000/aggregate.
 - d. **Workers' Compensation – Statutory Limits/Employers' Liability** - \$1,000,000/accident for bodily injury or disease.

The limits of insurance may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the Yolo Habitat Conservancy before the Yolo Habitat Conservancy's own insurance or self insurance shall be called upon to protect it as a named insured.

2. The Yolo Habitat Conservancy, its officers, agents, employees and volunteers shall be named as additional insured on all but the workers' compensation and professional liability coverages. (Evidence of additional insured may be needed as a separate endorsement due to wording on the certificate negating any additional writing in the description box.) Any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements and/or limits shall be available to the additional insured. Further, the requirements for coverage and limits shall be (1) the minimum coverage and limits specified in this Agreement; or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured, whichever is greater. The additional insured coverage under the Consultant's policy shall be primary and non-contributory, and will not seek contribution from the Yolo Habitat Conservancy's insurance or self insurance and shall be at least as broad as CG 20 01 04 13.

3. Said policies shall remain in force through the life of this Agreement and, with the exception of professional liability coverage, shall be payable on a "per occurrence" basis unless the Yolo Habitat Conservancy Risk Manager specifically consents in writing to a "claims made" basis. For all "claims made" coverage, in the event that the Consultant changes insurance carriers Consultant shall purchase "tail" coverage covering the term of this Agreement and not less than three years thereafter. Proof of such "tail" coverage shall be required at any time that the Consultant changes to a new carrier prior to receipt of any payments due.

4. The Consultant shall declare all aggregate limits on the coverage before commencing performance of this Agreement, and the Yolo Habitat Conservancy's Risk Manager reserves the right to require higher aggregate limits to ensure that the coverage limits required for this Agreement as set forth above are available throughout the performance of this Agreement.

5. Any deductibles or self-insured retentions must be declared to and are subject to the approval of the Yolo Habitat Conservancy Risk Manager, and shall not reduce the limits of liability. Policies containing any self-insured retention (SIR) provision shall provide or be

endorsed to provide that the SIR may be satisfied by either the named insured or the Yolo Habitat Conservancy.

6. Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the Director (ten (10) days for delinquent insurance premium payments).

7. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise approved by the Yolo Habitat Conservancy Risk Manager.

8. The policies shall cover all activities of Consultant, its officers, employees, agents and volunteers arising out of or in connection with this Agreement.

9. The Consultant shall waive all rights of subrogation against the Yolo Habitat Conservancy, its officers, employees, agents and volunteers.

B. Prior to commencing services pursuant to this Agreement, Consultant shall furnish the Yolo Habitat Conservancy with original endorsements reflecting coverage required by this Agreement. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received by, and are subject to the approval of, the Yolo Habitat Conservancy Risk Manager before work commences. Upon Yolo Habitat Conservancy's request, Consultant shall provide complete, certified copies of all required insurance policies, including endorsements reflecting the coverage required by these specifications.

C. During the term of this Agreement, Consultant shall furnish the Yolo Habitat Conservancy with original endorsements reflecting renewals, changes in insurance companies and any other documents reflecting the maintenance of the required coverage throughout the entire term of this Agreement. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. Upon Yolo Habitat Conservancy's request, Consultant shall provide complete, certified copies of all required insurance policies, including endorsements reflecting the coverage required by these specifications.

Yolo Habitat Conservancy

Meeting Date: 09/21/2020

Information

SUBJECT

Approve first amendment to contract with Consero Solutions to increase contract amount by \$20,000 for a contract maximum of \$50,000 for assistance with a RFP for a comprehensive monitoring concept and to extend the term through June 30, 2021

Attachments

Staff Report

Attachment A. Amendment

Form Review

Inbox

Reviewed By

Date

Alexander Tengolics

Alexander Tengolics

09/17/2020 10:17 AM

Alexander Tengolics

Alexander Tengolics

09/17/2020 10:24 AM

Form Started By: Alexander Tengolics

Started On: 09/15/2020 08:33 AM

Final Approval Date: 09/17/2020



Yolo Habitat Conservancy

County of Yolo • City of Davis • City of Winters • City of West Sacramento
City of Woodland • University of California, Davis

To: Don Saylor, Chair
Members of the Board

From: Alexander Tengolics
Executive Director

Re: Approve first amendment to contract with Consero Solutions to increase contract amount by \$20,000 for a contract maximum of \$50,000 for assistance with an RFP for a comprehensive monitoring concept and to extend the term through June 30, 2021

Date: September 21, 2020

REQUESTED ACTION:

1. Approve first amendment to contract with Consero Solutions to increase contract amount by \$20,000 for a contract maximum of \$50,000 and to extend the term through June 30, 2021 (Attachment A.)

BACKGROUND:

At the May 18, 2020 Conservancy Board meeting, the Conservancy Board of Directors approved a contract with Consero Solutions (Consero) to provide support to the County Administrator's office to ensure a smooth transition of the Yolo Habitat Conservancy to County administration. Consero has completed their transition-related tasks and initial scope of work. Staff is recommending amending the contract to increase the total amount by \$20,000 and extend the term through June 30, 2021. This amendment would task Consero with drafting RFPs to advance a comprehensive monitoring concept and provide capacity to provide institutional knowledge on an as-needed basis. It is anticipated that the majority of tasks associated with this scope of work would be grant-funded.

ATTACHMENTS:

Attachment A. Amendment

AGREEMENT NO. _____

First Amendment to Agreement between Consero Solutions and the Yolo Habitat Conservancy

THIS FIRSTAMENDMENT to the May 18, 2020 Agreement with Consero Solutions is entered into as of the 21st day of September 2020 by and between the Yolo Habitat Conservancy (“the Conservancy”), and Consero Solutions (“Consultant”), who agree as follows:

AMENDMENT

1. Paragraph 1 of the Agreement is hereby amended to read as follows (deletions in strikethrough; new language is underlined):

Consultant shall perform the services described in Attachment A and C hereto.

1. Paragraph 2 of the Agreement is hereby amended to read as follows (deletions in strikethrough; new language is underlined):

Consultant shall perform said services between July 1, 2020 and ~~December 31, 2020~~ June 30, 2021. Either party may terminate this Agreement for any reason by providing thirty (30) days advance written notice of termination to the other party. In addition, the Conservancy may suspend work under this Agreement at any time by providing written notice to Consultant, who shall cease all work immediately upon receipt thereof until otherwise directed by the Conservancy.

2. Paragraph 3 of the Agreement is hereby amended to include the following language:

Total compensation to Consultant shall not exceed ~~\$30,000~~ \$50,000. Hourly rates shall not increase during the term of this Agreement.

3. Except as modified by this Fourth Amendment, the terms and conditions of the May 18, 2020 Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have entered this Fourth Amendment by affixing their signatures hereafter.

YOLO HABITAT CONSERVANCY

CONSULTANT

By _____
Don Saylor, Chair
Yolo Habitat Conservancy Board of Directors

By _____
Petrea Machand
Consero Solutions

Approved as to Form:

By _____
Philip J. Pogledich, County Counsel
Counsel to the Yolo Habitat Conservancy

CONSEROSOLUTIONS

SCOPE OF WORK Yolo Habitat Conservancy: September – December September 1, 2020

Consero Solutions will help the Yolo Habitat Conservancy with implementation tasks, including assistance with solicitations for monitoring required by the Yolo HCP/NCCP and management of the reserve system.

TASKS

Consero Solutions ("Consero") will complete the following tasks:

Task 1: Four solicitations for the monitoring program, reserve system maintenance, and reserve system restoration projects (\$11,000)

Task 1a: Monitoring Program Request for Qualifications (RFQ)

Consero to work with the Conservancy to draft an RFQ package for the following on-call services:

- Baseline species monitoring (baseline species populations)
- Species monitoring
- Natural communities monitoring
- Restoration monitoring
- Long-term effectiveness monitoring

Deliverables:

- RFQ package

Assumptions:

- Conservancy staff manage process to work with the Purchasing Department to load RFQ to Bidsync and select successful applicant

Task 1b: Maintenance Program Request for Qualifications (RFQ)

Consero to work with Conservancy to draft an RFQ package for the following on-call services related to management of the Conservancy's reserve system:

- Replacement or repair of current irrigation
- Replacement of existing trees and plants
- Weeding and other landscape maintenance
- Baseline easement compliance monitoring (state of property at outset)
- Compliance monitoring
- Other maintenance activities

Deliverables:

- RFQ package

Assumptions:

- Conservancy staff manage process to work with the Purchasing Department to load RFQ to Bidsync and select successful applicant

Task 1c: Assistance with Invitation to Bids (ITB)

Based on conversations with the Yolo County Purchasing Department, the Conservancy must release individual ITBs for any projects that require the installation of new irrigation or the planting of trees and native plants. Consero will therefore work with the Conservancy to draft up to two (2) ITB packages for the following services related to maintenance of the reserve system:

- Non-native invasive species removal and other management specified in easement management plans
- Enhancement of working lands (e.g. tree planting)
- Planting of elderberry seedlings and native associates
- Management of lands not in the reserve system (if needed)

Assumptions:

- Conservancy staff manage process to work with Purchasing to load RFQ to Bidsync and select successful applicant
- Purchasing staff will be available to determine which of activities should be included in an ITB and which should be in the RFQ for on-call maintenance of the reserve system

Deliverables:

- RFQ package

Assumptions:

- Conservancy staff manage process to work with the Purchasing Department to load RFQ to Bidsync and select successful applicant

Task 3: Other duties as assigned, estimated \$9,000

Consero will assist with strategic advice and other implementation work as needed, including review of grant reimbursements, completion of grant reports, budget updates, financial analysis, drafting staff reports, and other duties as assigned.

TIMELINE

The contract will last from September 1, 2020 until June 30, 2021.

BUDGET

Work under this on-call contract is on a time and materials basis. The budget is \$20,000. If additional work is needed, Consero will develop cost estimates as requested for individual assignments.

Yolo Habitat Conservancy

Meeting Date: 09/21/2020

Information

SUBJECT

Receive FY 19-20 easement endowment report, approve amendment to agreement with the California Waterfowl Association, and authorize the transfer of the endowment associated with Chickahominy Creek Ranch 1 to the California Waterfowl Association

Attachments

Staff Report

Attachment A. Report

Attachment B. Amendment

Form Review

Inbox

Reviewed By

Date

Alexander Tengolics

Alexander Tengolics

09/17/2020 10:24 AM

Alexander Tengolics

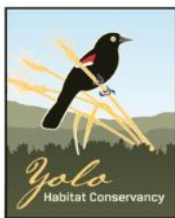
Alexander Tengolics

09/17/2020 10:39 AM

Form Started By: Alexander Tengolics

Started On: 09/15/2020 10:19 AM

Final Approval Date: 09/17/2020



Yolo Habitat Conservancy

County of Yolo • City of Davis • City of Winters • City of West Sacramento
City of Woodland • University of California, Davis

To: Don Saylor, Chair
Members of the Board

From: Alexander Tengolics
Executive Director

Re: Receive FY 19-20 easement endowment report, approve amendment to agreement with the California Waterfowl Association, and authorize the transfer of the endowment associated with Chickahominy Creek Ranch #1 to the California Waterfowl Association

Date: September 21, 2020

REQUESTED ACTION:

1. Receive FY 19-20 easement endowment report (Attachment A)
2. Approve amendment to agreement with California Waterfowl Association (Attachment B)
3. Authorize the transfer of the endowment associated with Chickahominy Creek Ranch #1 to the California Waterfowl Association

BACKGROUND:

At the December 17, 2013 meeting, the Conservancy Board implemented seven actions to increase financial oversight and ensure financial stability of the Conservancy. One of these actions was to present an annual endowment report to the Yolo Habitat Conservancy Board. This easement endowment report will cover activity for FY19-20.

Yolo Land Trust and California Waterfowl Association (CWA) are two private, non-profit organizations that monitor the easements acquired by the Yolo Habitat Conservancy. Yolo Land Trust monitors the bulk of the easements. The easements are monitored to ensure that the protective habitat restrictions placed on these properties are being upheld, and submit a yearly compliance report to the Conservancy. Currently these easements are primarily monitored for Swainson's hawk foraging habitat with supporting fields of alfalfa and hay. As of 2020, all of the easements are in compliance and maintaining the wildlife and habitat values for which they were selected.

The endowment funds for all of the conservation easements are held by Yolo County and invested in the County Treasury Pool, with the exception of CCR4 and CCR5, which are held by CWA and managed by Charles Schwab. Endowments earnings did not fully cover the cost of monitor activities in FY19-20

(Attachment A). Separately, staff and the Department of Financial Services are working with the Yolo Community Foundation to transfer endowments currently held in the County Treasury Pool.

CWA has also approached Conservancy staff about transferring the endowment fund for the Chickahominy Creek Ranch #1 easement from Yolo County management to CWA to be consistent with the management of other easements and endowments held by CWA. Staff is amenable to this request provided the existing agreement with CWA be amended to require CWA to include in its annual report a statement of the original principal balance of the endowment fund and indicate whether any appropriations from that sum occurred during the reporting period and if so provide an explanation as to how the principal shall be restored over time. CWA is amendable to this amendment. Staff recommends the Board approve the amendment (Attachment B) and authorize the transfer of the endowment associated with Chickahominy Creek Ranch #1 to the California Waterfowl Association.

ATTACHMENTS:

Attachment A. Report

Attachment B. Amendment



Account	Beginning Balance	Expenditures/Debits	Revenue/Credits	Closing Balance
<i>YOLO LAND TRUST EASEMENTS (Funds held by Yolo County)</i>				
LARA EAST-WEST	\$ (71,705.08)	\$ 468.45	\$ (328.13)	\$ (71,564.76)
LOS RIOS FARMS	\$ (48,254.49)	\$ 456.55	\$ (220.80)	\$ (48,018.74)
SCHMID RANCH	\$ (46,909.93)	\$ 627.67	\$ (214.65)	\$ (46,496.91)
VIRGIN FARM-ENDOW FD	\$ (47,382.82)	\$ 358.36	\$ (216.82)	\$ (47,241.28)
VIRGIN FARM - LEG DEFENSE FD	\$ (14,443.61)	\$ 7.32	\$ (66.09)	\$ (14,502.38)
BOGLE - ENDOW FD	\$ (46,371.40)	\$ 539.00	\$ (212.19)	\$ (46,044.59)
TULE RANCH - ENDOW FD	\$ (41,691.29)	\$ 847.70	\$ (190.76)	\$ (41,034.35)
TULE RANCH - LEGAL DEF FD	\$ (11,227.70)	\$ 5.70	\$ (51.39)	\$ (11,273.39)
KOONTZ ENDOWMENT	\$ (54,664.00)	\$ 1,458.85		\$ (53,205.15)
<i>CALIFORNIA WATER FOWL ASSOCIATION EASEMENTS (Funds held by Yolo County)</i>				
CHICKAHOMINY CR1-ENDOW FD	\$ (33,840.07)	\$ 17.16	\$ (154.87)	\$ (33,977.78)
<i>CALIFORNIA WATER FOWL ASSOCIATION EASEMENTS (Funds held by California Water Fowl Association)</i>				
CHICKAHOMINY CR4	\$ (48,434.22)	\$ 3,593.89	\$ (2,058.31)	\$ (46,898.64)
CHICKAHOMINY CR5	\$ (46,002.40)	\$ 4,229.58	\$ (978.41)	\$ (42,751.23)

AGREEMENT NO. _____

**Second Amendment to the Cooperative Agreement Between the Yolo Habitat Conservancy
and the California Waterfowl Association**

THIS SECOND AMENDMENT to the November 12, 2008 agreement entitled “Cooperative Agreement Between the Yolo County HCP/NCCP Joint Powers Agency and the California Waterfowl Association” (“Cooperative Agreement”) is entered into on September 21, 2020, by and between the Yolo County Habitat Conservation/Natural Communities Conservation Plan Joint Powers Agency, known and referred to generally as the Yolo Habitat Conservancy (“Conservancy”), and California Waterfowl Association (“CWA”) (collectively with the Conservancy, the “Parties”).

RECITALS

WHEREAS, the Cooperative Agreement established a relationship between the Conservancy and CWA in connection with the acquisition and management of habitat conservation easements in Yolo County, as well as the management of related endowment funds; and

WHEREAS, the Parties previously amended the Cooperative Agreement on February 22, 2016 to, among other things, define a role for CWA with respect to Conservancy-approved mitigation receiving sites and to authorize CWA to hold endowment funding subject to compliance with California Government Code Section 65965 *et seq.* and other provisions of law; and

WHEREAS, CWA presently holds conservation easements in coordination with the Conservancy on three properties—Chickahominy Creek Ranch 1, 4, and 5; and

WHEREAS, CWA holds the stewardship endowment for two of the three properties mentioned in the previous recital, and it has expressed interest in holding the endowment for the third property (Chickahominy Creek Ranch 1); and

WHEREAS, the purpose of this Second Amendment is to add language to the Cooperative Agreement to ensure that each party provides timely information to the other party to enable it to monitor the status of each endowment held pursuant to the Cooperative Agreement, as previously amended, particularly if easement principal is used in accordance with California law to reimburse stewardship costs;

NOW, THEREFORE, the parties hereby agree as follows:

AGREEMENT

1. The text of Section 4.B of the Cooperative Agreement is hereby amended to read as follows (new language is underlined):

B. Financial Reporting. Within sixty (60) days after each yearly anniversary of the execution of this Agreement, if either the Habitat JPA or CWA holds a Stewardship Fund pursuant to this Agreement, the entity holding the Stewardship Fund agrees to submit a report that summarizes the status of the Stewardship Fund(s), including its present balance and a list of all deposits and withdrawals from the Stewardship Fund(s) in the previous year to the other entity. Each such report shall include a statement of the original principal balance of the endowment fund and indicate whether any appropriations from that sum occurred during the reporting period. For any such appropriations, the report shall also include an explanation of consideration given to the factors set forth in California Probate Code section 18504(a) and, in particular, explain how the endowment holder intends to restore the original principal balance over time.

2. Except as modified by this Second Amendment, the terms and conditions of the Cooperative Agreement (as previously amended by the First Amendment) shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have entered this First Amendment on the date first written above by affixing their signatures hereafter.

YOLO HABITAT CONSERVANCY

CALIFORNIA WATERFOWL
ASSOCIATION

By _____
Don Saylor, Chair
Yolo Habitat Conservancy Board of Directors

By _____
John Carlson Jr., President

Approved as to Form:

By _____
Philip J. Pogledich, County Counsel
Counsel to the Habitat JPA

Yolo Habitat Conservancy

Meeting Date: 09/21/2020

Information

SUBJECT

Approve revised Advisory Committee composition

Attachments

Staff Report

Attachment A. 3-18-2019 YHC Board Report

Attachment B. 2-26-2018 YHC Board Report

Form Review

Inbox

Reviewed By

Date

Alexander Tengolics

Alexander Tengolics

09/17/2020 09:01 AM

Form Started By: Charlie Tschudin

Started On: 09/09/2020 04:03 PM

Final Approval Date: 09/17/2020



Yolo Habitat Conservancy

County of Yolo • City of Davis • City of Winters • City of West Sacramento
City of Woodland • University of California, Davis

To: Don Saylor, Chair
Members of the Board

From: Charlie Tschudin
Associate Planner

Re: Approve revised Advisory Committee composition

Date: September 21, 2020

REQUESTED ACTIONS:

1. Approve revised Advisory Committee composition and Member Agency Liaison role

BACKGROUND:

Staff reviewed a prior framework for forming an Advisory Committee following the implementation of the HCP/NCCP, including a definition of its role and composition (see Attachment A: 3-18-2019 YCH Board Report). After completing the review and discussing with previous Conservancy staff, to reduce the administrative burden and to improve member agency accessibility, staff is recommending that the Board reduce the total number of Advisory Committee from 17- to 15-members, without making any changes to the Advisory Committee role or recruitment process. Pending Board approval, staff will proceed with noticing the vacancies and will return to the Board for appointments.

Below is a summary of the revised composition for the YCH Advisory Committee:

- One representative from each member agency jurisdiction (Board members recruit a representative from each of their respective jurisdictions with staff assistance)
- One representative from the Yocha Dehe Wintun Nation (representative will be directly appointed)
- One representative from an agricultural conservation organization (representative will be recruited)
- Two representatives from wildlife conservation organizations (representative will be recruited)

The Advisory Committee will also include a liaison from each of the member agencies: Yolo County, City of Davis, City of West Sacramento, City of Winters, City of Woodland, and University of California

Davis. Including the member agency liaisons, the total number of Advisory Committee members totals fourteen (15). The committee's member agency staff liaisons will be non-voting but can provide input from their member agency perspective on the items going to the Conservancy Board of Directors for the other nine voting members.

Moving forward, staff will utilize the monthly 'super-user' calls to coordinate important decisions that are going to the YCH Advisory Committee for feedback or YCH Board for action or approval to the member agency liaisons. Previously, these calls had been used to discuss project permitting updates. The intent is to better facilitate information regarding the Habitat Conservancy administrative processes and responsibilities with respect to implementation of its biologic conservation goals and to provide a forum to discuss obstacles in permitting projects through the Yolo HCP/NCCP.

Additional information about the Advisory Committee role and selection process for membership is included in the attachments.

ATTACHMENTS:

Attachment A: 3-18-2019 YCH Board Report

Attachment B: 2-26-2018 YCH Board Report





Yolo Habitat Conservancy

County of Yolo • City of Davis • City of Winters • City of West Sacramento
City of Woodland • University of California, Davis

To: Pierre Neu, Chair
Members of the Board

From: Petrea Marchand
Executive Director

Re: Nominations for membership on Implementation Advisory Committee

Date: March 18, 2019

REQUESTED ACTION:

1. Approve updated description of YHC Implementation Advisory Committee Overview
2. Submit nominations for membership on Implementation Advisory Committee to Executive Director by April 15, 2019.

BACKGROUND:

On February 26, 2018, staff presented a plan for forming an Advisory Committee following implementation of the HCP/NCCP, including definition of its role and composition (see Attachment A: "Advisory Committee Role and Structure after Implementation of HCP/NCCP").

Implementation Advisory Committee Role:

The Board generally approved the recommendations regarding the role of the Implementation Advisory Committee and its goals and principles as presented in February 2018 (Attachment A), but requested changes to the Implementation Advisory Committee appointment process (see Attachment B: "YHC Implementation Advisory Committee Overview" for updated process). Below is a summary of the revised composition, selection, and appointment process for the Implementation Advisory Committee:

The composition of the Implementation Advisory Committee will include:

- *One representative from each member agency jurisdiction (Board members recruit a representative from each of their respective jurisdictions with staff assistance)*
- *Two members representing conservation organizations*
- *Two members representing wildlife-friendly agricultural organizations*
- *Three members representing local funding partner organizations*

Advisory Committee members will act on behalf of their respective organizations and are expected to consult with and follow their organization's process for approval of votes on action items or other important decisions at Advisory Committee meetings. Members will serve for two-year terms with opportunities for renewal or replacement. The Conservancy will stagger the terms to ensure all terms do not expire in the same year. For the initial Implementation Advisory Committee composition, 6 members will serve for one year and 6 for two years. After the first year, the Conservancy will make all appointments for two-year terms. The Implementation Advisory Committee will also include a liaison from each of the Permittees/Member Agencies: Yolo County, City of Davis, City of West Sacramento, City of Winters, and City of Woodland.

Additional information about the membership application and selection process is provided in Attachment B ("Implementation Advisory Committee Composition, Selection, and Appointment Process").

ATTACHMENTS

- Attachment A. Advisory Committee Role and Structure after Implementation of HCP/NCCP, presented to the Board February 26, 2018
- Attachment B. Yolo Habitat Conservancy Implementation Advisory Committee Overview (updated)





Yolo Habitat Conservancy

*County of Yolo * City of Davis * City of Winters * City of West Sacramento
City of Woodland * University of California, Davis*

To: Jim Provenza, Chair
Members of the Board

From: Petrea Marchand
Executive Director

Susan Garbini
Research Associate

Re: Approve new composition of Advisory Committee during implementation of the
Yolo HCP/NCCP

Date: February 26, 2018

REQUESTED ACTIONS

- 1) Approve new composition of Advisory Committee (Attachment A).
- 2) Authorize staff to proceed with process for soliciting applications for presentation to the Board for approval (Attachment B).

BACKGROUND:

The Conservancy Board of Directors approved the current roster of Advisory Committee members on March 20, 2017, for terms to expire on April 30, 2018, to allow continuity through the period of public comment, review, and plan approval. At that meeting, staff asked for and received approval to develop and seek feedback on a proposed membership structure for the Advisory Committee after implementation. The topic of the future composition and role of the Advisory Committee has been an agenda item at two meetings of the Committee (February 13, 2017 and March 13, 2017). The Advisory Committee received a presentation from the Executive Director on the proposed Advisory Committee composition (Attachment A) on February 12, 2018, and did not express any concerns.

Many of the members of the Advisory Committee have served for more than 10 years, providing special knowledge and skills to guide the development of the HCP/NCCP and the Local Conservation Plan. A celebration of their service is planned for the final meeting of the current Committee on April 9, 2018, to acknowledge their value and thank them for their dedication.

Staff recommend the Conservancy restructure the Advisory Committee membership to reflect the changed responsibilities of the Yolo HCP/NCCP during implementation. The Advisory Committee's role will shift from providing review and input on development of the HCP/NCCP to providing advice on implementation activities, as well as ensuring communication between the Conservancy and stakeholders.

Advisory Committee membership will continue to consist of a range of individuals and entities with an interest in HCP/NCCP-related matters, but will have a different composition, including more representation from local funding partners and other conservation partners in the community. Details of the role and structure of the revised Advisory Committee are described in Attachment A: "Advisory Committee Role and Structure after Implementation of the HCP/NCCP".

Due to budget limitations and the need to focus on permit issuance, staff propose to postpone creation of the new Advisory Committee until summer 2018 with the goal of recommending new Advisory Committee members to the Board of Directors in the fall of 2018. This summer, staff will work with member agency staff to advertise Committee membership vacancies. Applicants will submit the attached Application for Appointment form (Attachment B) to the Conservancy for review by staff, who will then recommend appointments to the Board of Directors.

ATTACHMENTS:

Attachment A: Advisory Committee Role and Structure after Implementation of the HCP/NCCP

Attachment B: Application for Appointment to the YHC Advisory Committee



Yolo Habitat Conservancy

Meeting Date: 09/21/2020

Information

SUBJECT

Approve Memorandum of Understanding with Yolo County Natural Resources Division regarding Cache Creek Area Plan projects and payment of land cover fees for permanent impacts to 37 acres of bank swallow habitat

Attachments

Staff Report

Attachment A. MOU

Attachment B. 2014 MOU

Form Review

Inbox

Reviewed By

Date

Alexander Tengolics

Alexander Tengolics

09/17/2020 10:59 AM

Alexander Tengolics

Charlie Tschudin

09/17/2020 12:43 PM

Alexander Tengolics

Alexander Tengolics

09/17/2020 02:50 PM

Form Started By: Charlie Tschudin

Started On: 09/11/2020 02:58 PM

Final Approval Date: 09/17/2020



Yolo Habitat Conservancy

County of Yolo • City of Davis • City of Winters • City of West Sacramento
City of Woodland • University of California, Davis

To: Don Saylor, Chair
Members of the Board

From: Alexander Tengolics
Executive Director

Charlie Tschudin
Associate Planner

Re: Approve Memorandum of Understanding with Yolo County Natural Resources Division
regarding Cache Creek Resources Management Plan projects and payment of land cover fees
for permanent impacts to 37 acres of bank swallow habitat

Date: September 21, 2020

REQUESTED ACTIONS:

- a. Receive presentation on the Cache Creek Resources Management Plan and the Yolo Habitat Conservation Plan/Natural Communities Conservation Plan conservation strategy
- b. Approve Memorandum of Understanding with Yolo County Natural Resources Division

REASON FOR REQUESTED ACTION:

Cache Creek Flood Hazard Development Permits implemented as a component of the Cache Creek Resources Management Plan (CCRMP) are covered activities under the Yolo Habitat Conservation Plan/Natural Communities Conservation Plan (HCP/NCCP). CCAP activities covered by the HCP/NCCP include:

- Habitat preservation, enhancement, and restoration;
- Aquifer recharge and conjunctive water use;
- Bank stabilization;
- Erosion control and channel maintenance;
- Public open space and recreation, including trail construction.

CCRMP covered activities are exempt from land cover fees and do not count against impact limits for natural communities or covered species habitat except in the case where CCRMP bank stabilization activities involve placement of concrete, rip-rap, or other hardscape material in the floodplain and remove potential bank swallow habitat. This component of CCRMP projects is inconsistent with the Yolo HCP/NCCP's policy to use softscape bank stabilization engineering. Such use of hardscape must be tracked against natural community and covered species take limits and will require mitigation by the Conservancy. The Yolo HCP/NCCP states that protection of 50 acres of bank swallow habitat, including existing occupied colonies, will mitigate the loss of up to 37 acres of bank swallow habitat resulting from CCRMP operations and maintenance activities. This inconsistency between the fee exemption and mitigation requirement results in there being no current revenue stream to mitigate for the loss of the 37 acres of bank swallow habitat.

BACKGROUND:

In December 2014, the Yolo County Board of Supervisors adopted Resolution 14-126 to support the formation of a partnership between the Yolo Habitat Conservancy and the County Natural Resources Division related to the Cache Creek Area Plan and the Yolo HCP/NCCP in recognition that the two plans have overlapping goals related to conservation and restoration of valuable habitat in Cache Creek (Attachment B). The Cache Creek Area Plan implements the county mining program and consists of two complimentary plans that govern separate components of the program, the CCRMP and the Off-Channel Mining Plan (OCMP). OCMP mining applications are treated like a normal development application and are subject to mitigation requirements. OCMP mining applications are not covered under the exemption and are subject to mitigation requirements and land cover fees.

The activities described in the CCRMP and its implementing document, the Cache Creek Improvement Plan (CCIP), are integrated with the conservation strategy of the Yolo HCP/NCCP's biological objectives for ecosystem processes, natural communities and covered species, as described in Section 6.5.8.1.1 of the HCP/NCCP. The CCRMP includes site specific recommendations for various reaches along Cache Creek to, among other things, remove invasive plant species and allow establishment of native vegetation, restore old existing in-channel mining pits, allow natural channel processes, and to prevent channel erosion while encouraging bank stabilization. CCRMP activities permitted through the Yolo HCP/NCCP generally will not be tracked or counted against the take limits of the HCP/NCCP as they contribute to the plan's conservation strategy. Any temporary loss of natural communities or habitat as a result of conservation measures is not counted as or tracked as an impact because the plan assumes those activities will have substantial net benefits to the covered species and natural communities. In the case where CCRMP bank stabilization activities involve placement of hardscape material in the floodplain the impacts must be mitigated for and tracked against the take limits for the barren floodplain land cover type because it permanently removes potential bank swallow habitat.

Section 8.4.1.1 Exemptions from HCP/NCCP Fees exempts the mining operators from paying Yolo HCP/NCCP landcover fees for projects implemented as a component of the CCRMP but requires that the Conservancy track and mitigate for the effects when bank swallow habitat is removed, as described



above. Due to this fee exemption, there is currently no revenue to cover the cost of mitigating impacts to bank swallow habitat.

Recognizing this shortfall, Conservancy staff approached the Yolo County Natural Resources Division to discuss potential solutions. In that discussion, the Yolo County Natural Resources Division staff concurred with the need to address mitigation obligations associated with the CCRMP and agreed to pay all land cover fees associated with the 37-acres of permanent impact to bank swallow habitat expected to result from CCRMP operations and maintenance activities over the permit term to assist the Yolo Habitat Conservancy in achieving its mitigation obligation and biological goals related to protecting 50-acres of bank swallow habitat in Cache Creek, pending approval by the Yolo County Board of Supervisors.

The attached MOU (Attachment A) formalizes the above understanding and further strengthens the collaborative partnership between the Conservancy and the CCAP. Per the MOU, the County will pay the land cover fees associated with the 37 acres of impact at the 2020 land cover fee rate of \$14,950 per acre, for a total of \$553,150, which will be paid in 10 equal installments over 10 years. The MOU also allows for the County to reimburse the Conservancy for staff and consultant time for work on issues directly related to the CCRMP, including easement evaluation and acquisition, upon the concurrence that such work is to the mutual benefit of both parties.

ATTACHMENTS:

Attachment A. MOU
Attachment B. 2014 MOU



Agreement No. _____

**Memorandum of Understanding Between Yolo County and the Yolo Habitat Conservancy
Regarding the Cache Creek Area Plan**

This Memorandum of Understanding (“MOU”) is entered into on the _____ day of September 2020, by and between the County of Yolo (“County”) and the Yolo County Habitat/Natural Community Conservation Plan Joint Powers Agency, known generally and referred to hereinafter as the Yolo Habitat Conservancy (“Conservancy”)

RECITALS

WHEREAS, the Yolo County Cache Creek Area Plan (“CCAP”) is an award-winning rivershed management plan originally adopted in 1996 that integrates environmental and economic goals related to the aggregate mining industry consisting of two distinct complementary plans governing different areas of the overall plan area: the Cache Creek Resources Management Plan (“CCRMP”) and the Off-Channel Mining Plan (“OCMP”); and

WHEREAS, the Yolo Habitat Conservation Plan/Natural Communities Conservation Plan (“HCP/NCCP”) incorporates the CCRMP restoration and enhancement actions into its conservation strategy to help meet the HCP/NCCP’s biological objectives for ecosystem processes, natural communities, and covered species and also incorporates the CCRMP as a covered activity and provides take authorization under the federal and state Endangered Species Acts; and

WHEREAS, in recognition of CCRMP implementation being both a covered activity and a conservation measure, CCRMP covered activities are not subject to Conservancy land cover fees and do not count against impact limits for natural communities or covered species habitat; and

WHEREAS, given interconnectivity of the HCP/NCCP and CCAP and the County’s desire to support the Conservancy and ensure its success, it is to the mutual benefit of both parties to collaborate on issues of mutual interest including funding.

NOW, THEREFORE, in consideration of the mutual interests contained herein, the parties hereby agree as follows:

AGREEMENT

1. Scope. The Board of Directors of the Conservancy enters into this MOU to ensure continued collaboration with the County, including but not limited to the administrative division(s) and staff with responsibility for CCAP implementation (presently the Natural Resources Division of the County Administrator’s Office) on matters of mutual interest pertaining to the Yolo HCP/NCCP and the CCAP. Notable among these interests is ensuring funding for currently unfunded restoration obligations, specifically bank stabilization and hardscaping occurring within the CCRMP. The HCP/NCCP provides take coverage for up to 37 acres of permanent barren floodplain impacts associated with bank stabilization and hardscaping

activities along Cache Creek to protect property or valuable resources. The entire 37 acres of permanent barren floodplain impacts are anticipated to occur as a result of construction and/or restoration activities that support implementation of the CCRMP. Projects that may be located within the jurisdictional boundary of the CCRMP but are not related to the implementation of the CCRMP are excluded from this agreement.

In recognition of this issue, as set forth below, the County agrees to pay from unrestricted aggregate mining fee revenue all HCP/NCCP land cover fees associated with the 37 acres of impact at the 2020 land cover fee rate of \$14,950 per acre. Additionally, the County agrees to reimburse the Conservancy for staff and consultant time for work on issues directly related to the CCAP, including easement evaluation and acquisition, provided the County concurs that work is to the mutual benefit of both parties.

This MOU does not supersede or modify prior agreements between the Conservancy and the County or any of its departments.

2. Payments.

A. Land Cover Fees. The County agrees to pay all land cover fees associated with the 37 acres of impact from its unrestricted gravel mining revenues at the 2020 land cover fee rate of \$14,950 per acre totaling \$553,150. This amount will be paid in ten equal payments over a ten-year period beginning on January 1, 2021, with subsequent payments made annually on January 1. If in the calendar year, the total tonnage of mined aggregate that is subject to fee does not exceed 2,000,000 tons, no payment shall be required for that year and may, at the County's sole option, be deferred to the next subsequent year in which the tonnage total exceeds 2,000,000 tons.

B. Reimbursement for Time Spent on Work Related to CCAP. Also from its unrestricted gravel mining revenues, the County agrees to reimburse the Conservancy for staff and consultant time for work on issues directly related to the CCAP, including easement evaluation and acquisition, provided the Conservancy Executive Director and the Director of the Yolo County Natural Resources Division, or their respective designees, concur in advance in writing that such work is to the mutual benefit of both parties and determines that the costs anticipated to be incurred are reasonable.

3. Term and Termination.

A. Term. This MOU shall expire at the end of the term of the 50-year state and federal wildlife agency permits held by the Yolo Habitat Conservancy.

B. Termination. Either party may, by action of a majority of its governing board, terminate this MOU, with or without cause, by giving sixty days prior written notice to the other party.

4. Indemnity.

A. By the Conservancy. The Conservancy shall indemnify, defend, and hold the County harmless from and against any and all claims and liabilities that may arise due to the Conservancy's failure to pay its debts, to the Conservancy's breach of any duty imposed on Conservancy by this MOU, or to the Conservancy's breach of any other duty not expressly assumed by County under this Agreement.

B. By the County. The County shall indemnify, defend, and hold the Conservancy harmless from and against any and all claims and liabilities that may arise due to the County's breach of any duty expressly assumed by County in this MOU.

5. Governing Law. This MOU has been made and delivered within the State of California, and the rights and obligations of the parties hereto shall be construed and enforced in accordance with California law.

6. Notices. All notices shall be deemed to have been given when made in writing and delivered or mailed to the respective representatives of the parties, as follows:

To County:

County of Yolo
625 Court Street, Room 202
Attn: County Administrator
Woodland, CA 95695
Tel: (530) 666-8150
Fax: (530) 666-4029

To Conservancy:

To the office of the Chair of the
Board of Directors

7. Severability. Should any paragraph, clause or provision of this MOU be construed to be against public policy or determined by a court of competent jurisdiction to be void, invalid or unenforceable, such construction and decisions shall affect only those paragraphs, clauses or provisions so construed or interpreted, and shall in no event affect the remaining paragraphs, clauses or provisions of this MOU, which shall remain in force.

8. Entire Agreement. This MOU is the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous oral and written agreements and discussions. Each party has cooperated in the drafting and preparation of this MOU, and this MOU shall not be construed against any party on the basis of drafting.

IN WITNESS WHEREOF, the parties through their authorized representatives have executed this MOU on the date first set forth above.

COUNTY OF YOLO

By _____
Gary Sandy, Chair

CONSERVANCY

By _____
Don Saylor, Chair

Board of Supervisors

Attest:
Julie Dachtler, Deputy Clerk
Board of Supervisors

By _____
Deputy (Seal)

Approved as to Form:

By _____
Eric May, Senior Deputy

Board of Directors

Approved as to Form:

By _____
Philip J. Pogledich,
Counsel to the Conservancy

BOARD OF SUPERVISORS

Yolo County, California

Date: December 2, 2014

To: CAO ✓

32.

Receive presentation and adopt a resolution supporting formation of a partnership between Yolo County and the Yolo County HCP/NCCP Joint Powers Agency related to the Cache Creek Area Plan and the Yolo HCP/NCCP. (No general fund impact) (Tuttle/Sabatini)

Minute Order No. 14-166: Approved recommended action by **Resolution No. 14-126.**

MOVED BY: Provenza / SECOND BY: Villegas

AYES: Rexroad, Provenza, Chamberlain, Villegas, Saylor

NOES: None

ABSTAIN: None

ABSENT: None



County of Yolo

www.yolocounty.org

To: Supervisor Don Saylor, Chair
and Members of the Board of Supervisors

Regular-General Government # 32. County Administrator

Board of Supervisors Meeting

Meeting Date: 12/02/2014

Brief Title: Yolo HCP/NCCP Partnership with Yolo County

From: Cindy Tuttle, Manager of Intergovernmental Relations, County Administrator's Office, x8061

Staff Contact: Elisa Sabatini, Natural Resources Analyst, County Administrator's Office, x5773

Subject

Receive presentation and adopt a resolution supporting formation of a partnership between Yolo County and the Yolo County HCP/NCCP Joint Powers Agency related to the Cache Creek Area Plan and the Yolo HCP/NCCP. (No general fund impact) (Tuttle/Sabatini)

Recommended Action

Receive presentation and adopt a resolution supporting formation of a partnership between Yolo County and the Yolo County HCP/NCCP Joint Powers Agency related to the Cache Creek Area Plan and the Yolo HCP/NCCP.

Strategic Plan Goal(s)

Collaborate to maximize success
Preserve and support agriculture
Protect open space and the environment
Provide fiscally sound, dynamic and responsive services

Reason for Recommended Action/Background

On September 9, 2014, the Board of Supervisors received a presentation on current Parks Division operations and the implementation of the Yolo County Parks and Open Space Master Plan. The Executive Director of the Yolo County Habitat Conservation Plan /Natural Community Conservation Plan Joint Powers Agency (Yolo County HCP/NCCP JPA), of which Yolo County is a member, provided comments to the Board as part of this presentation. The comments included a brief summary of potential opportunities to partner with the JPA to manage county-owned lands consistent with the Yolo Habitat Conservation Plan/Natural Community Conservation Plan (Yolo HCP/NCCP), a countywide plan to provide member agencies with a streamlined Endangered Species Act permitting process and protect habitat for 12 endangered and threatened species. The JPA continues to talk to Yolo County staff about potential opportunities related to Yolo County park lands, but has developed a proposal to assist with the management of lands Yolo County will receive over time as part of the Cache Creek Area Plan. The outline of this agreement, as described in the attached resolution, is as follows:

- The County of Yolo intends to donate easements on between 250 and 660 acres of "net gains" or other lands within the Cache Creek Area Plan area consistent with the Yolo HCP/NCCP, as long as the easements: 1) are also consistent with the Cache Creek Area Plan and future Cache Creek Parkway Plan development, 2) the Yolo HCP/NCCP pays for transaction costs associated with placement of the easements, and, 3) the Yolo HCP/NCCP pays for habitat-related maintenance of these properties in perpetuity.
- The County of Yolo may also contribute Cache Creek Area Plan funding towards acquisition of conservation easements, if funding is available and the acquisition is consistent with the policies and objectives described in the Cache Creek Area Plan program documents.
- The County of Yolo intends to continue to implement activities prescribed in the Cache Creek Improvement Program (e.g. monitoring and invasive species removal), funded with Cache Creek Area Plan revenue and consistent with the Yolo HCP/NCCP.
- The County may at any time decline to partner with the Yolo HCP/NCCP Joint Powers Agency or decide not to donate easements or dedicate revenue to activities consistent with the Yolo HCP/NCCP.
- The JPA will work with the County to bring in revenue for Cache Creek Resources Management Plan and Cache Creek Improvement Program implementation that would not otherwise be available to the County.

This partnership will help the JPA meet the conservation obligations of the Yolo HCP/NCCP. The partnership also will bring additional state and federal funding into the County to implement the Cache Creek Resources Management Plan and Cache Creek Improvement Program that would not otherwise be available because it is designated only for HCP and NCCP implementation, as well as funding for ongoing habitat-related management and maintenance of the properties. The Yolo County HCP/NCCP Joint Powers Agency will work with Yolo County staff to develop this partnership. The City of Davis and the Solano County Water Agency are developing similar partnerships with the Yolo County HCP/NCCP Joint Powers Agency.

Collaborations (including Board advisory groups and external partner agencies)

County Counsel, Planning, Public Works, and Environmental Services, General Services (Parks Division), the Natural Resources Division, and the Yolo County HCP/NCCP Joint Powers Agency.

Fiscal Information

No Fiscal Impact

Fiscal Impact of this Expenditure

Total cost of recommended action	\$0
Amount budgeted for expenditure	\$0
Additional expenditure authority needed	\$0
On-going commitment (annual cost)	

Source of Funds for this Expenditure

General Fund	\$0
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Attachments

Att. A. Resolution

Form Review**Inbox**

Phil Pogledich
Phil Pogledich
Patrick Blacklock
Ivan Vonk
Form Started By: Cindy Tuttle
Final Approval Date: 11/25/2014

Reviewed By

Elisa Sabatini
Phil Pogledich
Patrick Blacklock
Ivan Vonk

Date

11/19/2014 11:18 AM
11/25/2014 01:34 PM
11/25/2014 03:48 PM
11/25/2014 03:54 PM
Started On: 10/09/2014 02:27 PM

DEC 09 2014

BY Rupita Ramirez
DEPUTY CLERK OF THE BOARD**RESOLUTION NO. 14- 126****RESOLUTION OF THE YOLO COUNTY BOARD OF
SUPERVISORS SUPPORTING A PARTNERSHIP WITH
THE YOLO HCP/NCCP JPA**

WHEREAS, the County of Yolo ("County") intends to enter into a partnership with the Yolo County HCP/NCCP Joint Powers Agency (the "Yolo HCP/NCCP JPA" or "JPA") to enhance habitat on Cache Creek consistent with the Cache Creek Area Plan ("CCAP"), of which the Cache Creek Resources Management Plan is a part; and

WHEREAS, the County intends to donate easements on between 250 and 660 acres of "net gains" or other Cache Creek Area Plan lands consistent with the Habitat Conservation Plan/Natural Communities Conservation Plan ("HCP/NCCP") under development by the JPA, as long as the easements are consistent with the CCAP and the development of the Cache Creek Parkway Plan, the JPA pays for all transactions costs associated with placement of the easements, and the JPA pays for all habitat-related maintenance of these properties in perpetuity; and

WHEREAS, the County may also contribute CCAP funding towards acquisition of conservation easements, if funding is available and the acquisition is consistent with the CCAP; and

WHEREAS, the County intends to continue to implement activities prescribed in the Cache Creek Improvement Program (e.g. monitoring, invasive species removal) funded with CCAP revenue consistent with the HCP/NCCP to the extent feasible; and

WHEREAS, the County recognizes a partnership with the JPA is a critical part of ensuring the JPA meets the conservation obligations of the HCP/NCCP; and

WHEREAS, the County also recognizes a commitment of easements and other funding will allow the County to maximize revenue to implement the CCAP because the HCP/NCCP will bring additional state and federal conservation funds into the program that are only available to HCPs and NCCPs. The Yolo HCP/NCCP JPA, of which the County is a member, will work with County staff to develop this partnership; and

WHEREAS, this proposed partnership has been developed through a collaborative process including County Counsel, Planning, Public Works, and Environmental Services, the Natural Resources Division, General Services, JPA staff and interested stakeholders; and

WHEREAS, the County may at any time decline to partner with the JPA or decide not to donate easements or dedicate revenue to activities consistent with the Yolo HCP/NCCP;

NOW, THEREFORE, based on the foregoing recitals, the Yolo County Board of Supervisors hereby supports the proposed partnership between Yolo County and the Yolo HCP/NCCP JPA.

PASSED AND ADOPTED by the Board on this 2nd day of December 2014, by the following vote:

AYES: **Rexroad, Provenza, Chamberlain, Villegas, Saylor.**

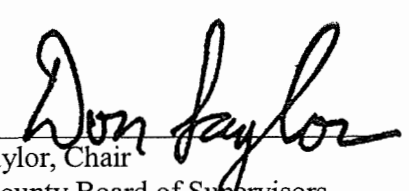
NOES: **None.**

ABSTENTIONS: **None.**

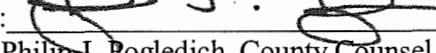
ABSENT: **None.**

Attest:
Julie Dachtler, Deputy Clerk

By: 
Deputy



Don Saylor, Chair
Yolo County Board of Supervisors

Approved As To Form:
Philip J. Pogledich, County Counsel

By: 
Philip J. Pogledich, County Counsel

Yolo Habitat Conservancy

Meeting Date: 09/21/2020

Information

SUBJECT

Receive FY19-20 year end fiscal report and authorize staff to evaluate and implement a transition to an operational fund model

Attachments

Staff Report

Attachment A. Report

Attachment B. Urban Economics Memo

Form Review

Inbox

Reviewed By

Date

Alexander Tengolics

Alexander Tengolics

09/17/2020 11:11 AM

Alexander Tengolics

Alexander Tengolics

09/17/2020 12:54 PM

Form Started By: Alexander Tengolics

Started On: 09/15/2020 09:26 AM

Final Approval Date: 09/17/2020



Yolo Habitat Conservancy

County of Yolo • City of Davis • City of Winters • City of West Sacramento
City of Woodland • University of California, Davis

To: Don Saylor, Chair
Members of the Board

From: Alexander Tengolics
Executive Director

Re: Receive FY19-20 year-end fiscal report and authorize staff to evaluate and implement a transition to an operational fund model

Date: September 21, 2020

REQUESTED ACTION:

1. Receive FY19-20 year end fiscal report (Attachment A)
2. Authorize staff to evaluate and implement a transition to an operational fund model

BACKGROUND:

FY19-20 marked another year of continued progress towards fiscal sustainability. Of note:

- The Mitigation Fee Fund revenues were \$586,658 with \$535,210 in expenditures resulting in a \$51,448 net increase to fund balance for a total fund balance of \$332,811
- The Conservancy received \$180,865 in grant revenues
- All fund balance increased by \$42,444 for a total fund balance of \$1,097,472

Staff acknowledges that fee revenue continues to be variable and that the Conservancy remains reliant on grant revenue. To this end, staff continues to seek opportunities to generate revenue and reduce cost. The Cache Creek Area Plan MOU on the agenda for this meeting is representative of these efforts to diversify revenue and collaborate with member agencies to maximize shared success on issues of mutual interest.

As staff discussed with the Board in July, staff tasked Urban Economics with reviewing the Conservancy's fiscal model. Currently, the Conservancy's internal fiscal model is based upon is 50-year estimates resulting in a model that is complex and prescriptive as to how revenue should be allocated irrespective of operational needs. Recognizing the degree of variability in operational needs and the practical limits in a 50-year estimate, Urban Economics now recommends that Conservancy consider

an operational fund model, essentially, rather than having prescriptive allocations within the mitigation fee fund, collapse the mitigation fee the fund into an operational fund while tracking specific expenses as to inform future funding modeling and cash flow estimates as part of the five-year review (Attachment B). This model is employed by other habitat conservancies in the state. Staff recommends the Board authorize staff to work with the Department of Financial Services to evaluate and implement a transition to an operational fund model.

ATTACHMENTS:

Attachment A. Report

Attachment B. Urban Economics Memo



Fund #	Description	Beginning Balance	Revenue/Credits	Expenditure/Debits	Variance	Closing Balance	Revenue Budget to Actual	Expenditure Budget to Actual
6944	Mitigation Fee Fund	\$ (281,363)	\$ (586,658)	\$ 535,210	\$ (51,448)	\$ (332,811)	79%	86%
6945	Mitigation Account Fund	\$ (722,800)	\$ (23,934)	\$ 10,361	\$ (13,573)	\$ (736,373)	598%	1%
6946	Grant Fund	\$ 38,225	\$ (180,865)	\$ 176,433	\$ (4,433)	\$ 33,792	45%	42%
6948	Post Permit Endowment	\$ (10,368)	\$ (9,457)	\$ -	\$ (9,457)	\$ (19,825)	-	-
6949	Other Revenue Fund	\$ (78,722)	\$ (25,263)	\$ 61,730	\$ 36,467	\$ (42,255)	24%	41%
All Funds		\$ (1,055,028)	\$ (826,178)	\$ 783,734	\$ (42,444)	\$ (1,097,472)	95%	58%

MEMORANDUM

To: Alexander Tengolics, Yolo Habitat Conservancy
From: Robert Spencer, Urban Economics
CC: Petrea Marchand, Consero Solutions
Date: August 19, 2020
Subject: Yolo HCP/NCCP Mitigation Fee Revenue and Cost Accounting

This memorandum provides recommendations for mitigation fee revenue and cost accounting practices to assist in implementation of the Yolo HCP/NCCP (Plan) by the Yolo Habitat Conservancy (Conservancy).

Current Mitigation Fee Revenue and Cost Accounting Practices

The Conservancy maintains several funds for receipt of revenues. These revenue funds include:

- ♦ **Grant fund** for public agency and private foundation grants.
- ♦ **Mitigation fee fund** for the Plan's mitigation fees (wetland fee and land cover fee).
- ♦ **Mitigation trust account fund** for Swainson's hawk mitigation fees collected prior to issuance of the Plan's permits in 2019.
- ♦ **Other revenue fund** for revenues not restricted to any of the other revenue funds such as Special Participating Entity fees and stewardship donations
- ♦ **Pre-permit endowment fund** for revenue from endowments for management and monitoring collected prior to issuance of the Plan's permits in 2019.
- ♦ **Post-permit endowment fund** to build an endowment during the permit term and fund ongoing management and monitoring of the reserve system in perpetuity post-permit. Fund revenues come from a share of revenues received by the mitigation fee and other revenue funds because the revenue for the remaining three funds (grant, mitigation trust account, and per-permit endowment) are restricted to other uses.

Mitigation fee revenue deposited into the mitigation fee fund, generated by the land cover fee and wetland fee, is anticipated to fund two-thirds of total plan costs over the 50-year permit term. The land cover fee represents one of the Plan's most flexible revenue sources because the Conservancy may use the revenue for any Plan activity except activities funded by the wetland fee.

To ensure mitigation fee funding is available for the various activities required by the Plan and the Conservancy meets plan requirements in all categories, staff allocates all mitigation fee revenue into the post-permit endowment fund and five expenditure accounts called "cost

centers.” These allocations are based on an initial analysis of the sources and uses of funds over the 50-year permit term conducted to develop the Yolo HCP/NCCP in 2018:¹

- ♦ Wetland fee revenue
 - 99.8% to “natural communities restoration” cost center because fee is dedicated to wetland restoration
 - 0.2% to post-permit endowment fund
- ♦ Land cover fee revenue
 - 50.8% to “reserve system establishment” cost center for easement acquisition.
 - 2.3% to “plan preparation” cost center for recovery of costs to prepare the Plan.
 - 15.4% to “management, enhancement, monitoring, and research” cost center for species monitoring, management of habitat on agricultural lands, installation of hedgerows and other enhancement activities, and scientific research.
 - 14.8% to “administration” cost center for staff, rent, match/in-kind contributions for grants, and other administration costs.
 - 14.2% to “contingency” cost center for any activities required by the Plan.
 - 2.5% to post-permit endowment fund.

The Conservancy can transfer funds between cost centers, except the administration and plan preparation cost centers, as needed to fund Plan activities. The Conservancy tracks transfers between cost centers to ensure sufficient funds for all activities. The Conservancy also provides information about these transfers to the Board of Directors as part of regular financial reporting.

Challenges Associated with Current Accounting Practices

Challenges associated with current mitigation fee fund accounting practices are related to differences between 50-year estimates of the use of mitigation fee revenue and budgeting for Plan costs on an annual basis. Fee revenues are likely to vary significantly from year to year due to business cycles and related swings in levels of real estate investment. As mentioned above, mitigation fees fund a large share of total Plan costs so the Conservancy’s use of these funds across all Plan activities also will vary significantly. The Conservancy has already experienced this challenge because below-average fee revenue in the initial years following Plan adoption has left the administration cost center significantly underfunded, while administration costs are high because the Conservancy is establishing the foundation for implementation of the Plan.

Proposed Revisions to Current Accounting Practices

Proposed revisions to current accounting policies to address the challenges described above are designed to meet three objectives:

¹ Sources and uses of funds analysis based on data from Yolo HCP/NCCP, Appendix I, *Funding Plan*.

1. Ensure fee revenue is restricted to uses based on requirements of the Mitigation Fee Act, the state statute that authorizes adoption of development fees by local agencies.²
2. Provide flexibility in annual budgeting of fee revenues across Plan activities to accommodate fluctuations in revenues received and funding needs.
3. Demonstrate the appropriate allocation of revenues to Plan activities.

The following recommendations are based on a review of other regional HCP/NCCPs, and specifically the practices employed by the Santa Clara Valley Habitat Agency. That agency has been responsible for implementing the Santa Clara Valley HCP/NCCP since adoption in 2013. The percentage allocations noted below are based on the current Yolo HCP/NCCP funding model and cash flow estimates and would be updated with each five-year review.

- ♦ Post-permit endowment fund:
 - Simplify accounting practices by funding the post-permit endowment fund with a single, larger allocation from land cover fee revenue rather than splitting the allocation with a small share from the wetland fee.
 - Maintain an ongoing allocation of **2.6 percent** of land cover fee revenue to the post-permit endowment fund to maximize ongoing investment earnings from the endowment fund balance.
- ♦ Plan preparation cost recovery:
 - Maintain an ongoing allocation of **2.4 percent** of land cover fee revenue to the plan preparation cost center to ensure this cost is fully funded in the face of more immediate Plan priorities.
- ♦ Budgeting remaining mitigation fee revenue:
 - Instead of allocating a fixed percentage of mitigation fee revenue to cost centers, budget those revenues on an annual basis based on estimated fee revenue and priority Plan activities to be completed during the year.
 - Use a cost center structure that provides sufficient detail (1) to track expenditures by Plan activity, (2) to comply with the Mitigation Fee Act, and (3) to support updating the Plan's cost model every five years (**see Budget Guide, below**).
- ♦ Adopt regular reporting on achievement of Plan requirements in lieu of allocating funds by cost center:
 - Develop a template for quarterly reporting to the Board of Directors on achievement of plan requirements, such as number of acres of easements acquired, number of acres of pre-permit reserve lands enrolled, monitoring of specie according to established protocols, management of reserve lands, and other milestones.

² California Government Code, Sections 66000 through 66025.

Budget Guide for Use of Revenue by Activity

("OK" = Allowable Use; "NA" = Not Allowed)

("NPL" = Newly Protected Reserve Lands; "PPL" = Pre-Permit Reserve Lands)

	REVENUE				Total Cost
COST CENTER / ACTIVITY	Mitigation Fees		Grants	Other	
	Land Cover	Wet- land			
Reserve System Establishment					
Acquisition (NPL)	OK	OK ¹	OK	OK	
Easements (PPL)	OK	NA	OK	OK	
Other Acquisition Costs	OK	OK ¹	OK	OK	
Allocated Costs	OK	OK	OK	OK	
Subtotal					
Management & Enhancement					
Management Plans	OK	NA	OK	OK	
Management Activities (NPL)	OK	OK ¹	OK	OK	
Management Activities (PPL)	OK	NA	OK	OK	
Allocated Costs	OK	OK	OK	OK	
Subtotal					
Monitoring, Research, Scientific Review					
Monitoring	OK	OK ¹	OK	OK	
Research & Science Advisors	OK	NA	OK	OK	
Allocated Costs	OK	OK	OK	OK	
Subtotal					
Natural Community Restoration					
Fresh Emergent Wetland Restoration	NA	OK	OK	OK	
Valley Foothill Riparian Restoration	NA	OK	OK	OK	
Lacustrine & Riverine Restoration	NA	OK	OK	OK	
Other Management & Restoration	NA	OK	OK	OK	
Allocated Costs	NA	OK	OK	OK	
Subtotal					
Plan Administration					
Plan Administration	OK	NA	NA	OK	
Plan Preparation Cost Recovery					
Plan Preparation Cost Recovery ²	OK	NA	NA	OK	
Post-Permit Endowment Fund					
Post-Permit Endowment Fund ³	OK	NA	NA	OK	
Total Revenue					

¹ Wetland fee revenue may only be used for easement and other acquisition costs associated with wetlands to be restored/created.

² Budgeted based on 2.4 percent of land cover fee revenue.

³ Budgeted based on 2.6 percent of land cover fee revenue.

Yolo Habitat Conservancy

Meeting Date: 09/21/2020

Information

SUBJECT

Executive Director's Report

Attachments

No file(s) attached.

Form Review

Inbox	Reviewed By	Date
Alexander Tengolics	Alexander Tengolics	09/17/2020 08:54 AM
Alexander Tengolics	Alexander Tengolics	09/17/2020 08:54 AM
Form Started By: Alexander Tengolics		Started On: 09/15/2020 12:31 PM
Final Approval Date: 09/17/2020		