

**AGENDA
BOARD OF SUPERVISORS
SONOMA COUNTY
575 ADMINISTRATION DRIVE, ROOM 102A
SANTA ROSA, CA 95403**

TUESDAY

APRIL 11, 2017

8:30 A.M.

(The regular afternoon session commences at 1:30 p.m.)

Susan Gorin	First District	Sheryl Bratton	County Administrator
David Rabbitt	Second District	Bruce Goldstein	County Counsel
Shirlee Zane	Third District		
James Gore	Fourth District		
Lynda Hopkins	Fifth District		

This is a simultaneous meeting of the Board of Supervisors of Sonoma County, the Board of Directors of the Sonoma County Water Agency, the Board of Commissioners of the Community Development Commission, the Board of Directors of the Sonoma County Agricultural Preservation and Open Space District, the Board of Directors of the Northern Sonoma County Air Pollution Control District, the Sonoma County Public Finance Authority, and as the governing board of all special districts having business on the agenda to be heard this date. Each of the foregoing entities is a separate and distinct legal entity.

The Board welcomes you to attend its meetings which are regularly scheduled each Tuesday at 8:30 a.m. Your interest is encouraged and appreciated.

AGENDAS AND MATERIALS: Agendas and most supporting materials are available on the Board's website at <http://www.sonoma-county.org/board/>. Due to legal, copyright, privacy or policy considerations, not all materials are posted online. Materials that are not posted are available for public inspection between 8:00 a.m. and 5:00 p.m., Monday through Friday, at 575 Administration Drive, Room 100A, Santa Rosa, CA.

SUPPLEMENTAL MATERIALS: Materials related to an item on this agenda submitted to the Board after distribution of the agenda packet are available for public inspection in the Board of Supervisors office at 575 Administration Drive, Room 100A, Santa Rosa, CA, during normal business hours.

DISABLED ACCOMMODATION: If you have a disability which requires an accommodation, an alternative format, or requires another person to assist you while attending this meeting, please contact the Clerk of the Board at (707) 565-2241 or bos@sonoma-county.org as soon as possible to ensure arrangements for accommodation.

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Sonoma County Transit: Rt. 20, 30, 44, 48, 60, 62

Santa Rosa CityBus: Rt. 14

Golden Gate Transit: Rt. 80

For transit information call (707) 576-RIDE or 1-800-345-RIDE or visit or <http://www.sctransit.com/>

APPROVAL OF THE CONSENT CALENDAR

The Consent Calendar includes routine financial and administrative actions that are usually approved by a single majority vote. There will be no discussion on these items prior to voting on the motion unless Board Members or the public request specific items be discussed and/or removed from the Consent Calendar.

PUBLIC COMMENT

Any member of the public desiring to address the Board on a matter on the agenda: Please walk to the podium and after receiving recognition from the Chair, please state your name and make your comments. In order that all interested parties have an opportunity to speak, please be brief and limit your comments to the subject under discussion. Each person is usually granted time at the discretion of the Chair. While members of the public are welcome to address the Board, under the Brown Act, Board members may not deliberate or take action on items not on the agenda.

8:30 A.M. CALL TO ORDER

PLEDGE OF ALLEGIANCE

I. APPROVAL OF THE AGENDA

(Items may be added or withdrawn from the agenda consistent with State law)

II. CONSENT CALENDAR

SONOMA COUNTY WATER AGENCY

(Directors: Gorin, Rabbitt, Zane, Gore, Hopkins)

1. Dry Creek Habitat Enhancement, Phase III.

(A) Authorize Water Agency's General Manager to execute the Fourth Amended Agreement for Engineering and Design Services for Dry Creek Habitat Enhancement Project Phase III with Environmental Science Associates, Inc., expanding the scope of work to provide design, bidding, and construction support for the United States Army Corps of Engineers' portion of the work, additional hydraulic modeling, further design on the Boaz property, and extending the agreement term by one year, increasing the amount by \$580,400, for a new not-to-exceed agreement total of \$1,925,556 and end date of December 31, 2018.

(B) Authorize Water Agency's General Manager to amend existing agreements between the Sonoma County Water Agency and the lowest responsive and responsible suppliers for the purchase of large woody debris to be incorporated into a portion of the Dry Creek Habitat Enhancement Project to be constructed by the Army Corps of Engineers in 2018. The costs associated with this purchase will not exceed \$260,663 and will be part of the Sonoma County Water Agency's 25% cost-share agreement for the Corps' Continuing Authorities Program Project.

(C) Authorize the Water Agency's General Manager to sign a Memorandum of Agreement with the Army Corps of Engineers for In-Kind Contributions Provided or Performed by a Non-Federal Interest Prior to Execution of a Partnership Agreement. The In-Kind Memorandum of Agreement will allow the Water Agency to apply the cost of log procurement to the Water Agency's 25% cost-share. (Fourth District)

2. Tree Planting, Inventory, and Urban Forestry Management Plan.

Adopt a Resolution approving the filing of a grant application to the California Department of Forestry and Fire Protection (Cal Fire) for the Urban and Community Forestry Grant Program as provided through the State Greenhouse Gas Reduction Fund in the estimated amount of \$572,000 and taking related actions. If the grant is awarded, the resulting project will improve urban forest health, water quality, wildlife habitat, and quality of life for adjacent communities, and reduce sedimentation and stream temperatures.

BOARD OF SUPERVISORS
AUDITOR-CONTROLLER-TREASURER-TAX COLLECTOR
AND
SONOMA COUNTY WATER AGENCY
COMMUNITY DEVELOPMENT COMMISSION
AGRICULTURAL PRESERVATION AND OPEN SPACE DISTRICT

(Commissioners/Directors: Gorin, Rabbitt, Zane, Gore, Hopkins)

3. Deferred Compensation 401(a) Volume Submitter Plan for Internal Revenue Service Reporting Requirements.
Adopt a Concurrent Resolution approving and adopting the amended 401(a) plan, which will allow Nationwide Retirement Services to submit required reporting to the Internal Revenue Service; and authorize the Auditor-Controller-Treasurer-Tax Collector to execute and deliver the plan to Nationwide Retirement Services.

FIRE AND EMERGENCY SERVICES

4. Termination of the Proclamations of Local Emergency Due to Winter Storm Damage.
Adopt a Resolution to Terminate the Proclamations of Local Emergency due to the Winter Storm “Double Crest” Event, made by the County Administrator/Director of Emergency Services on January 8, 2017, and the Winter Storm “Four Peat” Event, made by the County Administrator/Director of Emergency Services on February 10, 2017.

HEALTH SERVICES

5. On The Move - VOICES Sonoma.
Authorize the Director of Health Services to execute an agreement with On The Move to provide case management services to transitional age youth in need of specialty mental health services for the period April 11, 2017 through June 30, 2018 in an amount not to exceed \$298,234.

PERMIT AND RESOURCE MANAGEMENT DEPARTMENT

6. Land Conservation Act Contracts Replacement; Chalk Ridge Vineyard, LLC; PLP11-0048.
Adopt a Resolution to rescind an existing Land Conservation Act contract and authorize the Chair of the Board of Supervisors to execute 12 replacement Land Conservation Act Contracts on parcels ranging in size from 13.71 acres to 59.89 acres in size as a condition of approval for a subdivision (MJS03-0008), located at 385 Pleasant Avenue, Windsor; APN 079-300-001,-002, -003, -004, -005, -006, -007, -008, -009, -010, -011, -012, and -013. (Fourth District)
7. CEQA Document Contract for the Roblar Road Quarry Project.
Authorize the Director of the Permit and Resource Management Department (Permit Sonoma) to execute an agreement with Environmental Science Associates (ESA) for an amount not to exceed \$272,073 for preparation of a subsequent CEQA document for the Roblar Road Quarry Project. (Second District)

SHERIFF'S OFFICE

8. 2017 Domestic Cannabis Eradication Suppression Program Letter of Agreement.
Authorize the Sheriff to execute the 2017 Domestic Cannabis Eradication / Suppression Program Letter of Agreement and any Amendments that do not substantially alter the scope of the Agreement with the Drug Enforcement Administration, in the amount of \$40,000, to support efforts related to eradicating illegal cannabis activity in Sonoma County.

BOARD OF SUPERVISORS

9. Approve the Minutes of the Meetings of January 10, 2017, January 24, 2017 and January 31, 2017 for the following: Agricultural Preservation and Open Space District, Community Development Commission, Northern Sonoma County Air Pollution Control District, Occidental County Sanitation District, Russian River County Sanitation District, Sonoma County Water Agency, South Park County Sanitation District, and Board of Supervisors; and Approve the Minutes of the Meeting of January 10, 2017 of the Sonoma Valley County Sanitation District.
10. Disbursement of FY 16/17 First District Advertising Funds.
Approve Advertising Program grant awards and authorize the County Administrator to execute a contract with the following entities for advertising and promotions activities for FY 16/17: Sonoma Valley Chamber of Commerce, \$2,500; Sonoma Valley Visitor's Bureau \$2,500. (First District)

APPOINTMENTS/ REAPPOINTMENTS

11. Appoint Paul Martin to the Sonoma County Agriculture Preservation Open Space District Advisory Committee for a two year term beginning on April 11, 2017 and ending April 10, 2019. (Second District)
12. Approve appointment of Jennifer Whyte to the Commission on the Status of Women for a term of two years, ending 04/11/2019. (Third District)

PRESENTATIONS/GOLD RESOLUTIONS

PRESENTATIONS AT THE BOARD MEETING

13. Adopt a Gold Resolution Recognizing April 2017 as Sexual Assault Awareness Month. (Third District)

PRESENTATIONS AT A DIFFERENT DATE

14. Adopt a Gold Resolution honoring Ceres Community Project on the 10th Anniversary of the organization.(Fifth District)
15. Adopt a Gold Resolution Congratulating David Goode on his 100th Birthday. (First District)
16. Adopt a Gold Resolution for National Volunteer Week recognizing approximately 3,000 volunteers who served the County in 2016. (Human Resources)

III. REGULAR CALENDAR

COUNTY ADMINISTRATOR/ BOARD OF SUPERVISORS

17. Measure L Ad Hoc Committee Charter.
Accept the Board of Supervisors Measure L Ad Hoc Committee Charter.

SONOMA COUNTY WATER AGENCY

(Directors: Gorin, Rabbitt, Zane, Gore, Hopkins)

18. Water Rates for Fiscal Year 2017/2018.
Adopt a Resolution establishing Rates and Charges for the Sonoma County Water Agency's Water Transmission System for Fiscal Year 2017/2018.
19. **10.00 A.M** - Public Hearing to Authorize the Use of Eminent Domain to Acquire Property Rights for the Petaluma Aqueduct Cathodic Protection Upgrade Project for Corrosion Protection.
(A) Conduct a public hearing and determine that the acquisition of real property for the Petaluma Aqueduct Cathodic Protection Upgrade Project is necessary.
(B) Authorize acquisition of real property rights as required for construction of the Project.
(C) Authorize and direct County Counsel and the General Manager of the Water Agency to take all necessary steps to obtain the real property rights required for the Project. (Second and Fourth Districts) (4/5ths Vote)

TRANSPORTATION AND PUBLIC WORKS

20. Consideration of an Amended and Restated Joint Exercise of Powers Agreement for the Sonoma County Waste Management Agency.
Approve and authorize the Chair to execute the proposed Amended and Restated Joint Exercise of Powers Agreement (JPA) for the Sonoma County Waste Management Agency (SCWMA) to ensure that the County achieves its state mandated waste diversion goals and protects the environment in the most cost efficient manner for rate payers.
21. Establish No Parking Restrictions on Agua Caliente Road (#6601) - First Reading.
Adopt a resolution introducing and waiving the reading of an ordinance amending Ordinance No. 2300 by establishing no parking restrictions on the south side of Agua Caliente Road (#6601) from Postmile 10.590 (Lake Street) to Postmile 10.614. (First District)

GENERAL SERVICES/ HEALTH SERVICES

22. Behavioral Health Services Update.
- 22(a) Behavioral Health Services Campus Lease – 2245 Challenger Way, Santa Rosa
Authorize the Board Clerk to publish a notice, declaring the Board's intention to execute a lease with SR Office Properties DE, LLC and Redbird SR Office Properties DE, LLC for 13,270 sq. ft. of office space, located at 2245 Challenger Way, Santa Rosa, for an initial term of 15 years, with 2, five-year options; rental payments of \$21,100 per month (\$253,200 per year); and tenant improvements to completed by the landlord, in support of consolidation of Behavioral Health Services at the Lakes campus in southwest Santa Rosa.
- 22(b) Investment in Mental Health Wellness Act Grant - Crisis Residential Treatment
- (A) Adopt a resolution accepting an Investment In Mental Health Wellness Grant of \$870,343 from the California Health Facilities Financing Authority for crisis residential treatment program expansion and authorizing the Department of Health Services Director to execute the grant agreement and a lease agreement with Progress Foundation for the property located at 1120 Gordon Lane in Santa Rosa.
- (B) Adopt a resolution adjusting the fiscal year 2016-2017 final budget by increasing revenues in the Department of Health Services by \$870,343 to reflect the receipt of a grant from the California Health Facilities Financing Authority for crisis residential treatment program expansion. (4/5ths Vote)

23. **PUBLIC COMMENT ON CLOSED SESSION ITEMS**

IV. CLOSED SESSION CALENDAR

24. The Board of Supervisors will consider the following in closed session: Public Employee Performance Evaluation – Transportation and Public Works’ Director. (Government Code Section 54957(b)(1)).
25. The Board of Supervisors will consider the following in closed session: Conference with Legal Counsel - Existing Litigation - In re the Workers’ Compensation Cases: *David Smith vs. County of Sonoma*; Workers’ Compensation Appeals Board Nos. ADJ4701605; ADJ8482714; ADJ146358; ADJ8482714. (Government Code section 54956.9(d)(1)).
26. The Board of Directors, Sonoma County Water Agency will consider the following in closed session: Conference with Real Property Negotiator. Property: 2150 W. College Ave., Santa Rosa, CA. Negotiators: For Agency: Grant Davis, General Manager, Sonoma County Water Agency; For Potential Buyers: Margaret Van Vliet, Executive Director Sonoma County Community Development Commission. Under Negotiation: Terms and conditions of the proposed sale. (Govt. Code §54956.8)
27. The Board of Directors, Sonoma County Community Development Commission: Conference with Real Property Negotiator. Property: 2150 W. College Ave., Santa Rosa, CA. Negotiators: For Community Development Commission: Margaret Van Vliet, Executive Director Sonoma County Community Development Commission; For Potential Sellers: Grant Davis, General Manager, Sonoma County Water Agency. Under Negotiation: Terms and conditions of the proposed purchase. (Govt. Code §54956.8)
28. The Board of Directors, Sonoma County Community Development Commission: Conference with Real Property Negotiator. Property: 17880 Sonoma Highway, Sonoma, CA. APN 056-303-028 Negotiators: For Community Development Commission: Margaret Van Vliet, Executive Director Sonoma County Community Development Commission; For Potential Sellers: Joseph Bellan on behalf of the Joseph C. and Verna J. Bellan Trust. Under Negotiation: Terms and conditions of the proposed purchase. (Govt. Code §54956.8)

V. REGULAR AFTERNOON CALENDAR

29. **RECONVENE FROM CLOSED SESSION**

30. **REPORT ON CLOSED SESSION**

VI. BOARD MEMBER REPORTS ON ASSIGNED BOARDS, COUNCILS, COMMISSIONS OR OTHER ATTENDED MEETINGS

VII. 1:30 P.M. - PRESENTATIONS/GOLD RESOLUTIONS

31. **2:00 P.M. - PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA BUT WITHIN THE SUBJECT MATTER JURISDICTION OF THE BOARD AND ON BOARD MEMBER REPORTS**

(Comments are restricted to matters within the Board's jurisdiction. The Board will hear public comments at this time for up to thirty minutes. Each person is usually granted time at the discretion of the Chair. Any additional public comments will be heard at the conclusion of the meeting. While members of the public are welcome to address the Board, under the Brown Act, Board members may not deliberate or take action on items not on the agenda.)

FIRE AND EMERGENCY SERVICES

32. **2.10 P.M.**- Public Road Name Hearing – Thiessen Lane.

Conduct a public hearing and adopt a resolution approving one (1) public road name in the new Green Valley Village Subdivision, Graton, California (PLP15-0055): Thiessen Lane.

**BOARD OF SUPERVISORS/ COUNTY ADMINISTRATOR/
PERMIT AND RESOURCE MANAGEMENT/ HEALTH SERVICES/
WEIGHTS AND MEASURES/ FIRE AND EMERGENCY SERVICES/
COUNTY COUNSEL
AND
AUDITOR-CONTROLLER-TREASURER-TAX COLLECTOR**

33. **2:20 P.M.** - Cannabis Ad Hoc Committee Charter and Program Implementation.

(A) Adopt the 2017 Cannabis Ad Hoc Committee Charter and approve Phase 2 of the County's Cannabis Program;

(B) Approve the Cannabis Advisory Group Selection and Work Plan;

(C) Adopt a Resolution amending the Fiscal Year 2016-17 position allocation lists for various departments to add 12 full time staff members, increasing appropriations for staffing and related costs, and allocating \$525,169 from unanticipated actual sales tax revenue to be reimbursed by revenues collected in Fiscal Year 2017-18 from the Cannabis Business Tax to implement and enforce the County's cannabis ordinances; (4/5 vote) and

(D) Adopt a Resolution establishing the Code Enforcement Temporary Penalty Relief Program to incentivize compliance and guide implementation of the Transition Period established in the Cannabis Land Use Ordinance.

34. Permit and Resource Management Department: Review and possible action on the following:
Acts and Determinations of Planning Commission/Board of Zoning Adjustments
Acts and Determinations of Project Review and Advisory Committee
Acts and Determinations of Design Review Committee
Acts and Determinations of Landmarks Commission
Administrative Determinations of the Director of Permit and Resource Management
(All materials related to these actions and determinations can be reviewed at:
<http://www.sonoma-county.org/prmd/b-c/index.htm>)

35. **ADJOURNMENT**

NOTE: The next Board Meeting will be a Regular Meeting held on April 25, 2017 at 8:30 a.m.

Upcoming Hearings (All dates are tentative until each agenda is finalized)

April 25, 2017 – Public Hearing - Oak Drive, Healdsburg Right-of-Way Vacation- Permit and Resource Management Department.



County of Sonoma Agenda Item Summary Report

Clerk of the Board
575 Administration Drive
Santa Rosa, CA 95403

Agenda Item Number: 1
(This Section for use by Clerk of the Board Only.)

To: Board of Directors, Sonoma County Water Agency

Board Agenda Date: April 11, 2017

Vote Requirement: Majority

Department or Agency Name(s): Sonoma County Water Agency

Staff Name and Phone Number:

Greg Guensch 707-547-1972

Supervisorial District(s):

Title: Dry Creek Habitat Enhancement, Phase III

Recommended Actions:

- a) Authorize Water Agency's General Manager to execute the Fourth Amended Agreement for Engineering and Design Services for Dry Creek Habitat Enhancement Project Phase III with Environmental Science Associates, Inc., expanding the scope of work to provide design, bidding, and construction support for the United States Army Corps of Engineers' portion of the work, additional hydraulic modeling, further design on the Boaz property, and extending the agreement term by one year, increasing the amount by \$580,400, for a new not-to-exceed agreement total of \$1,925,556 and end date of December 31, 2018.
- b) Authorize Water Agency's General Manager to amend existing agreements between the Sonoma County Water Agency and the lowest responsive and responsible suppliers for the purchase of large woody debris to be incorporated into a portion of the Dry Creek Habitat Enhancement Project to be constructed by the Army Corps of Engineers in 2018. The costs associated with this purchase will not exceed \$260,663 and will be part of the Sonoma County Water Agency's 25% cost-share agreement for the Corps' Continuing Authorities Program Project.
- c) Authorize the Water Agency's General Manager to sign a Memorandum of Agreement with the Army Corps of Engineers for In-Kind Contributions Provided or Performed by a Non-Federal Interest Prior to Execution of a Partnership Agreement. The In-Kind Memorandum of Agreement will allow the Water Agency to apply the cost of log procurement to the Water Agency's 25% cost-share.

Executive Summary:

The Russian River Biological Opinion requires the creation of 3 miles of enhanced Coho salmon and steelhead habitat along Dry Creek by 2018. These enhancements will support federally protected species while allowing the continued flow of Lake Sonoma water down Dry Creek at levels sufficient to provide water supply for the 600,000 residents of Sonoma and Marin counties that receive water from the Sonoma County Water Agency (Water Agency). The Water Agency is partnering with the Army Corps of Engineers (Corps) to construct these enhancements. This item will allow for continued work to complete this project on deadline by providing for additional design, bidding, and construction support for the Corps project

from Environmental Services Associates, who is currently providing similar services to the Water Agency for their portions of this project, and will allow for the expansion of Water Agency contracts to purchase large woody debris to encompass the Corps' portion of the project, which will save time and allow for quality control on the materials used. In addition, this item allows for execution of a cost share agreement that will allow the Army Corps of Engineers to pay 75% (or \$4.5 million) of the costs of the project, creating significant savings for those who rely on the Water Agency for their water. The costs of the expanded contracts will count toward the Water Agency's 25% (or \$1.5 million) share of the project costs. Through its Federal Affairs program, the Board of Directors has secured a 75% cost share from the Corps (the maximum amount allowed by law).

Discussion:

HISTORY OF ITEM/BACKGROUND

The Water Agency and the Corps have undertaken a Section 7 consultation under the Federal Endangered Species Act with the National Marine Fisheries Service. The purpose of the consultation was to assess the ongoing water supply, flood control, and channel maintenance operations conducted in the Russian River Watershed by the Water Agency, the Corps, and the Mendocino County Russian River Flood Control District. In September 2008, the National Marine Fisheries Service issued the resulting Biological Opinion based on the results of the Section 7 Consultation.

The Biological Opinion requires the Water Agency and the Corps to implement a series of actions to minimize impacts to listed salmon species and enhance their habitats within the Russian River and its tributaries. In return, the Biological Opinion contains an "incidental take statement" that allows the Water Agency to "take" listed salmonid species, (within limits specified in the Biological Opinion) while operating its water transmission system and flood control activities, without violating the federal Endangered Species Act. The Biological Opinion is in effect until October 2023.

On November 9, 2009, the Water Agency requested and received a Consistency Determination from the California Department of Fish and Wildlife. The Consistency Determination provides the Water Agency with incidental take coverage under the California Endangered Species Act for the same Russian River activities that the Biological Opinion provides take coverage for under the federal Endangered Species Act.

The Biological Opinion specifically identified the need to improve rearing habitat for coho and steelhead in Dry Creek and the Russian River at the water-supply flows proposed. To address this need, while allowing continued discharges from Lake Sonoma for water supply purposes, the Biological Opinion has required habitat enhancement of six miles of Dry Creek to provide improved summer and winter rearing conditions for coho and steelhead. The Project is being developed to meet these habitat enhancement requirements and is an important component of the larger effort to improve conditions for salmonid species in the Dry Creek and Russian River watersheds.

The Project is subdivided into Phases I-VI, and the Phase III sites are located between Lambert Bridge and the confluence with the Russian River.

On June 10, 2014, the Water Agency entered a cost-share agreement with the Corps for planning, design, and feasibility studies of Dry Creek habitat enhancement work. On December 13, 2016, the Water Agency

and the Corps entered into another agreement for cost sharing under the Dry Creek Continuing Authorities Program Section 1135 Restoration Project. The Water Agency is requesting delegated authority to the Water Agency's General Manager to sign a Memorandum of Agreement with the Corps to apply the cost of the proposed large woody debris procurement needed for construction to the Water Agency's 25% cost-share for the CAP Project. The CAP Project is intended to restore portions of Dry Creek affected by Corps flood and erosion control projects constructed during completion of Warm Springs Dam. Using engineering designs developed by Consultant for Phase III, this portion of the CAP Project should be ready for construction in 2018.

The Water Agency and Consultant entered into an agreement for engineering and design services for Phase III of the Dry Creek Habitat Enhancement Project, on January 28, 2014, in the amount of \$979,422. The agreement was amended twice by the Water Agency General Manager. First, it was amended on December 22, 2014, to include an additional site and increasing the length of the project for an additional cost of \$55,866; and it was amended a second, on time on August 14, 2015, to add supplemental geotechnical services to support final design for the repair of a failed creek bank for an additional cost of \$42,068. The agreement was then amended by the Board on February 2, 2016, to provide additional funds for: (1) splitting construction into two phases for an additional construction season; (2) additional model runs to cover the upper range of Dry Creek flows; (3) inclusion of an additional design site; and (4) seismic refraction to meet Corps requirements, for an additional cost of \$267,800; making the new agreement total \$1,345,156.

SELECTION PROCESS

On March 7, 2013, the Water Agency issued a Request for Qualifications to 18 firms. Four firms submitted Statements of Qualifications.

Statements of Qualifications were evaluated and ranked by a Water Agency staff review team consisting of employees with expertise in the area of fisheries, engineering, environmental compliance, and management. The following criteria were used to evaluate each firm:

1. Demonstrated ability to design and assist with construction of large-woody-debris structures.
2. Experience with design, and assistance with the construction, of large backwaters and side channels, and restoration/habitat enhancement projects for creek or river reaches of a mile or more in length.
3. One or more design projects exceeding a \$100,000 contract value within the last 5 years.
4. Design and assistance with construction of one or more river restoration/habitat projects having a construction cost greater than \$1,000,000 within last 5 years.
5. Ability to perform 1- and/or 2-dimensional hydraulic and habitat modeling of existing conditions and proposed designs.
6. Demonstrated ability to work with permitting agencies, public agencies, private landowners, and local stakeholders with varied and competing constraints and objectives to successfully design and implement projects.
7. Experience with geomorphology, fisheries science, and water management issues in northern California river systems.

Inter-Fluve, Cardno Entrix, and Environmental Science Associates, were identified as extremely qualified and closely ranked. All three were invited to attend in-person interviews attended by the original Water Agency review team, other Water Agency staff actively involved with the Project, and Project partners from outside the Water Agency.

The Environmental Science Associates team was selected because they ranked highly with all reviewers and demonstrated comprehensively that they met criteria 1 through 7 above. In particular, staff concluded that Environmental Science Associates and their team as a whole understands the science and engineering, fisheries biology, technical and logistical challenges, and the methodologies required by the Project.

SERVICES TO BE PERFORMED

Under the proposed Amended Agreement, Consultant will provide engineering and design services to create drawings for habitat enhancement projects on Dry Creek by conducting detailed hydraulic, geomorphic, and engineering analysis; preparing conceptual and final design plans; participating in the Water Agency's public outreach and permitting processes; and assisting the Water Agency and Corps during bidding and construction.

This proposed Fourth Amended Agreement requested under Action (a) is needed to further divide Phase III Part 2 of the Project into two bid packages. Sites 4A and 4B will be provided to the Corps for the Corps' CAP Project. Site 5A will be constructed by the Water Agency. New tasks are being added and the term is being extended through 2018.

The additional tasks associated with the Corps' CAP Project involve creating a new plan set that consists of only sites 4A and 4B, updating all the cross references and pagination, reformatting the plans and specifications to the construction specification format used by the Corps, providing two additional submittals to the Corps, presenting at additional design review meetings, and assisting the Corps on behalf of the Water Agency during bidding and construction.

The additional tasks associated with Site 5A that the Water Agency will construct involve creating a new plan set including only Reach 5A, updating all the cross references and pagination, optimization of current design to increase the overall habitat value, and additional hydraulic and habitat modeling. The Water Agency also seeks to add an additional project feature to this reach on the Boaz property, which will be approximately 300 feet long, and consist of habitat enhancements to an existing mainstem pool and stabilization of the adjacent degraded and rapidly-eroding bank. The additional design scope associated with the feature on the Boaz property includes the geotechnical investigations, surveying, engineering analysis, hydraulic modeling, and design; inserting the design sheets into the Reach 5A plans set; and providing engineering and geotechnical support during bidding and construction.

The additional cost is \$580,400, for a new not-to-exceed agreement total of \$1,925,556. The new end date is December 31, 2018.

Procurement of Large Woody Debris for Corps Project:

On February 2, 2016, the Board of Directors approved agreements totaling \$885,694 for the procurement of large woody debris for Dry Creek Habitat Enhancement Project Miles 2 and 3. These agreements were awarded to the lowest responsive and responsible bidders pursuant to a September 2015 Request for

Proposals. The quantity of additional large woody debris proposed to be purchased for the Corps Project will not cause the Water Agency's total purchases to exceed the quantity contemplated in the original Request for Proposals. Low cost will be the basis for the Water Agency's additional orders in accordance with the original Request for Proposals.

As part of the Water Agency's cost-share agreement with the Corps for the Continuing Authorities Program, the Water Agency proposes to purchase the required large woody debris for Sites 4A and 4B to be constructed by the Corps in 2018. Large woody debris is proposed to be purchased utilizing existing supplier agreements authorized by the Water Agency General Manager in 2016 with the following companies:

1. Bohan and Canelis General Engineering, Inc.
2. Falk Forestry Services
3. Felta Redwoods
4. Parmeter Logging and Excavation, Inc.

A sample agreement showing the form the amended agreements will follow is attached. Total cost for the purchase of large woody debris for the Corps Project is estimated not-to-exceed \$260,663, all of which will be counted toward the Water Agency's existing cost-share agreement with the Corps.

RECOMMENDATION

Authorize the Water Agency's General Manager to:

- a) Approve the Fourth Amended Agreement adding \$580,400 to expand the scope of work to provide design, bidding, and construction support for the Corps Project, provide additional hydraulic modeling, and extend the agreement term by one year for an additional season of construction.
- b) Amend existing agreements to purchase large woody debris for the Corps Project, not to exceed \$260,663.
- c) Sign a Memorandum of Agreement with the Corps to apply the cost of large woody debris procurement to the Water Agency's 25% cost-share for the Corps Project.

Prior Board Actions:

- 12/13/2016: Approved Project Partnership Agreement with United States Army Corps of Engineers for funding at a 75% (Corps) to 25% (Water Agency) ratio under the Corps' Continuing Authorities Program.
- 02/02/2016: Approved amended agreement between Water Agency and ESA for engineering and design services for Phase III of the Dry Creek Habitat Enhancement Project. Additional cost \$267,800; no change to term end of 12/31/2017.
- 02/02/2016: Approved agreements for Procurement of Large Woody Debris for Dry Creek Habitat Enhancement Project Miles 2 and 3.
- 06/10/2014: Approved Memorandum of Understanding for In Kind Costs with the United States Army Corps of Engineers for planning, design, and feasibility studies of Dry Creek habitat enhancement work.

01/28/2014: Approved agreement between Water Agency and ESA for engineering and design services for Phase III of the Dry Creek Habitat Enhancement Project. Cost \$979,422; term end 12/31/2017.

Strategic Plan Alignment Goal 2: Economic and Environmental Stewardship

County Goal 2: Economic and Environmental Stewardship: The Project will accomplish habitat enhancement of six miles of Dry Creek to provide near ideal summer rearing conditions for coho and steelhead while maintaining operational steady state discharge for water supply purposes.

Water Agency Water Supply Goals and Strategies, Goal 2: Protect the Water Agency's existing water rights and our clean, high-quality water supply, and improve system resiliency by continuing to develop alternative supplies. Environmental enhancement of Dry Creek is part of a suite of projects that the Water Agency is conducting in compliance with the Biological Opinion. This compliance is necessary in order to protect the Water Agency's existing water rights, and to continue to provide high-quality water supplies.

Fiscal Summary

Expenditures	FY 16-17 Adopted	FY 17-18 Projected	FY 18-19 Projected
Budgeted Expenses	\$841,063		
Additional Appropriation Requested			
Total Expenditures	\$841,063		

Funding Sources

General Fund/WA GF			
State/Federal			
Fees/Other: Warm Spring Dams Fund	\$841,063		
Use of Fund Balance			
Contingencies			
Total Sources	\$841,063		

Narrative Explanation of Fiscal Impacts:

Budgeted amount of \$841,063 is available from FY 2016/2017 appropriations for the Warm Springs Dam Special Revenue fund. The \$841,063 is made up of the \$580,400 fourth amended agreement with the Corps and the \$260,663 purchase of large woody debris. No additional appropriation is required. The total cost of the project is estimated at \$6 million of which the Corps has a 75% cost share. Total cost of the Dry Creek Habitat Enhancement Project for Miles 1-6 is estimated at \$60 million (of which the Corps would be responsible for approximately \$35 million).

Staffing Impacts			
Position Title (Payroll Classification)	Monthly Salary Range (A – I Step)	Additions (Number)	Deletions (Number)
Narrative Explanation of Staffing Impacts (If Required):			
Attachments:			
<ol style="list-style-type: none"> 1. Amended Agreement 2. Sample Amended LWD Agreement 			
Related Items “On File” with the Clerk of the Board:			

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CF/45-6.1-21 ESA PWA (Agree for Engineering and Design Services for Dry Creek Habitat Enhancement Project Phase III) TW 13/14-005 (ID 4790)
 CF/45-6.1-21 Bohan & Canelis General Engineering, Inc. (Agree for the Supply of Large Woody Debris for the Dry Creek Demonstration Project) TW 12/13-118 (ID 4632)
 CF/45-6.1-21 Falk, Daniel (Agree for the Supply of Large Woody Debris for the Dry Creek Habitat Enhancement Project) TW 15/16-089 (ID 5573)
 CF/45-6.1-21 Felta Redwoods (Agree for the Supply of Large Woody Debris for the Dry Creek Habitat Enhancement Project) TW 15/16-090 (ID 5574)
 CF/45-6.1-21 Parmeter (Agree for Large Woody Debris Procurement for Dry Creek Miles 2 and 3) TW 15/16-094 (ID 5578)
 CF/45-6.1-21 US Army Corps of Engineers Memorandum of Agree (MOA) for In-kind Contributions Provided or Performed By A Non-Federal Interest Prior to Execution of a Partnership Agree (ID 6705)

DRAFT Fourth Amended Agreement for Engineering and Design Services for Dry Creek Habitat Enhancement Project Phase III

This Fourth Amended Agreement (“Fourth Amended Agreement” or “Agreement”) is by and between **Sonoma County Water Agency**, a body corporate and politic of the State of California (“Water Agency”) and **Environmental Science Associates**, a California corporation (“Consultant”). The Effective Date of this Agreement is the date the Agreement is last signed by the parties to the Agreement, unless otherwise specified in Article 5 (Term of Agreement).

RECITALS

- A. Consultant represents that it is a duly qualified and licensed engineering and environmental services firm experienced in the preparation of engineering and environmental documents and related services.
- B. In September, 2008, the National Marine Fisheries Service (NMFS) issued the Biological Opinion (BO) on the water supply, flood control, and channel maintenance operations conducted by the Water Agency, the U. S. Army Corps of Engineers (Corps), and the Mendocino County Russian River Flood Control District in the Russian River watershed. The BO is a 15 year recovery plan based on the results of a Section 7 consultation under the federal Endangered Species Act with NMFS.
- C. One of the recommended Reasonable and Prudent Alternatives (RPA) contained in the BO requires habitat enhancement of six miles of Dry Creek to provide near ideal summer rearing conditions for coho and steelhead while maintaining operational steady state discharge for water supply purposes. The proposed Dry Creek Habitat Enhancement Project (Project) is being developed in accordance with the RPA and will be an important component of a larger effort to improve conditions for salmonid species in the Dry Creek and Russian River watersheds.
- D. The design phase of the Project consists of the analysis, design, and support during construction of habitat enhancement features of Dry Creek. The sites will be located between Warm Springs Dam (Lake Sonoma) and the confluence with the Russian River. Some specific elements include design of habitat enhancement features such as side channels, backwaters, engineered log jams and large woody debris structures, and constructed riffles; bank stabilization measures using bioengineering methods; and hydraulic modeling and analyses to support the design of Project components.
- E. Water Agency and Consultant first entered into this Agreement on January 28, 2014, in the amount of \$979,422 (Original Agreement).
- F. The First Amended Agreement, dated December 22, 2014, expanded the scope of work to include the West Dry Creek Road LLC site, located at 1950 West Dry Creek Road (APN 089-

190-008). Adding this site increased the length of the project from 1.27 miles to 1.44 miles for an additional cost of \$55,866, resulting in a new Agreement total of \$1,035,288.

- G. The First Amended Agreement also increased the extent of the design area and adjusted design fees accordingly. The First Amended Agreement did not modify the design approach, analyses, or scope of the agreement. The increase in cost was less than 10 percent of the Original Agreement amount.
- H. The Second Amended Agreement added tasks for supplemental geotechnical services to support Consultant through final design for repair of approximately 90 lineal feet of failed creek bank along the northern side of the tributary on the Carraro property in Reach 2, for an additional cost of \$42,068, resulting in a new total Agreement cost of \$1,077,356.
- I. The Third Amended Agreement provided funding for (1) preparation of Concept Design Booklets at a higher level of design than originally anticipated and on an accelerated schedule; (2) additional model runs to cover the upper range of the base flow (200cfs) for all sites; (3) inclusion of design completion for the Miller property; (4) splitting construction into two phases for an additional season; (5) new tasks to address bank stabilization at Site 5A; (6) seismic refraction studies to meet Corps requirements and schedule constraints. This additional funding increased the Agreement amount by \$267,800 for a new Agreement total of \$1,345,156.
- J. This Fourth Amended Agreement provides funding to divide Phase III Part 2 of the Project into two bid packages as follows: Sites 4A and 4B will be provided to the Corps (as Phase III, Part 2, Corps), as a separate Corps project. Site 5A (as Phase III, Part 3) will be constructed by the Water Agency. New tasks are being added for: (1) division of the Phase III drawings; (2) additional format changes and submittals necessary to meet Corps requirements; (3) bidding and 2018 construction support to the Water Agency and the Corps; (4) additional hydraulic and habitat modeling; (5) type selection; (6) detailed habitat enhancement and bank stabilization design on the Boaz property at the downstream end of Site 5A; and (7) extension of the contract through the end of 2018. The Agreement amount is increased by \$580,400 for a new Agreement total of \$1,925,556.
- K. This Fourth Amended Agreement supersedes all previous agreements and amendments between the parties.

In consideration of the foregoing recitals and the mutual covenants contained herein, the parties hereto agree as follows:

AGREEMENT

1. RECITALS

1.1. The above recitals are true and correct.

2. LIST OF EXHIBITS

2.1. The following exhibits are attached hereto and incorporated herein:

a. Exhibit A: Scope of Work

- b. Exhibit B: Schedule and Submittals
- c. Exhibit C: Schedule of Costs
- d. Exhibit D: Estimated Breakdown of Costs
- e. Exhibit E: Map
- f. Exhibit F: Insurance Requirements

3. SCOPE OF SERVICES

3.1. *Consultant’s Specified Services:* Consultant shall perform the services described in Exhibit A (“Scope of Work”), within the times or by the dates provided for in Exhibit B and pursuant to Article 9 (Prosecution of Work). In the event of a conflict between the body of this Agreement and Exhibit A, the provisions in the body of this Agreement shall control.

3.2. *Cooperation with Water Agency:* Consultant shall cooperate with Water Agency in the performance of all work hereunder. Consultant shall coordinate the work with Water Agency’s Project Manager. Contact information and mailing addresses:

Water Agency	Consultant
Project Manager: Greg Guensch 404 Aviation Boulevard Santa Rosa, CA 95403-9019 Phone: 707-547-1972 Email: gregory.guensch@scwa.ca.gov	Contact: Jorgen Blomberg 550 Kearny Street, Suite 800 San Francisco, CA 94108 Phone: 415-262-2347 Email: jblomberg@esassoc.com
Construction Management Principal Engineer: Dennis Daly Phone: 707-547-1984 Email: ddaly@scwa.ca.gov	
Remit invoices to: Susan Bookmyer Same address as above or Email: susan.bookmyer@scwa.ca.gov	Remit payments to: Attn: Accounts Receivable Same address as above

3.3. *Performance Standard and Standard of Care:* Consultant hereby agrees that all its work will be performed and that its operations shall be conducted in accordance with the requirements of applicable federal, state and local laws, it being understood that acceptance of Consultant’s work by Water Agency shall not operate as a waiver or release. Water Agency has relied upon the professional ability and training of Consultant as a material inducement to enter into this Agreement. Consultant hereby agrees that its work will be performed and its operations conducted in accordance with the standards of a reasonable professional having specialized knowledge and expertise in the services provided under this Agreement. If Water Agency determines that any of Consultant’s work is not in accordance with such level of competency and standard of care, Water Agency, in its sole discretion, shall have the right to do any or all of the

following: (a) require Consultant to meet with Water Agency to review the quality of the work and resolve matters of concern; (b) require Consultant to repeat the work at no additional charge until it is satisfactory; (c) terminate this Agreement pursuant to the provisions of Article 6 (Termination); or (d) pursue any and all other remedies at law or in equity.

3.4. *Assigned Personnel:*

- a. Consultant shall assign only competent personnel to perform work hereunder. In the event that at any time Water Agency, in its sole discretion, desires the removal of any person or persons assigned by Consultant to perform work hereunder, Consultant shall remove such person or persons immediately upon receiving written notice from Water Agency.
- b. Any and all persons identified in this Agreement or any exhibit hereto as the project manager, project team, or other professional performing work hereunder are deemed by Water Agency to be key personnel whose services were a material inducement to Water Agency to enter into this Agreement, and without whose services Water Agency would not have entered into this Agreement. Consultant shall not remove, replace, substitute, or otherwise change any key personnel without the prior written consent of Water Agency.
- c. With respect to performance under this Agreement, Consultant shall employ the following key personnel:

Title	Name
Vice President	Ann Borgonovo
Design Team Director	Jorgen Blomberg

- d. In the event that any of Consultant’s personnel assigned to perform services under this Agreement become unavailable due to resignation, sickness, or other factors outside of Consultant’s control, Consultant shall be responsible for timely provision of adequately qualified replacements.

4. PAYMENT

- 4.1. *Total Costs:* Total costs under this Agreement shall not exceed **\$1,925,556**.
 - a. Total costs for work other than Optional Task 11.6 shall not exceed \$1,896,816.
 - b. Total costs for Optional Task 11.6, if requested in writing by Water Agency, shall not exceed \$28,740.
- 4.2. *Method of Payment:* Consultant shall be paid in accordance with the following terms:
 - a. Consultant shall be paid in accordance with the hourly rates and expenses set forth in Exhibit C. Any mark-up shall be included in billed hourly rates.

- 4.3. *Invoices:* Consultant shall submit its bills in arrears on a monthly basis, based on work completed for the period, in a form approved by Water Agency's Project Manager. The bills shall show or include:
- a. Consultant name
 - b. Name of Agreement
 - c. Water Agency's Order Number Project Activity Code D0023C001
 - d. Task performed with an itemized description of services rendered by date
 - e. Summary of work performed by subconsultants, as described in Paragraph 15.4
 - f. Time in quarter hours devoted to the task
 - g. Hourly rate or rates of the persons performing the task
 - h. List of reimbursable materials and expenses
 - i. Copies of receipts for reimbursable materials and expenses
- 4.4. *Monthly Progress Reports with Invoices:* Payment of invoices is subject to receipt of the monthly reports required under Task 13 (Project Management) of Exhibit A (Scope of Work).
- 4.5. *Cost Tracking:* Consultant has provided an estimated breakdown of costs, included in Exhibit D. Exhibit D will only be used as a tool to monitor progress of work and the project budget. Actual payment will be made as specified in Paragraph 4.2 (Method of Payment) above.

5. TERM OF AGREEMENT

- 5.1. The term of this Agreement shall be from January 28, 2014 ("Effective Date") to December 31, 2018, unless terminated earlier in accordance with the provisions of Article 6. (Termination).

6. TERMINATION

- 6.1. *Termination without Cause:* Notwithstanding any other provision of this Agreement, at any time and without cause, Water Agency shall have the right, in its sole discretion, to terminate this Agreement by giving 5 days written notice to Consultant.
- 6.2. *Termination for Cause:* Notwithstanding any other provision of this Agreement, should Consultant fail to perform any of its obligations hereunder, within the time and in the manner herein provided, or otherwise violate any of the terms of this Agreement, Water Agency may immediately terminate this Agreement by giving Consultant written notice of such termination, stating the reason for termination.
- 6.3. *Delivery of Work Product and Final Payment Upon Termination:* In the event of termination, Consultant, within 14 days following the date of termination, shall

deliver to Water Agency all materials and work product subject to Paragraph 12.8 and shall submit to Water Agency an invoice showing the services performed, hours worked, and copies of receipts for reimbursable expenses up to the date of termination.

- 6.4. *Payment Upon Termination:* Upon termination of this Agreement by Water Agency, Consultant shall be entitled to receive as full payment for all services satisfactorily rendered and expenses incurred hereunder, an amount which bears the same ratio to the total payment specified in the Agreement as the services satisfactorily rendered hereunder by Consultant bear to the total services otherwise required to be performed for such total payment; provided, however, that if services are to be paid on a per-hour or per-day basis, then Consultant shall be entitled to receive as full payment an amount equal to the number of hours or days actually worked prior to termination times the applicable hourly or daily rate; and further provided, however, that if Water Agency terminates the Agreement for cause pursuant to Paragraph 6.2, Water Agency shall deduct from such amounts the amount of damage, if any, sustained by Water Agency by virtue of the breach of the Agreement by Consultant.
- 6.5. *Authority to Terminate:* Water Agency's right to terminate may be exercised by Water Agency's General Manager.

7. INDEMNIFICATION

- 7.1. Consultant agrees to accept responsibility for loss or damage to any person or entity, including Water Agency, and to defend, indemnify, hold harmless, and release Water Agency, its officers, agents, and employees, from and against any actions, claims, damages, liabilities, disabilities, or expenses, that may be asserted by any person or entity, including Consultant, that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Consultant or its agents, employees, contractors, subcontractors, or invitees hereunder, whether or not there is concurrent negligence on the part of Water Agency, but, to the extent required by law, excluding liability due to conduct of Water Agency. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable to or for Consultant or its agents, employees, contractors, subcontractors, or invitees under workers' compensation acts, disability benefits acts, or other employee benefit acts.

8. INSURANCE

- 8.1. With respect to performance of work under this Agreement, Consultant shall maintain and shall require all of its subcontractors, consultants, and other agents to maintain, insurance as described in Exhibit F.

9. PROSECUTION OF WORK

- 9.1. Performance of the services hereunder shall be completed within the time required herein, provided, however, that if the performance is delayed by earthquake, flood, high water, or other Act of God or by strike, lockout, or similar labor disturbances, the time for Consultant's performance of this Agreement shall be extended by a number of days equal to the number of days Consultant has been delayed.

10. EXTRA OR CHANGED WORK

- 10.1. Extra or changed work or other changes to the Agreement may be authorized only by written amendment to this Agreement, signed by both parties. Changes to lengthen time schedules or make minor modifications to the scope of work, which do not increase the amount paid under the Agreement, may be executed by the Water Agency's General Manager in a form approved by County Counsel. The parties expressly recognize that Water Agency personnel are without authorization to order all other extra or changed work or waive Agreement requirements. Failure of Consultant to secure such written authorization for extra or changed work shall constitute a waiver of any and all right to adjustment in the Agreement price or Agreement time due to such unauthorized work and thereafter Consultant shall be entitled to no compensation whatsoever for the performance of such work. Consultant further expressly waives any and all right or remedy by way of restitution and quantum meruit for any and all extra work performed without such express and prior written authorization of Water Agency.

11. CONTENT ONLINE ACCESSIBILITY

- 11.1. *Accessibility:* Water Agency policy requires that all documents that may be published to the Web meet accessibility standards to the greatest extent possible, and utilizing available existing technologies.
- 11.2. *Standards:* All consultants responsible for preparing content intended for use or publication on a Water Agency/County-managed or Water Agency/County-funded web site must comply with applicable federal accessibility standards established by 36 C.F.R. Section 1194, pursuant to Section 508 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794(d)), and Water Agency's Web Site Accessibility Policy located at <http://webstandards.sonoma-county.org>.
- 11.3. *Certification:* With each final deliverable intended for public distribution (report, presentations posted to the Internet, public outreach materials), Consultant shall include a descriptive summary describing how all deliverable documents were assessed for accessibility (e.g. Microsoft Word accessibility check; Adobe Acrobat accessibility check, or other commonly accepted compliance check).
- 11.4. *Alternate Format:* When it is strictly impossible due to the unavailability of technologies required to produce an accessible document, Consultant shall identify the anticipated accessibility deficiency prior to commencement of any

work to produce such deliverables. Consultant agrees to cooperate with Water Agency staff in the development of alternate document formats to maximize the facilitative features of the impacted document(s); e.g., embedding the document with alt-tags that describe complex data/tables.

- 11.5. *Noncompliant Materials; Obligation to Cure:* Remediation of any materials that do not comply with Water Agency's Web Site Accessibility Policy shall be the responsibility of Consultant. If Water Agency, in its sole and absolute discretion, determines that any deliverable intended for use or publication on any Water Agency/County-managed or Water Agency/County-funded Web site does not comply with Water Agency Accessibility Standards, Water Agency will promptly inform Consultant in writing. Upon such notice, Consultant shall, without charge to Water Agency, repair or replace the non-compliant materials within such period of time as specified by Water Agency in writing. If the required repair or replacement is not completed within the time specified, Water Agency shall have the right to do any or all of the following, without prejudice to Water Agency's right to pursue any and all other remedies at law or in equity:
- a. Cancel any delivery or task order
 - b. Terminate this Agreement pursuant to the provisions of Article 6 (Termination); and/or
 - c. In the case of custom Electronic and Information Technology (EIT) developed by Consultant for Water Agency, Water Agency may have any necessary changes or repairs performed by itself or by another contractor. In such event, Consultant shall be liable for all expenses incurred by Water Agency in connection with such changes or repairs.
- 11.6. *Water Agency's Rights Reserved:* Notwithstanding the foregoing, Water Agency may accept deliverables that are not strictly compliant with Water Agency Accessibility Standards if Water Agency, in its sole and absolute discretion, determines that acceptance of such products or services is in Water Agency's best interest.

12. REPRESENTATIONS OF CONSULTANT

- 12.1. *Status of Consultant:* The parties intend that Consultant, in performing the services specified herein, shall act as an independent contractor and shall control the work and the manner in which it is performed. Consultant is not to be considered an agent or employee of Water Agency and is not entitled to participate in any pension plan, worker's compensation plan, insurance, bonus, or similar benefits Water Agency provides its employees. In the event Water Agency exercises its right to terminate this Agreement pursuant to Article 6 (Termination), Consultant expressly agrees that it shall have no recourse or right of appeal under rules, regulations, ordinances, or laws applicable to employees.
- 12.2. *Communication with Water Agency's Contractor:* All communication shall be between Consultant and Water Agency. Consultant shall have no authority to

act on behalf of Water Agency, to stop work, to interpret conditions of the construction contract, or to give direction to Water Agency's contractor.

- 12.3. *Taxes:* Consultant agrees to file federal and state tax returns and pay all applicable taxes on amounts paid pursuant to this Agreement and shall be solely liable and responsible to pay such taxes and other obligations, including, but not limited to, state and federal income and FICA taxes. Consultant agrees to indemnify and hold Water Agency harmless from any liability which it may incur to the United States or to the State of California or to any other public entity as a consequence of Consultant's failure to pay, when due, all such taxes and obligations. In case Water Agency is audited for compliance regarding any withholding or other applicable taxes, Consultant agrees to furnish Water Agency with proof of payment of taxes on these earnings.
- 12.4. *Records Maintenance:* Consultant shall keep and maintain full and complete documentation and accounting records concerning all services performed that are compensable under this Agreement and shall make such documents and records available to Water Agency for inspection at any reasonable time. Consultant shall maintain such records for a period of four (4) years following completion of work hereunder.
- 12.5. *Conflict of Interest:* Consultant covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, that represents a financial conflict of interest under state law or that would otherwise conflict in any manner or degree with the performance of its services hereunder. Consultant further covenants that in the performance of this Agreement no person having any such interests shall be employed. In addition, if required by law or requested to do so by Water Agency, Consultant shall submit a completed Fair Political Practices Commission Statement of Economic Interests (Form 700) with Water Agency within 30 calendar days after the Effective Date of this Agreement and each year thereafter during the term of this Agreement, or as required by state law.
- 12.6. *Nondiscrimination:* Consultant shall comply with all applicable federal, state, and local laws, rules, and regulations in regard to nondiscrimination in employment because of race, color, ancestry, national origin, religion, sex, marital status, age, medical condition, pregnancy, disability, sexual orientation or other prohibited basis. All nondiscrimination rules or regulations required by law to be included in this Agreement are incorporated herein by this reference.
- 12.7. *Assignment of Rights:* Consultant assigns to Water Agency all rights throughout the world in perpetuity in the nature of copyright, trademark, patent, right to ideas, in and to all versions of the plans and specifications, if any, now or later prepared by Consultant in connection with this Agreement. Consultant agrees to take such actions as are necessary to protect the rights assigned to Water Agency in this Agreement, and to refrain from taking any action which would impair those rights. Consultant's responsibilities under this provision include,

but are not limited to, placing proper notice of copyright on all versions of the plans and specifications as Water Agency may direct, and refraining from disclosing any versions of the plans and specifications to any third party without first obtaining written permission of Water Agency. Consultant shall not use or permit another to use the plans and specifications in connection with this or any other project without first obtaining written permission of Water Agency.

- 12.8. *Ownership and Disclosure of Work Product:* All reports, original drawings, graphics, plans, studies, and other data or documents (“documents”), in whatever form or format, assembled or prepared by Consultant or Consultant’s subcontractors, consultants, and other agents in connection with this Agreement shall be the property of Water Agency. Water Agency shall be entitled to immediate possession of such documents upon completion of the work pursuant to this Agreement. Upon expiration or termination of this Agreement, Consultant shall promptly deliver to Water Agency all such documents, which have not already been provided to Water Agency in such form or format as Water Agency deems appropriate. Such documents shall be and will remain the property of Water Agency without restriction or limitation. Consultant may retain copies of the above described documents but agrees not to disclose or discuss any information gathered, discovered, or generated in any way through this Agreement without the express written permission of Water Agency.

13. PREVAILING WAGES

- 13.1. *General:* Consultant shall pay to any worker on the job for whom prevailing wages have been established, including but not limited to geotechnical subsurface investigation work, an amount equal to or more than the general prevailing rate of per diem wages for (1) work of a similar character in the locality in which the work is performed and (2) legal holiday and overtime work in said locality. The per diem wages shall be an amount equal to or more than the stipulated rates contained in a schedule that has been ascertained and determined by the Director of the State Department of Industrial Relations and Water Agency to be the general prevailing rate of per diem wages for each craft or type of workman or mechanic needed to execute this Agreement. Consultant shall also cause a copy of this determination of the prevailing rate of per diem wages to be posted at each site work is being performed, in addition to all other job site notices prescribed by regulation. Copies of the prevailing wage rate of per diem wages are on file at Water Agency and will be made available to any person upon request.
- 13.2. *Compliance Monitoring and Registration:* This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. Consultant shall furnish and shall require all subcontractors and subconsultants to furnish the records specified in Labor Code section 1776 (e.g. electronic certified payroll records) directly to the Labor Commissioner in a format prescribed by the Labor Commissioner at least monthly. Consultant and all

subcontractors performing work that requires payment of prevailing wages shall be registered and qualified to perform public work pursuant to Labor Code section 1725.5 as a condition to engage in the performance of any services under this Agreement.

- 13.3. *Subcontracts*: Consultant shall insert in every subcontract or other arrangement which Consultant may make for performance of such work or labor on work provided for in the Agreement, provision that Subcontractor shall pay persons performing labor or rendering service under subcontract or other arrangement not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the work is performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work fixed in the Labor Code. Pursuant to Labor Code Section 1775(b)(1), Consultant shall provide to each Subcontractor a copy of Sections 1771, 1775, 1776, 1777.5, 1813, and 1815 of the Labor Code.
- 13.4. *Compliance with Law*: Consultant stipulates that it shall comply with all applicable wage and hour laws, including without limitation Labor Code Sections 1725.5, 1775, 1776, 1777.5, 1813, and 1815 and California Code of Regulations, Title 8, Section 16000, et seq.
- 13.5. *Statutory Compliance/Living Wage Ordinance*: Consultant agrees to comply, and to ensure compliance by its subconsultants or subcontractors, with all applicable federal, state and local laws, regulations, statutes and policies, including but not limited to the County of Sonoma Living Wage Ordinance, applicable to the services provided under this Agreement as they exist now and as they are changed, amended or modified during the term of this Agreement. Without limiting the generality of the foregoing, Consultant expressly acknowledges and agrees that this Agreement may be subject to the provisions of Article XXVI of Chapter 2 of the Sonoma County Code, requiring payment of a living wage to covered employees. Noncompliance during the term of the Agreement will be considered a material breach and may result in termination of the Agreement or pursuit of other legal or administrative remedies.

14. DEMAND FOR ASSURANCE

- 14.1. Each party to this Agreement undertakes the obligation that the other's expectation of receiving due performance will not be impaired. When reasonable grounds for insecurity arise with respect to the performance of either party, the other may in writing demand adequate assurance of due performance and until such assurance is received may, if commercially reasonable, suspend any performance for which the agreed return has not been received. "Commercially reasonable" includes not only the conduct of a party with respect to performance under this Agreement, but also conduct with respect to other agreements with parties to this Agreement or others. After receipt of a justified demand, failure to provide within a reasonable time, but not exceeding thirty

(30) days, such assurance of due performance as is adequate under the circumstances of the particular case is a repudiation of this Agreement. Acceptance of any improper delivery, service, or payment does not prejudice the aggrieved party's right to demand adequate assurance of future performance. Nothing in this Article 14 limits Water Agency's right to terminate this Agreement pursuant to Article 6 (Termination).

15. ASSIGNMENT AND DELEGATION

- 15.1. *Consent:* Neither party hereto shall assign, delegate, sublet, or transfer any interest in or duty under this Agreement without the prior written consent of the other, and no such transfer shall be of any force or effect whatsoever unless and until the other party shall have so consented.
- 15.2. *Subcontracts:* Notwithstanding the foregoing, Consultant may enter into subcontracts with the subconsultants specifically identified herein. Prunuske Chatham, Inc. is an approved subconsultant for revegetation design and constructability analysis services. Cramer Fish Sciences is an approved subconsultant for fisheries biology and ecology services. A3GEO is an approved subconsultant for geotechnical and geological analysis and design services. If no subconsultants are listed, then no subconsultants will be utilized in the performance of the work specified in this Agreement.
- 15.3. *Change of Subcontractors or Subconsultants:* If, after execution of the Agreement, parties agree that subconsultants not listed in Paragraph 15.2 will be utilized, Consultant may enter into subcontracts with subconsultants to perform other specific duties pursuant to the provisions of this Paragraph 15.2. The following provisions apply to any subcontract entered into by Consultant other than those listed in Paragraph 15.2 above:
 - a. Prior to entering into any contract with subconsultant, Consultant shall obtain Water Agency approval of subconsultant. Water Agency's Board of Directors must approve the selection of any subconsultant if the amount payable to subconsultant under the agreement exceeds \$25,000. In connection with such approval, Consultant shall provide Water Agency with copies of the responses to Consultant's Request for Proposals (RFP) to subconsultants, the names of key personnel who will be performing work under the agreement, and an explanation of Consultant's reasons for choosing the recommended subconsultant based upon the criteria in the RFP.
 - b. All agreements with subconsultants shall (a) contain indemnity requirements in favor of Water Agency in substantially the same form as that contained in Article 7, (b) contain language that the subconsultant may be terminated with or without cause upon reasonable written notice, and (c) prohibit the assignment or delegation of work under the agreement to any third party.

15.4. *Summary of Subconsultants' Work:* No less than monthly, Consultant shall provide Water Agency with a summary of all work performed by all subconsultants during the preceding month. Such summary shall identify the individuals performing work on behalf of subconsultants and the total amount paid to subconsultant, broken down by the tasks listed in the Scope of Work.

16. MEDIATION OF DISPUTES

- 16.1. If a dispute arises out of or relates to this Agreement, or an alleged breach thereof, and if the dispute cannot be settled through negotiation, before resorting to litigation, Water Agency and Consultant agree first to try in good faith to settle the dispute by mediation. If the parties cannot agree on a mediator or mediation rules to use, the parties shall use the construction industry mediation procedures developed by the American Arbitration Association, with the following exceptions to those procedures:
- a. The mediation shall be conducted in Santa Rosa, California.
 - b. Unless otherwise agreed to in writing by the parties participating in the mediation, the mediation shall be concluded no later than sixty (60) days after the first mediation session. If the dispute has not been resolved at that time, any party may elect at that time to pursue litigation.
 - c. The parties agree to exchange all relevant non-privileged documents before the first scheduled mediation session.

17. METHOD AND PLACE OF GIVING NOTICE, SUBMITTING BILLS, AND MAKING PAYMENTS

- 17.1. *Method of Delivery:* All notices, bills, and payments shall be made in writing and shall be given by personal delivery or by U.S. Mail or courier service. Notices, bills, and payments shall be addressed as specified in Paragraph 3.2.
- 17.2. *Receipt:* When a notice, bill, or payment is given by a generally recognized overnight courier service, the notice, bill, or payment shall be deemed received on the next business day. When a copy of a notice, bill, or payment is sent by electronic means, the notice, bill, or payment shall be deemed received upon transmission as long as (1) the original copy of the notice, bill, or payment is deposited in the U.S. mail and postmarked on the date of the electronic transmission (for a payment, on or before the due date), (2) the sender has a written confirmation of the electronic transmission, and (3) the electronic transmission is transmitted before 5 p.m. (recipient's time). In all other instances, notices, bills, and payments shall be effective upon receipt by the recipient. Changes may be made in the names and addresses of the person to whom notices are to be given by giving notice pursuant to this Article 17.

18. **MISCELLANEOUS PROVISIONS**

- 18.1. *No Bottled Water:* In accordance with Water Agency Board of Directors Resolution No. 09-0920, dated September 29, 2009, no Water Agency funding shall be used to purchase single-serving, disposable water bottles for use in Water Agency facilities or at Water Agency-sponsored events. This restriction shall not apply when potable water is not available.
- 18.2. *No Waiver of Breach:* The waiver by Water Agency of any breach of any term or promise contained in this Agreement shall not be deemed to be a waiver of such term or promise or any subsequent breach of the same or any other term or promise contained in this Agreement.
- 18.3. *Construction:* To the fullest extent allowed by law, the provisions of this Agreement shall be construed and given effect in a manner that avoids any violation of statute, ordinance, regulation, or law. The parties covenant and agree that in the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby. Consultant and Water Agency acknowledge that they have each contributed to the making of this Agreement and that, in the event of a dispute over the interpretation of this Agreement, the language of the Agreement will not be construed against one party in favor of the other. Consultant and Water Agency acknowledge that they have each had an adequate opportunity to consult with counsel in the negotiation and preparation of this Agreement.
- 18.4. *Consent:* Wherever in this Agreement the consent or approval of one party is required to an act of the other party, such consent or approval shall not be unreasonably withheld or delayed.
- 18.5. *No Third-Party Beneficiaries:* Except as provided in Article 7 (Indemnification), nothing contained in this Agreement shall be construed to create and the parties do not intend to create any rights in third parties.
- 18.6. *Applicable Law and Forum:* This Agreement shall be construed and interpreted according to the substantive law of California, regardless of the law of conflicts to the contrary in any jurisdiction. Any action to enforce the terms of this Agreement or for the breach thereof shall be brought and tried in Santa Rosa or in the forum nearest to the city of Santa Rosa, in the County of Sonoma.
- 18.7. *Captions:* The captions in this Agreement are solely for convenience of reference. They are not a part of this Agreement and shall have no effect on its construction or interpretation.
- 18.8. *Merger:* This writing is intended both as the final expression of the Agreement between the parties hereto with respect to the included terms and as a complete and exclusive statement of the terms of the Agreement, pursuant to

Code of Civil Procedure Section 1856. No modification of this Agreement shall be effective unless and until such modification is evidenced by a writing signed by both parties.

18.9. *Survival of Terms:* All express representations, waivers, indemnifications, and limitations of liability included in this Agreement will survive its completion or termination for any reason.

18.10. *Time of Essence:* Time is and shall be of the essence of this Agreement and every provision hereof.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date last signed by the parties to the Agreement.

Reviewed as to funds:

TW 13/14-005D

By: _____
Water Agency Division Manager -
Administrative Services

Approved as to form:

By: _____
Adam Brand, Deputy County Counsel

Insurance Documentation is on file with
Water Agency

Date/TW Initials: 12/6/2016 rv

Sonoma County Water Agency

**Environmental Science Associates, a
California corporation**

By: _____
Grant Davis
Water Agency General Manager

By: _____

(Please print name here)

Date: _____

Title: _____

Date: _____

Exhibit A

Scope of Work

1. GENERAL

- 1.1. Consultant agrees to perform obligations described in this Agreement and to furnish necessary skills, services, labor, supplies, supervision, and material required to perform and complete the Project.
- 1.2. By execution of this Agreement, Consultant warrants that it has carefully examined the Project site and has satisfied itself of local and any special conditions affecting the proposed scope of work. Tests, survey results, geotechnical reports, or other data or information, whether furnished by the Water Agency, or referenced in this Agreement, are for the Consultant's convenience. The Water Agency does not guarantee that such tests or preliminary investigations or other data and information are accurate and assumes no responsibility whatsoever as to their accuracy or interpretation. Consultant shall satisfy itself as to the accuracy or interpretation of such tests or survey results or other information or data.
- 1.3. Design is over a total of 1.3 miles of discontinuous channel corridor.
- 1.4. Access and Landowner Permissions: Water Agency will coordinate necessary access and landowner permissions for field activities.

2. HAZARDOUS WASTE

- 2.1. Services relating to the identification, investigation, or remediation of hazardous waste contamination are not included within the scope of work. Should such services be required, the cost of such services and the party to perform the services will be negotiated separately by Water Agency. Consultant shall inform the Water Agency immediately if any waste or hazardous materials are discovered on the Project site or the surrounding areas.

3. COST ESTIMATES

- 3.1. Prepare a Statement of Probable Construction Costs and revise as required herein.

4. DESIGN SERVICES

- 4.1. Preliminary Design:
 - a. Consult with Water Agency to define and clarify Water Agency's requirements for the Project and available data.
 - b. Identify, consult with, and analyze requirements of governmental authorities having jurisdiction to approve the portions of the Project designed or specified by Consultant.

- c. Review available information relevant to the Project and identify data gaps. Information includes, but is not limited to:
 - i. Final Stream Maintenance Program Operations and Maintenance Manual (Sonoma County Water Agency, 2010)
 - ii. Final Current Conditions Report, Dry Creek from Warm Springs Dam to the Confluence with the Russian River (Inter-Fluve, 2010)
 - iii. Final Habitat Enhancement Feasibility Study Report, Dry Creek from Warm Springs Dam to the Confluence with the Russian River (Inter-Fluve 2012)
 - iv. 90% Complete Design Report, Dry Creek Habitat Enhancement Demonstration Projects River Miles 6.2 to 7.3. (Inter-Fluve 2012)
 - v. Draft Revegetation Plan (Inter-Fluve, 2012)
 - vi. Biological Opinion for Water Supply, Flood Control Operations, and Channel Maintenance conducted by the Corps, SCWA and Mendocino County Russian River FCWCD in the Russian River watershed (NMFS 2008)
 - vii. Draft Dry Creek Adaptive Management Framework (ESSA Technologies Ltd., 2011) or Draft Adaptive Management Plan (ESSA Technologies Ltd., 2013), whichever is most relevant
 - viii. Proposed Discharges under Requested Release Schedule
 - ix. Water Quality data (Temperature, Dissolved Oxygen, pH, etc)
 - x. Existing HEC-RAS model
 - xi. GIS data layers
 - xii. Fisheries Monitoring Data
 - xiii. Sonoma County Water Agency, 2005, Russian River Estuary Fish and Macro-Invertebrate Studies.
- d. Work with the Water Agency on the best approach for collecting and/or obtaining additional data needed that is not otherwise identified as part of this scope of work.
- e. Field Assessments - Perform field assessments for a total of two (2.0) miles of the potential Project sites within the seven (7) sub-reaches identified, to observe existing conditions, preliminarily identify constraints, and inform potential concept design refinements. Water Agency will obtain permission to enter the potential Project site. Include five (5) consecutive field days to visit up to two (2.0) miles of potential Project sites.
- f. Geomorphic Assessment:
 - i. Perform a field-based geomorphic assessment to confirm and characterize existing site conditions, observe physical processes, and help outline Project priorities and develop recommendations for refinement of the concept designs. The assessments shall provide a qualitative summary of existing channel features and habitat conditions (terrestrial and aquatic) for each of the sub-reaches.
 - ii. Evaluate stream conditions in the field and document with photographs and field notes.
 - iii. Record GPS points of any unique features.

- iv. Take field measurements and make assessments of channel and floodplain sediment to support design and modeling analyses.
- v. Summarize and incorporate field observations into the refined concept designs and Design Report.
- vi. Note specific observations of topographic and geomorphic features to be captured in the topographic survey.
- g. Fisheries Assessment:
 - i. Help the design team identify actions to 1) promote physical and biological processes, 2) develop hypotheses designed to evaluate and assess response mechanisms, and 3) for measuring the performance and effectiveness of enhancement actions to support design.
 - ii. Assist the Water Agency in developing a temperature monitoring program for the Project reach and specifically to inform the design.
 - iii. Utilize monitoring data collected by the Water Agency to develop habitat- and life stage-specific temperature profiles for key time periods.
- h. Riparian Ecology:
 - i. Perform a visual field investigation of plant communities in the riparian, emergent, seasonal wetland and adjacent upland habitats of Dry Creek including initial, reconnaissance-level assessments of the following:
 - a) Plant species composition and distribution
 - b) Levels of natural regeneration and extent of vegetative cover
 - c) Habitat diversity based on topographic and hydrologic variation
 - d) Potential habitat value for both aquatic and terrestrial species
 - e) Potentially sensitive habitats, such as riparian wetlands, special status plants, important trees or other features that could prove to be design opportunities or constraints
 - f) Invasive species of concern
 - g) Influence of vegetation on channel and floodplain morphology
 - ii. Based on these observations, provide input on site selection and refinement of design concepts, note specific observations of vegetation features to be captured in the topographic survey, and identify strategies for improving riparian habitat functions such as:
 - a) Managing streambank, floodplain, and channel stability through plantings, invasive species removal, and biotechnical treatments
 - b) Providing ongoing sources of small organic debris and natural large wood into the stream through riparian plantings
 - c) Providing surface sediment filtering, stream shade and temperature buffering through plantings and retaining of existing vegetation as feasible
 - d) Improving aquatic and terrestrial wildlife habitat resources through plantings, woody debris structures, channel geometry and alignment, and off-channel structures.
 - i. Geotechnical Assessment:
 - i. Conduct up to three (3) days of detailed geotechnical site reconnaissance visits to identify areas of geotechnical concern (bank erosion and instability) and

- ii. Evaluate information obtained and developed during the review of available data.
- iii. Review of borings, data, and the geotechnical report prepared for the Demonstration Reach of the Project.
- iv. Review existing design and construction documents associated with the Corps grouted riprap sill.
- j. Refined Concept Design:
 - i. Prepare refined concept (10%) designs for approximately 2 miles of the potential sub-reaches shown in Table 1 based on the original Design Concepts (Inter-Fluve, 2012), existing data, field assessments and input from each of the Consultants team members.
 - ii. Provide Concept Design Booklets in a format that includes detailed, illustrative sketches.
 - iii. Accelerate schedule as necessary in order to provide Concept Design Booklets in advance of Community Meeting.

Table 1, Project Reaches and Potential Sub-reaches

Reach (Inter-Fluve, 2012)	Approx Length (miles)	Enhance Exist. Riffle	New Riffle	Retrofit Grade Control Sill	Alcove	Side Channel	Winter Refuge	LWD
Reach 2								
2A	0.40	1	-	-	4	-	-	various
2B	0.40	4	-	-	3	1	-	various
Reach 4								
4A	0.40	-	3	1	4	-	-	various
4B	0.40	-	2	1	3	-	-	various
4C	0.20	-	1	1	2	-	-	various
Reach 5								
5A	0.50	1	3	-	3	-	-	various
5B	0.80	4	4	-	1	-	2	various
Total	3.10	10	13	3	20	1	2	-

- iv. Prepare initial refined concept designs that attempt to make best use of the existing riparian corridor, referred to loosely herein as the “maximum footprint” design. Present this initial refined concept to the affected landowner(s) to obtain their initial input and outline key items for further refinements.
- v. Prepare revised conceptual design drawings and preliminary Design Report: Following initial field investigations, design discussions with Water Agency staff, and input from property owners, update and revise the existing conceptual designs, and develop an outline draft of the Preliminary Design Report. Materials generated at this stage shall be used to discuss the Project with property owners.
- vi. Prepare a brief technical memorandum that summarizes the conclusions of the Refined Concept Design.

- vii. Upon completion or refined concept designs, the Water Agency will develop a list of sites, totaling approximately 1.3 miles, to be carried forward to final design, and provide this as a formal written directive to authorize Consultant to initiate design analysis for the selected sites
 - k. Provide concept design updates based on field reconnaissance and ground truthing of the concept designs, updated information regarding landowner feedback and likely participation, Water Agency and stakeholder feedback.
 - l. Identify key utility locations and identify utility conflicts, if any.
 - m. If existing damage to utilities identified on the site is discovered, determine and inform the Water Agency's Project Manager of the damage.
- 4.2. Report:
- a. Prepare a Preliminary Design Report that analyzes site hydrology, hydraulics, geomorphology, biology and other relevant characteristics; serves as the basis of design that shall guide final designs, discusses how the enhancement design meets the requirements of the BO and provides design documentation that assists the Water Agency to perform CEQA compliance and obtain regulatory permits. Technical analyses and the basis of design for the enhancements shall be compiled in the Preliminary Design Report. The report shall be assembled progressively over the design period, with relevant sections added with each design submittal. Progressive versions of the Design Report shall be issued at the Draft outline, 30%, 60%, 90% and 100% design milestones and shall include the following:
 - i. Title page with name of Project, name of preparer, preparer's company name and address, and date
 - ii. Table of Contents
 - iii. Executive Summary
 - iv. A description of the work performed, including methodology, a detailed description of the inspections performed, literature reviewed, documents and records reviewed, and individuals and agencies contacted
 - v. Description of existing conditions
 - vi. Design criteria with appropriate exhibits to indicate the agreed-to requirements, considerations involved, and those alternative solutions available to Water Agency which Consultant recommends
 - vii. Summary of design analyses (hydraulic, geomorphic, biological, etc.) and design basis
 - viii. Description of designs and explanation of design basis
 - ix. Construction cost estimate itemized by bid item
 - x. Appendix, including copies of important documents, photographs, manufacturer's literature, and other records deemed appropriate
 - xi. Schematic drawings, sketches, and exhibits as necessary to illustrate the recommended Project
 - xii. Other information to support the recommendations
 - b. Submit Preliminary Design Report to Water Agency for review and approval.

- i. Water Agency review comments will be compiled into a single set of review comments and provided to Consultant.
 - c. Incorporate Water Agency comments on Preliminary Design Report into Design Report.
- 4.3. Final Design:
 - a. Prepare Project design, as recommended in the Water Agency-approved Design Report.
 - b. Identify and perform sufficient site investigation(s) for purpose of developing Project design.
 - c. Prepare a Design Notebook. The Design Notebook shall be a loose-leaf notebook containing, as appropriate, copies of the Design Report, stamped and signed design calculations, a technical memorandum summarizing the design parameters, and other supplemental information material to the project design that is not included in the report.
 - d. Prepare a detailed construction cost estimate for the Project broken down by bid item. Provide estimated quantities for unit priced items.
 - e. Prepare a construction schedule showing the anticipated timeframe for completing construction of major units. Use a simple bar chart approach for each item and indicate the anticipated critical path of construction.
- 4.4. Detailed hydraulic, geomorphic, and engineering analyses:
 - a. Utilize the existing 1-D HEC-RAS model compiled by Inter-Fluve as part of the Current Conditions Study.
 - i. Refine model in key locations in the Project reach to describe additional topographic influences on the proposed design elements.
 - ii. Use additional cross section survey data, collected during preliminary surveys, to improve accuracy of model geometry.
 - iii. Use detailed 1-D model to support 2-D model development and reach-scale design processes such as site selection, location and configuration of off-channel habitat features, and estimates of hydraulic variables pertinent to design (depth, velocity, shear stress).
 - iv. Utilize existing hydrologic studies completed by Inter-Fluve to set hydraulic model boundary conditions (discharge) for specific flow scenarios.
 - v. Utilize observed water surface elevations for specific discharges and refine final model parameters (Manning's n, bank stations, ineffective flow areas) to reflect observed conditions within the limits of 1-D model performance capabilities.
 - vi. Quantitatively (statistically) assess performance of refined existing conditions HEC-RAS model using measured flow and stage data along the Project reach for anticipated summer release schedules.
 - vii. Develop proposed conditions HEC-RAS model that explicitly represents design elements, and update proposed condition model at key submittals for review.
 - viii. Analyze three alternative approaches for habitat enhancements that stabilize erosion of the bank on the Boaz property.

- b. Construct a site specific two-dimensional (2-D) hydrodynamic model to support the design of in-channel and off-channel habitat elements at one of the sub-reaches included in the final design.
 - i. Initiate 2-D modeling following approval of the 30% Design and work with the Water Agency to define the most appropriate sub-reach.
 - ii. Employ the Bureau of Reclamation's SRH-2-D model to predict depth, velocity, shear stress for proposed design conditions.
 - iii. Explicitly represent proposed Project elements in the model domain.
 - iv. Use model results to test and evaluate the configuration of specific habitat elements (backwater alcoves, side channels, and banks) during typical summer habitat conditions and high winter flows.
 - v. Model winter flow conditions will be modeled to evaluate the opportunity to create high flow refugia within the off-channel habitat using biotechnical and large woody debris structures, grading, and revegetation elements.
 - vi. Evaluate design sustainability, likely changes in physical habitat, off-channel inundation patterns, and sediment transport characteristics including bed stability, sedimentation within off-channel features, as well as avulsion potential and channel abandonment.
 - vii. Discuss the use and effectiveness of the 2-D modeling to inform the design with the Water Agency to determine the need or desire for 2-D modeling of the additional sub-reaches.
 - viii. Conduct model runs to cover the upper range of the base flow (200cfs) for all Project sites. Analyze results and prepare graphics.
 - ix. Conduct model runs to assess depths, velocities, shear stress, at flows representing summer baseflows, typical winter flows, and flood flows. Use hydraulic model results and habitat suitability criteria to develop spatial representations of habitat suitability for baseflow, 200 cfs and up to two other flows upon request.
 - x. Update 2-D hydraulic and habitat modeling to refine 90% designs for Phase III Parts 1 and 2.
 - xi. Update 2-D hydraulic and habitat modeling to assess selected bank stabilization measure at Boaz property.
- c. Fish Habitat Suitability and Validation:
 - i. Support development of 2-D hydrodynamic model by incorporating fish habitat information compiled from literature reviews, analyses, quantitative model results, and the Russian River Biological Opinion and Adaptive Management Plan.
 - ii. Develop habitat-specific temperature profiles for off-channel habitats that consider inflow/infiltration, habitat volume, water residence time, and aquatic vegetation. Use results to inform the species-specific habitat model to better select the most effective habitats and meet multiple Project objectives for target species, life stages, and times of year.

- iii. Parameterize species specific process relationship models using existing literature to predict the potential benefits to coho and steelhead conferred by different habitat types. Use separate models to predict summer and winter habitat preferences and identify the highest valued habitat types. Include temperature, dissolved oxygen, flow, depth, velocity, frequency and duration of availability, and cover parameters.
- d. Detailed Geotechnical Analysis:
 - i. Conduct detailed geotechnical analysis at sites determined to have geotechnical features of interest to the design (e.g., sills, bank stabilizations, unstable soils, bedrock).
 - ii. Develop preliminary criteria for bank stabilization areas (and sills if appropriate).
 - iii. Evaluate the opportunity to utilize subsurface flow connections to off-channel habitat features and develop preliminary design criteria.
 - iv. Prepare a Draft Geotechnical Report that summarizes key conclusions and recommendations, and discusses regional and local geology, seismicity and potential geologic hazards, but it does not provide recommendations associated with liquefaction and/or surface fault rupture mitigation.
- e. Seismic Refraction Surveys:
 - i. Reconnaissance and seismic refraction survey preparation.
 - ii. Onsite surveys.
 - iii. Reporting.
- f. Field Investigation, Analysis, and Design Recommendations for Bank Stabilization Approaches at the Carraro property in Reach 2, and the Miller and Boaz properties in Site 5A:
 - i. Reconnaissance and Drilling Preparation:
 - a) Obtain the necessary drilling permits and identify and mark (stake) proposed locations for the geotechnical borings. Locations to be approved by Water Agency and landowner.
 - b) Submit a utility location request to USANORTH811 prior to digging (www.usanorth.org).
 - c) Water Agency will inquire with the property owner to check for buried utilities before the drill rig mobilizes to the site.
 - d) Drill three geotechnical/geologic borings using a truck mounted hollow stem auger drilling equipment.
 - e) Coordinate with the Water Agency and landowner regarding the planned drilling operations and conduct a detailed site reconnaissance that includes:
 - 1) Identifying and marking the preferred boring locations in the field, and
 - 2) Identifying and mapping features of geotechnical or geologic interest.
 - f) Use recent aerial photograph overlain by the 2013 Lidar survey topography for base for mapping
 - g) Include delineation of the lateral extents of the failed bank.
 - ii. Onsite Exploration and Laboratory Testing:
 - a) Use Level D PPE for onsite activities.

- b) Drill three borings: Two borings will be located as close as practically possible to the top of failed bank and the third boring will be located about 20 to 30 feet back (away) from the bank at a location suitable to the landowner, given the proximity to the vineyard.
 - c) Use the borings to develop interpretive geologic cross sections through the bank and to determine the engineering properties of the materials encountered.
 - d) Intermittently sample the borings using Standard Penetration Test (SPT) and Modified California drive samplers, extending to a maximum depth of 35 feet.
 - e) Observe and direct the field operations (field engineer), prepare logs of the subsurface materials encountered, appropriately label and preserve the retrieved samples, and transport samples to the A3GEO Berkeley laboratory for subsequent review and analysis.
 - f) Backfill borings with grout after drilling is complete.
 - g) Leave drill cuttings onsite next to borings.
 - h) Review the samples in the laboratory and select those suitable for geotechnical laboratory testing (geotechnical engineer).
 - i) Evaluate soil moisture content, density, plasticity, grain size, and strength, as deemed appropriate, depending upon the material types encountered during the subsurface exploration.
 - j) On the Boaz property:
 - a. Drill six (6), 20-35 foot deep borings using truck-mounted, hollow stem, auger drilling equipment.
 - b. Containerize soil samples in 55-gallon drums and store temporarily on Site until the profile test results are complete.
 - c. Dispose of non-hazardous soil samples.
 - d. If contaminants are found in soil samples, consult with Water Agency regarding appropriate disposal and additional associated costs.
- iii. Geotechnical Analyses and Report:
- a) Characterize the geotechnical and geologic conditions, perform engineering analyses, and develop bank stabilization designs for the Miller property, including, but not limited to:

- 1) Augmenting the borings logs with the laboratory test results, checking soil classifications and preparing finalized drafted versions of the logs.
 - 2) Preparing a site plan showing the boring locations.
 - 3) Developing interpretive geologic cross sections through the bank. Perform additional surveying in this area and provide a cross section of the ground surface through the central axis of the failed bank.
 - 4) Characterizing the geotechnical material properties and groundwater levels for the purpose of the slope stability analyses.
 - 5) Calculating static factor of safety for the slope in its current condition.
 - 6) Developing two bank stabilization design alternatives that require minimal or no setback of the existing top of bank line – one which includes a 2:1 (horizontal to vertical) graded slope with a rock toe buttress and one which includes a reinforced slope steeper than 2:1 with rock toe buttress. Provide typical cross sections.
 - 7) Calculating the static factor of safety for two stabilized bank alternatives.
 - 8) Developing conclusions and recommendations for the construction of the two bank stabilization alternatives.
 - 9) Developing preliminary lump-sum cost estimates for the two alternatives.
 - 10) Preparing a geotechnical investigation report documenting the findings and analyses and presenting the proposed bank stabilization designs.
 - 11) Meetings with the Water Agency and landowner to discuss the proposed alternatives and cost estimate.
- b) Characterize the geotechnical and geologic conditions, perform engineering analyses, and develop bank stabilization designs for the Boaz property including, but not limited to:
- 1) Augmenting the borings logs with the laboratory test results, checking soil classifications and preparing finalized drafted versions of the logs.
 - 2) Preparing a site plan showing the boring locations.
 - 3) Developing interpretive geologic cross sections through the bank. Performing additional surveying in this area and providing a cross section of the ground surface through the central axis of the failed bank.
 - 4) Characterizing the geotechnical material properties and groundwater levels for the purpose of the slope stability analyses.
 - 5) Developing three bank stabilization design alternatives which require minimal or no permanent setback of the existing top of bank line. Alternatives should provide habitat enhancement elements and in-channel baffles or structures can be considered. Provide typical cross section, and details. Assumes a Structural Engineer is not required. A Structural Engineer would be required for any structural repair including but not necessarily limited to a slurry wall, tied-back retaining wall with pre-stressed cement grouted anchors, soldier pile retaining wall, drilled piers, piles. Alternatives using screw soil anchors without cement grout such as helical anchors will be considered.
 - 6) Evaluating or mitigating of seismic hazards (including but not limited to liquefaction, lateral spreading, and seismic slope stability) are beyond the scope of this project. The bank stabilization alternatives provided are not

intended to protect against seismic hazards and they may not withstand a large seismic event.

- 7) Developing conclusions and recommendations for the construction of the three bank stabilization alternatives.
- 8) Developing preliminary lump-sum cost estimates for the three alternatives.
- 9) Preparing a draft and final geotechnical investigation report documenting the findings and analyses and presenting the proposed bank stabilization designs.
- 10) Meetings with the Water Agency and landowner to discuss the proposed alternatives and cost estimate.

iv. Post-Report Reviews and Consultation:

- a) Provide geotechnical consultation, support, and design review of the selected bank stabilization approaches to reach the final design and cost estimate, and develop bid documents.

v. Design Support and Coordination:

- a) Provide support and coordination services during analysis as needed to schedule site access and provide design data and information.
- b) Conduct a review of the initial findings and recommendations.
- c) Provide design support during the development of the selected design approach.
- d) Participate in two meetings to review and discuss the findings of the geotechnical investigation and analysis, and recommendations: One conference call and one onsite meeting.
- e) Provide civil engineering support through development of bid documents for site 5A sites on Miller and Boaz properties.
- f) Scope for bid documents assumes that the selected bank stabilization measures will be consistent with other bank stabilization approaches at Site 2A and Site 5A including, but not limited to, vegetated rock and soil lifts. Design for structural engineering measures are not covered under this scope. A comprehensive revegetation design at the Boaz property will be included on the bank stabilization details. A separate revegetation plan is not covered under this scope.

g. Habitat Feature Design:

- i. In-channel Structures - Develop the basis of design for in-channel habitat structures including: constructed riffles, existing riffle enhancements, existing grade control sill enhancements, and pool enhancement. The design basis shall include design criteria, hydraulic analysis and preliminary sizing. Examine the effectiveness of channel widening (i.e. terrace excavation) on constructed riffle sustainability, and provide design criteria (i.e. terrace height and minimum width). Consider the applicability and effectiveness of placing simple 4 - 6 boulder structures or boulder fields in the channel to create velocity refuges and trap streambed sediment. The design basis for each structure shall address the ability to meet habitat requirements detailed in the BO.

- ii. Off-channel Enhancements - Develop the basis of design for off-channel habitat enhancements using alcoves and side channels. The design basis shall include sizing criteria, incorporate temperature analysis, and address the ability to meet habitat requirements defined in the BO. Also address the use and applicability of large woody debris (LWD) and other biotechnical treatments in the design to improve habitat function and shelter at both low flow and high flow conditions.
- iii. Biotechnical Treatments - Develop a suite of biotechnical treatments to be incorporated in the design. Define the characteristics of the biotechnical treatments including intended function, schematic details, sizing guidelines and design criteria. Include up to five (5) different biotechnical treatments, including but not limited to brush matting, willow baffles, willow walls, and the integration of live wood into more structural design elements.
- iv. Large Woody Debris Structures - Develop the design basis for a variety of large woody debris (LWD) structures to be incorporated in the design, including intended function, schematic details, sizing guidelines and design criteria. Include up to five (5) different structure types including but not limited to rootwad revetments, channel edge, pool, and floodplain roughness structures, rootwad and log cutoffs, and structures designed to direct or focus flows.
- v. Habitat elements associated with geotechnical bank stabilization designs.
- h. Constructability Review and Analysis of the Project Design: Review the design plans and site visits to identify any potential conflicts or concerns related to implementation of the design. Evaluate design in terms of construction feasibility. Flow diversion approaches and potential impacts to construction shall be considered. A preliminary constructability analysis shall be prepared at the 30% design submittal and subsequently updated and revised at the 60% design submittal. A memorandum and annotated design drawings shall be prepared for each submittal to summarize the constructability analysis. Summarize flow diversion approaches in the memorandum but exclude from drawings.

4.5. Vegetation Design and Management Plan:

- a. Revegetation and Habitat Ecology: conduct additional site visits and review background information to complete preliminary investigations and develop the basis of design for revegetation and ecological enhancement of habitats.
 - i. Assess, where feasible, areas beyond the footprint of the proposed restoration within each sub-reach to identify any other micro-habitats that could be of value in restoration planning
 - ii. Review soils maps and conduct soils investigations to inform revegetation design.
 - iii. Appropriately document with photographs and locate on air photos sensitive habitats, plant communities, special status plants, unusual soil types, and invasive weeds and trees.
 - iv. Prepare a draft report summarizing observations of existing conditions, identifying enhancement needs based on Project goals, and making recommendations for habitat improvements.

- a) Overview of habitat types present and/or anticipated
 - b) Identification of existing habitat components meriting protection and retention
 - c) Prioritization of invasive species removal or control
 - d) As needed, methods for soil treatment or amendment to support plant establishment
 - e) Methods for erosion control
 - f) Palettes of plant species for revegetation, adapted to each habitat's expected hydrologic and topographic settings and other environmental conditions
 - g) Strategies for minimizing potential increases in sharpshooters and Pierce's disease
- b. Establishment Period Maintenance and Monitoring Plan:
- i. Prepare a maintenance plan that describes all activities needed to maintain Project revegetation efforts through an establishment period, which is typically three to five years. Maintenance activities may include suppression of competing vegetation around plantings; maintenance of any plant protection cages; replanting if needed to meet Project success standards; and removal of all non-biodegradable materials prior to the end of the Project. Prepare a schedule showing recommended timing for all activities and durations/quantities for required irrigation.
 - ii. Develop a monitoring plan that allows the Water Agency to assess the progress of revegetation efforts towards Project goals and helps determine any adjustments needed to improve Project outcomes. Plan shall identify target conditions, such as vegetative cover levels; vegetation composition goals such as native species diversity and minimization of invasive species; and survivorship, growth, and health of plantings. Cost-effective monitoring methods shall be selected that may include formal annual monitoring to quantitatively assess Project status, as well as more frequent site inspections to identify and remedy potential concerns as rapidly as possible. Formal annual monitoring could include photo monitoring from permanently established points; survival and height assessments of woody plantings; transect or plot sampling to describe cover and composition of woody and herbaceous vegetation; assessments of "volunteer" vegetation establishment and mapping of invasive species populations. The monitoring plan shall outline the contents of annual reports on Project success, and establish a timeline for monitoring and reporting.
- c. Vegetation Management Plan: Develop a vegetation management plan (VMP) that focuses on: 1) invasive species control, and 2) maintenance of vegetation that supports the intent of the habitat enhancement design features and/or helps to sustain and improve coho and steelhead habitats.
- i. Visit the site; identify the primary invasive species of concern on Project reaches, and map locations and extent of major infestations.
 - ii. Prioritize infestations for control or eradication based on their level of impacts to habitat.
 - iii. To the extent possible, integrate initial invasive species removal into overall site enhancement plans. Ongoing efforts may be needed.

- iv. Describe methods of control for each species; these may include mechanical or manual removal, and/or suppression by establishment of competitive, desirable vegetation.
 - v. Provide success targets and monitoring methods for extensive invasive control efforts when necessary to help determine which approaches are most effective.
 - vi. Identify target conditions; locations where ongoing vegetation clearing or pruning may be needed to maintain flows; and provide guidelines regarding types or species of vegetation to be pruned or removed. These guidelines shall be aligned with the principles outlined in the Water Agency's Stream Maintenance Program Manual, which include minimizing intervention activities, considering system processes in all channel maintenance efforts, and planning towards reduced maintenance needs over time.
 - vii. Provide guidelines for protection of natural resources during vegetation management. For instance, these may include Best Management Practices (BMPs) and timing considerations for vegetation removal to prevent undesirable impacts to wildlife, bank stability and water quality; herbicide application strategies to minimize impacts to water quality and aquatic fauna; and BMPs to avoid the spread of invasive species during Project activities.
- d. Prepare stand-alone Revegetation Design Plans and specifications for complete 1.3-mile Project reach. This will include irrigation performance specifications (no drawings). Plans to be utilized for revegetation work by Water Agency and include:
- i. Cover sheet
 - ii. Legend
 - iii. Plant key
 - iv. Plan sheets, typical details, and cross sections
- e. Develop brief draft and final Vegetation Management Plan to guide Water Agency implemented vegetation maintenance efforts for the 1.3-mile reach following Project completion. Build on Water Agency Stream Maintenance Manual and include:
- i. Objectives and extents
 - ii. Target species and criteria
 - iii. Anticipated frequency of maintenance
- 4.6. Additional Requirements:
- a. Incorporate known applicable requirements into Project including the Mitigation Monitoring Plan (if applicable), permits (if applicable), right-of-way agreements, and local ordinances.
- 4.7. Design Stages and Meetings:
- a. Progress with design in the following stages and ensure that the each stage includes the listed elements:
 - i. Kickoff Meeting: Attend a kickoff meeting with the Water Agency and others as determined by the Water Agency to review Project goals and objectives, review

design approach, facilitate data transfer and help coordinate work with the Inter-Fluve team where possible. Also, coordinate with the Water Agency to define the 2 miles of sites that shall be included in the field assessments and Refined Concept Design.

- ii. Concept Design Review Meeting: with Water Agency staff to review the initial Refined Concept Designs for the Project sites prior to approaching or presenting to the landowners.
- iii. Design Workshop: Present assumptions and preliminary conclusions to be included in the draft Design Report. The Water Agency may direct the Consultant regarding the assumptions made that may alter the conclusions.
- iv. 30%:
 - a) Draft Drawings that generally describe the size, nature, and complexity of the Project
 - b) Project footprint figures suitable for Right of Way appraisals
 - c) Preliminary Statement of Probable Construction Costs
 - d) Outline specifications – list items covered and measurement and payment for each bid item
 - e) Preliminary constructability analysis
 - f) Table of Contents for specifications
 - g) Topographic survey information
 - h) 30% design review meeting agendas and meeting minutes
 - i) Draft Design Report
 - j) Design Notebook
- v. 60%: The design shall be advanced significantly from the 30% design to the 60% design and shall include edits and comments received on the 30% design submittal. The technical analyses conducted as part of the development of the 30% design shall be refined and site specific details and design elements shall be developed. Split drawings into two plan sets. One for Reach 2, and one for Reach 4 and 5.
 - a) Include the Miller property subsequent to the 30% design stage.
 - b) 60%-complete Drawings
 - c) Electronic CAD files for drawings in AutoCAD format
 - d) Boundary of required temporary construction easements (TCE)
 - e) Draft specifications
 - f) Updated Statement of Probable Construction Costs
 - g) Updated constructability analysis
 - h) Topographic survey information
 - i) 60% design review meeting agendas and meeting minutes
 - j) Draft Final Design Report
 - k) Design Notebook
 - l) Develop stand-alone 60% plan for the Boaz property for review, to be added to the 99% design as a detail. Include grading sheet, enhancement sheet, cross sections, typical, details, specifications, and cost estimate.
- vi. 90%: The 90% design shall incorporate edits and comments received on the 60% submittal. Revise design to accommodate changes such as, but not limited to,

landowner needs, construction access, construction phasing and implementation, etc.

- a) 90%-complete Drawings
 - b) Develop separate plan set and bid package for Sites 2C and 2D for construction in 2016 and 2017 (Phase III, Part 1).
 - c) Develop a separate plan set and bid package that includes Sites 2A, 2B, 4A, 4B, 4D, and 5A (Phase III, Part 2).
 - d) Split Phase III, Part 2, 90% drawings, specifications, and cost estimates into:
 - 1) Phase III, Part 2-Corps, consisting of Sites 4A and 4B for the Corps (Phase III, Part 2-Corps).
 - 2) Phase III, Part 3, consisting of Site 5A (the Boaz property will be added at 99%).
 - e) Phase III, Part 2-Corps, set in CSI MasterFormat 2016 as required by Corps.
 - 1) Field verify Corps sill construction record drawings
 - 2) Attend 90% Corps design review meeting
 - 3) Address 90% Corps comments
 - 4) Submit 95% Corps design submittal
 - 5) Attend 95% Corps design review meeting
 - f) Electronic CAD files for drawings in AutoCAD format
 - g) Revised specifications – incorporating final permit requirements
 - h) Comments on Division 0 and 1 (prepared by Water Agency)
 - i) Updated Statement of Probable Construction Costs
 - j) List of Bid Items and measurement and payment provisions
 - k) Topographic survey information
 - l) 90% design review meeting agendas and meeting minutes
 - m) Final Design Report
 - n) Design Notebook
 - o) Specifications and drawings shall be completed and right-of-way, permitting, and regulatory considerations shall be resolved.
- vii. 99%: The 99% design shall incorporate edits and comments received on the 90% submittal, and include the Boaz property in Phase III, Part 3. This submittal shall effectively represent the final condition for the design components and will also include the submittal of the Final Design Report. Changes and modifications shall be incorporated, any outstanding issues resolved, and specifications and drawings essentially complete.
- a) Phase III, Part 3, consisting of Site 5A and the Boaz property, for the Water Agency (Phase III, Part 3).
 - b) Sites 2A, 2B, and 4D will be held for possible future project selection by Corps or Water Agency under Consultants' separate Phase V agreement.
 - c) 99%-complete Drawings
 - d) Electronic CAD files for drawings in AutoCAD format
 - e) Final specifications
 - f) Final Design Report (if any changes from 90% Submittal)
 - g) Design Notebook
 - h) Updated Statement of Probable Construction Costs

- i) Bid Schedule, including identification of additive bid items
- j) 99% design review meeting agendas and meeting minutes
- viii. Final Design 100%: Incorporate minor editorial changes based on comments received on the 99% design submittal. Final drawings and specifications shall be stamped and signed by the appropriate registered professionals.
 - a) Phase III, Part 2-Corps
 - b) Phase III, Part 3
 - c) Final Drawings: “wet” signed and stamped Drawings
 - d) Final AutoCAD submittal: files with filenames specified by the Water Agency’s Drafting/GIS Section and include embedded digital professional stamps and signatures.
 - e) Final PDF files formatted for half size (11” x 17”) and full size (22” x 34”)
 - f) Complete electronic set of revised and final specifications
 - g) Stamped and signed Document 00007 Seals Page
 - h) Final Statement of Probable Construction Costs
 - i) Bid Schedule, including identification of additive bid items (if appropriate)
 - j) Design and construction survey information

4.8. Design Meeting Information:

- a. Arrange, attend, prepare agendas for, and conduct meetings at each design stage.
- b. Update Design Report for each design stage.
- c. At meetings, discuss the progress and direction of the design. Advise Water Agency in writing how Water Agency comments impact Project scheduling and cost.
- d. Prepare meeting minutes for each meeting.
- e. Design review meetings shall be held at 30%, 60%, 90% and 99% submittals. The meetings shall be held at the Water Agency’s Office, 404 Aviation Boulevard, Santa Rosa, California. If approved by Water Agency in advance, meetings may be held in Santa Rosa in conjunction with other meeting cycles, such as planned public/stakeholder meetings, or by conference call.
- f. Attend, prepare agendas for, and present at 90%, 95% and 99% meetings with the Corps for Phase III, Part 2-Corps.
- g. Attend, prepare agenda for, and present at 60% design meeting for the Boaz property.

5. RIGHTS-OF-WAY

- 5.1. The Water Agency will acquire such permissions or rights necessary for Consultant to gain lawful entry into, across, over or upon property not owned by the Water Agency, which are necessary for investigations, surveys or studies required for the Consultant to provide the services described in this scope of work. The acquisition of permissions and rights typically required for projects similar to that which Consultant’s services will be provided under this scope of work, and the activities (public information and outreach etc.) that are occasionally desirable/necessary to facilitate those acquisitions, can be a time consuming and lengthy processes. It is the Consultant’s responsibility to identify the property or areas necessary, to coordinate with the Water Agency in a timely

manner as necessary for the Water Agency to obtain the permission or legal rights required for the Water Agency to accommodate those activities, and to set/adjust the schedule and timing of Consultant's Services and activities required under this scope of work as necessary to manage/address the uncertainties involved with these processes.

6. PUBLIC OUTREACH SUPPORT

- 6.1. The public outreach and landowner coordination effort will be led by the Water Agency with focused support from Consultant during design on a time and materials basis within the authorized budget for this task to:
- 6.2. Support the Water Agency with preparation of renderings, drawings, posters, presentations, information packets, simplified analysis results and other materials suitable for conveying the details of the project components to the lay public.
- 6.3. Attendance at up to 6 public meetings to be held at the Water Agency and locations within Dry Creek Valley.
- 6.4. Participation in face-to-face meetings with individual or groups of property owners. During the preliminary design phase, explain the design and have landowner identify specific site characteristics and operational constraints (e.g., staging sites, electrical access, and harvest timing issues) that will impact both design and constructability. During the final design phase, be available to 1) present and discuss the designs at the refined concept and 30% submittals, and 2) attend follow-up meetings as needed with individual landowners at some point between the 60% and 90% submittals to review the design and obtain landowner approvals.
- 6.5. Provide selected assistance to Water Agency for public/stakeholder involvement processes, outreach activities and coordination activities on as-needed basis. This may include, but is not limited to:
 - a. Outreach activities with landowners (1 – 4 meetings per owner)
 - b. Attendance and presentations at Dry Creek Advisory Group
 - c. Dry Creek community or other public meetings
 - d. Coordination meetings with NMFS or CDFW
 - e. Coordination with the design Consultants working on the project reach downstream of Lambert Bridge

7. SURVEYING SERVICES

- 7.1. Consultant shall provide all surveying and mapping services, with the exception of the Project Survey Control and Group C Preliminary Survey as described below, required for Consultant to provide the services described in the Agreement, including selected ground and bathymetric surveys of the stream channel and riparian corridor to support preliminary design and detailed design analyses. Services and data shall meet the following requirements:
- 7.2. General:

- a. Horizontal Datum for surveying and mapping services and data shall be the North American Datum of 1983 (NAD83).
- b. Vertical Datum of surveying and mapping services and data shall be the North American Vertical Datum of 1988 (NAVD88).
- c. All surveys and mapping shall be projected upon the California Coordinate System of 1983 (CCS83), Zone 2 in US Survey feet (Coordinates and Elevations).
- d. All research and other due diligence required to comply with the requirements outlined herein shall be conducted as necessary.

7.3. Project Survey Control:

- a. The Water Agency will establish primary project survey control (reference monuments/points) necessary to provide project coordinate system and vertical datum reference marks to support Design Surveys and other Surveying Services to be provided by Consultant under this Agreement.
- b. Criteria for primary project survey control to be provided by the Water Agency include the following:
 - i. Reference monuments/points will be placed along the edges of the riparian vegetation of the creek, adjacent to vineyard roads.
 - ii. Reference monuments/points will be set inter-visibly not more than 500 feet part within properties that the Water Agency is able to obtain permission to enter from the owners of the property necessary to do so.
 - iii. Reference monuments/points will consist of 3-foot long (if possible) pieces of #5 rebar driven flush with the ground, affixed with a red plastic cap stamped "S.C.W.A. Control", and marked with a flagged witness stake indicating the point ID.
 - iv. The Water Agency will provide a comma delimited ASCII text file with Point Numbers, Northing, easting, elevations, and description/alpha-numeric point IDs.
 - a) The control established by the Water Agency will meet or exceed the 2-Centimeter Accuracy Classification as defined by the Federal Geographic Data Committee Geospatial Positioning Accuracy Standards (Part 2), in terms of positional accuracy (horizontal position, ellipsoidal and orthometric heights).
- c. Consultant shall be responsible for extending the control as necessary to provide the services described in this agreement.
 - i. Reference monuments for extended or supplemental control points will consist of 3-foot long (if possible) pieces of #5 rebar driven flush with the ground, affixed with a red plastic cap stamped "ESA-PWA Control", and marked with a flagged witness stake indicating the point ID.

7.4. Design Surveys General:

- a. Provide all surveys and mapping services necessary to identify, represent and depict existing conditions, which in the judgment of Consultant are material to and/or required for design and construction of the Project.

- b. Representations of existing property or parcel boundaries, easements and rights of way shall be referenced to the source maps/documents/information they were derived from and identified in the resulting mapping and the Construction Documents (plans).
- c. Provide survey data in AutoCAD format as well as copies of survey point coordinates, elevations, survey notes, maps, records, reference documents and other pertinent information generated during design (Design Survey) to Water Agency with final submittal.
- d. Identify and depict existing utilities material to the design or construction of the Project. The location of all existing utilities discovered, disclosed, or located by Consultant shall be appropriately identified, depicted, labeled and/or otherwise represented (including when possible the pipe diameter and invert elevations for gravity pipelines, rim elevations of man holes, grate or flow-line elevations of catch basins or drop inlet structures etc.) in the resulting mapping to be provided by Consultant and the Construction Documents (plans). Consultant shall distribute the refined concept drawings to landowners to landmark utility locations for use in the development of the final designs. This effort may include a site-walk with the landowner or landowner's representative to identify and understand the location of specific utilities to document on the design plans.
- e. Where the possibility of conflicts or clearance issues between utilities and the proposed works or construction proposed project or its construction and utilities exist, the details of potholing or other verification efforts (reference locations/elevations) shall be represented and depicted in the resulting Construction Documents (plans) to be provided by Consultant in connection with this agreement.
- f. Provide the source of reference (e.g., direct observation, landowner inquiry, utility mapping services, USA paint, or potholing) of underground or other utilities represented and depicted in the Construction Documents (plans). All utilities shown shall be distinctly layered, labeled or otherwise distinguished from utilities whose location was determined by survey.
- g. Represent and depict features in the Construction Documents (plans) which 1) present a possible clearance limitation or accessibility or other physical constraint to Contractor(s) constructing the proposed works, and which are not being relocated, temporarily removed, diverted, or otherwise modified as part of work to be done as part of the project (structures, overhead wires, watercourses etc.), or 2) that potentially affect Right of Way to be acquired for the Project.
- h. Represent and depict vegetation and trees greater than 12" DBH that potentially are impacted, or are to be removed in connection with the Project near the transitions between existing and design grades, in the resulting mapping and Construction Documents (plans). Clusters of trees that are found clearly in the middle of the area to be graded will be identified within polygons, which will be labeled with the number and size range of the trees to be removed. Trees depicted shall be identified/labeled by their diameter a breast height and species.

7.5. Preliminary Design and Analysis Survey:

- a. The base topography for use in the Preliminary Design shall be developed using existing LiDAR survey data and additional ground survey data to be collected by the Water Agency for project Group B and by the Consultant for all other potential project areas.
- b. Combine the LiDAR with additional ground survey data to be collected.
- c. Additional ground survey information collected shall include, but not be limited to, the following:
 - i. Significant site and infrastructure features
 - ii. Verification transects/channel corridor cross sections at the locations of transects surveyed in the 2010 survey by Inter-Fluve, and in locations deemed appropriate by the consultant
 - iii. Pertinent and visible surface features (e.g., limits of vegetation, access roads, edge of vineyard, and existing utilities, including valves, manholes/junction boxes, culverts, utility poles, etc.) that may be present near the likely area of access and construction activities
 - iv. Thalweg of the active channel
 - v. Water surface elevation points (with time noted) at the channel edges at the locations of thalweg profile points and at the channel cross section locations
 - vi. Verification transects will generally extend beyond the riparian tree canopy to an apparently sufficient dimension to allow overlap with the LiDAR data and verification of elevations

7.6. Topographic Survey:

- a. Conduct topographic surveys at the sites selected for advancement from preliminary design to final design, including the Boaz property.
- b. The topographic survey shall focus on overbank (riparian) areas with grading (side channels & alcoves) as defined in the refined concept design. It is assumed that the existing LiDAR data will be suitable for the remaining overbank areas.
- c. Develop the base survey topography (anticipated at a one-foot contour interval) to support grading design and 1-D modeling. The topography will be developed as AutoCAD drawings and shall include the survey points, breaklines, topographic contours, and three dimensional surfaces.
- d. Manage/thin vegetation as needed to conduct survey. Water Agency will obtain permits if deemed necessary.
- e. Includes five (5) days of field surveying for each of the three (3) sub-reaches to be included in final design.

7.7. Detailed Design and Analysis Survey:

- a. Conduct detailed surveys at the selected sites, with sufficient detail suitable for analysis, 1-D modeling and grading design. The detailed survey shall include features such as:
 - i. Cross sections (spacing of 50 to 100 feet)
 - ii. Breaklines

- iii. Spot elevations
- iv. Elevations/locations of geomorphically significant features
- v. Tree locations
- vi. Bathymetric survey of the Dry Creek channel in the vicinity of the Project sites
- vii. Topographic contours (1-foot interval)
- b. Collect additional topographic and geomorphic survey data as needed to support Final Design. This data will supplement the topographic survey data used to develop the 30% design and will not occur until the 30% designs have been approved for advancement to 60% design.
- c. The purpose of this additional data collection is to capture topographic and geomorphic features at a level of detail suitable to support 2-D modeling and detailed final grading design. Detail may include breaklines, hydraulic connections to the main channel, micro-topographic features, and geomorphic and hydraulic indicators (debris, rack-lines) to validate modeling and any trees not captured in prior mapping.
- d. Include up to six (6) days of field work to complete the detailed survey.
- e. Manage/thin vegetation as needed to conduct survey. Water Agency will obtain permits if deemed necessary.
- f. Merge the detailed topographic/bathymetric data with detailed survey of the overbank areas.
- g. Survey channel and bank along Boaz property to support analysis, final design, and plan development.

8. DRAFTING SERVICES

- 8.1. Develop construction documents for implementation of habitat enhancement over the 1.3 mile detailed design reach.
- 8.2. Prepare drawings necessary for bidding and construction of the Project using current Water Agency AutoCAD standard at time of Agreement execution. Earlier compatible versions or alternate compatible AutoDesk vertical products may only be used upon approval of Water Agency. Include the following for each subreach with sufficient detail to describe construction of the Project and to allow receipt of bids from qualified contractors:

Title	# of Sheets
Title Sheet, General Notes, Vicinity & Location Maps, Abbreviations, Legend, List of Drawings, Survey & Layout Control	3
Site Plan and Key Plan, including staging areas and access routes	1-2
Channel Improvement Plan Sheets (40' scale)	2-4
Alcove, Side Channel (and Bench) Grading Plans, Profiles, and Sections	3-4

Constructed Riffle Details	1
Enhanced Riffle Details	1
Large Woody Debris Structure Details (materials quantity table)	2-3
Biotechnical Treatment Details	2
Corps Grade Control Retrofit (Reach 4 only)	1
Typical Revegetation Plan , Cross Section(s) and Plant Lists(40' scale) (not in bid package)	1-2
Typical Revegetation Details(not in bid package)	1
Other drawings as may be needed for construction	TBD
Estimated Total:	18-24

- 8.3. Include the following features on each plan and profile drawing:
- a. Location of control points with point number identification, elevation, and description
 - b. Graphic scale
 - c. North arrow
 - d. Grid ticks on 400-foot centers with at least two ticks labeled with coordinates
 - e. Key map
 - f. Elevations (when applicable) of and labels for existing features, structures, utilities, manholes, and drainage facilities
 - g. Mapping showing streets, edges of pavement, ditch flowlines, and top of curb
- 8.4. Coordinate with Water Agency Drafting Manager regarding plan production standards prior to commencement of construction document development. Use Water Agency-provided template drawings, title blocks, and border drawings. Basic layers and line types are part of template drawings and are recommended where applicable. Follow Water Agency provided CAD Standards for development of construction drawings. Substitutions and/or deviation from Water Agency standards shall be submitted for approval by Water Agency Project Manager.
- 8.5. If requested by Water Agency, provide conformed drawings. Procedures and examples are included in the Water Agency's CAD standards, provided by Water Agency's Project Manager.
- 8.6. Provide marked up drawings (e.g. red-lines) that show changes to the design that were implemented during construction for the Water Agency to use as the basis for the post-construction record drawings.
- 8.7. Prepare drawings for Phase III, Part 2-Corps, in format required by Corps, starting at the 90% submittal through final design.
- 8.8. Prepare drawings for Phase III, Part 3.

9. SPECIFICATIONS PREPARATION

- 9.1. Assist Water Agency's Project Manager in completing the Water Agency's Project Manual Questionnaire.
- 9.2. Prepare Divisions 2 through 16 (Technical Specifications), as appropriate, of the Project Manual as necessary for construction of the Project in conformance with the Project Manual concept of the Construction Specification Institute (CSI), using the Water Agency's templates, and the 1995 edition of CSI's MasterFormat, including SectionFormat and PageFormat.
- 9.3. Review and comment on construction document and bid package sections prepared and compiled by Water Agency.
- 9.4. Comply with applicable provisions of the Public Contract Code including, but not limited to, formal and informal bid procedures and the avoidance of closed proprietary specifications (where no substitutions are allowed).
- 9.5. Assist the Water Agency and Corps to develop justification memos for any proposed sole-source of products/materials; for special qualification of bidders, manufacturers, installers, or other professionals performing construction work for the Project; and for other special circumstances that require justification to the Water Agency's Board of Directors or Corps' officers.
- 9.6. In coordination with Water Agency's Project Manager, reconcile redundancies and conflicts with Water Agency-prepared Division 0 and Division 1 requirements.
- 9.7. Prepare specifications for Phase III, Part 2-Corps, in CSI 49 Division MasterFormat 2016 as required by the Corps, starting at the 90% submittal through final design.
- 9.8. Add specifications for elements associated with the Boaz property into the Phase III, Part 3 submittal.

10. ASSISTANCE DURING BIDDING AND CONSTRUCTION

- 10.1. For Bidding, Phase III, Part 2-Corps, and Phase III, Part 3:
Bid support:
 - a. Answer questions submitted by Water Agency ("questions") during bid advertisement period.
 - b. Communicate only through Water Agency.
 - c. Immediately hand-deliver or email copies of any non-Water Agency questions directed to Consultant to Water Agency.
 - d. Alert Water Agency to potential impacts, if any, associated with questions including, but not limited to, impacts on schedule and cost.
 - e. Upon request from Water Agency, prepare Addenda to clarify, correct, or change the Bidding Documents in accordance with the following:
 - i. Paragraphs 8 (Drafting Services) and 9 (Specifications Preparation)

- ii. Comply with Water Agency, or Corps for Phase III, Part 2-Corps, provided drafting standards and standard form for Addenda
 - f. If Consultant chooses to prepare Addenda drawings manually, revise electronic files and resubmit to Water Agency.
- 10.2. For Construction:
- Construction support Phase III, Part 2-Corps, and Phase III, Part 3:
- a. Assist Water Agency by providing engineering and related services after the receipt of construction bids as requested by Water Agency.
 - b. Attend preconstruction conferences (meetings).
 - c. Assist Water Agency by answering request(s) for information (RFIs), as requested by Water Agency (up to 45 RFIs).
 - d. Submittal Review:
 - i. Review contractor's submittals of information and shop drawings for the Project and either mark "No Exceptions Taken," "Make Corrections Noted," "Revise and Resubmit," or "Rejected" on each submittal. Provide Water Agency with a brief written narrative of what is required from the contractor for items the Consultant marks on each submittal response.
 - ii. Ensure that copies of submittals reviewed are stamped, dated, and signed by the person performing the review.
 - iii. Review items that have been submitted by the contractor as a substitution or an "approved equal" for specified items. Ensure that each substituted item meets the performance requirements specified in the Project specifications and ensure its compatibility with other components of the operating system (electrical connections, size, etc.). Consult with Water Agency's Project Manager regarding acceptability of the proposed substitution.
 - iv. Upon completion of review, return the submittals with any written narratives to the Water Agency.
 - e. Revegetation: Water Agency will lead implementation of the revegetation design. Consultant will pin flag or mark plant locations prior to installation.
 - f. Construction Observation:
 - i. Perform construction observation.
 - ii. Upon request, provide guidance to Water Agency regarding proper placement of large woody debris, log jams, boulder cluster, and any other elements.
 - iii. Review grading stakes for enhancement sites. Review layout of enhancement features with Water Agency.
 - iv. Participate in construction of key habitat structures and elements of the work. Provide on-call remote consultation, to assist Water Agency.
 - g. Review and comment on proposed Change Order(s), if any. Provide comments to the Water Agency in writing within 2 working days after receipt of the proposed Change Order(s).
 - h. Upon request from Water Agency, assist Water Agency with Final Inspection.

- 10.3. Provide construction support for Phase III, Part 1 during 2016 and 2017 construction seasons.
- 10.4. Provide construction support to Corps for Phase III, Part 2-Corps during the 2018 construction season
- 10.5. Provide construction support to Water Agency for Phase III, Part 3 during the 2018 construction season, including the habitat enhancement and geotechnical bank stabilization element on the Boaz property.

11. SCHEDULE AND SUBMITTAL OF DOCUMENTS

- 11.1. Perform services and submit documents to the Water Agency for review and approval in accordance with the schedule included in Exhibit B.
 - a. Submit construction documents to Water Agency for review at 30%, 60%, 90%, and 99% complete milestones.
 - b. 30% submittal shall include technical specification outline only, followed by written specifications at 60%, 90%, 99% and 100% submittals.
 - c. The 100% complete documents shall be sealed by professional engineer registered in the State of California.
 - d. If changes that Water Agency has not previously approved are made to the drawings or specifications after the 99% design review meeting, submit drawing(s) or specifications to the Water Agency for approval prior to preparing the final submittal.
- 11.2. The schedule in Exhibit B is based upon timely review and decision making by the Water Agency. Delays in the schedule caused by the Water Agency will be cause for consideration of time extensions.
- 11.3. Provide full-sized hard copy and electronic copy in PDF format as well as native Civil3D dwg format at each design phase as described below. Include CTB or STB plot configuration file with electronic submittal to ensure correct and intended image quality when plotting from file.
- 11.4. Electronic media formats:
 - a. Survey information and drawings: Provide in electronic media format compatible with current Water Agency AutoCAD standard in drawing format (.DWG). To ensure there are no discrepancies between electronic and hard copies, provide plot style tables files.
 - b. Technical Specifications modifications (including tables, charts, and drawings): Provide in electronic media format compatible with Microsoft® Word 2007. Ensure that there are no discrepancies between electronic and hard copies.
 - c. Design reports, property owner outreach materials, and other documents: Provide in PDF format and in Microsoft® Word 2007 compatible format upon request.

- 11.5. Final Drawings Submittal Requirements:
- a. Prepare finished contract drawings and maps on 22" x 34" gross size. Drawings shall be "wet" stamped and signed by the appropriate disciplined professional.
 - b. The final (100%) AutoCAD submittal shall consist of files with filenames specified by the Water Agency's Drafting/GIS Section and include embedded digital professional stamps and signatures. Drawings shall have filenames displayed per Water Agency-provided standards. Final submittal shall also include a composite PDF document of the drawing files formatted for half size (11" x 17") as well as full size (22" x 34").
- 11.6. Optional Task: Additional Services
- a. Do not proceed with this task unless requested in writing by Water Agency's Project Manager.
 - b. Perform additional services as requested by Water Agency to support the Project. The additional services will be agreed to by Consultant and Water Agency and described in writing by Water Agency. Deliverables and due dates to be determined.

12. PERMITTING SUPPORT

- 12.1. Provide support to Project permitting and/or CEQA documentation efforts by others on a time and materials basis within the authorized budget. This support shall include:
- a. Technical support as needed to convey the design intent, areas of impact, and construction approaches for implementation of the Project
 - b. Estimates of material quantities, (e.g. earthwork volumes, rock volumes, revegetation areas, etc.)
 - c. Narrative describing the proposed enhancement design.
 - d. Preparation of selected figures showing design elements and quantification of plan form impacts due to construction of the design elements.
 - e. Participation in a one-day permitting coordination meeting in Santa Rosa.

13. PROJECT MANAGEMENT

- 13.1. Project planning, routine communications, and response to the priority needs of the Water Agency. Includes managing the Project budget, and preparing invoices and progress reports for compensation of Project fees and expenses. Project communications conducted by phone, conference calls, emails or other means.
- 13.2. Provide support to Water Agency in planning and coordinating with the Corps. Attend meetings, participate in conference calls, and provide supplemental data and technical support.

14. SERVICES NOT INCLUDED IN AGREEMENT

Consultant shall not be responsible for the following:

- 14.1. CEQA:
- a. Preparation of appropriate environmental documents under the requirements of the California Environmental Quality Act (CEQA).

- 14.2. Design:
 - a. Coordination of utility relocations.
- 14.3. Right-of-Way:
 - a. Right-of-way appraisals, negotiations, prepare property descriptions, acquisition of required right-of-way, and providing access.
- 14.4. Project Manual:
 - a. Except as provided for in Exhibit A, paragraph 9 (Specifications Preparation):
 - i. Preparation of Bidding, Procurement, Contracting, and General Requirements for the Project Manual.
 - ii. Compilation of final Project Manual (Bidding Documents).
 - iii. Preparation of the Storm Water Pollution Prevention Plan (SWPPP).
- 14.5. Construction staking.
- 14.6. Contract Administration/Inspection (except as specifically noted in Paragraph 10.2):
 - a. Administration of the construction contract.
 - b. Construction inspection.

EXHIBIT B

Schedule and Submittals

MILESTONE	DELIVERABLES	DATE or CALENDAR DAYS
Notice to Proceed with Design		Immediately upon execution of this agreement
Kick-off Meeting Submittal	<ul style="list-style-type: none"> • Electronic copy of Kick-off meeting agenda • List of potential Project sites to be included in Field Assessments 	7 calendar days prior to Kick-off meeting
Kick-off Meeting	<ul style="list-style-type: none"> • Attendance 	10 calendar days following Notice to Proceed with Design
Field Assessments	<ul style="list-style-type: none"> • Field site visits as needed to characterize site geomorphology, conduct necessary hydraulic, geomorphic and biological analyses, and develop design approaches 	28 calendar days after Kick-off meeting
Preliminary Topographic Surveys	<ul style="list-style-type: none"> • Topographic (and bathymetric) information necessary for preliminary design, analysis, and construction document preparation • Channel corridor cross sections • Electronic copies of survey data obtained 	49 calendar days after Kick-off meeting
Design Workshop Submittal	<ul style="list-style-type: none"> • Assumptions and preliminary conclusions to be included in the draft Preliminary Design Report • 10 copies of Design Workshop agendas 	Within 30 calendar days after Kick-off meeting
Design Workshop		Within 35 calendar days after Kick-off meeting
Preliminary (10%) Design Submittal	<ul style="list-style-type: none"> • 8 copies of preliminary design report • Draft Geotechnical Report • Preliminary Statement of Probable Construction Costs 	Within 60 Calendar Days following Notice to Proceed with Design.
Water Agency comments on Preliminary Design Report, if any		Within 14 calendar days after receipt of draft Design Report
Resubmittal of Design Report	<ul style="list-style-type: none"> • 8 copies of Revised Preliminary Design Report (Design Report) 	Within 14 calendar days of receipt of Water Agency comments

MILESTONE	DELIVERABLES	DATE or CALENDAR DAYS
Property Owner Outreach	<ul style="list-style-type: none"> • Support to the Water Agency at public meetings and meetings with property owners • Materials such as design renderings, information packets, posters, presentations, and simplified analysis results suitable for conveying proposed designs and analyses to property owners 	Ongoing
Topographic Survey	<ul style="list-style-type: none"> • Topographic (and bathymetric) information necessary for detailed design, analysis, and construction document preparation • Electronic copies of survey data 	Within 270 Calendar Days following Notice to Proceed with Design.
Complete subsurface exploration	<ul style="list-style-type: none"> • Draft and Final Geotechnical Reports 	Within 270 Calendar Days following Notice to Proceed with Design.
30% Design Submittal (sufficient for ROW appraisals)	<ul style="list-style-type: none"> • 3 sets of 11x17" hard copy drawings • one electronic copy of drawings (PDF format) • Draft Design Report • Design Notebook • Preliminary Statement of Probable Construction Costs • one draft Table of Contents for specifications • Electronic copy of 30% design review meeting agenda • Hydrodynamic modeling results • Summary narrative describing the vegetation communities in the Project reach with preliminary vegetation management recommendations integrated • Water temperature assessment 	Within 330 Calendar Days following Notice to Proceed with Design.
30% Design Review Meeting	<ul style="list-style-type: none"> • Attendance 	Within 14 calendar days after 30% Design Submittal
30% Design Review Meeting Minutes	<ul style="list-style-type: none"> • Electronic copy of meeting minutes 	Within 7 calendar days of 30% Design Review Meeting
Water Agency comments on 30% Design Report		Within 14 calendar days after receipt of draft Design Report

MILESTONE	DELIVERABLES	DATE or CALENDAR DAYS
60% Design Submittal	<ul style="list-style-type: none"> • 3 sets of 11x17" hard copy drawings • One electronic copy of drawings (PDF format) • Electronic CAD files (AutoCAD format) • Draft Final Design Report • Design Notebook • One revised Statement of Probable Construction Costs • Electronic copy of 60% design review meeting agenda • Draft Revegetation Design Plan and Vegetation Management Plan • Detailed hydrodynamic modeling 	Within 420 Calendar Days following Notice to Proceed with Design.
60% Design Review Meeting	<ul style="list-style-type: none"> • Attendance 	Within 14 calendar days after 60% Design Submittal
60% Design Review Meeting Minutes	<ul style="list-style-type: none"> • Electronic copy of meeting minutes 	Within 7 calendar days of 60% Design Review Meeting
Water Agency comments on 60% Design Report		Within 14 calendar days after receipt of draft Design Report
Permitting Support Documents	<ul style="list-style-type: none"> • Quantity estimates, design narrative, and preparation of select figures. • 1 permitting coordination review meeting. 	Ongoing
90% Design Submittal	<ul style="list-style-type: none"> • 3 sets of 11x17" hard copy drawings • Electronic copy of drawings (PDF format) • Electronic CAD files (AutoCAD format) • Final Design Report (if there are changes) • Design Notebook • One revised Statement of Probable Construction Costs • electronic copy of 90% design review meeting agenda • Updated detailed hydrodynamic modeling (if comments on 60% model results necessitate updates or revisions) • Geotechnical Investigation Report 	Within 42 calendar days after 60% Design Review Meeting
90% Design Review Meeting	<ul style="list-style-type: none"> • Attendance 	Within 14 calendar days after receipt of 90% Design Submittal
90% Design Review Meeting Minutes	<ul style="list-style-type: none"> • Electronic copy of meeting minutes 	Within 7 calendar days of 90% Design Review Meeting

MILESTONE	DELIVERABLES	DATE or CALENDAR DAYS
Water Agency comments on 90% Design Report		Within 14 calendar days after receipt of draft Design Report
60% Design, Boaz habitat enhancement and bank stabilization	<ul style="list-style-type: none"> • One electronic copy of drawings (PDF format) • Electronic CAD files (AutoCAD format) • Draft Geotechnical & Biotechnical Design Report • One revised Statement of Probable Construction Costs • Electronic copy of 60% design review meeting agenda • Detailed hydrodynamic modeling 	Within 90 calendar days after effective date of Fourth Amended Agreement
60% Design Review Meeting (Boaz)	<ul style="list-style-type: none"> • Electronic copy of 60% design review meeting agenda • Attendance • Electronic copy of meeting minutes 	Within 14 calendar days after receipt of 60% Design Submittal
60% Design Review Meeting Minutes (Boaz)	<ul style="list-style-type: none"> • Electronic copy of meeting minutes 	Within 7 calendar days of 90% Design Review Meeting
Water Agency comments on 60% Design Report (Boaz)		Within 14 calendar days after receipt of draft Design Report
99% Design Submittal	<ul style="list-style-type: none"> • 3 sets of 11x17" hard copy revised drawings and specifications • One electronic copy of revised drawings and specifications (PDF format) • Electronic CAD files (AutoCAD format) • Updated Final Design Report (if there are changes) • One revised Statement of Probable Construction Costs • One Design Notebook • One electronic copy of 99% design review meeting agendas 	Within 35 calendar days after 90% Design Review Meeting
99% Design Review Meeting	<ul style="list-style-type: none"> • Attendance 	21 calendar days after 99% Design Submittal
99% Design Review Meeting Minutes	<ul style="list-style-type: none"> • Electronic copy of meeting minutes 	Within 7 calendar days of 99% Design Review Meeting

MILESTONE	DELIVERABLES	DATE or CALENDAR DAYS
Water Agency comments on 99% Design Report		Within 14 calendar days after receipt of Design Report
Final Submittal	<ul style="list-style-type: none"> • Complete set of revised and final stamped and wet signed original drawings • Complete set of electronic CAD files (AutoCAD format) with supporting files, plus full and half-size PDFs • Complete electronic set of revised and final specifications • Stamped and signed Document 00007 (Seals Page) • Final Statement of Probable Construction Costs • One copy of design/construct survey information 	Within 21 calendar days after 99% Design Review Meeting
Draft Addendum submittal and bid support, if applicable	<ul style="list-style-type: none"> • Preparation of up to 4 addenda 	10 calendar days prior to Project Bid Opening
Final Addendum submittal, if applicable	<ul style="list-style-type: none"> • As appropriate, submit original drawing(s) 	9 calendar days prior to Project Bid Opening
Assistance during Bidding and Construction Support	<ul style="list-style-type: none"> • Written responses of RFIs • Written review of contractor submittals • Vegetation flagging • Written comments on up to 5 change orders 	Ongoing during bidding and construction

CORPS SCHEDULE AND SUBMITTALS		
90% Corps Design Submittal	<p>Hard Copy:</p> <ul style="list-style-type: none"> • 1 sets of 11x17" hard copy drawings • 1 set of 81/2X11 Specification (49 Division - Master Format 2016) <p>Electronic Copy (pdf):</p> <ul style="list-style-type: none"> • Specification (49 Division - Master Format 2016) • Bid Schedule (Section 00 41 00 of the Specification) • Submittal Register Table (Section 01 33 00 of the Specification) 	June 30, 2017

	<ul style="list-style-type: none"> • Gantt chart of draft construction schedule • Plans (PDF format) • Final Design Report consistent with the plans and specs • Refined probable construction Costs Estimate • Updated detailed hydrodynamic modeling results • Geotechnical Investigation Report • Updated CAD files 	
90% Corps Design Review Meeting (presentation) by Architect/Engineer (AE) and Water Agency	<ul style="list-style-type: none"> • Meeting Agenda and presentation slides • Attendance 	Within 7 calendar days after receipt of 90% Design Submittal
90% Corps Design Review Meeting Minutes	<ul style="list-style-type: none"> • Electronic copy of meeting minutes 	Within 7 calendar days of 90% Design Review Meeting
Corps comments on 90% Design	NOTE: <i>The document review process will be through a centralized web-based program called ProjNet¹ for all participants including Corps, the Water Agency and the AE.</i>	July 26, 2017
95% Corps Design Submittal	<p>Hard Copy:</p> <ul style="list-style-type: none"> • 1 sets of 11x17" hard copy drawings <p>Electronic Copy (pdf):</p> <ul style="list-style-type: none"> • Specification (49 Division - Master Format 2016) • Updated Bid Schedule (Section 00 41 00 of the Specification) • Updated Submittal Register Table (Section 01 33 00 of the Specification) • Updated Gantt chart of draft construction schedule • Electronic copy of updated Plans (PDF format) • Updated Design Report Consistent with the revised plans and specs • Updated probable construction Costs Estimate • Updated detailed hydrodynamic modeling • Geotechnical Investigation Report • Updated CAD files 	Within 21 calendar days of receipt of 90% design review comments
95% Corps Design Review Meeting	<ul style="list-style-type: none"> • Meeting Agenda and presentation slides • Attendance 	Within 7 calendar days after receipt of 95% Design Submittal
95% Corps Design	<ul style="list-style-type: none"> • Electronic copy of meeting minutes 	Within 7 calendar

Review Meeting Minutes		days of 95% Design Review Meeting
Corps comments on 95% Design	NOTE: <i>The document review process will be through a centralized web-based program called ProjNet¹ for all participants including Corps, the Water Agency and the AE.</i>	September 13, 2017
99% Corps Design Submittal	<p>Hard Copy:</p> <ul style="list-style-type: none"> • 1 set of 11x17" copy of revised plans • 1 set of 8 1/2X11 copy of updated Specification (49 Division - Master Format 2016) <p>Electronic Copy (pdf):</p> <ul style="list-style-type: none"> • Updated Bid Schedule (Section 00 41 00 of the Specification) • Updated Submittal Register Table (Section 01 33 00 of the Specification) • Updated Gantt chart of the draft construction schedule • Updated Specification (49 Division - Master Format 2016) • Revised plans • Updated Design Report Consistent with the revised plans and specs • Updated probable construction Costs Estimate • Updated CAD files 	Within 21 calendar days of receipt of 95% design review comments
99% Corps Design Review Meeting (presentation) by AE & Water Agency	<ul style="list-style-type: none"> • Agenda and presentation slides • Attendance 	7 calendar days after 99% Design Submittal
99% Corps Design Review Meeting Minutes	<ul style="list-style-type: none"> • Electronic copy of meeting minutes 	Within 7 calendar days of 99% Design Review Meeting
Corps comments on 99% Design Report	NOTE: <i>The document review process will be through a centralized web-based program called ProjNet¹ for all participants including Corps, the Water Agency and the AE.</i>	November 1, 2017

Corps Final Submittal	<p>Hard Copy:</p> <ul style="list-style-type: none"> • 1 Full Size 22x34 inch Copy for Field- Complete set of revised and final stamped and wet signed original Plans • 1 Half Size 11X17 Copy for Corps office- Complete set of revised and final stamped and wet signed original Plans • 1 set of 8 1/2X11 Final Copy Specification with all sections including Bid Schedule and Submittal Register (49 Division - Master Format 2016) <p>Electronic Copy (pdf):</p> <ul style="list-style-type: none"> • Updated Final Draft Gantt chart of construction schedule • Complete set of Final electronic CAD files (AutoCAD format) with supporting files • Final full and half-size plans • Final Specifications with all sections including Bid Schedule and Submittal Register (49 Division - Master Format 2016) • Stamped and signed Document 00007 (Seals Page) • Final probable construction Costs Estimate 	Within 14 calendar days of receipt of 95% design review comments
Corps Draft Addendum submittal and bid support, if applicable	<ul style="list-style-type: none"> • Preparation of up to 4 addenda 	10 calendar days prior to Project Bid Opening
Corps Final Addendum submittal, if applicable	<ul style="list-style-type: none"> • As appropriate, submit original drawing(s) 	9 calendar days prior to Project Bid Opening
Corps Assistance during Bidding and Construction Support	<ul style="list-style-type: none"> • Construction Scheduling, Quality Control and Safety Plan • Written responses of RFIs • Written review of contractor submittals • Vegetation flagging • Written comments on up to 5 change orders • Site visits and attendance at construction meetings upon request 	Ongoing during bidding and construction

1. *ProjNet is a secure, integrated, web based suite of construction design, communication and database tools that enable owners to better manage design review through improved document exchange and examination, inquiry, comment, record storage and issue resolution among all authorized project business partners. To be able to use the program and respond to comments, the AE and /or the Water Agency need to subscribe to ProjNet (<https://www.projnet.org/projnet/binKornHome/index.cfm?strKornCob=HomePagePublic>).*

Exhibit C

Schedule of Costs

Standard Hourly Rates

Item	Rate
Senior Director	\$200 per hour
Director	\$200 per hour
Managing Associate II	\$170 per hour
Senior Associate III	\$150 per hour
Senior Associate II	\$130 per hour
Associate II	\$110 per hour
Project Technician II	\$90 per hour
Project Technician I	\$75 per hour
Subconsultants	At cost plus 10%

Reimbursable Expenses Schedule

Description	Rate
Project Expenses	At cost plus 10%
Printing/Reproduction	At cost plus 10%
Company Vehicle	\$40 per day
Total Station Set	\$200 per day
RTK GPS Set	\$350 per day
Canoe	\$30 per day or \$120 per week
Miscellaneous small equipment	\$5 per day
Lodging	At cost, up to \$150 (per room) per night
Meals	At cost, up to \$60 (per person) per day

Exhibit D

Estimated Breakdown of Costs

Estimated Breakdown of Costs (Including West Dry Creek LLC Site)

Task		Budget
4.1	Preliminary Design	\$ 140,943
4.1.f	Geomorphic Assessment (ESA PWA)	\$ 45,340
4.1.g	Fisheries Assessment (CFS)	\$ 32,936
4.1.h	Riparian Ecology (PCI)	\$ 25,674
4.1.i	Geotechnical Assessment (A3GEO)	\$ 16,500
4.1.j	Refined Concept Designs	\$ 20,493
4.2	Design Report	\$ 34,380
4.4	Detailed Hydraulic, Geomorphic, and Engineering Analysis	\$ 155,701
4.4.a	1-D Modeling	\$ 24,420
4.4.b	2-D Modeling	\$ 34,100
4.4.c	Fish Habitat Suitability & Validation	\$ 25,284
4.4.d	Geotechnical Analysis	\$ 13,000
4.4.e.i	In-channel Structure Design	\$ 9,160
4.4.e.iii	Off-channel Enhancements Design	\$ 9,160
4.4.e.iii	Biotechnical Treatments	\$ 10,459
4.4.e.iv	Large Woody Debris Structures	\$ 13,840
4.4.f	Constructability Analysis	\$ 18,278
4.5	Revegetation Design	\$ 28,985
4.5.a	Revegetation & Habitat Ecology	\$ 8,993
4.5.b	Establishment Period Maintenance & Monitoring Plan	\$ 10,813
4.5.c	Vegetation Management Plan	\$ 9,179
4.7	Final Design Stages	\$ 371,720
4.7.b	30% Design	\$ 105,243
4.7.c	60% Design	\$ 147,076
4.7.d	90% Design	\$ 64,529
4.7.e	99% Design	\$ 16,300
4.7.f	Final Design	\$ 38,572
6.0	Public Outreach & Landowner Coordination	\$ 34,320
7.0	Surveying Support	\$ 122,824
7.4	Utility Locating	\$ 3,600
7.5	Preliminary Base Survey	\$ 43,360
7.6	Topographic Survey	\$ 60,744
7.7	Detailed Survey	\$ 15,120
10.0	Assistance during Bidding and Construction	\$ 65,070
10.1	Bidding Support	\$ 5,120
10.2	Construction Support	
	Civil Restoration Design	\$ 34,600
	Revegetation Design	\$ 25,350

12.0	Permitting and CEQA Support (Allowance)	\$	8,160
13.0	Project Coordination	\$	42,000
Subtotals - Labor Costs		\$	961,142
Expenses			16,280
TOTAL PROJECT PRICE UNDER ORIGINAL AGREEMENT		\$	979,422

Estimated Breakdown of Additional Costs of First Amended Agreement

Task		Budget	
4.4.a	1-D Modeling	\$	2,220
4.4.b	2-D Modeling	\$	3,100
4.4.f	Constructability Analysis	\$	1,932
4.5	Revegetation Design	\$	1,380
4.7	Final Design Stages	\$	30,355
7.6	Topographic Survey	\$	3,974
7.7	Detailed Survey	\$	1,058
10.2	Construction Support	\$	6,507
13.0	Project Coordination	\$	4,200
Expenses			1,140
TOTAL ADDITIONAL COST FOR FIRST AMENDED AGREEMENT		\$	55,866

Estimated Breakdown of Additional Costs of Second Amended Agreement

Task		Budget	
4.4d.v.	Reconnaissance and Drilling Preparation (A3GEO)	\$	5,692.50
4.4d.vi.	Onsite Exploration and Laboratory Testing (A3GEO)	\$	8,339.10
4.4d.vii.	Geotechnical Analyses and Report (A3GEO)	\$	20,812.00
4.4d.viii.	Post-Report Reviews and Consultation (A3GEO)	\$	2,145.00
4.7c.viii.	Design Support and Coordination (ESA)	\$	5,080.00
TOTAL ADDITIONAL COST FOR SECOND AMENDED AGREEMENT		\$	42,068.60

Estimated Breakdown of Additional Costs of Third Amended Agreement

Task		Budget
4.1.j	Concept Design Booklets	\$ 30,000
4.4.b	2-D Modeling	\$ 9,500
4.4.d	Subsurface Investigation for Bank Stabilization (Reach 5A)	\$ 144,900
4.7	Final Design Stages	\$ 40,000
10	Assistance During Bidding and Construction	\$ 35,600
13	Project Coordination	\$ 7,300
	Expenses	\$ 500
TOTAL ADDITIONAL COST FOR THIRD AMENDED AGREEMENT		\$ 267,800.00

Estimated Breakdown of Additional Costs of Fourth Amended Agreement

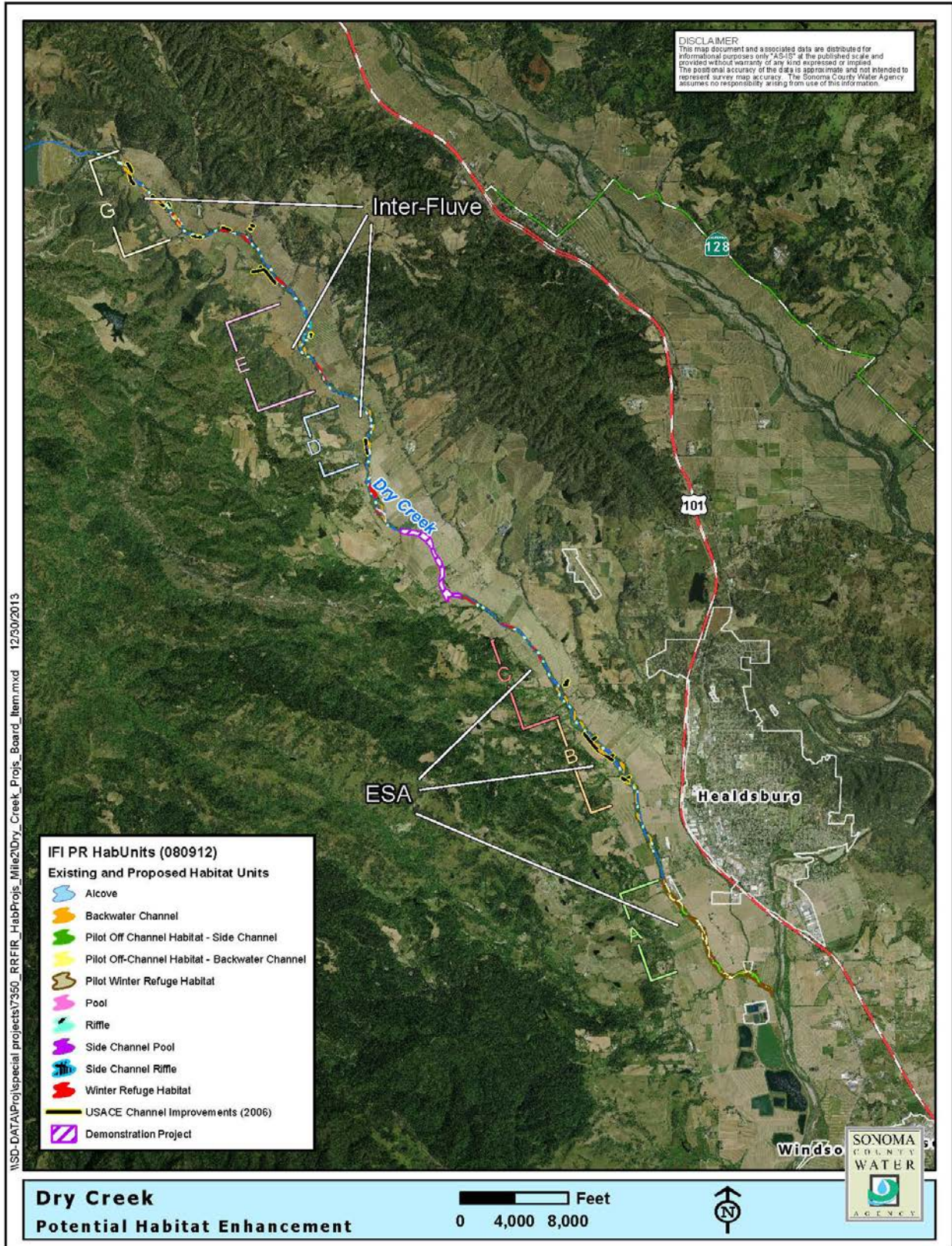
TABLE 1: CM4 ESTIMATED FEE		Estimated Hours					Estimated Labor
		<i>Title</i>	Senior Director	Senior Associate III	Senior Associate II	Associate III	
Task #	Task Name/Description						
4.4.b	Detailed Hydraulic, Geomorphic, and Engineering Analysis, 2-D Modeling						\$ 37,000
	Additional Hyrdraulic Modeling For HSI and Design Validation	16	48	80	40	184	\$ 26,400
	Updated 2-d Modeling for 99% Design - Sites 4A & 4B		16		24	40	\$ 5,300
	Updated 2-d Modeling for 99% Design - Site 5A		16		24	40	\$ 5,300
4.7	Final Design Stages						\$ 110,100
	Sites 4A & 4B						\$ 61,600
	Field verify USACE Sill Documents		24	4	16	44	\$ 6,100
	90% Design Plans (Convert to USACE Format)	4	8	40		52	\$ 7,600
	90% Design - Sites 4A & 4B DQC PS&E Submittal	8	16	24		48	\$ 7,400
	90% Design Review Meeting	8	8			16	\$ 2,800
	95% Design - backcheck & ATR PS&E Submittal	16	32	24		72	\$ 11,400
	95% Design Review Meeting	8	8			16	\$ 2,800
	99% Design - Sites 4A & 4B BCOE PS&E Submittal	16	32	24		72	\$ 11,400
	99% Design Review Meeting	8	8			16	\$ 2,800
	100% Design - Sites 4A & 4B USACE PS&E Final Submittal	24		32		56	\$ 9,300
	Site 5A						\$ 48,500
	99% Design - Site 5A Design Plans	20	48	80		148	\$ 22,400
	99% Design - Site 5A Specifications & Cost Estimate	18	44			62	\$ 10,200
	100% Design - Site 5A Plans	12	28	36		76	\$ 11,600
	100% Design - Site 5A Specifications & Cost Estimate	8	18			26	\$ 4,300
13	Project Coordination						\$ 27,000
	Project Management	30	140			170	\$ 27,000
10	Assistance During Bidding and Construction (Optional)						\$ 103,000
	Site 4A & 4B Bid Support	16	24			40	\$ 6,800
	Site 4A & 4B Construction Observation	32	192			224	\$ 35,200
	Site 5A Bid Support	24	24			48	\$ 8,400
	Site 5A Construction Observation	32	308			340	\$ 52,600
	Expenses						\$ 10,500
TOTAL ESTIMATED FEE							\$ 287,400
Optional Tasks							\$ 28,740
TOTAL INCLUDING OPTIONAL TASKS							\$ 316,140

TABLE 1: BOAZ PROPERTY ESTIMATED FEE

		Estimated Hours					Estimated Labor
		Senior Director	Senior Associate III	Senior Associate II	Associate II	Total Hours	
	<i>Title</i>	\$ 200	\$ 150	\$ 130	\$ 110		
Task #	Task Name/Description						
1	Pre-project Site Meeting						\$ 3,800
	Site Assessment	4	4	4		12	\$ 1,900
	Confirm Objectives, Opportunities and Constraints	2	2			4	\$ 700
	A3Geo (with 10% ESA markup)						\$ 1,200
2	Topographic Survey						\$ 24,460
	Base Map: topography, channel bathymetry, structures, utilities, etc	2	12		16	30	\$ 4,000
	DTA (with 10% ESA markup)						20,460
3	Reconnaissance and Drilling Preparation						\$ 9,400
	Reconnaissance and Drilling Preparation	2	4			6	\$ 1,000
	A3Geo (with 10% ESA markup)						\$8,400
4	Onsite Explorations and Laboratory Testing						\$ 23,450
	Onsite Explorations and Laboratory Testing	2	4	8		14	\$ 2,000
	A3Geo (with 10% ESA markup)						\$21,450
5	Stabilization Alternatives						\$ 25,600
	Three (3) Alternatives; Annotated Figure Format with Typical Sections	12	48	40		100	\$ 14,800
	A3Geo (with 10% ESA markup)						\$10,800
6	Hydraulic Modeling						\$ 18,600
	1-d model Analysis of Alternatives	4	16		40	60	\$ 7,600
	2-d model Analysis (80% design)	4	24		60	88	\$ 11,000
7	Geotechnical Analyses and Design Report						\$ 31,150
	Draft Geotechnical & Biotechnical Design Report	8	16	12		36	\$ 5,600
	Final Geotechnical & Biotechnical Design Report	4	8	8		20	\$ 3,000
	A3Geo (with 10% ESA markup)						\$22,550
8	Select Preferred Alternative						\$ 3,800
	Coordination and Review with SCWA	8		8		16	\$ 2,600
	A3Geo (with 10% ESA markup)						\$1,200
9	Final Design						\$ 61,000
	Boaz Property						\$ 31,100
	80% Design Plans (Details)	16	40	80		136	\$ 19,600
	80% Design Review Meeting	8	8			16	\$ 2,800
	99% Design - Integrate with Reach 5A Plan Set	4	18	40		62	\$ 8,700
	Boaz and Site 5A - Combined						\$ 29,900
	99% Design - Site 5A Design Plans	8	24	32		64	\$ 9,400
	99% Design - Site 5A Specifications & Cost Estimate	8	16			24	\$ 4,000
	100% Design - Site 5A Plans	4	8	18		30	\$ 4,300
	100% Design - Site 5A Specifications & Cost Estimate	4	12			16	\$ 2,600
	A3Geo (with 10% ESA markup)						\$9,600
10	Assistance During Bidding and Construction (Supplemental to Reach 5A)						\$ 45,400
	Supplemental Bid and Construction Period Support (Reach 5A)	16	32			48	\$ 8,000
	A3Geo (with 10% ESA markup)						\$37,400
11	Project Coordination						\$ 14,100
	Project Management	18	48			66	\$ 10,800
	A3Geo (with 10% ESA markup)						\$3,300
	Expenses						3,500
	TOTAL ESTIMATED FEE	138	344	250	116	848	\$ 264,260

Exhibit E

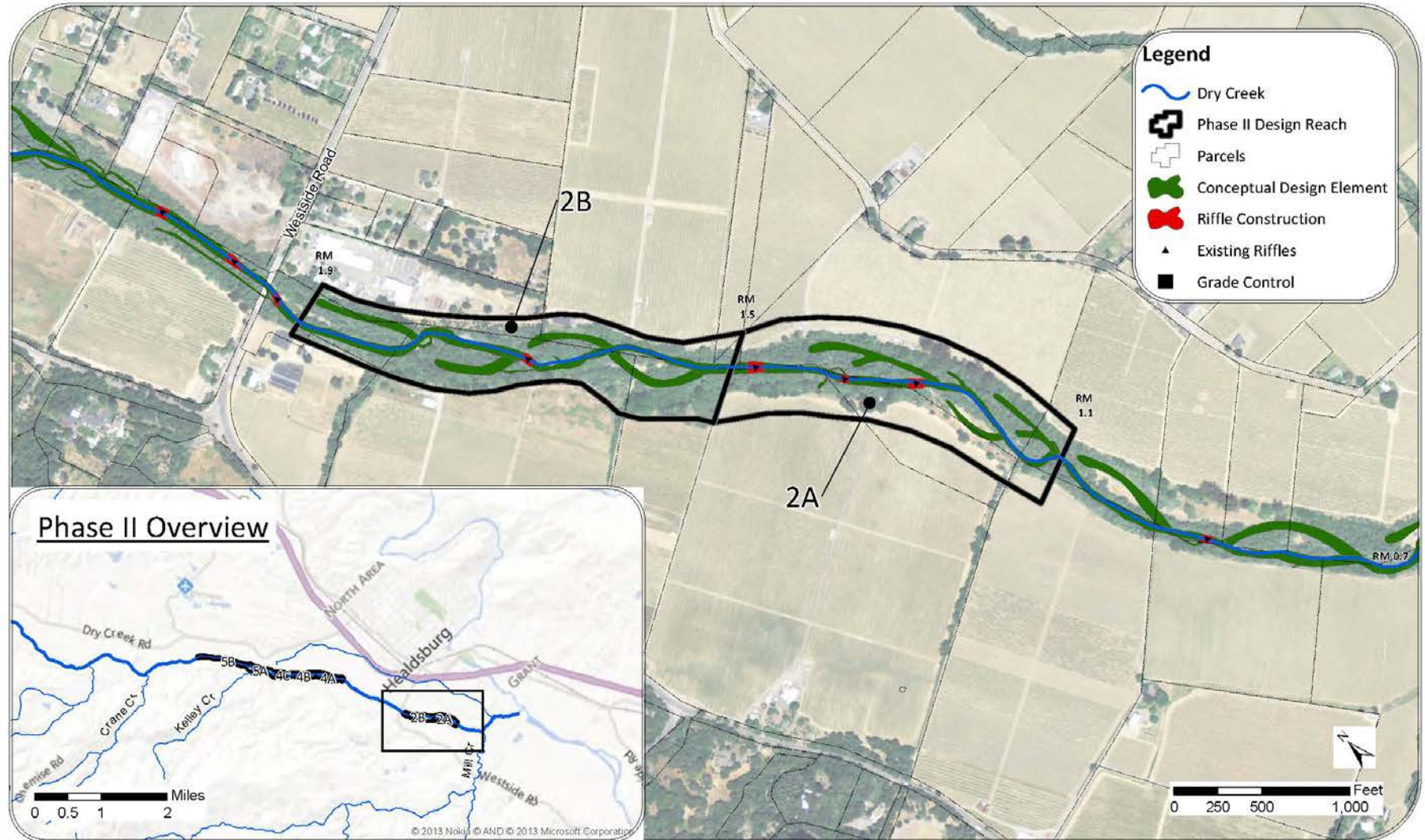
Map



Dry Creek Restoration Phase II

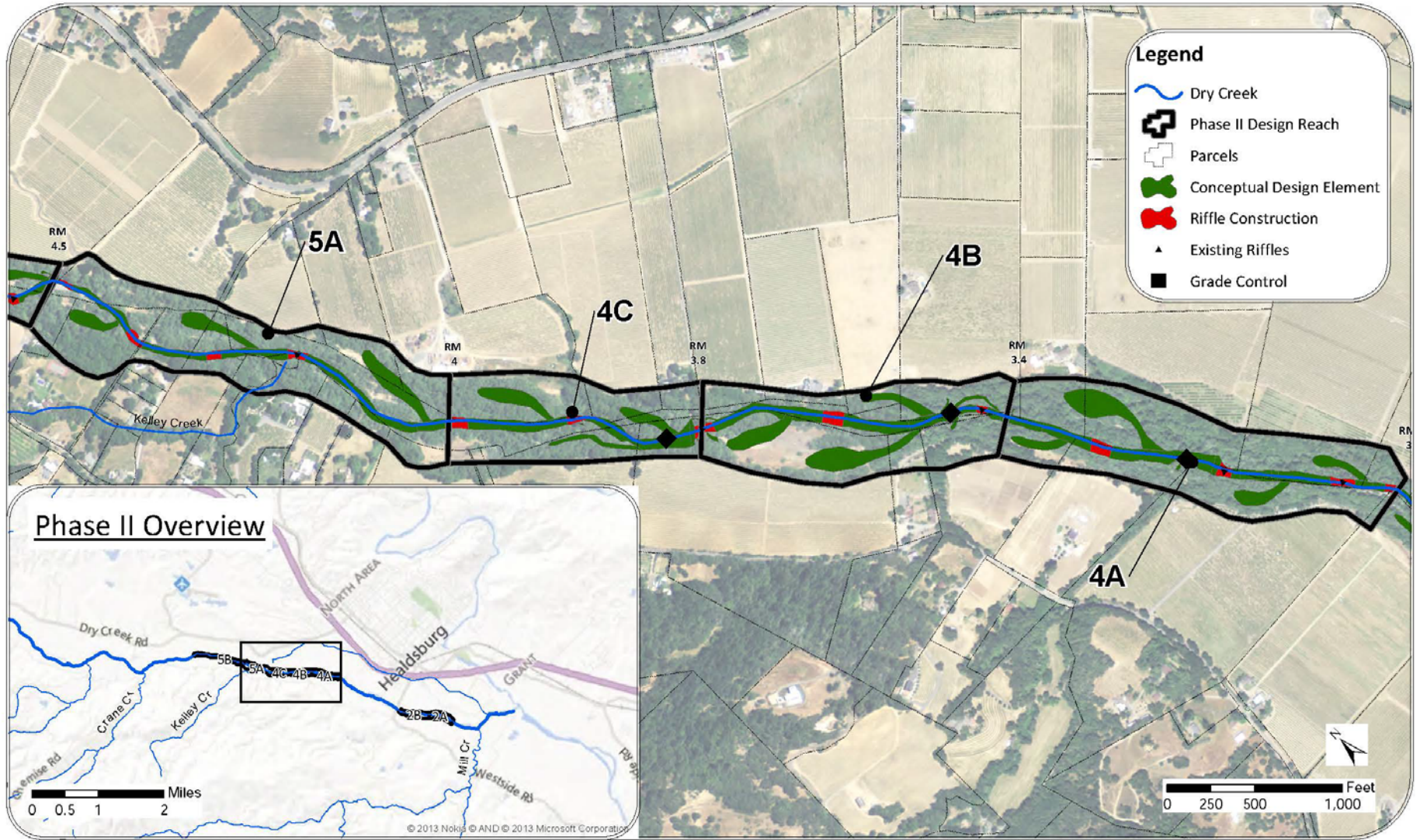
Exhibit E Project Map

Sub-Reach Map 1 of 3



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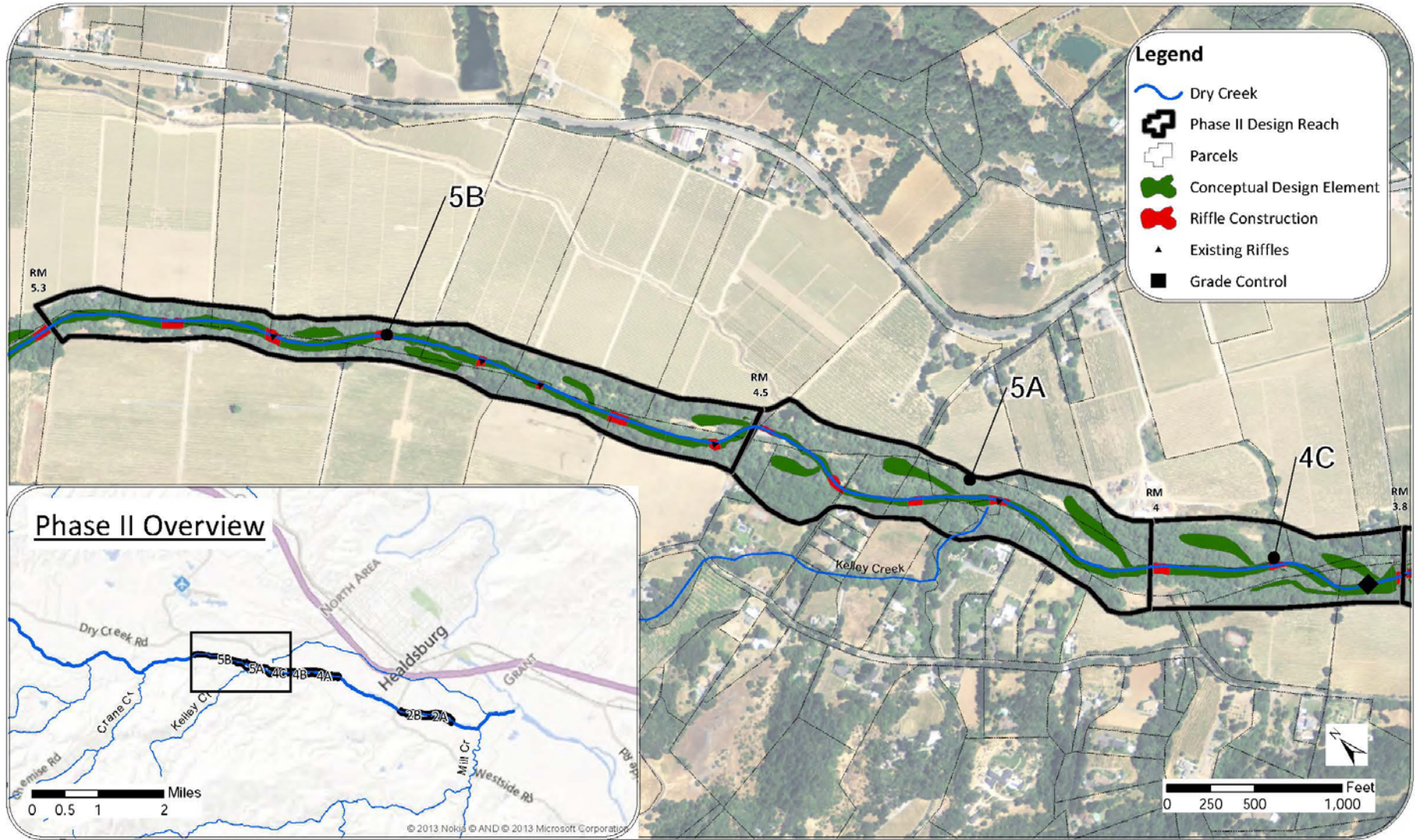
Exhibit E Project Map



Dry Creek Restoration Phase II

Exhibit E
Project Map

Sub-Reach Map 3 of 3



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Exhibit F

Insurance Requirements

With respect to performance of work under this Agreement, Consultant shall maintain and shall require all of its subcontractors, consultants, and other agents to maintain insurance as described below unless such insurance has been expressly waived by the attachment of a *Waiver of Insurance Requirements*. Any requirement for insurance to be maintained after completion of the work shall survive this Agreement.

Water Agency reserves the right to review any and all of the required insurance policies and/or endorsements, but has no obligation to do so. Failure to demand evidence of full compliance with the insurance requirements set forth in this Agreement or failure to identify any insurance deficiency shall not relieve Consultant from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.

1. INSURANCE

1.1. Workers Compensation and Employers Liability Insurance

- a. Required if Consultant has employees.
- b. Workers Compensation insurance with statutory limits as required by the Labor Code of the State of California.
- c. Employers Liability with minimum limits of \$1,000,000 per Accident; \$1,000,000 Disease per employee; \$1,000,000 Disease per policy.
- d. Required Evidence of Insurance: Certificate of Insurance
- e. If Consultant currently has no employees, Consultant agrees to obtain the above-specified Workers Compensation and Employers' Liability insurance should any employees be engaged during the term of this Agreement or any extensions of the term.

1.2. General Liability Insurance

- a. Commercial General Liability Insurance on a standard occurrence form, no less broad than Insurance Services Office form CG 00 01.
- b. Minimum Limits: \$1,000,000 per Occurrence; \$2,000,000 General Aggregate; \$2,000,000 Products/Completed Operations Aggregate. The required limits may be provided by a combination of General Liability Insurance and Commercial Umbrella Liability Insurance. If Consultant maintains higher limits than the specified minimum limits, Water Agency requires and shall be entitled to coverage for the higher limits maintained by Consultant.
- c. Any deductible or self-insured retention shall be shown on the Certificate of Insurance. If the deductible or self-insured retention exceeds \$25,000 it must be approved in advance by Water Agency. Consultant is responsible for

any deductible or self-insured retention and shall fund it upon Water Agency's written request, regardless of whether Consultant has a claim against the insurance or is named as a party in any action involving the Water Agency.

- d. Sonoma County Water Agency, its officers, agents, and employees, shall be additional insured(s) for liability arising out of operations by or on behalf of the Consultant in the performance of this Agreement.
- e. The insurance provided to the additional insureds shall be primary to, and non-contributory with, any insurance or self-insurance program maintained by them.
- f. The policy definition of "insured contract" shall include assumptions of liability arising out of both ongoing operations and the products-completed operations hazard (broad form contractual liability coverage including the "f" definition of insured contract in Insurance Services Office form CG 00 01, or equivalent).
- g. The policy shall cover inter-insured suits between the additional insureds and Consultant and include a "separation of insureds" or "severability" clause which treats each insured separately.
- h. Required Evidence of Insurance:
 - i. Copy of the additional insured endorsement or policy language granting additional insured status, and
 - ii. Certificate of Insurance.

1.3. Automobile Liability Insurance

- a. Minimum Limits: \$1,000,000 combined single limit per accident.
- b. Insurance shall apply to all owned autos. If Consultant currently owns no autos, Consultant agrees to obtain such insurance should any autos be acquired during the term of this Agreement or any extensions of the term.
- c. Insurance shall apply to hired and non-owned autos.
- d. Required Evidence of Insurance: Certificate of Insurance.

1.4. Professional Liability/Errors and Omissions Insurance

- a. Minimum Limit: \$1,000,000 per claim or per occurrence.
- b. Any deductible or self-insured retention shall be shown on the Certificate of Insurance. If the deductible or self-insured retention exceeds \$25,000 it must be approved in advance by Water Agency.
- c. If the insurance is on a Claims-Made basis, the retroactive date shall be no later than the commencement of the work.
- d. Coverage applicable to the work performed under this Agreement shall be continued for two (2) years after completion of the work. Such continuation coverage may be provided by one of the following: (1) renewal of the existing policy; (2) an extended reporting period endorsement; or (3) replacement

insurance with a retroactive date no later than the commencement of the work under this Agreement.

- e. Required Evidence of Insurance: Certificate of Insurance.

1.5. Standards for Insurance Companies

- a. Insurers, other than the California State Compensation Insurance Fund, shall have an A.M. Best's rating of at least A:VII.

1.6. Documentation

- a. The Certificate of Insurance must include the following reference: TW 13/14-005A.
- b. All required Evidence of Insurance shall be submitted prior to the execution of this Agreement. Consultant agrees to maintain current Evidence of Insurance on file with Water Agency for the entire term of this Agreement and any additional periods if specified in Sections 1.1, 1.2, 1.3, or 1.4, above.
- c. The name and address for mailing Additional Insured endorsements and Certificates of Insurance is: Sonoma County Water Agency, its officers, agents, and employees, 404 Aviation Boulevard, Santa Rosa, CA 95403-9019
- d. Required Evidence of Insurance shall be submitted for any renewal or replacement of a policy that already exists, at least ten (10) days before expiration or other termination of the existing policy.
- e. Consultant shall provide immediate written notice if: (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; or (3) the deductible or self-insured retention is increased.
- f. Upon written request, certified copies of required insurance policies must be provided within thirty (30) days.

1.7. Policy Obligations

- a. Consultant's indemnity and other obligations shall not be limited by the foregoing insurance requirements.

1.8. Material Breach

- a. If Consultant fails to maintain insurance which is required pursuant to this Agreement, it shall be deemed a material breach of this Agreement. Water Agency, at its sole option, may terminate this Agreement and obtain damages from Consultant resulting from said breach. Alternatively, Water Agency may purchase the required insurance, and without further notice to Consultant, Water Agency may deduct from sums due to Consultant any premium costs advanced by Water Agency for such insurance. These remedies shall be in addition to any other remedies available to Water Agency.

Attachment C to RFP

Sample Agreement

SONOMA COUNTY WATER AGENCY
STANDARD TERMS AND CONDITIONS

AGREEMENT BETWEEN SONOMA COUNTY WATER AGENCY (“Water Agency”)
AND _____ (“Supplier”)
FOR THE SUPPLY OF LARGE WOODY DEBRIS (LWD) FOR THE DRY CREEK HABITAT ENHANCEMENT
PROJECT

1. Statement of Goods and Services.

1.1 Subject to all terms and conditions provided herein, Supplier agrees to sell, transfer, and convey to Water Agency, and Water Agency agrees to purchase Large Woody Debris (LWD), as defined by the attached specifications, in the quantity and at the price specified in Section 2.1. The price includes all labor, supplies, materials, fuel, equipment, permits, fees, taxes, insurance, and incidental costs and expenditures necessary to secure entitlements, harvest (if necessary), transport, and off-load the quantity agreed to herein. Delivery of goods shall be completed by: _____.

2. Payment Terms.

2.1 Quantity and Price. No changes in price, quantity or merchandise will be recognized by the Water Agency without written notice of acceptance thereof by the General Manager prior to the shipment of goods or installation of the materials or performance of services. No charge will be allowed for packing, boxing, or cartage, except when otherwise specified in this contract. The Water Agency is exempt from the payment of federal excise tax. Therefore federal excise tax shall not be included in the price of the goods.

	LWD Type	Source	Species	Quantity	Price per Unit	Total
A:	30 foot length with root wad attached					
B:	40 foot length with root wad attached					
C:	20 foot length without root wad attached					
D:	30 foot length without root wad attached					
E:	40 foot length without root wad attached					

	LWD Type	Source	Species	Quantity	Price per Unit	Total
F:	20 foot length with root wad attached					
G:	30 foot length with root wad attached					
H:	30 foot length with root wad attached – large diameter (24-32 inch)					

The total cost for all LWD to be provided under this Agreement shall not exceed \$_____.

2.2 Cash Discounts. In connection with any cash discount specified in this contract, time will be computed from the date of completed delivery of the goods or the completion of the performance of services as specified, or from the date that correct invoices are received if the latter date is later than the date of delivery and/or performance. For the purpose of earning the discount, payment shall be deemed to have been made on the date of mailing of the Water Agency warrant or check.

2.3 Invoices. Upon submission of itemized invoices in duplicate, payment shall be made of the prices stipulated herein for goods or materials delivered or services rendered and accepted, less deductions, if any, as herein provided. Payment on partial deliveries or services may be made whenever amounts due so warrant or when requested by the Supplier and approved by the General Manager.

2.4 As used in this contract, the terms “merchandise,” “goods,” or “materials,” shall mean the Product(s) identified in the Specifications.

3. Requirements Concerning Goods.

3.1 Shipment.

3.1.1 Delivery. Supplier shall deliver the goods in accordance with the delivery schedule set forth in this contract. If the time for delivery is stated as a number of days, it shall mean calendar days. Goods will not be accepted if shipped C.O.D. Title to the goods purchased hereunder shall pass to the Water Agency at the F.O.B. point designated on the face hereof, subject to the Water Agency's right to reject the goods.

3.1.2 Inspection. The Water Agency shall have the right to inspect the goods prior to shipment, acceptance, and payment. Notwithstanding anything stated to the contrary herein, if on inspection, the Water Agency determines that the goods do not conform to the contract requirements, the Water Agency shall have the right to reject the materials at the source.

3.1.3 Risk of Loss. The risk of loss of the goods shall not pass to Water Agency until Water Agency actually receives and accepts the goods from Supplier.

3.2 Force Majeure. Supplier shall not be liable for any delay or failure to deliver any or all of the goods if that delay or failure is caused by labor disputes, strikes, war, riots, insurrection, civil commotion, fire, flood, accident, storm or any Act of God. The Water Agency shall not be liable for failure to take delivery of the goods attributable to any of the causes specified in this paragraph if they render it commercially impractical for the Water Agency to receive the goods. When either Supplier or the Water Agency claims an excuse for nonperformance under this paragraph, it must give reasonable notice to the other party.

4. Performance of Services.

4.1 Standard of Care. Supplier shall perform all work hereunder in a manner consistent with the level of competency and standard of care normally observed by a person practicing in Supplier's trade or profession. Supplier hereby warrants that all its work will be performed in accordance with generally accepted and applicable professional practices and standards as well as the requirements of applicable federal, state and local laws, it being understood that acceptance of Supplier's work by Water Agency shall not operate as a waiver or release.

4.2 Assigned Personnel. Supplier shall assign only competent personnel to perform work hereunder. In the event that at any time Water Agency, in its sole discretion, desires the removal of any person or persons assigned by Supplier to perform work hereunder, Supplier shall remove such person or persons immediately upon receiving written notice from Water Agency.

4.3 Completion. Supplier shall perform the services described in this contract within the time or dates set forth herein.

4.4. Insurance. With respect to performance of Work under this contract, Supplier shall maintain and shall require all of its subcontractors, consultants, and other agents to maintain insurance as described below unless such insurance has been expressly waived by the attachment of a *Waiver of Insurance Requirements*. Any requirement for insurance to be maintained after completion of the work shall survive this agreement.

4.4.1. Workers Compensation and Employers Liability Insurance

- a. Required if Supplier has employees.
- b. Workers' Compensation insurance with statutory limits as required by the Labor Code of the State of California.
- c. Employers' Liability with limits of 1,000,000 per Accident; 1,000,000 Disease per employee; 1,000,000 Disease per policy.
- d. Required Evidence of Coverage:
 - i. Certificate of Insurance

If Supplier currently has no employees, Supplier agrees to obtain the above-specified Workers' Compensation and Employers' Liability insurance should any employees be engaged during the term of this Agreement or any extensions of the term.

4.4.2. General Liability Insurance

- a. Commercial General Liability Insurance on a standard occurrence form, no less broad than ISO form CG 00 01.
- b. Minimum Limits: 1,000,000 per Occurrence; 2,000,000 General Aggregate; 2,000,000 Products/Completed Operations Aggregate.
- c. Supplier shall disclose any deductible or self-insured retention in excess of \$25,000 and such deductible or self-insured retention must be approved in advance by Water Agency. Supplier is responsible for any deductible or self-insured retention.

- d. Coverage shall be continued for one (1) year after delivery of product(s).
 - e. Sonoma County Water Agency shall be additional insureds for liability arising out of its distribution of Supplier's products (ISO endorsement CG 20 15 – "Additional Insured/Vendors" – or equivalent). Additional insured status shall continue for (1) year after delivery of product(s).
 - f. The insurance provided to Water Agency, et al. as additional insureds shall apply on a primary and non-contributory basis with respect to any insurance or self-insurance program maintained by them.
 - g. The policy definition of "insured contract" shall include assumptions of liability arising out of both ongoing operations and the products-completed operations hazard (broad form contractual liability coverage including the "f" definition of insured contract in ISO form CG 00 01, or equivalent).
 - h. The policy shall cover inter-insured suits between Water Agency and Supplier and include a "separation of insureds" or "severability" clause which treats each insured separately.
 - i. Required Evidence of Coverage:
 - i. Copy of the additional insured endorsement or policy language granting additional insured status, and
 - ii. Certificate of Insurance.
- 4.4.3. Automobile Liability Insurance
- a. Minimum Limits: \$1,000,000 combined single limit per accident.
 - b. Coverage shall apply to all owned, hired and non-owned vehicles.
 - c. Required Evidence of Coverage:
 - i. Certificate of Insurance.
- 4.4.4. Standards for Insurance Companies
Insurers shall have an A.M. Best's rating of at least A:VII.
- 4.4.5. Documentation
- a. The Certificate of Insurance must include the following reference: TW _____.
 - b. All required Evidence of Coverage shall be submitted prior to the execution of this Agreement. Supplier agrees to maintain current Evidence of Coverage on file with Water Agency for the required period of insurance.
 - c. The name and address for Additional Insured endorsements and Certificates of Insurance is: Sonoma County Water Agency, its officers, agents, and employees, 404 Aviation Boulevard, Santa Rosa, CA 95403-9019.
 - d. Required Evidence of Coverage shall be submitted for any renewal or replacement of a policy that already exists, at least ten (10) days before expiration or other termination of the existing policy.
 - e. Supplier shall provide immediate written notice if: (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; or (3) the deductible or self-insured retention is increased.
 - f. Upon written request, certified copies of required insurance policies must be provided within thirty (30) days.
- 4.4.6. Policy Obligations
Supplier's indemnity and other obligations shall not be limited by the foregoing insurance requirements.

4.4.7. Material Breach

If Supplier fails to maintain insurance coverage which is required pursuant to this Agreement, it shall be deemed a material breach of this Agreement. Water Agency, at its sole option, may terminate this Agreement and obtain damages from Supplier resulting from said breach. Alternatively, Water Agency may purchase the required insurance coverage, and without further notice to Supplier, Water Agency may deduct from sums due to Supplier any premium costs advanced by Water Agency for such insurance. These remedies shall be in addition to any other remedies available to Water Agency.

4.5. Representations and Covenants of Supplier.

4.5.1 Status of Supplier. The parties intend that Supplier, in performing the services specified herein, shall act as an independent contractor and shall control the work and the manner in which it is performed. Supplier is not to be considered an agent or employee of Water Agency and is not entitled to participate in any pension plan, insurance, bonus, or similar benefits Water Agency provides its employees. In the event Water Agency exercises its right to terminate this contract, Supplier expressly agrees that it shall have no recourse or right of appeal under rules, regulations, ordinances, or laws applicable to employees.

4.5.2 Taxes. Supplier agrees to file federal and state tax returns and pay all applicable taxes on amounts paid pursuant to this contract and shall be solely liable and responsible to pay such taxes and other obligations, including, but not limited to, state and federal income and FICA taxes.

4.5.3 Records Maintenance. Supplier shall keep and maintain full and complete documentation and accounting records concerning all services performed that are compensable under this contract and shall make such documents and records available to Water Agency for inspection at any reasonable time. Supplier shall maintain such records for a period of three (3) years following completion of the work hereunder.

4.5.4 Termination. At any time and without cause, the Water Agency shall have the right, in its sole discretion, to terminate this contract by giving five (5) calendar days written notice to Supplier. In the event of such termination, Supplier shall only be entitled to payment for those goods that have been delivered and accepted by the Water Agency or services satisfactorily rendered through the date of termination. The Water Agency's General Manager is authorized to terminate this contract pursuant to this Section.

4.5.5 Title to Goods, Infringement. Supplier warrants that it has good and legal title to the goods and that they are not subject to a security interest, lien, or other encumbrance. The Supplier shall hold the Water Agency, its officers, agents, servants and employees, harmless from liability of any nature or kind because of the unauthorized or illegal procurement of goods furnished or used under this contract, and agrees to defend, at Supplier's sole expense, any and all actions brought against the Water Agency or the Supplier because of the unauthorized or illegal procurement or use of such goods.

4.5.6 Prevailing Wages.

- a. General: Consultant shall pay to any worker on the job for whom prevailing wages have been established an amount equal to or more than the general prevailing rate of per diem wages for (1) work of a similar character in the locality in which the work is performed and (2) legal holiday and overtime work in said locality. The per diem wages shall be an amount equal to or more than the stipulated rates contained in a schedule that has been ascertained and determined by the Director of the State Department of Industrial Relations and Water Agency to be the general

prevailing rate of per diem wages for each craft or type of workman or mechanic needed to execute this Agreement. Consultant shall also cause a copy of this determination of the prevailing rate of per diem wages to be posted at each site work is being performed, in addition to all other job site notices prescribed by regulation. Copies of the prevailing wage rate of per diem wages are on file at Water Agency and will be made available to any person upon request.

- b. Subcontracts: Consultant shall insert in every subcontract or other arrangement which Consultant may make for performance of such work or labor on work provided for in the Agreement, provision that Subcontractor shall pay persons performing labor or rendering service under subcontract or other arrangement not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the work is performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work fixed in the Labor Code. Pursuant to Labor Code section 1775(b)(1), Consultant shall provide to each Subcontractor a copy of sections 1771, 1775, 1776, 1777.5, 1813, and 1815 of the Labor Code.
- c. Compliance Monitoring and Registration: This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. Consultant shall furnish and shall require all subcontractors to furnish the records specified in Labor Code section 1776 (e.g. electronic certified payroll records) directly to the Labor Commissioner in a format prescribed by the Labor Commissioner at least monthly (Labor Code 1771.4 (a)(3)). Consultant and all subcontractors performing work that requires payment of prevailing wages shall be registered and qualified to perform public work pursuant to Labor Code section 1725.5 as a condition to engage in the performance of any services under this Agreement.
- d. Compliance with Law: In addition to the above, Consultant stipulates that it shall comply with all applicable wage and hour laws, including without limitation Labor Code sections 1725.5, 1775, 1776, 1777.5, 1813, and 1815 and California Code of Regulations, Title 8, section 16000, et seq.

4.5.7. Statutory Compliance/Living Wage Ordinance: Consultant agrees to comply, and to ensure compliance by its subconsultants or subcontractors, with all applicable federal, state and local laws, regulations, statutes and policies, including but not limited to the County of Sonoma Living Wage Ordinance, applicable to the services provided under this Agreement as they exist now and as they are changed, amended or modified during the term of this Agreement. Without limiting the generality of the foregoing, Consultant expressly acknowledges and agrees that this Agreement is subject to the provisions of Article XXVI of Chapter 2 of the Sonoma County Code, requiring payment of a living wage to covered employees. Noncompliance during the term of the Agreement will be considered a material breach and may result in termination of the Agreement or pursuit of other legal or administrative remedies.

5. Warranty.

5.1 Warranty For Goods. Supplier warrants to the Water Agency and/or Water Agency customers that any and all goods covered by this contract will be legally procured, conform to the drawings, specifications, samples, description and time provisions furnished by the Water Agency and will be of first-class material and workmanship and free from defect. In the event of a defect, malfunction, or failure of the goods to conform with this warranty, the Water Agency shall have the right to reject the material at the source. The Water Agency shall also have the right to reject material delivered which has not been inspected, marked as meeting the specifications, and tagged as such at the source.

5.2 Warranty for Services. Supplier warrants to Water Agency that any and all materials furnished under this contract will be of good quality, free from faults and defects and in conformance with the contract. Neither final payment nor inspection of Supplier's services shall constitute an acceptance of services not

done in accordance with this contract or relieve Supplier of liability in respect to any express warranties or responsibilities for faulty material or workmanship. Upon request of Water Agency, Supplier shall immediately remedy any defects in the services, materials and/or equipment and pay for any damage resulting there from. The Water Agency shall have the unqualified option to make any needed replacement or repairs itself or to have such replacements or repairs done by the Supplier. In the event the Water Agency elects to have said work performed by the Supplier, the Supplier agrees that the repairs shall be made and such materials as are necessary shall be furnished and installed within a reasonable time after the receipt of demand from the Water Agency; however, in no event shall such period exceed fifteen (15) calendar days. If the Supplier shall fail or refuse to comply with its obligations under this section, the Water Agency shall be entitled to all costs and expenses, including attorney's fees, reasonably incurred by reason of the said failure or refusal.

6. Indemnification.

Supplier agrees to accept all responsibility for loss or damage to any person or entity, and to defend, indemnify, hold harmless, and release Water Agency, its officers, agents, and employees, from and against any and all actions, claims, damages, liabilities, or expenses that may be asserted by any person or entity, including Supplier, arising out of or in connection with the performance of Supplier hereunder, whether or not there is concurrent negligence on the part of Water Agency, but excluding liability due to the sole active negligence or sole willful misconduct of Water Agency. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable to or for Supplier or its agents under workers' compensation acts, disability benefits acts, or other employee benefit acts. In addition, Supplier shall be liable to Water Agency for any loss or damage to Water Agency property arising from or in connection with Supplier's performance hereunder.

7. Remedies.

In the event of a default hereunder by the Supplier, Water Agency may pursue any one or more of the following remedies:

7.1 Water Agency's Right to Cover. In the event any item furnished by the Supplier in the performance of this contract should fail to conform to the specifications therefore, or to the same submitted by the Supplier with its proposal, the Water Agency may reject the same, and require the Supplier to reclaim and remove the same forthwith, without expense to the Water Agency, and immediately to replace all such rejected items with others conforming to such specifications or samples; providing that should the Supplier fail, neglect or refuse so to do the Water Agency shall thereupon have the right to purchase in the open market, in lieu thereof, a corresponding quantity of any such items and to deduct from any moneys due or that may thereafter become due to the Supplier the difference between the prices named in the contract and the actual cost thereof to the Water Agency. In the event the Supplier shall fail to make prompt delivery, as specified of any item, the same conditions as to the rights of the Water Agency to purchase in the open market and to reimbursement set forth above shall apply. Cost of inspection of deliveries which do not meet specifications will be for the account of the Supplier.

7.2. Water Agency's Right to Terminate this Contract. Every tender of goods must fully comply with all provisions of this contract and nothing in this contract shall be construed as restricting or limiting the Water Agency's right to demand exact performance with respect to each and every installment delivery. Water Agency shall have the right to treat any nonconforming installment shipment as a breach of the entire contract and terminate the contract for any such breach. If Water Agency pursues this remedy, Supplier shall not have the right to substitute a conforming tender, whether or not the nonconforming delivery may be seasonably cured.

7.3 Water Agency's Right to Incidental Damages. The Water Agency shall be entitled to recover incidental damages as provided for in the Uniform Commercial Code.

7.4 Remedies Not Exclusive: The rights and remedies of the Water Agency provided hereunder shall not be exclusive and are in addition to any other rights and remedies provided by the law or under this contract.

8. Nondiscrimination.

Supplier shall comply with all applicable federal, state, and local laws, rules, and regulations in regard to nondiscrimination in employment because of race, color, ancestry, national origin, religion, sex, marital status, age, medical condition, pregnancy, disability, or other prohibited basis. In addition, Supplier agrees to comply with the provisions of Article II of Chapter 19 of the Sonoma County Code, prohibiting discrimination in housing, employment and services because of AIDS or HIV infection during the term of this contract and any extensions of the term. All nondiscrimination rules or regulations required by law to be included in this contract are incorporated by this reference.

9. General Provisions.

9.1 Assignment. No right or interest in this contract may be assigned by Supplier without the written permission of the Water Agency, and no delegation of any obligation owed by Supplier may be made without the written permission of the Water Agency. Any attempted assignment or delegation shall be wholly void and totally ineffective for all purposes.

9.2 No Waiver of Breach. The failure of the Water Agency to object to the manner of performance of any of the terms of this contract shall not be considered a waiver of any rights or remedies, past, present, or future. The failure of the Water Agency to object to a nonconforming performance shall not be construed as an acceptance of or acquiescence in the performance. The Water Agency reserves the right to insist upon strict compliance with this contract at all times.

9.3 Applicable Law and Forum. This contract shall be construed and interpreted according to the substantive law of California excluding the law of conflicts. Any action to enforce the terms of this contract or for the breach thereof shall be brought and tried in the County of Sonoma.

9.4 Merger; Modifications. The parties intend this writing to be the final expression of their agreement and it is intended also as a complete and exclusive statement of the terms of their agreement. No course of prior dealings between the parties and no usage of the trade shall be relevant to supplement or explain any term used in this contract. Acceptance or acquiescence in a course of performance rendered under this contract shall not be relevant to determine the meaning of this contract even when the accepting or acquiescing party has knowledge of the nature of the performance and opportunity for objection. No modification of this contract shall be effective unless and until such modification is evidenced by a writing signed by the Supplier and the General Manager. In the event of a conflict between these standard terms and conditions and any additional terms and conditions, the provisions of these standard terms and conditions shall prevail over an identified conflicting provision of these standard terms and conditions.

9.5 Construction. To the fullest extent allowed by law, the provisions of this contract shall be construed and given effect in a manner that avoids any violation of statute, ordinance, regulation, or law. The parties covenant and agree that in the event that any provision of this contract is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

9.6 Term. This contract shall remain in effect until terminated by the Water Agency or for 2 years after the date of its execution, whichever is earlier.

Reviewed as to funds:

By: _____
Water Agency Division Manager -
Administrative Services

Reviewed as to form:

By: _____
[Name], Deputy County Counsel

[name of Supplier]

By: _____
[name of person authorized to sign]

Title: _____

Date: _____

Insurance Documentation is on file with Water Agency

(Date)

Sonoma County Water Agency

By: _____
Grant Davis
Water Agency General Manager
Authorized per Water Agency's Board of
Directors' Action on _____

Date: _____



County of Sonoma Agenda Item Summary Report

Clerk of the Board
575 Administration Drive
Santa Rosa, CA 95403

Agenda Item Number: 2
(This Section for use by Clerk of the Board Only.)

To: Board of Directors, Sonoma County Water Agency

Board Agenda Date: April 11, 2017

Vote Requirement: Majority

Department or Agency Name(s): Sonoma County Water Agency

Staff Name and Phone Number:

Joan Hultberg/ 547-1902

Supervisorial District(s):

Title: Tree Planting, Inventory, and Urban Forestry Management Plan

Recommended Actions:

Adopt a Resolution approving the filing of a grant application to the California Department of Forestry and Fire Protection (Cal Fire) for the Urban and Community Forestry Grant Program as provided through the State Greenhouse Gas Reduction Fund in the estimated amount of \$572,000 and taking related actions. If the grant is awarded, the resulting project will improve urban forest health, water quality, wildlife habitat, and quality of life for adjacent communities, and reduce sedimentation and stream temperatures.

Executive Summary:

In December 2016, the Sonoma County Water Agency (Water Agency) submitted a concept proposal to the California Department of Forestry and Fire Protection (Cal Fire) for the Urban and Community Forestry California Climate Initiatives Grant Program, and subsequently has been invited to submit a full proposal to the program. The Water Agency's concept proposal included planting trees along two miles of Roseland Creek to provide greenhouse gas and community benefits (see Attachment 1), conducting a LIDAR-based tree inventory within the Water Agency's stream channels, and developing a 40-year Urban Forest Management Plan for all engineered channels, such as urban streams and creeks, within the Water Agency's jurisdiction.

A resolution from the Water Agency's Board of Directors (Board) authorizing the Water Agency to submit the full application is required as part of the grant application. This agenda item presents a resolution for the Board's consideration to authorize the Water Agency's General Manager to file a grant application in the amount of approximately \$572,000 (\$375,000 in grant funds and \$197,000 in Water Agency match funds); and if awarded, execute the grant agreement as approved by County Counsel, and take other related actions.

Before preparing the concept proposal, Water Agency staff reached out to community groups in the Roseland area, as well as municipalities where the Water Agency's stream channels are located. These

entities were enthusiastic about the grant program and potential projects. See Discussion below for a list of supporters.

Discussion:

The Urban & Community Forestry Program works to optimize the benefits of trees and related vegetation through multiple-objective projects as specified in the California Urban Forestry Act of 1978 (Public Resources Code 4799.06-4799.12). These projects further the goals of the California Global Warming Solutions Act of 2006, result in a net greenhouse gas benefit, and provide environmental services and cost-effective solutions to the needs of urban communities and local agencies. The Water Agency's proposed project contains three actions that have been carefully designed for alignment with the Cal Fire program requirements and desirable attributes.

The first action is to conduct tree plantings along two miles of Roseland Creek, in a designated urban area that is economically disadvantaged. Tree planting objectives related to the adjacent urban community are to create educational opportunities through partnering with two area schools (Roseland Creek Elementary School and Sheppard Accelerated Elementary School), jobs and job training opportunities for disadvantaged youth through partnering with Conservation Corps North Bay, community awareness through outreach, and enhanced active transportation routes, quality of life, and property values for the 850 parcels adjacent to the proposed trees. The environmental objectives of the tree planting are to improve urban forest health, water quality, wildlife habitat, and reduce sedimentation and stream temperatures.

The second action is to perform a tree inventory, with the objective of achieving Cal Fire's Tree Inventory specifications. The purpose of our tree inventory will differ from a municipality because the trees under our jurisdiction are associated with urban floodway easements, grow under more natural conditions, and the magnitude of our forest resources is vast with 82 miles of engineered stream channels. At our most conservative estimate there are approximately 50,000 "managed" trees (trees installed and cultivated for flood control and environmental benefit) within the Water Agency's jurisdiction. Throughout most channels the actual number of trees greatly exceeds these estimates, and thus the primary objective of this tree inventory is to quantify and analyze all trees, including "extra" trees. The type of tree inventory data that would be useful to collect and analyze would be derived from remotely collected Light Detection and Ranging (LIDAR) sampling with some direct measurements at ground level to verify the remotely obtained data. The objectives of LIDAR data would include documenting overall tree canopy cover, stem arrangement and density in the channel, height, species, estimated age, condition, and plant community type. The specific objectives of our tree inventory would be designed in partnership with our Cal Fire Regional Urban Forester, and receive their authorization prior to implementation.

The objective of the third action in this project, development of a 40-year Urban Forest Management Plan for all engineered channels under the Water Agency's jurisdiction, is to create a management tool that will support the Water Agency in managing its urban riparian forest resources towards maximum greenhouse gas benefit, while also enhancing urban riparian forest health and adjacent communities. The plan will include management objectives such as a goal to increase tree canopy cover, improved water quality, habitat, environmental benefits, forest health, quality of life for adjacent communities, reduced in-stream sedimentation, and a sustained tree canopy cover over time.

Authorizing Resolution

In order to apply to the Urban and Community Forestry Grant Program as provided through the State Greenhouse Gas Reduction Fund, the funding agency requires a resolution from the Water Agency’s governing board that takes the following actions:

1. Approves the filing of the grant application for “State Greenhouse Gas Reduction Funding” urban forestry grant program funds; and;
2. Certifies that the Water Agency has or will have sufficient funds to operate and maintain the project; and
3. Certifies that funds under the jurisdiction of the Water Agency are available to begin the project; and
4. Certifies that the Water Agency will expend grant funds prior to March 30, 2020; and
5. Appoints the General Manager or his designee as agent of the Board of Directors to conduct all negotiations, execute and submit all documents, including, but not limited to applications, amendments, payment requests, etc., which may be necessary for the completion of the aforementioned project.

A copy of this approved resolution must be submitted to the funding agency no later than April 26, 2017 with the grant application.

Project Partners and Supporters

The following is a list of project partners and supporters who agreed to provide letters of support for the full application: Roseland Creek and Sheppard Accelerated elementary schools; Burbank Avenue and Hughes Avenue Neighborhood Associations; Conservation Corps of the North Bay; Cities of Rohnert Park, Cotati, Petaluma, Santa Rosa; and the Town of Windsor.

Next Steps

If authorized by the Board, Water Agency staff will develop a full grant proposal, which will include a detailed scope of work, schedule, and budget. If the grant is awarded, the Water Agency will return to the Board to present the final project and budget for approval, as well as any related professional services agreements requiring Board approval for execution.

Prior Board Actions:

Strategic Plan Alignment Goal 3: Invest in the Future

County Goal 3: Invest in the Future This project will be proactive in mitigating and adapting to the causes and impacts of climate change to safeguard the environment, human health, and the economy.

Water Agency Flood Control Goals and Strategies, Goal 1: Maintain, operate, and modify flood protection facilities to meet current and future public needs.

Fiscal Summary			
Expenditures	FY 16-17 Adopted	FY 17-18 Projected	FY 18-19 Projected
Budgeted Expenses			
Additional Appropriation Requested			
Total Expenditures			
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources			
Narrative Explanation of Fiscal Impacts:			
This item seeks approval to apply for grant funding. If a grant is awarded, the Water Agency will return to the Board with complete project and budget information.			
Staffing Impacts			
Position Title (Payroll Classification)	Monthly Salary Range (A – I Step)	Additions (Number)	Deletions (Number)
Narrative Explanation of Staffing Impacts (If Required):			
Attachments:			
Resolution Roseland Area Tree Planting Location Map			
Related Items "On File" with the Clerk of the Board:			

Item Number: _____

Resolution No.: _____

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SONOMA COUNTY WATER AGENCY FOR FUNDING FROM THE URBAN AND COMMUNITY FORESTRY GRANT PROGRAM AS PROVIDED THROUGH THE GREENHOUSE GAS REDUCTION FUND.

WHEREAS, the Governor of the State of California in cooperation with the California State Legislature has enacted State of California Greenhouse Gas Reduction Funding, which provides funds to the State of California and its political subdivisions for urban forestry programs; and

WHEREAS, the State Department of Forestry and Fire Protection has been delegated the responsibility for the administration of the program within the State, setting up necessary procedures governing application by local agencies and non-profit organizations under the program, and

WHEREAS, said procedures established by the State Department of Forestry and Fire Protection require the applicant to certify by resolution the approval of application before submission of said application to the State; and

WHEREAS, the applicant will enter into an agreement with the State of California to carry out an urban forestry project;

NOW, THEREFORE, BE IT RESOLVED that the BOARD OF DIRECTORS

1. Approved the filing of an application for "State Greenhouse Gas Reduction Funding" urban forestry grant program funds; and
2. Certifies that said applicant has or will have sufficient funds to operate and maintain the project; and,
3. Certifies that funds under the jurisdiction of the Board of Directors are available to begin the project.
4. Certifies that said applicant will expend grant funds prior to **March 30, 2020**.
5. Appoints the General Manager, or a designee, as agent of the Board of Directors to conduct all negotiations, execute and submit all documents including, but not limited to applications, agreements, amendments, payment requests and so on, which may be necessary for the completion of the aforementioned project.

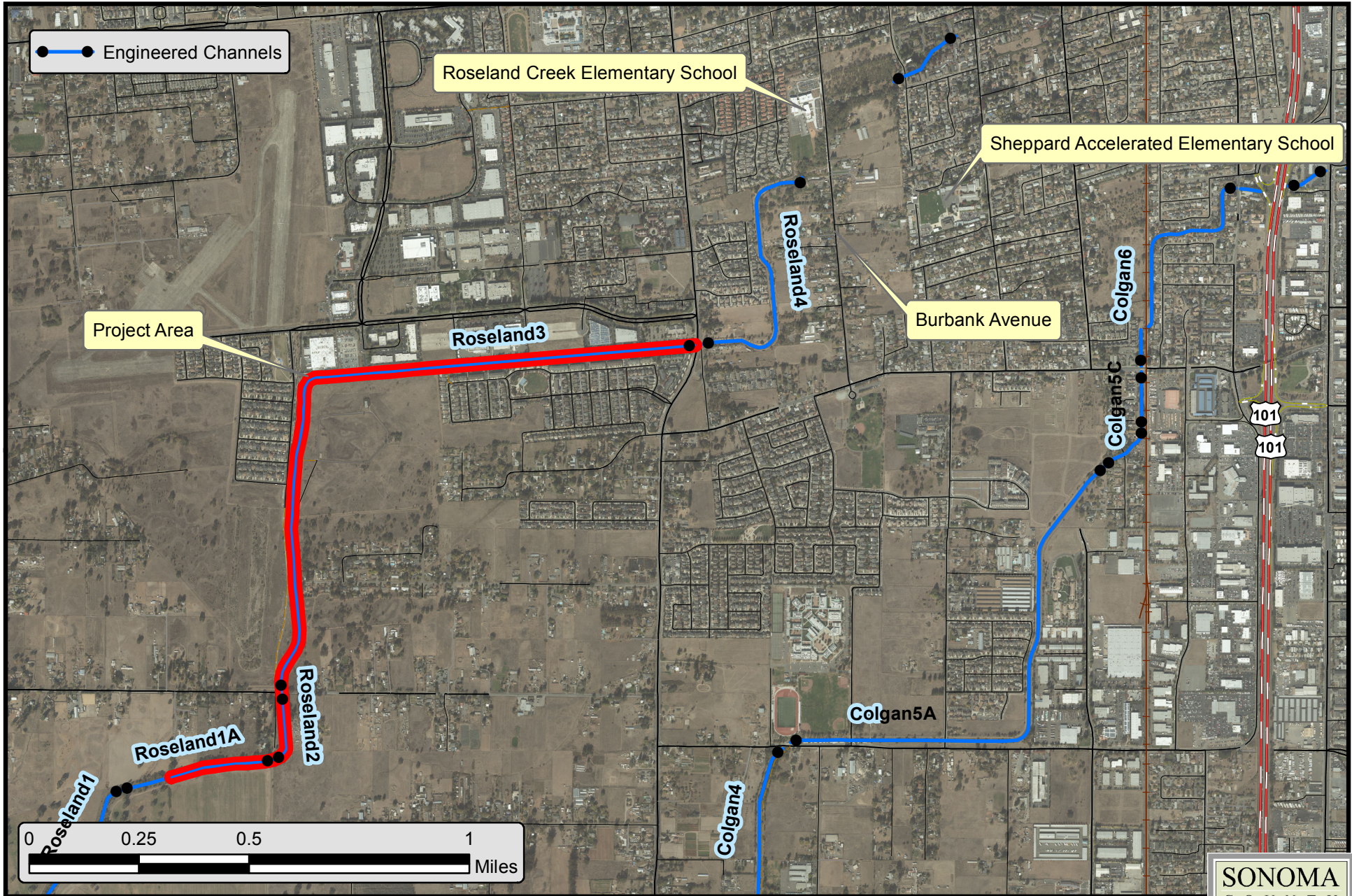
Approved and adopted the _____ day of _____, 20_____. I, the undersigned, hereby certify that the foregoing Resolution, number _____ was duly adopted by the following roll call vote:

Directors:

Gorin: Rabbitt: Gore: Hopkins: Zane:

Ayes: _____ Noes: _____ Absent: _____ _____(Clerk) Notarized Seal:

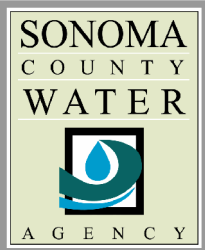
Attachment 1. Location Map



Sonoma County Water Agency Roseland Revegetation Project CalFire - Urban Forestry Management Plan



DISCLAIMER
This map document and associated data are distributed for informational purposes only "AS-IS" at the published scale and provided without warranty of any kind, expressed or implied. The positional accuracy of the data is approximate and not intended to represent survey map accuracy. The Sonoma County Water Agency assumes no responsibility arising from the use of this information.





County of Sonoma Agenda Item Summary Report

Clerk of the Board
575 Administration Drive
Santa Rosa, CA 95403

Agenda Item Number: 3
(This Section for use by Clerk of the Board Only.)

To: Board of Supervisors
The Board Of Directors Of The Sonoma County Water Agency
The Board Of Directors Of The Community Development Commission,
The Board Of Directors Of The Sonoma County Agricultural Preservation And Open Space District

Board Agenda Date: April 11, 2017

Vote Requirement: Majority

Department or Agency Name(s): Auditor-Controller-Treasurer-Tax Collector

Staff Name and Phone Number:

Donna Dunk 565-3295
Cathy Patton 565-2073

Supervisory District(s):

All

Title: Deferred Compensation 401(a) Volume Submitter Plan for Internal Revenue Service Reporting Requirements

Recommended Actions:

Adopt a Concurrent Resolution approving and adopting the amended 401(a) plan, which will allow Nationwide Retirement Services to submit required reporting to the Internal Revenue Service; and authorize the Auditor-Controller-Treasurer-Tax Collector to execute and deliver the plan to Nationwide Retirement Services.

Executive Summary:

This is an amendment and restatement to bring the county's 401(a) Supplemental Deferred Compensation Plan into compliance with certain provisions of the Pension Protection Act of 2006. Specifically the regulatory change providing for the adoption of an IRS pre-approved plan relating to reporting requirements.

Discussion:

As part of the Pension Protection Act of 2006 (Pension Protection Act) the Internal Revenue Service (IRS) established a process whereby the County, as the plan sponsors, may opt to have their plan administrative service provider (in our case, Nationwide Retirement Services, "Nationwide") file required amendments and restatements using Volume Submitter. A Volume Submitter plan allows high volume plan administrators, such as Nationwide, to create a sample plan and submit required IRS documents utilizing this sample plan. This approach is favorable as Volume Submitters have reduced procedural requirements and get expedited treatment from the IRS. The Pension Protection Act requires the sample plan to be filed on behalf of the County's 401(a) plan every 6 years starting in fiscal year 2016.

As per IRS protocol, Nationwide has received a letter from the IRS indicating their Volume Submitter plan for the County is acceptable. Nationwide is prepared to file the Volume Submitter plan on the County's behalf, which requires a Resolution authorizing that change from the Board of Supervisors.

In the event the Board chooses not to adopt this resolution, the County will be responsible for submitting the 401(a) plan to the IRS and working with them to achieve approval of the plan form as Nationwide will not process our amendments and restatements if we do not utilize the volume submitter plan. Plan approval can take several years and would require resources from outside counsel as the IRS requirements are complex and beyond the expertise of County staff.

Prior Board Actions:

- 12-13-16 – Approved New Contract with Nationwide
- 02-21-12 – Plan Document Amendment
- 12-24-10 – Nationwide Contract Amendment
- 05-22-07 – Nationwide Contract Extension
- 05-28-02 – Deferred Compensation Plan Modification (Resolution #02-0568)

Strategic Plan Alignment Goal 3: Invest in the Future

Providing a deferred compensation plan will help employees save additional funds, allowing them to feel more secure in retirement.

Fiscal Summary

Expenditures	FY 16-17 Adopted	FY 17-18 Projected	FY 18-19 Projected
Budgeted Expenses			
Additional Appropriation Requested			
Total Expenditures	None	None	None
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources	None	None	None

Narrative Explanation of Fiscal Impacts:

Staffing Impacts			
Position Title (Payroll Classification)	Monthly Salary Range (A – I Step)	Additions (Number)	Deletions (Number)
None			
Narrative Explanation of Staffing Impacts (If Required):			
None			
Attachments:			
Resolution of the Board of Supervisors			
Related Items "On File" with the Clerk of the Board:			
401(a) Plan Document			



County of Sonoma
State of California

Date: April 11, 2017

Item Number: _____
Resolution Number: _____

4/5 Vote Required

Concurrent Resolution Of The Board Of Supervisors Of The County Of Sonoma, State Of California, The Board Of Directors Of The Sonoma County Water Agency, The Board Of Directors Of The Community Development Commission, And The Board Of Directors Of The Sonoma County Agricultural Preservation And Open Space District, Amending The County Of Sonoma 401(a) Supplemental Deferred Compensation Plan

Whereas, the County of Sonoma, State of California, and each of the above named entities, maintains the County of Sonoma 401(a) Supplemental Deferred Compensation Plan; and

Whereas, The Pension Protection Act of 2006 adopted on August 17, 2006 contains a provision that every 6 years, beginning in fiscal year 2016, that plan sponsors may submit via a plan administrative services provider an amended plan using a Volume Submitter; and

Whereas, Nationwide Retirement Services ("NRS"), as the County's plan administrative services provider, is prepared to file on the County's behalf; and

Whereas, NRS has amended the plan document to include compliance language with respect to the Pension Protection Act of 2006; and

Now, Therefore, Be It Resolved, that the County of Sonoma 401(a) Supplemental Deferred Compensation Plan, in the form presented to this meeting, but with any necessary technical changes made by the Sonoma County Auditor-Controller-Treasurer-Tax Collector, upon the advice of County Counsel, is hereby adopted;

Be It Further Resolved that the Sonoma County Auditor-Controller-Treasurer-Tax Collector is authorized to take any and all actions that are necessary to implement this resolution and the Plan, including, but not limited to, signing necessary documents with NRS.

Resolution #

Date:

Page 2

Supervisors:

Gorin:

Rabbitt:

Gore:

Hopkins:

Zane:

Ayes:

Noes:

Absent:

Abstain:

So Ordered.



County of Sonoma Agenda Item Summary Report

Clerk of the Board
575 Administration Drive
Santa Rosa, CA 95403

Agenda Item Number: 4
(This Section for use by Clerk of the Board Only.)

To: Board of Supervisors

Board Agenda Date: April 11, 2017

Vote Requirement: Majority

Department or Agency Name(s): County Administrator, Fire & Emergency Services

Staff Name and Phone Number:

Peter Bruland / 565-3086
Al Terrell / 565-1152

Supervisorial District(s):

All Districts

Title: Termination of the Proclamations of Local Emergency Due to Winter Storm Damage

Recommended Actions:

Adopt a Resolution to Terminate the Proclamations of Local Emergency due to the Winter Storm "Double Crest" Event, made by the County Administrator/Director of Emergency Services on January 8, 2017, and the Winter Storm "Four Peat" Event, made by the County Administrator/Director of Emergency Services on February 10, 2017.

Executive Summary:

This item requests the Board of Supervisors to terminate the two proclamations of local emergency by the County Administrator/Director of Emergency Services in the Sonoma County Operational Area due to damages arising from a series of continuing winter storms that initially began on Saturday, January 7, 2017, and continuing through the storm starting Thursday, February 2, 2017, which caused power outages; storm damages; mudslides; and creek, stream and river flooding. Cost estimates for eligible damages in the Operational Area for all of these storms are currently estimated at over \$15.2M.

Discussion:

A series of atmospheric river winter storms battered the Sonoma County Operational Area beginning Saturday, January 7, 2017, continuing through Monday, January 23, 2017, beginning again on Thursday, February 2, 2017 and continuing through Friday, February 10, 2017. In response, the Emergency Operations Center (EOC) was activated to assist with managing the impacts of the heavy rains and flooding. The flooding included a total of four crests, with the peak crest reaching 37.8 feet, the highest level observed since 2006.

Sonoma County Code Section 10-5 provides authority for the County Administrator/Director of Emergency Services to issue a proclamation of local emergency if the Board of Supervisors is not in session, subject to ratification by the Board within 7 days. On January 8, 2017, a Proclamation of Existence of a Local Emergency By County Administrator was adopted and then ratified by the Board on January 10, 2017. A supplemental proclamation was issued on January 13, 2017, asking for a Gubernatorial Proclamation for statewide assistance, and an order to waive permit fees to repair damages related to

the Double Crest winter storm. The Board ratified the supplemental proclamation on January 24, 2017. Also on January 24, a Gubernatorial Proclamation of emergency was issued. California Disaster Assistance Act (CDAA) for Public Assistance (PA) has subsequently been awarded as of Governor Brown's request for a Presidential Major Disaster Declaration on February 10, 2017.

On February 14, 2017, President Trump declared a Major Disaster for California offering public assistance federal funding for emergency work and repair/replacement of facilities damaged by the severe winter storms, flooding and mudslides. This declaration, (FEMA-4301-DR-CA) covers the January 7 – 12 2017 storms. Sonoma County is eligible for these cost sharing funds. On March 15, 2017, Cal OES and FEMA conducted an Applicant's Briefing for eligible counties in these chambers. Applications for Requests for Assistance are due to Cal OES by April 11, 2017. Auditor-Controller-Treasurer-Tax Collector (ACTTC), Donna Dunk will be the Primary Contact/Applicant's Agent for the County. ACTTC will compile the documentation and submit reimbursement requests to Cal OES for all County departments. The Sonoma County Water Agency and any cities or Special Districts will be submitting their own applications for assistance.

The County Administrator/Director of Emergency Services issued another Proclamation of Existence of Local Emergency in Sonoma County Operational Area on Friday, February 10, 2017, due to impacts from the FourPeat winter storm beginning February 2, 2017. The Board ratified this proclamation on February 14, 2017. On February 28, 2017, the City of Cloverdale also proclaimed a local emergency due to the damages caused by the winter storms. On March 7, 2017, Governor Brown proclaimed a state emergency for the February winter storms, listing Sonoma County. On March 19, 2017, Governor Brown requested a Presidential Major Disaster Declaration for Public Assistance (PA) to bolster state and local recovery efforts following the February storms. This action included a request to the Small Business Administration (SBA) for low-interest federal disaster loans for businesses, non-profits and residents affected by the disaster, and was approved by SBA Administrator Linda McMahon on March 21, 2017. Sonoma County businesses, non-profits and residents are eligible to apply for these funds. The Governor's request for a Major Disaster Declaration for Public Assistance for the February storms has not yet been issued by the President.

The Department of Transportation and Public Works (TPW) has identified over \$10.8M in road damages to date. Representatives from the California's Office of Emergency Services and the Federal Emergency Management Agency conducted site visits and validated damage assessments from the Sonoma County Operational Area on February 1, 16, and March 7, 2017.

Even though the resolution terminates the proclamations of local emergency, Sonoma County Operational Area partners will continue tracking expenses and perform recovery work associated with all of these statewide winter storms. Waivers to suspend county permitting fees are in place for work initiated by April 30, 2017. Budgetary adjustments associated with any waived permit fees will be included in future quarterly consolidated budget adjustments.

Staff recommends that the Board terminate both of the CAO/Director of Emergency Services proclamations of local emergency, culminating from the January 8, 2017, Double Crest winter storm and the February 10, 2017, FourPeat winter storm events.

Prior Board Actions:

- 03/21/2017: Adopted a Resolution Extending the Proclamations of a Local Emergency
- 02/21/2017: Adopted a Resolution Extending the Proclamations of a Local Emergency

02/14/2017: Adopted a Resolution Ratifying the Proclamation of a Local Emergency
 01/24/2017: Adopted a Resolution Extending the Proclamation of a Local Emergency
 01/10/2017: Adopted a Resolution Ratifying the Proclamation of a Local Emergency

Strategic Plan Alignment Goal 1: Safe, Healthy, and Caring Community

Issuing a proclamation of local emergency helps to ensure the safety of the community by alerting residents to the current emergency and helping to advise that residents heed warnings and notifications.

Fiscal Summary

Expenditures	FY 16-17 Adopted	FY 17-18 Projected	FY 18-19 Projected
Budgeted Expenses			
Additional Appropriation Requested			
Total Expenditures			
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources			

Narrative Explanation of Fiscal Impacts:

None.

Staffing Impacts

Position Title (Payroll Classification)	Monthly Salary Range (A – I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

None.

Attachments:

Attachment A: Resolution Terminating Proclamations of Local Emergency

Related Items "On File" with the Clerk of the Board:

None.



County of Sonoma
State of California

Date: April 11, 2017

Item Number: _____

Resolution Number: _____

Santa Rosa, CA 95403

4/5 Vote Required

Resolution of the Board of Supervisors of the County Of Sonoma, State of California, Terminating The County Administrator/Director of Emergency Services Proclamations Of The Existence Of A Local Emergency In The Sonoma County Operational Area Due To The 2017 Winter Storm Double Crest And Four Peat Events In The County of Sonoma. (All Districts)

Whereas, California Government Code section 8630 and the Sonoma County Code Section 10.5, empower the County Administrator/Director of Emergency Services to proclaim the existence of a local emergency when Sonoma County is affected or likely to be affected by a public calamity, subject to ratification by the Board of Supervisors at the earliest practicable time; and

Whereas, a period of local emergency has existed in the County of Sonoma starting with the 2017 Winter Storm Double Crest Event—which began on January 7, 2017, and necessitated the County Administrator/Director of Emergency Services proclaiming a local emergency on January 8, 2017, and the Board ratifying a local emergency on January 10, 2017; and

Whereas, the proclamation and ratification of a local emergency was followed shortly by a second storm that began on January 18, 2017—which necessitated the Board extending the proclamation of local emergency for 30-days; and

Whereas, starting on February 2, 2017 (the “2017 Four Peat Storm Event”), the County Administrator again found that conditions of extreme peril to the safety of persons and property had arisen within the County caused by a winter storm event, including but not limited to the threat of flooding of the Russian River, hazardous geologic conditions, road closures, highway damage, mudslides, debris deposits, and utility outages caused by the heavy rains which necessitated the issuance of proclamation of a local emergency on February 10, 2017, at 12:00 p.m.; and

Whereas, the extraordinary rainfall throughout the County from the three storm events had resulted in conditions of extreme peril, created hazardous conditions and resulted in damages throughout the County, including but not limited to hazardous geologic conditions, road closures, highway damage, mudslides, debris deposits, and utility outages which were compounded by the cumulative impact of these storm events; and

Whereas, Recovery efforts such as damage estimates and infrastructure repairs continue to be conducted; and

Whereas, the Board of Supervisors finds that the aforesaid conditions of imminent threat are no longer beyond the control of the normal protective services, personnel, equipment and facilities within the Sonoma County Operational Area.

NOW, THEREFORE, IT IS PROCLAIMED AND ORDERED, that the Proclamations of Existence of a Local Emergency, as issued by the County Administrator on January 8, 2017, at 5:30 p.m., and February 10, 2017 at 12:00 p.m. due to the 2017 Winter Storm Double Crest and Four Peat Events, are hereby terminated by the Board of Supervisors; and

BE IT FURTHER RESOLVED that a copy of this termination of the emergency proclamation be forwarded to the State Director of the Office of Emergency Services and all State and Federal legislators representing the County of Sonoma.

Supervisors:

Gorin:	Rabbitt:	Gore:	Hopkins:	Zane:
Ayes:	Noes:	Absent:	Abstain:	

So Ordered.



County of Sonoma Agenda Item Summary Report

Clerk of the Board
575 Administration Drive
Santa Rosa, CA 95403

Agenda Item Number: 5
(This Section for use by Clerk of the Board Only.)

To: Board of Supervisors of Sonoma County

Board Agenda Date: April 11, 2017

Vote Requirement: Majority

Department or Agency Name(s): Department of Health Services

Staff Name and Phone Number:

Barbie Robinson, 565-4777
Michael Kennedy, 565-5157

Supervisorial District(s):

Title: On The Move - VOICES Sonoma

Recommended Actions:

Authorize the Director of Health Services to execute an agreement with On The Move to provide case management services to transitional age youth in need of specialty mental health services for the period April 11, 2017 through June 30, 2018 in an amount not to exceed \$298,234.

Executive Summary:

In July 2016 the Department of Health Services submitted its annual Community Mental Health Services Block Grant application to the federal Substance Abuse and Mental Health Services Administration, which included a funding request for services associated with the treatment of transitional age youth (ages 18-25) who have experienced their first episode of psychosis. In October 2016 the Department received notice that the funding request for these services was approved.

On The Move, a community-based organization located in Napa and Sonoma counties, operates the VOICES program, which serves transitional age youth moving from systems of care, such as the youth mental health and child welfare systems. The proposed agreement with On The Move will fund case management services for the target population. Research suggests that early intervention reduces the likelihood of long-term disability that people with severe mental illness often experience. Case management services are an important component of this treatment for individuals recovering from a first episode of psychosis.

Discussion:

Early intervention strategies for individuals who have experienced a first episode of psychosis are seen as increasingly important because they reduce the likelihood of long-term disability that people with severe mental illness often experience. The goal is to help these individuals lead fulfilling, independent, and productive lives, reduce the crises that may accompany more advanced mental illness, and ultimately reduce the financial burden on public systems. If the episode is left unaddressed, academic and professional careers may be delayed, independence may be hard to achieve, and recovery may

remain elusive. With the implementation of early intervention strategies, mental health concerns can be identified earlier and supportive treatment can be made available. For transitional age youth (young people between the ages of eighteen and twenty-five who are in transition from state custody or foster care and are at-risk), this not only helps keep their lives on track, but makes it possible to maintain supportive relationships while avoiding high risk behaviors like self-injury.

In July 2016 the Department submitted its annual Community Mental Health Services Block Grant application to the federal Substance Abuse and Mental Health Services Administration (SAMHSA). The application included a funding request for services associated with the treatment of transitional age youth who have experienced their first episode of psychosis. In October 2016 the Department received notice that funding of \$216,943 has been awarded to Sonoma County for these services.

On The Move, a community-based organization located in Napa and Sonoma counties, operates the VOICES program, which serves transitional age youth moving from systems of care, such as the youth mental health and child welfare systems. The VOICES program is designed to address the independent living, housing, education, employment, and wellness needs of transitional age youth; combining these services and skills to meet a wide variety of issues identified by and for youth. VOICES Sonoma provides a supportive, safe, and non-judgmental community where transitional age youth from all systems of care can utilize peer-based resources, feel connected, and build a foundation for their futures.

The proposed agreement with On The Move will fund case management services. Case management is an important component of treatment for individuals recovering from a first episode of psychosis. SAMHSA grant funding of \$216,943, along with Mental Health Services Act funding of \$81,291, will be used to fund this agreement with On The Move through June 2018. The Department submitted a single source waiver request for the proposed agreement, which was approved by the County Purchasing Agent on March 15, 2017 based on On The Moves' VOICES program being the only organization in the County with the ability to provide the required services.

Partnering with On The Move allows the Department to leverage the expertise of the VOICES Sonoma program in working with transitional age youth while simultaneously allowing the Department's Behavioral Health Division to provide care coordination for those being served through its transitional age youth (TAY) program. This coordinated approach to serving those individuals accessing services through the County's TAY program will allow the County to provide enhanced services to young adults who primarily have experienced an onset of psychotic symptoms during the past three years.

Within this enhanced model, TAY individuals will be assessed using the Structured Clinical Interview diagnostic exam as a guide for making a diagnosis by a Department care coordinator, as well as the Adult Needs and Strengths Assessment tool for determining strengths, risks, and functional impairments. This information will be used to assist the TAY treatment team in determining treatment and support services. The care coordinator will work with the TAY individual and VOICES Sonoma team to develop goals for client plans and coordinate services. TAY team members will each be responsible for assisting clients in meeting their stated goals within their scope of practice. The VOICES Sonoma project coordinator will be a part of the TAY team and will meet regularly with team members to discuss client plans and monitor progress. VOICES Sonoma case management and youth staff will assist and support clients to implement their plans, and will make available all VOICES Sonoma services and supports. Clients will be re-assessed every six months to monitor progress and determine service and level of care needs.

Prior Board Actions:																			
None																			
Strategic Plan Alignment Goal 1: Safe, Healthy, and Caring Community																			
Providing case management services to transitional age youth in need of specialty mental health services is an effort that supports the health and well-being of the target population in Sonoma County.																			
Fiscal Summary																			
Expenditures	FY 16-17 Adopted	FY 17-18 Projected	FY 18-19 Projected																
Budgeted Expenses	0	238,587																	
Additional Appropriation Requested	59,647																		
Total Expenditures	59,647	238,587	0																
Funding Sources																			
General Fund/WA GF	0																		
State/Federal	59,647	238,587																	
Fees/Other	0																		
Use of Fund Balance	0																		
Contingencies	0																		
Total Sources	59,647	238,587	0																
Narrative Explanation of Fiscal Impacts:																			
Funding sources for this agreement include Substance Abuse and Mental Health Services Administration (SAMHSA) Mental Health Block Grant and Mental Health Services Act (MHSA) as shown in the table below.																			
<table border="1"> <thead> <tr> <th>Funding Source</th> <th>FY 16-17 (\$)</th> <th>FY 17-18 (\$)</th> <th>Total (\$)</th> </tr> </thead> <tbody> <tr> <td>SAMHSA Block Grant</td> <td style="text-align: right;">43,389</td> <td style="text-align: right;">173,554</td> <td style="text-align: right;">216,943</td> </tr> <tr> <td>MHSA</td> <td style="text-align: right;">16,258</td> <td style="text-align: right;">65,033</td> <td style="text-align: right;">81,291</td> </tr> <tr> <td style="text-align: right;">Total (\$)</td> <td style="text-align: right;">59,647</td> <td style="text-align: right;">238,587</td> <td style="text-align: right;">298,234</td> </tr> </tbody> </table>				Funding Source	FY 16-17 (\$)	FY 17-18 (\$)	Total (\$)	SAMHSA Block Grant	43,389	173,554	216,943	MHSA	16,258	65,033	81,291	Total (\$)	59,647	238,587	298,234
Funding Source	FY 16-17 (\$)	FY 17-18 (\$)	Total (\$)																
SAMHSA Block Grant	43,389	173,554	216,943																
MHSA	16,258	65,033	81,291																
Total (\$)	59,647	238,587	298,234																
The SAMHSA Mental Health Block Grant adheres to a Federal Fiscal Year. Any unspent funds appropriated in FY 16-17 will be encumbered in the FY 17-18 budget.																			
Staffing Impacts																			
Position Title (Payroll Classification)	Monthly Salary Range (A – I Step)	Additions (Number)	Deletions (Number)																

Narrative Explanation of Staffing Impacts (If Required):
N/A
Attachments:
Services agreement with On The Move
Related Items "On File" with the Clerk of the Board:
None

COUNTY OF SONOMA
AGREEMENT FOR SERVICES
(Revision G – BH – 2017 Feb 3)

This agreement ("Agreement"), dated as of _____, 20_____, ("Effective Date") is by and between the County of Sonoma, a political subdivision of the State of California (hereinafter "County"), and On The Move, a non-profit corporation (hereinafter "Contractor").

RECITALS

WHEREAS, Contractor represents that it is duly qualified and experienced in providing Sonoma County foster care services to support transition age youth case management and related services; and

WHEREAS, in the judgment of the Board of Supervisors, it is necessary and desirable to use the services of Contractor for said services.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, the parties hereto agree as follows:

AGREEMENT

1. Scope of Services

1.1. Contractor's Specified Services

Contractor shall perform the services described in Exhibit A (Scope of Work), attached hereto and incorporated herein by this reference (hereinafter "Exhibit A"), within the times or by the dates provided for in Exhibit A and pursuant to Article 7 (Prosecution of Work). In the event of a conflict between the body of this Agreement and Exhibit A, the provisions in the body of this Agreement shall control.

1.2. Cooperation With County

Contractor shall cooperate with County and County staff in the performance of all work hereunder.

1.3. Performance Standard

Contractor shall perform all work hereunder in a manner consistent with the level of competency and standard of care normally observed by a person practicing in Contractor's profession. County has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor hereby agrees to provide all services under this Agreement in accordance with generally accepted professional practices and standards of care, as well as the requirements of applicable federal, state, and local laws, it being understood that acceptance of Contractor's work by County shall not operate as a waiver or release. If County determines that any of Contractor's work is not in accordance with such level of competency and standard of care, County, in its sole discretion, shall have the right to do any or all of the following: (a) require Contractor to meet with County to review the quality of the work and resolve matters of concern; (b) require Contractor to repeat the work at no additional charge until it is satisfactory; (c) terminate this Agreement pursuant to the provisions of Article 4 (Termination); or (d) pursue any and all other remedies at law or in equity.

1.4. Assigned Personnel

- a. Contractor shall assign only competent personnel to perform work hereunder. In the event that at any time County, in its sole discretion, desires the removal of any person or persons assigned by Contractor to perform work hereunder, Contractor shall remove such person or persons immediately upon receiving written notice from County.
- b. Any and all persons identified in this Agreement or any exhibit hereto as the project manager, project team, or other professional performing work hereunder are deemed by County to be key personnel whose services were a material inducement to County to enter into this Agreement, and without whose services County would not have entered into this Agreement. Contractor shall not remove, replace, substitute, or otherwise change any key personnel without the prior written consent of County.
- c. In the event that any of Contractor's personnel assigned to perform services under this Agreement become unavailable due to resignation, sickness, or other factors outside of Contractor's control, Contractor shall be responsible for timely provision of adequately qualified replacements.
- d. Contractor warrants that it has not opted out of participation in Medicare and that Contractor is currently enrolled in or eligible to participate in the Medicare program.

1.5. Contract Exhibits

This Agreement includes the following exhibits, which are hereby incorporated by reference as though fully set forth herein:

- Exhibit A. Scope of Work
- Exhibit B. Payment Terms and Conditions
- Exhibit C. Insurance Requirements

2. Payment

For all services and incidental costs required hereunder, Contractor shall be paid in accordance with the following terms:

2.1. Payment for Services

Contractor shall be paid on a time-and-material/expense basis in accordance with the budget set forth in Exhibit B (Payment Terms and Conditions), attached hereto and incorporated herein by this reference (hereinafter "Exhibit B"). Contractor shall submit its bills in arrears on a monthly basis in a form approved by County's Auditor and the Head of County department receiving the services. The bills shall show or include: (i) the task(s) performed, (ii) the time in quarter hours devoted to the task(s), (iii) the hourly rate(s) of the person(s) performing the task(s), and (iv) copies of receipts for reimbursable materials/expenses, if any. Expenses not expressly authorized by the Agreement shall not be reimbursed.

Unless otherwise noted in this Agreement, payments shall be made within the normal course of County business after presentation of an invoice in a form approved by County for

services performed. Payments shall be made only upon the satisfactory completion of the services as determined by County.

2.2. Maximum Payment Obligation

In no event shall County be obligated to pay Contractor more than the total sum of \$298,234 under the terms and conditions of this Agreement.

2.3. California Franchise Tax Withhold

Pursuant to California Revenue and Taxation Code (R&TC) Section 18662, County shall withhold seven percent of the income paid to Contractor for services performed within the State of California under this Agreement for payment and reporting to the California Franchise Tax Board if Contractor does not qualify as: (1) a corporation with its principal place of business in California, (2) an LLC or partnership with a permanent place of business in California, (3) a corporation/LLC or partnership qualified to do business in California by the Secretary of State, or (4) an individual with a permanent residence in the State of California.

If Contractor does not qualify, County requires that a completed and signed California Form 587 be provided by Contractor in order for payments to be made. If Contractor is qualified, then County requires a completed California Form 590. California Forms 587 and 590 remain valid for the duration of the Agreement provided there is no material change in facts. By signing either form, Contractor agrees to promptly notify County of any changes in the facts. Forms should be sent to County pursuant to Article 12 (Method and Place of Giving Notice, Submitting Bills, and Making Payments). To reduce the amount withheld, Contractor has the option to provide County with either a full or partial waiver from the State of California.

2.4. Overpayment

If County overpays Contractor for any reason, Contractor agrees to return the amount of such overpayment to County, or at County's option, permit County to offset the amount of such overpayment against future payments owed to Contractor under this Agreement or any other agreement.

2.5. Disallowance of Payment

In the event that Contractor claims or receives payment from County for a service, reimbursement for which is later disallowed by County, State of California, or the United States Government, then Contractor shall promptly refund the disallowed amount to County upon request, or at its option, County may offset the amount disallowed from any payment due or that becomes due to Contractor under this Agreement or any other agreement.

2.6. Budget Line Amendments

County Department of Health Services Director is authorized to approve and execute a "Budget Revision Form", which revises program funds in the line items set forth in the Program Budget Summary, so long as changes do not result in an increase in County's maximum payment obligation as set forth in Article 2 (Payment) of this Agreement.

2.7. Federal Funding

This Section 2.7 is applicable if all or part of this Agreement will be paid with federal awards.

2.7.1. Required Information

As a pass-through entity, County is required to provide certain information regarding federal award(s) to Contractor as a subrecipient. In signing this Agreement, Contractor acknowledges receipt of the following information regarding federal award(s) that will be used to pay this Agreement:

- a. CFDA Number: 93.958
- b. CFDA Title: Block Grants for Community Mental Health Services
- c. Federal Agency: Department of Health & Human Services Substance Abuse & Mental Health
- d. Award Name: n/a
- e. Federal Award(s) Amount: \$298,234

2.7.2. Title 2 Code of Federal Regulations Part 200

As a subrecipient of federal awards, Contractor is subject to the provisions of Title 2 Code of Federal Regulations Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (hereinafter "2 CFR Part 200"). In signing this Agreement, Contractor acknowledges that it understands and will comply with the provisions of 2 CFR Part 200. One provision of 2 CFR Part 200 requires a subrecipient that expends \$750,000 in federal awards during its fiscal year to have an audit performed in accordance with 2 CFR Part 200. If such an audit is required, Contractor agrees to provide County with a copy of the audit report within 9 months of Contractor's fiscal year-end. Questions regarding 2 CFR Part 200 can be directed to County's Auditor-Controller-Treasurer-Tax Collector's Office – General Accounting Division.

2.7.3. Audits

Contractor agrees that all expenditures of state and federal funds furnished to Contractor pursuant to this Agreement are subject to audit by County, state agencies, and/or federal agencies. Contractor warrants that it shall comply with the audit requirements as set forth in 2 CFR Part 200. County agrees to provide 14-days' notice of intent of County to audit Contractor. Contractors subject to the Single Audit Act of 1984 and Single Audit Act Amendments of 1996 shall annually submit an independent audit conforming to 2 CFR Part 200, which applies to non-profit organizations.

2.7.4. Copy of Audit

Contractor agrees that a copy of audits performed shall be submitted to County no later than 30 days after completion of the audit report, or no later than 9 months after the end of Contractor's fiscal year, whichever comes first. Contractor's agreement(s) with audit firms shall have a clause to permit access by County, state agencies, and/or federal agencies to the working papers of the external independent auditor.

2.7.5. Retention of Audit Report

Contractor agrees that audit reports and work papers shall be retained for a minimum of 7 years from the date of the audit report, unless the auditor is notified in writing by County, a state agency, and/or a federal agency to extend the retention period.

2.7.6. Repayment

Contractor is responsible for the repayment of all audit exceptions and disallowances taken by County, state agencies, and/or federal agencies related to services provided by Contractor under this Agreement. Unallowable costs that have been claimed and reimbursed will be refunded to the program that reimbursed the unallowable costs either by cash refund or by offset to subsequent claims.

3. Term of Agreement

The term of this Agreement shall be from Effective Date to June 30, 2018 unless terminated earlier in accordance with the provisions of Article 4 (Termination).

4. Termination

4.1. Termination Without Cause

Notwithstanding any other provision of this Agreement, at any time and without cause, County shall have the right, in its sole discretion, to terminate this Agreement by giving 5 days' advance written notice to Contractor.

4.2. Termination for Cause

Notwithstanding any other provision of this Agreement, should Contractor fail to perform any of its obligations hereunder within the time and in the manner herein provided or otherwise violate any of the terms of this Agreement, County may immediately terminate this Agreement by giving Contractor written notice of such termination, stating the reason for termination.

4.3. Delivery of Work Product and Final Payment Upon Termination

In the event of termination, Contractor, within 14 days following the date of termination, shall deliver to County all materials and work product subject to Section 9.11 (Ownership and Disclosure of Work Product) and all reports, original drawings, graphics, plans, studies, and other data or documents, in whatever form or format, assembled or prepared by Contractor or Contractor's subcontractors, consultants, and other agents in connection with this Agreement, and shall submit to County an invoice showing the services performed, hours worked, and copies of receipts for reimbursable expenses up to the date of termination.

4.4. Payment Upon Termination

Upon termination of this Agreement by County, Contractor shall be entitled to receive, as full payment for all services satisfactorily rendered and reimbursable expenses properly incurred hereunder, an amount which bears the same ratio to the total payment specified in the Agreement as the services satisfactorily rendered hereunder by Contractor bear to the total services otherwise required to be performed for such total payment; provided, however, that if services which have been satisfactorily rendered are to be paid on a per-hour or per-day basis, Contractor shall be entitled to receive as full payment an amount equal to the number of hours or days actually worked prior to the termination times the applicable hourly or daily rate; and further provided, however, that if County terminates the Agreement for cause pursuant to Section 4.2 (Termination for Cause), County shall deduct from such amount the amount of damage, if any, sustained by County by virtue of the breach of the Agreement by Contractor.

4.5. Authority to Terminate

The Board of Supervisors has the authority to terminate this Agreement on behalf of County. In addition, the Purchasing Agent or Department of Health Services' Head, in consultation with County Counsel, shall have the authority to terminate this Agreement on behalf of County.

4.6. Obligations After Termination

The following shall remain in full force and effect after termination of this Agreement: (1) Section 2.7 (Federal Funding), (2) Article 5 (Indemnification), (3) Section 9.5 (Records Maintenance), (4) Section 9.5.1 (Right to Audit, Inspect, and Copy Records), (5) Section 9.15 (Confidentiality), and (6) Section 13.5 (Applicable Law and Forum).

4.7. Change in Funding

Contractor understands and agrees that County shall have the right to terminate this Agreement immediately upon written notice to Contractor in the event that (1) any state and/or federal agency and/or other funder(s) reduces, withholds, or terminates funding which County anticipated using to pay Contractor for services provided under this Agreement, or (2) County has exhausted all funds legally available for payments due under this Agreement.

5. Indemnification

Contractor agrees to accept all responsibility for loss or damage to any person or entity, including County, and to indemnify, hold harmless, and release County, its officers, agents, and employees from and against any actions, claims, damages, liabilities, disabilities, or expenses that may be asserted by any person or entity, including Contractor, that arise out of, pertain to, or relate to Contractor's or its agents', employees', contractors', subcontractors', or invitees' performance or obligations under this Agreement. Contractor agrees to provide a complete defense for any claim or action brought against County based upon a claim relating to such Contractor's or its agents', employees', contractors', subcontractors', or invitees' performance or obligations under this Agreement. Contractor's obligations under this Article apply whether or not there is concurrent or contributory negligence on County's part, but to the extent required by law, excluding liability due to County's conduct. County shall have the right to select its legal counsel at Contractor's expense, subject to Contractor's approval, which shall not be unreasonably withheld. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable to or for Contractor or its agents under workers' compensation acts, disability benefits acts, or other employee benefit acts.

6. Insurance

With respect to performance of work under this Agreement, Contractor shall maintain and shall require all of its subcontractors, consultants, and other agents to maintain insurance as described in Exhibit C (Insurance Requirements), which is attached hereto and incorporated herein by this reference (hereinafter "Exhibit C").

7. Prosecution of Work

The execution of this Agreement shall constitute Contractor's authority to proceed immediately with the performance of this Agreement. Performance of the services hereunder shall be completed within the time required herein, provided, however, that if the performance is delayed by earthquake, flood, high water, or other Act of God, or by strike, lockout, or similar labor

disturbances, the time for Contractor's performance of this Agreement shall be extended by a number of days equal to the number of days Contractor has been delayed.

8. Extra or Changed Work

Extra or changed work or other changes to the Agreement may be authorized only by written amendment to this Agreement, signed by both parties. Minor changes, which do not increase the amount paid under the Agreement, and which do not significantly change the scope of work or significantly lengthen time schedules, may be executed by the Department Head in a form approved by County Counsel. The Board of Supervisors or Purchasing Agent must authorize all other extra or changed work. The parties expressly recognize that, pursuant to Sonoma County Code Sections 1-11, County personnel are without authorization to order extra or changed work or waive Agreement requirements. Failure of Contractor to secure such written authorization for extra or changed work shall constitute a waiver of any and all right to adjustment in the Agreement price or Agreement time due to such unauthorized work, and thereafter Contractor shall be entitled to no compensation whatsoever for the performance of such work. Contractor further expressly waives any and all right or remedy by way of restitution and quantum meruit for any and all extra work performed without such express and prior written authorization of County.

9. Representations of Contractor

9.1. Standard of Care

County has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor hereby agrees that all its work will be performed and that its operations shall be conducted in accordance with generally accepted and applicable professional practices and standards as well as the requirements of applicable federal, state, and local laws, it being understood that acceptance of Contractor's work by County shall not operate as a waiver or release.

9.2. Status of Contractor

The parties intend that Contractor, in performing the services specified herein, shall act as an independent contractor and shall control the work and the manner in which it is performed. Contractor is not to be considered an agent or employee of County and is not entitled to participate in any pension plan, workers' compensation plan, insurance, bonus, or similar benefits that County provides its employees. In the event County exercises its right to terminate this Agreement pursuant to Article 4 (Termination), Contractor expressly agrees that it shall have no recourse or right of appeal under rules, regulations, ordinances, or laws applicable to employees.

9.3. No Suspension or Debarment

Contractor warrants that it is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in covered transactions by any federal department or agency. Contractor also warrants that it is not suspended or debarred from receiving federal funds as listed in the List of Parties Excluded from Federal Procurement or Nonprocurement Programs issued by the General Services Administration. If Contractor becomes debarred, Contractor has the obligation to inform County.

9.4. Taxes

Contractor agrees to file federal and state tax returns and pay all applicable taxes on amounts paid pursuant to this Agreement, and shall be solely liable and responsible to pay such taxes and other obligations, including but not limited to state and federal income and FICA taxes. Contractor agrees to indemnify and hold County harmless from any liability which it may incur to the United States or to the State of California as a consequence of Contractor's failure to pay, when due, all such taxes and obligations. In case County is audited for compliance regarding any withholding or other applicable taxes, Contractor agrees to furnish County with proof of payment of taxes on these earnings.

9.5. Records Maintenance

Contractor shall keep and maintain full and complete documentation and accounting records concerning all services provided under this Agreement. Records shall include all medical records, accounting records, and administrative records related to services provided hereunder. Contractor agrees to preserve and maintain such records for a period of at least 7 years following the close of County and state fiscal year in which the services were provided. If an audit has been started, records must be retained until completion and final resolution of any and all issues that might arise. Final settlement shall be made at the end of the audit and appeal process. All accounting records shall be maintained so that they clearly reflect the source of funding for each type of service for which reimbursement is claimed by Contractor. Accounting records include, but are not limited to, all ledgers, books, vouchers, time sheets, payrolls, appointment schedules, client data cards, and schedules for allocating costs.

9.5.1. Right to Audit, Inspect, and Copy Records

Contractor agrees to permit County and any authorized state or federal agency to audit, inspect, and copy all records, notes, and writings of any kind in connection with the services provided by Contractor under this Agreement, to the extent permitted by law, for the purpose of monitoring the quality and quantity of services, monitoring the accessibility and appropriateness of services, and ensuring fiscal accountability. All such audits, inspections, and copying shall occur during normal business hours. Upon request, Contractor shall supply copies of any and all such records to County. Failure to provide the above-noted documents requested by County within the requested time frame indicated may result in County withholding payments due under this Agreement. In those situations required by applicable law(s), Contractor agrees to obtain necessary releases to permit County or governmental or accrediting agencies to access patient medical records.

9.6. Conflict of Interest

Contractor covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, that represents a financial conflict of interest under state law or that would otherwise conflict in any manner or degree with the performance of its services hereunder. Contractor further covenants that in the performance of this Agreement, no person having any such interests shall be employed. In addition, if requested to do so by County, Contractor shall complete and file and shall require any other person doing work under this Agreement to complete and file a "Statement of Economic Interest" with County disclosing Contractor's or such other person's financial interests.

9.7. Statutory Compliance/Living Wage Ordinance

Contractor agrees to comply, and to ensure compliance by its subconsultants or subcontractors, with all applicable federal, state and local laws, regulations, statutes and policies, including but not limited to the County of Sonoma Living Wage Ordinance, applicable to the services provided under this Agreement as they exist now and as they are changed, amended or modified during the term of this Agreement. Without limiting the generality of the foregoing, Contractor expressly acknowledges and agrees that this Agreement is subject to the provisions of Article XXVI of Chapter 2 of the Sonoma County Code, requiring payment of a living wage to covered employees. Noncompliance during the term of the Agreement will be considered a material breach and may result in termination of the Agreement or pursuit of other legal or administrative remedies.

9.8. Nondiscrimination

Without limiting any other provision hereunder, Contractor shall comply with all applicable federal, state, and local laws, rules, and regulations in regard to nondiscrimination in employment because of race, color, ancestry, national origin, religious creed, belief or grooming, sex (including sexual orientation, gender identity, gender expression, transgender, pregnancy, childbirth, medical conditions related to pregnancy, childbirth or breast feeding), marital status, age, medical condition, physical or mental disability, genetic information, military or veteran status, or any other legally protected category or prohibited basis, including without limitation, the County's Non-Discrimination Policy. All nondiscrimination rules or regulations required by law to be included in this Agreement are incorporated herein by this reference.

9.9. AIDS Discrimination

Contractor agrees to comply with the provisions of Chapter 19, Article II, of the Sonoma County Code prohibiting discrimination in housing, employment, and services because of AIDS or HIV infection during the term of this Agreement and any extensions of the term.

9.10. Assignment of Rights

Contractor assigns to County all rights throughout the world in perpetuity in the nature of copyright, trademark, patent, and right to ideas in and to all versions of the plans and specifications, if any, now or later, prepared by Contractor in connection with this Agreement. Contractor agrees to take such actions as are necessary to protect the rights assigned to County in this Agreement, and to refrain from taking any action which would impair those rights. Contractor's responsibilities under this provision include, but are not limited to, placing proper notice of copyright on all versions of the plans and specifications as County may direct, and refraining from disclosing any versions of the plans and specifications to any third party without first obtaining written permission of County. Contractor shall not use or permit another party to use the plans and specifications in connection with this or any other project without first obtaining written permission of County.

9.11. Ownership and Disclosure of Work Product

All reports, original drawings, graphics, plans, studies, and other data or documents ("documents"), in whatever form or format, assembled or prepared by Contractor or Contractor's subcontractors, consultants, and other agents in connection with this Agreement, shall be the property of County. County shall be entitled to immediate possession of such documents upon completion of the work pursuant to this Agreement. Upon expiration or termination of this

Agreement, Contractor shall promptly deliver to County all such documents which have not already been provided to County in such form or format as County deems appropriate. Such documents shall be and will remain the property of County without restriction or limitation. Contractor may retain copies of the above-described documents, but agrees not to disclose or discuss any information gathered, discovered, or generated in any way through this Agreement without the express written permission of County.

9.12. Authority

The undersigned hereby represents and warrants that he or she has authority to execute and deliver this Agreement on behalf of Contractor.

9.13. Sanctioned Employee

Contractor agrees that it shall not employ in any capacity, or retain as a subcontractor in any capacity, any individual or entity that is listed on any list published by the Federal Office of Inspector General regarding the sanctioning, suspension, or exclusion of individuals or entities from the federal Medicare and Medicaid programs. Contractor agrees to monthly review said state and federal lists to confirm the status of current employees, subcontractors, and contractors. In the event Contractor does employ such individual(s) or entity(ies), Contractor agrees to assume full liability for any associated penalties, sanctions, loss, or damage that may be imposed on County by the Medicare or Medicaid programs.

9.14. Compliance with County Policies and Procedures

Contractor agrees to comply with all County policies and procedures as they may relate to services provided hereunder, including, but not limited to, County's policies and procedures, manuals, programs, and processes related to selection, retention, credentialing and re-credentialing providers, utilization management, quality management, compliance, grievances, appeals, and expedited appeals, advanced directives, and administrative manual.

9.15. Confidentiality

Contractor agrees to maintain the confidentiality of all patient medical records and client information in accordance with all applicable state and federal laws and regulations. This Section 9.15 shall survive termination of this Agreement.

9.16. Contractor Notification of Breach or Improper Disclosures

County receives funding for the provision of mental health services in Sonoma County from the State Department of Health Care Services pursuant to California Department of Health Care Services and Sonoma County Mental Health Standard Agreement (hereinafter "State Contract"). The State Contract contains certain requirements pertaining to the privacy and security of personally identifiable information (hereinafter "PII") and/or protected health information (hereinafter "PHI"), and requires that County contractually obligate any of its subcontractors to also comply with these requirements.

9.16.1. The State Contract requires County to notify the state of any breach or improper disclosure of privacy and/or security of personal identifiable information (PII) and/or protected health information (PHI). Contractor shall, immediately upon discovery of a breach or improper disclosure of privacy and/or security of PII and/or

PHI by Contractor, notify County of such breach or improper disclosure by telephone and either email or facsimile.

9.16.2. In the event that the State Contract requires County to pay any costs associated with a breach of privacy and/or security of PII and/or PHI, including but not limited to the costs of notification, Contractor shall pay on County's behalf any and all such costs arising out of a breach of privacy and/or security of PII and/or PHI by Contractor.

9.17. Lobbying

If any federal funds are to be used to pay for any services under this Agreement, Contractor shall fully comply with all certifications and disclosure requirements prescribed by Section 319 of the Public Law 101-121 (31 United States Code Section 1352) and any implementing regulations, and shall ensure that each of its subcontractors receiving funds under this Agreement also fully complies with all such certification and disclosure requirements.

9.18. Subcontractors

Contractor agrees that any employees or agents of Contractor that assist Contractor in the provision of services shall also satisfy the requirements of this Agreement. In this regard, Contractor understands and agrees that all obligations and prohibitions imposed on Contractor pursuant to this Agreement are equally applicable to each and every individual providing services through Contractor under this Agreement, and Contractor shall assure that such individuals agree to comply with such obligations and prohibitions.

9.19. Licensure and Staffing

Contractor warrants that it and all its employees and sub-contractors providing or supervising services under this Agreement have all necessary licenses, permits, and certificates to provide services under this Agreement, as required by applicable state and federal laws, rules, and regulations. Contractor agrees to maintain said licenses, permits, and certificates in good standing for the duration of this Agreement. A copy of each such licenses, permits, and certificates shall be made available upon request, not to exceed three (3) business days after the initial request, for inspection, review, and/or audit by authorized representatives and designees of County, state, and/or federal governments during the term of this Agreement and for the applicable records retention period. Failure to maintain said licenses, permits, and/or certificates in effect for the duration of this Agreement shall be deemed a material breach of this Agreement and constitutes grounds for immediate termination of this Agreement by County. Staff shall only function within the scope of practice as dictated by licensing boards/bodies. At all times during the term of this Agreement, Contractor shall have available and shall provide upon request to authorized representatives of County a list of all persons by name, title, professional degree, and experience who are providing any services under this Agreement.

9.20. Charitable Choice/Faith-Based Organizations

Contractor agrees and acknowledges that County may make funds available for programs or services affiliated with religious organizations under the following conditions: (i) the funds are made available on an equal basis for programs or services affiliated with non-religious organizations; (ii) the program funded does not have the substantial effect of supporting religious activities; (iii) the funding is indirect, remote, or incidental to the religious purpose of the organization.

9.20.1. Contractor agrees and acknowledges that County may not make funds available for programs or services affiliated with a religious organization that (i) has denied or continues to deny access to services on the basis of race, color, religion, ancestry, national origin, sex, citizenship, or known disability; (ii) will use the funds for a religious purpose; (iii) will use the funds for a program or service that subjects its participants to religious education.

9.20.2. Contractor agrees and acknowledges that all recipients of funding from County must (i) comply with all legal requirements and restrictions imposed upon government-funded activities set forth in Article IX, Section 8 and Article XVI, Section 5 of the California Constitution and in the First Amendment to the United States Constitution; and (ii) segregate such funding from all funding used for religious purposes.

9.21. Notification of Sentinel Events

Sentinel events (hereinafter Sentinel Events) must be reported immediately by phone to the Behavioral Health program manager and in writing to the Behavioral Health Services Director, 3322 Chanate Road, Santa Rosa, CA, 95404, within 5 days of occurrence.

A Sentinel Event is an unexpected occurrence that results in or has the potential for death or serious physical and/or psychological injury, including the permanent loss of function.

Any of the following occurrences shall be reported as a Sentinel Event when it results in or has the potential for death or serious physical and/or psychological injury, including the permanent loss of function:

- A. Adverse medication reactions, excluding common side effects
- B. Medication errors
- C. Assault by a client: sexual or physical
- D. Community Care Licensing reportable events
- E. Death of a client (other than suicide or homicide)
- F. Elopements of clients
 - i. from a 24-hour facility who are on Conservatorship or
 - ii. who are otherwise at risk of danger to self or others
- G. Homicides or homicide attempts
- H. Physical or sexual abuse of a client
- I. Seclusion/Restraint resulting in client injury or death
- J. Serious threats of harm to others, including Tarasoff-reportable events
- K. Suicides or suicide attempts
- L. Significant delays in treatment

9.22. MHSA Media Guide

If any State Mental Health Services Act funds are to be used to pay for any services under this Agreement, Contractor shall fully comply with the Media Guide for Sonoma County Behavioral Health Division MHSA Contractors (MHSA Media Guide). A copy of the MHSA

Media Guide is available on the Sonoma County Department of Health Services' Behavioral Health website at <http://www.sonoma-county.org/health/about/behavioralhealth.asp>.

9.23. California Department of Health Care Services Mental Health Plan Contract

To the extent that funds are used to pay Contractor for Medi-Cal services provided under this Agreement, Contractor agrees to comply with all the contractual obligations of the California Department of Health Care Services' (DHCS) Mental Health Plan Agreement with County. A copy of County's Mental Health Plan Agreement is available on the Sonoma County Department of Health Services' website at <http://www.sonoma-county.org/health/about/behavioralhealth.asp>.

10. Demand for Assurance

Each party to this Agreement undertakes the obligation that the other party's expectation of receiving due performance will not be impaired. When reasonable grounds for insecurity arise with respect to the performance of either party, the other party may in writing demand adequate assurance of due performance, and until such assurance is received may, if commercially reasonable, suspend any performance for which the agreed return has not been received. "Commercially reasonable" includes not only the conduct of a party with respect to performance under this Agreement, but also conduct with respect to other agreements with parties to this Agreement or others. After receipt of a justified demand, failure to provide within a reasonable time, but not exceeding 30 days, such assurance of due performance as is adequate under the circumstances of the particular case is a repudiation of this Agreement. Acceptance of any improper delivery, service, or payment does not prejudice the aggrieved party's right to demand adequate assurance of future performance. Nothing in this Article limits County's right to terminate this Agreement pursuant to Article 4 (Termination).

11. Assignment and Delegation

Neither party hereto shall assign, delegate, sublet, or transfer any interest in or duty under this Agreement without the prior written consent of the other party, and no such transfer shall be of any force or effect whatsoever unless and until the other party shall have so consented.

12. Method and Place of Giving Notice, Submitting Bills, and Making Payments

All notices, bills, and payments shall be made in writing and shall be given by personal delivery or by U.S. Mail or courier service. Notices, bills, and payments shall be addressed as follows:

To County:	To Contractor:
Behavioral Health Director Behavioral Health Division Department of Health Services County of Sonoma 3322 Chanate Road Santa Rosa CA 95404	Diana Gordon, CFO 780 Lincoln Ave Napa, CA 94558 510-599-7786 diana@onthemovebayarea.org

When a notice, bill, or payment is given by a generally recognized overnight courier service, the notice, bill, or payment shall be deemed received on the next business day. When a copy of a notice, bill, or payment is sent by facsimile or email, the notice, bill, or payment shall be deemed received upon transmission as long as: (1) the original copy of the notice, bill, or payment is promptly deposited in the U.S. Mail and postmarked on the date of the facsimile or email (for a

payment, on or before the due date); (2) the sender has a written confirmation of the facsimile transmission or email; and (3) the facsimile or email is transmitted before 5 p.m. (recipient's time). In all other instances, notices, bills, and payments shall be effective upon receipt by the recipient. Changes may be made in the names and addresses of the person to whom notices are to be given by giving notice pursuant to this Article 12.

13. Miscellaneous Provisions

13.1. No Waiver of Breach

The waiver by County of any breach of any term or promise contained in this Agreement shall not be deemed to be a waiver of such term or provision or any subsequent breach of the same or any other term or promise contained in this Agreement.

13.2. Construction

To the fullest extent allowed by law, the provisions of this Agreement shall be construed and given effect in a manner that avoids any violation of statute, ordinance, regulation, or law. The parties covenant and agree that in the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby. Contractor and County acknowledge that they have each contributed to the making of this Agreement and that, in the event of a dispute over the interpretation of this Agreement, the language of the Agreement will not be construed against one party in favor of the other party. Contractor and County acknowledge that they have each had an adequate opportunity to consult with counsel in the negotiation and preparation of this Agreement.

13.3. Consent

Wherever in this Agreement the consent or approval of one party is required to an act of the other party, such consent or approval shall not be unreasonably withheld or delayed.

13.4. No Third-Party Beneficiaries

Nothing contained in this Agreement shall be construed to create and the parties do not intend to create any rights in third parties.

13.5. Applicable Law and Forum

This Agreement shall be construed and interpreted according to the substantive law of California, regardless of the law of conflicts to the contrary in any jurisdiction. Any action to enforce the terms of this Agreement or for the breach thereof shall be brought and tried in the City of Santa Rosa or the forum nearest to the City of Santa Rosa in the County of Sonoma.

13.6. Captions

The captions in this Agreement are solely for convenience of reference. They are not a part of this Agreement and shall have no effect on its construction or interpretation.

13.7. Merger

This writing is intended both as the final expression of the Agreement between the parties hereto with respect to the included terms and as a complete and exclusive statement of the terms of the Agreement, pursuant to Code of Civil Procedure Section 1856. Each party acknowledges that, in entering into this Agreement, it has not relied on any representation or undertaking,

whether oral or in writing, other than those which are expressly set forth in this Agreement. No modification of this Agreement shall be effective unless and until such modification is evidenced by a writing signed by both parties.

13.8. Survival of Terms

All express representations, waivers, indemnifications, and limitations of liability included in this Agreement will survive its completion or termination for any reason.

13.9. Time of Essence

Time is and shall be of the essence of this Agreement and every provision hereof.

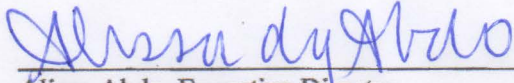
13.10. Counterparts and Electronic Copies

The parties agree that, where applicable, this Agreement may be executed in counterparts, together which when executed by the requisite parties shall be deemed to be a complete original agreement. An electronic copy, including facsimile copy, email, or scanned copy of the executed Agreement or counterpart, shall be deemed, and shall have the same legal force and effect as, an original document.

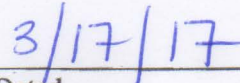
§ The remainder of this page has intentionally been left blank. §

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

CONTRACTOR:



Alissa Abdo, Executive Director
On The Move



Dated

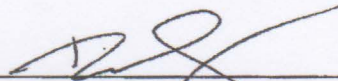
COUNTY OF SONOMA:

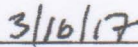
Certificate of Insurance on File with County:

Barbie Robinson, Director
Department of Health Services

Dated

Approved as to Substance:


Division Director or Designee


Dated

Approved as to Form:


Sonoma County Counsel

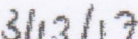

Dated

Exhibit A. Scope of Work

I. Program/Project Overview:

<p>Agency/Organization Name: On The Move</p> <p>Program/Project Name (if applicable): VOICES Sonoma - Sonoma County Services to Support Transition Age Youth</p>	<p>Contact Person Information:</p> <p>Name: Amber Twitchell, Associate Director</p> <p>Address: 714 Mendocino Ave, Santa Rosa CA 95401</p> <p>Phone: 707-570-7769</p> <p>Email: amber@onthemovebayarea.org</p>
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II. Service Description

A. Statement of Purpose

VOICES will help to create/promote a seamless, Transition Age Youth (TAY) youth-friendly service system. VOICES will become a model partner with Sonoma County Behavioral Health Division (SC-BHD) and work to develop shared language and strategies in supporting TAY youth.

The Sonoma County Services to Support Transition Age Youth (SCSSTAY) is a comprehensive program that fully integrates youth engagement, youth leadership, mental health access support and independent living skills through providing core education, career development, health and safety, mentoring, daily living skills, financial resources, and housing information services to youth identified by Sonoma County Behavioral Health as having serious mental disorders. For the purposes of this part, “serious mental disorder” means a mental disorder that is severe in degree and persistent in duration, which may cause behavioral functioning which interferes substantially with the primary activities of daily living, and which may result in an inability to maintain stable adjustment and independent functioning without treatment, support and rehabilitation for a long or indefinite period of time. Serious mental disorders include, but are not limited to, schizophrenia, bipolar disorder, post-traumatic stress disorder, as well as major affective disorder or other severely disabling mental disorders.

SCSSTAY incorporates the services and resources that the County and the Contractor have identified as critical to addressing the engagement needs and independent living needs of youth participating in the Sonoma County Transition Age Youth Program.

The goal of SCSSTAY includes assisting youth in engaging and accessing appropriate mental health recovery programs, and, as applicable, obtaining a high school diploma or GED, stable housing, a source of income, a job and/or college attendance, supportive permanent relationships, and a plan for utilizing available community resources.

SCSSTAY services will be provided throughout the County at designated locations agreed upon by Contractor and County. The primary location for services is:

VOICES Sonoma
714 Mendocino Avenue
Santa Rosa, CA 95401

VOICES' treatment model focuses on empowering each transitional age youth, integrating resources and services, and engaging the entire community to address the barriers that youth face in their recovery. VOICES uses Transitional Age Youth as active leaders in supporting their peers, guiding the evolving vision of program delivery at each site, and advocating to the community at large to listen and respond to youth voice.

In Sonoma County, VOICES has created a lively, welcoming Center where youth engage in leadership opportunities and access a comprehensive service system that supports their education, employment, housing, and wellness needs. VOICES focuses its work on meeting three interconnected goals that build the organization's capacity for implementing evidence-based services and systems reform:

1. Provide comprehensive, youth-led, no-cost services that lead to positive outcomes in the areas of wellness, education, employment and housing.
2. Promote safety and recovery from adversity through the active creation of a trauma-informed community.
3. Identify barriers and implement youth-designed strategies to increase youth's access to needed services.

VOICES organizes its work around six key strategies: systems change; co-located staff; intergenerational learning; community-building; youth leadership and development; and a unique culture. VOICES has developed these successful, youth-led strategies to engage youth in services, maintain their participation and empower youth to create lasting change in their lives. VOICES' strong team of adult and youth staff, and its emphasis on youth leadership are the foundation for the unprecedented positive outcomes the program has affected for participating youth.

B. Program Description

Contractor will have the capacity to serve any clients who are receiving specialty mental health services from the SC-BHD Transitional Age Youth team, up to 40 clients at any given time.

Through the various strategy areas, VOICES will provide peer engagement, core education, career development, health and safety, mentoring, daily living skills, financial resources, housing information and social connection services at VOICES Center and other locations as determined by the needs of the youth.

- a) **Education Resources:** Through VOICES, youth will access one-on-one resources, group events and outings that create a path to educational success.
- b) **Career Development:** VOICES has built strong partnerships with the Work Innovation and Opportunity Act (WIOA) Employment Program. Together with its partners, VOICES will provide an onsite career development program that offers work experience and exploration.
- c) **Health & Safety Skills:** Through extensive training and program development, VOICES has become a model trauma-informed organization. All health and safety skills services are provided through a trauma-lens, which enables more young people to engage fully and make progress towards wellness goals. Services in this area include youth staff facilitated trauma education workshops twice monthly and access to the VOICES Health

Navigators who work with youth to set wellness goals.

- d) **Mentoring:** VOICES supports youth to build connections with supportive adults and peers through workshops, group projects and linkages to one-on-one mentoring opportunities.
- e) **Daily Living Skills:** Through a variety of experiential learning opportunities including workshops and special events, VOICES supports youths' independent living skills and knowledge. Services include youth-led Independent Living Program (ILP) workshops on topics including core values, accessing needed documents, social media, computers, college opportunities, healthy relationships and communication, safe sex, legal rights and responsibilities, financial literacy, nutrition and health, healthy behaviors, employment and career exploration, housing and household management. VOICES will provide Psychiatric Rehabilitation services to youth to address impairments in life functioning, specifically living, learning, working and social.
- f) **Financial Resources:** VOICES provides access to a variety of financial resources, including educational grants, income supports and other public assistance.
- g) **Housing:** VOICES will connect youth to local and appropriate housing options.
- h) **Leadership Development and Training:** VOICES supports youth in building their leadership capacity, teaching them to advocate on behalf of their needs and encouraging them to have a presence in the community.
- i) **Social Connections:** VOICES provides youth an opportunity to connect with their peers in social settings that promote permanent connections.

VOICES agrees to provide services in accordance with the following services strategy:

- **Service Level 1 - Comprehensive Case Management 1:**

TAY youth will receive comprehensive case management to identify, set, and work toward the achievement of a Life Plan. The comprehensive case managers will collaborate directly with the SC-BHD care coordinator to receive direction from the identified goals in the TAY youth's client plan, and to provide updates regarding the TAY youth's progress and participation in services.

Comprehensive case management is the highest level of services provided and is designed to prepare TAY youth with high level of needs by connecting them to core VOICES services and supporting them with peer-driven one-on-one coaching. TAY youth will be matched with staff whose skills best meet the youth's needs and interests. VOICES youth and adult staff, in collaboration with the SC-BHD Care Coordinator, will support youth in identifying permanent connections with supportive adults, work to create one unified goal plan (commonly referred to as the My LIFE Plan), and work in partnership to progress towards education, employment, wellness and housing goals. The assigned staff and TAY youth will work to build the youth's individualized My LIFE team, in conjunction with the SC-BHD Care Coordinator and client plan that addresses necessary mental health support and any other supportive adults identified by the youth. Together, this team will develop a seamless plan and service system to support the youth's progress toward recovery and independent living. The team will be re-convened at intervals determined by the Care Coordinator to re-visit goals, troubleshoot barriers and complete an updated Life Plan.

All youth receiving comprehensive case management services will be encouraged to participate in all youth-led services offered at VOICES, small group activities and workshops in order to practice new skills in safe environments and create a network of peer support.

- **Service Level 2 – Targeted Case Management:**

Targeted case management will be designed to support youth who demonstrate a higher level of independence and already have strong linkages to the community. Targeted Case Management will support youth to meet their individual and specific needs related to mental health needs, high school graduation, obtaining work experience, securing housing placement, accessing transportation, connection to food programs and other public benefit programs and/or attain healthcare services. The targeted case managers will collaborate directly with the SC-BHD care coordinator to receive direction from the identified goals in the TAY youth's client plan, and to provide updates regarding the TAY youth's progress and participation in services.

C. Assessment

TAY Youth will be assessed using the Structured Clinical Interview (SCID) as a guide for making a diagnosis by the SC-BHD Care Coordinator, as well as the Adult Needs and Strengths Assessment (ANSA) for determining strengths, risks, and functional impairments. Additionally, upon intake, the SCSSTAY Case Manager will work in partnership with the youth to complete the Ansell-Casey Life Skills Inventory and the VOICES' Inventory of Developmental Assets. This information will be used to assist the TAY treatment team in determining treatment and support services. Youth will be re-assessed every 6 months to monitor progress and determine service and level of care needs.

D. SCSSTAY Team

The SC-BHD Care Coordinator will work with the TAY youth and VOICES team to develop goals for client plan and coordinate services. TAY Team members will each be responsible for assisting clients in meeting their stated goals within their scope of practice. VOICES Project Coordinator will be a part of the TAY Team and will meet regularly with the Team members to discuss client's plans and monitor client progress. VOICES case management and youth staff will assist and support clients to implement their plans. VOICES staff will make available all VOICES services and supports.

E. Evaluation

VOICES will work with an Evaluation Specialist to develop and implement a formal evaluation of the SCSSTAY Program including establishing an applicable data collection system, examining outcomes and impact and making any recommended changes to the program design.

F. Program Staffing

The SCSSTAY Program is comprised of a team of professionals that work in collaboration to best meet the needs of the TAY youth. The following shows the program staffing provided by Contractor.

Position	Role
Youth Services Director	Ensure quality services are accessible and available to clients
Project Coordinator	Ensure case management functions are performed, documented, and communicated.
Case Management	Perform assertive case management functions in clinic and community settings
Youth Staff (2)	Youth (Peer) engagement and role modeling

G. Target Population

- Adults aged 18-25
- Individuals who have had First Episode Psychosis (FEP), including adults with a serious and persistent mental illness (SPMI), and youth identified as Seriously Emotionally Disturbed (SED), who meet the criteria set forth in Welfare and Institutions Codes section 5600.3, subdivisions (a) and (b). Serious mental disorders include, but are not limited to, schizophrenia, bipolar disorder, post-traumatic stress disorder, borderline personality disorder, and major depressive disorder.
- As a result of the mental disorder, it is determined that without treatment, there is an imminent risk of decompensation to having substantial impairments or symptoms, and the person is likely to become so disabled as to require public assistance, services, or entitlements.
- Individuals who are underserved or unserved **and** one of the following:
 - Homeless or at risk of being homeless
 - Aging out of the child and youth mental health system
 - Aging out of the child welfare systems
 - Aging out of the juvenile justice system
 - Involved in the criminal justice system
 - At risk of involuntary hospitalization or institutionalization
 - Have experienced a first episode of serious mental illness

H. Cultural Responsiveness:

Services provided shall be culturally and linguistically appropriate. Services will be provided in the client's preferred language. Interpretation services will be utilized for those beneficiaries who speak a different language than their provider. Family and friends shall never be used as interpreters. Oral interpretation and sign language services will be made available free of charge to Consumers enrolled in services. This applies to all non-English languages, not just those identified as prevalent. Consumers will be notified that oral/sign language interpretation is available for any language, and written information is available in prevalent languages, and be informed of how to access those services.

VOICES will respond to the unique needs of diverse populations and are also sensitive to the ways in which people with mental health issues experience the world. Cultural competence must be a guiding principle, so that Services are provided in a culturally sensitive manner.

I. Goals

Goal	Outcome	Data Source/ Measurement Tool
Effectively reach and connect with SCSSTAY eligible youth	<ul style="list-style-type: none"> • 100% of TAY youth will report being contacted by VOICES staff • 90% of TAY youth will receive five or more points of service from VOICES staff • 80% of youth will report that they feel increased support from adults and peers 	<ul style="list-style-type: none"> • Record of regular contact with VOICES staff as recorded in Efforts to Outcomes Data Management System
Facilitate engagement with SC-BHD Care Coordinator and increase youth connections with resources to support their mental health needs	<ul style="list-style-type: none"> • 90% of participating youth will improve life domain functioning in the areas of housing, education or employment, and health care 	<ul style="list-style-type: none"> • SC-BHD ANSA scores • client plan goals completed • Ansell-Casey Life Skills Inventory • VOICES' Inventory of Developmental Assets
TAY youth experience gains in inventory of developmental assets and protective factors	<ul style="list-style-type: none"> • 75% of youth will demonstrate an improvement in one or more indicators of healthy behaviors supporting improvement in their mental health 	<ul style="list-style-type: none"> • Ansell-Casey Life Skills Inventory • VOICES' Inventory of Developmental Assets

III. **Report Due Dates and Instructions:**

Is the organization/program required to submit quarterly reports? Yes No

The “Sonoma County Behavioral Health Outcomes Quarterly Report” template is located on the Sonoma County Behavioral Health website under “Contractor Resources” at [http://www.sonoma-county.org/health/about/behavioral health.asp](http://www.sonoma-county.org/health/about/behavioral%20health.asp). Contractors will email their Outcomes Quarterly Report on or before the due dates listed below to BHquarterlyreports@sonoma-county.org. Failure to submit Quarterly Reports by the due dates may result in delay of payment.

Quarter 1: April 1 – September 30	Report Due: October 31
Quarter 2: October 1 – December 31	Report Due: January 31
Quarter 3 January 1 - March 31	Report Due: April 30
Quarter 4 April 1 – June 30	Report Due: July 31

IV. **Sonoma County Contract Contact Persons:**

<p><u>List Contract Liaison:</u> Name: Christina Amarant, LMFT Title: Youth and Family Services Section Manager Phone:707-565-4750 Email: christina.amarant@sonoma-county.org Fax: 707-565-4892</p>	<p><u>List Contract Analyst:</u> Name: Shelly Navine Title: Contracts Analyst Phone:707-565-7831 Email:snavine@sonoma-county.org Fax:707-565-4892</p>
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Exhibit B. Payment Terms and Conditions

1. Rate of Payment. For services provided under this Agreement, Contractor shall be paid their actual costs up to the maximum payment amount set forth in Article 2 of the Agreement. Any proposed increase in the rate payment shall not be binding on County unless a written amendment to this Agreement is executed by both parties.
2. Monthly Invoicing and Payment. Contractor shall submit invoices in a form approved by County no later than sixty (60) days after the last day of the month in which those services were provided. Contractor may submit an invoice for services immediately following the end of the period for which services are provided, but not before. Any invoice submitted prior to the end of the billing period will be returned to Contractor for resubmission. County shall not be obligated to pay Contractor for services which are the subject of any bill submitted more than sixty (60) days after the last day of the month in which those services were provided or more than thirty (30) days after the Agreement terminates, whichever is earlier.

All billing and payment invoices shall be submitted to the following address:

**Sonoma County Behavioral Health
Attn: Accounts Payable
3324 Chanate Rd
Santa Rosa, CA 95404**

Notwithstanding the above, Contractor will make best efforts to submit invoices within ten (10) days of the end of the County fiscal year.

County shall pay Contractor on a monthly basis, in arrears after submission by Contractor of a County approved invoice, which includes a summary of services and charges for the month of service. Payment will be made in a timely manner within the usual course of County business.

3. Maximum Payment for Services. In full consideration of Contractor's satisfactory performance in providing the services described in Exhibit A, the maximum amount that the County shall be obligated to pay Contractor shall not exceed the amount set forth in Article 2 of the Agreement.
4. Year End Accounting. By August 10 following the close of the fiscal year, Contractor will submit a detailed year-end accounting of the actual direct operating expenses and allowable indirect expenses. An acceptable year-end accounting is one that complies with Department of Health Services' guidelines and is deemed complete by the Department of Health Services. If the actual direct operating expenses plus allowable indirect costs are less than the total payments made, then the Contractor will pay the County the difference. If the year-end accounting exceeds what has been paid to Contractor, County will reimburse contractor up to the contract maximum. In no event shall the County be obligated to pay the Contractor in excess of the identified contract maximum.

5. Reporting. Contractor will provide information quarterly regarding the number of clients served, client characteristics, types and numbers of services provided, and any other information required of the County by regulatory agencies, in a form acceptable to the County.

6. Attestation. All invoices submitted by Contractor must include attestation language and be signed by the official responsible for verification and submission of all claims. The current attestation form is available at the following website:

<http://www.sonoma-county.org/health/about/behavioralhealth.asp>

7. Budget

Estimated Costs

	FY 16-17 (\$)	FY 17-18 (\$)	Total (\$)
Personnel Costs:			
Youth Services Director	3,750	15,000	18,750
Project Coordinator	14,000	56,000	70,000
Case Manager	12,750	51,000	63,750
Youth Staff (2)	8,064	32,256	40,320
Sub Total	38,564	154,256	192,820
Benefits (20%)	7,713	30,851	38,564
Total Personnel	46,277	185,107	231,384
Non Personnel Costs			
Rent	1,250	5,000	6,250
Evaluation Consultant	3,750	15,000	18,750
Program Supplies	750	3,000	3,750
Mileage	213	850	1,063
Telephone	360	1,440	1,800
Youth Incentives	1,000	4,000	5,000
Food	625	2,500	3,125
Non Personnel Total	7,948	31,790	39,738
Total Direct Costs	54,224	216,897	271,122
10% Admin	5,422	21,690	27,112
Total	59,647	238,587	298,234

Exhibit C. Insurance Requirements
(Template 5 – Rev 2016 Mar 16)

With respect to performance of work under this Agreement, Contractor shall maintain and shall require all of its subcontractors, consultants, and other agents to maintain insurance as described below unless such insurance has been expressly waived by the attachment of a Waiver of Insurance Requirements. Any requirement for insurance to be maintained after completion of the work shall survive this Agreement.

County reserves the right to review any and all of the required insurance policies and/or endorsements, but has no obligation to do so. Failure to demand evidence of full compliance with the insurance requirements set forth in this Agreement or failure to identify any insurance deficiency shall not relieve Contractor from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.

1. Workers Compensation and Employers Liability Insurance

- a. Required if Contractor has employees as defined by the Labor Code of the State of California.
- b. Workers Compensation insurance with statutory limits as required by the Labor Code of the State of California.
- c. Employers Liability with minimum limits of \$1,000,000 per Accident; \$1,000,000 Disease per employee; \$1,000,000 Disease per policy.
- d. Required Evidence of Insurance: Certificate of Insurance.

If Contractor currently has no employees as defined by the Labor Code of the State of California, Contractor agrees to obtain the above-specified Workers Compensation and Employers Liability insurance should employees be engaged during the term of this Agreement or any extensions of the term.

2. General Liability Insurance

- a. Commercial General Liability Insurance on a standard occurrence form, no less broad than Insurance Services Office (ISO) form CG 00 01.
- b. Minimum Limits: \$1,000,000 per Occurrence; \$2,000,000 General Aggregate; \$2,000,000 Products/Completed Operations Aggregate. The required limits may be provided by a combination of General Liability Insurance and Commercial Excess or Commercial Umbrella Liability Insurance. If Contractor maintains higher limits than the specified minimum limits, County requires and shall be entitled to coverage for the higher limits maintained by Contractor.
- c. Any deductible or self-insured retention shall be shown on the Certificate of Insurance. If the deductible or self-insured retention exceeds \$25,000, it must be approved in advance by County. Contractor is responsible for any deductible or self-insured retention and shall fund it upon County's written request, regardless of whether Contractor has a claim against the insurance or is named as a party in any action involving the County.

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- d. **"County of Sonoma, its Officers, Agents, and Employees"** shall be endorsed as **additional insureds** for liability arising out of operations by or on behalf of the Contractor in the performance of this Agreement.
 - e. The insurance provided to the additional insureds shall be primary to, and non-contributory with, any insurance or self-insurance program maintained by them.
 - f. The policy definition of "insured contract" shall include assumptions of liability arising out of both ongoing operations and the products-completed operations hazard (broad form contractual liability coverage including the "f" definition of insured contract in ISO form CG 00 01, or equivalent).
 - g. The policy shall cover inter-insured suits between the additional insureds and Contractor and include a "separation of insureds" or "severability" clause which treats each insured separately.
 - h. Required Evidence of Insurance:
 - i. Copy of the additional insured endorsement or policy language granting additional insured status; and
 - ii. Certificate of Insurance.
3. Automobile Liability Insurance
- a. Minimum Limit: \$1,000,000 combined single limit per accident. The required limits may be provided by a combination of Automobile Liability Insurance and Commercial Excess or Commercial Umbrella Liability Insurance.
 - b. Insurance shall cover all owned autos. If Contractor currently owns no autos, Contractor agrees to obtain such insurance should any autos be acquired during the term of this Agreement or any extensions of the term.
 - c. Insurance shall cover hired and non-owned autos.
 - d. Required Evidence of Insurance: Certificate of Insurance.
4. Professional Liability/Errors and Omissions Insurance
- a. Minimum Limit: \$1,000,000 per claim or per occurrence; \$1,000,000 annual aggregate.
 - b. Any deductible or self-insured retention shall be shown on the Certificate of Insurance. If the deductible or self-insured retention exceeds \$25,000, it must be approved in advance by County.
 - c. If the insurance is on a Claims-Made basis, the retroactive date shall be no later than the commencement of the work.
 - d. Coverage applicable to the work performed under this Agreement shall be continued for two (2) years after completion of the work. Such continuation coverage may be provided by one of the following: (1) renewal of the existing policy; (2) an extended reporting period endorsement; or (3) replacement insurance with a retroactive date no later than the commencement of the work under this Agreement.
 - e. Required Evidence of Insurance: Certificate of Insurance.
-

5. Standards for Insurance Companies

Insurers, other than the California State Compensation Insurance Fund, shall have an A.M. Best's rating of at least A:VII.

6. Documentation

a. All required Evidence of Insurance shall be submitted prior to the execution of this Agreement. Contractor agrees to maintain current Evidence of Insurance on file with County for the entire term of this Agreement and any additional periods if specified in Sections 1 – 4 above.

b. The name and **address** for Additional Insured endorsements and Certificates of Insurance is:

**County of Sonoma, its Officers, Agents, and Employees
Attn: DHS – Contract & Board Item Development Unit
3313 Chanate Road
Santa Rosa CA 95404**

c. Required Evidence of Insurance shall be submitted for any renewal or replacement of a policy that already exists, at least ten (10) days before expiration or other termination of the existing policy.

d. Contractor shall provide immediate written notice if: (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; or (3) the deductible or self-insured retention is increased.

e. Upon written request, certified copies of required insurance policies must be provided within thirty (30) days.

7. Policy Obligations

Contractor's indemnity and other obligations shall not be limited by the foregoing insurance requirements.

8. Material Breach

If Contractor fails to maintain insurance which is required pursuant to this Agreement, it shall be deemed a material breach of this Agreement. County, at its sole option, may terminate this Agreement and obtain damages from Contractor resulting from said breach. Alternatively, County may purchase the required insurance, and without further notice to Contractor, County may deduct from sums due to Contractor any premium costs advanced by County for such insurance. These remedies shall be in addition to any other remedies available to County.



County of Sonoma Agenda Item Summary Report

Clerk of the Board
575 Administration Drive
Santa Rosa, CA 95403

Agenda Item Number: 6
(This Section for use by Clerk of the Board Only.)

To: Sonoma County Board of Supervisors

Board Agenda Date: April 11, 2017

Vote Requirement: Majority

Department or Agency Name(s): Permit Sonoma

Staff Name and Phone Number:

Traci Tesconi (707) 565-1903

Supervisorial District(s):

Fourth

Title: Land Conservation Act Contracts Replacement; Chalk Ridge Vineyard, LLC; PLP11-0048

Recommended Actions:

Adopt a Resolution to rescind an existing Land Conservation Act contract and authorize the Chair of the Board of Supervisors to execute 12 replacement Land Conservation Act Contracts on parcels ranging in size from 13.71 acres to 59.89 acres in size as a condition of approval for a subdivision (MJS03-0008), located at 385 Pleasant Avenue, Windsor; APN 079-300-001,-002, -003, -004, -005, -006, -007, -008, -009, -010, -011, -012, and -013.

Executive Summary:

This is a request by the property owner to rescind an existing Land Conservation Act contract and replace it with 12 new contracts as required as a condition of approval of an approved major subdivision filed under MJS03-0008. The Board of Supervisors first implemented the Land Conservation Act in 1967. The Board of Supervisors recognizes that the continuation of the County's agricultural preserve program is necessary to preserve a maximum amount of the limited supply of agricultural, open space, scenic, and critical habitat lands within the county, to discourage premature and unnecessary conversion of such lands to urban land uses, to promote vitality in the agricultural economy, and to ensure an adequate, varied, and healthy supply of food and fiber for current and future generations.

The Land Conservation Act allows counties to establish agricultural preserves, and to enter into land conservation contracts for eligible land located within an existing preserve. Under a land conservation contract, land within an agricultural preserve is enforceably restricted to agricultural or open space uses, and uses compatible with agricultural or open space uses, for a minimum term of 10 years, in exchange for reduced property tax assessments.

This action is to replace a single Prime Land Conservation Act contract with 10 Prime contracts and two Open Space contracts to correspond with the parcels' agricultural or open space use on 12 parcels created by a major subdivision (Chalk Ridge Subdivision) totaling 356.33 acres located within Agricultural Preserve 1-519. The subdivision Final Map was recorded in 2015. It has been determined that 10 parcels

meet the qualifications for new Prime (Type I) contracts and two parcels meet the qualifications for new Open Space (Type II) contracts. The 12 contracts have been prepared by the Office of County Counsel.

Discussion:

Background:

The original 356.33 acre parcel was first placed under a Land Conservation Act Contract in 1976, based on prime agricultural use of the land. In 2010, the Board of Supervisors (Resolution No. 10-0675) approved a major subdivision (MJS03-0008) creating 12 new parcels. A Condition of Approval of the subdivision required each of the newly created parcels to be placed on their own Land Conservation Act contract. Under the Uniform Rules for Agricultural Preserves, pursuant to Uniform Rule 9.0 and 10.0, a rescission of the existing contract and simultaneous replacement of that contract with separate new contracts for each qualifying parcel resulting from the subdivision is required. The request for twelve new contracts complies to the subdivision condition of approval.

As part of the Board of Supervisors' December 2011 update of the *Sonoma County Uniform Rules for Agricultural Preserves and Farmland Security Zones* ("Uniform Rules") the Board eliminated the distinction between Prime (Type I) and Non-Prime (Type II) Agricultural Preserves. This allows the County to enter into either a Prime, Non-Prime, or Open Space contracts in any established Preserve. The subject properties are all within an established Agricultural Preserve (1-519).

Sonoma County's Land Conservation Act program has three contract-types available: a) Prime contracts for crop agriculture with a 10 acre minimum parcel size requirement; b) Non-Prime contracts for grazing with a 40 acre minimum; and c) Open Space contracts also with a 40-acre minimum. This action is to replace a single Prime Land Conservation Act contract with 10 Prime contracts and two Open Space contracts to correspond with the parcels' agricultural or open space use.

Project Description, Location, and Zoning:

The applicant seeks approval of 12 replacement Land Conservation Contracts on 12 parcels totaling 356.33 acres, located within Agricultural Preserve 1-519. The request includes 12 parcels created by the Chalk Ridge Subdivision (MJS03-0008) recorded in Book 774, Maps 33-41 on 12-28-2015. It has been determined that 10 parcels meet the qualifications for new Prime (Type I) contracts and two parcels meet the qualifications for new Open Space (Type II) contracts. APN 079-300-012 and -013 are one parcel (Lot 12). One Assessor Parcel Number will be reassigned once the new Open Space contract is recorded for this parcel. The 12 contracts have been prepared by the Office of County Counsel.

The project site is located east of the Town of Windsor. The south side of the property borders along Pleasant Avenue and the east side borders along Chalk Hill Road. The majority of the property is on lowlands with 216 acres planted in vineyards. Approximately 55.7 acres on the northeastern portion of the project site consists of upland oak and conifer woodlands. Access to the property is provided by a private road named Old Crow Lane directly off of Pleasant Avenue. The property also has frontage along Chalk Hill Road (to the east) and has access via a road easement through a neighboring parcel to the north of the project site. Topography of the project site consists of flat and gently-sloping lands on the western two-thirds of the site, and rolling hillsides to the northeast. Elevations vary from 160 feet on the flatter vineyard areas to 480 feet atop knolls on the hillside area. Lot 7 (APN 079-300-007) contains a year-round farmworker unit and an above-ground gasoline tank and agricultural storage buildings. Lot 9

(APN 079-300-009) contains two barns. The remaining lots are undeveloped. Pool Creek runs through the southeast portion of the site, entering from Chalk Hill Road and exiting beneath Pleasant Avenue. A majority of the entire site is planted in vineyard (approximately 230 acres). Lots 1 through 10 were configured in such a way that at least 50% of each parcel contained existing vineyard. Vegetation in the remainder of the project site's hillside areas consists of oak woodlands, with some riparian vegetation in and immediately adjacent to Pool Creek. The parcels are zoned Land Intensive Agriculture (LIA) with a 20 acre density and combined zones of Z (Second Unit Exclusion), F1 (Floodway), F2 (Floodplain), and SR (Scenic Resources).

Also as part of the update of the Uniform Rules, the County has implemented use of a Land Conservation Plan which is attached to and incorporated into a Land Conservation Act Contract. The Land Conservation Plans show locations of various agricultural, open space, permitted, and compatible land uses on contracted land. Future changes to the Land Conservation Plan may be approved by the Director of the Permit and Resource Management Department (PRMD) and recorded on title of the subject parcel.

Replacement Prime Land Conservation Act Contract on land located within an existing Agricultural Preserve:

Lot 1 through Lot 10 meet the qualifications to be placed under Prime (Type 1) contracts. Each parcel meets the minimum 10 acres lot size requirement, meets the minimum gross income requirement of \$1,000.00 per acre requirement, and at least 50% of each parcel contains vineyard. Refer to the table below for lot size and the amount of on-site vineyard acres:

Lot Size	Vineyard Acres
Lot 1: 31.85 acres	29.17 acres
Lot 2: 20.53 acres	17.82 acres
Lot 3: 49.71 acres	43.64 acres
Lot 4: 32.34 acres	25.82 acres
Lot 5: 22.54 acres	19.99 acres
Lot 6: 13.71 acres	12.89 acres
Lot 7: 18.23 acres	9.55 acres
Lot 8: 29.94 acres	27.49 acres
Lot 9: 18.36 acres	12.76 acres
Lot 10: 15.29 acres	13.95 acres

Lot 11 is 43.06 acres and Lot 12 is 59.89 acres, and each parcel meets the required qualifications to be placed under two separate Open Space Land Conservation Act contracts. Both parcels meet the minimum 40- acre lot size requirement. In March 2008, two separate wildlife habitat studies were prepared demonstrating that proposed Lots 11 and 12 meet the qualifications to be considered wildlife habitat. Both lots contain a small vineyard area which is allowed with an Open Space contract. A letter was provided by State Department of Fish and Game recommending both parcels for an Open Space contract (refer to Attachment E).

Staff Recommendation:

Staff recommends the Board of Supervisors approve the request because all of the state and local requirements for 10 Prime Land Conservation Act Contracts and two of the Open Space Land Conservation Act contracts within the existing Agricultural Preserve have been met.

Prior Board Actions:

On September 14, 2010, the Board approved the major subdivision (MJS03-0008) of Chalk Ridge Vineyards, LLC; Resolution No. 10-0675.

Strategic Plan Alignment Goal 2: Economic and Environmental Stewardship

Land Conservation Act Contracts support agriculture and open space by encouraging property owners to preserve agricultural land and open space land through the incentive of reduced property taxes in exchange for retaining the land in agricultural production or maintaining the land as open space.

Fiscal Summary

Expenditures	FY 16-17 Adopted	FY 17-18 Projected	FY 18-19 Projected
Budgeted Expenses			
Additional Appropriation Requested			
Total Expenditures			
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources			

Narrative Explanation of Fiscal Impacts:

According to the Assessor, a rescission and replacement of contract(s) for all 12 parcels would not make a fiscal difference for these parcels. Currently, these parcels are collectively on the assessment roll for approximately \$6,200,000. If there was no contract in place, the Prop. 13 assessment would be approximately \$23,000,000.

Staffing Impacts

Position Title (Payroll Classification)	Monthly Salary Range (A – I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

This project is under At- Cost billing. Staff impacts are not applicable.

Attachments:

Draft Board of Supervisors Resolution

Attachment A: Project Application Form and Proposal Statement, dated 2011 and 2012

Attachment B: Site Plans of the Land Conservation Plans for Lots 1 through 12

Attachment C: Copy of Final Map of the Chalk Ridge Subdivision

Attachment D: Assessor Parcel Map Page

Attachment E: Letters of Recommendation received from the State Department of Fish and Wildlife, dated May 30, 2008

Attachment F: Open Space and Wildlife Habitat Assessments, prepared by Bio Consultants LLC, dated March 2008

Related Items "On File" with the Clerk of the Board:

Land Conservation Act Contracts with attached Exhibit A (legal description) and Exhibit B (Land Conservation Plan with attached Site Plan)



County of Sonoma
State of California

Date: April 11, 2017

Item Number: _____
Resolution Number: _____

4/5 Vote Required

Resolution Of The Board Of Supervisors Of The County Of Sonoma, State Of California, Approving The Request By Chalk Ridge Vineyard, LLC, To Rescind An Existing Prime (Type I) Land Conservation Act Contract And Replace It With Ten Prime (Type I) Land Conservation Act Contracts And Two Open Space (Type II) Land Conservation Act Contracts, As A Condition Of Approval For A Previously Approved Major Subdivision (MJS03-0008); Located At 385 Pleasant Avenue, Windsor; APN 079-300-001,-002, -003, -004, -005, -006, -007, -008, -009, - 010, -011, -012 and -013.

Whereas, a request has been made by the property owner to authorize the Chair of the Board to rescind an existing Prime (Type I) Land Conservation Act Contract and replace it with 10 new Prime (Type I) contracts and two new Open Space (Type II) contracts, for properties located at 385 Pleasant Avenue, Windsor; APN 079-300-001,-002, -003, -004, -005, -006, -007, -008, -009, -010, -011, -012 and -013 ; Supervisorial District No. 4; and

Whereas, in 1976, the subject property was entered into a Prime (Type I) Land Conservation Act contract for a commercial vineyard operation.

Whereas, in 2010, the Board of Supervisors (Resolution No. 10-0675) approved a major subdivision (MJS03-0008) creating 12 new parcels. A Condition of Approval of the subdivision required the newly created parcels be placed under individual Land Conservation Act contracts. Under the Uniform Rules for Agricultural Preserves, pursuant to Uniform Rule 9.0 and 10.0, the rescission of an existing contract and simultaneous replacement of that contract with separate new contracts for each qualifying parcel resulting from the subdivision is permitted. The request for new contracts complies with the subdivision condition of approval.

Whereas, Sonoma County's Land Conservation Act program has four contract-types available: a) Prime contracts for crop agriculture with a 10 acre minimum parcel size requirement; b) Non-Prime contracts for grazing with a 40 acre minimum; c) Open Space contracts with a 40- acre minimum, and d) Hybrid contracts with a mix of agricultural and open space also with a 40-acre minimum. This action is to replace a Prime Land Conservation Act Contract with ten new Prime Land Conservation Act contracts to correspond to the existing vineyard blocks and two new Open Space Land Conservation Act contracts to correspond with the parcels' non-agricultural, open

space uses.

Whereas, as part of the Board of Supervisors' December 2011 update of the Sonoma County Uniform Rules for Agricultural Preserves and Farmland Security Zones ("Uniform Rules") the Board eliminated the distinction between Prime (Type I) and Non-Prime (Type II) Agricultural Preserves. This allows the County to enter into either a Prime, Non-Prime, or Open Space contracts in any established Preserve. The subject properties are all within an established Agricultural Preserve (1-519).

Whereas, Lots 1 through Lot 10 are all over 10 acres in size and to be placed under new Prime (Type I) contracts. Consistent with the qualifications for a Type I Contract, nine parcels will contain existing vineyards, ranging from 65% to 96% of the parcel planted, and one parcel with 55% of the parcel planted. With over 50% of each of the ten parcels' land area being under cultivation, it has been demonstrated that the primary use of these parcels will continue to be agriculture. As noted on the Final Map (Chalk Ridge Subdivision (MJS03-0008) recorded in Book 774, Maps 33-41 on 12-28-2015, building areas for each parcel would be limited to 15% of the total parcel size, or to a maximum of 5 acres, whichever is less.

Whereas, Lot 11 and Lot 12 are over 40 acres in size and to be placed under Open Space Land Conservation Act contracts. Lot 12 consists of two Assessor Parcel Numbers (APN 079-300-012 and -013), but is one legal parcel of record. It has been determined that the two lots meet the open space qualifications. In March 2008, two separate wildlife habitat studies were prepared by a wildlife biologist of Bio-Consultants. The studies explain that while no special status species were observed during the site visits, the site has high potential to support many rare species, such as the golden eagle, American badger, spotted owl, and ring-tailed cat. For Lot 11, thirty common wildlife species were observed, and for Lot 12, thirty-five common wildlife species were observed during the limited field survey. The studies contain enhancement requirements that have been incorporated into the two new Open Space contracts, which include retaining standing snags and cavity trees, removing unnecessary fencing, avoiding any oak tree removal, and managing non-native plant control, which by signing the contracts, the property owner(s) have agreed to adhere to and manage. In May 2008, a letter was provided by State Department of Fish and Game recommending both parcels for Open Space Land Conservation Act contracts.

Whereas, consistent with Uniform Rule 8, all existing development is listed as allowed compatible uses consistent with the new contracts. Lot 7 (APN 079-300-007) contains a year-round farmworker unit and an above-ground gasoline tank and agricultural storage buildings. Lot 9 (APN 079-300-009) contains two barns. These uses are deemed compatible uses under the Uniform Rules. The remaining lots are undeveloped.

Now, Therefore, Be It Resolved said Board finds that the above recitals are true and correct.

Be It Further Resolved, that the Board of Supervisors hereby grants the request by Chalk Ridge Vineyards, LLC, to mutually rescind and replace a Prime (Type I) Land Conservation Act contract with 10 new Prime (Type I) Land Conservation Act contracts and two new Open Space (Type II)

Resolution #
April 11, 2017
Page 3

Land Conservation Act contracts within an existing Agricultural Preserve (1-519), and authorize the Chair of the Board to sign the 12 new Land Conservation Contracts and associated Land Conservation Plans, for APN(s) APN 079-300-001,-002, -003, -004, -005, -006, -007, -008, -009, -010, -011, -012 and -013.

Be It Further Resolved, that the Clerk of the Board of Supervisors is hereby instructed to record this Resolution, along with the new Land Conservation Act Contracts and Land Conservation Plans with the Office of the Sonoma County Recorder.

Be It Further Resolved that the Board of Supervisors finds that the project described in this Resolution is exempt from the requirements of the California Environmental Quality Act by virtue of Section 15317 Class 17 of Title 14 of the California Code of Regulations (CEQA Guidelines) in that the project is within an established Agricultural Preserve and is a replacement of a Land Conservation Act Contract.

Be It Further Resolved that the Board of Supervisors designates the Clerk of the Board as the custodian of the documents and other material which constitute the record of proceedings upon which the decision herein is based. These documents may be found at the office of the Clerk of the Board, 575 Administration Drive, Room 100-A, Santa Rosa, California 95403.

Supervisors:

Gorin: Rabbitt: Gore: Hopkins: Zane:

Ayes: Noes: Absent: Abstain:

So Ordered.

Planning Application


PJR-001

File#: PLP11-0048

Type of Application:

- | | | | |
|--|--|---|---------------------------------------|
| <input type="checkbox"/> Admin Cert. Compliance | <input type="checkbox"/> Design Review Comm./Ind. | <input type="checkbox"/> Minor Subdivision | <input type="checkbox"/> Variance |
| <input checked="" type="checkbox"/> Ag./Timber Preserve/Contract | <input type="checkbox"/> Design Review Residential | <input type="checkbox"/> Mobile Home Zoning Permit | <input type="checkbox"/> Zone Change |
| <input type="checkbox"/> Cert. of Compliance | <input type="checkbox"/> Design Review Signs | <input type="checkbox"/> Ordinance Interpretation | <input type="checkbox"/> Other: _____ |
| <input type="checkbox"/> Cert. of Modification | <input type="checkbox"/> General Plan Amendment | <input type="checkbox"/> Second Unit Permit | |
| <input type="checkbox"/> Coastal Permit | <input type="checkbox"/> Lot Line Adjustment | <input type="checkbox"/> Specific/Area Plan Amendment | |
| <input type="checkbox"/> Design Review Admin. | <input type="checkbox"/> Major Subdivision | <input type="checkbox"/> Use Permit | |

Applicant (Contact Person):

Mark Couchman
 Name
855 Bordeaux Way, Suite 100
 Mailing Address
Napa CA 94558
 City/Town State Zip
707-253-0135 707-253-0135
 Phone Fax
mark@swgnapa.com
 email

 Signature Date 12-16-11

Owner, if other than Applicant:

Chalk Ridge Vineyards, LLC
 Name
855 Bordeaux Way, Suite 100
 Mailing Address
Napa CA 94558
 City/Town State Zip
707-253-1776 707-253-0135
 Phone Fax
mark@swgnapa.com
 email
 Signature Date

Other Persons to be Notified: (Specify: Other Owner(s), Agent, Lender, Architect, Engineer, Surveyor)

Beth Painter

Name
855 Bordeaux Way, Suite 100
 Mailing Address
Napa CA 94558
 City/Town State Zip
Applicant's Representative
 Title
707-261-8719 707-253-0135
 Phone Fax
beth@swgnapa.com
 email

Name
 Mailing Address
 City/Town State Zip
 Title
 Phone Fax
 email

Name
 Mailing Address
 City/Town State Zip
 Title
 Phone Fax
 email

Project Information:

385 Pleasant Avenue

Windsor

Address(es)
162-020-011

City/Town
358

Assessor's Parcel Number(s)

Acreage

Project Description: **Rescind existing agricultural preserve contract and replace with 12 new contracts** #
 (Please attach additional sheet(s) if needed)

Site Served by Public Water? Yes No Site Served by Public Sewer? Yes No Number of new lots proposed **12**

----- DO NOT WRITE BELOW THIS LINE - To Be Completed by PRMD Staff -----

Planning Area: 3 Supervisorial District: 4 Current Zoning: DA B6-10ac General Plan Land Use: DA 10
 Specific Plan: none S.P. Land Use: _____ Needs CEQA Review? yes no

Commercial/Industrial Uses: (Enter numbers where applicable)

Bldg. sq. ft. Existing: _____ Proposed: _____ Existing Employees: _____ New Employees: _____
 New Manufactured Homes: _____ New Units For Sale: _____ New Units For Rent: _____ Density Bonus Units: _____

Violation? yes no; Application resolve planning violation? yes no; Penalty applicable? yes no; Civil Penalty Factor NIA

Previous Files: MJS03-0008, ZPE03-0313

Application accepted by SCOTT HUNSPERGER Date 12/20/11

Sonoma County Permit and Resource Management Department

2550 Ventura Avenue ♦ Santa Rosa, CA ♦ 95403-2829 ♦ (707) 565-1900 ♦ Fax (707) 565-1103

BALANCED PLANNING, INC

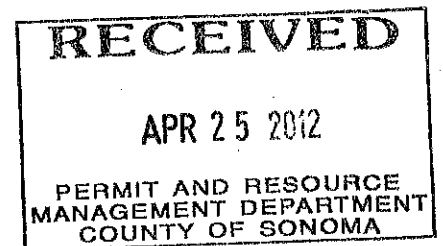
TO: TRACI TESCONI
FROM: BETH PAINTER
SUBJECT: LAND CONSERVATION PLANS, CHALK RIDGE SUBDIVISION, MJS-03-0008
DATE: APRIL 24, 2012
CC: LAUREL PUTNAM

Traci:

Enclosed are the 12 Land Conservation Plans for the Chalk Ridge Subdivision. Per Condition #84 of the approved tentative map, we filed the Agricultural Preserve Applications to rescind and replace the single Type 1 Williamson Act Contract with individual contracts on each lot. As a part of this application, you asked that we file a separate Land Conservation Plan for each lot.

As I understand it, you cannot take the new contracts for approval to the Board of Supervisors until after the Final Map has recorded, as you need to record the contracts with each lot. We have filed a second set of the final map and associated improvement plans with Laurel Putnam for review by all the County Departments. I am copying Laurel so she is informed on the status of this requirement. We will record the Final Map as soon as it is in a form that is acceptable to PRMD.

I hope the enclosed are sufficient to move ahead with this process. I am happy to provide additional information if needed.



1455 First Street, Suite 217 Napa, Ca 94559
Phone: (707) 287-9089 e-mail: beth@bpnapa.com

Chalk Ridge Ranch
Lot #1
29.17 Total Vine Acres

Jensen

BI 1 SBM
Musque / 101-14
8x6 2002
4.04 ac

BI 1 SB
1 / 101-14
8x6 2002
10.11 ac

BI 1 PN
2A, POM / 101-14
8x6 P'02 G'12
15.02 ac

Revised: February 4, 2012
385 Pleasant Ave
Windsor, CA 95492



0 250 Feet

Attachment B

2010

Lot Line
Street

Chalk Ridge Ranch
Lot #2
17.82 Total Vine Acres



Revised: February 4, 2012
385 Pleasant Ave
Windsor, CA 95492



0 250 Feet

Aerial: NAIP 2010

- Road Edge
- Lot Line
- Street

Chalk Ridge Ranch
Lot #3
43.64 Total Vine Acres

- Road Edge
- Lot Line
- Street
- structure

BI 2 CH
95 / 101-14
8x5 P'02 G'07
1.88 ac

BI 2 CH
95 / 101-14
8x5 2002
4.07 ac

BI 2 CH
96 / 101-14
8x5 2002
4.06 ac

BI 2 CH
17 / 101-14
8x5 2002
5.4 ac

BI 2 CH
17 / 101-14
8x5 2002
9.84 ac

BI 2 CH
17 / SO4
8x5 2002
8 ac

BI 2 ME
3 / SO4
12x8 1991
7.3 ac

BI 2 ME
3 / SO4
12x8 1991
3.09 ac

Revised: February 4, 2012
385 Pleasant Ave
Windsor, CA 95492



Aerial: NAD 2010

Chalk Ridge Ranch
Lot #4
25.82 Total Vine Acres

BI 3 CH
4 / 1103
8x5 P'02 G'12
2.14 ac

BI 3 CH
4 / 110R
8x5 2002
3.16 ac

BI 3 CH
4 / SO4
8x5 2002
11.62 ac

BI 3 SY
877 / 101-14
8x5 2002
5.01 ac

BI 3 CH
4 / SO4
8x5 2002
1.42 ac

BI 3 CH
4 / SO4
8x5 2002
2.47 ac

Revised: February 4, 2012
385 Pleasant Ave
Windsor, CA 95492



0 250 Feet

erial: NAIP 2010

- Road Edg
- Lot Line
- structure

Chalk Ridge Ranch
Lot #5
19.99 Total Vine Acres

BI 1 ZN
FS / St Grg
8x8 1915
0.48 ac

BI 1 ZN
FS / St Grg
8x8 1915
0.03 ac

BI 2 ME
3 / SO4
12x8 1991
5.93 ac

BI 4 CH
17 / SO4
8x5 2002
6.7 ac

BI 4 CH
17 / 101-14
8x5 2002
6.85 ac

Revised: February 4, 2012
385 Pleasant Ave
Windsor, CA 95492

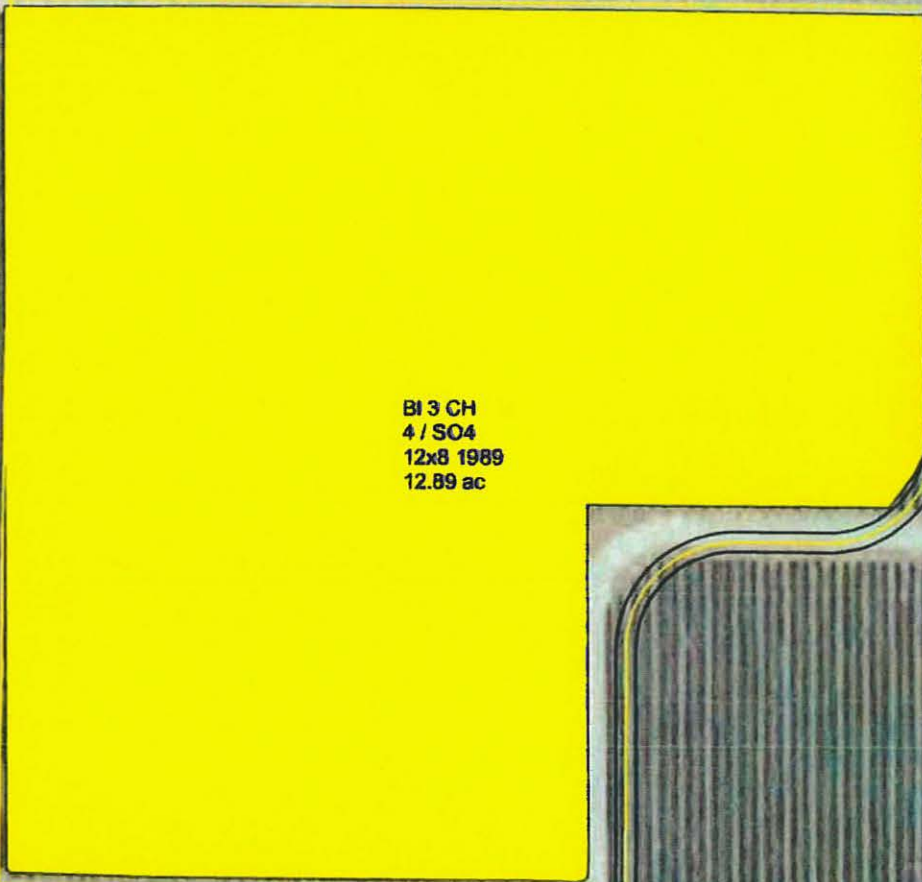


0 250 Feet

Aerial: NAIP 2010

Road Edge
Lot Line

Chalk Ridge Ranch
Lot #6
12.89 Total Vine Acres



BI 3 CH
4 / SO4
12x8 1989
12.89 ac

Revised: February 4, 2012
385 Pleasant Ave
Windsor, CA 95492



0 250 Feet

Aerial: NAIP 2010

— Road Edge
— Lot Line

Chalk Ridge Ranch
Lot #7
9.55 Total Vine Acres

BI 3 CH
4 / SO4
12x8 1989
3.27 ac

BI 3 CH
4 / SO4
12x8 1989
6.28 ac

Revised: February 4, 2012
385 Pleasant Ave
Windsor, CA 95492



Aerial: NAIP 2010

- Road Edge
- Lot Line
- structure

Chalk Ridge Ranch
Lot #8
27.49 Total Vine Acres

BI 4 CH
17 / 101-14
8x5 2002
0.14 ac

BI 5 CH
76 / 101-14
8x5 2002
7.14 ac

BI 5 CH
76 / SO4
8x5 2002
8.06 ac

BI 5 CH
15 / SO4
8x5 2002
12.15 ac

Pleasant

Revised: February 4, 2012
385 Pleasant Ave
Windsor, CA 95492



0 250 Feet

As of NADP 2010

- Road Edge
- Lot Line
- Street
- structure

Chalk Ridge Ranch
Lot #9
12.76 Total Vine Acres



BI 6 PN
828 / 101-14
8x5 P'02 G'12
0.57 ac

BI 6 PN
828 / 101-14
8x5 P'02 G'12
6.6 ac

BI 4 CH
76 / 3309
8x5 2009
5.59 ac

Chalk Hill

Revised: February 4, 2012
385 Pleasant Ave
Windsor, CA 95492



Aerial: NAIP 2010

- Road Edge
- Lot Line
- Street
- structure

Chalk Ridge Ranch
Lot #10
13.95 Total Vine Acres



BI 4 CH
76 / 3309
8x5 2009
9.48 ac

BI 6 PN
828 / 101-14
8x5 P'02 G'12
4.47 ac

Revised: February 4, 2012
385 Pleasant Ave
Windsor, CA 95492



0 250 Feet

Aerial: NAIP 2010

- Road Edge
- Lot Line
- Street

Chalk Ridge Ranch
Lot #11
1.68 Total Vine Acres

BI 7 ZN
Deaver / 101-
8x5 2003
1.68 ac

Chalk Hill

Revised: February 4, 2012
385 Pleasant Ave
Windsor, CA 95492



0 250 Feet

- Road Edge
- Lot Line
- Street
- structure

Aerial NAD 83

Chalk Ridge Ranch
Lot #12
3.64 Total Vine Acres



Revised: February 4, 2012
385 Pleasant Ave
Windsor, CA 95492



0 250 Feet

- Road Edge
- Lot Line
- Street
- structure

774

33

OWNERS STATEMENT
 WE HEREBY STATE THAT WE ARE THE SOLE OWNERS OF AND HAVE THE RIGHT, TITLE AND INTEREST IN AND TO THE REAL PROPERTY INCLUDED WITHIN THE SUBDIVISION SHOWN ON THIS MAP AND ARE THE ONLY PERSONS WHOSE CONSENT IS NECESSARY TO HAVE CLEAR TITLE TO SAID REAL PROPERTY, AND WE HEREBY CONSENT TO THE MAKING OF AND FILING OF SAID MAP OF THE SUBDIVISION, AND THAT WE DEEDICATED TO PUBLIC USE THOSE PORTIONS OF JENSEN LANE, PLEASANT AVENUE, AND CHALK HILL ROAD AND THE PUBLIC UTILITY EASEMENT (PUE) AS SHOWN ON THIS FINAL MAP.

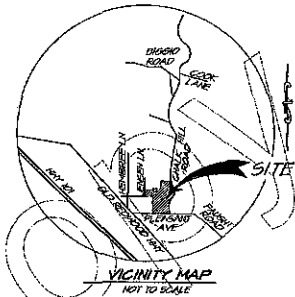
AS OWNER
 CHALK RIDGE VINEYARD, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY
 BY: SILVERADO FREEMAN PROPERTIES, LLC, A DELAWARE LIMITED LIABILITY COMPANY, ITS SOLE MEMBER
 BY: DIONYSIOUS PROPERTIES, LLC, A DELAWARE LIMITED LIABILITY COMPANY, ITS SOLE MEMBER

BY: A. Justin Ouedraogo
 A. JUSTIN OUEDRAOGO, VICE PRESIDENT

TRUSTEE STATEMENT
 FIRST AMERICAN TITLE INSURANCE COMPANY, A NEBRASKA CORPORATION AS TRUSTEE UNDER THAT CERTAIN DEED OF TRUST RECORDED JULY 28, 2010 AS DOCUMENT NO. 2010000028 OF OFFICIAL RECORDS, SONOMA COUNTY RECORDS, HEREBY CONSENTS TO THE PREPARATION AND RECORDATION OF THIS FINAL MAP.

BY: Insurance
 FIRST AMERICAN TITLE COMPANY, A NEBRASKA CORPORATION TRUSTEE

TRUSTEE / OFFICER: [Signature]
 NAME AND TITLE: Kat Von Steinhilber, Vice President
 DATE: August 5, 2015



A NOTARY PUBLIC OF OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THE DOCUMENT.

ACKNOWLEDGMENT
 STATE OF CA
 COUNTY OF Contra Costa
 ON August 5, 2015 BEFORE ME, C.J. WILSON, Notary Public
 PERSONALLY APPEARED, Kat Von Steinhilber
 WHO PROVIDED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/IT(S) EXECUTED THE SAME IN HIS/HER/ITS AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/ITS SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S) OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND AND OFFICIAL SEAL
 NOTARY'S SIGNATURE: [Signature]
 NOTARY'S PRINTED NAME: C.J. WILSON
 NOTARY'S PRINCIPAL COUNTY OF BUSINESS: Contra Costa
 NOTARY'S COMMISSION NUMBER: 1961922
 NOTARY'S COMMISSION EXPIRATION DATE: 12/31/2015

COUNTY CLERK'S CERTIFICATE
 I CERTIFY THAT ALL DUES, FEES, AND RECORDABLE DUES REQUIRED UNDER THE PROVISIONS OF THE SUBDIVISION MAP ACT TO BE PAID FOR TAXES AND ASSESSMENTS HAVE BEEN FILED WITH AND APPROVED BY THE COUNTY OF SONOMA, (NAME), BOARD UNDER THE GOVERNMENT CODE SECTION 66010 (a) AND 66419 (a) IN SON OF 6 AND 2, RESPECTIVELY.

THE COUNTY CLERK HAS APPROVED THIS FINAL MAP AND HAS ACCEPTED ON BEHALF OF THE PUBLIC, THOSE PORTIONS OF JENSEN LANE, PLEASANT AVENUE, AND CHALK HILL ROAD AND HAS RECORDED THE PUBLIC UTILITY EASEMENT AS DESCRIBED IN THIS FINAL MAP.

BY: Rochelle A. Rodriguez
 CLERK OF THE BOARD OF SUPERVISORS
 COUNTY OF SONOMA, STATE OF CALIFORNIA

DATE: 12/18/15
 RESOLUTION NO: 15-0415

COUNTY TAX COLLECTOR'S CERTIFICATE
 ACCORDING TO THE RECORDS IN THE OFFICE OF THE UNDERSIGNED, THERE ARE NO LIENS AGAINST THIS SUBDIVISION OR ANY PART THEREOF, FOR UNPAID STATE COUNTY, MUNICIPAL, OR LOCAL TAXES OR SPECIAL ASSESSMENTS COLLECTED AS TAXES, EXCEPT TAXES OR SPECIAL ASSESSMENTS COLLECTED AS TAXES NOT YET PAYABLE. MY ESTIMATE OF TAXES OR SPECIAL ASSESSMENTS COLLECTED AS TAXES NOT YET PAYABLE IS \$ Nil.

THE LAND IN SAID SUBDIVISION IS NOT SUBJECT TO A SPECIAL ASSESSMENT OR DOND WHICH MAY BE PAID IN FULL.

SECURITY REQUIRED PURSUANT TO GOVERNMENT CODE SECTION 66010(A) AND 66419(A) ARE HEREBY ACCEPTED AND APPROVED.

DATE: 10/15/15
Carolina Corp
 TAX COLLECTOR
 COUNTY OF SONOMA, STATE OF CALIFORNIA

SIGNATURE COMMISSIONS
 SIGNATURES OF OWNERS OF THE FOLLOWING INTERESTS HAVE BEEN OBTAINED UNDER THE PROVISIONS OF SECTION 66010 OF THE SUBDIVISION MAP ACT. THEIR INTEREST IS SUCH THAT IT CANNOT BE PAID IN A FEE TITLE AND SUCH SIGNATURES ARE NOT REQUIRED BY THE GOVERNING BODY.

NAME	RECORDED	NATURE OF INTEREST
PACIFIC GAS AND ELECTRIC COMPANY, A CALIFORNIA CORPORATION	BOOK 760, OR PAGE 6	AN EASEMENT FOR PUBLIC UTILITIES & INCIDENTAL PURPOSES
PACIFIC GAS AND ELECTRIC COMPANY, A CALIFORNIA CORPORATION & AT&T CALIFORNIA	DOCUMENT NO. 2008-000022 OF OFFICIAL RECORDS	AN EASEMENT FOR POLES, LINES, CABLES AND FIXTURES

COUNTY SURVEYOR'S STATEMENT
 I HEREBY STATE THAT THE MAP OF THIS SUBDIVISION WAS EXAMINED BY ME OR UNDER MY DIRECTION THAT IT IS SUBSTANTIALLY THE SAME AS IT APPEARED ON THE TENTATIVE MAP AND ANY APPROVED ALTERNATIVE TIERMENTS THAT ALL PROVISIONS OF THE SUBDIVISION MAP ACT AS AMENDED AND OF ANY LOCAL ORDINANCES APPLICABLE AT THE TIME OF APPROVAL OF THE TENTATIVE MAP HAVE BEEN COMPLIED WITH AND I AM SATISFIED THAT SAID MAP IS TECHNICALLY CORRECT.

IN WITNESS WHEREOF, I HAVE HERETO SET MY HAND AND AFFIXED MY OFFICIAL SEAL.

THIS 15 DAY OF DECEMBER, 2015

[Signature]
 LEONARDO GARIBAYSON
 COUNTY SURVEYOR
 PLS 1086
 EXP. 05/30/2017

RECORDER'S CERTIFICATE
 FILED THIS 26 DAY OF December, 2015 AT 2:32 PM IN BOOK 774 OF MAPS AT PAGES 33-41 AT THE REQUEST OF THE COUNTY CLERK, COUNTY OF SONOMA.

THE PAID 225.00 DOCUMENT NO. 20151099B9

William F. Rousseau
 COUNTY RECORDER
 COUNTY OF SONOMA, STATE OF CALIFORNIA

Deborah J. Medina
 DEPUTY

SURVEYOR'S STATEMENT
 THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF CHALK RIDGE VINEYARD LLC, IN WHICH I HEREBY STATE THIS MAP IS TRUE AND COMPLETE AND THAT THIS SUBDIVISION MAP SUBSTANTIALLY CONFORMS TO THE CONTINUALLY APPROVED TENTATIVE MAP, AND THAT ALL THE NEIGHBORING SUBDIVISIONS ARE OR WILL BE OF THE CHARACTER, AND OCCUPY THE POSITIONS INDICATED AND THAT THE NEIGHBORS WILL BE SUFFICIENT TO ENABLE THE SURVEY TO BE REPRODUCED, AND THAT SAID NEIGHBORS WILL BE PLACED PRIOR TO THE COMPLETION DATE STATED IN THE SUBDIVISION INSTRUMENT SUBSEQUENT SECURITY IN THE AMOUNT OF \$10,000.00 (TEN THOUSAND DOLLARS) HAS BEEN FILED TO INSURE SUCH PLACEMENT.

Christopher M. Tidwell
 CHRISTOPHER M. TIDWELL
 L.S. NO. 2505
 DATE 08/05/15

[Seal]
 STATE OF CALIFORNIA
 No. 6885
 Exp. 12-31-15

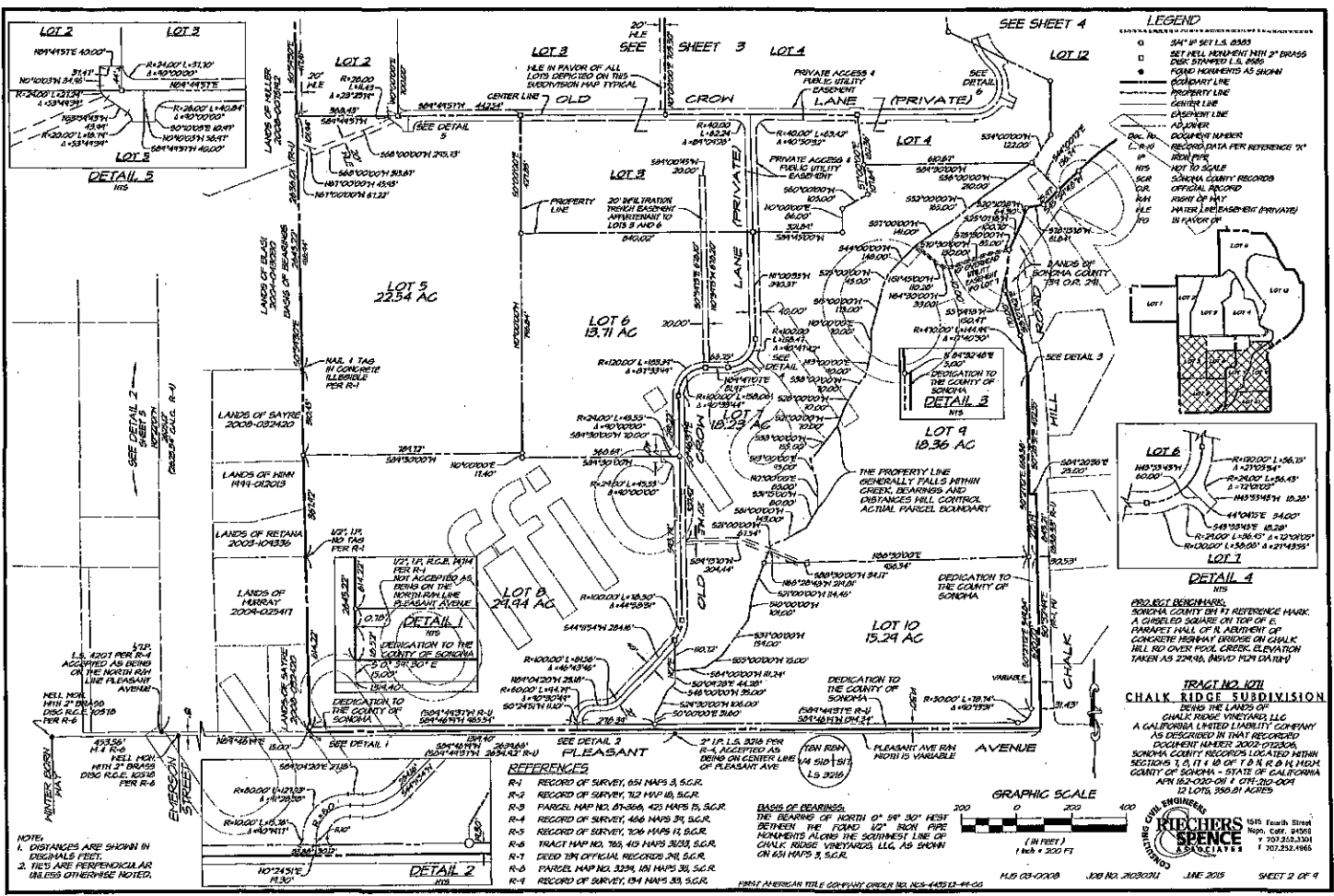
TRACT NO. 1071 CHALK RIDGE SUBDIVISION
 BEING THE LANDS OF CHALK RIDGE VINEYARD, LLC A CALIFORNIA LIMITED LIABILITY COMPANY AS DESCRIBED IN THAT RECORDED DOCUMENT NUMBER 2003-021306, SONOMA COUNTY RECORDS LOCATED WITHIN SECTIONS 18, 17 & 16 OF T. 28 N. R. 9 E. M. 22E, COUNTY OF SONOMA - STATE OF CALIFORNIA, APM 162-000-001 & 078-200-001 12 LOTS, 3000+ ACRES.

[Seal]
 ENGINEERS
 RICHCHERS
 SPENCE
 ASSOCIATES
 1045 South Street
 Ukiah, Calif. 94550
 P 707.252.3301
 F 707.252.0962

N.S. 03-0000 JOB NO. 20020011 JUNE 2015 SHEET 1 OF 9

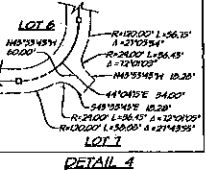
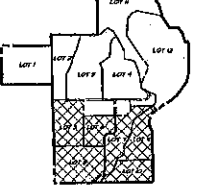
774

34



LEGEND

- 0 3/4" x 1/8" SET I.L. 2005
- SET PELL. MONUMENT WITH 2" BRASS DISK 2 1/2" DIA. L. 1.000
- PEGS MONUMENTS AS SHOWN
- PROPERTY LINE
- CENTER LINE
- CASPENT LINE
- ADJ. OWNER PROPERTY NUMBER
- REF. NO. L-2000-001214 PER REFERENCE "A"
- IRON PIPE
- NOT TO SCALE
- SCR SONOMA COUNTY RECORDS
- OR OFFICIAL RECORD
- RIGHT OF WAY
- WATER RELEASEMENT (PRIVATE) IN PAVEMENT



DETAIL 4

000 DEG 50' 00" BEARING
SONOMA COUNTY ON N REFERENCE MARK
A CHISELED SQUARE ON TOP OF C
CONCRETE HERBARY BRIDGE ON CHALK
HILL SET OVER FLOOD CREEK ELEVATION
TAKEN AS 224.66 (NOV 1924 DATA)

**TRACT NO. 1071
CHALK RIDGE SUBDIVISION**

BEING THE LANDS OF
CHALK RIDGE VINEYARD, LLC
A CALIFORNIA LIMITED LIABILITY COMPANY
AS DESCRIBED IN THAT RECORDED
DOCUMENT NUMBER 2002-032306
SONOMA COUNTY RECORDS LOCATED WITHIN
SECTIONS 7, 8, 11 & 12 OF T 8 N R 14 W 1/4
COUNTY OF SONOMA - STATE OF CALIFORNIA
APR 16-2000 ON A 071-210-001
12 LOTS, 350.81 ACRES

NOTE:
1. DISTANCES ARE SHOWN IN ORIGINAL FEET.
2. VIEWS ARE PERPENDICULAR UNLESS OTHERWISE NOTED.

- REFERENCES**
- R-1 RECORD OF SURVEY, 651 MAPS 3, S.C.R.
 - R-2 RECORD OF SURVEY, 712 MAP 10, S.C.R.
 - R-3 PARCEL MAP NO. 07-306, 425 MAPS 15, S.C.R.
 - R-4 RECORD OF SURVEY, 466 MAPS 31, S.C.R.
 - R-5 RECORD OF SURVEY, 706 MAPS 11, S.C.R.
 - R-6 TRACT MAP NO. 785, 415 MAPS 3023, S.C.R.
 - R-7 DEED 124 OFFICIAL RECORDS ONE S.C.R.
 - R-8 PARCEL MAP NO. 3224 121 MAPS 38, S.C.R.
 - R-9 RECORD OF SURVEY, 194 MAPS 33, S.C.R.

GRAPHIC SCALE

1" = 200 FT
1" = 400 FT

(IN FEET)

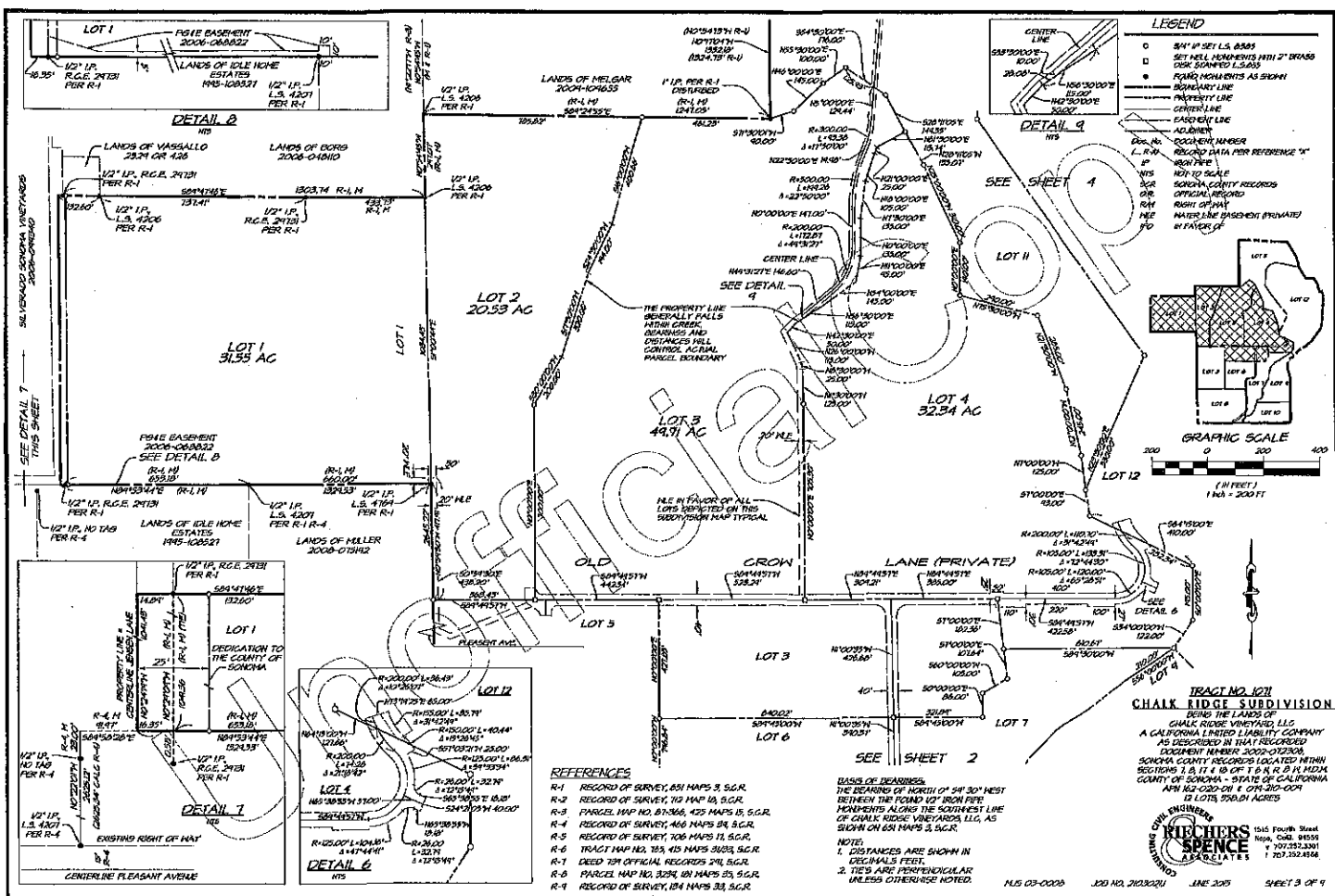
165 03-07-07 108 NO. 202021 LINE 2015 SHEET 2 OF 9

FIELDERS SPENCE ASSOCIATES

1515 Fourth Street
Sonoma, Calif. 94965
707.502.3004
707.252.4966

774

35

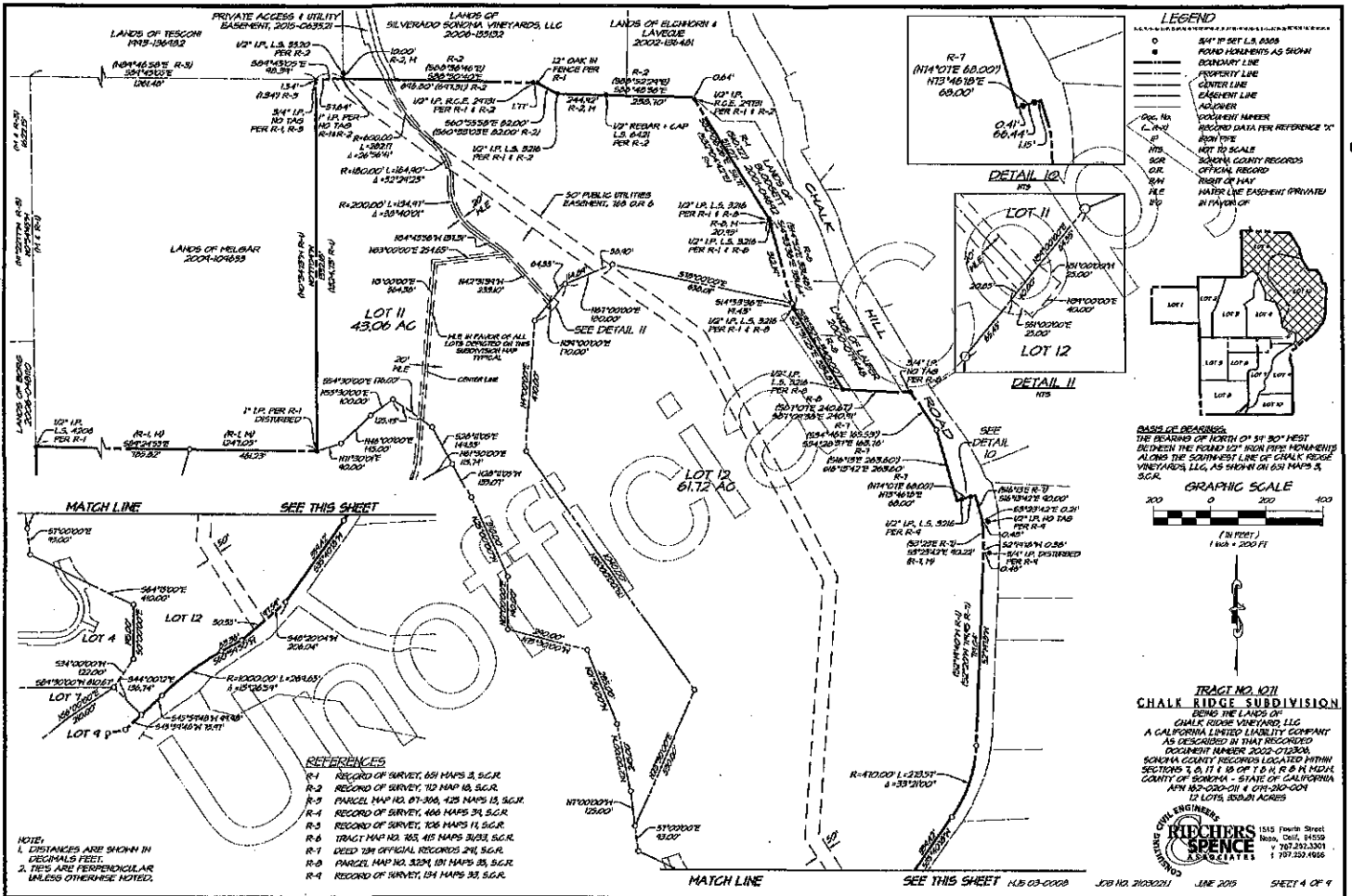


- REFERENCES**
- R-1 RECORD OF SURVEY, 851 MAPS 3, S.C.R.
 - R-2 RECORD OF SURVEY, 710 MAP 10, S.C.R.
 - R-3 PARCEL MAP NO. 81-366, 425 MAPS 15, S.C.R.
 - R-4 RECORD OF SURVEY, 466 MAPS 18, S.C.R.
 - R-5 RECORD OF SURVEY, 706 MAPS 11, S.C.R.
 - R-6 TRACT MAP NO. 783, 415 MAPS 3023, S.C.R.
 - R-7 DEED 104 OFFICIAL RECORDS 219, S.C.R.
 - R-8 PARCEL MAP NO. 3024, 104 MAPS 25, S.C.R.
 - R-9 RECORD OF SURVEY, 104 MAPS 33, S.C.R.

NOTES:

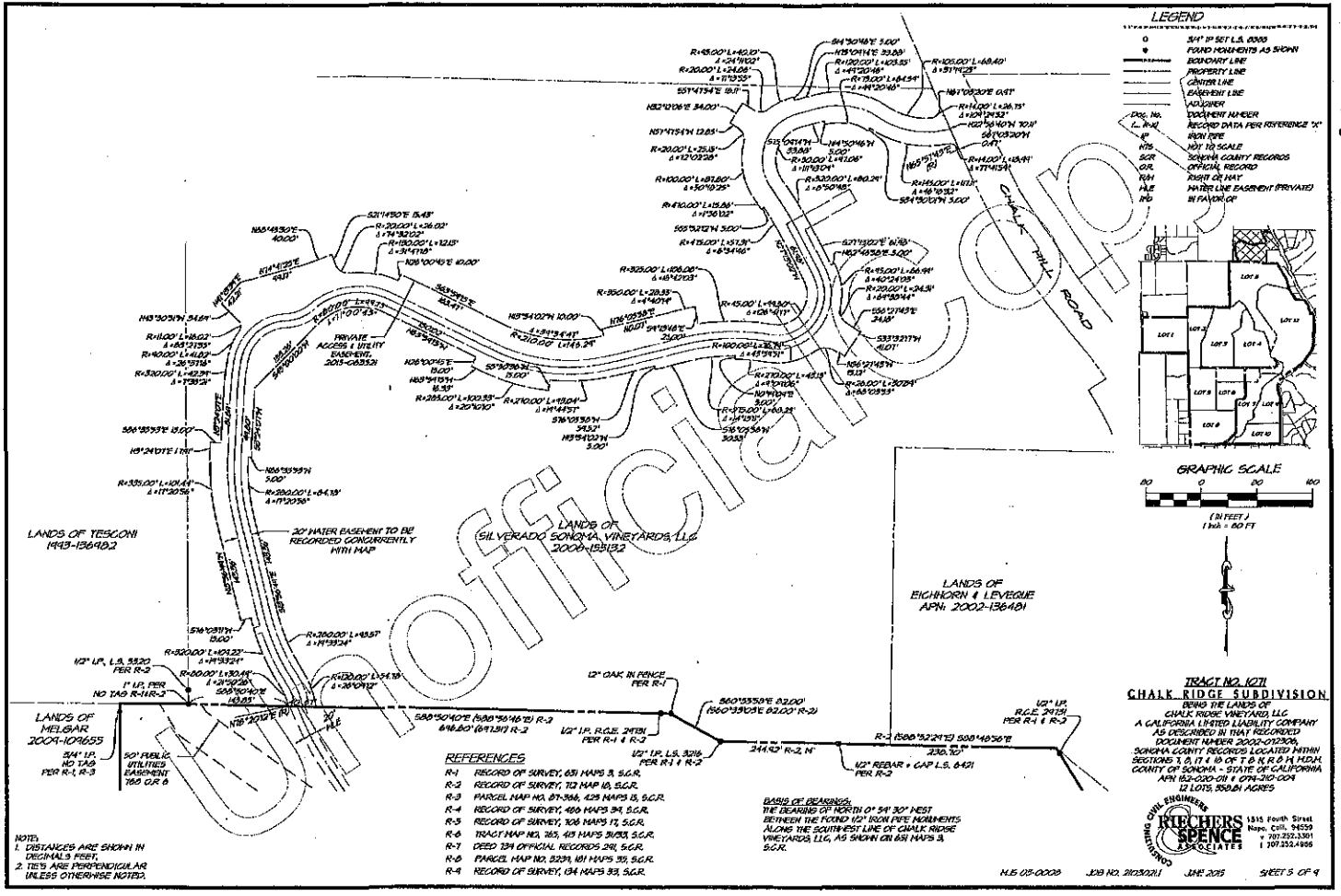
1. DISTANCES ARE SHOWN IN ORIGINALS FEET.
2. TIES ARE PERPENDICULAR UNLESS OTHERWISE NOTED.

36



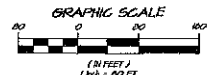
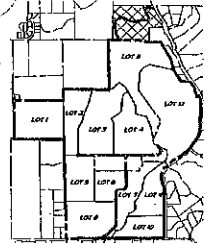
774

37



LEGEND

- 0 3/4" 1/8" SET L.A. 0000
- FOUND MONUMENTS AS SHOWN
- BOUNDARY LINE
- PROPERTY LINE
- CENTER LINE
- ADJUTANT
- EASEMENT LINE
- ADJUTANT
- RECORD DATA PER REFERENCE "X"
- 1/4" TO SCALE
- SONOMA COUNTY RECORDS
- OFFICIAL RECORD
- RIGHT OF WAY
- FILE
- FILE
- FILE
- FILE



**TRACT NO. 1071
CHALK RIDGE SUBDIVISION**
 BEING THE LANDS OF
 CHALK RIDGE VINEYARD, LLC
 A CALIFORNIA LIMITED LIABILITY COMPANY
 AS DESCRIBED IN THAT RECORDED
 DOCUMENT NUMBER 2002-072020,
 SONOMA COUNTY RECORDS LOCATED WITHIN
 SECTIONS 3, 5, 17 & 18 OF T. 8 N. R. 0. H. M. 0. H.
 COUNTY OF SONOMA, STATE OF CALIFORNIA
 APRIL 15, 2002 - 11/17/2004
 12 LOTS, 350.81 ACRES

**THE ENGINEERS
REICHERS
ASSOCIATES**
 1515 Fourth Street
 Reno, Calif. 96509
 TEL: 775.352.1301
 FAX: 775.352.1999

- REFERENCES**
- R-1 RECORD OF SURVEY, 651 MAPS 3, S.G.R.
 - R-2 RECORD OF SURVEY, 723 MAP 10, S.G.R.
 - R-3 PARCEL MAP NO. 871-596, 428 MAPS 25, S.G.R.
 - R-4 RECORD OF SURVEY, 400 MAPS 39, S.G.R.
 - R-5 RECORD OF SURVEY, 306 MAPS 17, S.G.R.
 - R-6 TRACT MAP NO. 765, 403 MAPS 30/03, S.G.R.
 - R-7 DEED 134 OFFICIAL RECORDS 249, S.G.R.
 - R-8 PARCEL MAP NO. 5239, 401 MAPS 35, S.G.R.
 - R-9 RECORD OF SURVEY, 04 MAPS 33, S.G.R.

BASED UPON
 THE DECADES OF NORTH OF 34° 30' WEST
 BETWEEN THE FOUND 1/2" IRON PIPE MONUMENTS
 ALONG THE SOUTHWEST LINE OF CHALK RIDGE
 VINEYARDS, LLC, AS SHOWN ON 651 MAPS A
 S.G.R.

NOTES
 1. DISTANCES ARE SHOWN IN
 DECIMALS FEET.
 2. TIES ARE PERPENDICULAR
 UNLESS OTHERWISE NOTED.

774

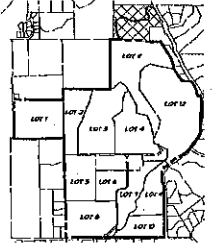
38

LINE #	LENGTH	DIRECTION
L1	10.00'	S72°24'59"W
L2	10.00'	N72°24'55"W
L3	10.00'	N72°24'55"E
L4	143.36'	N8°56'44"W
L5	44.00'	N3°24'01"E
L6	162.47'	S63°54'15"E
L7	102.07'	N76°02'56"E
L8	64.90'	S27°19'02"W
L9	102.07'	S76°02'56"W
L10	162.47'	N63°54'15"E
L11	44.00'	S3°24'01"W
L12	64.90'	S27°19'02"E
L13	102.07'	S76°02'56"W
L14	162.47'	N63°54'15"E
L15	44.00'	S3°24'01"W
L16	143.36'	S27°19'02"E

CURVE TABLE				CURVE TABLE			
CURVE #	LENGTH	RADIUS	DELTA	CURVE #	LENGTH	RADIUS	DELTA
C1	16.58'	302.00'	Δ=23°17'00"	C13	1.87'	302.00'	Δ=0°19'30"
C2	01.87'	302.00'	Δ=1°15'44"	C14	176.04'	802.00'	Δ=126°41'11"
C3	14.60'	302.00'	Δ=2°42'46"	C15	18.24'	242.00'	Δ=23°12'11"
C4	43.87'	302.00'	Δ=11°20'58"	C16	181.07'	242.00'	Δ=34°54'41"
C5	41.06'	302.00'	Δ=7°33'21"	C17	103.80'	402.00'	Δ=66°14'45"
C6	08.58'	802.00'	Δ=36°19'00"	C18	52.18'	802.00'	Δ=31°22'28"
C7	84.14'	802.00'	Δ=31°22'28"	C19	74.42'	802.00'	Δ=76°14'00"
C8	128.80'	102.00'	Δ=66°14'45"	C20	30.41'	242.00'	Δ=7°30'21"
C9	46.14'	242.00'	Δ=34°54'41"	C21	87.81'	242.00'	Δ=11°20'56"
C10	126.45'	302.00'	Δ=23°12'11"	C22	48.58'	242.00'	Δ=19°58'24"
C11	182.47'	802.00'	Δ=126°41'11"	C23	48.71'	102.00'	Δ=25°22'24"
C12	21.94'	1402.00'	Δ=2°24'45"				

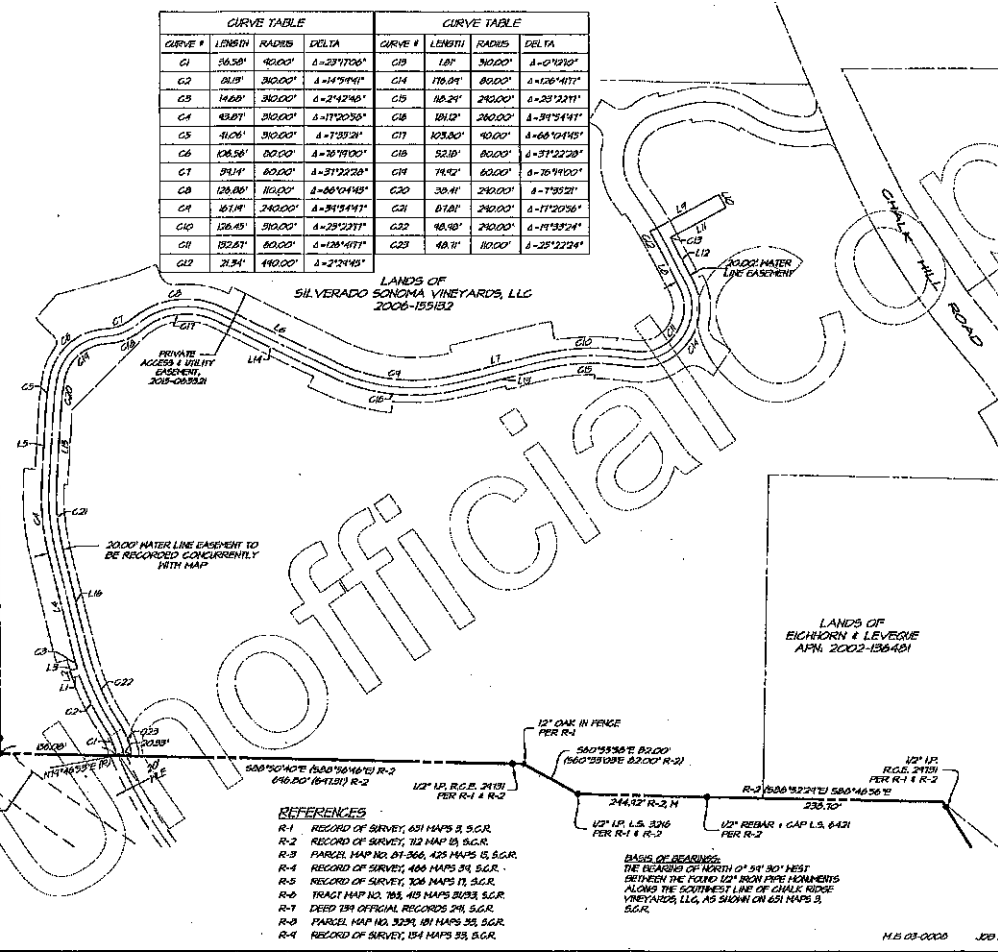
LEGEND

- 3/4" IR SET L.S. 8558
- ROUND IR MONUMENTS AS SHOWN
- 300' CHAIN LINE
- PROPERTY LINE
- CENTER LINE
- EASEMENT LINE
- ADJOINER
- DOCUMENT NUMBER
- RECORD DATA PER REFERENCE TO
- FROM YEAR
- NOT TO SCALE
- SONOMA COUNTY RECORDS
- OFFICIAL RECORD
- TRIBUT OF WAY
- WATER LINE EASEMENT (PRIVATE)
- IN FAVOR OF



**TRACT NO. 1071
CHALK RIDGE SUBDIVISION**
BEING THE LANDS OF
CHALK RIDGE VINEYARD, LLC
A CALIFORNIA LIMITED LIABILITY COMPANY
AS DESCRIBED IN THAT RECORDED
DOCUMENT NUMBER 2002-02302,
SONOMA COUNTY RECORDS LOCATED WITHIN
SECTIONS 2, 3, 11 & 13 OF T 8 N R 6 W M. MOUNTAIN
COUNTY OF SONOMA - STATE OF CALIFORNIA
APN 026-000-011, 078-000-001
12 LOTS, 30.81 ACRES

**RICHARDS
SPENCE
& ASSOCIATES**
1515 Fourth Street
Santa Rosa, CA 95408
Phone: (707) 525-1301
Fax: (707) 525-4986



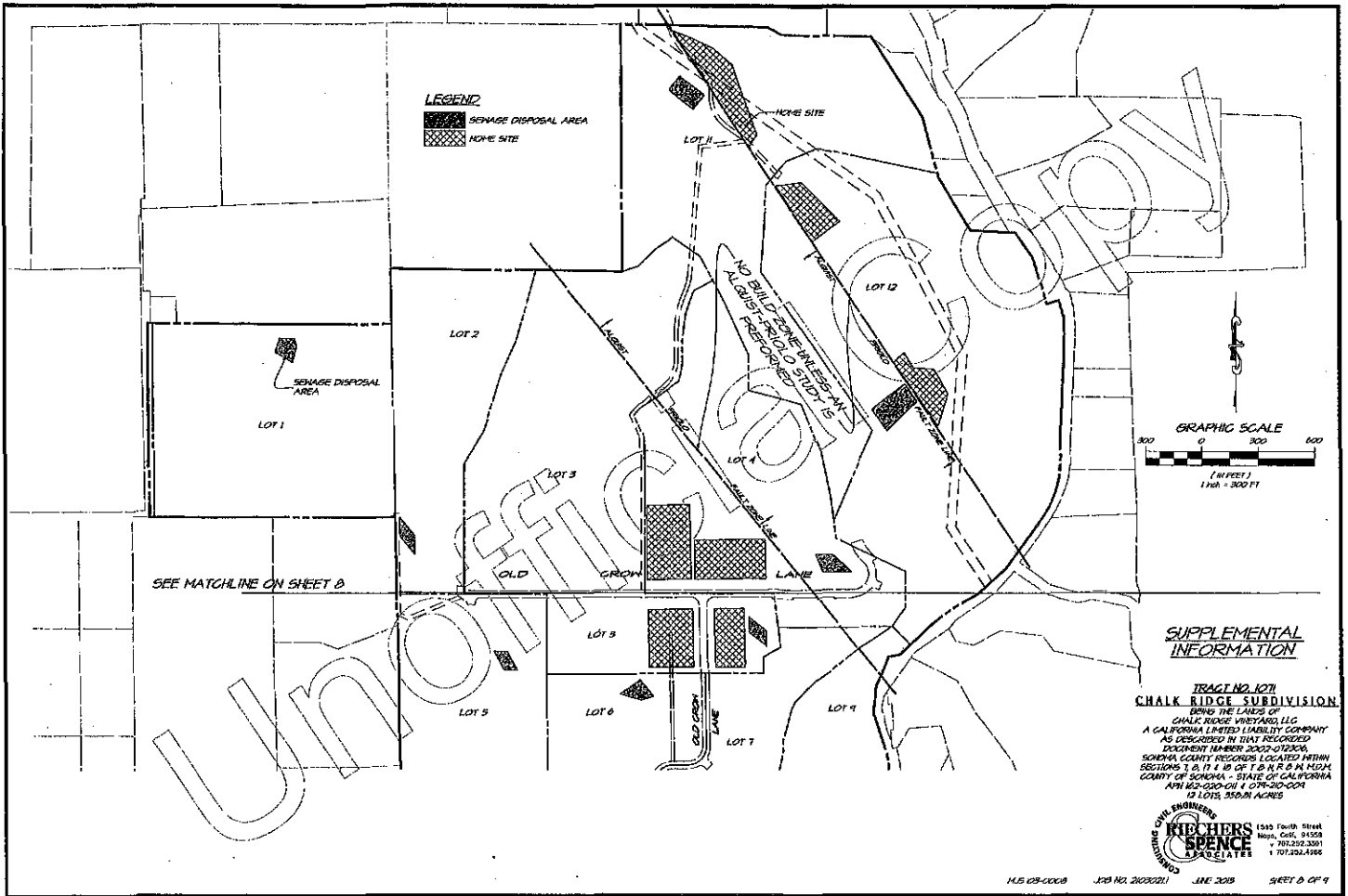
- REFERENCES**
- R-1 RECORD OF SURVEY, 651 MAPS 3, S.G.R.
 - R-2 RECORD OF SURVEY, 112 MAP 33, S.G.R.
 - R-3 PARCEL MAP NO. 817-566, 425 MAPS 33, S.G.R.
 - R-4 RECORD OF SURVEY, 404 MAPS 39, S.G.R.
 - R-5 RECORD OF SURVEY, 306 MAPS 11, S.G.R.
 - R-6 TRACT MAP NO. 783, 415 MAPS 303, S.G.R.
 - R-7 DEED 134 OFFICIAL RECORDS 241, S.G.R.
 - R-8 PARCEL MAP NO. 3231, 181 MAPS 33, S.G.R.
 - R-9 RECORD OF SURVEY, 154 MAPS 33, S.G.R.

BASIS OF READINGS:
THE DECADES OF NORTH 0° 51' 30" WEST
BETWEEN THE FOUND 1/2" IRON PIPE MONUMENTS
ALONG THE SOUTHWEST LINE OF CHALK RIDGE
VINEYARDS, LLC, AS SHOWN ON 651 MAPS 3,
S.G.R.

NOTE:
1. DISTANCES ARE SHOWN IN
DECIMALS FEET.
2. LINES ARE PERPENDICULAR
UNLESS OTHERWISE NOTED.

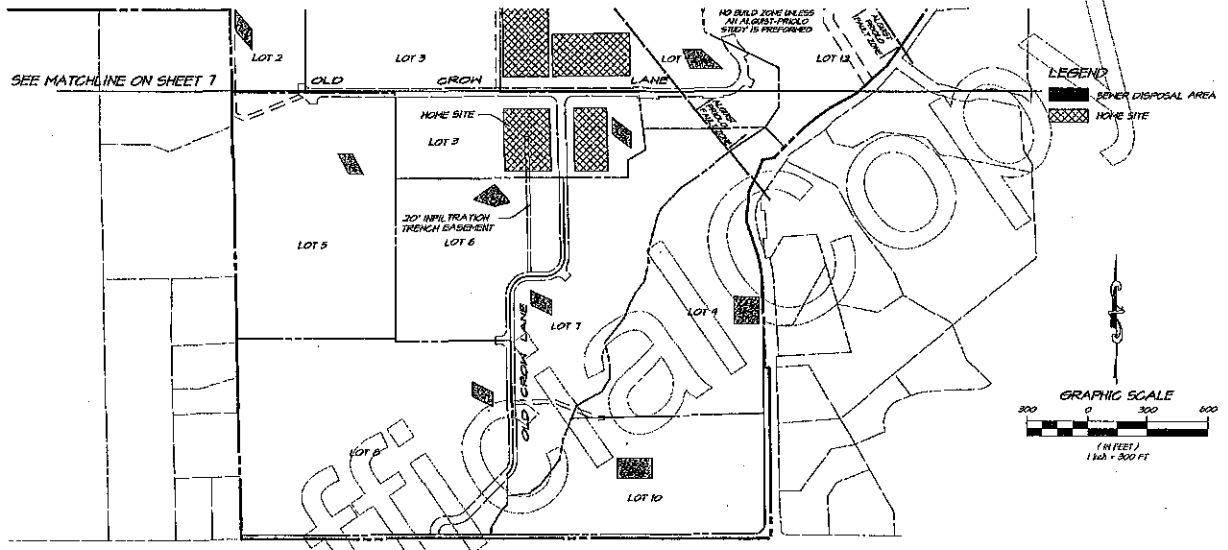
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Unofficial

SUPPLEMENTAL INFORMATION

TRACT NO. 1071
CHALK RIDGE SUBDIVISION
 BEING THE LANDS OF
 CHALK RIDGE VINEYARD, LLC
 A CALIFORNIA LIMITED LIABILITY COMPANY
 AS DESCRIBED IN THAT RECORDED
 DOCUMENT NUMBER 2002-072206,
 SONOMA COUNTY RECORDS LOCATED WITHIN
 SECTIONS 7, 8, 11 & 18 OF T. 0 N. R. 8 W. 14 E.,
 COUNTY OF SONOMA - STATE OF CALIFORNIA
 AKA 10-0500-01 & 079-262-001
 13 LOTS, 358.01 ACRES

RICHERS SPENCE ASSOCIATES
 CIVIL ENGINEERS
 1515 Fourth Street
 Ross, Calif. 94508
 P 707.252.3001
 F 707.252.4988

COUNTY ASSESSOR'S PARCEL MAP

CHALK RIDGE SUBDIVISION REC. 12-28-2015 IN BK.774, MAPS, PGS. 33-41

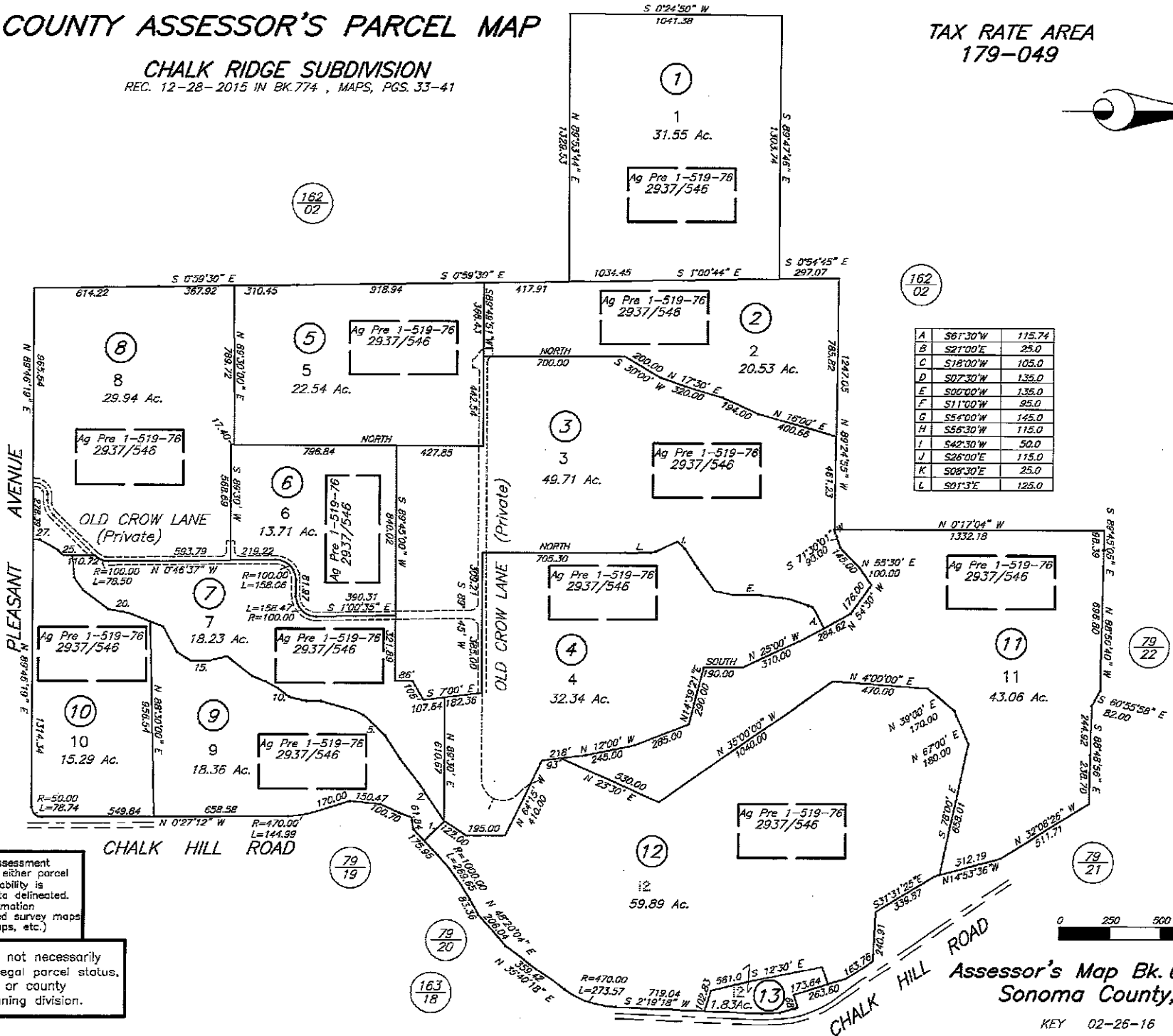
TAX RATE AREA
179-049

079-

1	S44°00'E	136.74
2	S58°00'W	210.0
3	S51°00'W	185.0
4	S57°00'W	141.0
5	S44°00'W	148.0
6	S25°00'W	45.0
7	S15°00'W	175.0
8	N00°00'E	70.0
9	N13°00'E	90.0
10	S38°00'W	70.0
11	28°00'W	70.0
12	S21°00'W	70.0
13	S38°00'W	135.0
14	S13°00'E	85.0
15	N00°00'E	85.0
16	S31°15'W	80.0
17	S61°00'W	143.0
18	S21°00'W	67.45
19	S21°00'W	174.46
20	S10°00'W	101.0
21	S37°00'W	159.0
22	S55°00'W	75.0
23	S8°00'W	111.24
24	S00°09'28"E	44.28
25	S45°00'W	35.0
26	S28°30'00'W	106.0
27	S00°00'E	31.80



SCALE: 1"=500'

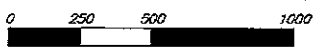


162
02

A	S61°30'W	115.74
B	S27°00'E	25.0
C	S18°00'W	105.0
D	S07°30'W	135.0
E	S00°00'W	135.0
F	S11°00'W	95.0
G	S5°00'W	145.0
H	S56°30'W	115.0
I	S42°30'W	50.0
J	S26°00'E	115.0
K	S08°30'E	25.0
L	S01°3'E	125.0

79
22

79
21



REVISED
06-07-16=Addir

Assessor's Map Bk. 079, Pg. 3
Sonoma County, Calif. (ACA)

KEY 02-26-16 KB

Attachment D

This map was prepared for Assessment uses only and does not indicate either parcel by or a valid building site. No liability is assumed for the accuracy of the data delineated. Assessors are based on the information provided to the Assessor (i.e. recorded survey maps, recorded deeds, prior assessment maps, etc.)

Assessor's parcels do not necessarily titulate legal lots. To verify legal parcel status, check with the appropriate city or county community development or planning division.



DEPARTMENT OF FISH AND GAME

<http://www.dfg.ca.gov>

POST OFFICE BOX 47
YOUNTVILLE, CALIFORNIA 94599
(707) 944-5500



May 30, 2008

Ms. Traci Tesconi
Sonoma County, Project Review Section
Permit and Resource Management Department
2550 Ventura Avenue
Santa Rosa, CA 95403

Dear Ms. Tesconi:

Subject: Chalk Ridge Lot #11 Williamson Act
385 Pleasant Avenue, Windsor, Sonoma County

Department of Fish and Game (DFG) personnel recently visited the subject property with Kim Fitts of Bio-Consultant LLC to review the proposed establishment of a Type A-II Williamson Act Agricultural Contract with Sonoma County on the 43-acre parcel (APN 162-020-011) for open space preserve and wildlife habitat. Lot #11 is contiguous with another portion of the property referred to as Lot #12.

We have also reviewed the Wildlife Habitat Assessment for the proposed parcel prepared by Ms. Fitts and find it complete. The property contains three important habitat types: northern oak woodland, mixed grassland, and riparian woodland. The property has the potential to support a high diversity of wildlife species including large and medium-sized carnivores such as mountain lions, bobcat and coyote, as well as black-tailed deer, and various species of raptors and passerines. Sightings and evidence indicating the presence of these species were noted during the field visit. From inspection of the Wildlife Habitat Assessment's attached maps, it would appear that the property, if left in its current condition, could provide a valuable linkage between significant areas of undeveloped lands and existing open space. This would facilitate the movement of wildlife across large portions of the landscape.


This project is a valuable and scenic wildlife area that contains mostly moderate gradient slopes. As such, the property appears inadequate for most agricultural uses, such as the planting of crops. To protect and enhance the property's value to wildlife, DFG recommends implementing the Wildlife Enhancement Recommendations outlined in the Wildlife Habitat Assessment.

The combination of low agricultural values and high natural resource values appear to indicate that this property is a prime candidate for Williamson Act open space and wildlife considerations. We recommend County approval.

Ms. Traci Tesconi
May 30, 2008
Page 2

If you have questions regarding our comments, please contact
Ms. Stacy Martinelli, Associate Wildlife Biologist, at (707) 944-5537; or
Ms. Laurie Briden, Senior Wildlife Biologist, at (209) 948-7347.

Sincerely,


Charles Armor
Regional Manager
Bay Delta Region

cc: Ms. Traci Tesconi
ttesconi@sonoma-county.org

Beth Painter
Silverado Premium Properties
855 Bordeaux Way, Suite 100
Napa, CA 94558
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DEPARTMENT OF FISH AND GAME

<http://www.dfg.ca.gov>POST OFFICE BOX 47
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(707) 944-5600

May 30, 2008

Ms. Traci Tesconi
Sonoma County, Project Review Section
Permit and Resource Management Department
2550 Ventura Avenue
Santa Rosa, CA 95403

Dear Ms. Tesconi:

Subject: Chalk Ridge Lot #12 Williamson Act
385 Pleasant Avenue, Windsor, Sonoma County

Department of Fish and Game (DFG) personnel recently visited Lot #12, a 60-acre parcel (APN 162-020-011) with Kim Fitts of Bio-Consultant LLC. The purpose of the site visit was to review the proposed establishment of a Type A-II Williamson Act Agricultural Contract with Sonoma County for an open space preserve and wildlife habitat on this parcel. Lot #12 is contiguous with another portion of the property referred to as Lot #11.

We have also reviewed the Wildlife Habitat Assessment for the proposed parcel prepared by Ms. Fitts and find it complete. The property contains three important habitat types: northern oak woodland, mixed grassland, and riparian woodland. The property has the potential to support a high diversity of wildlife species including large and medium-sized carnivores such as mountain lions, bobcat and coyote, as well as black-tailed deer, and various species of raptors and passerines. Sightings and evidence indicating the presence of these species were noted during the field visit. From inspection of the Wildlife Habitat Assessment's attached maps, it would appear that the property, if left in its current condition, could provide a valuable linkage between significant areas of undeveloped lands and existing open space. This would facilitate the movement of wildlife across large portions of the landscape.

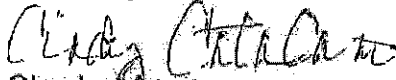
This project is a valuable and scenic wildlife area that contains mostly moderate gradient slopes. As such, the property appears inadequate for most agricultural uses, such as the planting of crops. To protect and enhance the property's value to wildlife, DFG recommends implementing the Wildlife Enhancement Recommendations outlined in the Wildlife Habitat Assessment.

The combination of low agricultural values and high natural resource values appear to indicate that this property is a prime candidate for Williamson Act open space and wildlife considerations. We recommend County approval.

Ms. Traci Tesconi
May 30, 2008
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If you have questions regarding our comments, please contact Ms. Stacy Martinelli, Associate Wildlife Biologist, at (707) 944-5537; or Ms. Laurie Briden, Senior Wildlife Biologist, at (209) 948-7347.

Sincerely,



Charles Armor
Regional Manager
Bay Delta Region

cc: Ms. Traci Tesconi
ttesconi@sonoma-county.org

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**OPEN SPACE AND WILDLIFE HABITAT ASSESSMENT
LOT 11**

March, 2008



Prepared for:
Silverado Premium Properties

Prepared by:

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OPEN SPACE AND WILDLIFE HABITAT ASSESSMENT

INTRODUCTION

Forty-three acres of natural oak woodland are proposed as an Open Space Preserve under the Williamson Act of 1965. As a Type A-II agricultural contract; Open Space Use, the land will be maintained in such a manner as to preserve its natural characteristics, beauty, and openness for the visual benefit of the public, and to provide essential habitat for wildlife.

The subject land is the most northerly upland portion of a 360 ac. parcel (APN 162-020-011) of which 226ac. is planted in vineyards. The parcel is named Chalk Ridge Vineyard, LLC, and has been in a Williamson Type I contract since 1975. Silverado Premium Properties purchased this property in 2002. Wanting to assure that the vineyard uses remain sustainable, the owner is seeking to subdivide the parcel into viable agricultural units and to differentiate the prime agricultural areas for vineyards from the non-prime hillside area. This action will require the existing Type I contract be rescinded and applications for the newly created parcels be submitted for the appropriate contract category. The subject land and an adjacent hillside lot will be submitted for Type II contracts. Pending the subdivision and a unique APN the subject land will be referred to as Lot #11.

Lot #11 is 43ac. in size with a single vineyard totaling 1.76 ac. nestled within an oak woodland landscape. The proposed residential area and all incidental usages will not exceed 3 ac., providing a total of 41+ acres of natural woodlands as open space and wildlife habitat.

To evaluate the subject lot for its qualification as an Open Space Preserve, BioConsultant LLC staff wildlife biologist, Kim Fitts, conducted habitat assessments on February 1 and March 6, 2008. Ms. Fitts focused the 4.5-hour evaluation on the habitat quality, wildlife resource value, and potential management practices. In accordance with the Williamson Act policies, she also coordinated a third site visit with Department of Fish and Game biologist, Stacy Martinelli, and conducted an inspection tour the site on March 25, 2008.

This report presents the on-site open space qualities and resources and includes recommended management practices that will enhance and maintain the land as open space and habitat for native wildlife. Conclusions are based on the considerable open space and view shed value, available wildlife resources, and the importance of landscape scale connectivity and conservation.

Location

Chalk Ridge Vineyard, LLC, is located at 385 Pleasant Avenue, less than 0.5 miles east of the town of Windsor. Lot 12 occupies the eastern portion of the parcel, sited north of Pleasant Avenue and bordered on the east by Chalk Hill Road (Figure 1: Regional Map).

Regional Setting

Located in the lower slopes of the Mayacmas Mountain range, the hillside landform that includes the subject lot provides a scenic backdrop to the Santa Rosa Plain and is highly visible from the surrounding towns of Windsor and Santa Rosa. The view shed is so significant it is designated as a "*Major Scenic Landscape Unit*" in Sonoma County's General Plan.

The landform is composed of a steep ridgeline that runs in a northwest to southeast direction toward Fitch Mountain. Due to the exceptional open space and scenic values, thousands of acres of oak woodland and agricultural lands along this ridgeline have been protected in regional parks or by private conservation and open space easements (see Figure 1). Centrally positioned amid this swath of protected lands, the subject lot straddles the ridgeline; the valley floor to the west is planted in vineyards bordered by the residences of Windsor, and the land to the east across Chalk Hill Road is predominately low density rural residential, vineyard and ranch lands that extend largely undeveloped to Mount St. Helena.

A second significant complex of conservation lands located 1.7 miles to the east protects thousands of acres of ranch and natural lands in the Mark West Creek watershed.

The subject lot is within the Russian River sub basin watershed, and a portion of Pool creek, a seasonal tributary to the Russian River, flows along the southeastern boundary.

HABITAT DESCRIPTION AND ASSESSMENT

Physical / Topographic Description

The subject parcel's configuration, boundaries, vineyard, proposed residential area, and invasive plant area are shown on Figure 2: Site Map.

Two unpaved roads provide access to the lot; one follows the ridgeline extending from the adjacent lot and a second crosses private properties along an easement from Chalk Hill Road. The terrain is generally steep with some leveling along the crest of the ridge. Elevations range from 150-200 ft. at the base of the slope bordering the valley vineyards to 460 ft. at the apex of the ridgeline.

The ridge top vineyard is positioned at the apex of the ridgeline and enclosed with deer fencing (Photo 1). The house site is proposed for this fairly level open area, also. From this site the west-facing slope overlooks vineyards and the town of Windsor, while the east-facing slope descends to Chalk Hill Road and has expansive views of the eastern portion of the County.

Northern oak woodland with mosaics of grassy openings dominates the landscape. Depending upon the slope and sun exposure the northern oak woodland grades into different oak associations. On the sunny, west-facing slope large-diameter live oaks form a variable open woodland with large grassy mosaics throughout. The more mesic, east-

facing slope is composed of smaller winter-deciduous oaks that form a closed canopy woodland.

Pool Creek is located just across Chalk Hill Road and flows down slope parallel to the eastern property line. Numerous side drainages carry seasonal flows down both sides of the ridge; those on the east side drain directly into Pool Creek, while those on the west side flow to the valley floor and through the vineyards before entering Pool Creek.

While riparian woodland flanks the banks of Pool Creek, a true riparian community is lacking in the seasonal hillside drainages; the overstory of these watercourses is composed primarily of California bay and some of the more mesic members of the associated oak woodland.

Plant Communities

The primary habitats on-site are healthy, regenerating and largely native, and include the following plant communities. Within this document, the term *plant community* is used to denote broad, landscape-scale vegetation types and assemblages. A brief description of each type as it reflects the subject lot is provided below. The inclusive associations are based on dominant floristic components.

Northern Oak Woodland

Northern oak woodlands are extremely variable and species composition is based upon site characteristics. At the subject lot coast live oak is the single dominant overstory species. On the drier slopes, the dominant live oak forms an open live oak association. On the shady mesic slopes, trees characteristic of mixed evergreen forest (California bay, madrone, tanbark oak, black oak, Oregon oak and scattered conifers) combine with coast live oak to form a predominately deciduous association. Due to the early season survey the deciduous trees had yet to leaf out, making it hard to determine the dominant tree; however it appears to be an Oregon oak association.

Mixed Grassland

Sonoma County grasslands generally occur in open dry areas and are dominated by such non-native annual grasses as slender wild oat, big and little quaking grass and dog-tailed grass. Native wildflowers like the California poppy, blue dicks, and various lupines add seasonal color to the golden grasses.

Due to the early season survey the majority of the annual grasses were unidentifiable and only the earliest blooming wildflowers such as milk maids and hound's tongue were found, although by the second survey the first of the poppies, lupines and blue dicks were observed scattered amid the grassy openings.

Riparian Woodlands and Environs

Along Sonoma County's inland seasonal or ephemeral drainages such as those found in Lot #11, trees more typical of a mixed evergreen forest form the overstory in the more mesic drainages, while in the drier areas components of the surrounding upland community form the overstory and the ground cover.

Wildlife Habitat Assessment

This relatively small site, in terms of landscape scale, provides a rather unique representative of a much larger oak woodland ecosystem. The two distinct oak associations that occur on opposite slopes provide distinctive habitat types with different food, shelter, and thermal opportunities. While the wildlife community in general will utilize the entire lot, those animals more adapted to grasslands and open woodlands will occupy the live oak association, while the forest type dwellers will prefer the dense closed canopy of the deciduous oak association. The sunny west-facing live oak dominated community with its grassland mosaics and well-developed understory provides the characteristics and elements favored by small mammals, ground squirrels and rabbits that provide the prey base for top open country avian predators such as the red-tailed hawk, golden eagle, and the great horned owl. The mountain lion, deer, and badger are also more typically found in these types of open woodlands. The cooler and shaded forest-like environ of the east-facing slope supports a diverse amphibian and reptile population which in turn provides food for many meso-carnivores. The cooper hawk, sharp-shinned hawk, and spotted owl are some local avian predators that rely on the closely spaced trees for protection from the often more aggressive open woodland avian predators.

The on-site oak woodland landscape contains at least four different species of oaks that represent all stages of the oak's life, from saplings to the fallen oak. Oak seedlings are abundant on the subject lot indicating that the oak woodland is naturally regenerating, a trend that is becoming increasingly rare in Sonoma County (Photo 2). The various mature oaks supply not only an abundant food source in the form of acorns, catkins, lichens, mistletoe, and insects, but offer many roosting and cavity-nesting resources. Dead and dying oaks, called snags, are abundant throughout the subject lot providing avian cavity nesting sites, singing perches, and raptor lookouts. Several species of bats also rely upon hollow snags and defoliating bark for roosting and over wintering sites. The fallen oak and debris provide even more shelter opportunities for the wildlife community, often supporting rare amphibians and a whole host of small mammals.

A large woodpile of oak stumps, limbs, and debris created during the development of the vineyard lies just outside of the vineyard fencing (Photo 3). These types of artificially created habitat are readily utilized by the wildlife community and should be preserved; however, this particular pile seemed to have less evidence of wildlife use and little natural revegetation.

The other primary constituents of the oak landscape such as madrone, California bay, manzanita, and poison oak contribute greatly to the available year-round food source. In the western states, madrone is ranked as a top wildlife forage provider; some of the many birds that eat the winter berries include the band-tailed pigeon, varied thrush, Stellar's jay, American robin, and the northern flicker. The plentiful poison oak is also an extremely important plant for the wildlife community. Its dense cover provides shelter and nesting opportunities, and its leaves and berries provide food for a plethora of wildlife. Its small white berries can help many species survive the cold, food-scarce months of our northern California winters. The authors of *A Guide to Wildlife Food*

Habits list 25 bird species that eat these fruits; deer feed on the leaves and the woodrat depends upon the whole plant for food, cover, and as house building material.

These resources within the on-site woodland landscape are supporting a diverse and rich avifauna that includes some of Sonoma County's best known and loved birds. While conducting a brief wildlife check at the south edge of the vineyard overlooking the grassy hillside (Photo 4), I observed a mixed flock of chickadees, bushtits, and titmice foraging among a stand of live oaks, a red-tailed hawk circling overhead, and heard the vocalizations of Sonoma County's quintessential acorn woodpecker reverberating from the large valley oaks at the base of the slope. I saw a colorful flock of western bluebirds and yellow-rumped warblers alternately perched on the vineyard's deer fencing then swooping to take prey in the grassy ground cover. During my second site visit, I watched a wild turkey foraging inside the vineyard fencing and found the scat of either a very large bobcat or a small mountain lion (Photo 5). Either cat could have climbed a tree and easily jumped into the vineyard.

Landscape Corridor Connectivity

The location of this ridge top lot amongst the extensive private and publicly protected lands provides an important section along an essential wildlife movement corridor that connects vast areas of undeveloped land in the middle of Sonoma County. The subject lot and its adjacent lot, also proposed as open space, will provide ridge top linkage between Shiloh Ranch and Foothill regional parks, which combined total over 1,060 acres. In addition, the riparian corridors of Wright and Pool Creeks form a direct connection to a vast contiguous swath of conservation easement lands that include Mark West and Porter Creeks, with a mere 1.4 mile gap back to Shiloh Park (see figure 1).

Conserving contiguous movement corridors is vital for the survival of our local wildlife in their efforts to move among urban areas and remnant habitat patches to find adequate resources and avoid population inbreeding.

Invasive Plants

A single location of French broom was observed along the roadway and gated area at the northern most section of the parcel. Sample specimens were flagged with yellow surveyors tape (Photo 6) and the site is mapped on Figure 2. Dense stands of French broom occur along the easement road leading to the subject lot. This French broom infestation extends upslope from the Chalk Hill Road and from the surrounding private properties. French broom is an invasive weed that is quick to invade disturbed areas and has the potential to spread rapidly and aggressively, displacing native vegetation, reducing wildlife habitat quality and increasing fire danger. French broom produces copious amounts of seed that build up in the soil and remain viable for many years, allowing them to quickly form dense thickets in disturbed areas.

Without intervention the off-site broom infestation will spread into the subject lot and the small on-site location will expand into the surrounding natural areas and displace the native vegetation. Physical removal has been cited as the best method of elimination; recommended maintenance and removal methods are offered in the Habitat and Wildlife Enhancement Recommendations section.

FINDINGS

As described the subject lot contains good quality mature oak woodland habitat with a significant component of large trees combined with other important habitat elements such as snags, downed logs, and riparian habitat. These habitats and plant communities have the potential to support an abundant and varied assemblage of insects, amphibians, reptiles, birds, and mammals that are dependent on the health of the local environment for their ecological requirements. While no special-status species were observed during the brief site visits, the site has high potential to support many rare species, such as the golden eagle, American badger, spotted owl, and ring-tailed cat. Thirty common wildlife species were observed during the limited field survey.

Open Space Qualities and Wildlife Resources

The well positioned oak woodland landscape of the subject lot contains essential resources for native wildlife and provides a significant visual benefit to public. Specific qualities are highlighted below.

- The natural scenic beauty and view shed of the subject lot and surrounding lands provide an incredible visual benefit for the public of Sonoma County.
- The position of this ridge top lot and its connectivity with adjacent protected natural lands and watershed areas allow for movement between meta-populations fundamental for genetically viable and healthy plant and wildlife populations.
- These contiguous natural lands can support high profile wildlife species such as the mountain lion, spotted owl and the golden eagle, which require large territories that are removed from human activities.
- The occurrence of regenerating Sonoma County signature oak woodlands.
- The healthy oak woodlands contribute significantly to regional plant and animal richness and biodiversity.
- The nearby riparian zone of Pool Creek facilitates wildlife movement for migration, dispersal, and growth and provides wildfire escape corridors.
- The site contains plant communities and habitat types that are rapidly disappearing in Northern California: oak and riparian woodlands.
- The plant communities on this site are in a healthy state, without substantial populations of invasive non-native plant species.

CONCLUSIONS

Sonoma County is one of the fastest growing counties in California; this growth rate increases the demand for property in rural areas, which results in land fragmentation and conversion of our local natural landscapes for housing, roads, wineries, and recreational development. The future of California's oak woodlands depends on maintaining large, contiguous parcels of privately owned land. Therefore, employing practices that preserve landscapes and lessen fragmentation are vital. The economic incentive of the Williamson Act is an important method for Californians to maintain the ecological integrity of their privately owned oak woodlands.

Sonoma County's remaining oak woodlands are vitally important to our local wildlife community and should be preserved to insure regional and local biodiversity. Based upon the highly visible scenic view shed, the value of the on-site oak woodlands, and the importance of landscape scale conservation, I recommend that the subject lot be accepted into the Williamson Act as an Open Space and Wildlife Preserve.

Habitat and Wildlife Enhancement Recommendations

As part of the qualification procedure for the Williamson Act, the following recommendations are offered to maintain important habitat components and enhance the land for wildlife use. These recommendations have been discussed with the land owner's agent.

Retain Standing Snags and Cavity Trees

Snags are standing trees that are dead or dying. No other woodland resources can offer the abundance of perching, roosting, and available nest cavities for wildlife as the snag. All snags, cavity trees, and downed logs should be retained unless a hazard is posed. If a snag is deemed a danger, large branches can be removed leaving the standing trunk for wildlife use.

Specifically, either preserve the large woodpile adjacent to the vineyard (see photo 3) or spread out oak elements so any animals living within have a chance to escape if the pile is to be burned.

Remove Unnecessary Fencing

Remove all fencing that is not necessary for the protection of existing vineyards. This action will increase the ability of the wildlife community to move through the site and reduce the risk of injury.

Avoid Oak Tree Removal

The proposed residential development should avoid the removal of significant mature oak trees and habitat elements. In general, this would include healthy large-diameter oaks (typically above 15 DBH), and large snags and downed logs. The least environmentally damaging house site location would be along the crest of the ridgeline in naturally open grassland areas or adjacent to or within the existing vineyards.

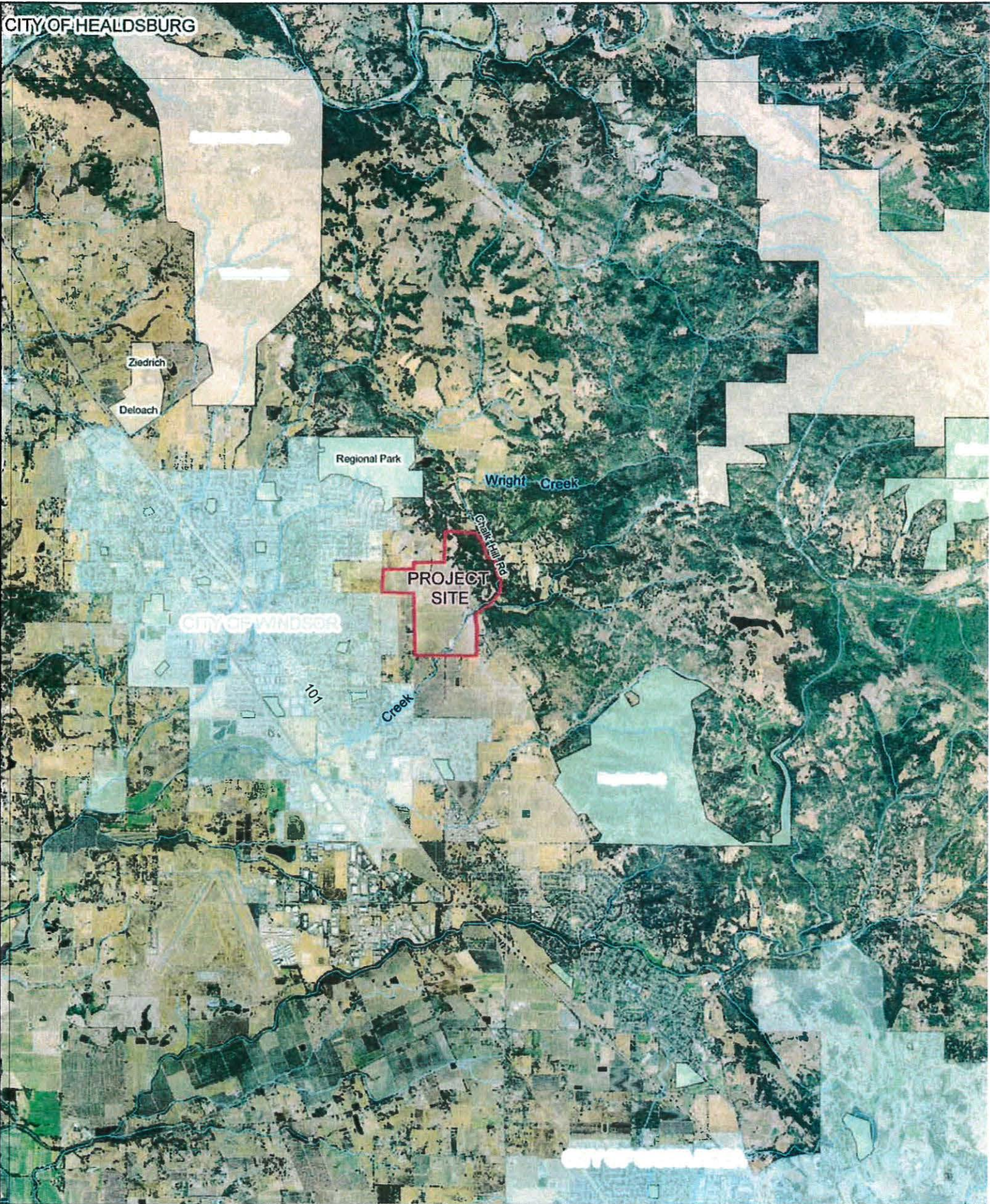
Non-Native Plant Control

Eradicate the single area of French broom from the subject lot. The few plants should be removed by pulling with a "weed wrench" or by hand, and they should be carried off-site to be disposed of at an appropriate off-site location (local landfill). Once the broom plants are removed from this site, check the area annually and remove any re-growth. The removal process will be long-term, at least 5 years. The best time for removal is in winter and spring when soils are still moist and prior to seed production. If needed, use a focused application of Round-up directly on root systems left in the soil. Extreme care must be taken to insure Round-up does not enter the water system.

Due to the infestation of broom just off-site, conduct annual inspections along the fence lines of the northern section of the lot and in all areas of soil disturbance following residential development. A long-term strategy will be needed to successfully eradicate these species and must include annual inspections of the vegetation surrounding the established broom stands and all areas disturbed by the proposed residential development. If broom seedlings are found, remove them immediately and add the area to the annual inspection list.

Additional detailed recommendations for broom control can be found in a publication produced by the Nature Conservancy titled: *Controlling Scotch (Scots) broom in the Pacific Northwest* (April 2004), which can be accessed online at <http://tncweeds.ucdavis.edu/esadocs.html>. Another excellent resource is *The Weed Worker's Handbook* (2004), which can be obtained from the publishers: The Watershed Project at (510) 231-5655 or the California Invasive Plant Council at (510) 843-3902.

CITY OF HEALDSBURG



Ziedrich

Deloach

Regional Park

Wright Creek

PROJECT SITE

CITY OF WINDSOR

101

Creek

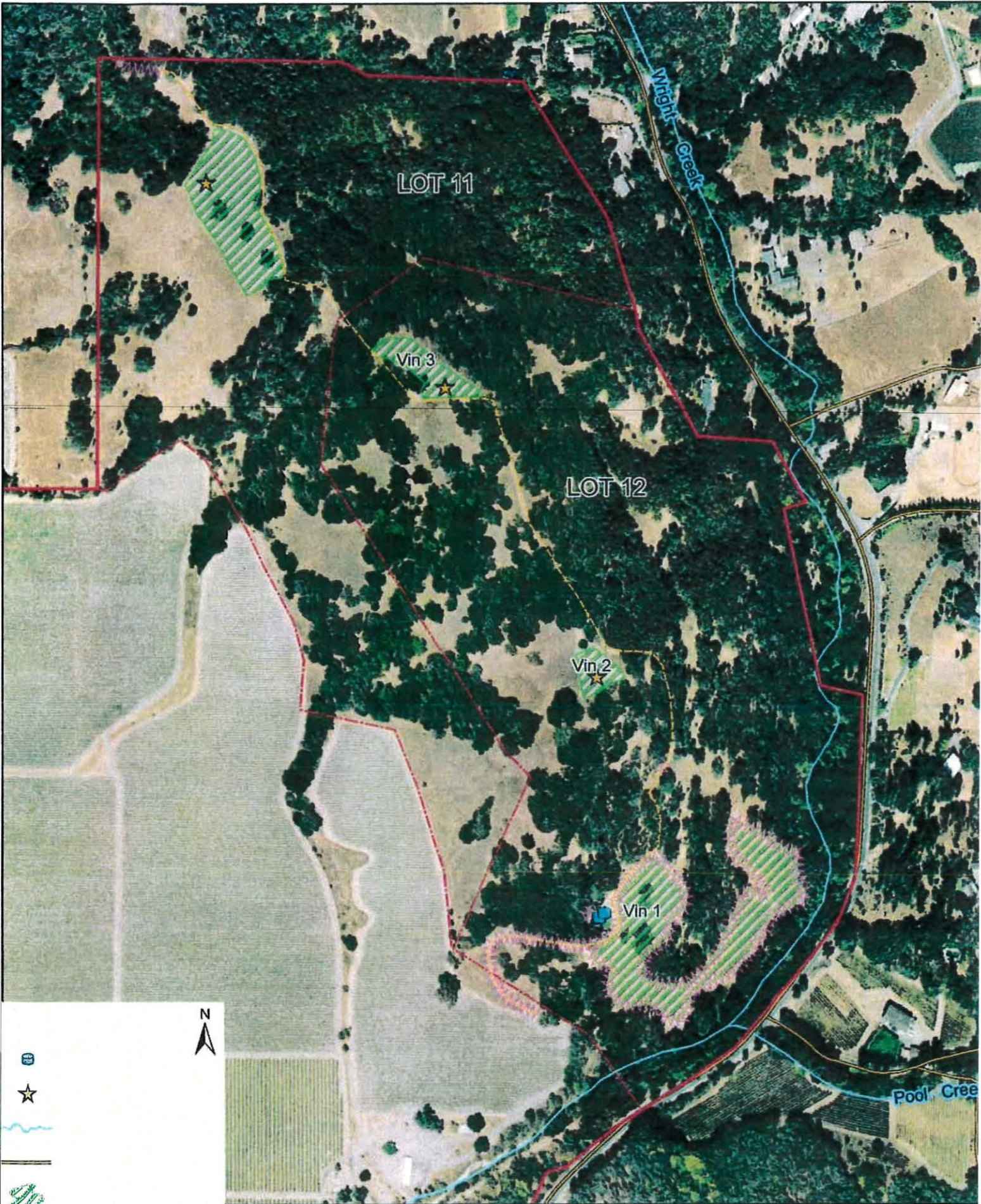
Grain Hill Rd

CITY OF UKIAH



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LOT 11

LOT 12

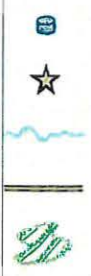
Vin 3

Vin 2

Vin 1

Wright Creek

Pool Creek



Ph: 707-539-4488
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Chalk Ridge Plant List, 2008

Lot 11

Family	Species	Common Name	Native
FERNS & FERN ALLIES			
BLECHNACEAE	<i>Woodwardia fimbriata</i>	Chain fern	yes
DENNSTAEDTIACEAE	<i>Pteridium aquilinum</i> var. <i>pubescens</i>	Bracken fern	yes
DRYOPTERIDACEAE	<i>Dryopteris araufuta</i>	Wood fern	yes
EQUISETACEAE	<i>Equisetum arvense</i>	Common horsetail	yes
PTERIDIACEAE	<i>Adiantum jordanii</i>	California maiden-hair	yes
	<i>Polypodium Californicum</i>	California polypody	yes
	<i>Pentagramma triangularis</i>	Golden back fern	yes
GYMNOSPERMS			
PINACEAE	<i>Psuedotsuga menziesii</i> var. <i>menziesii</i>	Douglas fir	yes
ANGIOSPERMS/ MONOCOTS			
LILIACEAE	<i>Brodiaea elegans</i>	Harvest brodiaea	yes
	<i>Chlorogalum pomeridianum</i> var. <i>pomeridianum</i>	Soap plant	yes
	<i>Dichelostemma capitatum</i> ssp. <i>Capitatum</i>	Blue dicks	yes
POACEAE	<i>Avena fatua</i>	Wild oats	no
	<i>Briza minor</i>	Little quaking grass	no
	<i>Briza maxima</i>	Big quaking grass	no
	<i>Bromus carinatus</i>	California brome	yes
	<i>Bromus diandrus</i>	Rippgut brome	no
	<i>Bromus hordeaceus</i>	Soft chess brome	no
	<i>Bromus laevipes</i>	Woodland brome	yes
	<i>Cynosurus echinatus</i>	Hedgehog dogtail	no
DICOTS			
ACERACEAE	<i>Acer macrophyllum</i>	Big leaf maple	yes
ANACARDIACEAE	<i>Toxicodendron diversilobum</i>	Western poison oak	yes
APIACEAE	<i>Sanicula crassicaulis</i>	Pacific sanicle	yes
ASTERACEAE	<i>Anaphalis margaritacea</i>	Pearly everlasting	yes
	<i>Artemesia douglasiana</i>	Mugwort	yes
	<i>Baccharis pilularis</i>	Coyote brush	yes
	<i>Hypochaeris glabra</i>	Smooth cat's ear	no
	<i>Hypochaeris radicata</i>	Rough cat's ear	no
	<i>Wyethia angustifolia</i>	Mules ears	yes
BORAGINACEAE	<i>Cynoglossum grande</i>	Hounds tongue	yes
BRASSICACEAE	<i>Cardamine californica</i>	Milk maids	yes
CALYCANTHACEAE	<i>Calycanthus occidentalis</i>	Spice bush	yes
CARYOPHYLLACEAE	<i>Silene californica</i>	Indian pink	yes

Chalk Ridge Plant List, 2008

Lot 11

CAPRIFOLIACEAE	<i>Lonicera hispidula</i>	Honeysuckle	yes
ERICACEAE	<i>Arbutus menziesii</i>	Pacific madrone	yes
	<i>Arctostaphylos manzanita</i> <i>ssp. Manzanita</i>	Common manzanita	yes
	<i>Arctostaphylos sp.</i>	Manzanita	yes
EUPHORBIACEAE	<i>Eremocarpus setigerus</i>	Dove weed	yes
FABACEAE	<i>Genista monspessulana</i>	French broom	no
	<i>Lupinus bicolor</i>	Lupine	yes
FAGACEAE	<i>Lithocarpus densiflorus</i> var. <i>densiflorus</i>	Tan oak	yes
	<i>Quercus agrifolia</i>	Coast live oak	yes
	<i>Quercus douglasii</i>	Blue oak	yes
	<i>Quercus garryana</i>	Oregon oak	yes
	<i>Quercus kelloggii</i>	California black oak	yes
	<i>Quercus lobata</i>	Valley oak	yes
HIPPOCASTANACEAE	<i>Aesculus californica</i>	California buckeye	yes
LAMIACEAE	<i>Stachys ajugoides</i>	hedge nettle	yes
LAURACEAE	<i>Umbellularia californica</i>	California bay laurel	yes
ONAGRACEAE	<i>Camissonia ovata</i>	Sun cups	yes
PAPAVERACEAE	<i>Eschscholzia californica</i>	California poppy	yes
RANUNCULACEAE	<i>Ranunculus californicus</i>	California Buttercup	yes
RHAMNACEAE	<i>Ceanothus sp.</i>	Ceanothus	yes
	<i>Rhamnus californicus</i>	Coffee berry	yes
ROSACEAE	<i>Heteromeles arbutifolia</i>	Toyon	yes
	<i>Holodiscus discolor</i>	Oceanspray	yes
	<i>Rosa gymnocarpa</i>	Woodland rose	yes
	<i>Rubus discolor</i>	Himalaya berry	no
	<i>Rubus ursinus</i>	California blackberry	yes
RUBIACEAE	<i>Galium californicum</i>	California bedstraw	yes
	<i>Salix sp.</i>	Willow	yes
SCROPHULARIACEAE	<i>Mimulus aurentiacus</i>	Sticky monkey flower	yes

Note: The above list is only a partial list of species occurring on-site. The limited field survey was performed in the early spring season when many species are identifiable. BioConsultant LLC staff botanist, Linda Esposito was consulted regarding plant identification and special-status species.

Chalk Ridge Wildlife List 2008

Lot 11

Class	Species	Common Name	Detection	Status
Amphibian	<i>Hyla regilla</i>	Pacific tree frog	Song	
Reptile	<i>Sceloporus occidentalis</i>	Western fence lizard	Visual	
Avian	<i>Melanerpes formicivorus</i>	Acorn woodpecker	Visual	Local Concern
	<i>Corvus brachyrhynchos</i>	American crow	Visual	
	<i>Falco sparverius</i>	American kestrel	Visual	
	<i>Turdus migratorius</i>	American robin	Visual	
	<i>Sayornis nigricans</i>	Black phoebe	Visual	
	<i>Certhai americana</i>	Brown creeper	Song	
	<i>Psaltriparus minimus</i>	Bushtit		
	<i>Pipilo crissalis</i>	California towhee	Visual	
	<i>Parus rufescens</i>	Chestnut-backed chickadee	Visual	
	<i>Junco hyemalis</i>	Dark-eyed junco	Visual	
	<i>Zenaida macroura</i>	Mourning dove	Visual	
	<i>Colaptes auratus</i>	Northern flicker	Visual/Song	
	<i>Baeolophus inornatus</i>	Oak titmouse	Visual	
	<i>Buteo lineatus</i>	Red-shouldered hawk	Visual	CFP
	<i>Buteo jamaicensis</i>	Red-tailed hawk	Song	CFP
	<i>Pipilo erythrophthalmus</i>	Rufous-sided towhee	Song	
	<i>Aphelocoma californica</i>	Scrub jay	Visual	
	<i>Cathartes aura</i>	Turkey vulture	Visual	
	<i>Dendroica coronata</i>	Yellow-rumped warbler	Visual	
	<i>Sialia mexicana</i>	Western bluebird	Visual	
	<i>Meleagris gallopavo</i>	Wild turkey	Visual	
	<i>Sitta carolinensis</i>	White-breasted nuthatch	Visual	
Mammal	<i>Odocoileus hemionus columbianus</i>	Black-tailed deer	Tracks / scat	
	<i>Lepus californicus</i>	Black-tailed hare	Sign/scat	
	<i>Canis latrans</i>	Coyote	Sign/scat	
	<i>Neotoma fuscipes</i>	Dusky-footed woodrat	Sign/scat	
	<i>Thomomys talpoides</i>	Pocket gopher	Burrows	
	<i>Microtus californicus</i>	Meadow vole	Visual	
	<i>Lynx rufus</i>	Bobcat	Sign/scat	

Note: Direct observation, auditory detection, and interpretation of animal sign such as tracks, scat, and burrows were used to inventory the animal species

Direct observation, auditory detection, and interpretation of animal sign such as tracks, scat, and burrows were used to inventory the animal species

FEDERAL: (U.S. Fish and Wildlife Service) or (National Marine Fisheries Service)
FE= Federally listed as Endangered
FT= Federally listed as Threatened
FPE= Federally proposed for listing as Endangered
FPT= Federally proposed for listing as Threatened
SC= Species of Concern- NMFS
STATE: (California Department of Fish and Game)
SE State listed as Endangered
ST State listed as Threatened
CFP= Fully Protected
CSC= Cal Species of special Concern

SOURCES: U.S. Fish and Wildlife Service, 2008; California Natural Diversity Data Base, 2008; and BioConsultant LLC, 2008



Photo 1: The ridge top vineyard overlooking the town of Windsor.

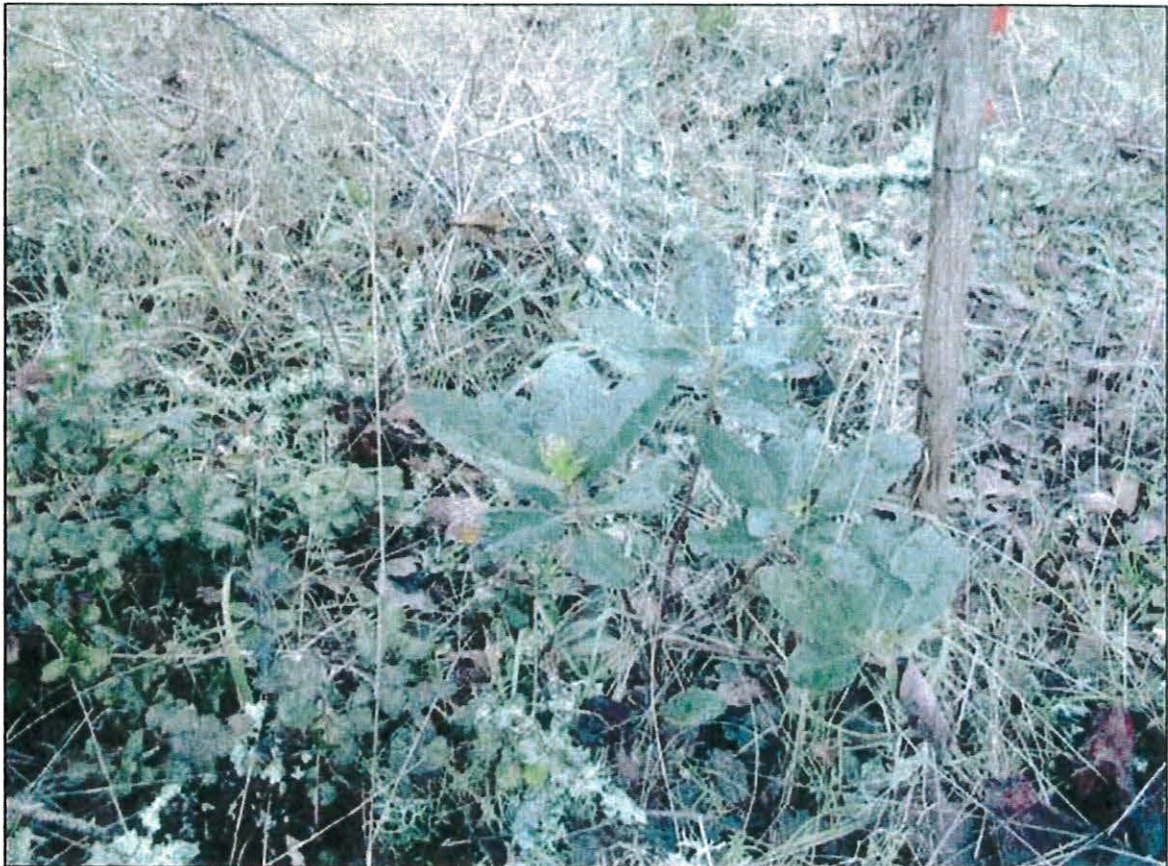


Photo 2: A view of live coast oak and madrone seedlings in the understory.



Photo 3: The large woodpile which provides artificial habitat.

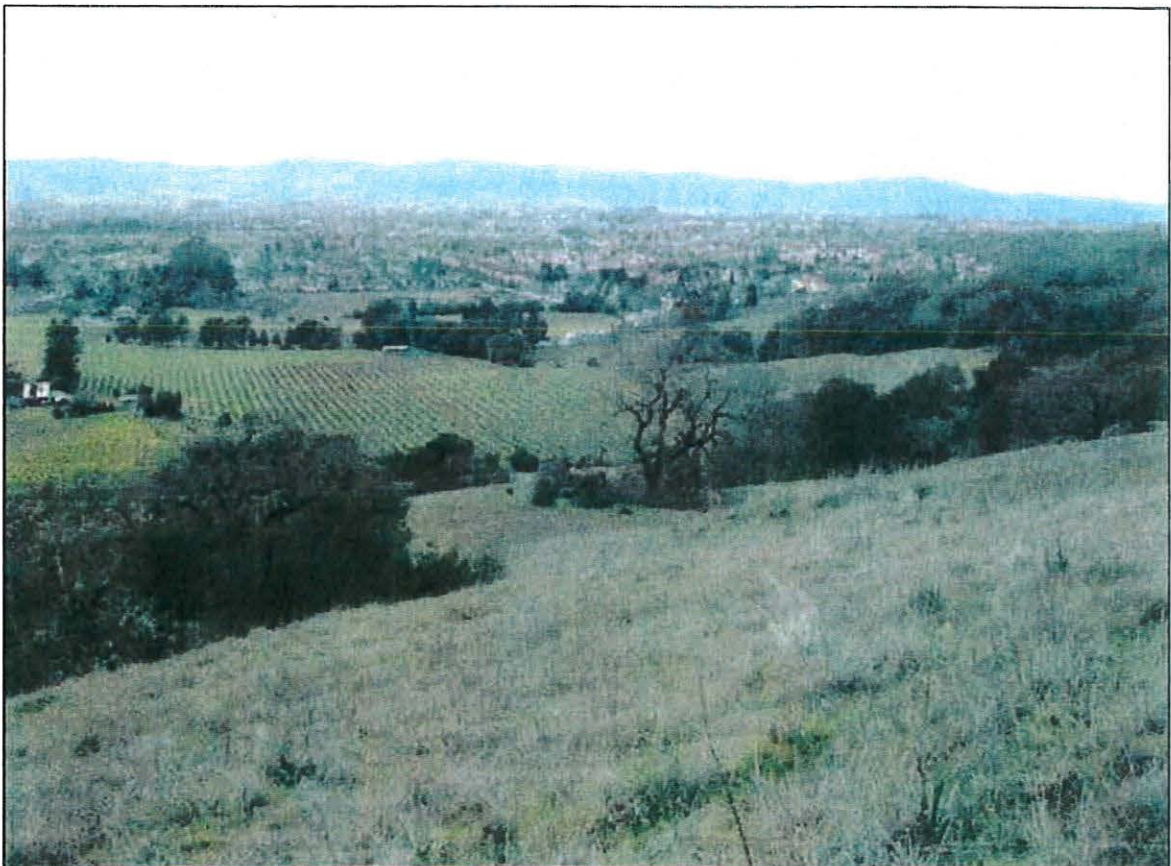


Photo 4: A view of the west-facing slope at the wildlife check site at the south edge of the vineyard.



Photo 5: Large diameter feline scat.



Photo 6: Single on-site location of French broom flagged with surveyors tape.

**OPEN SPACE AND WILDLIFE HABITAT ASSESSMENT
LOT 12**

March, 2008



Prepared for:
Silverado Premium Properties

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OPEN SPACE AND WILDLIFE HABITAT ASSESSMENT

INTRODUCTION

Sixty acres of natural oak woodland are proposed as an Open Space Preserve under the Williamson Act of 1965. As a Type A-II agricultural contract; Open Space Use, the land will be maintained in such a manner as to preserve its natural characteristics, beauty, and openness for the visual benefit of the public, and to provide essential habitat for wildlife.

The subject land is the most southerly upland portion of a 360 ac. parcel (APN 162-020-011) of which 226 ac. is planted in vineyards. The parcel is named Chalk Ridge Vineyard, LLC, and has been in a Williamson Type I contract since 1975. Silverado Premium Properties purchased this property in 2002. Wanting to assure that the vineyard uses remain sustainable, the owner is seeking to subdivide the parcel into viable agricultural units and to differentiate the prime agricultural areas for vineyards from the non-prime hillside area. This action will require the existing Type I contract be rescinded and applications for the newly created parcels be submitted for the appropriate contract category. The subject land and an adjacent hillside lot will be submitted for Type II contracts. Pending the subdivision and a unique APN the subject land will be referred to as Lot #12.

Lot #12 is 60.05 ac. in size with three small vineyards totaling 3.86 ac. nestled within an oak woodland landscape. A proposed residential area and all incidental usages will not exceed 3 ac., providing a total of 53 acres of natural woodlands as open space and wildlife habitat.

To evaluate the subject lot for its qualification as an Open Space Preserve, BioConsultant LLC staff wildlife biologist, Kim Fitts, conducted habitat assessments on February 1 and March 6, 2008. Ms. Fitts focused the 5-hour evaluation on the habitat quality, wildlife resource value, and potential management practices. In accordance with the Williamson Act policies, she also coordinated a third site visit with Department of Fish and Game biologist, Stacy Martinelli and conducted an inspection tour the site on March 25, 2008.

This report presents the on-site open space qualities and resources and includes recommended management practices that will enhance and maintain the land as open space and habitat for native wildlife. Conclusions are based on the considerable open space and view shed value, available wildlife resources, and the importance of landscape scale connectivity and conservation.

Location

Chalk Ridge Vineyard, LLC, is located at 385 Pleasant Avenue, less than 0.5 miles east of the town of Windsor. Lot 12 occupies the eastern portion of the parcel, sited north of Pleasant Avenue and bordered on the east by Chalk Hill Road (Figure 1: Regional Map).

Regional Setting

Located in the lower slopes of the Mayacmas Mountain range, the hillside landform that includes the subject lot provides a scenic backdrop to the Santa Rosa Plain and is highly visible from the surrounding towns of Windsor and Santa Rosa. The view shed is so significant it is designated as a "*Major Scenic Landscape Unit*" in Sonoma County's General Plan.

The landform is composed of a steep ridgeline that runs in a northwest to southeast direction toward Fitch Mountain. Due to the exceptional open space and scenic values, thousands of acres of oak woodland and agricultural lands along this ridgeline have been protected in regional parks or by private conservation and open space easements (see Figure 1). Centrally positioned amid this swath of protected lands, the subject lot straddles the ridgeline; the valley floor to the west is planted in vineyards bordered by the residences of Windsor, and the land to the east across Chalk Hill Road is predominately low density rural residential, vineyard and ranch lands that extend largely undeveloped to Mount St. Helena.

A second significant complex of conservation lands located 1.7 mile to the east protects thousands of acres of ranch and natural lands in the Mark West Creek watershed.

The subject lot is within the Russian River sub basin watershed, and a portion of Pool creek, a seasonal tributary to the Russian River, flows along the southeastern boundary.

HABITAT DESCRIPTION AND ASSESSMENT

Physical / Topographic Description

The subject lot's configuration, boundaries, vineyards, proposed residential areas, invasive plant locations, and existing roadways are shown on Figure 2: Site Map.

A single unpaved road runs along the crest of the ridgeline that bisects the lot; from the road the west-facing slope overlooks vineyards and the town of Windsor, while the east-facing slope descends to Chalk Hill Road and has expansive views of the eastern portion of the County. The terrain is generally steep with some gently sloping areas along the crest of the ridge. Elevations range from 200 ft. at the base of the southern most roadway access to 460 ft. at the apex of the ridge.

Three small vineyards are located along the ridgeline; the most southerly vineyard #1 is the largest and composed of 3 small blocks planted in a U shape; the others are spread along the ridgeline. Deer fencing encloses all of the vineyards. The two potential house sites are proposed to be either alongside or within vineyard #2 and #3.

Northern oak woodland with mosaics of grassy openings dominates the landscape. Depending upon the slope and sun exposure the northern oak woodland grades into different oak associations. On the sunny, west-facing slope large-diameter live oaks form a variable open woodland with grassy mosaics throughout (Photo 1). The more mesic,

east-facing slope is composed of smaller winter-deciduous oaks that form a closed canopy woodland (Photo 2).

Pool Creek flows down slope along the lower southeastern property line. Numerous side drainages carry seasonal flows down both sides of the ridge; those on the east side drain directly into Pool Creek, while those on the west side flow to the valley floor and through the vineyards before entering Pool Creek.

While riparian woodland flanks the banks of Pool Creek, a true riparian community is lacking in the seasonal hillside drainages; the overstory of these watercourses is composed primarily of California bay and some of the more mesic members of the associated oak woodland.

Plant Communities

The primary habitats on-site are healthy, regenerating and largely native, and include the following plant communities. Within this document, the term *plant community* is used to denote broad, landscape-scale vegetation types and assemblages. A brief description of each type as it reflects the subject lot is provided below. The inclusive associations are based on dominant floristic components.

Northern Oak Woodland

Northern oak woodlands are extremely variable and species composition is based upon site characteristics. At the subject lot coast live oak is the single dominant overstory species. On the drier slopes, the dominant live oak forms an open live oak association. On the shady mesic slopes, trees characteristic of mixed evergreen forest (California bay, madrone, tanbark oak, black oak, Oregon oak and scattered conifers) combine with coast live oak to form a predominately deciduous association. Due to the early season survey the deciduous trees had yet to leaf out, making it hard to determine the dominant tree; however it appears to be an Oregon oak association.

Mixed Grassland

Sonoma County grasslands generally occur in open dry areas and are dominated by such non-native annual grasses as slender wild oat, big and little quaking grass and dog-tailed grass. Native wildflowers like the California poppy, blue dicks, and various lupines add seasonal color to the golden grasses.

Due to the early season survey the majority of the annual grasses were unidentifiable and only the earliest blooming wildflowers such as milk maids and hound's tongue were found, although by the second survey the first of the poppies, lupines and blue dicks were observed scattered amid the grassy openings.

Riparian Woodlands and Environs

Riparian woodland community is found only along perennial streams and rivers. Mature woodlands have a multilayered canopy and although variable, consist primarily of deciduous broad-leafed hardwoods. Common species are white alder, California bay, big-leafed maple, and some oaks.

The multilayered riparian corridor of Pool Creek is primarily composed of live oaks with California bay, black oak, buckeye, and big-leafed maple interspersed. The under story is a hodgepodge of native and non-native riparian and upland vines and forbs. Both native and non-native blackberry thickets cover large portions of the creek banks, while in other areas solid patches of the invasive riparian weed periwinkle blend with upland species such as bracken fern, live oak saplings and invasive French broom shrubs.

Along Sonoma County's inland seasonal or ephemeral drainages such as those found in Lot #12, trees more typical of a mixed evergreen forest form the overstory in the more mesic drainages, while in the drier areas components of the surrounding upland community form the overstory and the ground cover.

Wildlife Habitat Assessment

This relatively small site, in terms of landscape scale, provides a rather unique representative of a much larger oak woodland ecosystem. The two distinct oak associations that occur on opposite slopes provide distinctive habitat types with different food, shelter, and thermal opportunities. While the wildlife community in general will utilize the entire lot, those animals more adapted to grasslands and open woodlands will occupy the live oak association, while the forest type dwellers will prefer the dense closed canopy of the deciduous oak association. The sunny west-facing live oak dominated community with its grassland mosaics and well-developed understory provides the characteristics and elements favored by small mammals, ground squirrels and rabbits that provide the prey base for top open country avian predators such as the red-tailed hawk, golden eagle, and the great horned owl. The mountain lion, deer, and badger are also more typically found in these types of open woodlands. The cooler and shaded forest-like environ of the east-facing slope supports a diverse amphibian and reptile population which in turn provides food for many meso-carnivores. The cooper and sharp-shinned hawk, and spotted owl are some local avian predators that rely on the closely spaced trees for protection from the often more aggressive open woodland avian predators.

The on-site oak woodland landscape contains at least four different species of oaks that represent all stages of the oak's life, from saplings to the fallen oak. Oak seedlings are abundant on the subject lot indicating that the oak woodland is naturally regenerating, a trend that is becoming increasingly rare in Sonoma County. The various mature oaks supply not only an abundant food source in the form of acorns, catkins, lichens, mistletoe, and insects, but offer many roosting and cavity-nesting resources. Dead and dying oaks, called snags, are abundant throughout the subject lot providing avian cavity nesting sites, singing perches, and raptor lookouts. Several species of bats also rely upon hollow snags and defoliating bark for roosting and over wintering sites. The fallen oak and debris provide even more shelter opportunities for the wildlife community, often supporting rare amphibians and a whole host of small mammals.

The other primary constituents of the oak landscape such as madrone, California bay, manzanita, and poison oak contribute greatly to the available year-round food source. In the western states, madrone is ranked as a top wildlife forage provider; some of the many birds that eat the winter berries include the band-tailed pigeon, varied thrush, Stellar's

jay, American robin, and the northern flicker. The plentiful poison oak is also an extremely important plant for the wildlife community. Its dense cover provides shelter and nesting opportunities, and its leaves and berries provide food for a plethora of wildlife. Its small white berries can help many species survive the cold, food-scarce months of our northern California winters. The authors of *A Guide to Wildlife Food Habits* list 25 bird species that eat these fruits; deer feed on the leaves and the woodrat depends upon the whole plant for food, cover, and as house building material.

Two significant oak woodpiles were created during the development of vineyard #3 (Photo 3 and 4) and over time native vegetation has intertwined and grown around the oak stumps and logs. These debris piles are now habitat for a broad cross section of the wildlife community. Several woodrat nests and small mammal burrows and tunnels can be easily seen throughout. Under a carefully lifted oak round, two California salamanders and various insects were found (Photo 5). These types of artificially created habitat are readily utilized by the wildlife community and should be preserved.

The well developed riparian zone of Pool Creek contains the structure and elements to provide a variety of habitat niches, and thermal and protective cover for a diversity of wildlife species. The riparian habitat and corridor provide not only abundant food, water and nesting opportunities but also natural corridors that follow the drainages across the landscape, facilitating wildlife movement. The preservation of riparian zones into the future will sustain wildlife mobility and genetic health in an area prime for residential and vineyard development.

Landscape Corridor Connectivity

The location of this ridge top lot amongst the extensive private and publicly protected lands provides an important section along an essential wildlife movement corridor that connects vast areas of undeveloped land in the middle of Sonoma County. The subject lot and its adjacent lot, also proposed as open space, will provide ridge top linkage between Shiloh Ranch and Foothill regional parks, which combined total over 1,060 acres. In addition, the riparian corridors of Wright and Pool Creeks form a direct connection to a vast contiguous swath of conservation easement lands that include Mark West and Porter Creeks, with a mere 1.4 mile gap back to Shiloh Park (see figure 1).

Conserving contiguous movement corridors is vital for the survival of our local wildlife in their efforts to move among urban areas and remnant habitat patches to find adequate resources and avoid population inbreeding. Indeed, large mammalian scat was frequently found along the ridgeline roadway, including large diameter scat diagnostically typical of mountain lion.

Invasive Plants

Two invasive non-native shrubs, French broom and Scotch broom, occur in the lower southern section of the lot. A single location of Scotch broom was found on the west side of the steel water tanks. The French broom population is more widespread, but still confined to the southern section of the lot. The French broom infestation extends upslope from the agricultural use area, and flanks the roadway leading into the subject lot. A significant stand also lines the outer edge of the U-shaped vineyard (Photo 6), and a small

patch was found at a recently replaced telephone pole (#10) and a few plants occur along the roadway, approximately 350ft. upslope from vineyard #1. These locations are mapped on Figure 2 and representative plants were flagged with yellow surveyors tape in the U-shaped vineyard. Both brooms are invasive weeds that are quick to invade disturbed areas and have the potential to spread rapidly and aggressively, displacing native vegetation, reducing wildlife habitat quality and increasing fire danger. Broom species produce copious amounts of seed that build up in the soil and remain viable for many years, allowing them to quickly form dense thickets in disturbed areas.

Healthy saplings of live oak and madrone and a native understory are still present in gaps in the ring of French broom that has formed around the vineyard; however, without intervention the broom population will spread into the natural areas and eliminate the native vegetation. Physical removal has been cited as the best method of elimination; recommended maintenance and removal methods are offered in the Habitat and Wildlife Enhancement Recommendations section.

FINDINGS

As described the subject lot contains good quality mature oak woodland habitat with a significant component of large trees combined with other important habitat elements such as snags, downed logs, and riparian habitat. These habitats and plant communities have the potential to support an abundant and varied assemblage of insects, amphibians, reptiles, birds, and mammals that are dependent on the health of the local environment for their ecological requirements. While no special-status species were observed during the brief site visits, the site has high potential to support many rare species, such as the golden eagle, American badger, spotted owl, and ring-tailed cat. Thirty-five common wildlife species were observed during the limited field survey.

Open Space Qualities and Wildlife Resources

The well positioned oak woodland landscape of the subject lot contains essential resources for native wildlife and provides a significant visual benefit to public. Specific qualities are highlighted below.

- The natural scenic beauty and view shed of the subject lot and surrounding lands provide an incredible visual benefit for the public of Sonoma County.
- The position of this ridge top lot and its connectivity with adjacent protected natural lands and watershed areas allow for movement between meta-populations fundamental for genetically viable and healthy plant and wildlife populations.
- These contiguous natural lands can support high profile wildlife species such as the mountain lion, spotted owl and the golden eagle, which require large territories that are removed from human activities.

- The occurrence of regenerating Sonoma County signature oak woodlands.
- The healthy oak woodlands contribute significantly to regional plant and animal richness and biodiversity.
- The riparian zone of Pool Creek facilitates wildlife movement for migration, dispersal, and growth and provides wildfire escape corridors.
- The site contains plant communities and habitat types that are rapidly disappearing in Northern California: oak and riparian woodlands.
- The plant communities on this site are in a healthy state, without substantial populations of invasive non-native plant species.

CONCLUSIONS

Sonoma County is one of the fastest growing counties in California; this growth rate increases the demand for property in rural areas, which results in land fragmentation and conversion of our local natural landscapes for housing, roads, wineries, and recreational development. The future of California's oak woodlands depends on maintaining large, contiguous parcels of privately owned land. Therefore, employing practices that preserve landscapes and lessen fragmentation are vital. The economic incentive of the Williamson Act is an important method for Californians to maintain the ecological integrity of their privately owned oak woodlands.

Sonoma County's remaining oak woodlands are vitally important to our local wildlife community and should be preserved to insure regional and local biodiversity. Based upon the highly visible scenic view shed, the value of the on-site oak woodlands, and the importance of landscape scale conservation, I recommend that the subject lot be accepted into the Williamson Act as an Open Space and Wildlife Preserve.

Habitat and Wildlife Enhancement Recommendations

As part of the qualification procedure for the Williamson Act, the following recommendations are offered to maintain important habitat components and enhance the land for wildlife use. These recommendations have been discussed with the land owner's agent.

Retain Standing Snags and Cavity Trees

Snags are standing trees that are dead or dying. No other woodland resources can offer the abundance of perching, roosting, and available nest cavities for wildlife as the snag. All snags, cavity trees, and downed logs should be retained unless a hazard is posed. If a snag is deemed a danger, large branches can be removed leaving the standing trunk for wildlife use.

Specifically, preserve the large vegetated slash oak pile just west (downslope) of vineyard #3 (see photo 3) and the stump/slash pile on the west side of the roadway at the north end of the vineyard (see photo 4). A third, smaller pile located closer to the vineyard, consists primarily of small limbs and can be burned after the pile has been spread out so any occupying fauna has a chance to escape.

Remove Unnecessary Fencing

Remove all fencing that is not necessary for the protection of existing vineyards. This action will increase the ability of the wildlife community to move through the site and reduce the risk of injury.

Avoid Oak Tree Removal

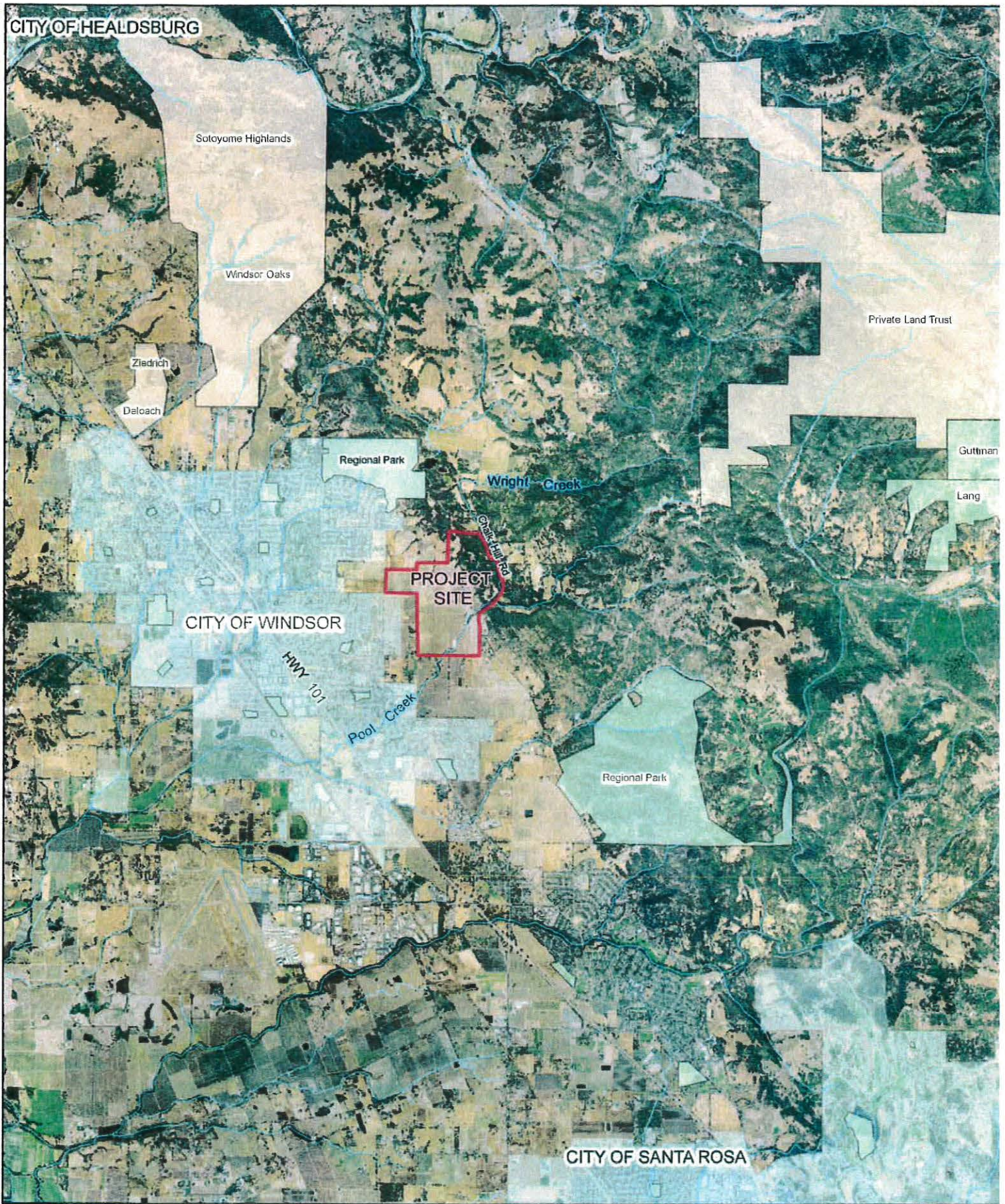
The proposed residential development should avoid the removal of significant mature oak trees and habitat elements. In general, this would include healthy large-diameter oaks (typically above 15 DBH), and large snags and downed logs. The least environmentally damaging house site location would be along the crest the ridgeline in naturally open grassland areas or adjacent to or within the existing vineyards.

Non-Native Plant Control

Eradicate all established stands of Scotch and French broom from the subject lot. Crews of several workers should remove all broom plants by pulling with a "weed wrench" or by hand, and carry off-site to be disposed of at an appropriate off-site location (local landfill). The removal process will be long-term, at least 5 years. The best time for removal is in winter and spring when soils are still moist and prior to seed production. If needed, use a focused application of Round-up directly on root system left in the soil. Extreme care must be taken to insure Round-up does not enter the water system.

A long-term strategy will be needed to successfully eradicate these species and must include annual inspections of the vegetation surrounding the established broom stands and all areas disturbed by the proposed residential developments. If broom seedlings are found, remove them immediately and add the area to the annual inspection list.

Additional detailed recommendations for broom control can be found in a publication produced by the Nature Conservancy titled: *Controlling Scotch (Scots) broom in the Pacific Northwest* (April 2004), which can be accessed online at <http://tncweeds.ucdavis.edu/esadocs.html>. Another excellent resource is *The Weed Worker's Handbook* (2004), which can be obtained from the publishers: The Watershed Project at (510) 231-5655 or the California Invasive Plant Council at (510) 843-3902.



CHALK RIDGE VINEYARD LLC

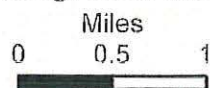
FIG 1

Regional Map



Legend

Creeks ADM Public Lands City Limits Protected Lands



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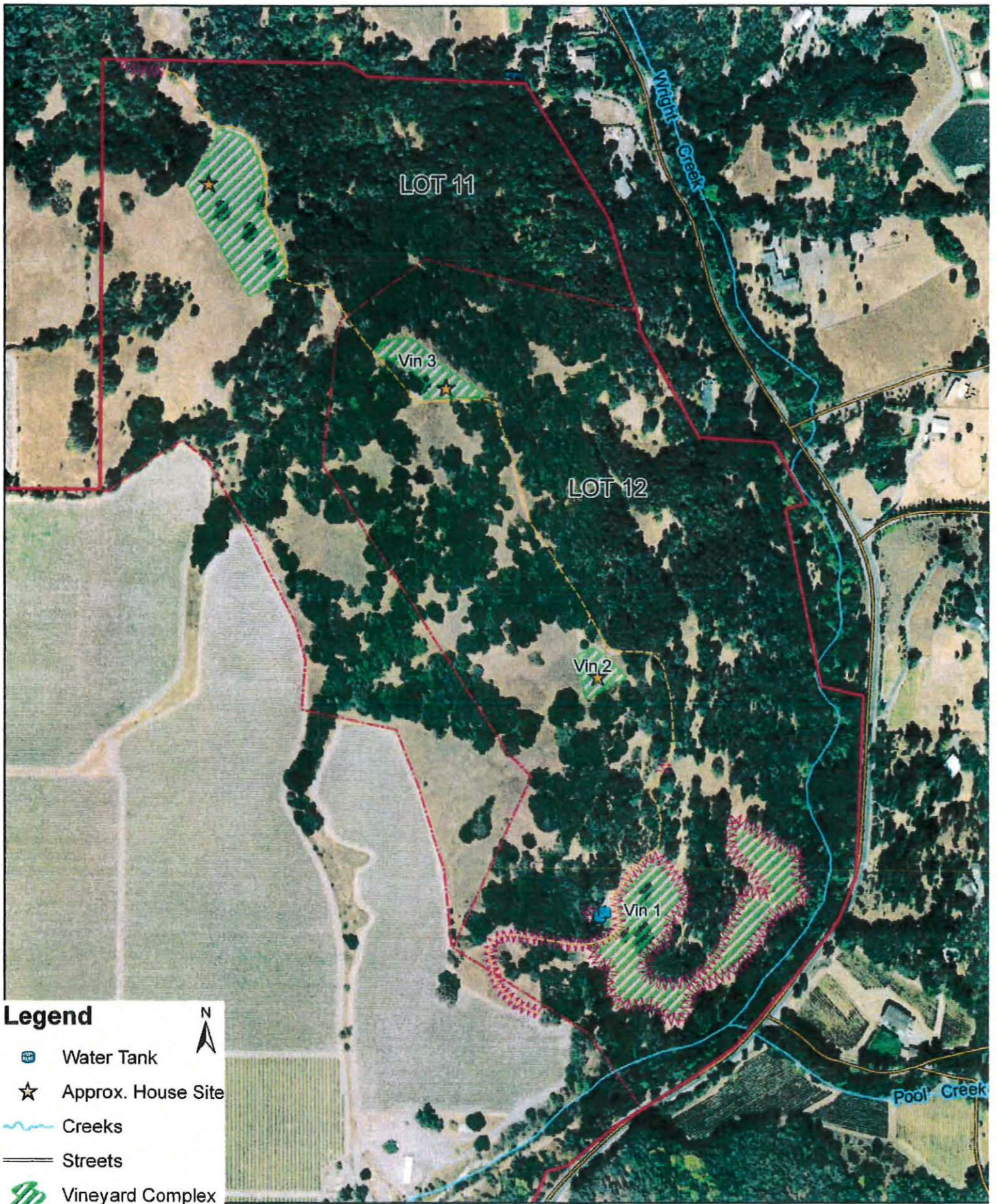


FIG 2
CHALK RIDGE SITE MAP

Chalk Ridge Plant List 2008

Lot 12

Family	Species	Common Name	Native
FERNS & FERN ALLIES			
BLECHNACEAE	<i>Woodwardia fimbriata</i>	Chain fern	yes
DENNSTAEDTIACEAE	<i>Pteridium aquilinum</i> var. <i>pubescens</i>	Bracken fern	yes
DRYOPTERIDACEAE	<i>Dryopteris arauta</i>	Wood fern	yes
EQUISETACEAE	<i>Equisetum arvense</i>	Common horsetail	yes
PTERIDIACEAE	<i>Adiantum jordanii</i>	California maiden-hair	yes
	<i>Polypodium Californicum</i>	California polypody	yes
	<i>Pentagramma triangularis</i>	Golden back fern	yes
GYMNOSPERMS			
PINACEAE	<i>Psuedotsuga menziesii</i> var. <i>menziesii</i>	Douglas fir	yes
ANGIOSPERMS/ MONOCOTS			
LILIACEAE	<i>Brodiaea elegans</i>	Harvest brodiaea	yes
	<i>Chlorogalum pomeridianum</i> var. <i>pomeridianum</i>	Soap plant	yes
	<i>Dichelostemma capitatum</i> ssp. <i>Capitatum</i>	Blue dicks	yes
POACEAE	<i>Avena fatua</i>	Wild oats	no
	<i>Briza minor</i>	Little quaking grass	no
	<i>Briza maxima</i>	Big quaking grass	no
	<i>Bromus carinatus</i>	California brome	yes
	<i>Bromus diandrus</i>	Ripgut brome	no
	<i>Bromus hordeaceus</i>	Soft chess brome	no
	<i>Bromus laevipes</i>	Woodland brome	yes
	<i>Cynosurus echinatus</i>	Hedgehog dogtail	no
DICOTS			
ACERACEAE	<i>Acer macrophyllum</i>	Big leaf maple	yes
ANACARDIACEAE	<i>Toxicodendron diversilobum</i>	Western poison oak	yes
APOCYNACEAE	<i>Vinca major</i>	Periwinkle	no
APIACEAE	<i>Sanicula crassicaulis</i>	Pacific sanicle	yes
ASTERACEAE	<i>Anaphalis margaritacea</i>	Pearly everlasting	yes
	<i>Artemisia douglasiana</i>	Mugwort	yes
	<i>Baccharis pilularis</i>	Coyote brush	yes
	<i>Hypochaeris glabra</i>	Smooth cat's ear	no
	<i>Hypochaeris radicata</i>	Rough cat's ear	no
	<i>Wyethia angustifolia</i>	Mules ears	yes
BORAGINACEAE	<i>Cynoglossum grande</i>	Hounds tongue	yes
BRASSICACEAE	<i>Cardamine californica</i>	Milkmaids	yes
CALYCANTHACEAE	<i>Calycanthus occidentalis</i>	Spice bush	yes
CARYOPHYLLACEAE	<i>Silene californica</i>	Indian pink	yes
CAPRIFOLIACEAE	<i>Lonicera hispidula</i>	Honeysuckle	yes

Chalk Ridge Plant List 2008

Lot 12

ERICACEAE	<i>Arbutus menziesii</i>	Pacific madrone	yes
	<i>Arctostaphylos manzanita</i> ssp. <i>Manzanita</i>	Common manzanita	yes
	<i>Arctostaphylos</i> sp.	Manzanita	yes
	<i>Rhododendron occidentale</i>	Western azalea	yes
EUPHORBIACEAE	<i>Eremocarpus setigerus</i>	Dove weed	yes
FABACEAE	<i>Cytisus scoparius</i>	Scotch broom	no
	<i>Genista monspessulana</i>	French broom	no
	<i>Lupinus</i> sp.	Lupine	yes
FAGACEAE	<i>Lithocarpus densiflorus</i> var. <i>densiflorus</i>	Tan oak	yes
	<i>Quercus agrifolia</i>	Coast live oak	yes
	<i>Quercus douglasii</i>	Blue oak	yes
	<i>Quercus garryana</i>	Oregon oak	yes
	<i>Quercus kelloggii</i>	California black oak	yes
	<i>Quercus lobata</i>	Valley oak	yes
HIPPOCASTANACEAE	<i>Aesculus californica</i>	California buckeye	yes
JUNCACEAE	<i>Juncus</i> sp.	Rush	yes
LAMIACEAE	<i>Stachys ajugoides</i>	hedge nettle	yes
LAURACEAE	<i>Umbellularia californica</i>	California bay laurel	yes
ONAGRACEAE	<i>Camissonia ovata</i>	Sun cups	yes
PAPAVERACEAE	<i>Eschscholzia californica</i>	California poppy	yes
RANUNCULACEAE	<i>Ranunculus californicus</i>	California Buttercup	yes
RHAMNACEAE	<i>Ceanothus</i> sp.	Ceanothus	yes
	<i>Rhamnus californicus</i>	Coffee berry	yes
ROSACEAE	<i>Heteromeles arbutifolia</i>	Toyon	yes
	<i>Holodiscus discolor</i>	Oceanspray	yes
	<i>Rosa gymnocarpa</i>	Woodland rose	yes
	<i>Rubus discolor</i>	Himalaya berry	no
	<i>Rubus ursinus</i>	California blackberry	yes
RUBIACEAE	<i>Galium californicum</i>	California bedstraw	yes
	<i>Salix</i> sp.	Willow	yes
SCROPHULARIACEAE	<i>Mimulus aurentiacus</i>	Sticky monkey flower	yes

Note: The above list is only a partial list of species occurring on-site. The limited field survey was performed in the early spring season when many species are identifiable. BioConsultant LLC staff botanist, Linda Esposito was consulted regarding plant identification and special-status species.

Chalk Ridge Wildlife List 2008

Lot 12

Class	Species	Common Name	Detection	Status
AMPHIBIAN	<i>Batrachoseps attenuatus</i>	Calif. slender salamander	Visual	
	<i>Hyla regilla</i>	Pacific tree frog	Visual	
REPTILE	<i>Elgaria multicarinata multicarinata</i>	Southern alligator lizard	Visual	
AVES	<i>Melanerpes formicivorus</i>	Acorn woodpecker	Visual	Local Concern
	<i>Corvus brachyrhynchos</i>	American crow	Visual	
	<i>Falco sparverius</i>	American kestrel	Visual	
	<i>Turdus migratorius</i>	American robin	Visual	
	<i>Sayornis nigricans</i>	Black phoebe	Visual	
	<i>Certhai americana</i>	Brown creeper	Song	
	<i>Psaltriparus minimus</i>	Bushtit		
	<i>Pipilo crissalis</i>	California towhee	Visual	
	<i>Parus rufescens</i>	Chestnut-backed chickadee	Visual	
	<i>Corvus corax</i>	Common raven	Visual	
	<i>Junco hyemalis</i>	Dark-eyed junco	Visual	
	<i>Regulus satrapa</i>	Golden-crowned kinglet	Visual	
	<i>Zonotrichia atricapilla</i>	Golden crowned sparrow	Visual	
	<i>Falco columbarius</i>	Merlin	Visual	
	<i>Zenaidra macroura</i>	Mourning dove	Visual	
	<i>Colaptes auratus</i>	Northern flicker	Visual/Song	
	<i>Baeolophus inornatus</i>	Oak titmouse	Visual	
	<i>Buteo lineatus</i>	Red-shouldered hawk	Visual	CFP
	<i>Buteo jamaicensis</i>	Red-tailed hawk	Song	CFP
	<i>Pipilo erythrophthalmus</i>	Rufous-sided towhee	Song	
<i>Aphelocoma californica</i>	Scrub jay	Visual		
<i>Cathartes aura</i>	Turkey vulture	Visual		
<i>Sialia mexicana</i>	Western bluebird	Visual		
<i>Sitta carolinensis</i>	White-breasted nuthatch	Visual		
MAMMAL	<i>Odocoileus hemionus columbianus</i>	Black-tailed deer	Tracks / scat	
	<i>Lepus californicus</i>	Black-tailed hare	Sign/scat	
	<i>Canis latrans</i>	Coyote	Sign/scat	
	<i>Neotoma fuscipes</i>	Dusky-footed woodrat	Sign/scat	
	<i>Thomomys talpoides</i>	Pocket gopher	Burrows	
	<i>Microtus californicus</i>	Meadow vole	Visual	
	<i>Felis concolor</i>	Mountain lion	Sign/scat	
<i>Mephitis mephitis</i>	Striped skunk	Sign/scat		

Note: Direct observation, auditory detection, and interpretation of animal sign such as tracks, scat, and burrows were used to inventory the animal species

FEDERAL: (U.S. Fish and Wildlife Service) or (National Marine Fisheries Service)
FE= Federally listed as Endangered
FT= Federally listed as Threatened
FPE= Federally proposed for listing as Endangered
FPT= Federally proposed for listing as Threatened
SC= Species of Concern- NMFS
STATE: (California Department of Fish and Game)
SE State listed as Endangered
ST State listed as Threatened
CFP= Fully Protected
CSC= Cal Species of special Concern

SOURCES: U.S. Fish and Wildlife Service, 2008; California Natural Diversity Data Base, 2008; and BioConsultant LLC, 2008

SUPPORTING PHOTOS FOR CHALK RIDGE VINEYARD PROJECT 3/08



Photo 1: Standing at vineyard #2, the view shows the grassland and live oak woodland of the west-facing slope.



Photo 2: Looking east- a typical example of the winter-deciduous oaks of the east-facing slope.

SUPPORTING PHOTOS FOR CHALK RIDGE VINEYARD PROJECT 3/08



Photo 3: The vegetative oak woodpile west of vineyard #3, creating important wildlife habitat.



Photo 4: The stump/woodpile along the road at vineyard #3, with a large active woodrat nest on top of an oak stump.

SUPPORTING PHOTOS FOR CHALK RIDGE VINEYARD PROJECT 3/08



Photo 5: One of two California slender salamanders found within the vegetative oak woodpile shown in Photo 3.



Photo 6: A view of the French broom lining the deer fencing at vineyard #1.



County of Sonoma Agenda Item Summary Report

Clerk of the Board
575 Administration Drive
Santa Rosa, CA 95403

Agenda Item Number: 7
(This Section for use by Clerk of the Board Only.)

To: Sonoma County Board of Supervisors

Board Agenda Date: April 4, 2017

Vote Requirement: Majority

Department or Agency Name(s): Permit and Resource Management Department (Permit Sonoma)

Staff Name and Phone Number:

Blake Hillegas 565-1392

Supervisorial District(s):

Second

Title: CEQA Document Contract for the Roblar Road Quarry Project

Recommended Actions:

Authorize the Director of the Permit and Resource Management Department (Permit Sonoma) to execute an agreement with Environmental Science Associates (ESA) for an amount not to exceed \$272,073 for preparation of a subsequent CEQA document for the Roblar Road Quarry Project.

Executive Summary:

Staff recommends that the Board authorize the Director of the Permit and Resource Management Department (Permit Sonoma) to execute an agreement with ESA to prepare a subsequent CEQA document to the Final Environmental Impact Report for the Roblar Road Quarry Project (Project), located at 7175 Roblar Road southwest of Cotati; APN 027-080-010; PRMD File No. UPE16-0058.

Discussion:

On December 14, 2010, the Board certified a Final EIR for the Project and approved a 20-year Use Permit for a new quarry of approximately 70 acres, on a parcel of 199 acres. The Project would supply approximately 570,000 cubic yards of quarry material annually. The project was subsequently challenged and the courts up held the County's decision. The permit approval is valid until December 14, 2017, and can be tolled upon a written request of the applicant.

The applicant has requested a Use Permit Amendment to modify select Conditions of Approval and Mitigation Measures. These changes include: 1) a modification to design of the intersection of Stony Point Road and Roblar Road; 2) a modification to the design of the Roblar Road Haul Route; 3) a realignment of Americano Creek and construction of a wetland enhancement area. This amendment to the Use Permit will require further CEQA review, and the preparation of a subsequent CEQA document to the Final EIR.

Permit and Resource Management Department (Permit Sonoma) staff has determined that it is necessary to contract for environmental consulting services to prepare a subsequent CEQA document to the Final EIR. The EIR consulting firm that prepared the original EIR was selected as the most qualified,

given their extensive knowledge of the project, and its complexities. The scope of work and cost proposal was evaluated by Permit Sonoma staff and County Counsel. Staff recommends contracting with ESA to conduct the work based on their full understanding of the project, their experience, and their ability to meet the project schedule. ESA is a California-based multi-discipline consulting firm with over 40 years of experience in CEQA analysis of private and public development projects.

The contract amount is for \$209,287, with a 30% contingency of \$62,786, for a total contract not to exceed amount of \$272,073. Use of the contingency would only be authorized by the Permit Sonoma Director when unanticipated issues arise that need further study during the course of preparing the subsequent CEQA document. All costs will be reimbursed by the project applicant.

This contract scope has been fully discussed with the applicant, and the applicant has already deposited with the County sufficient funds to cover the full costs of the project.

Prior Board Actions:

12/14/10: The Board of Supervisors certified the Final EIR for the Roblar Road Quarry and approved a 20-year Use Permit for the project.

Strategic Plan Alignment Goal 2: Economic and Environmental Stewardship

Preparation of a subsequent CEQA document to the Final EIR will assist the County in identifying environmental impacts of the proposed Project and identify ways to mitigate those impacts, as feasible. A thorough environmental analysis ensures that all potential impacts have been identified and that the suitability of a development project can be accurately assessed.

Fiscal Summary			
Expenditures	FY 16-17 Adopted	FY 17-18 Projected	FY 18-19 Projected
Budgeted Expenses			
Additional Appropriation Requested			
Total Expenditures			
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources			
Narrative Explanation of Fiscal Impacts:			
<p>Consultant costs for the environmental review necessary under CEQA are funded by the applicant at no cost to the County. Staff time associated with processing of the project is also funded by the applicant through Permit Sonoma at-cost billing processes, and there is an indemnity agreement with the applicant.</p>			
Staffing Impacts			
Position Title (Payroll Classification)	Monthly Salary Range (A – I Step)	Additions (Number)	Deletions (Number)
Narrative Explanation of Staffing Impacts (If Required):			
<p>There will be no impact on staffing. Existing staff are sufficient to complete review of the project.</p>			
Attachments:			
None			
Related Items "On File" with the Clerk of the Board:			
Professional Services Agreement with Exhibits			



County of Sonoma Agenda Item Summary Report

Clerk of the Board
575 Administration Drive
Santa Rosa, CA 95403

Agenda Item Number: 8
(This Section for use by Clerk of the Board Only.)

To: Sonoma County Board of Supervisors

Board Agenda Date: April 11, 2017

Vote Requirement: Majority

Department or Agency Name(s): Sheriff's Office

Staff Name and Phone Number:

Yvonne Shu, 565-3922

Supervisorial District(s):

All Supervisorial Districts

Title: 2017 Domestic Cannabis Eradication Suppression Program Letter of Agreement

Recommended Actions:

Authorize the Sheriff to execute the 2017 Domestic Cannabis Eradication / Suppression Program Letter of Agreement and any Amendments that do not substantially alter the scope of the Agreement with the Drug Enforcement Administration, in the amount of \$40,000, to support efforts related to eradicating illegal cannabis activity in Sonoma County.

Executive Summary:

Upon execution of the Letter of Agreement, the Sheriff's Office will receive up to \$40,000 for marijuana suppression and eradication activities during the period of October 1, 2016 to September 30, 2017 from the Drug Enforcement Administration's 2017 Domestic Cannabis Eradication / Suppression Program. The grant will offset expenditures associated with deputy overtime, expendable and non-expendable equipment, aircraft rental, and training/travel costs. The Sheriff's Office will recognize the revenue in the FY 17-18 fiscal year.

Discussion:

The Sheriff's Office received the 2017 Domestic Cannabis Eradication / Suppression Program Letter of Agreement from the Drug Enforcement Administration on February 10, 2017. The Sheriff's Office has been awarded a \$40,000 grant; funds are expected to be fully expended over the 12-month grant period of October 1, 2016 to September 30, 2017, with peak marijuana eradication season typically occurring during the months of August through October. The funding is awarded based on operational need and historic activity.

Although the 2017 award is the same amount received in the 2016 grant year, the \$40,000 reflects a sharp reduction from the \$120,000 received in 2015. During the 2016 grant year, 58% of the funding went toward overtime expenditures, 28% toward flight time (for aerial surveillance), and the remaining 14% was spent on equipment and gear. Domestic Cannabis Eradication / Suppression Program recipients received notification from the Drug Enforcement Administration in November 2015 that funding for the program had been drastically reduced. The federal government continues to consider marijuana to be a

controlled substance, although there is growing public acceptance of marijuana use, as reflected in the passage of California’s Proposition 64, which legalizes recreational marijuana use. At this time it is unknown whether the Sheriff’s Office will continue to receive funding from the Domestic Cannabis Eradication / Suppression Program in future years and if so, at what level.

Since 1995, the Sheriff’s Office has received grants from Domestic Cannabis Eradication / Suppression Program to support the Sheriff’s marijuana suppression efforts. Grant funds are administered by the Drug Enforcement Administration and are specifically designated to cover marijuana eradication efforts.

In calendar year 2016, there was a 463% increase over the previous year in eradication of indoor plants by the Sheriff’s Office, due to the shift toward smaller, indoor growing operations versus large, remote open spaces. The Sheriff’s Office has also observed a shift toward a larger plant size, which results in higher product volume per plant. Small-scale residential operations are more difficult and time-consuming to eradicate because they require more pre-investigative work, including search warrants, interviews, research into claims of growing under the provisions of medical marijuana, and subsequent court appearances. Funding provided by Domestic Cannabis Eradication / Suppression Program provides additional resources to disrupt small “residential” grows, in addition to eradication of large scale outdoor grows.

\$40,000 is available to the Sheriff’s Office for expenditures incurred during the period of October 1, 2016 through September 30, 2017. However, the Sheriff’s Office will not recognize the revenue until the FY 17-18 fiscal year. The grant will offset expenditures associated with deputy overtime, expendable and non-expendable equipment, aircraft rental, and training/travel costs, which have historically been approved by the Drug Enforcement Administration.

Prior Board Actions:

Board approval of agreements for the Domestic Cannabis Eradication/Suppression Program for the past twenty fiscal years (FY 1996-97 through FY 2016-17), most recently on April 5, 2016.

Strategic Plan Alignment Goal 1: Safe, Healthy, and Caring Community

This agreement for Domestic Cannabis Eradication/Suppression Program will promote a safer community by providing funds that enable the Sheriff’s Office to continue disruption of illegal marijuana activity in Sonoma County.

Fiscal Summary			
Expenditures	FY 16-17 Adopted	FY 17-18 Projected	FY 18-19 Projected
Budgeted Expenses		\$40,000	
Additional Appropriation Requested			
Total Expenditures			
Funding Sources			
General Fund/WA GF			
State/Federal		\$40,000	
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources		\$40,000	
Narrative Explanation of Fiscal Impacts:			
No matching funds are required for Domestic Cannabis Eradication/Suppression Program participation. Revenues and expenditures for 2017 Domestic Cannabis Eradication/Suppression Program funding are included in the Sheriff's Office FY 17-18 recommended budget in the amount of \$40,000.			
Staffing Impacts			
Position Title (Payroll Classification)	Monthly Salary Range (A – I Step)	Additions (Number)	Deletions (Number)
Narrative Explanation of Staffing Impacts (If Required):			
N/A			
Attachments:			
2017 Domestic Cannabis Eradication Suppression Program Letter of Agreement			
Related Items "On File" with the Clerk of the Board:			



U.S. Department of Justice
Drug Enforcement Administration

www.dea.gov

Springfield, Virginia 22152

Agreement Number 2017-51

This Letter of Agreement (LOA) is entered into between the **SONOMA COUNTY SHERIFF'S OFFICE**, hereinafter referred to as (**THE AGENCY**), and the DRUG ENFORCEMENT ADMINISTRATION (DEA) OF THE UNITED STATES DEPARTMENT OF JUSTICE (DOJ), hereinafter referred to as DEA, in reference to the following:

There is evidence that trafficking in marijuana (illicit cannabis) has a substantial and detrimental effect on the health and general welfare of the people of the *State of California*. The parties hereto agree that it is to their mutual benefit to cooperate in locating and eradicating illicit cannabis plants and to investigate and prosecute those cases before the courts of the United States (U.S.) and the courts of the *State of California*. DEA, pursuant to the authority of 21 U.S.C. § 873, proposes to provide certain necessary funds and **THE AGENCY** is desirous of securing funds.

NOW, therefore, in consideration of the mutual covenants hereinafter contained, the parties hereto have agreed as follows:

1. **THE AGENCY** will, with its own law enforcement personnel and employees, as hereinafter specified, perform the activities and duties described below:
 - a. Gather and report intelligence data relating to the illicit cultivation, possession, and distribution of illicit cannabis.
 - b. Investigate and report instances involving the trafficking in controlled substances.
 - c. Provide law enforcement personnel for the eradication of illicit cannabis located within the *State of California*.
 - d. Make arrests and refer to the appropriate prosecutorial authority cases for prosecution under controlled substances laws and other criminal laws.
 - e. Send required samples of eradicated illicit cannabis to the National Institute on Drug Abuse (NIDA) Potency Monitoring Project.
 - f. **MANDATORY requirement for THE AGENCY to utilize the Web-based DEA internet Capability Endeavor(DICE) or if applicable the Firebird based DEA Analysis/Response Tracking System (DARTS) to report all statistics and seizures per incident, to include the submission of significant items for de-confliction and information sharing purposes.**
 - g. Submit to DEA quarterly expenditure reports.

2. It is understood and agreed by the parties to this Agreement that the activities described in Sub-paragraphs a, b, c, d, e, f, and g of paragraph one shall be accomplished with existing personnel, and that the scope of **THE AGENCY's** program with respect to those activities by such personnel shall be solely at **THE AGENCY's** discretion, subject to appropriate limitations contained in the budget adopted by **THE AGENCY**, except that **THE AGENCY** understands and agrees that DEA funds and the result of expended funds (e.g. equipment, supplies and other resources) must be directly related to and must only be used for marijuana eradication program activities in a manner consistent with the Controlled Substances Act (CSA), 21 U.S.C. § 801 et seq.

DEA will pay to **THE AGENCY** Federal funds in the amount of **FORTY THOUSAND DOLLARS (\$40,000.00)** for the period of October 1, 2016 to September 30, 2017, to defray costs relating to the eradication and suppression of illicit cannabis.

3. These Federal funds shall only be used for the eradication of illicit cannabis as provided in this agreement. **THE AGENCY** understands and agrees that Federal funds provided to **THE AGENCY** under this Agreement will not be used to defray costs relating to herbicidal eradication of illicit cannabis without the advance written consent of DEA. DCE/SP funding is provided for the storage, protection, and destruction of illicit cultivated marijuana. Funding is not provided nor expenditures allowed for the development of technology to assist with the identification of indoor and/or outdoor growing sites. Additionally funding and expenditures are not permitted for the eradication of "Ditch Weed". **THE AGENCY** understands and agrees that Federal funds will not be used to perform any of the following functions: (i) issuing licenses, permits, or other forms of authorization permitting the holder to manufacture, distribute, sell, or use marijuana in contravention of the CSA; (ii) conducting ancillary activities related to the issuance of such licenses and permits, such as background checks on applicants; (iii) collecting state or local tax or licensing revenue related to the manufacture, distribution, or sale of marijuana in contravention of the CSA; (iv) preparing or issuing regulations governing the manufacture, distribution, sale, or possession of marijuana in contravention of the CSA; (v) monitoring compliance with state or local laws or regulations that permit the manufacture, distribution, sale, or use marijuana in contravention of the CSA; or (vi) the purchase of evidence and the purchase of information. The result of expended funds (e.g. equipment, supplies and other resources) must be directly related to and must only be used for marijuana eradication activities. While using the Federal funds provided to **THE AGENCY** under this Agreement for activities on Federal land, **THE AGENCY** agrees to notify the appropriate local office of the U.S. Department of Agriculture, (Forest Service) and the U.S. Department of the Interior (Bureau of Land Management, National Park Service, Fish and Wildlife Service, Bureau of Indian Affairs, and/or Bureau of Reclamation) of **THE AGENCY's** presence on Federal land.

4. The Federal funds provided to **THE AGENCY** are primarily intended for payment of deputies'/officers' overtime while those deputies and officers are directly engaged in the illicit cannabis eradication process, **(per DOJ policy, the annual maximum overtime reimbursement rate is based on the current year General Pay Scale / rest of the United States and cannot exceed 25% of a GS-12, Step 1; the funds shall only be used to pay the**

normal overtime rate, i.e. time and a half. The overtime reimbursement rate “shall not include any cost for benefits, such as retirement, FICA, or other expenses”, which is specifically prohibited by DOJ) and for per diem and other direct costs related to the actual conduct of illicit cannabis eradication. Examples of such costs includes rental of aircraft, fuel for aircraft, and minor repairs and maintenance necessitated by use to support illicit cannabis eradication. These Federal funds are not intended as a primary source of funding for the purchase of equipment, supplies, or other resources. When Domestic Cannabis Eradication Suppression Program (DCE/SP) funds are used to purchase supplies, equipment, or other resources, those items must be directly related to and must only be used for marijuana eradication activities and may not be used to perform any of the following functions: (i) issuing licenses, permits, or other forms of authorization permitting the holder to manufacture, distribute, sell, or use marijuana in contravention of the CSA; (ii) conducting ancillary activities related to the issuance of such licenses and permits, such as background checks on applicants; (iii) collecting state or local tax or licensing revenue related to the manufacture, distribution, or sale of marijuana in contravention of the CSA; (iv) preparing or issuing regulations governing the manufacture, distribution, sale, or possession of marijuana in contravention of the CSA; or (v) monitoring compliance with state or local laws or regulations that permit the manufacture, distribution, sale, or use marijuana in contravention of the CSA. Under Section 524 (c) (1) (D)1 of title 28, United States Code, states that the Assets Forfeiture Fund may be used for payment of overtime salaries, travel, fuel, training, equipment, and other similar costs of State or local law enforcement officers that are incurred in a joint law enforcement operation with a Federal law enforcement agency participating in the Fund;”. *[Agency Initials _____]*

All purchases of equipment, supplies and other resources must be requested in writing, *through* the respective DEA Division, *to the Investigative Support Section (OMS)*. Requests must include manufacturer specifications and pricing of the item (including tax, if applicable) to be purchased. OMS will notify the state/local agency whether or not the purchase has been approved. *[Agency Initials _____]* Expenditures for equipment, supplies, and other resources should not exceed 10% of the total Federal funds awarded. Although equipment, supplies, and other resources may be specifically itemized in the Operation Plan, **are not automatically approved for purchase.** *[Agency Initials _____]* All requests for purchases must be received in HQ/OMS by July 15th. Exemptions to any of these requirements must have prior HQ/OMS approval.

Per the DOJ, none of the funds allocated to you may be used to purchase promotional items, gifts, mementos, tokens of appreciation, or other similar items. Prohibited purchases include items justified as training aids if they are embossed, engraved or printed with **THE AGENCY** or program logos. Additionally, the use of DCE/SP funds for Demand Reduction expenses is no longer authorized.

5. In compliance with Section 623 of Public Law 102-141, **THE AGENCY** agrees that no amount of these funds shall be used to finance the acquisition of goods or services unless **THE AGENCY**:

- (a) Specifies in any announcement of the awarding of the contract for the procurement of the goods and services involved the amount of Federal funds that will be used to finance the acquisition; and

- (b) Expresses the amount announced pursuant to paragraph (a) as a percentage of the total cost of the planned acquisition.

The above requirements only apply to procurements for goods or services that have an aggregate value of \$500,000 or more. Any goods or services acquired under this provision of the agreement must be directly related to and must only be used for marijuana eradication activities and may not be used to perform any of the following functions: (i) issuing licenses, permits, or other forms of authorization permitting the holder to manufacture, distribute, sell, or use marijuana in contravention of the CSA; (ii) conducting ancillary activities related to the issuance of such licenses and permits, such as background checks on applicants; (iii) collecting state or local tax or licensing revenue related to the manufacture, distribution, or sale of marijuana in contravention of the CSA; (iv) preparing or issuing regulations governing the manufacture, distribution, sale, or possession of marijuana in contravention of the CSA; or (v) monitoring compliance with state or local laws or regulations that permit the manufacture, distribution, sale, or use marijuana in contravention of the CSA.

6. If DEA approves the purchase of supplies (all tangible personal property other than “equipment” as defined by 28 C.F.R. § 66.32/66.33), and there is a residual inventory of unused supplies exceeding \$5,000 in total aggregate fair market value upon termination or completion of this Agreement, and if the supplies are not needed for any other federally sponsored programs or projects, **THE AGENCY** shall compensate DEA for DEA’s share and in any case the supplies will not be used directly or indirectly to support any state, county or local entity that authorizes cultivating marijuana or has direct oversight or regulatory responsibilities for a state authorized marijuana program. **THE AGENCY** agrees that any unused supplies not exceeding \$5,000 in total aggregate fair market value upon termination or completion of this Agreement will either be used for the marijuana eradication activities, returned to DEA, or destroyed, but in any case will not be used to perform any of the following functions: (i) issuing licenses, permits, or other forms of authorization permitting the holder to manufacture, distribute, sell, or use marijuana in contravention of the CSA; (ii) conducting ancillary activities related to the issuance of such licenses and permits, such as background checks on applicants; (iii) collecting state or local tax or licensing revenue related to the manufacture, distribution, or sale of marijuana in contravention of the CSA; (iv) preparing or issuing regulations governing the manufacture, distribution, sale, or possession of marijuana in contravention of the CSA; or (v) monitoring compliance with state or local laws or regulations that permit the manufacture, distribution, sale, or use marijuana in contravention of the CSA.

7. If DEA approves the purchase of equipment (tangible, non-expendable personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit) for the use of **THE AGENCY**’s personnel engaged in illicit cannabis eradication under this Agreement, **THE AGENCY** will use, manage, and dispose of the equipment in accordance with 28 C.F.R. § 66.32/66.33, except that in no case, regardless of useful life and acquisition cost, will the equipment be used directly or indirectly to perform any of the following functions: (i) issuing licenses, permits, or other forms of authorization permitting the holder to manufacture, distribute, sell, or use marijuana in contravention of the CSA; (ii) conducting ancillary activities related to

the issuance of such licenses and permits, such as background checks on applicants; (iii) collecting state or local tax or licensing revenue related to the manufacture, distribution, or sale of marijuana in contravention of the CSA; (iv) preparing or issuing regulations governing the manufacture, distribution, sale, or possession of marijuana in contravention of the CSA; or (v) monitoring compliance with state or local laws or regulations that permit the manufacture, distribution, sale, or use marijuana in contravention of the CSA.

8. Payment by DEA to **THE AGENCY** will be in accordance with a schedule determined by DEA and said payment will be made pursuant to the execution by **THE AGENCY** of a Request for Advance or Reimbursement (SF-270) and receipt of same by DEA. However, no funds will be paid by DEA to **THE AGENCY** under this Agreement until DEA has received to its satisfaction an accounting of the expenditures of all funds paid to **THE AGENCY** during the previous year Agreement. The final/closeout expenditure report will be documented on a Financial Status Report (SF-425) and July thru September (FINAL) Accounting Form.

9. It is understood and agreed by **THE AGENCY** that, in return for DEA's payment to **THE AGENCY** for Federal funds, **THE AGENCY** will comply with all applicable Federal statutes, regulations, guidance, and orders, including previous OMB guidance under OMB **Circular A-102** (Grants and Cooperative Agreements With State and Local Governments), OMB **Circular A-87** (Cost Principles for State, Local and Indian Tribal Governments), and [OMB Circular A-133](#) (Audits of States, Local Governments and Non-Profit Organizations), which have been combined in 2 CFR 200, effective December 26, 2014. In addition, 2 C.F.R. Part 2867 (Non-Procurement Debarment and Suspension), 28 C.F.R. Part 83 (Drug-Free Workplace Act common rule), 28 C.F.R. Part 69 (Byrd Anti-Lobbying Amendment common rule) specifically apply. (Note: The LOA is reimbursable agreement, not a grant; therefore for purposes of the DCE/SP, DEA requires an audit completed regardless of the threshold amount listed in 2 CFR 200. The DCE/SP does not have an assigned Catalog of Federal of Domestic Assistance (CFDA) number. Audits can be conducted without a CFDA number. The auditor must send an email to the Federal Audit Clearinghouse erd.fac@census.gov with their agency's name and EIN number and the information will be forwarded to them. In conjunction with the beginning date of the award, the audit report period of **THE AGENCY** under the single audit requirement is **FY-17 (10/01/2016 through 09/30/2017)**).

10. **THE AGENCY** acknowledges that arrangements have been made for any required financial and compliance audits and audits will be made within the prescribed audit reporting cycle. **THE AGENCY** understands that failure to furnish an acceptable audit as determined by the cognizant Federal agency may be a basis for denial of future Federal funds and/or refunding of Federal funds and may be a basis for limiting **THE AGENCY** to payment by reimbursement on a cash basis. **THE AGENCY** further understands that its use of DEA funds or the result of expended DEA funds (e.g. equipment, supplies and other resources) for any use other than the marijuana eradication program activities, including but not limited to its use directly or indirectly to perform any of the following functions: (i) issuing licenses, permits, or other forms of authorization permitting the holder to manufacture, distribute, sell, or use marijuana in contravention of the CSA; (ii) conducting ancillary activities related to the issuance of such

licenses and permits, such as background checks on applicants; (iii) collecting state or local tax or licensing revenue related to the manufacture, distribution, or sale of marijuana in contravention of the CSA; (iv) preparing or issuing regulations governing the manufacture, distribution, sale, or possession of marijuana in contravention of the CSA; or (v) monitoring compliance with state or local laws or regulations that permit the manufacture, distribution, sale, or use marijuana in contravention of the CSA, will be a basis for denial of future Federal funds and/or refunding of Federal funds and may be a basis for limiting **THE AGENCY** to payment by reimbursement on a cash basis.

11. **THE AGENCY** shall maintain complete and accurate reports, records, and accounts of all obligations and expenditures of DEA funds under this Agreement in accordance with generally accepted government accounting principles and in accordance with state laws and procedures for expending and accounting for its own funds. **THE AGENCY** shall further maintain its records of all obligations and expenditures of DEA funds under this Agreement in accordance with all instructions provided by DEA to facilitate on-site inspection and auditing of such records and accounts.

12. **THE AGENCY** shall permit and have available for examination and auditing by DEA, the U.S. Department of Justice Office of Inspector General, the Government Accountability Office, and any of their duly authorized agents and representatives, any and all investigative reports, records, documents, accounts, invoices, receipts, and expenditures relating to this Agreement. In addition, **THE AGENCY** will maintain all such foregoing reports and records for three years after termination of this Agreement or until after all audits and examinations are completed and resolved, whichever is longer.

13. **THE AGENCY** agrees that an authorized officer or employee will execute and return to the DEA Regional Contractor, the LOA; Request for Advance or Reimbursement (SF-270); Electronic Funds Transfer Memorandum; Certifications Regarding Lobbying; Debarment, Suspension, & Other Responsibility Matters; Drug Free Workplace Requirements (OJP Form 406 1/6); and the Assurances (OJP Form 4000/3). **THE AGENCY** acknowledges that this Agreement will not take effect and that no Federal funds will be awarded by DEA until DEA receives the completed LOA package.

14. Employees of **THE AGENCY** shall at no time be considered employees of the U.S. Government or DEA for any purpose, nor will this Agreement establish an agency relationship between **THE AGENCY** and DEA.

15. **THE AGENCY** shall be responsible for the acts or omissions of **THE AGENCY's** personnel. **THE AGENCY** and **THE AGENCY's** employees shall not be considered as the agent of any other participating entity. Nothing herein is intended to waive or limit sovereign immunity under other federal or state statutory or constitutional authority. This Agreement creates no liability on the part of the DEA, its agents or employees, or the U.S. Government for any claims, demands, suits, liabilities, or causes of action of whatever kind and designation, and wherever located in the **State of California** resulting from the DCE/SP funded by DEA.

16. **THE AGENCY** shall comply with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, as amended, and all requirements imposed by or pursuant to the regulations of the U.S. Department of Justice implementing those laws, 28 C.F.R. Part 42, Subparts C, F, G, H, and I.

17. Within ten (10) days after termination of the Agreement, **THE AGENCY** will prepare an July thru September (FINAL) Accounting Form and a Financial Status Report SF-425, itemizing the breakdown of final expenditures. The July thru September (FINAL) Accounting Form and the SF-425, along with a refund check, payable to DEA funds not obligated or expended funds which were advanced by DEA pursuant to this Agreement, will be returned to the DEA Regional Contractor by October 14th.

18. Upon submission of the July thru September (FINAL) Accounting Form and Financial Status Report SF- 425 to your regional contractor for the preceding year, a copy of the general ledger and the underlying supporting documentation reflecting the expenditures for equipment in excess of \$2,500, that was previously approved by OMS, and the expenses associated with the rental or leasing of vehicles or aircraft must be attached.

19. The duration of this Agreement shall be as specified in Paragraph 2, except that this Agreement may be terminated by either party after 30 day written notice to the other party. All obligations that are outstanding on the above prescribed termination date or on the date of any thirty (30) day notice of termination shall be liquidated by **THE AGENCY** within sixty (60) days thereof, in which event DEA will only be liable for obligations incurred by **THE AGENCY** during the terms of this Agreement. In no event shall **THE AGENCY** incur any new obligations during the period of notice of termination. **THE AGENCY** shall return to DEA all unexpended funds forthwith after the sixty (60) day liquidation period. In the event that the agreement is terminated, any DEA funds that have been obligated or expended and the result of expended funds (e.g. equipment, supplies and other resources) will be used and disposed of in accordance with the provisions of this agreement.

20. **THE AGENCY** must be registered in the System for Award Management (SAM) to receive payment of Federal funds. There are two steps to registering in SAM. **First, THE AGENCY** must have a Data Universal Numbering System (DUNS) number. [A “+4 extension” to a DUNS number (DUNS+4) is required when there is a need for more than one bank/electronic funds transfer account for a location.] A DUNS number may be obtained via the internet (<http://fedgov.dnb.com/webform>) or by phone (U.S. and U.S. Virgin Islands: 1-866-705-5711; Alaska and Puerto Rico: 1-800-234-3867). **Second, THE AGENCY** must then register with SAM via the internet SAM www.sam.gov. Questions regarding the internet registration process may be directed to 1-866-606-8220 (follow the prompts for SAM). Both the DUNS number and registration in SAM are free of charge.

Note: It is THE AGENCY’s responsibility to update their SAM registration annually or whenever a change occurs.

THE AGENCY's current DUNS No. is 133144852.

THE AGENCY's opportunity to enter into this Agreement with DEA and to receive the Federal funds expires thirty days from date of issuance. Agreement issued on February 10, 2017.

THE SONOMA COUNTY SHERIFF'S OFFICE

Printed Name & Signature: _____ (Blue Ink Only)

Title: _____ Date: _____

Agency, please submit original signed LOA & associated paperwork to your DEA Regional Contractor.

DRUG ENFORCEMENT ADMINISTRATION

Printed Name & Signature: _____ (Blue Ink Only)

Special Agent in Charge - San Francisco Field Division Date: _____

SAC, please submit original signed LOA & associated paperwork to your Fiscal Office.

DEA DIVISIONAL FISCAL CLERK MUST INPUT INTO UFMS & COMPLETE THE BOTTOM OF THIS SECTION

ACCOUNTING CLASSIFICATION/OBLIGATION NUMBER:

2017/S1R/OM/8210000/DOM-G2/01IB/DCE/OPS: _____

UFMS Input Date: _____ DNC No. _____

DNO No. _____ DDP No. _____

Printed Name: _____ Signature: _____

Fiscal, please submit original signed LOA & associated paperwork to your DEA Regional Contractor.



County of Sonoma Agenda Item Summary Report

Clerk of the Board
575 Administration Drive
Santa Rosa, CA 95403

Agenda Item Number: 9
(This Section for use by Clerk of the Board Only.)

To: Board of Supervisors

Board Agenda Date: April 11, 2017

Vote Requirement: Majority

Department or Agency Name(s): Board of Supervisors

Staff Name and Phone Number:

Board of Supervisors (707) 565-2241

Supervisorial District(s):

Countywide

Title: Minutes of the Meetings of January 10, 2017, January 24, 2017 and January 31, 2017

Recommended Actions:

Approve the Minutes of the Meetings of January 10, 2017, January 24, 2017 and January 31, 2017

Executive Summary:

Approve the Minutes of the Meetings of January 10, 2017, January 24, 2017 and January 31, 2017 for the following: Agricultural Preservation and Open Space District, Community Development Commission, Northern Sonoma County Air Pollution Control District, Occidental County Sanitation District, Russian River County Sanitation District, Sonoma County Water Agency, South Park County Sanitation District, and Board of Supervisors; and Approve the Minutes of the Meeting of January 10, 2017 of the Sonoma Valley County Sanitation District.

Discussion:

None

Prior Board Actions:

None

Strategic Plan Alignment Not Applicable

Fiscal Summary			
Expenditures	FY 16-17 Adopted	FY 17-18 Projected	FY 18-19 Projected
Budgeted Expenses			
Additional Appropriation Requested			
Total Expenditures			
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources			
Narrative Explanation of Fiscal Impacts:			
Staffing Impacts			
Position Title (Payroll Classification)	Monthly Salary Range (A – I Step)	Additions (Number)	Deletions (Number)
Narrative Explanation of Staffing Impacts (If Required):			
Attachments:			
Minutes			
Related Items "On File" with the Clerk of the Board:			

ACTION SUMMARY
BOARD OF SUPERVISORS
SONOMA COUNTY
575 ADMINISTRATION DRIVE, ROOM 102A
SANTA ROSA, CA 95403

TUESDAY

JANUARY 10, 2017

8:30 A.M.

Susan Gorin	First District	Sheryl Bratton	County Administrator
David Rabbitt	Second District	Bruce Goldstein	County Counsel
Shirlee Zane	Third District		
James Gore	Fourth District		
Lynda Hopkins	Fifth District		

[PDF 1.10.17 Agenda](#)

8:34 A.M. CALL TO ORDER

Supervisors Present: Susan Gorin, David Rabbitt, Shirlee Zane, James Gore, Lynda Hopkins

Staff Present: Sheryl Bratton, County Administrator and Bruce Goldstein, County Counsel

PLEDGE OF ALLEGIANCE

I. [APPROVAL OF THE AGENDA \(Items may be added or withdrawn from the agenda consistent with State law\)](#)

8:35 a.m.

An addendum was added to the Agenda with two items:

Item 28A Consent Calendar – County Counsel

Adopt a Resolution of the Board of Supervisors rescinding Resolution No. 16-0393 and designating two County Board of Supervisors as the members that shall sit on the Board of Directors of the Northern Sonoma County Air Pollution Control District.

Item 35 Closed Session Calendar – Corrected Title

The Board of Directors Sonoma County Agricultural Preservation and Open Space District will consider the following in closed session: Conference with Legal Counsel – Anticipated Litigation or significant exposure to litigation. (Government Code Section 54956.9(d)(2))

Item 2 was taken with the Consent Calendar.

Item 28A was continued until January 24, 2017.

Item 38 was removed from the agenda.

Chairwoman Zane presiding.

II. [INSTALLATION CEREMONY](#)

8:40 a.m.

A. [Administration of the Oath of Office and presentation of Certificate of Election to Sonoma County Supervisor Shirlee Zane, Third District, and remarks.](#)

8:41 a.m.

Supervisor Zane was sworn-in by Helen Rudee, the County of Sonoma's first female Supervisor.

25. [8:46 a.m. – Adopt a Gold Resolution proclaiming January 10, 2017 as Helen Rudee Day. \(Third District\)](#)

[Summary](#)
[Resolution](#)

Board Action: Approved as Recommended
UNANIMOUS VOTE
Approved by Resolution 17-0011

- B. [Administration of the Oath of Office and presentation of Certificate of Election to Sonoma County Supervisor Susan Gorin, First District, and remarks.](#)

8:56 a.m.

Supervisor Gorin was sworn-in by Caroline Ramberg and Kate Sater.

- C. [Administration of the Oath of Office and presentation of Certificate of Election to Sonoma County Supervisor Lynda Hopkins, Fifth District, and remarks.](#)

9:03 a.m.

Lynda Hopkins was sworn-in by Emmett Hopkins.

III. [NOMINATION AND ELECTION OF BOARD CHAIR, VICE-CHAIR AND CHAIR PRO-TEM](#)

BOARD OF SUPERVISORS
AND
AGRICULTURAL PRESERVATION AND OPEN SPACE DISTRICT
COMMUNITY DEVELOPMENT COMMISSION
IN HOME SUPPORT SERVICES (IHSS) PUBLIC AUTHORITY
NORTHERN SONOMA COUNTY AIR POLLUTION CONTROL DISTRICT
OCCIDENTAL COUNTY SANITATION DISTRICT
RUSSIAN RIVER COUNTY SANITATION DISTRICT
SONOMA COUNTY PUBLIC FINANCING AUTHORITY
SONOMA COUNTY WATER AGENCY
SONOMA COUNTY WATER AND WASTEWATER FINANCING AUTHORITY
SOUTH PARK COUNTY SANITATION DISTRICT
(Directors/Commissioners: Gorin, Rabbitt, Zane, Gore, Hopkins)
AND
SONOMA VALLEY COUNTY SANITATION DISTRICT
(Directors: Gorin, Zane, Mayor Hundley)

- 1. [Selection of Officers 2017 –](#)
 - (A) Adopt a Resolution appointing the Chair, Vice-Chair and Chair Pro-Tem for the year 2017 for the Board of Supervisors, Directors and Commissioners;
 - (B) Adopt a Resolution naming the officers of the County of Sonoma Public Financing Corporation;
 - (C) Adopt a Resolution naming the officers of the County of Sonoma Public Financing Authority; and
 - (D) Adopt a Resolution naming the officers of the Sonoma County Water and Wastewater Financing Authority.
 - (E) Remarks of the incoming Chair.
 - (F) Comments from the floor.

[Summary](#)
[Resolution 1](#)
[Resolution 2](#)
[Resolution 3](#)

9:10 a.m.

Supervisor Rabbitt nominated and Supervisor Zane seconded the nominations of Supervisor of Supervisor Zane as Board Chair and Supervisor Gore as Board Vice Chair.

Supervisor Hopkins nominated and Supervisor Zane seconded the nomination of Supervisor Rabbitt as Chair Pro Tem.

Board Action: Approved as Recommended
UNANIMOUS VOTE

Sonoma Valley County Sanitation District

Board Action: Approved as Recommended
(AYES: Susan Gorin, Shirlee Zane, ABSENT: Mayor Hundley)
Approved by Resolutions 17-0001, 17-0002, 17-0003, and 17-0004

IV. [RECESS TO RECEPTION IN FOYER](#)

The Board recessed: 9:30 a.m.

The Board reconvened: 9:47 a.m.

Chairwoman Zane presiding.

9:47 a.m. Mayor Mackenzie of Rohnert Park was asked by the Chairwoman to speak.

V. [CONSENT CALENDAR \(Items 2 through 28\)](#)

2. [Approve the County of Sonoma Board of Supervisors calendar of meetings for the year 2017.](#)

[Summary
Calendar](#)

Board Action: Approved as Recommended
UNANIMOUS VOTE

SONOMA COUNTY WATER AGENCY
(Directors: Gorin, Rabbitt, Zane, Gore, Hopkins)

3. [Petaluma Aqueduct Cathodic Protection Upgrade Design –](#)

(A) Authorize the General Manager to execute the Third Amended Agreement for Petaluma Aqueduct Cathodic Protection Upgrade Design Services with JDH Corrosion Consultants to provide aqueduct design, site investigation, and monitoring services, increasing the amount by \$71,570, expanding the scope of work to accommodate design modifications associated with environmental and right-of-way changes, extending the agreement term by one year for a new not-to-exceed agreement total of \$227,000 and end date of January 31, 2019. (Second and Third Districts)

(B) Authorize the General Manager to amend the agreement provided amendments do not cumulatively increase the total cost by more than 10 percent and do not substantially change the scope of work.

[Summary
Agreement](#)

Board Action: Approved as Recommended
UNANIMOUS VOTE

4. [Authorize the General Manager to execute an agreement with New Ways to Work for consulting services related to the Sonoma County Youth Ecology Corps through December 31, 2018 in the amount of \\$124,800.](#)

[Item Materials](#)

Board Action: Approved as Recommended
UNANIMOUS VOTE

SONOMA COUNTY WATER AGENCY
(Directors: Gorin, Rabbitt, Zane, Gore, Hopkins)

AND
OCCIDENTAL COUNTY SANITATION DISTRICT
RUSSIAN RIVER COUNTY SANITATION DISTRICT
SOUTH PARK COUNTY SANITATION DISTRICT
(Directors: Gorin, Rabbitt, Zane, Gore, Hopkins)
AND
SONOMA VALLEY COUNTY SANITATION DISTRICT
(Directors: Gorin, Zane, and Mayor Hundley)

5. [Authorize the Water Agency's General Manager to execute an agreement with Flexim Americas, Corp. to provide as-needed on-site meter calibration services for the amount of \\$180,000; agreement terminates on August 31, 2019.](#)

[Item Materials](#)

Board Action: Approved as Recommended
UNANIMOUS VOTE

Sonoma Valley County Sanitation District
Board Action: Approved as Recommended
(AYES: Susan Gorin, Shirlee Zane, ABSENT: Mayor Hundley)

AUDITOR-CONTROLLER-TREASURER-TAX COLLECTOR

6. [Authority to Invest and Reinvest Funds and Approval of Statement of Investment Policy –](#)
(A) Adopt a Concurrent Resolution of the Board of Supervisors and all Districts governed ex-officio by the Board of Supervisors renewing authorization for the County Treasurer to assume full responsibility for all transactions and expenditures related to the investment and reinvestment of funds on deposit in the County Treasury.
(B) Approve the County of Sonoma Statement of Investment Policy.

[Item Materials](#)

Board Action: Approved as Recommended
UNANIMOUS VOTE
Approved by Resolution 17-0005

7. [Adopt a Resolution to transfer certain unclaimed funds in the amount of \\$5,000 or more totaling \\$11,356 to the County General Fund.](#)

[Summary](#)
[Resolution](#)

Board Action: Approved as Recommended
UNANIMOUS VOTE
Approved by Resolution 17-0006

BOARD OF SUPERVISORS

8. [Arnold Drive Bike Lane Feasibility Study -](#)
(A) Adopt a Minute Order directing the Transportation and Public Works Department to initiate the Arnold Drive Bike Lane Feasibility Study and bring forward a proposed funding agreement between the County and Sonoma County Transportation Authority to reimburse the County for preparation of the Study when Measure M funding designated for the project becomes available in 2018-2019; and
(B) Approve the use of Contingency funds in the amount of \$50,000 for Transportation and Public Works Department to initiate the study that will be reimbursed by the Sonoma County Transportation Authority when Measure M funding becomes available in 2018-2019. The remaining \$200,000 required to complete the study will be included as part of the Fiscal Year 2017-18 budget process. (First District)

[Summary](#)
[Minute Order](#)

Board Action: Approved as Recommended
UNANIMOUS VOTE
Approved by Minutes Order 17-0007

COUNTY ADMINISTRATOR/FIRE AND EMERGENCY SERVICES

9. [Fire Services Project Contracts](#)

- (A) Authorize the Director of Fire and Emergency Services to execute contracts with Timber Cove Fire Protection District (\$74,700) for training and facilities improvements to increase access to and use of an existing water tender in Region 4; with Russian River Fire Protection District (\$16,960) to develop a model of shared services with Monte Rio that will facilitate cooperation, cost savings, and potentially eventual consolidation; with Windsor Fire Protection District (\$60,000) to hire a temporary program manager to pilot a volunteer recruitment and retention program.
- (B) Authorize the Director of Fire and Emergency Services to execute contracts with various Fire Protection Districts to distribute funding totaling \$483,968 to fire protection districts to provide for continued operations as set forth in Attachment 1.
- (C) Authorize the Director of Fire and Emergency Services to execute contracts with Russian River Fire Protection District (\$32,303), Bodega Bay Fire Protection District (\$6,715), and the Coast Life Support District (\$10,714) to pay for dispatch fees from 2015-16 that were not paid previously.
- (D) Delegate authority to the Director of Fire and Emergency Services to execute future Fiscal Year 2016-17 contracts based on recommendations of the Fire Services Advisory Council as they are determined by Staff to meet the goals of the ongoing Fire Services Project and fit within existing funding allocated for this purpose.

[Summary](#)
[Attachment 1](#)
[Attachment 2](#)
[Attachment 3](#)
[Attachment 4](#)

Board Action: Approved as Recommended
UNANIMOUS VOTE

COUNTY COUNSEL/HUMAN RESOURCES

- 10. [Authorize County Counsel to execute a Third Amendment to Agreement for legal services with Anne Keck of the Keck Law Offices for tort defense legal services to provide for an increase of \\$100,000 to the contract amount for a new not-to-exceed contract amount of \\$250,000 and extension of the contract term to February 28, 2019. \(4/5 vote required\)](#)

[Item Materials](#)

Board Action: Approved as Recommended
UNANIMOUS VOTE

GENERAL SERVICES/HUMAN SERVICES

11. [Lease Expansion for Human Services Department at 5350 Old Redwood Highway, Suite 400, Petaluma –](#)

- (A) Authorize the Clerk to publish a notice declaring the Board's intention to enter into a lease amendment with Cornerstone Properties SA, LLC for approximately 3,650 sq. ft. of office space located at 5350 Old Redwood Highway, Suite 400, Petaluma for an initial rental rate of \$1.65 per sq. ft. per month (approximately \$6,023 per month or \$72,270 per year) which is subject to adjustment as more particularly described in the lease for an initial term of 10 years with two, 5-year options to extend the term; and
- (B) Authorize the General Services Director to execute a letter-agreement whereby the Landlord will prepare architectural construction drawings and apply for building permits prior to potential execution of the proposed lease amendment and approval by the Board. (First Action)

[Item Materials](#)

Board Action: Approved as Recommended
UNANIMOUS VOTE

12. [3725 Westwind Blvd, Santa Rosa Lease Amendment – Authorize the General Services Director to execute an Amendment to the existing lease to extend the Lease Expiration Date from May 31, 2017 to May 31, 2027 and provide two, five year options to further extend the lease term to 2037 expand the Existing Premises from 24,164 square feet to 32,347 square feet; reduce rent in Existing Premises from \\$2.43 per square foot per month to \\$1.90 per square foot per month, reduce annual rent escalations from 4% to 3%, and require the Landlord at Landlord’s expense to make approximately \\$1,000,000 in Tenant Improvements to the Existing Premises, Expansion Space, Building Common Areas, Site and Parking. \(Second Action – Ready for Adoption\)](#)

[Item Materials](#)

Board Action: Approved as Recommended
UNANIMOUS VOTE

HUMAN RESOURCES/HEALTH SERVICES
AND
AGRICULTURAL PRESERVATION AND OPEN SPACE DISTRICT
COMMUNITY DEVELOPMENT COMMISSION
NORTHERN SONOMA COUNTY AIR POLLUTION CONTROL DISTRICT
SONOMA COUNTY WATER AGENCY
(Directors/Commissioners: Gorin, Rabbitt, Zane, Gore, Hopkins)

13. [Miscellaneous Classification & Compensation—Medical Therapy Program –](#)
 - (A) Adopt a Concurrent Resolution amending Salary Resolution 95-0926, Appendix A – Salary Tables, to establish the new classification and salary of Medical Therapy Program Manager effective January 10, 2017.
 - (B) Adopt a Concurrent Resolution amending Memorandum of Understanding between the County and SEIU– Local 1021, Appendix A – Salary Table Scales, to establish the new classification and salary of Supervising Pediatric Therapist, and abolish the classification of Chief Therapist – Children’s Therapy Program effective January 10, 2017.
 - (C) Adopt a Resolution amending the position allocation list of the Department of Health Services to add 2.0 full-time equivalent Supervising Pediatric Therapist and 1.0 full-time equivalent Medical Therapy Program Manager effective January 10, 2017.

[Item Materials](#)

Board Action: Approved as Recommended
UNANIMOUS VOTE
Approved by Resolutions 17-0008, 17-0009, and 17-0010

HUMAN SERVICES

14. [Execution of two California Department of Aging \(CDA\) Standard Agreements and amendments to Sonoma County Area Agency on Aging \(AAA\) senior services provider contracts to include standard agreement funding increases –](#)
 - (A) Authorize the Director to execute two CDA Standard Agreement Amendments to accept state and federal funding increases for AAA services for a total of \$148,049.
 - (1) Area Plan Standard Agreement AP-1617-27 Amendment #1 for Older Americans Act (OAA) services for the term of July 1, 2016 through June 30, 2017 to increase funding by \$116,426 to a maximum amount of \$2,220,258.
 - (2) Authorize the Director of Human Services to execute the MIPPA (Medicare Improvement for Patients and Providers Act) Standard Agreement #MI-1517-27 Amendment #1 for the term of September 30, 2015 through September 29, 2017 to increase funding by \$31,623 to a maximum amount of \$86,413.
 - (B) Authorize the Director to execute contract amendments to local community-based senior service provider contracts by allocating Standard Agreement funding increases by \$118,993 for provision of services to seniors in Sonoma County.

[Summary](#)

Board Action: Approved as Recommended
UNANIMOUS VOTE

HUMAN SERVICES/PROBATION

15. [Authorize the Human Services Director and Chief Probation Officer to approve contracts with Social Advocates for Youth \(\\$180,000\) and Seneca Family of Agencies \(\\$215,552\) for a total amount of \\$395,552 to provide supportive services to youth in foster care for a term of January 1, 2017 through June 30, 2017.](#)

[Summary](#)

Board Action: Approved as Recommended
UNANIMOUS VOTE

MISCELLANEOUS

16. [Approve the Minutes of the Meetings of December 6, 2016, and December 12, 2016, for the following: Agricultural Preservation and Open Space District, Community Development Commission, Northern Sonoma County Air Pollution Control District, Sonoma County Water Agency, and Board of Supervisors.](#)

[Summary](#)

[Minutes](#)

Board Action: Approved as Recommended
UNANIMOUS VOTE

TRANSPORTATION AND PUBLIC WORKS

17. [Award of Contract for the Hauser Bridge Replacement Project –](#)
(A) Approve the plans and specifications for the Hauser Bridge Road over South Fork Gualala River – Hauser Bridge Replacement Project C11006.
(B) Award the contract to low bidder Granite Construction in the amount of \$4,393,519 plus a 10% contingency and Authorize the Chair to execute construction contract C11006. (Fifth District)

[Summary](#)

Board Action: Approved as Recommended
UNANIMOUS VOTE

APPOINTMENTS/REAPPOINTMENTS

(Items 18 through 24)

18. [Approve the appointment of Bill Smith to the Agricultural Preservation and Open Space District Advisory Committee serving a two-year term beginning on January 10, 2017 and ending on December 31, 2018. \(Fourth District\)](#)

[Summary](#)

Board Action: Approved as Recommended
UNANIMOUS VOTE

19. [Approve the appointment of Stu Clark to the AB 939 Task Force serving a three-year term beginning on January 10, 2017 and ending on January 10, 2020. \(Fourth District\)](#)

[Summary](#)

Board Action: Approved as Recommended
UNANIMOUS VOTE

20. [Approve the re-appointment of John Suazo to the Mental Health Board serving a three-year term beginning on January 10, 2017 and ending on December 31, 2020. \(Fourth District\)](#)

[Summary](#)

Board Action: Approved as Recommended
UNANIMOUS VOTE

21. [Appoint Carrie Castro to the Sonoma County Commission on the Status of Women, effective January 10, 2017 and expiring on January 11, 2019. \(First District\)](#)

[Summary](#)

Board Action: Approved as Recommended
UNANIMOUS VOTE

22. [Appoint Betzy Chavez to the Sonoma County Community Development Committee, effective January 10, 2017 and expiring on January 11, 2019. \(First District\)](#)

[Summary](#)

Board Action: Approved as Recommended
UNANIMOUS VOTE

23. [Appoint Howard Sapper to the Sonoma County Commission on Human Rights, effective January 10, 2017 and expiring on January 11, 2019. \(First District\)](#)

[Summary](#)

Board Action: Approved as Recommended
UNANIMOUS VOTE

24. [Approve the appointment of John Lowry to the Planning Commission and Board of Zoning Adjustments, Coterminus \(Fifth District\)](#)

[Summary](#)

Board Action: Approved as Recommended
UNANIMOUS VOTE

PRESENTATIONS/GOLD RESOLUTIONS
(Items 26 through 28)

PRESENTATIONS AT THE BOARD MEETING

26. [2:02 P.M. – Adopt a Gold Resolution designating January 2017 as Eligibility Worker, Employment and Training Specialist, and Eligibility Specialist Recognition Month. \(Human and Health Services\)](#)

[Item Materials](#)

Board Action: Approved as Recommended
UNANIMOUS VOTE
Approved by Resolution 17-0012

27. [2:12 P.M. – Adopt a Gold Resolution proclaiming January 2017 as Human Trafficking Awareness Month in Sonoma County. \(District Attorney, Human Resources, Health Services, Human Services, Probation, Sheriff's Office.\)](#)

[Item Materials](#)

Board Action: Approved as Recommended
UNANIMOUS VOTE
Approved by Resolution 17-0013

28. [2:20 P.M. – Adopt a Gold Resolution declaring January 21, 2017 as “Sonoma County Stands Together for Women” Day. \(Third District\)](#)

[Summary](#)
[Resolution](#)

Board Action: Approved as Recommended
UNANIMOUS VOTE
Approved by Resolution 17-0014

9:58 a.m. Public Comment Opened

Public Speakers on the Consent Calendar:

Alan Moody
Jack Piccinini
Ernie Loveless
Michael Nichols
Dan Jorge
Mark Emmett

10:15 a.m. Public Comment Closed

VI. REGULAR CALENDAR (Items 29 through 34)

COUNTY ADMINISTRATOR
FIRE AND EMERGENCY SERVICES

- 29A. Adopt a Resolution Ratifying the Proclamation of Local Emergency due to the Winter Storm Event made by the County Administrator/Director of Emergency Services on January 8, 2017.

[Item Materials](#)

10:17 a.m.

Chairwoman Zane made a motion to add an Emergency Declaration Item to the Agenda and Supervisor Gore seconded the motion.

Board Action: Approved as Recommended
UNANIMOUS VOTE
Approved by Resolution 17-0021

Board Action: Approved as Recommended
UNANIMOUS VOTE
Approved by Resolution 17-0022

ECONOMIC DEVELOPMENT BOARD/HUMAN SERVICES

29. [Accept and approve the Year of the Senior Plan and authorize County departments including the Economic Development Board, Human Services Department, and others to proceed with implementation.](#)

[Summary](#)
[Attachment](#)

11:01 a.m.

Presenters:
Ben Stone, Economic Development Coordinator
Diane Kaljian, Assistant Department Director, Health Services

11:22 a.m. Public Comment Opened

Public Speakers:

None

11:22 a.m. Public Comment Closed

Board Action: Approved as Recommended

UNANIMOUS VOTE

COMMUNITY DEVELOPMENT COMMISSION
(Commissioners: Gorin, Rabbitt, Zane, Gore, Hopkins)
AND
HUMAN SERVICES

30. [Funding for The Palms Inn Single Room Occupancy \(SRO\) units - Concurrent action by Board of Supervisors and Board of Commissioners to:](#)

- (A) Adopt a Resolution adjusting the FY 2016-17 Budget by \$143,700 to support operational costs associated with providing 104 units at the Palms Inn for permanent supportive housing; and
- (B) Authorize the Human Services Director to execute an amendment to an agreement with Catholic Charities for veteran case management services, increasing the contract by \$60,000 for the period of January 1, 2017 through December 31, 2017.

[Summary](#)
[Resolution](#)
[Attachment](#)
[Attachment](#)

11:58 a.m.

Presenters:

Margaret Van Vilet, Executive Director, Community Development Commission

Karen Fies, Director of Human Services

12:27 p.m.

Public Comment Opened Public Speakers:

Jennilynn Holmes

Michael Hilbur

12:29 a.m. Public Comment Closed

Board Action: Approved as Recommended

UNANIMOUS VOTE

Approved by Resolution 17-0015

SONOMA VALLEY COUNTY SANITATION DISTRICT
(Directors: Gorin, Zane, Mayor Hundley)

31. [Conduct a Public Hearing and Adopt a Resolution for the Sonoma Valley Sewer Lateral Ordinance –](#)

- (A) Adopt a Resolution introducing, reading the title and waiving further reading of a proposed Ordinance amending the sanitation code to provide requirements for side sewer inspection and building sewer repair.
- (B) Adopt a Resolution authorizing and directing staff to implement a loan program, upon Adoption of the Ordinance introduced January 10, 2017, requiring side sewer inspection and building sewer repair to assist property owners in the Sonoma Valley County Sanitation District with the costs of obtaining permits and repairing their building sewers. (First District) (First Reading) (2/3 vote required)

[Summary](#)
[Resolution 1](#)
[Resolution 2](#)
[Power Point](#)

11:32 a.m. Presenters:

Kevin Booker, Principal Engineer, Sonoma County Water Agency
Mike Thompson, Assitant General Manager, Sonoma County Water Agency

11:54 a.m. Public Comment Opened

Public Speaker:
Daniel Sanchez

11:56 a.m. Public Comment Closed

Board Action: Approved as Recommended
UNANIMOUS VOTE
Approved by Resolutions 17-0016 and 17-0017

BOARD OF SUPERVISORS
AND
AGRICULTURAL PRESERVATION AND OPEN SPACE DISTRICT
COMMUNITY DEVELOPMENT COMMISSION
IN-HOME SUPPORTIVE SERVICES (IHSS) PUBLIC AUTHORITY
NORTHERN SONOMA COUNTY AIR POLLUTION CONTROL DISTRICT
OCCIDENTAL COUNTY SANITATION DISTRICT
RUSSIAN RIVER COUNTY SANITATION DISTRICT
SONOMA COUNTY PUBLIC FINANCING AUTHORITY
SONOMA COUNTY WATER AGENCY
SONOMA COUNTY WATER AND WASTEWATER FINANCING AUTHORITY
SOUTH PARK COUNTY SANITATION DISTRICT
(Directors/Commissioners: Gorin, Rabbitt, Zane, Gore, Hopkins)
AND
SONOMA VALLEY COUNTY SANITATION DISTRICT
(Directors: Gorin, Zane, Mayor Hundley)

- 31A. [Establish assignments for members of the Board of Supervisors and the Board of Directors of the Sonoma County Water Agency for the year 2017.](#)

[Summary](#)
[Attachment](#)

12:33 p.m.

Chairwoman Zane announced the Board Assignments, and the creation of the new ad hoc for Measure L Funding and appointed Chairwoman Zane and Supervisor Hopkins to that committee.

12:52 p.m. Public Comment Opened:

Public Speakers:
None

12:52 p.m. Public Comment Closed

Board action: Approved as Recommended
UNANIMOUS VOTE

TRANSPORTATION AND PUBLIC WORKS

32. [Adopt a Resolution introducing, reading the title of, and waiving the reading of an Ordinance amending Ordinance No. 2300 establishing no parking restrictions on the east side of Moorland Avenue \(#68085\) from Postmile 10.655 to Postmile 10.68 at the intersection with Hazelnut Lane. \(Fifth District\) \(First Reading\)](#)

[Summary](#)
[Ordinance](#)
[Map](#)

Board action: Approved as Recommended
UNANIMOUS VOTE
Approved by Resolution 17-0018

BOARD OF SUPERVISORS

33. [Approve Board Sponsorship of \\$6,000 to support a two-day summit on January 30 and 31, 2017. The Summit is being organized and partially funded by Catholic Charities and the Santa Rosa Homeless Collective. \(Third District\)](#)

[Summary](#)
[Attachment](#)
[Attachment](#)
[Attachment](#)

12:59 p.m.

Presenter:
Chairwoman Shirlee Zane

1:04 p.m. Public Comment Opened

Public speaker:
Michael Hilbur

1:05 p.m. Public Comment Closed

Board action: Approved as Recommended
UNANIMOUS VOTE

34. [PUBLIC COMMENT ON CLOSED SESSION ITEMS](#)

1:06 p.m. Public Comment Opened

Public speakers:
None

1:06 p.m. Public Comment Closed

1:06 the Board recessed to Closed Session.

VII. CLOSED SESSION CALENDAR (Items 35 through 38)

Supervisors Present: Susan Gorin, David Rabbitt, Shirlee Zane, James Gore, Lynda Hopkins

Staff Present: Sheryl Bratton, County Administrator and Bruce Goldstein, County Counsel

40. [REPORT ON CLOSED SESSION](#)

1:54 P.M. County Counsel Bruce Goldstein reported on Closed Session Items 35 through 38.

IX. BOARD MEMBER REPORTS ON ASSIGNED BOARDS, COUNCILS, COMMISSIONS OR OTHER ATTENDED MEETINGS

Supervisor Rabbitt attended the Golden Gate Bridge Distriect meeting where the suicide barrier bid protest was withdrawn. On December 14, 2016, he attended the SCERA Investment meeting. He also attended the SGMA Ad-hoc meeting, ABAG

Executive Board meeting and North Bay Water Reuse Authority meeting.

As Supervisor elect, Supervisor Hopkins attended a meeting with Congressman Mike Thompson on Immigration issues.

On January 4, 2017, Supervisor Gore attended the LAFCO meeting regarding an annexation in Cloverdale and on and on January 27 and 28, 1917, Supervisor Gore is hosting the California Latino Caucus retreat.

Supervisor Gorin thanked everyone involved for their work during the emergency situation with flooding this week. She also attended the North Bay Water Reuse Authority meeting.

On January 4, 2017, Supervisor Zane attended the SMART Board of Directors meeting.

X. [2:02 P.M. - PRESENTATIONS/GOLD RESOLUTIONS](#)
(Items 21 through 23, approved on the Consent Calendar)

41. [PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA BUT WITHIN THE SUBJECT MATTER JURISDICTION OF THE BOARD AND ON BOARD MEMBER REPORTS.](#) (Comments are restricted to matters within the Board's jurisdiction. The Board will hear public comments at this time for up to thirty minutes. Each person is usually granted time to speak at the discretion of the Chair. Any additional public comments will be heard at the conclusion of the meeting. While members of the public are welcome to address the Board, under the Brown Act, Board members may not deliberate or take action on items not on the agenda.)

2:30 P.M. Public comment opened

Public Speakers:

Colleen Fernald

John Jenkel

Kear Koch

Peter Tschernoff

Roseanne Snyder

Mary Morrison

Maria Halstrom

Richard Hannon

2:50 P.M. Public Comment Closed

FAIRGROUNDS

42. [Conduct a Public Hearing and Adopt a Resolution approving the 2017 Operating and Capital Improvements Budget and the 2017 Employee Position Allocation List for the Sonoma County Fair and Exposition, Inc.](#)

[Summary](#)

[Resolution](#)

[Attachment](#)

[Attachment](#)

[Attachment](#)

[Attachment](#)

[Power Point](#)

Presenters:

Michelle Arellano, Administrative Analyst, County Administrator's Office

Rebecca Bartling, CEO, Sonoma County Fair and Expo Inc

Michael Margetts, CFO, Sonoma County Fair and Expo Inc

3:20 P.M. Public comment opened

Public Speakers: None

3:21 P.M. Public comment closed

Board Action: Approved as Recommended
UNANIMOUS VOTE
Approved by Resolution 17-0019

COUNTY ADMINISTRATOR

43. [Approve the Sonoma County 2017 State and Federal Legislative Platform to be used by County staff, legislative advocates, and the legislative delegation in efforts to seek policy support and acquire state and federal resources for County priorities.](#)
- (A) Approve the Sonoma County 2017-2018 State and Federal Legislative Platform to be used by County staff, legislative advocates, and the legislative delegation in efforts to seek policy support and acquire state and federal resources for County priorities.
- (B) Receive a state legislative report from the County's state legislative advocates, Paul Yoder and Karen Lange, of Shaw, Yoder, and Antwih.

Item Materials

Presenters:

Rebecca Wachsberg, Deputy County Administrator, County Administrator's Office
Sita Kuteira, Administrative Analyst, County Administrator's Office
Karen Lange, State Legislative Advocate
Paul Yoder, State Legislative Advocate

4:39 P.M. Public comment opened

Public Speakers:

Suzy Becerra
Alicia Roman
Mario Castillo
Jessica Rhoades
Jacqueline Abdalla
Robin Pressman
Victoria Yanez
Enrique Garcia
Bismark Torrez Rodriguez
David Hoffman
Attila Nagy
Isabel Lopez
Hecotr Jimenez Carreno

5:25 P.M. Public comment closed

Board Action: Approved as Recommended
UNANIMOUS VOTE

PERMIT AND RESOURCE MANAGEMENT

35. [The Board of Supervisors will consider the following in closed session: Conference with Legal Counsel – Anticipated Litigation or significant exposure to litigation. \(Government Code Section 54956.9\(d\)\(2\)\)](#)

No reportable action. Direction give to counsel and staff.

36. [The Board of Supervisors will consider the following in closed session: Conference with Legal Counsel – Existing Litigation – Brian Covington vs. County of Sonoma, Workers' Compensation Appeals Board Nos. ADJ9830237, ADJ10325566, ADJ9323387 and ADJ9797661. \(Government Code Section 54956.9\(d\)\(1\)\).](#)

By a vote of 5 to 0, approval was given for the settlement of Brian Covington's workers' compensation claims by way of Compromise and Release Agreement for Settlement in the amount of \$70,000.00, with direction to the Risk Manager to execute all documents necessary to effectuate the settlement.

37. The Board of Supervisors will consider the following in the closed session: Conference with Real Property Negotiator – 32,678 square foot office building located at 600 Bicentennial Way, Santa Rosa, CA. For the County: Caroline Judy, General Services Director, or Marc McDonald, Real Estate Manager; For the Seller: Bill Hardy, BH Goethe Bicentennial, LLC. Under Negotiation: Terms and conditions of the proposed acquisition. (Government Code Section 54956.8)

On a 5-0 vote Board rescinded the conditional purchase order and gave direction to withdraw from negotiations and take all necessary steps to obtain refund of deposit.

38. The Board of Supervisors, The Board of Directors of the Sonoma County Water Agency, and The Board of Directors of the Agricultural Preservation and Open Space District will consider the following in closed session: Conference with Real Property Negotiator. Property: 117 acres located on or around 3313, 3322, 3323, 3325, 3333, and 3410 Chanate Road, and Belvedere Way, Santa Rosa, CA., APN No's: 180-090-001; 180-090-002; 173-130-038 (Belvedere Way); 180-090-003; 180-090-004; 180-090-005; 180-090-006; 180-100-001; 180-100-029; 180-090-016; 180-090-009; 180-090-010; 180-090-008; 180-090-007; 180-820-010 and 180-820-009. Negotiators: For County: Caroline Judy, General Services Director. For District: Bill Keene, Agricultural Preservation and Open Space District General Manager. For Agency: Grant Davis, Sonoma County Water Agency General Manager. For Potential Buyers: Prospective Proposers. Under Negotiation: Direction to Real Property Negotiators regarding the potential sale of County owned land along with potential open space uses of District and Agency owned land. (Government Code Section 54956.8)

This item was continued until January 24, 2017.

VIII. REGULAR AFTERNOON CALENDAR (Items 39 through 45)

39. RECONVENE FROM CLOSED SESSION

44. 5:35 P.M. - Permit and Resource Management Department: Review and possible action on the following: Acts and Determinations of Planning Commission/Board of Zoning Adjustments
Acts and Determinations of Project Review and Advisory Committee
Acts and Determinations of Design Review Committee
Acts and Determinations of Landmarks Commission
Administrative Determinations of the Director of Permit and Resource Management
(All materials related to these actions and determinations can be reviewed at:
<http://www.sonoma-county.org/prmd/b-c/index.htm>)

Board Action: Approved as Recommended
UNANIMOUS VOTE

45. ADJOURNMENT

5:36 p.m. The Board adjourned the meeting in the memory of Robert Stanley, Marlene Lily, Gerald Moore and Robin Gail. The meeting was adjourned to Tuesday, January 24, 2017 at 8:30 a.m.

Respectfully submitted,

Darin Bartow,
Interim Chief Deputy Clerk of the Board

ACTION SUMMARY
BOARD OF SUPERVISORS
SONOMA COUNTY
575 ADMINISTRATION DRIVE, ROOM 102A
SANTA ROSA, CA 95403

TUESDAY

JANUARY 24, 2017

8:30 A.M.

Susan Gorin	First District	Sheryl Bratton	County Administrator
David Rabbitt	Second District	Bruce Goldstein	County Counsel
Shirlee Zane	Third District		
James Gore	Fourth District		
Lynda Hopkins	Fifth District		

8:33 A.M. CALL TO ORDER

Supervisors Present: Susan Gorin, David Rabbitt, Shirlee Zane, James Gore, Lynda Hopkins

Staff Present: Sheryl Bratton, County Administrator and Bruce Goldstein, County Counsel

PLEDGE OF ALLEGIANCE

I. **APPROVAL OF THE AGENDA**

(Items may be added or withdrawn from the agenda consistent with State law)

8:35 A.M. Supervisor Zane moved Item #7 to the Regular Calendar.

8:41 A.M. Public Comment Opened

Public Speaker:
Nick Carrera

8:42 A.M. Public Comment Closed

II. **CONSENT CALENDAR**

AGRICULTURAL PRESERVATION AND OPEN SPACE DISTRICT

(Directors: Gorin, Rabbitt, Zane, Gore, Hopkins)

1. Authorize the General Manager of the Sonoma County Agricultural Preservation and Open Space District to execute a professional services agreement with Conservation Strategy Group, LLC, for the total amount of \$121,500 for a period of two calendar years.

Board action: Approved as Recommended
UNANIMOUS VOTE

Item Materials

COMMUNITY DEVELOPMENT COMMISSION

(Directors: Gorin, Rabbitt, Zane, Gore, Hopkins)

2. Redevelopment Dissolution – Recognized Obligation Payment Schedule - Adopt a resolution of the governing Board of the Successor Agency for the Sonoma County Community Redevelopment Agency, approving the Recognized Obligation Payment Schedule for the period July 1, 2017 to June 30, 2018.

Board action: Approved as Recommended
UNANIMOUS VOTE
Approved by resolution 17-0023

Item Materials

SONOMA COUNTY WATER AGENCY
(Directors: Gorin, Rabbitt, Zane, Gore, Hopkins)

3. Dry Creek Habitat Enhancement Demonstration Project – Right of Way
 - (A) Authorize the General Manager to execute agreements for acquisition of real property rights (License Agreements) for ingress and egress in connection with the Dry Creek Habitat Enhancement Demonstration Project.
 - (B) Authorize the General Manager to execute any other documents necessary to close the transaction, following review and approval of County Counsel as to form, and to pay any other ancillary costs necessary to close the transactions.

Item Materials

Board action: Approved as Recommended
UNANIMOUS VOTE

4. Adopt a Resolution: Gardens Subdivision Pedestrian Path Easement Agreement with City of Santa Rosa
 - (A) Determining that executing the Easement Agreement with the City of Santa Rosa (City) for public access along a pedestrian path at Santa Rosa Creek will not adversely affect the Sonoma County Water Agency in any respect and will not have a significant adverse effect on the environment.
 - (B) Authorizing the General Manager to execute the Easement Agreement with the City for a permanent easement.
 - (C) Authorizing the General Manager to file a Notice of Determination in accordance with the California Environmental Quality Act.

Item Materials

Board action: Approved as Recommended
UNANIMOUS VOTE
Approved by Resolution 17-0024

5. Authorize the General Manager to enter into agreements up to \$75,000 as necessary to meet mitigation requirements imposed by regulatory agencies in connection with the Sonoma County Water Agency’s Stream Maintenance Program, following review and approval by County Counsel as to form.

Summary

Board action: Approved as Recommended
UNANIMOUS VOTE

6. Set a public hearing on the proposed Occidental County Sanitation District Wastewater Transport Compliance Project Initial Study and Negative Declaration for February 16, 2017, at 6:00 p.m. at the Monte Rio Community Center, and appoint Director Hopkins as the public hearing officer.

Summary

Board action: Approved as Recommended
UNANIMOUS VOTE

COUNTY ADMINISTRATOR/ FIRE AND EMERGENCY SERVICES

7. Adopt a Resolution Ratifying the Supplemental Proclamation of Local Emergency due to the Winter Storm Double Crest Event made by the County Administrator/Director of Emergency Services on January 13, 2017, extending the emergency for 30 days, authorizing a request to the Governor for the proclamation of a Statewide emergency, and approving a waiver of permit fees for repair work related to the Winter Storm Double Crest event.

8:43 A.M.

Presenters:

Al Terrell, Chief, Fire and Emergency Services
Grant Davis, General Manager, Sonoma County Water Agency
Susan Klassen, Director, Transportation and Public Works
Tennis Wick, Director, Permit and Resource Management

9:21 A.M. Public Comment Opened

Public Speaker:

Thomas Ells

9:27 A.M. Public Comment Closed

Summary
Resolution
Proclamation

The Board requested staff to come back in 30 days with an update, they would like an overview of the emergency and the type of outreach to the community especially the areas that have been flooded.

Board Action: Approved as recommended
UNANIMOUS VOTE
Approved by resolution 17-0025

COUNTY COUNSEL

8. Adopt a Resolution to amend the position allocation list of the County Counsel's Office to add 1.0 full-time equivalent Department Analyst and delete 1.0 full-time equivalent Accounting Technician, effective January 24, 2017.

Summary
Resolution

Board action: Approved as Recommended
UNANIMOUS VOTE
Approved by Resolution 17-0026

9. Adopt a Resolution of the Board of Supervisors rescinding Resolution No. 16-0393 and designating two County Board of Supervisors as the members that shall sit on the Board of Directors of the Northern Sonoma County Air Pollution Control District.

Summary
Resolution
Map

Board action: Approved as Recommended
UNANIMOUS VOTE
Approved by Resolution 17-0027

CLERK-RECORDER-ASSESSOR

10. Adopt the resolution authorizing consolidation of the districts that have submitted a request for consolidation, as required by Elections Code §10400, and have measures to be placed before the voters on March 7, 2017.

Summary
Resolution
Attachment 1
Attachment 2

Board action: Approved as Recommended
UNANIMOUS VOTE
Approved by Resolution 17-0028

FIRE AND EMERGENCY
SERVICES/ COUNTY ADMINISTRATOR

11. Approve a Property Tax Exchange Agreement with Schell-Vista Fire Protection District for the annexation of territory from County Service Area 40 into Schell-Vista Fire Protection District in the event the Local Agency Formation Commission approves such an annexation.

Summary
Map
Attachment

Board action: Approved as Recommended
UNANIMOUS VOTE

HUMAN SERVICES

12. Authorize the Director of the Human Services Department to sign and execute a contract with PCM Group, Inc., Doing Business as Mirabel Lodge and Mirabel Lodge at Oak Meadows (Mirabel Lodge) for \$153,000 for February 1, 2017 through June 30, 2018 as part of the Senior Homeless Prevention Program.

Summary

Board action: Approved as Recommended
UNANIMOUS VOTE

HUMAN RESOURCES

13. Adopt a new Administrative Policy 4-11: Pre-Employment/Pre-Placement Screening Policy, and authorize the Human Resources Director, or Designee, to approve future changes necessary to maintain alignment with best practices and legal considerations.

Item Materials

Board action: Approved as Recommended
UNANIMOUS VOTE

SHERIFF'S OFFICE

14. Adopt a resolution authorizing the Sheriff to execute an amendment to the Division of Boating and Waterways Law Enforcement Equipment Grant Program Agreement and request for reimbursement for the grant award not to exceed \$81,182.

Summary
Resolution

Board action: Approved as Recommended
UNANIMOUS VOTE
Approved by Resolution 17-0029

TRANSPORTATION AND PUBLIC WORKS

15. Adopt an ordinance amending Ordinance No. 2300 by establishing no parking restrictions on the east side of Moorland Avenue (#68085) from Postmile 10.655 to Postmile 10.68 at the intersection with Hazelnut Lane. (Fifth District) (Second Reading – Ready for Adoption)

Item Materials

Board action: Approved as Recommended
UNANIMOUS VOTE
Approved by Ordinance 6190

16. Adopt a Resolution accepting two Grant Deeds, two Construction Easement Deeds, and one Slope Easement Deed and authorizing the Chair to execute two Property Purchase Agreements for three partial fee-take purchases, two temporary constructions and one slope easement, required for the Boyes Boulevard Road Bridge Replacement Project, authorizing payments of \$6,400 and \$10,800 totaling \$17,200, which includes \$0 for severance damages; authorizing transfer of taxes on said lands; and authorizing refunds, if applicable, pursuant to §5096 of the Revenue and Taxation Code; lands of Benjamin Cesar Salgado, an Unmarried Man, and Gloria D. Robles, Surviving Joint Tenant (APN's: 052-192-011 and 052-192-018); Project C01147.

Item Materials

Location Map
Acquisition Map

Board action: Approved as Recommended
UNANIMOUS VOTE
Approved by Resolution 17-0030

17. Approve and authorize Chair to sign Amendment 5 to Cooperative Funding Agreement No. M30210-05 between Sonoma County Transportation Authority and the County of Sonoma for the Airport Interchange Landscape project allowing shift of excess Design and Right-of-Way funds to construction phases and management, and delegate authority to the Director of Transportation and Public Works to approve future administrative changes during the term of the agreement.

Item Materials

Board action: Approved as Recommended
UNANIMOUS VOTE

MISCELLANEOUS

18. Approve the Minutes of the Meetings of December 13, 2016 and December 20, 2016 for the following: Agricultural Preservation and Open Space District, Community Development Commission, Northern Sonoma County Air Pollution Control District, Occidental County Sanitation District, Russian River County Sanitation District, South Park County Sanitation District, Sonoma County Water Agency, and Board of Supervisors; and Approve the Minutes of the Meeting of December 13, 2016 of the Sonoma Valley County Sanitation District.

Summary
Attachment 1
Attachment 2

Board action: Approved as Recommended
UNANIMOUS VOTE

APPOINTMENTS/REAPPOINTMENTS

19. Appoint Sherie Hurd and re-appoint James J. Barnes to the Sonoma County Public Law Library Board of Trustees, terms expiring January 2, 2018. (Sonoma County Public Law Library)

Summary

Board action: Approved as Recommended
UNANIMOUS VOTE

20. Re-appoint Pamela Davis to the Planning Commission starting January 3, 2017 serving coterminous. (Fifth District)

Summary

Board action: Approved as Recommended
UNANIMOUS VOTE

21. Review the City Selection Committee's California Coastal Commission nomination requests and authorize the County Administrative Officer to submit the nominations to the California Senate Rules Committee for their consideration. (Board of Supervisors)

Summary
Attachment 1
Attachment 2
Attachment 3
Attachment 4
Attachment 5

Board action: Approved as Recommended
UNANIMOUS VOTE

PRESENTATIONS/GOLD RESOLUTIONS

PRESENTATIONS AT THE BOARD MEETING

22. Adopt a Gold Resolution February 3, 2017 "Wear Red" Day, and recognize the month of February as "Heart Month" in Sonoma County. (Third District)

Summary
Resolution

Board action: Approved as Recommended
UNANIMOUS VOTE
Approved by resolution 17-0031.

23. Adopt a Gold Resolution Honoring Patricia Foster for Seven Years of Dedicated Service As A Board Of Trustee Member for the Shiloh District Cemetery. (Fourth District)

Summary
Resolution

Board action: Approved as Recommended
UNANIMOUS VOTE
Approved by resolution 17-0032.

PRESENTATIONS AT A DIFFERENT DATE

24. Adopt a Gold Resolution proclaiming February 2017 as Children's Dental Health Month in Sonoma County. (Health Services)

Summary
Resolution

Board action: Approved as Recommended
UNANIMOUS VOTE
Approved by resolution 17-0033.

25. Adopt a Gold Resolution recognizing the retirement of Colette Thomas from the Economic Development Board on January 30, 2017. (Economic Development Board)

Summary
Resolution

Board action: Approved as Recommended
UNANIMOUS VOTE
Approved by resolution 17-0034.

III. REGULAR CALENDAR

HUMAN SERVICES

26. Authorize the Director of Human Services Department to sign and execute an agreement with Senior Advocacy Services for \$164,000 to fund an Elder Justice Coordinator for the contract period February 1, 2017 through June 30, 2018.

9:29 A.M.

Presenters:
Karen Fies, Director, Human Services
Diane Kaljian, Assistant Director, Human Services

9:44 A.M. Public Comment Opened

Public Speakers:
Ronit Rubinoff
Christa Chelemedos
Donata Mikulik

9:51 A.M. Public Comment Closed

Item Materials
PowerPoint

Board Action:
Approved as Recommended
UNANIMOUS VOTE

Meeting went into Recess

Meeting reconvened

SONOMA COUNTY WATER AGENCY
(Directors: Gorin, Rabbitt, Zane, Gore, Hopkins)

27. Russian River-Cotati Intertie Pipeline Seismic Hazard Mitigation at Mark West Creek Crossing Project – Hearing of Necessity.

- (A) Conduct a public hearing and determine that the acquisition of real property for the Russian River-Cotati Intertie Pipeline Seismic Hazard Mitigation at the Mark West Creek Crossing Project is necessary for public purposes that the Sonoma County Water Agency serves.
- (B) Authorize acquisition of real property rights as required for the Project, encumbering real property situated in the County of Sonoma, California identified as follows: Silverado Sonoma Vineyards LLC, Assessor's Parcel Number 083-010-057; and Dermot and Darice Bourke, Assessor's Parcel Number 083-020-061, for public purposes for construction of the Projects.
- (C) Authorize and direct County Counsel and the Water Agency's General Manager to take all necessary steps to obtain said real property rights in connection with the construction, maintenance, and continued operation of the Projects, including such steps which may be required to acquire the real property interests necessary for the Project through the exercise of eminent domain.
- (D) Authorize the General Manager to execute Agreements, in lieu of litigation with the approval of County Counsel, as settlement for Purchase and Sale of Property Rights, and to accept grant and quitclaim deeds, with property owners

for the Russian River-Cotati Intertie Pipeline Seismic Hazard Mitigation at Mark West Creek Crossing Project in substantially the form provided to the Board, provided that said settlement for all properties does not exceed \$163,500.

- (E) Authorize the Sonoma County Auditor and Treasurer to issue and honor warrants for payment of acquisition prices under the agreements, in amounts no greater than the just compensation amounts set forth in this agenda item.

10:04 A.M.

Presenters:

Steve Koldis, Engineer, Sonoma County Water Agency

Adam Brand, Deputy County Counsel

Kevin Campbell, Supervising Right of Way Agent, Sonoma County Water Agency

10:21 A.M. Public Comment Opened

Public Speakers: None

10:21 a.m. Public Comment Closed

Item Materials

Board action: Approved as Recommended

UNANIMOUS VOTE

Approved by Resolution 17-0035

28. Russian River-Cotati Intertie Pipeline Seismic Hazard Mitigation at Russian River Crossing Project – Hearing of Necessity

- (A) Conduct a public hearing and determine that the acquisition of real property for the Russian River-Cotati Intertie Pipeline Seismic Hazard Mitigation at the Russian River Crossing Project is necessary for public purposes that the Sonoma County Water Agency serves.
- (B) Authorize acquisition of real property rights as required for the Project, encumbering real property situated in the County of Sonoma, California identified as follows: Silverado-Sonoma Vineyards LLC, Assessor's Parcel Number 083-010-057 for public purposes for construction of the Project.
- (C) Authorize and direct County Counsel and the Water Agency's General Manager to take all necessary steps to obtain said real property rights in connection with the construction, maintenance, and continued operation of the Project, including such steps which may be required to acquire the real property interests necessary for the Project through the exercise of eminent domain.
- (D) Authorize the General Manager to execute Agreements, in lieu of litigation with the approval of County Counsel, as settlement for Purchase and Sale of Property Rights and to accept grant and quitclaim deeds with property owners for the Project in substantially the form provided to the Board, provided that said settlement for all properties does not exceed \$160,500.
- (E) Authorize the Sonoma County Auditor and Treasurer to issue and honor warrants for payment of acquisition prices under the agreements, in amounts no greater than the just compensation amounts set forth in this agenda item.

10:22 A.M.

Presenters:

Steve Koldis, Engineer, Sonoma County Water Agency

Adam Brand, Deputy County Counsel

Kevin Campbell, Supervising Right of Way Agent, Sonoma County Water Agency

10:22 A.M. Public Comment Opened

Public Speakers: None

10:22 A.M. Public Comment Closed

Item Materials

Board action: Approved as Recommended
UNANIMOUS VOTE
Approved by Resolution 17-0036

UNIVERSITY OF CALIFORNIA COOPERATIVE EXTENSION

29. Authorize the County Administrative Officer to execute the updated Local Agreement with the Regents of the University of California-Cooperative Extension for the Provision of the University of California Cooperative Extension Program in Sonoma County to be effective immediately upon execution through December 31, 2025.

10:23 A.M.

Presenter:
Stephanie Larson, Director, Farm Advisor, University of California Cooperative Extension

10:47 A.M. Public Comment Opened

Public Speakers: None

10:48 a.m. Public Comment Closed

Summary
Attachment 1
Resolution
PowerPoint

Board action: Approved as Recommended
AYES: Susan Gorin, Shirlee Zane, James Gore, Lynda Hopkins
ABSTAIN: David Rabbitt

BOARD OF SUPERVISORS

30. Request to approve a fee waiver for the Windsor Unified School District Smarter Luncheons Program. The School District and the Department of Health Services (DHS) agreed that the following activities would be exchanged for the fee waiver in order to enhance child nutrition outcomes in the District. The activities that will constitute the pilot portion of this waiver, include:

- (A) Provide the Harvest of the Month fruit or vegetable in the District's salad bars and/or lunch menu.
- (B) Provide Harvest of the Month teacher education packets to connect nutrition education in the classroom to what is being served in the cafeteria.
- (C) Conduct Harvest of the Month surveys with students at all school sites to assess changes in healthful eating attitudes and behaviors.
- (D) Complete the Smarter Lunchroom Assessment at each school site in the district. Share the findings of the assessments at the school nutrition directors meeting convened by DHS.

10:49 A.M.

Presenter: Supervisor James Gore, 4th District

11:03 A.M. Public Comment Opened

Public Speaker:

Christine Fosco

11:03 A.M. Public Comment Closed

Summary
Attachment

Board Action:
Approved as recommended
UNANIMOUS VOTE

31. PUBLIC COMMENT ON CLOSED SESSION ITEMS

11:03 A.M.

Public Speakers: None

11:03 A.M.

32. The Board of Directors of the Sonoma County Agricultural Preservation and Open Space District will consider the following in closed session: Conference with Real Property Negotiators – Negotiators for the District: Bill Keene, General Manager; Negotiator for the Potential Landlord: Arlene Allsman, Building Owner. Direction to Real Property Negotiator regarding Long-term Lease of Existing Office Space 747 Mendocino Ave. Suite 100, Santa Rosa, CA 95401. (Government Code Section 54956.8)

No reportable action. Direction give to counsel and staff.

33. The Board of Supervisors, The Board of Directors of the Sonoma County Water Agency, and The Board of Directors of the Agricultural Preservation and Open Space District will consider the following in closed session: Conference with Real Property Negotiator. Property: 117 acres located on or around 3313, 3322, 3323, 3325, 3333, and 3410 Chanate Road, and Belvedere Way, Santa Rosa, CA., APN No's: 180-090-001; 180-090-002; 173-130-038 (Belvedere Way); 180-090-003; 180-090-004; 180-090-005; 180-090-006; 180-100-001; 180-100-029; 180-090-016; 180-090-009; 180-090-010; 180-090-008; 180-090-007; 180-820-010 and 180-820-009. Negotiators: For County: Caroline Judy, General Services Director. For District: Bill Keene, Agricultural Preservation and Open Space District General Manager. For Agency: Grant Davis, Sonoma County Water Agency General Manager. For Potential Buyers: Prospective Proposers. Under Negotiation: Direction to Real Property Negotiators regarding the potential sale of County owned land along with potential open space uses of District and Agency owned land. (Government Code Section 54956.8.)

No reportable action. Direction give to counsel and staff.

34. The Board of Supervisors will consider the following in closed session: Threat to Public Services or Facilities – Consultation with: Sheriff and Security Professionals. (Government Code Section 54957(a)).

No reportable action. Direction give to counsel and staff.

35. The Board of Supervisors will consider the following in closed session: Public Employee Performance Evaluation. Title: Interim Director of Health Services. (Govt. Code Section (54957(b)(1))).

Direction was given to staff

36. The Board of Directors of the Sonoma County Agricultural Preservation and Open Space District will consider the following in closed session: Conference with Real Property Negotiator, Negotiators for the District: William J. Keene, General Manager; Negotiators for the Landowner: Chris Kelly, Sustainable Conservation, Inc., - Real Property - 25255 Kelly Rd, Annapolis, Sonoma County, CA 95412 - Terms and Conditions for Public Access (Govt. Code §54956.8).

Approval was given for the Sonoma County Agricultural Preservation and Open Space District's General Manager to Execute a Memorandum of Understanding with Sustainable Conservation, Inc., the owner of Buckeye Forest, pursuant to which the owners agree to support efforts to secure legal, unsupervised daytime public access to Buckeye Forest by participating in negotiations with landowners and paying for engineering services, title work and surveys to evaluate possible

access to the Forest via Soda Springs Reserve in exchange for the District's agreement not to require guided tours of the Forest for up to four years.

Board Action: Approved as recommended
UNANIMOUS VOTE

V. REGULAR AFTERNOON CALENDAR

37. RECONVENE FROM CLOSED SESSION

1:41 P.M.

Supervisors Present: Susan Gorin, David Rabbitt, Shirlee Zane, James Gore, Lynda Hopkins

Staff Present: Sheryl Bratton, County Administrator and Bruce Goldstein, County Counsel

IV. CLOSED SESSION CALENDAR

38. REPORT ON CLOSED SESSION

1:41 P.M. County Counsel Bruce Goldstein reported on Closed Session Items 32-36.

VI. BOARD MEMBER REPORTS ON ASSIGNED BOARDS, COUNCILS, COMMISSIONS OR OTHER ATTENDED MEETINGS

1:43 P.M.

Supervisor Rabbitt attended ad-hoc committee meetings with SGMA, ABAG and Fire Services. He also attended the Bay Area Association of Counties Legislative, Government Affairs, Finance Personnel and Executive Board meetings. The North Bay Water Reuse Authority meeting was held by telephone due to flooding, he attended the SCTA meeting, an ad-hoc meeting regarding the Measure M extension which will be on the ballot in 2018, and the San Antonio Creek Bridge Replacement Project meeting at Novato City Hall.

Supervisor Hopkins toured the lower Russian River corridor with Supervisor Gore and other involved entities that were effected by recent flooding.

Supervisor Gore attended the State of the County event, followed by the CSAC executive meeting in Sacramento.

Supervisor Gorin visited District 1 roads affected by the recent flooding and spoke at the International Institute of the Bay Area, a non-profit organization, regarding providing services to the immigration population.

Supervisor Zane attended the Women's March in Santa Rosa, the Rohnert Park Oversight Board, the Aging Together Steering Committee and delivered the State of the County Address. She also served on a panel for Martin Luther King Jr. Day, and traveled to Sacramento from January 17-19, 2017 to attend the California Summit on the Stepping Up Initiative.

VII. PRESENTATIONS/GOLD RESOLUTIONS

39. PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA BUT WITHIN THE SUBJECT MATTER JURISDICTION OF THE BOARD AND ON BOARD MEMBER REPORTS (Comments are restricted to matters within the Board's jurisdiction. The Board will hear public comments at this time for up to thirty minutes. Each person is usually granted time at the discretion of the Chair. Any additional public comments will be heard at the conclusion of the meeting. While members of the public are welcome to address the Board, under the Brown Act, Board members may not deliberate or take action on items not on the agenda.)

2:05 P.M. Public Comment Opened

Speakers:
Rosanne Snyder
Rachel Lamn
Richard Hannon

John Jenkel
Elizabeth Naylor
Martine De Montano
Richard Canini
Colleen Fernauld
Mary Morrison

2:32 P.M. Public Comment Closed

PERMIT AND RESOURCE MANAGEMENT

40. Conduct a public hearing and adopt an urgency ordinance amending the Accessory Dwelling Unit ordinance, establishing a Junior Accessory Dwelling Unit ordinance, and amending and establishing housing-related definitions.

2:32 P.M. Deputy County Counsel Jeff Brax replaced County Counsel Bruce Goldstein

Presenters:

Misti Harris, Planner, Permit and Resource Management Department.
Jennifer Barrett, Deputy Director of Planning, Permit and Resource Management Department
Tennis Wick, Director, Permit and Resource Management Department
Christa Shaw, Deputy County Counsel

3:29 P.M. Public Comment Opened

Speakers:

Marilee Jensen
Rachel Ginas
Thomas Ells
Colleen Fernauld
Brock Elwell

3:40 P.M. Public Comment Closed

3:25 P.M. Supervisor Gorin left the meeting

3:30 P.M. Supervisor Gorin joined the meeting

Item Materials

Power Point

Board action: Approved as Recommended

UNANIMOUS VOTE

Approved by Ordinance 6191

TRANSPORTATION AND PUBLIC WORKS

41. State Route 37 Transportation & Sea Level Rise Corridor Improvement Project – Accept informational report on the Project including the information on the unsolicited proposal received from United Bridge Partners to privatize the State Route 37 and construct a tolled facility improvement.

3:52 P.M.

Presenters:

Suzanne Smith- Executive Director, Sonoma County Transportation Authority
James Cameron- Director of Projects and Programming, Sonoma County Transportation Authority
Susan Klassen- Director, Director of Transportation and Public Works

4:14 P.M. Public Comment Opened

Speakers:

Tito Sasaki
Steve Birdlebough
Jack Swearingen
Rick Coates
Teri Shaw
Thomas Ells

4:31 P.M. Public Comment Closed

Board Action: Informational item only.

3:56 P.M. County Counsel Bruce Goldstein replaced Deputy County Counsel Jeff Brax

Summary
Attachment
Power Point

42. Permit and Resource Management Department: Review and possible action on the following: Acts and Determinations of Planning Commission/Board of Zoning Adjustments Acts and Determinations of Project Review and Advisory Committee Acts and Determinations of Design Review Committee Acts and Determinations of Landmarks Commission Administrative Determinations of the Director of Permit and Resource Management (All materials related to these actions and determinations can be reviewed at: <http://www.sonoma-county.org/prmd/b-c/index.htm>)

4:52 P.M.

Board Action: None

43. ADJOURNMENT

4:53 P.M. The Board adjourned the meeting in the memory of Heidi Marie Griffin, Donald Verke, Kevin Owen Starr, Olian Byrd and Prudence "Prue" Draper. The meeting adjourned to the Board Strategic Planning Retreat to be held on Tuesday, January 31, 2017. (819 Donahue Street, Santa Rosa 95401)

ACTION SUMMARY
COUNTY OF SONOMA
BOARD OF SUPERVISORS
TUESDAY, JANUARY 31, 2017
DeTurk Round Barn
819 Donahue Street
Santa Rosa, CA 95401

Supervisors Present: Susan Gorin, David Rabbitt, Shirlee Zane, James Gore, Lynda Hopkins

Staff Present: Sheryl Bratton, County Administrator and Bruce Goldstein, County Counsel

I. CALL TO ORDER

9:00 A.M. Chairwoman Zane called the meeting to order.

II. PLEDGE OF ALLEGIANCE

III. PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA
(Government Code Section 54954.3(a)).

9:10 A.M. Public Comment opened

Public Speakers:
Mary Morrison
Roseanne Snyder
Colleen Fernauld
John Jenkel
Susaan Lamont
Christopher Kerdsky
Alan Moody
Michael Hilbur
Jodi Hottel
Gene Hottel

9:32 A.M. Public comment closed

IV. PUBLIC COMMENT ON MATTERS LISTED ON THE AGENDA

10:50 A.M. Public Comment opened

Public Speakers:
Marty Bennett
Jack Buckhorn
Kerry Fugett

10:57 A.M. Public Comment closed

V. BOARD STUDY SESSION ON STRATEGIC PRIORITIES

11:58 A.M. the Board recessed to lunch.
12:46 P.M. the Board reconvened.

V. ADJOURNMENT

4:32 P.M.

The Board adjourned the meeting in memory of John Abrams to February 7, 2017 at 8:30 A.M.

Respectfully submitted,

Darin Bartow
Interim Chief Deputy Clerk of the Board



County of Sonoma Agenda Item Summary Report

Clerk of the Board
575 Administration Drive
Santa Rosa, CA 95403

Agenda Item Number: 10
(This Section for use by Clerk of the Board Only.)

To: Board of Supervisors

Board Agenda Date: April 11, 2017

Vote Requirement: Majority

Department or Agency Name(s): Board of Supervisors

Staff Name and Phone Number:

Supervisor Susan Gorin, 565-2241

Supervisorial District(s):

First

Title: Disbursement of FY 16/17 First District Advertising Funds.

Recommended Actions:

Approve Advertising Program grant awards and authorize the County Administrator to execute a contract with the following entities for advertising and promotions activities for FY 16/17: Sonoma Valley Chamber of Commerce, \$2,500; Sonoma Valley Visitor's Bureau \$2,500.

Executive Summary:

Category E – Local Events and Organizations of the Advertising and Promotions Program Policy provides grant allocations to each Supervisor, to be distributed at the Supervisor's discretion. The First District has reviewed the applications and wishes to recommend the following FY 16/17 advertising grant awards to the following entities:

- 1) Sonoma Valley Chamber of Commerce for advertising and promotion of the economic development in The Springs; grant award of \$2,500.
- 2) Sonoma Valley Visitor's Bureau advertising and promotion of the hospitality businesses in The Springs; grant award of \$2,500.

Discussion:

The Sonoma County Advertising Program utilizes a portion of the Transient Occupancy Tax (TOT) to encourage tourism, economic development and community engagement through a variety of grant award and funding avenues. The Program provides various grants to community non-profits for advertising and promoting events and the county as a visitor destination with the goal of advancing economic growth through tourism. Additionally the program provides grants to promote agricultural promotion as well as address impacts on safety due to tourism. The Program also provides funding to the Regional Parks Department as well as the Economic Development Department and a number of other county department activities, all with the focus of encouraging tourism and awareness of Sonoma County.

The Advertising Program Policy is divided into different categories. Category E is "Local Events, Organizations and Economic Development." The Board established this category to assist small cultural, artistic, and countywide events and organizations as well as events occurring during the off peak

tourism season (November 15 through April 15) with funding for advertising and economic development efforts that promote Sonoma County and encourage visitors to frequent the county throughout the entire year. Funding for these events and organizations is provided at the discretion of each Supervisorial District based on an overall allocation of \$170,000 where 50% of the amount is divided equally across each district as baseline funding and the remaining 50% is divided by the percent of TOT collections by district in the previous fiscal year. Events and organizations make requests throughout the year to the Supervisorial District in which their event/organization exists.

Funds will be distributed upon approval of these awards by the Board of Supervisors and execution of the Advertising grant agreement contract by the entity. The contracts will be executed by the County Administrator. The contracts will require the County logo on promotional materials produced using the grant award and will require submission to the County Administrator’s Office of advertising and promotional activity receipts up to the total amount of the grant award.

Prior Board Actions:

7/19/2016 – Awarded FY 16/17 Category E grants.
 12/13/2016 – Awarded FY 16/17 Category E grants.
 3/28/2017 – Awarded FY 16/17 Category E grants.

Strategic Plan Alignment Goal 2: Economic and Environmental Stewardship

Grant funds allow non-profit partners to advertise and grow local events and encourage tourism thereby promoting economic development and growth.

Fiscal Summary - FY 16-17

Expenditures	FY 16-17 Adopted	FY 17-18 Projected	FY 18-19 Projected
Budgeted Expenses	5,000		
Additional Appropriation Requested			
Total Expenditures	5,000		
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other	5,000		
Use of Fund Balance			
Contingencies			
Total Sources	5,000		

Narrative Explanation of Fiscal Impacts:

Funds are included in the FY 16/17 budget.

Staffing Impacts			
Position Title (Payroll Classification)	Monthly Salary Range (A – I Step)	Additions (Number)	Deletions (Number)
Narrative Explanation of Staffing Impacts (If Required):			
N/A			
Attachments:			
None.			
Related Items “On File” with the Clerk of the Board:			
FY 16/17 Advertising Program Grant Award Agreement			



County of Sonoma Agenda Item Summary Report

Clerk of the Board
575 Administration Drive
Santa Rosa, CA 95403

Agenda Item Number: 11
(This Section for use by Clerk of the Board Only.)

To: Board of Supervisors

Board Agenda Date: April 11, 2017

Vote Requirement: Majority

Department or Agency Name(s): Board of Supervisors

Staff Name and Phone Number:

Supervisor David Rabbitt 707-565-2241

Supervisorial District(s):

Second District

Title: Appointment

Recommended Actions:

Appoint Paul Martin to the Sonoma County Agriculture Preservation Open Space District Advisory Committee for a two year term beginning on April 11, 2017 and ending April 10, 2019. (Second District)

Executive Summary:

Discussion:

Prior Board Actions:

None.

Strategic Plan Alignment Goal 4: Civic Services and Engagement

Fiscal Summary			
Expenditures	FY 16-17 Adopted	FY 17-18 Projected	FY 18-19 Projected
Budgeted Expenses			
Additional Appropriation Requested			
Total Expenditures			
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources			
Narrative Explanation of Fiscal Impacts:			
Staffing Impacts			
Position Title (Payroll Classification)	Monthly Salary Range (A – I Step)	Additions (Number)	Deletions (Number)
Narrative Explanation of Staffing Impacts (If Required):			
Attachments:			
Related Items "On File" with the Clerk of the Board:			



County of Sonoma
Agenda Item
Summary Report

Clerk of the Board
575 Administration Drive
Santa Rosa, CA 95403

Agenda Item Number: 12
(This Section for use by Clerk of the Board Only.)

To:

Board Agenda Date: April 11, 2017

Vote Requirement: Majority

Department or Agency Name(s): Board of Supervisors

Staff Name and Phone Number:

Supervisor Shirlee Zane
(707) 565-2241

Supervisorial District(s):

Third District

Title: Appointment

Recommended Actions:

Approve appointment of Jennifer Whyte to the Commission on the Status of Women for a term of two years, ending 04/11/2019 (Third District).

Executive Summary:

Approve appointment of Jennifer Whyte to the Commission on the Status of Women for a term of three years, ending 04/11/2019 (Third District).

Discussion:

Prior Board Actions:

Strategic Plan Alignment Goal 4: Civic Services and Engagement

Fiscal Summary			
Expenditures	FY 16-17 Adopted	FY 17-18 Projected	FY 18-19 Projected
Budgeted Expenses			
Additional Appropriation Requested			
Total Expenditures			
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources			
Narrative Explanation of Fiscal Impacts:			
Staffing Impacts			
Position Title (Payroll Classification)	Monthly Salary Range (A – I Step)	Additions (Number)	Deletions (Number)
Narrative Explanation of Staffing Impacts (If Required):			
Attachments:			
Related Items "On File" with the Clerk of the Board:			



County of Sonoma
Agenda Item
Summary Report

Clerk of the Board
575 Administration Drive
Santa Rosa, CA 95403

Agenda Item Number: 13
(This Section for use by Clerk of the Board Only.)

To:

Board Agenda Date: April 11, 2017

Vote Requirement: Majority

Department or Agency Name(s):

Staff Name and Phone Number:

Supervisor Shirlee Zane
(707) 565-2241

Supervisorial District(s):

Third District

Title: Gold Resolution

Recommended Actions:

Adopt a Gold Resolution Recognizing April 2017 as Sexual Assault Awareness Month. (Third District)

Executive Summary:

Adopt a Gold Resolution Recognizing April 2017 as Sexual Assault Awareness Month. (Third District)

Discussion:

Prior Board Actions:

Strategic Plan Alignment Goal 4: Civic Services and Engagement

Fiscal Summary			
Expenditures	FY 16-17 Adopted	FY 17-18 Projected	FY 18-19 Projected
Budgeted Expenses			
Additional Appropriation Requested			
Total Expenditures			
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources			
Narrative Explanation of Fiscal Impacts:			
Staffing Impacts			
Position Title (Payroll Classification)	Monthly Salary Range (A – I Step)	Additions (Number)	Deletions (Number)
Narrative Explanation of Staffing Impacts (If Required):			
Attachments:			
Related Items “On File” with the Clerk of the Board:			



County of Sonoma
State of California

Date: April 11, 2017

Item Number: _____
Resolution Number: _____

4/5 Vote Required

**Resolution Of The Board Of Supervisors Of The County Of Sonoma, State Of California,
Recognizing April 2017 As Sexual Assault Awareness Month.**

Whereas, Sexual Assault Awareness Month is intended to draw attention to the fact that sexual violence is widespread and has a profound and lasting impact on every community member of Sonoma; and

Whereas, national research indicates that one in five women will be raped at some point in their lifetime, and nearly half of all women will experience some form of sexual violence; and

Whereas, one in seventeen men will be raped at some point in their lifetime, and one in five men will experience some form of sexual violence;

Whereas, young people are at greatest risk of sexual violence, and youth aged 12 to 17 are two and a half times more likely to be raped or sexually assaulted; and

Whereas, we must work together to educate our community about sexual violence prevention, supporting survivors, and speaking out against harmful attitudes and actions; and

Whereas, with leadership, dedication, and encouragement, there is evidence that we can be successful in preventing sexual violence in the County of Sonoma through increased education, awareness, and community involvement; and

Whereas, the County of Sonoma strongly supports the efforts of Verity, and encourages every citizen to actively engage in public and private efforts to end sexual violence, including conversations about what sexual violence is, how to prevent it, how to help survivors connect with crucial counseling and other support services, and how every segment of our society can work together to better address sexual violence.

THEREFORE BE IT RESOLVED, that the Sonoma County Board of Supervisors reaffirms its commitment to address the issues of rape and sexual violence by: remembering victims, supporting survivors, holding perpetrators accountable for their actions, and challenging societal myths and behaviors that perpetuate sexual violence in our community; and

Resolution #

Date:

Page 2

BE IT FURTHER RESOLVED THAT, along with the United States Government and State of California, the County of Sonoma designates the month of April 2017 to be SEXUAL ASSAULT AWARENESS MONTH.

Supervisors:

Gorin:

Rabbitt:

Gore:

Hopkins:

Zane:

Ayes:

Noes:

Absent:

Abstain:

So Ordered.



County of Sonoma Agenda Item Summary Report

Clerk of the Board
575 Administration Drive
Santa Rosa, CA 95403

Agenda Item Number: 14
(This Section for use by Clerk of the Board Only.)

To: Board of Supervisors

Board Agenda Date: April 11, 2017

Vote Requirement: Majority

Department or Agency Name(s): Board of Supervisors

Staff Name and Phone Number:

Supervisor Lynda Hopkins 707-565-2241

Supervisorial District(s):

Fifth District

Title: Gold Resolution

Recommended Actions:

Adopt a Gold Resolution honoring Ceres Community Project on the 10th Anniversary of the organization.(Fifth District)

Executive Summary:

Ceres Community Project provides free healthy, locally produced meals, made by volunteers and delivered to clients with debilitating illness. Often impacting the overall care of the client and providing training to teenagers who prepare a homemade meal while learning about nutrition and the reward of helping others.

Discussion:

Prior Board Actions:

None.

Strategic Plan Alignment Goal 1: Safe, Healthy, and Caring Community

Fiscal Summary			
Expenditures	FY 16-17 Adopted	FY 17-18 Projected	FY 18-19 Projected
Budgeted Expenses			
Additional Appropriation Requested			
Total Expenditures			
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources			
Narrative Explanation of Fiscal Impacts:			
Staffing Impacts			
Position Title (Payroll Classification)	Monthly Salary Range (A – I Step)	Additions (Number)	Deletions (Number)
Narrative Explanation of Staffing Impacts (If Required):			
Attachments:			
Gold Resolution.			
Related Items "On File" with the Clerk of the Board:			
None.			



County of Sonoma
State of California

Date: April 11, 2017

Item Number: _____
Resolution Number: _____

4/5 Vote Required

**Resolution Of The Board Of Supervisors Of The County Of Sonoma, State Of California,
Honoring The Tenth Anniversary Of Ceres Community Project**

Whereas, Ceres Community Project began in 2007, when founder Cathryn Couch developed a program to be staffed with volunteers to feed local patients with compromised health systems a nutritious, and lovingly prepared meal; and

Whereas, over the last ten years, Ceres Community Project has grown into a non-profit organization based in Sebastopol and serving Sonoma and Marin Counties. Ceres provides free nourishing meals, emotional support and nutrition education to clients and their families who are dealing with a serious illness such as cancer; and

Whereas, meals are prepared by teen volunteers who learn about growing, cooking and eating healthy fresh foods while gaining team and leadership skills, and discovering the joy of giving back. Education programs support clients, caregivers, health professionals and others with knowledge, skills and inspiration about healthy eating; and

Whereas, as a model project, twelve other communities have replicated Ceres Community Project and are providing healthy meals connecting the client to the provider and creating a sense of security, comfort, and caring that comes from cooking for and receiving a thoughtful homemade meal lovingly prepared for you; and

Whereas, over 2300 students have been trained to prepare and serve over 500,000 meals since the start of Ceres Community Project. Volunteers contribute over 47,000 hours annually. Over 1000 teen and adult volunteers volunteer time to make and deliver meals each year to local families struggling with serious illnesses.

Now, Therefore, Be It Resolved that the Sonoma County Board of Supervisors commends and recognizes Ceres Community Project for training young people in the art of food preparation and inspiring community members to provide healthy food and home cooked meals to the ill while providing healing human connection and caring to those most in need.

Resolution #

Date:

Page 2

Supervisors:

Gorin:

Rabbitt:

Zane:

Gore:

Hopkins:

Ayes:

Noes:

Absent:

Abstain:

So Ordered.



County of Sonoma
Agenda Item
Summary Report

Clerk of the Board
575 Administration Drive
Santa Rosa, CA 95403

Agenda Item Number: 15
(This Section for use by Clerk of the Board Only.)

To:

Board Agenda Date: April 11, 2017

Vote Requirement: Majority

Department or Agency Name(s): Board of Supervisors

Staff Name and Phone Number:

Susan Gorin / 565-2241

Supervisorial District(s):

First

Title: Gold Resolution

Recommended Actions:

Adopt a Resolution Congratulating David Goode on his 100th Birthday

Executive Summary:

Gold Resolution Congratulating David Goode on his 100th Birthday

Discussion:

Prior Board Actions:

Strategic Plan Alignment Not Applicable

Fiscal Summary			
Expenditures	FY 16-17 Adopted	FY 17-18 Projected	FY 18-19 Projected
Budgeted Expenses			
Additional Appropriation Requested			
Total Expenditures			
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources			
Narrative Explanation of Fiscal Impacts:			
Staffing Impacts			
Position Title (Payroll Classification)	Monthly Salary Range (A – I Step)	Additions (Number)	Deletions (Number)
Narrative Explanation of Staffing Impacts (If Required):			
Attachments:			
Related Items "On File" with the Clerk of the Board:			



County of Sonoma
State of California

Date: April 11, 2017

Item Number: _____
Resolution Number: _____

Majority Required

Resolution Of The Board Of Supervisors Of The County Of Sonoma, State Of California,

Congratulating David Goode on his 100th Birthday

Whereas, David Goode was born at home on March 25th, 1917 in California. David had the lucky fortune of being born as a twin; and

Whereas, with the onset of World War II, David served in the Pacific Theater running the post office for the 41st Infantry. These years were spent deep in the swampy jungles and without rotation. For his brave service, he was awarded the Bronze Star; and

Whereas, David continued his career upon returning home, serving as a Postal Inspector for 20 years. As postal inspector, he was armed and performed criminal investigations. Additionally, David led teams of Postal Inspectors to perform audits of major postal offices around the country. After 38 years, David Goode retired from the Post Office; and

Whereas, after retiring from the Postal Service, David worked for major governmental organizations, including the United States Justice Department and the Treasury Department doing background investigations for individuals applying for Top Secret clearance; and

Whereas, David moved to Santa Rosa, where he has remained, since 1973. Here, David met and married the "the love of his life" Joan Marie Goode 31 years ago. They are blessed with one grandson and two great-grandchildren; and

Whereas, David and Joan Marie owned a mortgage company for 13 years in the city of Santa Rosa. David launched a second career as a real estate broker; and

Whereas, David Goode is well known as a kind and lovely man. On his 100th birthday, he is proud to be in excellent physical health and looking forward to more years with his family and friends; and

Resolution #

Date:

Page 2

Now Therefore Be It Resolved that the Board of Supervisors of Sonoma County hereby congratulates David Goode on the occasion of his 100th Birthday!

Supervisors:

Gorin:

Rabbitt:

Gore:

Hopkins:

Zane:

Ayes:

Noes:

Absent:

Abstain:

So Ordered.



County of Sonoma Agenda Item Summary Report

Clerk of the Board
575 Administration Drive
Santa Rosa, CA 95403

Agenda Item Number: 16
(This Section for use by Clerk of the Board Only.)

To: Board of Supervisors

Board Agenda Date: April 11, 2017

Vote Requirement: Majority

Department or Agency Name(s): Human Resources

Staff Name and Phone Number:

Sylvia Lemus, 565-1702

Supervisorial District(s):

All

Title: 2017 County Volunteer Recognition

Recommended Actions:

Adopt a resolution for National Volunteer Week recognizing approximately 3,000 volunteers who served the County in 2016.

Executive Summary:

Each year, the County of Sonoma recognizes approximately 3,000 volunteers for National Volunteer Week, which will be observed nationally from April 23 to April 29, 2017. The County benefits from the many volunteers committed to providing services that help to support and augment the services provided to the community by the County's departments and programs.

Our 33rd annual Volunteer Recognition Reception event, coordinated and facilitated by the Human Resources Department, will be held in honor of the many volunteers that donated time and service in 2016. The celebration will be held on Thursday, April 13, 2017, from 3:45 to 6:00 p.m. at the Sonoma County Fairgrounds, Finley Hall Building.

All of the County's volunteers will be recognized at this event with appetizers and gifts. This year's Outstanding Volunteers will also be recognized and presented awards.

Discussion:

In the County of Sonoma, there have been individuals who have given of themselves through volunteerism for many years. The formal Volunteer Program, administered by the Human Resources Department, was established in January 1984.

Last year, over 3,000 volunteers donated their time and energy to the many departments and programs at the County of Sonoma. Some examples of the great work performed by volunteers include:

- Acting as tutors and mentors to abused and neglected children.
- Offering support to the mentally ill.
- Assisting with searches for lost and missing persons, as well as responding to hazardous materials incidents.
- Grooming and caring for animals in the County shelter.
- Helping the elderly by providing fall prevention training.
- Guiding visitors in County parks and at our airport.
- Assisting with research, providing translation skills, and performing countless other meaningful deeds that benefit our community.

Volunteers also serve as Board appointees to the County’s boards, commissions, committees, and task forces, providing the general public opportunities to become involved in local government.

Departments’ volunteer programs will submit nominations for the 2016 Outstanding Volunteers, which are individuals who have been identified as having contributed one or more of the following:

- An extraordinary number of hours in a year's period,
- A longstanding commitment to the department/program,
- An effort of exceptional quality,
- Participation in a project with wide-ranging impact, and/or
- Other actions the department considers invaluable or extraordinary.

The Volunteer Recognition Committee will review nominations and select honorees to recognize as 2016 Outstanding Volunteers. They will receive an award and special recognition certificate at the Volunteer Recognition Reception event on April 13, 2017. Volunteers, managers, department heads, and Board of Supervisors are invited to this celebration in honor of our volunteers.

Human Resources Recommends that the Board of Supervisors approve a resolution recognizing National Volunteer Week in recognition of our over 3,000 volunteers that provided priceless service to our County in 2016.

Prior Board Actions:

Since 1984, the Board has annually adopted a resolution recognizing the efforts of its County volunteers in honor of National Volunteer Week.

Strategic Plan Alignment Goal 4: Civic Services and Engagement

County provides volunteer opportunities for citizens to participate and learn about county government and services. Volunteers enhance and augment the services provided to the community.

Fiscal Summary			
Expenditures	FY 16-17 Adopted	FY 17-18 Projected	FY 18-19 Projected
Budgeted Expenses	8,200		
Additional Appropriation Requested			
Total Expenditures	8,200		
Funding Sources			
General Fund/WA GF	8,200		
State/Federal			
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources	8,200		
Narrative Explanation of Fiscal Impacts:			
Human Resources has appropriations sufficient in its budget to cover the costs of this event. The budget will cover items such as catering, gifts, awards, printing, and supplies.			
Staffing Impacts			
Position Title (Payroll Classification)	Monthly Salary Range (A – I Step)	Additions (Number)	Deletions (Number)
Narrative Explanation of Staffing Impacts (If Required):			
No staffing impact.			
Attachments:			
One resolution for National Volunteer Week.			
Related Items "On File" with the Clerk of the Board:			
None.			



County of Sonoma
State of California

Date: April 11, 2017

Item Number: _____
Resolution Number: _____

4/5 Vote Required

**Resolution Of The Board Of Supervisors Of The County Of Sonoma, State Of California, In
Observance Of National Volunteer Week To Appreciate And Recognize the Invaluable
Contribution That Volunteers Made to County Government.**

Whereas, National Volunteer Week 2017 is observed April 23 to April 29, 2017; and

Whereas, the County of Sonoma recognizes that the involvement of volunteers is vitally important in augmenting essential public services provided by county departments and our community; and

Whereas, the contribution of these volunteers is an important asset to the County and to our community, adding over 5 million dollars' worth of services, as well as immeasurably enhancing the quality of public services to our community; and

Whereas, it is important to recognize the efforts of the County's approximately 3,000 volunteers in honor of National Volunteer Week 2017, by hosting the 33rd Annual Volunteer Recognition Reception on April 13, 2017, in their honor; and

Now, Therefore, Be It Resolved that the Board of Supervisors expresses its gratitude, respect, and sincere appreciation to these volunteers and recognizes the importance of their contribution to the County and community during National Volunteer Week.

Supervisors:

Gorin:

Rabbitt:

Gore:

Hopkins:

Zane:

Ayes:

Noes:

Absent:

Abstain:

So Ordered.



County of Sonoma Agenda Item Summary Report

Clerk of the Board
575 Administration Drive
Santa Rosa, CA 95403

Agenda Item Number: 17
(This Section for use by Clerk of the Board Only.)

To: Board of Supervisors

Board Agenda Date: April 11, 2017

Vote Requirement: Majority

Department or Agency Name(s): County Administrator

Staff Name and Phone Number:

Sheryl Bratton

Supervisorial District(s):

All

Title: Measure L Ad Hoc Committee Charter

Recommended Actions:

Accept the Measure L Ad Hoc Committee Charter

Executive Summary:

The Board of Supervisors created the Measure L Ad Hoc to develop recommended policies to guide allocation of revenue from the recently adopted Transient Occupancy Tax increase, Measure L. The Ad Hoc Committee has met twice to develop its project charter, which is attached. Supervisors Zane and Hopkins comprise the Ad Hoc. CAO and County Counsel provide staff support to the Ad Hoc.

Discussion:

The Transient Occupancy Tax (Hotel, Motel, Campground or Bed Tax, referred to commonly as "TOT") is authorized under State Revenue and Taxation Code Section 7280, as an additional source of non-property tax revenue to local government. In Sonoma County, 25% of TOT goes to the County General Fund for projects like roads repairs, with 75% used to encourage tourism, agriculture, and economic development in the County. To help guide the investment of the 75% portion of TOT, the Sonoma County Board of Supervisors established the Advertising Program in 1986 (Attached).

Until the passage of Measure L (November 8, 2016), Sonoma County's TOT rate was lower than the majority of local cities and many surrounding and comparable counties, set at 9% in 1992 (increased from the original 8% set in 1986). Effective January 1, 2017, Measure L increased Sonoma County's TOT rate to 12% (3% increase), which brought the County's rate in line with surrounding jurisdictions.

During the educational effort for Measure L, the County provided several examples of services that could receive funding from the additional revenue. These included:

- Roads repair and improvements
- Fire and emergency safety services
- Workforce housing for families and veterans
- Workforce development
- Protection of water quality
- Code enforcement and operator compliance
- Event facilities improvements, such as for Veteran’s Halls

The specific ballot language for the measure was as follows:

To address the impacts of tourists by investing in roads, emergency response, workforce housing for families and veterans, water quality protection, and other County services, shall Sonoma County increase the transient occupancy tax from 9% to 12%, until repealed, and paid only by guests staying overnight at lodging facilities within the unincorporated area, in line with many neighboring cities and counties, providing \$4 million annually to local County services, subject to annual audits?

The Measure L Ad Hoc will evaluate and recommend funding policies for the Measure L 3% TOT increase in the context of all TOT revenue (i.e. the combined 12%). While these recommendations are not known currently, they may include revisions to the existing Advertising Program policies, funding categories, and funding process, as well as categories of investment, such as roads, parks, and public safety.

Because of the close relationship between the Advertising Program and county event/organization sponsorships, the Measure L Ad Hoc will also review current sponsorship practices and policies, and produce a recommendation for the Board’s consideration.

The Ad Hoc will consider practices in other jurisdictions, past practices and successes in Sonoma County, and existing Board priorities for infrastructure, services, and community support. With the Board’s discussion from this item included, the Ad Hoc will develop a matrix of options with a final recommendation for Board consideration. The goal of the Ad Hoc is to complete its work so that recommendations can be considered by the Board in July.

Prior Board Actions:

January, 2017: Board approved the creation of the Measure L Ad Hoc Committee

Strategic Plan Alignment Goal 2: Economic and Environmental Stewardship

Fiscal Summary			
Expenditures	FY 16-17 Adopted	FY 17-18 Projected	FY 18-19 Projected
Budgeted Expenses			
Additional Appropriation Requested			
Total Expenditures			
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources			
Narrative Explanation of Fiscal Impacts:			
No additional funding is required to support this Ad Hoc Committee.			
Staffing Impacts			
Position Title (Payroll Classification)	Monthly Salary Range (A – I Step)	Additions (Number)	Deletions (Number)
Narrative Explanation of Staffing Impacts (If Required):			
Attachments:			
Measure L Ad Hoc Charter Advertising Program Policy			

Related Items "On File" with the Clerk of the Board:

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OFFICE OF THE COUNTY ADMINISTRATOR

COUNTY OF SONOMA

575 ADMINISTRATION DRIVE – ROOM 104A
SANTA ROSA, CALIFORNIA 95403-2888
TELEPHONE (707) 565-2431
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SHERYL BRATTON
COUNTY ADMINISTRATOR

CHRISTINA RIVERA
ASSISTANT COUNTY ADMINISTRATOR

PETER RUMBLE
DEPUTY COUNTY ADMINISTRATOR

REBECCA WACHSBERG
DEPUTY COUNTY ADMINISTRATOR

Project Charter

Date Created: 3/27/17	Date Last Revised:
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Project Definition:

The Board of Supervisors created the Measure L Ad Hoc to develop recommended policies to guide allocation of revenue from the recently adopted Transient Occupancy Tax increase. Supervisors Zane and Hopkins comprise the Ad Hoc. CAO and County Counsel provide staff support to the Ad Hoc.

Project Background:

The Transient Occupancy Tax (Hotel, Motel, Campground or Bed Tax, referred to commonly as "TOT") is authorized under State Revenue and Taxation Code Section 7280, as an additional source of non-property tax revenue to local government. The revenue is discretionary; the Board of Supervisors may direct use of these funds for any legitimate county expense. Sonoma County's TOT is applicable only in the unincorporated portions of the County. Cities within the County have established TOT specific to each jurisdiction.

In Sonoma County, 25% of TOT goes to the County General Fund for projects like roads repairs, with 75% used to encourage tourism, agriculture, and economic development in the County. To help guide the investment of the 75% portion of TOT, the Sonoma County Board of Supervisors established the Advertising Program in 1986.

Based on the Advertising Program policies, the County makes TOT funds available for promotional activities of nonprofit organizations in Sonoma County whose purposes are to provide cultural, historical preservation, and other activities which enhance tourism and industry, and/or local events which encourage a sense of community. Funds are also available for local Chambers of Commerce and Visitor Centers as well as various community impacts resulting from tourism.

Within the 75% portion of TOT, the Advertising Program also provides funding to the Regional Parks Department as well as the Economic Development Department and a number of other county department activities, all with the focus of encouraging tourism and awareness of our county.

Until the passage of Measure L (November 8, 2016), Sonoma County's TOT rate was lower than the majority of local cities and many surrounding and comparable counties, set at 9% in 1992 (increased from the original 8% set in 1986). Effective January 1, 2017, Measure L increased Sonoma County's TOT rate to 12% (3% increase), which brought the County's rate in line with surrounding jurisdictions.

During the educational effort for Measure L, the County provided several examples of services that could receive funding from the additional revenue. These included:

- Roads repair and improvements
- Fire and emergency safety services
- Workforce housing for families and veterans
- Workforce development
- Protection of water quality
- Code enforcement and operator compliance
- Event facilities improvements, such as for Veteran's Halls

The specific ballot language for the measure was as follows:

To address the impacts of tourists by investing in roads, emergency response, workforce housing for families and veterans, water quality protection, and other County services, shall Sonoma County increase the transient occupancy tax from 9% to 12%, until repealed, and paid only by guests staying overnight at lodging facilities within the unincorporated area, in line with many neighboring cities and counties, providing \$4 million annually to local County services, subject to annual audits?

Project Scope, Goals and Objectives:

The Measure L Ad Hoc will evaluate and recommend funding policies for the Measure L, 3% TOT increase in the context of all TOT revenue. While these recommendations are not known currently, they may include revisions to the existing Advertising Program policies, funding categories, and funding process.

Because of the close relationship between the Advertising Program and county event/organization sponsorships, the Measure L Ad Hoc will also review current sponsorship practices and policies, and produce a recommendation for the Board's consideration.

For both areas, TOT use and sponsorships, the Ad Hoc will consider practices in other jurisdictions, past practices and successes in Sonoma County, and existing Board priorities for infrastructure, services, and community support. The Ad Hoc will incorporate input from other Board members and the community in developing its recommendations.

Project Deliverables and Timelines:

To support the Ad Hoc, staff will collect input from Supervisors, neighboring jurisdictions, community partners, as well as internal and community stakeholders.

Staff will develop a matrix of options considered along with pros and cons of the options, with a final recommendation for Board consideration. The goal of the Ad Hoc is to complete its work so that recommendations can be considered by the Board in July.

Project Funding:

No additional funding is requested. Staff will provide direct support for the Ad Hoc.

Project Roles and Responsibilities:

Sheryl Bratton, CAO (Project Sponsor)

Peter Rumble, Deputy CAO (Project Manager)

Hannah Euser, CAO Analyst

Bruce Goldstein, County Counsel

Adopted 07/08/86

Revised 10/02/01; 10/08/02; 09/12/03; 02/03/04; 04/18/06; 04/17/07; 05/10/11; 03/27/12, 6/10/13, 9/16/14, 2/10/15, 5/3/16, 6/13/16

ADVERTISING & PROMOTIONS PROGRAM POLICY

I. SOURCE OF FUNDS

The Transient Occupancy Tax (Hotel/Motel Tax or Bed Tax) is authorized under State Revenue and Taxation Code Section 7280 as an additional source of non-property tax revenue to local government. This tax is levied in Sonoma County at a rate of 9%. The code does not require any specific use of the Transient Occupancy Tax (TOT). Funds developed as a result of the TOT may be utilized for General Fund, Advertising Fund, or other purposes.

The Sonoma County Board of Supervisors has established a policy that 25% of the TOT funds are designated to the General Fund, and 75% of the funds will be used to finance advertising, promotional and other activities.

Activities performed utilizing Advertising Program grants provided to non-profit must also be consistent with Government Code Section 26100, which states that advertising funds may be utilized for the following purposes:

- A. Advertising, exploiting, and making known the resources of the county;
- B. Exhibiting or advertising the agricultural, horticultural, viticultural, mineral, industrial, commercial, climatic, educational, recreational, artistic, musical, cultural, and other resources or advantages of the county;
- C. Making plans and arrangements for a world's fair, trade fair, or other fair or exposition at which such resources may be exhibited;
- D. Doing any of such work in cooperation with or jointly by contract with other agencies, associations, or corporations.

For purposes of this policy:

- a. "Advertising" shall be taken to mean the cost of advertisements in radio, television, newspapers and magazines, printing of newsletters, direct mail, posters and handbills, internet and other paid advertising, the purpose of which is to draw an increased attendance at an event.
- b. "Promotions" shall be taken to mean costs of communication primarily directed outside of the County for which the purpose is the further recognition of Sonoma County and/or regional areas, events and/or activities in order to achieve favorable media attention and/or large audience exposure. Examples of communication may include attendance at trade shows, public relations activities, in-county familiarization tours and marketing programs.

II. POLICY STATEMENT

The Board of Supervisors wishes to encourage tourism, agriculture, and economic development in the County by supporting a series of promotional, community, and cultural, activities through the use of Advertising funds for: regional and national advertising, support of the community's spirit and its art/cultural programs, and promotion of other special events as deemed, by the Board, consistent with this Policy. Funding levels will be established annually based on collections.

Except where provided for differently, the Board has established the following general principles which shall govern the allocation of advertising funds:

1. The Board may provide advertising funds to private non-profit organizations whose purpose is to promote cultural activities, historical preservation activities, promotional activities which enhance tourism and industry, and/or local community events which encourage a sense of community. For purposes of this policy, to qualify as a cultural or artistic organization, the organization must have an annual program consisting of a series of presentations and/or activities. The organization must also have subscriptions, season tickets, and/or non-exclusive memberships, which provides financial support for the organization.
2. Any event promoted by clubs, fraternal organizations, societies, human service organizations, and other similar type organizations, and for which the proceeds of the event will be used to fund other activities, are not eligible for Advertising funds.
3. Advertising fund grant awards will be based upon an evaluation of all application materials, with a focus on the return on investment and benefit to be gained, including potential tourism and business revenue, from providing financial support to the event/organization. Events and organizations who demonstrate ability to receive and/or contribute match funding or grants as the result of receipt of Advertising funds will be given priority consideration in the application review process and in consideration of amount of grant award.
4. Costs for staff salaries, overhead, travel expenses (such as transportation, lodging and/or meals) and fixed assets are not allowable advertising and promotions reimbursable expenses. (Economic Development, Historical Commission, and Departmental activities as indicated in section A.3, B, D, G and H are exempt from this provision.) Items provided for individual benefit are not allowed, such as t-shirts or wine glasses.
5. Entities will be required to include the County of Sonoma logo and/or statement indicating sponsorship and/or support on all printed and online promotional materials, unless otherwise requested or agreed upon with the County.
6. County funds are not to be used for individual business promotion or advertisement. Any business name mentioned in county funded materials must be a sponsor or direct participant in the event or promotional effort. Any listing of service or product providers or co-sponsors must be inclusive. Any advertising space or time purchased by an individual business must be clearly and separately identified as paid advertising.
7. Advertisers with multiple events are asked to submit only one (1) application per agency/IRS tax number. Advertisers may apply for grants for various events and under various categories within the single application. Each separate event or activity for which funds are requested must identify the category(s) under which the event qualifies and is applying for funds.

III. ACTIVITIES ELIGIBLE FOR ADVERTISING AND PROMOTIONS FUNDS

A. Economic Development and Promotional Organizations

The Board desires to designate available funds towards projects and initiatives that stimulate and expand the county's economic vitality.

1. **Chambers of Commerce:**

Funding may be provided to Chambers of Commerce serving unincorporated areas of Sonoma County. Chambers located in the unincorporated area of the county will be given priority in funding consideration. Allocation of funds will be based upon an up to 10% match of membership dues and private cash contributions that are discretionary revenue to the chamber and are not associated with a particular event, function or position. A maximum of \$40,000 per year may be made available for Chambers of Commerce.

2. **Visitors Centers:**

Funding for Visitor Centers within the county may be considered at the discretion of the Board of Supervisors. For purposes of funding, Visitors Centers will be distinct from the Tourism Marketing Program. Requests for funding can be made annually to the Economic Development Board.

3. **Economic Development Board:**

The Board of Supervisors has designated the Economic Development Board (EDB) to provide business assistance services to enable local businesses to maintain or expand their operations. The EDB will request funds annually through the budget process and will be considered at the discretion of the Board of Supervisors.

4. **Tourism Marketing Program:**

As determined by the Board of Supervisors, the County will provide TOT funds for advertising and promotional efforts as provided by the Sonoma County Tourism Bureau (SCTB). A sum equivalent to the first 2% of the 9% TOT tax collected in the unincorporated Sonoma County will be designated for the SCTB. The county's TOT contribution to SCTB is disbursed through the EDB budget.

5. **Visitor Way Finding and Signage:**

Funding may be provided for permanent signage related to visitor way finding and area identification. These funds are intended for the installment and maintenance of permanent identification signs, not temporary or event promotion signs. A maximum of \$100,000 per year may be made under this category.

6. **Workforce Development and Scholarships:**

Acknowledging that a qualified workforce is essential to the growing needs of the tourism industry as well as the overall health of the community, the Board of Supervisors has designated funds to support workforce development and to increase access to educational opportunities through scholarships. Requests may be made for multi-year grants. A maximum of \$400,000 per year may be made available for Workforce Development and Scholarships.

B. County Tourism Impacts

1. Parks, Recreation, and Event Facilities:

The Board of Supervisors desires to provide TOT funds to County departments for recreational activities that benefit local tourism activities and the tourist industry, including, but not limited to, the Regional Parks Department and the Fairgrounds and Exposition, Inc., and Veterans Halls (under contract or managed by the General Services Department). Funding provided to the Regional Parks Department is allocated for operations and maintenance of existing park facilities only. Requests for TOT funds from County departments will be reviewed annually on a case-by-case basis and will be considered at the discretion of the Board of Supervisors.

2. Community Safety:

The Board of Supervisors desires to address potential impacts on visitors' and residents' safety as a result of high-impact tourism within the unincorporated areas of the county. A maximum of \$90,000 per year may be made available under this category as Program funding allows. Request for Advertising funds under this category will be reviewed annually on a case-by-case basis. Grants will be awarded as per recommendations from the Fire Advisory Council (effective for FY 17-18 grant cycle).

The following guidelines and specific criteria must be met to be eligible for funding under this category:

- a. Only public safety agencies located in the unincorporated area of the county may apply under this category.
- b. Applicants must request funding for a specific purpose (i.e. personnel training, safety equipment, etc.) and include the cost of the activity in relation to the amount of grant funds being applied for.
- c. Applicants must demonstrate a clear nexus between the grant request activity and impacts of tourism resulting in the necessity of the activity.
- d. Applicants must demonstrate a clear nexus between the request activity and the benefit to the resident and visitor population within the unincorporated area of the county resulting from the activity.

C. Agricultural Promotion

The Board of Supervisors desires to support advertising campaigns and promotional activities directed by Sonoma County agricultural and viticulture industries.

1. A maximum of \$185,000 per year may be made available for agricultural and viticulture industries under this category.
2. The following general guidelines shall apply to this category:
 - a. In order to promote collaborative advertising and promotional efforts within the agricultural sector, only one application will be considered under this category. Such application shall include promotion of the major agricultural related activities within Sonoma County.

- i. Application requests that include multiple agency efforts will require submission of agency budgets from all involved agencies.
 - ii. If county funds are redistributed to other agencies a Memorandum of Understanding (MOU) between agencies must be submitted with application.
- b. Agency applying under this category must be responsive to requests for visitor information on a year-round basis.
 - c. The request must be part of a larger advertising program. Industry commitment as demonstrated by matching industry/membership contributions must exceed request for funding from County advertising program.

D. Historical Commissions

The Board of Supervisors desires to support historical preservation of the county's culture and historical records and architecture.

1. A maximum of \$60,000 per year may be made available for this category.
2. The County has designated the Sonoma County Landmarks Commission to advise on the distribution of funds for preservation and restoration of historically significant buildings. Funding may be provided to this Commission to accept grant applications for the renovation, restoration and/or preservation of historical facilities.
3. The Board has designated a Historical Records Commission to review and make recommendations regarding the maintenance and destruction and retention of records, which may be of historical significance. Funding under this category may be provided for these activities.

E. Local Events, Organizations and Economic Development

The Board has established this category to assist small cultural, artistic, and countywide events and organizations as well as events occurring during the off peak tourism season (November 15 through April 15) with funding for advertising and economic development efforts that promote Sonoma County and encourage visitors to frequent the county throughout the entire year. Funding for these events and organizations will be at the discretion of each Supervisorial District. Events and organizations will make requests annually to the Supervisorial District in which their event/organization exists.

\$170,000 has been allocated for district discretion. 50% of this allocation will be divided equally across each district as baseline funding. The remaining 50% will be divided by the percent of TOT collections by district in the previous fiscal year.

F. Major County Events and Organizations

The Board of Supervisors desires to promote major events and cultural and artistic organizations which draw countywide, regional, state and national interest as evidenced by widespread media promotion and which can demonstrate a significant population of participants and visitors from outside the county.

1. A maximum of \$300,000 per year may be made available for major events and organizations within this category.

2. The following general guidelines apply to this category:
 - a. Must demonstrate overall attendance either at a single event or through a series of events in excess of 15,000, with significant (20% or more) demonstrated attendance from out of the county.
 - b. Must demonstrate extent of out-of-county attendance and demonstrate link to overnight stays from attendees.
 - c. Must demonstrate advertising expenses exceeding \$25,000, of which the Advertising funds being requested must not exceed 50% of total advertising expenses for the event or organization.
 - d. Must demonstrate a major advertising campaign plan focused outside of the county.
 - e. Must demonstrate the extent to which the event, season series, exhibit, or marketing effort will support the county's economic development in the form of local job promotion, local education contribution, and/or local business-chambers of commerce-visitors centers partnerships.
3. The maximum advertising fund contribution which can be applied for is \$50,000.
4. Funds are only to be used for advertising and promotion of the events and not towards the cost of event production.
5. The following will be requested as part of the application process for all events and organizations who apply for advertising funds under this category. This information is not required and failure to provide will not result in disqualification, however, the information will be used to determine grant awards and amounts based on demonstrated ability to most effectively promote tourism, agricultural, and/or economic development.
 - a. A complete Advertising Fund grant application (form provided by the County);
 - b. A completed post-program/event report containing results and benefits of prior year activities and events, if the entity received Advertising Funds in the previous fiscal year (form provided by the County);
 - c. Detail the advertising/promotional campaign for which advertising funds are being requested, including the type of advertising and region(s) of promotion;
 - d. Detail how these activities will promote attendance, including expected attendance, overnight stays, and visitor spending; and
 - e. Detail how the County of Sonoma organization will be promoted as an organization/event sponsor in advertising materials, available event/booth attendance, and other such activities. Information should also be provided on available sponsorship packages.

G. County Government Departmental Activities

The Board of Supervisors desires to provide Advertising funds for certain county departmental activities that benefit local tourism activities and the tourist industry, and which preserve and promote Sonoma County history. Advertising funds may be used for salaries of County

employees when participating in activities funded by Advertising funds. Administrative costs (including collection, audit, program coordination, consultant, and legal services), should not exceed 10% of the estimated and/or budgeted TOT revenues.

Request for Advertising funds from departments will be reviewed annually on a case-by-case basis.

1. Miscellaneous Department Activities:

Funding may be provided to County departments to advertise specific activities which promote tourism and awareness of the County, including, but not limited to, the Sonoma County Library, the Sonoma County State Capital Exhibit, and similar endeavors; as well as provide for venue services where tourist and community activities take place.

2. Affordable Housing:

Funding may also be identified for an affordable housing program. Funding designated for affordable housing shall be recommended by the County Administrator's Office based on available funding and approved by the Board of Supervisors on an annual basis. As a goal, funds will be recommended based upon 50% of revenues directed toward this fund that are generated from facilities established after 2002, pursuant to the March 2002 Board Policy Workshop, and after categories A-F and H-I have been funded at appropriate levels.

The Community Development Commission and the Permit and Resources Management Department shall make requests for these funds annually through the budget process for funding affordable housing programs and related efforts as well as for implementation of the Housing Element. Additionally, \$60,000 shall remain in the Affordable Housing Set Aside Fund within the Advertising Program to be available for emergency shelter needs that arise throughout the year that have not been addressed elsewhere.

Should additional funds set aside for affordable housing remain available following these requests and the Set Aside, the funds shall be allocated to the existing County Fund for Housing (CFH), administrated by the Community Development Commission.

3. Collections/Audit Services:

Revenue and tax collection services and program and grantee audit services are provided for this Program. Funding shall be recommended by the County Administrator's Office annually to fund these activities.

4. Legal Services:

Legal guidance, advice, interpretation and other related services are provided for this Program. Funding shall be recommended by the County Administrator's Office annually to fund these activities.

5. Program Administration Services:

Administration of this Program, including policy management and review, budget management and review, application review and recommendation, contract management, claims processing, and other related activities are provided by the County Administrator's Office. Funding shall be recommended by the County Administrator's Office annually to fund these activities.

H. Documentary Films

The Board of Supervisors desires to support Sonoma County based documentary films that document and promote or maintain a historical record of the region, culture, community and arts.

1. A maximum of \$30,000 per year may be made available for documentary film production, with an allocation not to exceed \$10,000 per film.
2. The following general guidelines apply in this category:
 - a. Must demonstrate historical, current social issues, cultural, regional or specific human experiences in Sonoma County that raise awareness and create an impact upon the viewing audience.
 - b. Must have real, factual situations and circumstances which leave audiences better informed.
 - c. Must provide detail of advertising/promotional campaign activities, including the type of advertising and region(s) of promotion.
 - d. Must be able to demonstrate that the film will be exhibited publicly, including but not limited to broadcast and cable television, and Internet transmission.
 - e. Applicant must provide a production timeline including release date of film and the cost of the activity in relation to the amount of grant funds being applied for.

I. Seasonal and Off Peak Programs

The Board of Supervisors desires to promote seasonal programs, events and cultural and artistic organizations as well as events that occur during the off peak tourism season (November 15 through April 15) which draw countywide and regional interest and which can demonstrate participants and visitors from within and/or outside the county. The program will pay for the direct cost of advertising.

1. A maximum of \$50,000 per year may be made available under this category. .
2. The maximum advertising fund contribution which can be applied for is \$5,000.
3. The following general guidelines apply to this category:
 - a. Must detail overall attendance from in and/or outside of the county.
 - b. Must demonstrate local and/or out of county advertising campaign plan.
 - c. Must demonstrate the extent to which the event, seasonal program, exhibit or marketing effort will support the County's economic development in the form of local job promotion, local education contribution, and/or overnight stays from attendees.
 - d. Must provide a budget of total advertising expenses in relation to the amount of grant funds being applied for.



County of Sonoma Agenda Item Summary Report

Clerk of the Board
575 Administration Drive
Santa Rosa, CA 95403

Agenda Item Number: 18
(This Section for use by Clerk of the Board Only.)

To: Board of Directors, Sonoma County Water Agency

Board Agenda Date: April 11, 2017

Vote Requirement: Majority

Department or Agency Name(s): Sonoma County Water Agency

Staff Name and Phone Number:

Michael Gossman 521-6207

Supervisorial District(s):

Title: Water Rates for Fiscal Year 2017/2018

Recommended Actions:

Adopt a Resolution establishing Rates and Charges for the Sonoma County Water Agency's Water Transmission System for Fiscal Year 2017/2018.

Executive Summary:

The Restructured Agreement for Water Supply (Restructured Agreement) between the Sonoma County Water Agency (Water Agency) and its eight Water Contractors requires that water rates be sufficient to cover the projected operation and maintenance expenses, and debt service requirements for the next fiscal year. To meet these requirements, staff recommend a budget that results in a 4.98% rate increase for Santa Rosa and Petaluma Aqueduct customers, and a 5.58% increase for Sonoma Aqueduct customers. The rate increase is due to a significant decrease in water deliveries resulting from the drought while many costs of supplying water remain fixed. The Water Agency continues to work to control expenditures and minimize the level of increases. Sonoma Aqueduct customers pay a higher rate due to the debt service charge for the Eldridge-Madrone pipeline project, and due to a higher discretionary aqueduct capital charge included by the Sonoma aqueduct water contractors to build fund balance for future capital projects.

The rates will result in a 1 to 2 percent increase for households and businesses served by the Water Agency's contractors. The Water Agency's wholesale water rates are only a portion of the retailers' overall costs which include their own cost of operations and maintenance of their system; therefore even with this increase, the Water Agency's wholesale water rates are only a part of the total amount paid by residential and business customers of the retailers.

Discussion:

The prolonged drought has had a dramatic impact on water demand. Deliveries since FY 2013/14 have decreased 27% and have resulted in a significant reduction in water sales revenue. In anticipation of both declining deliveries and revenues over the past several years, the Water Agency has taken proactive steps to mitigate the impact of declining revenues by prioritizing projects, relying on fund balance accumulated

in years leading up to the drought, and utilizing long range financial planning to not only spread the costs of large projects over a number of years, but also optimize the use of bond proceeds and grant funds.

The Fiscal Year 2017/2018 budget provides appropriations to operate and maintain the Water Transmission System, implement projects required by the Russian River Biological Opinion, construct critical hazard mitigation infrastructure projects, and maintain a prudent reserve. Using proactive mitigation measures, the Water Agency has successfully contained costs, and optimized the use of other sources of revenue to develop a budget that is reasonable, responsible, and fair, and that softens the rate impact to the 600,000 customers the Water Agency serves.

For purposes of establishing the charges for the next fiscal year, the Restructured Agreement requires the Water Agency to assume that the quantity of water to be delivered from each aqueduct of the Water Transmission System will be the same amount of water delivered during the 12 months preceding establishment of rates, or the average annual amount of water delivered during the preceding 36 months, whichever is less. The three-year annual average deliveries were 44,187. The water rates calculated for Fiscal Year 2017/2018 utilize 41,446 acre-feet as a delivery estimate. This is the amount of water delivered during the preceding 12 months and represents a slight 2% increase over last year.

An Executive Summary of the Water Transmission Budget, including projected revenues, expenses, rates and capital projects, is provided in Attachment A1 – ‘Water Transmission Budget Executive Summary’. The recommended increase in total charges from the current fiscal year are identified in Attachment A2. Budget summaries are attached including the projected Operations and Maintenance Fund revenues and expenses for Fiscal Year 2017/2018, and projected Fiscal Year 2017/2018 ending fund balances for various other funds (‘Water Rate Calculations and Budget Summaries’ - Attachment A3).

Attachment A4 – ‘Fiscal Year 2017/2018 Revenue Summary Chart’ delineates projected water use and rate changes by Water Agency customers. The Water Transmission System Operation and Maintenance charge, and charges for water management planning, watershed management and planning activities, recycled water/local supply projects, and water conservation/water use efficiency projects, and proposed rate increases are as follows:

Funds	Fiscal Year 2017/2018 Rate in Dollars per Acre-Foot	Increase (Decrease) from Fiscal Year 2016/2017 in Dollars	Percent Change	Description
Operations and Management	\$574.04	\$26.62	4.9%	Fiscal Year 2016/2017 rate is \$547.42. Fiscal Year 2017/2018 budget increase is attributable to large non-routine maintenance projects such as water storage tank recoat projects, and aqueduct cathodic protection projects.

Water Management Planning	\$3.14	\$0.10	3.2%	Fiscal Year 2016/2017 rate is \$3.04. Fund is for Urban Water Management Plan updates. Fiscal Year 2017/2018 budget is for responding to State Department of Water Resources and water contractor requests, tracking regulatory compliance changes, and coordinating with climate adaption strategic planning efforts.
Watershed Planning and Restoration	\$86.40	\$3.73	4.5%	Fiscal Year 2016/2017 rate is \$82.67. Fiscal Year 2017/2018 budget decrease is due to progress on previously budgeted work in FY 2016-2017 in preparing the draft and final flow environmental impact reports, and climate adaption projects. These decreases were offset by increases for initiation of design for miles 4, 5, and 6 of the Dry Creek Habitat Enhancement Project. The rate is set to generate sufficient revenue to implement projects required under the National Marine Fisheries Service Biological Opinion. The rate increase is attributable to low water deliveries as a result of local conservation while costs remain fixed.
Recycled Water and Local Supply	\$10.01	(\$6.40)	-39.0%	Fiscal Year 2016/2017 rate is \$16.41. Fiscal Year 2017/2018 decrease in groundwater management planning activities funded by the Water Transmission System as the focus shifts to formation of Groundwater Sustainability Agencies funded through the Water Agency's General Fund. The Groundwater Sustainability Agencies will develop Groundwater Sustainability Plans under the Sustainable Groundwater Management Act.
Water Conservation	\$43.77	\$1.84	4.4%	Fiscal Year 2016/2017 rate is \$41.93. Fiscal Year 2017/2018 budget increase is due to ongoing low deliveries and is for implementing the water use efficiency program, outreach and education projects, and passing through Proposition 84 Integrated Regional Management Program grant funds to water contractors and other partners.
Storage Facilities Bonds	\$42.11	\$6.22	17.3%	Fiscal Year 2016/2017 rate is \$35.89. Fiscal Year 2017/2018 budget increase is to generate sufficient revenue to pay debt service on the 2015 Water Revenue Bonds which generated \$12 million in new money financing for capital projects. Due to low water deliveries as a result of conservation efforts, this rate increase is required to meet debt service requirements which remain fixed.

Common Facilities Bonds	\$67.81	\$8.07	13.5%	Fiscal Year 2016/2017 rate is \$59.73. Fiscal Year 2017/2018 budget increase is to generate sufficient revenue to pay debt service on the 2015 Water Revenue Bonds which generated \$12 million in new money financing for capital projects. Due to low water deliveries as a result of conservation efforts, this rate increase is required to meet debt service requirements which remain fixed
Sonoma Aqueduct Bonds	\$85.28	\$9.75	12.9%	Fiscal Year 2016/2017 rate is \$75.53. Fiscal Year 2017/2018 budget increase is to generate sufficient revenue to pay debt service on the 2015 Water Revenue Bonds which generated \$12 million in new money financing for capital projects. Due to low water deliveries as a result of conservation efforts, this rate increase is required to meet debt service requirements which remain fixed. Sonoma Aqueduct pays an additional revenue bond charge for the Eldridge-Madrone Pipeline Project.
Santa Rosa Aqueduct Capital Fund	\$19.50	\$0.00	0.0%	Fiscal Year 2016/2017 rate is \$19.50. No change to the rate in Fiscal Year 2017/2018 budget. The rate generates revenue to build fund balance for future capital projects on the aqueduct.
Petaluma Aqueduct Capital Fund	\$19.50	\$0.00	0.0%	Fiscal Year 2016/2017 rate is \$19.50. No change to the rate in Fiscal Year 2017/2018 budget. The rate generates revenue to build fund balance for future capital projects on the aqueduct.
Sonoma Aqueduct Capital Fund	\$32.00	\$0.00	0.0%	Fiscal Year 2016/2017 rate is \$32.00. No change to the rate in Fiscal Year 2017/2018 budget. The rate generates revenue to build fund balance for future capital projects on the aqueduct.

Under the Restructured Agreement, the Water Agency is required to submit a preliminary water transmission system budget to its Water Contractors by February 1 of each year. The preliminary budget for Fiscal Year 2017/2018 was sent to Water Contractors on January 11, 2017. The Water Agency met several times with Water Contractor staff to develop working drafts of the budget, and on March 6, 2017, the Water Contractor's Technical Advisory Committee recommended approval of the draft budget. In March 2017, Water Agency staff made budget presentations and answered questions for several of the Water Contractor's elected bodies. On April 3, 2017, the Water Contractor's Water Advisory Committee unanimously recommended adoption of the proposed budget by the Water Agency's Board of Directors. Pursuant to Section 4.1 of the Restructured Agreement, the budget must be adopted by the Water Agency's Board of Directors on or before April 30.

The Fiscal Year 2017/2018 bond and loan charges are summarized in Attachment 5.

Prior Board Actions:

4/16/2016: Board established water rates and charges for Water Agency’s water transmission system for Fiscal Year 2016/2017

Strategic Plan Alignment Goal 2: Economic and Environmental Stewardship

County Goal 2: Economic and Environmental Stewardship. This supports Goal 2 by responsibly managing Water Agency finances.

Water Agency Organizational Goals and Strategies, Goal 2: Responsibly manage Water Agency finances

Fiscal Summary

Expenditures	FY 16-17 Adopted	FY 17-18 Projected	FY 18-19 Projected
Budgeted Expenses		37,360,000	
Additional Appropriation Requested			
Total Expenditures		37,360,000	
Funding Sources			
General Fund/WA GF			
State/Federal		190,000	
Fees/Other		36,870,000	
Use of Fund Balance		300,000	
Contingencies			
Total Sources		37,360,000	

Narrative Explanation of Fiscal Impacts:

There is no fiscal impact in Fiscal Year 2016/2017 as the proposed rates become effective in Fiscal Year 2017/2018. Revenues from these charges pay for operations and maintenance of the water transmission system. The Water Agency anticipates revenues from water sales of \$36.5 million, \$370,000 in 2015 Water Revenue Bond Proceeds, \$190,000 in grant funds and \$300,000 in use of fund balance. Revenue and expenditures for Fiscal Year 2018/2019 will be determined based on water deliveries in calendar year 2018.

Staffing Impacts

Position Title (Payroll Classification)	Monthly Salary Range (A – I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):			
Attachments:			
Resolution Attachment 1 FY 17/18 Water Transmission Budget Attachment 2 FY 17/18 Water Charges Per Acre-Foot Attachment 3 FY 17/18 Water Rates Calculation and Budget Summaries Attachment 4 FY 17/18 Revenue Summary Attachment 5 FY 17/18 Debt Service Charges			
Related Items "On File" with the Clerk of the Board:			

nw\\S:\Agenda\water rates\04-11-2017 WA Water Rates for FY 17- CF/60-2-1 General (Policy & Rates)
18_summ.docm

Date: April 11, 2017

Item Number: _____
Resolution Number: _____

4/5 Vote Required

Resolution Of The Board Of Directors Of The Sonoma County Water Agency, Establishing Rates And Charges For The Water Agency's Water Transmission System For Fiscal Year 2017-2018. (All Districts).

Be It Resolved by the Board of Directors of the Sonoma County Water Agency that the following rates and charges be and they are hereby established as rates and charges for water service from the Sonoma County Water Agency's Water Transmission System for water delivered during Fiscal Year 2017 - 2018

CHARGES PER ACRE-FOOT FOR WATER USED FOR MUNICIPAL PURPOSES BY WATER CONTRACTORS *

	Santa Rosa <u>Aqueduct</u>	Petaluma <u>Aqueduct</u>	Sonoma <u>Aqueduct</u>
Operations & Maintenance Charge	\$574.04	\$574.04	\$574.04
Water Management Planning Sub-charge Watershed	\$3.14	\$3.14	\$3.14
Planning/Restoration Sub-charge	\$86.40	\$86.40	\$86.40
Recycled Water & Local Supply Sub-charge	10.01	10.01	10.01
Water Conservation Sub-charge	\$43.77	\$43.77	\$43.77
SUBTOTAL	\$717.36	\$717.36	\$717.36

Revenue Bonds Charges			
Aqueduct Rev. Bonds Charge	0.00	0.00	85.28
Storage Fac. Rev. Bonds Charge	42.11	42.11	42.11
Common Fac. Rev. Bonds Charge	67.81	67.81	67.81
Aqueduct Capital Charge	19.50	19.50	32.00
TOTAL	\$846.78	\$846.78	\$944.56

*Water Contractors are the cities of Cotati, Petaluma, Rohnert Park, Santa Rosa, Windsor, and Sonoma, and the North Marin and Valley of the Moon Water Districts. All water contractors with the exception of North Marin Water District utilize the Agency's storage facilities. North Marin Water District does not pay a charge for storage.

WATER CHARGES TO OTHER THAN WATER CONTRACTORS

Monthly Meter Charge

1" meter or smaller	\$24.00
1½" meter	25.00
2" meter	26.00
3" meter	28.00
4" meter	29.00
6" meter	180.00
8" meter	197.00
10" meter	\$220.00

WHOLESALE CHARGE FOR WATER USED FOR MUNICIPAL PURPOSES	\$1,133.47 / A.F.
Water purchased by private parties and water companies engaged in retail sale of water to others and all tax-supported public agencies.	

FORESTVILLE CHARGE	\$827.28 / A.F.
Forestville's charge is the same as the total charge for Prime Contractors for water delivered from the Santa Rosa aqueduct except for the first ten years following the Restructured Agreement for Water Supply, Forestville shall not pay the Santa Rosa Aqueduct Capital Charge. Forestville to begin paying the Santa Rosa Aqueduct Capital Charge in FY 17/18.	

WINDSOR CHARGE

\$1,016.14 / A.F.

Town of Windsor is charged 120% of the highest charge for any other prime contractor on the Santa Rosa Aqueduct from FY 06/07 to FY 21/22. Town of Windsor pays all subcharges on all water they divert from the Russian River using their equipment.

CHARGE FOR SURPLUS WATER

Non-Municipal use (primarily for irrigation)

meter charge + **\$860.83 / A.F.**

Municipal use (groundwater recharge/recreational lakes)

\$860.83 / A.F.

CHARGE FOR FIRE SERVICE

Annual charge of \$300.00

Annual inspection and certification for back-flow prevention.

CHARGE FOR HYDRANT

Annual charge of \$64.00

Unmetered hydrants for fire protection.

CHARGE FOR THIRD OFF-PEAK SURPLUS WATER

\$1,058.79 / A.F.

Marin Municipal Water District includes Russian River Conservation and Project Charges.

CHARGE FOR SUPPLEMENTAL WATER

\$1,058.79 / A.F.

Marin Municipal Water District includes Russian River Conservation and Project Charges.

RUSSIAN RIVER CONSERVATION

CHARGE

\$105.78 / A.F.

Applicable to North Marin and Marin Municipal Water Districts.

RUSSIAN RIVER PROJECTS CHARGE

\$13.08 / A.F.

Applicable to North Marin and Marin Municipal Water Districts.

NORTH MARIN REVENUE BONDS

CHARGE

\$50.06 / A.F.

Applicable to North Marin Water District.

WATER SERVICE INSTALLATION CHARGES

- (1) All new installations (hydrants and meters) will be quoted on a case-by-case basis by the Agency.
- (2) Price for meters and hydrant, includes piping for a maximum distance from aqueduct of 10 feet.
- (3) Temporary Meter Installation - To be installed and disassembled by Agency. The backflow device shall be specified by the Agency, but may be provided by the applicant. Meter may be provided by the applicant. Testing of the backflow device and accuracy testing of the meter will be accomplished by the Agency. The temporary meter installation charge will be quoted by the Agency.

Directors:

Gorin:

Rabbitt:

Gore:

Hopkins:

Zane:

Ayes:

Noes:

Absent:

Abstain:

So Ordered.

FY 2017-2018 Water Transmission Budget

Overview

The proposed budget for FY 2017–2018 continues to be based on accomplishing a focused set of goals centered around the Water Agency’s Water Supply Strategy Action Plan, including the required elements of the Biological Opinion, continued implementation of hazard mitigation and reliability projects, and normal maintenance of facilities. Whenever possible, alternative sources of revenue such as federal and state grants, existing fund balances, and bond financing will be used to finance capital projects. Additionally, per agreement with the Water Advisory Committee, a discretionary aqueduct capital charge is included in the budget to build fund balance for future capital projects and avert rate spikes in subsequent years. This budget allows the Agency to meet the operations, maintenance, capital, and regulatory demands of the system, assumes reasonable deliveries in line with recent years, allows fund balances to remain within policy for prudent reserve, and rate increases that are within the Long Range Financial Plan target of 4 to 6%.

Deliveries

For purposes of establishing the budget and rates for the next fiscal year, the Restructured Agreement requires that the quantity of water delivered from the aqueducts of the Water Transmission System be the amount of water delivered during the 12 months preceding establishment of rates, or the average annual amount of water delivered during the preceding 36 months, whichever is less. The 12 month actual deliveries through December 2016 were 41,446 acre feet. The 3 year annual average was 44,187 acre feet. Accordingly, per the Restructured Agreement, the budget and rates are based on 41,446 acre feet in deliveries. Deliveries for Calendar Year (CY) 2016 were 2% more than CY 2015 (40,524 acre feet) and actual deliveries for FY2016-2017 are projected at less than 45,000 AF.

Rates

The resulting rates for 41,446 acre-feet are shown below:

Charge / Aqueduct	Santa Rosa	Petaluma	Sonoma
Deliveries (Acre-Feet)	41,446	41,446	41,446
O&M	\$574.04	\$574.04	\$574.04
Water Management Planning	\$3.14	\$3.14	\$3.14
Watershed Planning & Restoration	\$86.40	\$86.40	\$86.40
Recycled Water and Local Supply	\$10.01	\$10.01	\$10.01
Water Conservation	\$43.77	\$43.77	\$43.77
Total O&M	\$717.36	\$717.36	\$717.36
Storage & Common Bond/Loan Charges	\$109.92	\$109.92	\$109.92
Sonoma Aqueduct Bond/Loan Charge			\$85.28
Prime Contractors	\$827.28	\$827.28	\$912.56

Charge / Aqueduct	Santa Rosa	Petaluma	Sonoma
<i>Discretionary Charges</i>			
Capital Charges - to build fund balance for future projects	\$19.50	\$19.50	\$32.00
Local Recycled Water Tier 2 Program (LRT2)	\$0.00	\$0.00	\$0.00
<i>Prime Contractors</i>	\$19.50	\$19.50	\$32.00
<i>Total Prime Contractors</i>	\$846.78	\$846.78	\$944.56
Total Overall Increase:	4.98%	4.98%	5.58%

Water Transmission System Fund

Revenues

Total revenue of the Water Transmission System Agency Fund is budgeted to increase by 6.4% or \$2,199,192 to \$36,522,558. This total revenue is comprised of numerous revenue categories, the biggest of which is water sales. Other revenue sources are grants, power sales, meter service installation charges, and interest on cash balances.

Water rates and therefore water revenues will not increase enough to pay for all of the budgeted capital expenses on a “pay-go” basis. Water Agency staff proposes to use \$190,000 in grant funds, \$300,000 in fund balance, and \$370,000 in revenue bond proceeds (in excess of the prudent reserve) to make up the difference.

Expenses

Expenses for operations and maintenance, capital improvement projects, and sub-funds are as follows:

	FY16-17		FY17-18		Change
Operations and Maintenance	\$19.99	Million	\$22.00	Million	\$2,000,000
Capital Projects	\$8.57	Million	\$5.59	Million	(\$2,970,000)
BO Compliance, Water Supply Planning, Water Conservation	\$7.97	Million	\$6.68	Million	(\$1,290,000)
Debt Service	\$1.80	Million	\$2.34	Million	\$540,000
Aqueduct Capital Contribution	\$750,000		\$750,000		\$0
Totals	\$39.08	Million	\$37.36	Million	(\$1,720,000)

Grants, Use of Fund Balance, and Bond Proceeds	\$14,880,000	\$860,000	(\$14,020,000)
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Capital Projects

Project	Category	Amount
LHMP-Bennet Valley Fault Crossing (Oakmont Pipeline)	Storage	150,000
LHMP-Program Design	Storage	25,000
Petaluma Aq Relocation - Kastania	Storage	20,000
LHMP - Program Design (for Future FEMA Funds)	Santa Rosa AQ	10,000
Santa Rosa Creek Crossing	Santa Rosa AQ	717,000
Ely BPS Flood Control & Electrical Upgrade	Petaluma AQ	100,000
LHMP - Program Design	Petaluma AQ	25,000
Marin Sonoma Narrows Segment B2	Petaluma AQ	20,000
LHMP - Program Design (for Future FEMA Funds)	Sonoma AQ	30,000
SBS Electrical Upgrade and Pumping Reliability	Sonoma AQ	50,000
SBS Storage Building	Sonoma AQ	55,000
Caisson 3,4,5 Pump Discharge Valves	Common	202,000
Collector 3&5 Liquefaction Mitigation	Common	400,000
Collector 6 Liquefaction Mitigation	Common	25,000
LHMP Program Design	Common	25,000
Mirabel Chlorine Lines Replacement	Common	85,000
Mirabel Chlorine Roof Replacement	Common	52,000
Mirabel Dam Bladder Replacement	Common	150,000
Mirabel Fish Screens - RRIFR	Common	85,000
Mirabel RR Crossing Fiber Optic Cable Relocation	Common	206,000
Mirabel Surge Control System	Common	25,000
MW Creek Crossing	Common	10,000
RDS Motor Control Center Replacement	Common	10,000
RDS Pump and Motor Replacement	Common	321,000
RR Crossing	Common	616,000
System-wide Meter Replacements	Common	150,000
Warm Springs Dam Hydroturbine Retrofit	Common	538,000
Wohler Motor Replacements - Collectors 1&2	Common	475,000
SCADA Software and Hardware	Common	392,000
SCADA Upgrade	Common	625,000
	TOTAL	5,594,000
	Storage	195,000
	Santa Rosa AQ	727,000
	Petaluma AQ	145,000
	Sonoma AQ	135,000
	Common	4,392,000
		5,594,000

WATER TRANSMISSION SYSTEM
 FY17-18 WATER CHARGES PER ACRE-FOOT
 FOR PRIME CONTRACTORS

	SANTA ROSA AQUEDUCT	% INCR. (DECR.)	PETALUMA AQUEDUCT	% INCR. (DECR.)	SONOMA AQUEDUCT	% INCR. (DECR.)
2017/18	846.78	4.98%	846.78	4.98%	944.56	5.58%
2016/17	806.59		806.59		894.62	
2015/16	761.05		761.05		836.55	
2014/15	730.68		730.68		793.24	
2013/14	705.30		705.30		768.75	
2012/13	672.03		672.03		740.34	
2011/12	634.11		634.11		703.33	
2010/11	603.92		603.92		674.47	
2009/10	564.78		564.78		622.11	
2008/09	471.13		511.13		486.22	
2007/08	441.70		461.70		453.49	
2006/07	431.29		451.29		442.60	
2005/06	412.68		432.68		424.53	
2004/05	402.51		422.51		414.42	
2003/04	393.89		413.89		407.95	
2002/03	387.49		397.90		387.43	
2001/02	383.29		384.02		373.38	
2000/01	330.76		331.61		320.74	

Water Transmission FY 2017-2018 Draft Budget and Rates

The preliminary draft proposed FY 17-18 rates are shown in the table below:

Charge / Aqueduct	Santa Rosa	Petaluma	Sonoma
Deliveries (Acre-Feet)	41,446	41,446	41,446
O&M	\$574.04	\$574.04	\$574.04
Water Management Planning	\$3.14	\$3.14	\$3.14
Watershed Planning & Restoration	\$86.40	\$86.40	\$86.40
Recycled Water and Local Supply	\$10.01	\$10.01	\$10.01
Water Conservation	\$43.77	\$43.77	\$43.77
Total O&M	\$717.36	\$717.36	\$717.36
Storage & Common Bond/Loan Charges	\$109.92	\$109.92	\$109.92
Sonoma Aqueduct Bond/Loan Charge			\$85.28
Prime Contractors	\$827.28	\$827.28	\$912.56
<i>Discretionary Charges</i>			
Capital Charges - to build fund balance for future projects	\$19.50	\$19.50	\$32.00
Local Recycled Water Tier 2 Program (LRT2)	\$0.00	\$0.00	\$0.00
Prime Contractors	\$19.50	\$19.50	\$32.00
Total Prime Contractors	\$846.78	\$846.78	\$944.56
Total Overall Increase:	4.98%	4.98%	5.58%

SUMMARY

- **Deliveries: (Budget Packet Pages 8-13):**
 - **FY17-18:** rates are based on budgeted deliveries of **41,446 Acre-Feet (AF)**. This is per the Restructured Agreement for Water Supply which states that rates be calculated using the *lesser* of: the average of the last 3 years of annual deliveries (**44,187 AF**) or the last 12 months of actual water deliveries (Calendar Year (CY) 2016: **41,446 AF**). Actual deliveries for CY 2016 were 2.3% more than CY 2015: 40,524 AF.
 - **FY16-17:** budgeted deliveries for rate calculation were based on the last 12 months of actual water deliveries (CY 2015: 40,524 AF). Actual FY deliveries will be determined at the end of FY16-17. Current trend thus far indicates actuals will be close to budget.
 - **FY15-16:** budgeted deliveries were 50,590 AF. Actual deliveries were 39,989 AF (26% lower).
- **Operations and Maintenance (O&M) – Water Transmission O&M Fund (Budget Packet Pages 14-21):**
 - In accordance with the Restructured Agreement for Water Supply:
 - The rate is calculated by dividing operations and maintenance expenditures (less specific cash and noncash revenues and expenditures) by budgeted deliveries.

O&M Fund	Increase (Decrease) in Dollars	Percent Change	Description
Rate per AF	\$26.62	4.9%	Routine services and supplies are decreasing but large non-routine maintenance projects are increasing.
Revenue	\$2,199,192	6.4%	Increase attributable to slight increase in budgeted deliveries.
Expenditures	\$3,186,057	7.9%	Increase attributable to increase in large non-routine maintenance project expenditures.

Factors affecting the O&M rate:

O&M Fund Expenditures	Increase (Decrease) in Dollars	Percent Change	Description
Labor	\$1,700,000	13.9%	Increase attributable to a) negotiated labor agreements, 8.9% over FY15-16 Actuals, b) estimated FY16-17 labor budget determined prior to finalizing negotiated labor agreements resulting in an underestimate of 5%, and c) additional labor anticipated for design and construction of large non-routine maintenance projects.
Power	(\$1,100,000)	-25.6%	Expected to decrease over FY15-16 actuals (\$3.5 million) and over FY16-17 budget (\$4.3 million) due to reduced power costs.
Chemicals	(\$50,000)	-7.7%	Expected to increase over FY15-16 actuals due to slightly increased deliveries but decrease to align more closely with FY15-16 actuals.
Testing/Analysis	(\$30,000)	-18.8%	Decrease to align more closely with FY15-16 actuals.
Contract Services	\$505,000	57.0%	Increase due to non-routine large maintenance projects.
Maintenance - Equipment	\$717,000	135.3%	Increase due to non-routine large maintenance projects.
Small Tools - Instruments	\$0	0.0%	Expected to remain the same as FY16-17 budget. Budget is aligned more closely with FY15-16 actuals.
Operating Transfers	(\$25,000)	-0.2%	Operating Transfers (OT's) move revenue generated by rates into respective funds (debt service funds, subfunds, aqueduct capital funds and Common Facilities) and maintain appropriate fund balance.

• **Subfunds: (Budget Packet Pages 22-32):**

- Subfund rates are calculated by dividing subfund expenditures minus grant revenue by budgeted water deliveries.
- Water Management Planning:
 - Expenditures are for Urban Water Management Planning (UWMP) which is required to be updated every five years. In intervening years, the Water Agency typically incurs minimal costs to review regulatory requirements and revise the scope of work accordingly but will maintain modest rate increases to smooth the rate and soften impact to rate payers.

Water Management Planning	Increase (Decrease) in Dollars	Percent Change	Description
Rate per AF	\$0.10	3.2%	FY16-7 rate: \$3.04; Subfund is for Urban Water Management Plan (UWMP) updates. Maintaining modest rate increase in intervening five year period to soften impact to rate payers.
Revenue	\$7,937	6.0%	Increase due to slightly increased FY17-18 budgeted water deliveries and rate increase as compared to FY16-17 budget.
Expenditures	\$0	0.0%	Budget comparable to FY16-17 for follow-up meetings, responding to DWR and contractor requests, tracking regulatory compliance changes, and coordinating with climate adaption strategic planning efforts.

- Watershed Planning and Restoration:
 - Expenditures are for planning, design, and implementation of watershed restoration projects and projects required under the Biological Opinion.

Watershed Planning and Restoration	Increase (Decrease) in Dollars	Percent Change	Description
Rate per AF	\$3.73	4.5%	FY16-17 rate: \$82.67. FY17-18 use of \$900,000 in fund balance to reduce rate increase.
Revenue	\$247,819	6.9%	Increase due to slightly increased FY17-18 budgeted water deliveries and subfund rate increase as compared to FY16-17 budget.
Expenditures	(\$94,000)	-2.1%	Decrease due to progress on draft and final flow EIR, and climate adaption projects, offset by increases for initiation of Dry Creek Habitat Enhancement miles 4, 5, and 6 design.

- Recycled Water and Local Supply:
 - Expenditures are for planning, design, and implementation of recycled water and local supply projects including water contractor projects under the Local Recycled Water Tier 2 (LRT2) Program.

Recycled Water and Local Supply	Increase (Decrease) in Dollars	Percent Change	Description
Rate per AF	(\$6.40)	-39.0%	FY16-17: \$16.41 for groundwater management planning; FY17-18: TAC has not included LRT2 funding in the budget. Maintaining modest rate increase to build fund balance and smooth rate in future years.
Revenue	(\$376,123)	-45.8%	Decrease due to reduced rate, no revenue requirement for LRT2 Projects, and reduction in planned water contractor reimbursements for Groundwater Management Planning Projects.
Expenditures	(\$662,500)	-85.2%	Decrease attributable to shift from groundwater management plans to SGMA related tasks. Budget is for groundwater activities and continued Sonoma Valley seepage studies. No budget submitted by TAC for LRT2 Projects.

- Water Conservation:
 - Expenditures are for water use efficiency projects, outreach, and education.

Water Conservation	Increase (Decrease) in Dollars	Percent Change	Description
Rate per AF	\$1.84	4.4%	FY16-17 rate: \$41.93. Rate increase for program needs. FY17-18 use of \$60,000 in fund balance to reduce rate increase.
Revenue	(\$444,788)	-17.4%	Decrease in Prop 84 grant funds and funding agreements with water contractors compared to FY16-17 budget.
Expenditures	(\$530,200)	-20.5%	Implement water use efficiency, outreach and education projects, address ongoing water conservation needs given continued drought conditions, pass through grant funds to water contractors and other partners. In response to low deliveries, agency is working to reduce these costs.

- **Storage, Common, and Sonoma Bond/Loan Charges: (Budget Packet Pages 43-53):**
 - The rates are calculated by dividing the annual debt service and reserve requirements (2012A and 2015A Water Revenue Bonds) by water deliveries. The rate increases shown below are attributed to the low deliveries and the new money financing (Water Revenue Bonds 2015A) offset by the decrease resulting from refinancing the Water Revenue Bonds 2006A.

Storage and Common Bond/Loan Charges	Increase (Decrease) in Dollars	Percent Change	Description
Storage Bond/Loan Charge	\$6.22	17.3%	FY16-17 rate: \$35.89. Increase resulting from new money financing: Water Revenue Bonds 2015 offset by decrease resulting from refinancing Water Revenue Bonds 2006.
Common Bond/Loan Charge	\$8.07	13.5%	FY16-17 rate: \$59.73. Increase resulting from new money financing: Water Revenue Bonds 2015 offset by decrease resulting from refinancing Water Revenue Bonds 2006.
Sonoma Aqueduct Bond/Loan Charge	\$10	12.9%	FY16-17 rate: \$75.53. Sonoma Aqueduct pays an additional revenue bond charge for the bonds associated with the Eldridge-Madrone Pipeline Project. Increase resulting from new money financing: Water Revenue Bonds 2015 offset by decrease resulting from refinancing Water Revenue Bonds 2006.

- **Aqueduct Capital Charge: (Budget Packet Page 1):**
 - A discretionary charge is added by the water contractors to build fund balance for future aqueduct capital projects and minimize rate spikes.
 - The FY16-17 budget included a rate per AF of \$19.50 for the Santa Rosa and Petaluma Aqueducts and \$32 for the Sonoma Aqueduct to increase fund balance for known needed future capital projects.
 - FY17-18 draft budget includes these same aqueduct capital charges.

- **Overall Draft Proposed Rate Increases: (Budget Packet Pages 1-7):**
 - 4.98% (Santa Rosa and Petaluma Aqueducts)
 - 5.58% (Sonoma Aqueduct)
 - This is the third draft of the budget. Every effort has been made to prepare a budget that allows us to meet the operations, maintenance, capital, and regulatory demands of the system while maintaining fund balances within the prudent reserve policy. Factors working in our favor include federal and state grant funds, use of fund balance, and bond proceeds for capital projects totaling \$14.8M in FY16-17 and \$860,000 in FY17-18. This budget has been developed to facilitate collaborative discussions in order to achieve a budget and rate package that is responsible and financially sound.

List of Capital Projects - next page.

Capital Projects

(Budget Packet Pages 33-42):

Project	Category	Amount
LHMP-Bennet Valley Fault Crossing (Oakmont Pipeline)	Storage	150,000
LHMP-Program Design	Storage	25,000
Petaluma Aq Relocation - Kastania	Storage	20,000
LHMP - Program Design (for Future FEMA Funds)	Santa Rosa AQ	10,000
Santa Rosa Creek Crossing	Santa Rosa AQ	717,000
Ely BPS Flood Control & Electrical Upgrade	Petaluma AQ	100,000
LHMP - Program Design	Petaluma AQ	25,000
Marin Sonoma Narrows Segment B2	Petaluma AQ	20,000
LHMP - Program Design (for Future FEMA Funds)	Sonoma AQ	30,000
SBS Electrical Upgrade and Pumping Reliability	Sonoma AQ	50,000
SBS Storage Building	Sonoma AQ	55,000
Caisson 3,4,5 Pump Discharge Valves	Common	202,000
Collector 3&5 Liquefaction Mitigation	Common	400,000
Collector 6 Liquefaction Mitigation	Common	25,000
LHMP Program Design	Common	25,000
Mirabel Chlorine Lines Replacement	Common	85,000
Mirabel Chlorine Roof Replacement	Common	52,000
Mirabel Dam Bladder Replacement	Common	150,000
Mirabel Fish Screens - RRIFR	Common	85,000
Mirabel RR Crossing Fiber Optic Cable Relocation	Common	206,000
Mirabel Surge Control System	Common	25,000
MW Creek Crossing	Common	10,000
RDS Motor Control Center Replacement	Common	10,000
RDS Pump and Motor Replacement	Common	321,000
RR Crossing	Common	616,000
System-wide Meter Replacements	Common	150,000
Warm Springs Dam Hydroturbine Retrofit	Common	538,000
Wohler Motor Replacements - Collectors 1&2	Common	475,000
SCADA Software and Hardware	Common	392,000
SCADA Upgrade	Common	625,000
	TOTAL	5,594,000
	Storage	195,000
	Santa Rosa AQ	727,000
	Petaluma AQ	145,000
	Sonoma AQ	135,000
	Common	4,392,000
		5,594,000

**Sonoma County Water Agency
FY17-18 Water Transmission Budget and Rates**

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FY17-18 Prime Contractor Rates Summary

	CHARGE PER ACRE FOOT:			FY16-17			Percent Change
	Santa Rosa Aqueduct	Petaluma Aqueduct	Sonoma Aqueduct	SR	Pet	Son	
	O&M Charge [4.2]	574.04	574.04	574.04	\$547.42	\$547.42	
Water Management Planning Sub-charge [4.16]	3.14	3.14	3.14	\$3.04	\$3.04	\$3.04	3.17%
Watershed Planning/Restoration Sub-charge [4.16]	86.40	86.40	86.40	\$82.67	\$82.67	\$82.67	4.52%
Recycled Water & Local Supply Sub-charge [4.16]	10.01	10.01	10.01	\$0.41	\$0.41	\$0.41	-38.98%
Water Conservation Sub-charge [4.16]	43.77	43.77	43.77	\$41.93	\$41.93	\$41.93	4.39%
O&M Charge	717.36	717.36	717.36	\$675.47	\$675.47	\$675.47	6.20%
Storage and Common Bond & Loan Charge	109.92	109.92	109.92	\$ 95.62	\$ 95.62	\$ 95.62	14.95%
Sonoma Aqueduct Bond Charge			85.28			\$ 75.53	12.9%
PRIME CONTRACTORS	\$827.28	\$827.28	\$912.56	\$ 771.09	\$771.09	\$846.62	FY15-16 increase: 4.16%; 5.46%
Capital Charges - to build fund balance for future projects	19.50	19.50	32.00	\$ 19.50	\$ 19.50	\$ 32.00	0%
Local Recycled Water Tier 2 Program	0.00	0.00	0.00	\$16.00	\$ 16.00	\$ 16.00	-100%
PRIME CONTRACTORS	19.50	19.50	32.00	\$ 35.50	\$ 35.50	\$ 48.00	-100%
				2.56%	2.56%	2.31%	
TOTAL PRIME CONTRACTORS	\$846.78	\$846.78	\$944.56	\$ 806.59	\$806.59	\$894.62	
Increase from FY 16-17	4.98%	4.98%	5.58%	5.98%	5.98%	6.94%	

WATER TRANSMISSION SYSTEM
 FY17-18 WATER CHARGES PER ACRE-FOOT
 FOR PRIME CONTRACTORS

	SANTA ROSA AQUEDUCT	% INCR. (DECR.)	PETALUMA AQUEDUCT	% INCR. (DECR.)	SONOMA AQUEDUCT	% INCR. (DECR.)
2017/18	846.78	4.98%	846.78	4.98%	944.56	5.58%
2016/17	806.59		806.59		894.62	
2015/16	761.05		761.05		836.55	
2014/15	730.68		730.68		793.24	
2013/14	705.30		705.30		768.75	
2012/13	672.03		672.03		740.34	
2011/12	634.11		634.11		703.33	
2010/11	603.92		603.92		674.47	
2009/10	564.78		564.78		622.11	
2008/09	471.13		511.13		486.22	
2007/08	441.70		461.70		453.49	
2006/07	431.29		451.29		442.60	
2005/06	412.68		432.68		424.53	
2004/05	402.51		422.51		414.42	
2003/04	393.89		413.89		407.95	
2002/03	387.49		397.90		387.43	
2001/02	383.29		384.02		373.38	
2000/01	330.76		331.61		320.74	

**WATER TRANSMISSION SYSTEM
FY17-18 REVENUE SUMMARY CHART**

WATER CUSTOMER	FY17-18 Budgeted Water Use (Acre- Feet)	FY16-17 Rate \$/Acre-Foot	FY17-18 Proposed Rate \$/Acre-Foot	Dollar Change	Percent Change
Santa Rosa Aqueduct	15,950	\$806.59	\$846.78	\$40.19	4.98%
Petaluma Aqueduct	9,100	806.59	846.78	\$40.19	4.98%
Sonoma Aqueduct	3,554	894.62	944.56	\$49.94	5.58%
North Marin Water Dist.	5,813	829.97	886.28	\$56.31	6.78%
Marin Municipal – Third Off Peak	4,300	982.54	1,058.79	\$76.24	7.76%
Marin Municipal – Supplemental	937	982.54	1,058.79	\$76.24	7.76%
Forestville Aqueduct	353	787.09	827.28	\$40.19	5.11%
Wholesale/Municipal	887	1,073.54	1133.47	\$59.93	5.58%
Surplus	49	829.76	860.83	\$31.07	3.74%
Windsor	502	967.91	1,016.14	\$48.22	4.98%
TOTAL	41,446				

SONOMA COUNTY WATER AGENCY RATES FOR WATER DELIVERIES IN FY17-18

[] ESTIMATED [X] OFFICIAL
 Approved by Board of Directors on April 11, 2017

CHARGE PER ACRE FOOT:

	Santa Rosa Aqueduct	Petaluma Aqueduct	Sonoma Aqueduct
PRIME CONTRACTORS			
O&M Charge [4.2]	\$574.04	\$574.04	\$574.04
Water Management Planning Sub-charge [4.13]	\$3.14	\$3.14	\$3.14
Watershed Planning/Restoration Sub-charge [4.14]	\$86.40	\$86.40	\$86.40
Recycled Water & Local Supply Sub-charge [4.15]	\$10.01	\$10.01	\$10.01
Water Conservation Sub-charge [4.16]	\$43.77	\$43.77	\$43.77
O&M Charge	\$717.36	\$717.36	\$717.36
<u>Bond & Loan Charges - to pay for existing debt service</u>			
Storage Facilities Capital Charge [4.7]	42.11	42.11	42.11
Common Facilities Capital Charge [4.8]	67.81	67.81	67.81
Sonoma Aqueduct Facilities Capital Charges [4.6 b]			85.28
Total Bond & Loan Charges	\$109.92	\$109.92	\$195.20
<i>Discretionary:</i>			
<u>Aqueduct Capital Charges - to build fund balance for future projects</u>			
Aqueduct Facilities Capital Charges [4.6 e]	19.50	19.50	32.00
LRT2 - included in Recycled Water & Local Supply Sub-Charge above.			
TOTAL PRIME CONTRACTORS	\$846.78	\$846.78	\$944.56
Charge without LRT2 and voluntary AQ Capital Charge	\$827.28	\$827.28	\$912.56
<u>OTHER AGENCY CUSTOMERS/WHOLESALE CHARGES</u>			
<u>(WATER CO'S & PUBLIC AGENCIES)</u>			
O&M Charge	\$717.36	\$717.36	\$717.36
Capital Charges	109.92	109.92	195.20
Aqueduct Facilities Capital Charge	\$306.19	\$306.19	\$220.91
TOTAL OTHER AGENCY CUSTOMERS/WHOLESALE CHARGES (4.12)	\$1,133.47	\$1,133.47	\$1,133.47
(120% OF HIGHEST PRIME)			
<u>FORESTVILLE</u>			
O&M Charge [4.2] *	\$574.04		
Water Management Planning Sub-charge [4.13]	3.14		
Watershed Planning/Restoration Sub-charge [4.14]	86.40		
Recycled Water & Local Supply Sub-charge [4.15]	10.01		
Water Conservation Sub-charge [4.16]	43.77		
O&M Charge	\$717.36		
<u>Bond & Loan Charges - to pay for existing debt service</u>			
Aqueduct Facilities Capital Charges [4.6]	0.00		
Storage Facilities Capital Charge [4.7]	42.11		
Common Facilities Capital Charge [4.8]	67.81		
Total Capital Charges	\$109.92		
TOTAL FORESTVILLE	\$827.28		
* Forestville Water District exempt from Santa Rosa Aqueduct sub-charge from FY 06/07 to FY 16/17 [4.12].			
<u>NORTH MARIN WATER DISTRICT</u>			
O&M Charge		\$717.36	Note: N. Marin pays bond and loan charge in lieu of Capital Charge.
North Marin Bond & Loan Charge [4.9]		50.06	
Russian River Conservation Charge [4.18 (a)]		105.78	
Russian River Projects Charge [4.18 (b)]		13.08	
TOTAL NORTH MARIN WATER DISTRICT		886.28	
<u>THIRD OFF-PEAK (MARIN MUNICIPAL)</u>			
Highest Prime on SR and PET AQ x 1.11		\$939.93	
Russian River Conservation Charge		105.78	
Russian River Projects Charge		13.08	
TOTAL THIRD OFF-PEAK		\$1,058.79	
<u>SUPPLEMENTAL (MARIN MUNICIPAL)</u>			
Highest Prime on SR and PET AQ x 1.11		\$939.93	
Russian River Conservation Charge		105.78	
Russian River Projects Charge		13.08	
TOTAL SUPPLEMENTAL		\$1,058.79	
<u>SURPLUS</u>			
Non-Municipal / Municipal [4.11 (a)] (120% of O&M Charge)	\$860.83	\$860.83	\$860.83
<u>Town of Windsor</u>			
		\$1,016.14	
Town of Windsor is charged 120% of the highest charge for any other prime contractor on the Santa Rosa Aqueduct from FY 06/07 to FY 21/22 [4.17 (a)]. Town of Windsor pays all subcharges [4.13, 4.14, 4.15, and 4.16] on all water they divert from the Russian River using their equipment [4.17 (b)].			
	\$1,016.14		

The applicable section of the Restructured Agreement has been indicated in brackets.

FY 2017-18 BUDGET
SONOMA COUNTY WATER AGENCY
Operations and Maintenance Rate Computation

O & M REVENUE REQUIREMENT

FY17-18	ESTIMATED FISCAL YEAR EXPENDITURES	\$43,497,761
LESS:		
	Depreciation Amortization	7,670,400
	Investment Income, Interest on Pooled Cash, Charges for Services	64,350
	Power Sales	600,000
	PWRPA Pre-paid Expense - FY 08/09 Rate Reduction- <i>One time only</i> "Mandatory Prudent Reserve" charge	
	Recycled Water funds (Sub-object 7277) taken from special reserve	0
	Transfers Out	10,620,081
		10,620,081
	REVENUE REQUIREMENT (Net Expenditures)	\$24,542,930

O & M ACRE FOOT BASE

DELIVERIES:		41,446.2
LESS:		
	Marin Municipal	5,236.9
	Surplus (Irrigation)	48.8
		48.8
	TOTAL BASE DELIVERIES	36,160.5

O & M RATE COMPUTATION:

Rate = Revenue Requirement - (Marin Municipal Deliveries x 1.11 x 0.92568 x Highest Prime Rate
on Petaluma or Santa Rosa Aqueduct - Subfunds)
Total Deliveries - Surplus Deliveries - Marin Muni Deliveries

= $\frac{24,542,930 - (4,300.00 \times 722.81) - (936.90 \times 722.81)}{41,446.2 - 48.8 - 5,236.9}$

* = **574.04**

FY17-18
Proposed Water Rates

	<u>FY16-17</u>	<u>FY17-18</u>	
	(Actual)	(Proposed)	% Change
O&M Charge	547.42	574.04	4.86%
Water Management Planning Sub-Charge	3.04	3.14	3.17%
Watershed Planning/Restoration Sub-Charge	82.67	86.40	4.52%
Recycled Water Sub-Charge	16.41	10.01	-38.98%
Water Conservation Sub-Charge	41.93	43.77	4.39%
Total O&M Charge	691.47	717.36	3.74%

Santa Rosa Aqueduct Rate

O&M Charge	691.47	717.36	3.74%
Aqueduct Facilities Capital Charges [4.6 e]	19.50	19.50	0.0%
Storage Facilities Capital Charge [4.7]	35.89	42.11	17.34%
Common Facilities Capital Charge [4.8]	59.73	67.81	13.51%
TOTAL	806.58	846.78	4.98%

Petaluma Aqueduct Rate

O&M Charge	691.47	717.36	3.74%
Aqueduct Facilities Capital Charges [4.6 e]	19.50	19.50	0.0%
Storage Facilities Capital Charge [4.7]	35.89	42.11	17.34%
Common Facilities Capital Charge [4.8]	59.73	67.81	13.51%
TOTAL	806.58	846.78	4.98%

Sonoma Aqueduct Rate

O&M Charge	691.47	717.36	3.74%
Aqueduct Facilities Capital Charges [4.6 e]	32.00	32.00	0.0%
Storage Facilities Capital Charge [4.7]	35.89	42.11	17.34%
Common Facilities Capital Charge [4.8]	59.73	67.81	13.51%
Sonoma Aqueduct Facilities Capital Charge	75.53	85.28	12.91%
TOTAL	894.62	944.56	5.58%

SONOMA COUNTY WATER AGENCY
RUSSIAN RIVER CONSERVATION CHARGE COMPUTATION

FISCAL YEAR 2017-18

PROPERTY ASSESSMENT VALUES AS OF FY16-17:

<u>TAX CODE</u>	<u>ENTITY</u>	<u>SECURED</u>	<u>UNSECURED</u>	<u>TOTAL VALUE</u>
14000	Forestville Co Water District	385,399,118	2,520,303	\$387,919,421
42800	City of Cotati	973,074,011	21,831,460	994,905,471
43500	City of Petaluma	8,830,762,080	409,167,233	9,239,929,313
43800	City of Rohnert Park	4,503,180,261	118,088,641	4,621,268,902
44500	City of Santa Rosa	21,616,318,833	678,736,991	22,295,055,824
45000	City of Sonoma	2,429,437,639	62,139,663	2,491,577,302
N/A	Valley of the Moon Water District	3,104,630,041	17,623,845	3,122,253,886
	<i>TOTAL</i>	\$41,842,801,983	\$1,310,108,136	\$43,152,910,119

Notes:

- 1 Total value of secured and unsecured property in service areas of Prime Water Contractors of Sonoma County (see above) \$43,152,910,119
- 2 2016-17 Sonoma County tax rate per \$100 of full cash value assessed for payment of Warm Springs Dam Project Obligations 0.007
- 3 Total tax levied on citizens residing in service areas of Prime Water Contractors of Sonoma County, i.e., (Line 1/100) x Line 2 \$3,020,704
- 4 Total acre feet of water delivered to Prime Water Contractors of Sonoma County (excluding North Marin and Town of Windsor) plus deliveries to Forestville during the prior 12 month period ending March 31. 28,557.73
- 5 Total Russian River Conservation Charge per Acre Foot (Line 3 / Line 4) \$105.78

Russian River Projects Charge
Historical calculations

RR Conservation Charge
Historical calculations

For FY	Calculated	Actual Charge		
07-08	21.4	\$20.00	\$52.70	
08-09	25.08	\$20.00	\$58.44	
09-10	24.68	\$20.00	\$57.70	
10-11	24.4	\$20.00	\$74.62	
11-12	23.44	\$20.00	\$72.27	
12-13	20.38	\$20.00	\$72.08	
13-14	14.72	\$14.72	\$63.30	
14-15	8.72	\$8.72	\$63.90	
15-16	12.39	\$12.39	\$69.38	
16-17	12.96	\$12.96	\$78.73	
17-18	13.08	\$13.08	\$105.78	\$0.34
				\$0.01

**SCHEDULE OF WATER DELIVERIES BY AQUEDUCT
PAST 36 MONTHS / 12 MONTHS AVERAGE**

		DELIVERING AQUEDUCT				Monthly Total
		Santa Rosa	Petaluma	Forestville	Sonoma	
36	Jan-14	1,248.2	2,096.2	22.7	354.4	3,721.5
35	Feb-14	1,103.1	2,156.5	18.6	230.8	3,509.0
34	Mar-14	1,113.1	2,016.6	18.0	247.1	3,394.8
33	Apr-14	1,474.6	2,619.0	27.0	328.5	4,449.0
32	May-14	1,614.8	2,457.7	36.0	389.3	4,497.8
31	Jun-14	1,770.4	2,607.8	38.1	433.3	4,849.6
30	Jul-14	2,135.4	3,092.7	51.7	535.6	5,815.5
29	Aug-14	1,628.8	2,090.5	39.4	389.2	4,147.9
28	Sep-14	1,832.5	3,131.9	44.1	435.8	5,444.3
27	Oct-14	1,432.4	2,108.1	29.9	325.8	3,896.1
26	Nov-14	1,077.8	1,854.4	22.1	228.5	3,182.8
25	Dec-14	1,274.4	2,165.9	21.4	219.8	3,681.4
24	Jan-15	1,043.7	1,285.4	19.2	171.1	2,519.4
23	Feb-15	1,032.8	1,169.0	17.0	216.3	2,435.1
22	Mar-15	1,479.2	1,645.5	27.5	343.2	3,495.3
21	Apr-15	1,243.9	1,692.4	23.7	332.3	3,292.2
20	May-15	1,247.5	2,013.7	29.0	268.7	3,559.0
19	Jun-15	1,607.0	2,432.2	43.2	316.8	4,399.2
18	Jul-15	1,341.8	1,539.5	34.9	313.3	3,229.5
17	Aug-15	1,546.4	1,751.3	41.2	346.3	3,685.2
16	Sep-15	1,552.4	1,918.3	45.4	353.6	3,869.8
15	Oct-15	1,654.3	2,202.2	49.1	407.5	4,313.1
14	Nov-15	1,114.5	1,301.8	22.9	251.4	2,690.6
13	Dec-15	1,170.5	1,622.2	23.6	218.9	3,035.3
12	Jan-16	1,026.5	1,393.9	20.0	202.9	2,643.3
11	Feb-16	1,043.1	1,167.6	16.5	174.4	2,401.6
10	Mar-16	1,177.1	1,375.0	21.8	197.9	2,771.8
9	Apr-16	1,069.9	1,559.4	21.7	262.8	2,913.7
8	May-16	1,185.9	1,961.3	27.5	262.8	3,437.5
7	Jun-16	1,923.0	2,581.2	44.3	449.6	4,998.1
6	Jul-16	1,742.5	2,161.5	41.2	403.3	4,348.5
5	Aug-16	1,635.2	2,024.5	42.2	395.0	4,096.9
4	Sep-16	1,794.9	1,964.6	39.1	374.4	4,173.0
3	Oct-16	1,597.9	1,982.5	36.8	364.4	3,981.5
2	Nov-16	1,046.2	1,210.4	20.2	216.1	2,492.9
1	Dec-16	1,258.9	1,656.0	22.0	250.4	3,187.4
Total Deliveries		50,240.6	70,008.7	1,098.9	11,211.4	132,559.6
3-Year Annual Average		16,746.9	23,336.2	366.3	3,737.1	44,186.5
Past 12 Months		16,501.2	21,037.9	353.2	3,553.9	41,446.2
Total Deliveries		50,240.6	70,008.7	1,098.9	11,211.4	132,559.6
Less: North Marin			18,625.3			18,625.3
Marin Municipal			18,904.1			18,904.1
Sonoma Co. Deliveries		50,240.6	32,479.4	1,098.9	11,211.4	95,030.3
3-Year Annual Average		16,746.9	10,826.5	366.3	3,737.1	31,676.8

SONOMA COUNTY WATER AGENCY
 SCHEDULE OF ACTUAL PRIOR 12 MONTHS WATER DELIVERIES IN ACRE FEET (BY CUSTOMER TYPE)
 JANUARY 13 THROUGH DECEMBER 13 (Applicable Years as Indicated)

SONOMA COUNTY WATER AGENCY
 ACTUAL WATER DELIVERY DISTRIBUTION BY AQUEDUCT (ACRE FEET)
 PRIOR 12 MONTHS

Aquaduct No.	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	TOTAL	**** DELIVERING AQUEDUCT ****			
														Santa Rosa	Petaluma	Sonoma	TOTAL
PRIMES														DELIVERED TO:			
1	988.0	1,002.4	1,132.3	987.0	1,111.1	1,835.9	1,657.0	1,560.8	1,715.4	1,522.3	1,007.7	1,191.1	15,711.0	CITY OF SANTA ROSA (A)			
2	446.2	429.8	502.5	480.3	594.5	852.3	718.0	682.8	648.4	690.3	443.1	516.6	7,004.7	Jan 2016			
2	398.4	341.5	457.7	315.5	271.1	666.8	750.1	685.1	594.0	578.5	214.2	540.6	5,813.5	885.2	0.0	102.8	988.0
2	188.3	149.3	161.3	93.7	82.6	161.7	255.1	240.8	269.5	297.6	198.1	214.6	2,312.7	915.3	0.0	87.1	1,002.4
2	26.1	28.1	32.9	31.9	40.4	68.9	60.6	54.8	50.9	49.7	24.3	27.4	495.9	1,023.7	0.0	108.6	1,132.3
1	35.0	35.8	35.4	63.4	42.1	38.6	45.9	39.7	46.0	46.0	27.1	46.7	501.9	878.2	0.0	108.9	987.0
4	87.9	76.3	102.7	112.2	103.8	196.1	176.8	168.5	158.5	154.8	94.1	105.1	1,536.8	910.2	0.0	200.9	1,111.1
4	110.0	93.4	90.3	144.5	142.9	236.2	210.8	212.3	202.6	196.6	116.7	140.4	1,896.8	1,388.1	0.0	447.8	1,835.9
														1,255.2	0.0	401.9	1,657.0
														1,244.0	0.0	316.8	1,560.8
														1,204.7	0.0	510.7	1,715.4
														1,174.6	0.0	347.7	1,522.3
														832.7	0.0	174.9	1,007.7
														1,063.5	0.0	127.6	1,191.1
														TOTAL SANTA ROSA			
														12,775.3	0.0	2,935.7	15,711.0
OTHER AGENCY CUSTOMERS														OTHER PRIME CONTRACTORS (B)			
1	2.9	4.1	8.9	18.4	30.9	45.4	36.7	32.1	31.2	27.9	10.6	20.6	269.8	CITY OF PETALUMA			
2	10.3	9.4	11.9	11.6	14.6	23.4	21.1	18.0	16.5	17.2	9.3	10.8	174.2	0.0	7,004.7	7,004.7	
4	1.6	1.6	1.5	3.3	4.8	8.7	8.3	7.4	7.0	5.6	2.1	2.1	53.9	NORTH MARIN WATER DISTRICT			
4	0.2	0.1	0.2	0.2	0.3	0.6	0.5	0.5	0.4	2.7	0.3	0.2	6.3	5,813.5	5,813.5		
3	20.0	16.5	21.8	21.7	27.5	44.3	41.2	42.2	39.1	36.8	20.2	22.0	353.2	CITY OF ROHNERT PARK			
1	0.6	0.8	0.4	1.0	1.8	3.2	2.8	2.6	2.3	1.6	0.9	0.6	18.5	46.9	2,265.8	2,312.7	
2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.9	489.0	495.9	
4	0.5	0.6	0.5	0.6	0.8	1.6	1.3	1.5	1.6	1.1	0.5	0.6	11.3	TOWN OF WINDSOR			
														501.9	501.9		
														CITY OF SONOMA			
																1,536.8	1,536.8
																1,896.8	1,896.8
														VALLEY OF THE MOON DISTRICT			
														555.7	15,573.0	3,433.6	19,562.3
														TOTAL OTHER PRIME CONTRACTORS			
														TOTAL DELIVERIES TO PRIMES			
														13,331.1	15,573.0	6,369.3	35,273.3
														LESS: NORTH MARIN			
																(5,813.5)	(5,813.5)
														TOTAL SONOMA COUNTY DELIVERIES			
														13,331.1	9,759.5	6,369.3	29,459.8

FY 2017-18 BUDGET
Water Transmission System Agency Fund
ESTIMATED WATER DELIVERIES AND WATER SALES - O&M plus Surcharges

REVENUE CATEGORY	ESTIMATED ACRE FEET DELIVERED	ESTIMATED RATES	ESTIMATED REVENUE
<u>WATER SALES - O&M</u>			
1 PRIMES without Subcharges	35,273.3	574.04	20,248,369
2 OTHER AGENCY CUSTOMERS	887.2	990.15	878,463
3 MARIN MUNICIPAL (OFF-PEAK)	4,300.0	722.81	3,108,079
4 MARIN MUNICIPAL (SUPPLEMENTAL)	936.9	722.81	677,202
5 SURPLUS CUSTOMERS	48.8	717.51	35,026
TOTAL WATER SALES - O&M	41,446.2	N/A	\$24,947,139

Note: MMWD rate adjusted per Amended MMWD Water Supply Agreements Effective 7/1/15.

Sub-Object 4175, 4176, 4177, and 4178

REVENUE CATEGORY	ESTIMATED ACRE FEET DELIVERED	ESTIMATED RATES	ESTIMATED REVENUE
<u>WATER SALES - Sub-charges</u>			
1a Water Management Planning Sub-charge [4.13]	41,446.2	3.14	130,000
1b Watershed Planning/Restoration Sub-charge [4.14]	41,446.2	86.40	3,581,000
1c Recycled Water & Local Supply Sub-charge [4.15]	41,446.2	10.01	415,000
1d Water Conservation Sub-charge [4.16]	41,446.2	43.77	1,814,050
TOTAL WATER SALES - Subcharges	41,446.2	N/A	\$5,940,050

FY 2017-18 BUDGET
Water Transmission System Agency Fund
SANTA ROSA AQUEDUCT ESTIMATED WATER DELIVERIES AND WATER SALES - O&M plus Surcharges
Sub-Object 4161

REVENUE CATEGORY	ESTIMATED ACRE FEET DELIVERED	ESTIMATED RATES	ESTIMATED REVENUE
<u>WATER SALES - O&M</u>			
1 SANTA ROSA AQUEDUCT	16,501.2	574.04	9,472,370

Sub-Object 4175, 4176, 4177, and 4178

REVENUE CATEGORY	ESTIMATED ACRE FEET DELIVERED	ESTIMATED RATES	ESTIMATED REVENUE
<u>WATER SALES - Sub-charges</u>			
1a Water Management Planning Sub-charge [4.13]	16,501.2	3.14	51,757
1b Watershed Planning/Restoration Sub-charge [4.14]	16,501.2	86.40	1,425,720
1c Recycled Water & Local Supply Sub-charge [4.15]	16,501.2	10.01	165,226
1d Water Conservation Sub-charge [4.16]	16,501.2	43.77	722,236
TOTAL WATER SALES - Subcharges	16,501.2	N/A	\$2,364,939

REVENUE CATEGORY	ESTIMATED ACRE FEET DELIVERED	ESTIMATED RATES	ESTIMATED REVENUE
<u>CAPITAL CHARGES</u>			
Aqueduct Facilities Capital Charges [4.6 e]	16,501.2	19.50	321,773
<u>BOND AND LOAN CAPITAL CHARGES</u>			
Storage Facilities Capital Charge [4.7]	16,501.2	42.11	694,878
Common Facilities Capital Charge [4.8]	16,501.2	67.81	1,118,872
Sonoma Aqueduct Facilities Capital Charges [4.6 b]	16,501.2	0.00	0
TOTAL WATER SALES - Capital & Bond and Loan Charges	16,501.2	N/A	\$2,135,523

TOTAL ESTIMATED REVENUE

\$13,972,832

FY 2017-18 BUDGET

Water Transmission System Agency Fund

PETALUMA AQUEDUCT ESTIMATED WATER DELIVERIES AND WATER SALES - O&M plus Surcharges

Sub-Object 4161

REVENUE CATEGORY	ESTIMATED ACRE FEET DELIVERED	ESTIMATED RATES	ESTIMATED REVENUE
<u>WATER SALES - O&M</u>			
1 PETALUMA AQUEDUCT	21,037.9	574.04	12,076,647

Sub-Object 4175, 4176, 4177, and 4178

REVENUE CATEGORY	ESTIMATED ACRE FEET DELIVERED	ESTIMATED RATES	ESTIMATED REVENUE
<u>WATER SALES - Sub-charges</u>			
1a Water Management Planning Sub-charge [4.13]	21,037.9	3.14	65,987
1b Watershed Planning/Restoration Sub-charge [4.14]	21,037.9	86.40	1,817,698
1c Recycled Water & Local Supply Sub-charge [4.15]	21,037.9	10.01	210,652
1d Water Conservation Sub-charge [4.16]	21,037.9	43.77	920,803
TOTAL WATER SALES - Subcharges	21,037.9	N/A	\$3,015,140

REVENUE CATEGORY	ESTIMATED ACRE FEET DELIVERED	ESTIMATED RATES	ESTIMATED REVENUE
<u>CAPITAL CHARGES</u>			
Aqueduct Facilities Capital Charges [4.6 e]	21,037.9	19.50	410,239
<u>BOND AND LOAN CAPITAL CHARGES</u>			
Storage Facilities Capital Charge [4.7]	21,037.9	42.11	885,924
Common Facilities Capital Charge [4.8]	21,037.9	67.81	1,426,488
Sonoma Aqueduct Facilities Capital Charges [4.6 b]	21,037.9	0.00	0
TOTAL WATER SALES - Capital & Bond and Loan Charges	21,037.9	N/A	\$2,722,651

TOTAL ESTIMATED REVENUE

\$17,814,438

FY 2017-18 BUDGET
Water Transmission System Agency Fund
SONOMA AQUEDUCT ESTIMATED WATER DELIVERIES AND WATER SALES - O&M plus Surcharges
Sub-Object 4161

REVENUE CATEGORY	ESTIMATED ACRE FEET DELIVERED	ESTIMATED RATES	ESTIMATED REVENUE
<u>WATER SALES - O&M</u>			
1 SONOMA AQUEDUCT	3,553.9	574.04	2,040,106

Sub-Object 4175, 4176, 4177, and 4178

REVENUE CATEGORY	ESTIMATED ACRE FEET DELIVERED	ESTIMATED RATES	ESTIMATED REVENUE
<u>WATER SALES - Sub-charges</u>			
1a Water Management Planning Sub-charge [4.13]	3,553.9	3.14	11,147
1b Watershed Planning/Restoration Sub-charge [4.14]	3,553.9	86.40	307,063
1c Recycled Water & Local Supply Sub-charge [4.15]	3,553.9	10.01	35,585
1d Water Conservation Sub-charge [4.16]	3,553.9	43.77	155,551
TOTAL WATER SALES - Subcharges	3,553.9	N/A	\$509,346

REVENUE CATEGORY	ESTIMATED ACRE FEET DELIVERED	ESTIMATED RATES	ESTIMATED REVENUE
<u>CAPITAL CHARGES</u>			
Aqueduct Facilities Capital Charges [4.6 e]	3,553.9	32.00	113,726
<u>BOND AND LOAN CAPITAL CHARGES</u>			
Storage Facilities Capital Charge [4.7]	3,553.9	42.11	149,659
Common Facilities Capital Charge [4.8]	3,553.9	67.81	240,976
Sonoma Aqueduct Facilities Capital Charges [4.6 b]	3,553.9	85.28	303,087
TOTAL WATER SALES - Capital & Bond and Loan Charges	3,553.9	N/A	\$807,448

TOTAL ESTIMATED REVENUE

\$3,356,900

**FY 2017-18 BUDGET
BEGINNING AND ENDING CASH SUMMARY**

Section Title:

Water Transmission System Agency Fund

Section/Fund No:

44205

Account Title	Actual 2015-2016	Estimated 2016-2017	Adopted 2016-2017	Requested 2017-18	Difference	Percent Change
BEGINNING FUND BALANCE	5,997,428	4,459,322		2,844,211		

REVENUES

USE OF MONEY / PROPERTY

44002 Interest on Pooled Cash	80,313	60,000	45,000	64,350	19,350	43.00%
44003 Other Interest Earnings	6	0	0	0	0	N/A
44050 Unrealized Gains & Losses	(27,373)	(30,000)	0	0	0	N/A
44109 Concessions	0	0	0	0	0	N/A
44101 Rent - Real Estate	450	500	0	0	0	N/A
SUBTOTAL	53,395	30,500	45,000	64,350	19,350	43.00%

INTERGOVERNMENTAL REVENUES

42358 State Other Funding	0	0	0	0	0	N/A
42461 Federal Other Funding	0	0	0	0	0	N/A
42610 Other Governmental Agencies	32,500	0	0	0	0	N/A
42621 North Marin Water District	0	0	0	0	0	N/A
42701 Revenue Appl - PY Intergovmtl	0	0	0	0	0	N/A
SUBTOTAL	32,500	0	0	0	0	N/A

MISCELLANEOUS REVENUES

46021 Capital Grants - Federal	0	0	0	0	0	N/A
46027 Insurance Claims Reimbursement	0	0	0	0	0	N/A
46029 Donations/Contributions	0	0	12,000	0	(12,000)	(100.00%)
46040 Miscellaneous Revenue	2,944	2,000	0	0	0	N/A
46041 Discounts Earned	605	1,041	0	0	0	N/A
46050 Cancelled/Stale Dated Warrants	249	300	0	0	0	N/A
46200 Revenue Appl PY Misc Revenue	9,991	3,000	0	0	0	N/A
46205 PY Revenue – Charges for Servi	16,135	(16,135)	0	0	0	N/A
46215 Other Grants	0	0	0	0	0	N/A
SUBTOTAL	29,925	(9,794)	12,000	0	(12,000)	(100.00%)

CHARGES FOR SERVICES

45062 Construct/Bldg Permit Rvw Svcs	0	0	0	0	0	N/A
45065 Inspection Fees	0	0	0	0	0	N/A
45223 Sewer/Water Hook up Fees	24,664	26,200	0	0	0	N/A
45301 Charges for Services	26,500	30,000	0	0	0	N/A
45314 Sale - Power	589,644	600,000	800,000	600,000	(200,000)	(25.00%)
45315 Sale - Water, Wholesale	20,530,250	23,713,393	23,199,155	24,947,139	1,747,984	7.53%
45316 Water Conservation	1,640,500	1,737,745	1,699,059	1,814,050	114,991	6.77%
45323 Common Fac Rev Bond Chg	1,581,515	1,634,027	2,069,376	2,348,686	279,310	13.50%
45324 Storage Fac Rev Bond Chg	726,405	1,286,093	1,089,219	1,277,939	188,720	17.33%
45325 Sonoma Aqueduct Rev Bond Chg	210,549	308,466	267,331	303,087	35,756	13.38%
45327 Santa Rosa Aqueduct Cap Chg	449,873	320,406	367,478	386,429	18,951	5.16%
45328 Petaluma Aqueduct Cap Chg	232,447	179,029	252,060	250,281	(1,779)	(0.71%)
45329 Sonoma Aqueduct Cap Chg	123,548	113,726	128,105	113,609	(14,497)	(11.32%)
45330 North Marin Rev Bond Chg	318,299	298,033	256,383	290,988	34,605	13.50%
45331 Water Mgmt Plan/Restore Chg	158,655	126,005	123,200	130,000	6,800	5.52%

Section Title:

Water Transmission System Agency Fund

Section/Fund No:

44205

Account Title	Actual 2015-2016	Estimated 2016-2017	Adopted 2016-2017	Requested 2017-18	Difference	Percent Change
45332 Watershed Plan/Restore Chg	3,224,686	3,426,277	3,350,000	3,581,000	231,000	6.90%
45333 Recycled Water & Local Supply	1,278,225	680,142	665,000	415,000	(250,000)	(37.59%)
SUBTOTAL	31,115,761	34,479,542	34,266,366	36,458,208	2,191,842	6.40%
OTHER FINANCING SOURCES						
47002 Sale of Capital Assets	0	0	0	0	0	N/A
47101 Transfers In - within a Fund	7,066	0	0	0	0	N/A
47102 Transfers In - btw Govtl Funds	0	350,000	0	0	0	N/A
SUBTOTAL	7,066	350,000	0	0	0	0
TOTAL REVENUES	31,238,647	34,850,248	34,323,366	36,522,558	2,199,192	6.41%

EXPENDITURES**SERVICES AND SUPPLIES**

51031 Waste Disposal Services	3,539	4,000	4,000	4,000	0	0.00%
51032 Janitorial Services	4,800	4,000	4,000	4,000	0	0.00%
51061 Maintenance - Equipment	931,582	1,009,680	530,000	1,247,000	717,000	135.28%
51071 Maintenance - Bldg & Improve	0	115,670	0	0	0	N/A
51072 Landscaping Services	0	0	0	0	0	N/A
51077 Maint-Infrastructure	0	0	0	0	0	N/A
51205 Advertising/Marketing Svc	442	4,000	4,000	4,000	0	0.00%
51209 Information Tech Svc (non ISD)	321	4,000	4,000	4,000	0	0.00%
51211 Legal Services	7,960	12,000	10,000	10,000	0	0.00%
51212 Outside Counsel - Legal Advice	164	8,500	0	8,000	8,000	N/A
51214 Agency Extra/Temp Help	523	1,000	1,000	1,000	0	0.00%
51226 Consulting Services	0	0	0	0	0	N/A
51230 Security Services	1,160	1,100	0	0	0	N/A
51231 Testing/Analysis	109,046	160,000	160,000	130,000	(30,000)	(18.75%)
51241 Outside Printing and Binding	2,168	2,100	5,000	3,000	(2,000)	(40.00%)
51244 Permits/License/Fees	55,615	60,000	45,000	50,000	5,000	11.11%
51249 Other Professional Services	0	0	0	0	0	N/A
51301 Publications and Legal Notices	0	0	0	0	0	N/A
51401 Rents and Leases - Equipment	231,206	200,000	155,000	155,000	0	0.00%
51421 Rents and Leases - Bldg/Land	1,224	2,000	2,000	2,000	0	0.00%
51601 Training Services	13,337	12,000	12,000	12,000	0	0.00%
51602 Business Travel/Mileage	8,744	15,000	15,000	15,000	0	0.00%
51605 Private Car Expense	1,026	1,000	1,000	1,000	0	0.00%
51801 Other Services	18,340	18,000	0	18,000	18,000	N/A
51803 Other Contract Services	1,097,594	3,952,385	884,500	1,389,080	504,580	57.05%
51902 Telecommunication Usage	94,038	90,000	90,000	90,000	0	0.00%
51911 Mail Services	312	150	0	0	0	N/A
51917 District Operations Chgs	12,859,759	13,100,000	12,200,350	13,900,000	1,699,650	13.93%
51921 Equipment Usage Charges	722,971	650,000	600,000	650,000	50,000	8.33%
52021 Clothing, Uniforms, Personal	12,758	11,000	10,000	10,000	0	0.00%
52031 Food	541	700	700	700	0	0.00%
52042 Janitorial Supplies	3,164	4,000	4,000	4,000	0	0.00%
52061 Fuel/Gas/Oil	16,080	10,000	10,000	10,000	0	0.00%

Section Title:

Water Transmission System Agency Fund

Section/Fund No:

44205

Account Title	Actual 2015-2016	Estimated 2016-2017	Adopted 2016-2017	Requested 2017-18	Difference	Percent Change
52071 Materials and Supplies Expense	0	180,000	0	180,000	180,000	N/A
52072 Chemicals	573,050	620,000	650,000	600,000	(50,000)	(7.69%)
52081 Medical/Laboratory Supplies	24,889	25,000	25,000	25,000	0	0.00%
52091 Memberships/Certifications	45,343	45,000	44,000	45,000	1,000	2.27%
52101 Other Supplies	25,576	30,000	40,000	40,000	0	0.00%
52111 Office Supplies	8,903	10,000	10,000	10,000	0	0.00%
52115 Books/Media/Subscriptions	401	1,000	1,000	1,000	0	0.00%
52117 Mail and Postage Supplies	1,700	2,500	3,000	3,000	0	0.00%
52141 Minor Equipment/Small Tools	135,307	140,000	140,000	140,000	0	0.00%
52142 Computer Equipment/Accessories	24,251	7,000	7,000	7,000	0	0.00%
52143 Computer Software/Licensing Fees	37,623	22,000	20,000	22,000	2,000	10.00%
52162 Special Department Expense	494	0	0	0	0	N/A
52171 Water Conservation Program	0	0	0	0	0	N/A
52191 Utilities	476	500	0	500	500	N/A
52193 Utilities - Electric	3,501,737	3,200,000	4,300,000	3,200,000	(1,100,000)	(25.58%)
SUBTOTAL	20,578,165	23,735,285	19,991,550	21,995,280	2,003,730	10.02%
OTHER CHARGES						
53103 Interest on LT Debt	0	0	0	0	0	N/A
53104 Other interest Expense	(18)	0	0	0	0	N/A
53401 Amortization Expense	240,716	241,500	241,500	241,500	0	0.00%
53402 Depreciation Expense	5,620,612	6,356,403	6,356,403	7,428,900	1,072,497	16.87%
53403 Loss - Disposed Capital Asset	1,110	0	0	0	0	N/A
53501 Contributions	0	30,000	0	0	0	N/A
SUBTOTAL	5,862,420	6,627,903	6,597,903	7,670,400	1,072,497	16.26%
FIXED ASSETS						
19820 Machinery and Equipment	0	0	0	0	0	N/A
19822 Mobile Equipment	0	0	0	0	0	N/A
19824 Computer Equipment	0	0	0	0	0	N/A
19831 CIP - Bldg & Impr	0	0	0	0	0	N/A
19832 CIP - Infrastructure	0	0	0	0	0	N/A
19840 Work in Progress - Eq	0	5,500	0	0	0	N/A
19841 Work in Progress - Intang	4,703	2,500	0	135,000	135,000	N/A
19851 Intangible Assets - Non-amort	0	0	0	0	0	N/A
SUBTOTAL	4,703	8,000	0	135,000	135,000	N/A
OTHER FINANCING USES						
57011 Transfers Out - within a Fund	12,830,228	13,911,915	13,722,251	13,697,081	(25,170)	(0.18%)
57012 Transfers Out - btw Govtl Fund	0	0	0	0	0	N/A
SUBTOTAL	12,830,228	13,911,915	13,722,251	13,697,081	(25,170)	(0.18%)
APPROP. FOR CONTINGENCIES						
55011 Appropriation for Contingency	0	0	0	0	0	N/A
SUBTOTAL	0	0	0	0	0	N/A
REMIBURSEMENTS						
58010 Reimb. - General	0	0	0	0	0	N/A
SUBTOTAL	0	0	0	0	0	N/A

Section Title:

Water Transmission System Agency Fund

Section/Fund No:

44205

Account Title	Actual 2015-2016	Estimated 2016-2017	Adopted 2016-2017	Requested 2017-18	Difference	Percent Change
ADMIN. CONTROL ACCOUNT						
59004 Administrative Control Account	0	0	0	0	0	N/A
59005 Admin Control Acct Clearing	0	0	0	0	0	N/A
SUBTOTAL	0	0	0	0	0	N/A
TOTAL EXPENDITURES	39,275,517	44,283,103	40,311,704	43,497,761	3,186,057	7.90%
Adjustments to Reserves/Encumbrances:						
Depreciation	5,861,328	6,597,903		7,670,400		
Outstanding Encumbrances - (Decrease) Fu	315,006	1,219,841				
Capitalized Interest	(18)					
Gain/Loss on disposal of fixed assets	1,110					
Unrealized Gain/ Loss (GASB 31)	27,373					
Change in Prudent Reserve						
Post audit adjustments - Payables	293,964					
Rounding	1					
ENDING FUND BALANCE	4,459,322	2,844,211		3,539,407		

*Operations and Maintenance 44205 Fund Balance Reserve Goal
Over/(Under) Goal*

5,532,570
(1,993,163)

Water Transmission System Agency Fund
Major Services & Supplies Expenditure Items

Section/Fund No:

44205

	Actual FY15-16	Adopted FY16-17	Requested FY17-18	Difference	Percent Change
<u>51061 Maintenance - Equipment</u>	931,582	530,000	1,247,000	717,000	135.3%
Increase due to non-routine large maintenance projects.					
<u>51211 Legal Services</u>	7,960	10,000	10,000	0	0.0%
Reflects level of expected expenditures.					
<u>51231 Testing/Analysis</u>	109,046	160,000	130,000	(30,000)	-18.8%
Decrease to align more closely with FY15-16 actuals.					
<u>51803 Other Contract Services</u>	1,097,594	884,500	1,389,080	504,580	57.0%
Increase due to non-routine large maintenance projects.					
<u>51917 District Operations Chgs</u>	12,859,759	12,200,350	13,900,000	1,699,650	13.9%
Increase attributable to a) negotiated labor agreements, 8.9% over FY15-16 Actuals, b) estimated FY16-17 labor budget determined prior to finalizing negotiated labor agreements resulting in an underestimate of 5%, and c) additional labor anticipated for design and construction of large non-routine maintenance projects.					
<u>51921 Equipment Usage Charges</u>	722,971	600,000	650,000	50,000	8.3%
Reflects level of expected expenditures.					
<u>52072 Chemicals</u>	573,050	650,000	600,000	(50,000)	-7.7%
Expected to increase over FY15-16 actuals due to slightly increased deliveries but remain the same as FY16-17 budget.					
<u>52141 Minor Equipment/Small Tools</u>	135,307	140,000	140,000	0	0.0%
Expected to remain the same as FY16-17 budget. Budget is aligned more closely with FY15-16 actuals.					
<u>52193 Utilities - Electric</u>	3,501,737	4,300,000	3,200,000	(1,100,000)	-25.6%
Expected to decrease over FY15-16 actuals (\$3.5 million) and over FY16-17 budget (\$4.3 million) due to reduced power costs.					

2017-18

Water Transmission System Agency Fund

51061	Maintenance - Equipment	AMOUNT
1	Cathodic Protection - Petaluma AQ	254,000
2	Cathodic Protection - Santa Rosa AQ & Cotati Intertie	240,000
3	Chlorine Gas Detection	25,000
4	Collector 6 Chlorine Lines Maintenance	25,000
5	Collector 4 Chlorine Lines Maintenance	100,000
6	Eldridge Booster Station Decommission	25,000
7	Electrical Supplies and Maintenance Services	355,000
8	Hardware and Miscellaneous Supplies	50,000
9	Reservoir Fall Restraints	25,000
10	Santa Rosa Plain Well Monitoring Program (SCWA Wells)	15,000
11	Wohler Road Settlement	50,000
12	Wohler Road RR Fiber Optic Cable Relocation	68,000
13	WT Monitoring Well Pressure Transducers	15,000
		<u>\$ 1,247,000</u>

51803	Other Contract Services	AMOUNT
1	Aqueduct Condition Assessments	75,000
2	Maximo Hosting	68,280
3	Mirabel Infiltration Pond Rehab	60,000
4	Riverfront Park Maintenance	120,300
5	Sonoma Youth Ecology Corps	30,000
6	Tank Recoat - Forestville	271,000
7	Wilfred Booster Station Motor & Electrical Upgrade	55,000
8	BAIRWMP	30,000
9	Community Outreach Program	7,500
10	Legislative Advocacy - Federal	95,000
11	Legislative Advocacy - State	32,000
12	NCIRWMP	35,000
13	Groundwater Banking Feasibility - Pilot Studies	50,000
14	Methodologies-Peak Demand Supply	35,000
15	Modeling Program	50,000
16	No Bay Reg Wtr Supply Resilliency Study	75,000
17	Russian River Wtrshed Coupled Surface Wtr/GW Model	100,000
18	Russian River Well Field Assessment and Evaluation	100,000
19	Water Quality Studies	50,000
		<u>\$ 1,339,080</u>

51803 Other Contract Services Project Information

FY17-18

Aqueduct Condition Assessments

This program is evaluating technologies and approaches to assess the integrity of the water transmission system pipelines. A variety of inspection technologies have been evaluated with pilot-testing conducted in sections of the Santa Rosa Aqueduct, Sonoma Aqueduct, and Oakmont Pipeline. In the upcoming year, additional inspections are planned, as well as the development of a system-wide inspection plan to define and prioritize pipeline inspection projects.

\$75,000

Groundwater Banking Feasibility - Pilot Studies

A Feasibility Study for a Groundwater Banking Program was prepared in 2013 for the Water Agency in partnership with the City of Sonoma, Valley of the Moon Water District, City of Cotati, City of Rohnert Park, and Town of Windsor. The Feasibility Study identified opportunities to improve long-term water supply reliability in Sonoma Valley and the Santa Rosa Plain by utilizing wintertime Russian River supplies and existing conveyance infrastructure to meet dry year water needs. The Feasibility Study concluded that aquifer storage and recovery wells are the most feasible method for implementing groundwater banking in the region. The next step in demonstrating the feasibility of Aquifer Storage and Recovery (ASR) is to perform a pilot study to: (1) assess the ability of local aquifers to store water; (2) assess potential water quality changes during ASR; (3) refine permitting parameters for ASR projects; and (4) provide data to scope and develop long-term groundwater banking programs. An ASR Pilot Study is planned to be initiated in Sonoma Valley in 2017 in partnership with the City of Sonoma utilizing previously budgeted funds from FY 15/16 and 16/17. Pending the success in demonstrating the feasibility of ASR, an additional pilot would be planned for the Santa Rosa Plain

\$50,000

Funds expected to be expended in FY 17/18 would initiate the planning and permitting for an ASR Pilot Study in the Santa Rosa Plain groundwater basin.

Methodologies-Peak Demand Supply

An updated Water Supply Allocation model was prepared in 2013 by Brown & Caldwell for the Water Agency and its Contractors. The updated model was temporarily approved and accepted by the Contractors through June 2015 to provide the city of Petaluma time to resolve several issues city staff had raised regarding model assumptions. These issues have now been resolved, however, the agreement with Brown and Caldwell has expired and there is no funding for finalizing the model. Furthermore, the updated model was prepared almost 4 years ago and several of the assumptions should be updated based on new information in both the Water Agency's and Water Contractor's 2015 UWMPs.

\$35,000

Funds to be expended in FY 17/18 will be used to: (1) update model assumptions; and (2) present the updated model to the Water Agency's Board of Directors and request adoption.

Mirabel Infiltration Pond Rehab

This project will rehabilitate the infiltration ponds at the Mirabel production facility to maintain and restore recharge capacity of the ponds.

\$60,000

Modeling Program

Ongoing program updating the Water Agency's transmission system model and providing modeling support for Capital project design and Operations & Maintenance.

\$50,000

No Bay Reg Wtr Supply Resiliency Study

Retail water providers to over 600,000 people in Sonoma and Marin Counties are regionally connected through existing water supply infrastructure. Along with purchasing wholesale water from the Sonoma County Water Agency, each retail provider also has local supplies which are used to meet the demands of their customers. Although these systems are connected, they are not operated or managed in a coordinated manner, especially in times of water shortage. Development of a decision support tool, such as a regional Water Evaluation and Planning System (WEAP) model, could be used to evaluate strategies and water supply projects that would make the region more resilient to future water shortages.

\$75,000

Funds to be expended in FY 17/18 would be used to develop a work plan in cooperation with the Water Agency's Water Contractors.

Russian River Cross Sections - Labor only

Annual cross-sections for riverbed modeling.

\$0

51803 Other Contract Services Project Information

Russian River Wtrshed Coupled Surface Wtr/GW Model

The primary objectives of this project are to: 1) refine the understanding of the Russian River Watershed hydrologic system based on an analysis of new and available field data; and 2) develop a coupled watershed/groundwater-flow model for the Russian River Watershed that will facilitate improved management of the region's water resources.

This study will assist the Water Agency, the State Board, and other stakeholders to better understand the potential impacts of increasing groundwater demand on water levels and in developing strategies for efficient surface-water/groundwater management. The project will be performed over the next four years starting in FY 17/18 and is being funded by the State Water Resources Control Board, the United States Geological Survey, the Water Agency, the County of Mendocino, Mendocino County Russian River Flood Control & Water Conservation Improvement District and Redwood Valley County Water District.

\$100,000

Russian River Well Field Assessment and Evaluation

The Russian River Well Field is an emergency backup water supply that cannot pump into the transmission system when the collector wells are pumping (their pumps operate at a much lower hydraulic head). The FY17-18 budget is to develop a work plan to:

1. Evaluate the condition of the wells;
2. Determine which configuration of wells could best augment water produced by the collector wells;
3. How to best pump water produced by the well field into the transmission system; and
4. Determine if there are locations at Mirabel and Wohler where additional wells could be drilled and constructed to augment water produced by the existing system.

\$100,000

Tank Recoat - Forestville

This project will remove the interior and exterior coatings to reline and recoat the existing 1MG and 0.3MG Forestville Tanks with new epoxy coatings. The project will also include replacement of the cathodic protection system.

\$271,000

Water Quality Studies

Fund ongoing work being performed by the United States Geological Survey to: (1) assess temporal and spatial variability in microbial communities within aquifer sediments and the water column using DNA-based molecular techniques; (2) employ modified seepage meters and drive point samplers within the Russian River and infiltration ponds to compare the removal of bacteria and microspheres under natural and dissolved organic carbon-amended conditions; and (3) conduct detailed laboratory investigations in order to provide comparisons of dissolved organic carbon changes, including those caused by potential wildfire events, seasonal flow changes, and sediment characteristics which may affect removal efficiencies of sediments for pathogens. Information from the study will assist the Water Agency in securing a safe and reliable supply of drinking water for its customers by providing: (1) a scientific basis for demonstrating the seasonal removal efficiency associated with the riverbank filtration system; and (2) data and guidance to assist in preparing for potential future events, including wildfires.

\$50,000

Wilfred Booster Station Motor & Electrical Upgrade

Replace Wilfred Booster Station's electrical building, motor, and other critical electrical components.

\$55,000

**FY 2017-18 BUDGET
BEGINNING AND ENDING CASH SUMMARY**

Section Title: Water Management Planning

Section/Fund No: 44210

Account Title	Actual 2015-2016	Estimated 2016-2017	Adopted 2016-2017	Requested 2017-18	Difference	Percent Change
BEGINNING FUND BALANCE	503,294	271,349		269,782		
REVENUES						
USE OF MONEY / PROPERTY						
44002 Interest on Pooled Cash	3,660	2,100	2,100	3,003	903	43.00%
44050 Unrealized Gains and Losses	(708)	(1,500)	0	0	0	N/A
SUBTOTAL	2,952	600	2,100	3,003	903	43.00%
INTERGOVERNMENTAL REVENUE						
42619 Town of Windsor	9,542	7,394	7,394	7,628	234	3.17%
SUBTOTAL	9,542	7,394	7,394	7,628	234	3.17%
OTHER FINANCING SOURCES						
47101 Transfers In - within a Fund	158,655	126,005	123,200	130,000	6,800	5.52%
47102 Transfers In - btw Govtl Func	0	0	0	0	0	N/A
SUBTOTAL	158,655	126,005	123,200	130,000	6,800	5.52%
TOTAL REVENUES	171,149	133,999	132,694	140,631	7,937	5.98%
EXPENDITURES						
SERVICES AND SUPPLIES						
51205 Advertising Marketing	1,405	0	0	0	0	N/A
51211 Legal Services	0	0	0	0	0	N/A
51212 Legal Services - External	919	600	0	0	0	N/A
51241 Outside Printing & Binding	116	0	0	0	0	N/A
51602 Business Travel/Mileage	0	0	0	0	0	N/A
51605 Private Car Expense	0	0	0	0	0	N/A
51803 Other Contract Services	79,966	200,000	20,000	20,000	0	0.00%
51917 District Operations Chgs	174,296	75,000	5,000	5,000	0	0.00%
51921 Equipment Usage Charges	0	0	0	0	0	N/A
52171 Water Conservation Program	0	0	0	0	0	N/A
SUBTOTAL	256,702	275,600	25,000	25,000	0	0.00%
OTHER CHARGES						
53103 Interest on LT Debt	0	0	0	0	0	N/A
53501 Contributions	0	0	0	0	0	N/A
SUBTOTAL	0	0	0	0	0	N/A
OTHER FINANCING USES						
57011 Transfers Out - within a Func	7,066	0	0	0	0	N/A
57012 Transfers Out - btw Govtl Func	0	0	0	0	0	N/A
SUBTOTAL	7,066	0	0	0	0	N/A
TOTAL EXPENDITURES	263,768	275,600	25,000	25,000	0	0.00%
Adjustments to Reserves/Encumbrances:						
Outstanding Encumbrances - Net Change	(140,034)	140,034				
Unrealized Gain/ Loss (GASB 31)	708					
Rounding		-0.5				
ENDING FUND BALANCE	271,349	269,782		385,413		

**FY 2017-18 BUDGET
BEGINNING AND ENDING CASH SUMMARY**

Section Title: Watershed Planning/Restoration

Section/Fund No: 44215

Account Title	Actual 2015-2016	Estimated 2016-2017	Adopted 2016-2017	Requested 2017-18	Difference	Percent Change
BEGINNING FUND BALANCE	6,764,614	2,912,687		4,802,249		
REVENUES						
USE OF MONEY / PROPERTY						
44002 Interest on Pooled Cash	55,548	30,000	18,000	25,740	7,740	43.00%
44050 Unrealized Gains and Losses	(6,556)	(25,000)	0	0	0	N/A
SUBTOTAL	48,992	5,000	18,000	25,740	7,740	43.00%
INTERGOVERNMENTAL REVENUE						
42461 Federal Other Funding	36,801	64,000	0	0	0	N/A
42619 Town of Windsor	193,925	201,049	201,049	210,127	9,079	4.52%
SUBTOTAL	230,726	265,049	201,049	210,127	9,079	4.52%
MISCELLANEOUS REVENUE						
46021 Capital Grants - Federal	0	0	0	0	0	N/A
46029 Donations/Contributions	0	0	0	0	0	N/A
46040 Miscellaneous Revenue	0	300	0	0	0	N/A
46050 Cancelled/Stale Dated Warrant	0	0	0	0	0	N/A
46200 Revenue Appl PY Misc Reven	75	151	0	0	0	N/A
SUBTOTAL	75	451	0	0	0	N/A
OTHER FINANCING SOURCES						
47101 Transfers In - within a Fund	3,224,686	3,426,277	3,350,000	3,581,000	231,000	6.90%
47102 Transfers In - btw Govtl Funds	0	0	0	0	0	N/A
SUBTOTAL	3,224,686	3,426,277	3,350,000	3,581,000	231,000	6.90%
TOTAL REVENUES	3,504,480	3,696,776	3,569,049	3,816,867	247,819	6.94%
EXPENDITURES						
SERVICES AND SUPPLIES						
51021 Communication Expense	0	0	0	0	0	N/A
51061 Maintenance - Equipment	6,899	6,000	0	0	0	N/A
51205 Advertising Marketing	793	0	0	0	0	N/A
51209 Information Tech Svc (non ISD)	150	0	0	0	0	N/A
51211 Legal Services	11,112	6,000	0	0	0	N/A
51212 Legal Services - External	3,913	2,000	0	0	0	N/A
51226 Consulting Services	0	0	0	0	0	N/A
51231 Testing/Analysis	51,827	60,000	0	0	0	N/A
51241 Outside Printing and Binding	3,145	5,700	0	0	0	N/A
51244 Permits/License/Fees	26,268	2,500	0	0	0	N/A
51401 Rents and Leases - Equipment	8,876	22,000	0	0	0	N/A
51601 Training/Conference	200	0	0	0	0	N/A
51602 Business Travel/Mileage	320	1,300	0	0	0	N/A
51605 Private Car Expense	615	0	0	0	0	N/A
51801 Other Services	800	0	0	0	0	N/A
51803 Other Contract Services	838,785	1,756,500	1,376,500	1,163,000	(213,500)	(15.51%)
51902 Telecommunication Usage	353	150	0	0	0	N/A
51917 District Operations Chgs	2,053,884	4,402,100	3,048,500	3,024,000	(24,500)	(0.80%)
51921 Equipment Usage Charges	28,353	25,000	0	0	0	N/A
52021 Clothing, Uniforms, Personal	3,717	1,500	0	0	0	N/A
52031 Food	1,288	400	0	0	0	N/A
52042 Janitorial Supplies	19	0	0	0	0	N/A
52043 Safety Supplies/Equipment	0	0	0	0	0	N/A

Section Title:

Watershed Planning/Restoration

Section/Fund No:

44215

Account Title	Actual 2015-2016	Estimated 2016-2017	Adopted 2016-2017	Requested 2017-18	Difference	Percent Change
52061 Fuel/Gas/Oil	3	0	0	0	0	N/A
52063 Vehicle Parts	0	0	0	0	0	N/A
52071 Materials and Supplies Expens	0	0	0	0	0	N/A
52081 Medical/Laboratory Supplies	785	1,700	0	0	0	N/A
52101 Other Supplies	4,205	10,000	0	0	0	N/A
52111 Office Supplies	17	100	0	0	0	N/A
52114 Freight/Postage	0	0	0	0	0	N/A
52115 Books/Media	120	0	0	0	0	N/A
52117 Mail and Postage Supplies	1,321	1,500	0	0	0	N/A
52141 Minor Equipment/Small Tools	25,015	6,000	0	0	0	N/A
52143 Computer Software	642	0	0	0	0	N/A
52181 Business Meals/Supplies	0	0	0	0	0	N/A
SUBTOTAL	3,073,424	6,310,450	4,425,000	4,187,000	(238,000)	(5.38%)
OTHER CHARGES						
53104 Other Interest Expense	(19)	0	0	0	0	N/A
53402 Depreciation Expense	6,583	8,000	0	0	0	N/A
53501 Contributions	1,500	2,500	0	0	0	N/A
SUBTOTAL	8,064	10,500	0	0	0	N/A
REIMBURSEMENTS						
58010 Reimb. - General	0	0	0	0	0	N/A
SUBTOTAL	0	0	0	0	0	N/A
FIXED ASSETS						
19840 Acq-WIP-Equipment	9,166	20,000	0	0	0	N/A
19841 Acq-WIP-Intangibles	3,356	210,000	150,000	294,000	144,000	N/A
19851 Intangible Assets - Non-amort	0	0	0	0	0	N/A
SUBTOTAL	12,522	230,000	150,000	294,000	144,000	1
OTHER FINANCING USES						
57011 Transfers Out - within a Fund	87,436	0	0	0	0	N/A
57012 Transfers Out - btw Govtl Fund	0	0	0	0	0	N/A
SUBTOTAL	87,436	0	0	0	0	N/A
TOTAL EXPENDITURES	3,181,446	6,550,950	4,575,000	4,481,000	(94,000)	(2.05%)
Adjustments to Reserves/Encumbrances:						
Technical Adjustments		0				
Outstanding Encumbrances - Net Change	(4,201,828)	4,735,736				
Capital Interest	(19)					
Depreciation	6,583	8,000				
Audit Adjustment (A/P)	13,747					
Unrealized Gain/ Loss (GASB 31)	6,556					
Rounding						
ENDING FUND BALANCE	2,912,687	4,802,249		4,138,117		

**FY 2017-18 BUDGET
BEGINNING AND ENDING CASH SUMMARY**

Section Title: Recycled Water and Local Supply

Section/Fund No: 44220

Account Title	Actual 2015-2016	Estimated 2016-2017	Adopted 2016-2017	Requested 2017-18	Difference	Percent Change
BEGINNING FUND BALANCE	1,140,308	(63,538)		145,529		
REVENUES						
USE OF MONEY / PROPERTY						
44002 Interest on Pooled Cash	16,879	4,500	4,500	6,435	1,935	43.00%
44050 Unrealized Gains and Losses	(2,738)	0	0	0	0	N/A
SUBTOTAL	14,141	4,500	4,500	6,435	1,935	43.00%
INTERGOVERNMENTAL REVENUE						
42358 State Other Funding	9,478	10,881	0	0	0	N/A
42619 Town of Windsor	76,869	39,910	39,910	24,352	(15,558)	(38.98%)
SUBTOTAL	86,348	50,791	39,910	24,352	(15,558)	(38.98%)
CHARGES FOR SERVICES						
45301 Charges for Services	310,700	0	0	0	0	N/A
SUBTOTAL	310,700	0	0	0	0	0
MISCELLANEOUS REVENUE						
46022 Capital Grants-State	5,663	138,126	0	0	0	N/A
46029 Donations/Contributions	39,793	0	112,500	0	(112,500)	(100.00%)
46200 Revenue Appl PY Misc Revenue	191	0	0	0	0	N/A
46029 Donations/Contributions	0	0	0	0	0	N/A
SUBTOTAL	45,647	138,126	112,500	0	(112,500)	(100.00%)
OTHER FINANCING SOURCES						
47101 Transfers In - within a Fund	1,428,225	1,580,142	665,000	415,000	(250,000)	(37.59%)
47102 Transfers In - btw Govtl Funds	0	0	0	0	0	N/A
SUBTOTAL	1,428,225	1,580,142	665,000	415,000	(250,000)	(37.59%)
TOTAL REVENUES	1,885,061	1,773,558	821,910	445,787	(376,123)	(45.76%)
EXPENDITURES						
SERVICES AND SUPPLIES						
51021 Communication Expense	0	0	0	0	0	N/A
51061 Maintenance - Equipment	37	5,311	0	0	0	N/A
51205 Advertising/Marketing Svc	0	0	0	0	0	N/A
51209 Information Tech Svc (non ISD)	18,255	0	0	0	0	N/A
51211 Legal Services	578	0	0	0	0	N/A
51212 Legal Services - External	2,730	0	0	0	0	N/A
51226 Consulting Services	0	0	0	0	0	N/A
51241 Outside Printing and Binding	1,346	0	0	0	0	N/A
51244 Permits/License/Fees	1,454	0	0	0	0	N/A
51401 Rents and Leases - Equipment	645	0	0	0	0	N/A
51601 Training Services	1,411	0	0	0	0	N/A
51602 Business Travel/Mileage	499	0	0	0	0	N/A
51803 Other Contract Services	574,765	1,161,152	372,500	15,000	(357,500)	(95.97%)
51902 Telecommunication Usage	0	0	0	0	0	N/A
51915 ISD - Reprographics Services	0	0	0	0	0	N/A
51917 District Operations Chgs	683,673	405,000	405,000	100,000	(305,000)	(75.31%)
51921 Equipment Usage Charges	18,367	0	0	0	0	N/A
52031 Food	0	0	0	0	0	N/A
52061 Fuel/Gas	22	0	0	0	0	N/A
52101 Other Supplies	0	0	0	0	0	N/A

Section Title:

Recycled Water and Local Supply

Section/Fund No:

44220

Account Title	Actual 2015-2016	Estimated 2016-2017	Adopted 2016-2017	Requested 2017-18	Difference	Percent Change
52115 Books/Media/Subscriptions	0	0	0	0	0	N/A
52117 Mail and Postage Supplies	144	0	0	0	0	N/A
52141 Minor Equipment/Small Tools	707	0	0	0	0	N/A
52143 Computer Software/Licensing Fees	3,000	0	0	0	0	N/A
SUBTOTAL	1,307,632	1,571,463	777,500	115,000	(662,500)	(85.21%)
OTHER CHARGES						
53103 Interest on LT Debt	0	0	0	0	0	N/A
53501 Contributions	1,432,350	725,000	0	0	0	N/A
SUBTOTAL	1,432,350	725,000	0	0	0	N/A
FIXED ASSETS						
19831 CIP - Bldg & Impr	0	0	0	0	0	N/A
19832 CIP - Infrastructure	293,156	22,330	0	0	0	N/A
19841 Work in Progress - Intang	3,548	0	0	0	0	N/A
SUBTOTAL	296,704	22,330	0	0	0	N/A
OTHER FINANCING USES						
57011 Transfers Out - within a Fund	28,318	0	0	0	0	N/A
57012 Transfers Out - btw Govtl Fund	0	0	0	0	0	N/A
SUBTOTAL	28,318	0	0	0	0	N/A
TOTAL EXPENDITURES	3,065,004	2,318,792	777,500	115,000	(662,500)	(85.21%)
Adjustments to Reserves/Encumbrances:						
Technical Adjustments	0	0				
Outstanding Encumbrances - Net Change	(65,380)	794,211				
Change in Windsor Reserve	(76,869)	(39,910)		(101,054)		
Audit Adjustment (A/P)	115,610					
Unrealized Gain/ Loss (GASB 31)	2,738					
Rounding	(2)	(0)				
ENDING FUND BALANCE	(63,538)	145,529		375,261		

**FY 2017-18 BUDGET
BEGINNING AND ENDING CASH SUMMARY**

Section Title: Water Conservation

Section/Fund No: 44225

Account Title	Actual 2015-2016	Estimated 2016-2017	Adopted 2016-2017	Requested 2017-18	Difference	Percent Change
BEGINNING FUND BALANCE	888,870	481,317		290,552		
REVENUES						
USE OF MONEY / PROPERTY						
44002 Interest on Pooled Cash	7,668	4,500	4,500	6,435	1,935	43.00%
44050 Unrealized Gains and Losses	(1,158)	0	0	0	0	N/A
SUBTOTAL	6,509	4,500	4,500	6,435	1,935	43.00%
INTERGOVERNMENTAL REVENUE						
42358 State Other Funding	148,730	505,050	505,050	26,250	(478,800)	(94.80%)
42461 Federal Other Funding	46,895	42,391	42,391	40,000	(2,391)	(5.64%)
42610 Other Governmental Agencies	124,504	0	0	0	0	N/A
42611 City of Santa Rosa	0	0	0	0	0	N/A
42612 City of Petaluma	0	0	0	0	0	N/A
42613 City of Rohnert Park	8,591	0	0	0	0	N/A
42615 City of Cotati	0	0	0	0	0	N/A
42618 City of Sonoma	11,347	0	0	0	0	N/A
42619 Town of Windsor	98,654	101,968	101,968	106,446	4,477	4.39%
42621 North Marin Water District	8,166	0	0	0	0	N/A
SUBTOTAL	446,887	649,409	649,409	172,696	(476,714)	(73.41%)
Charges for Services						
45301 Charges for Services	6,832	0	0	0	0	N/A
SUBTOTAL	6,832	0	0	0	0	N/A
OTHER FINANCING SOURCES						
46021 Capital Gains - Federal	0	0	0	0	0	N/A
46022 Capital Grants - State	0	0	0	0	0	N/A
46029 Donations/Contributions	16,500	205,000	205,000	120,000	(85,000)	(41.46%)
46040 Miscellaneous Revenue	0	0	0	0	0	N/A
46041 Discounts Earned	42	0	0	0	0	N/A
46050 Cancelled/Stale Dated Warrants	0	0	0	0	0	N/A
46200 Revenue Appl PY Misc Revenue	(6,750)	0	0	0	0	N/A
46215 Other Grants	11,000	0	0	0	0	N/A
SUBTOTAL	20,792	205,000	205,000	120,000	(85,000)	(41.46%)
OTHER FINANCING SOURCES						
47101 Transfers In - within a Fund	1,640,500	1,737,745	1,699,059	1,814,050	114,991	6.77%
47102 Transfers In - btw Govtl Funds	0	0	0	0	0	N/A
SUBTOTAL	1,640,500	1,737,745	1,699,059	1,814,050	114,991	6.77%
TOTAL REVENUES	2,121,520	2,596,654	2,557,968	2,113,181	(444,788)	(17.39%)
EXPENDITURES						
SERVICES AND SUPPLIES						
51021 Communication Expense	0	0	0	0	0	N/A
51032 Janitorial Services	0	0	0	0	0	N/A
51061 Maintenance - Equipment	27,951	4,000	0	0	0	N/A
51205 Advertising/Marketing Svc	80,709	110,000	0	0	0	N/A
51209 Information Tech Svc (non ISD)	527	0	0	0	0	N/A
51211 Legal Services	116	0	0	0	0	N/A
51214 Agency Extra/Temp Help	0	0	0	0	0	N/A

Section Title:

Water Conservation

Section/Fund No:

44225

Account Title	Actual 2015-2016	Estimated 2016-2017	Adopted 2016-2017	Requested 2017-18	Difference	Percent Change
51225 Training Services	1,000	10,000	0	0	0	N/A
51230 Security Services	407	0	0	0	0	N/A
51241 Outside Printing and Binding	33,867	10,000	10,000	45,000	35,000	350.00%
51244 Permits/License	100	0	0	0	0	N/A
51249 Other Professional Services	0	0	0	0	0	N/A
51250 Planning/Mapping/Inspections	0	0	0	0	0	N/A
51301 Publications and Legal Notices	300	0	0	0	0	N/A
51401 Rents and Leases - Equipment	405	0	0	0	0	N/A
51601 Training Services	11,033	0	0	0	0	N/A
51602 Business Travel/Mileage	1,526	2,500	2,500	3,000	500	20.00%
51605 Private Car Expense	1,837	0	0	0	0	N/A
51801 Other Services	15,250	0	0	0	0	N/A
51803 Other Contract Services	421,732	458,000	87,600	91,800	4,200	4.79%
51902 Telecommunication Usage	707	0	0	0	0	N/A
51915 ISD Reprographics Services	0	0	0	0	0	N/A
51917 District Operations Chgs	1,385,784	1,424,850	1,424,850	1,420,000	(4,850)	(0.34%)
51921 Equipment Usage Charges	30,784	12,100	0	0	0	N/A
52021 Clothing, Uniforms	167	0	0	0	0	N/A
52031 Food	975	0	0	0	0	N/A
52042 Janitorial Supplies	53	0	0	0	0	N/A
52061 Fuel/Gas/Oil	14	0	0	0	0	N/A
52071 Materials and Supplies Expense	0	15,000	25,000	7,500	(17,500)	(70.00%)
52091 Memberships/Certifications	7,977	10,000	10,000	13,000	3,000	30.00%
52101 Other Supplies	14,156	10,000	0	0	0	N/A
52111 Office Supplies	2,444	0	0	0	0	N/A
52112 Office Furniture/Fixtures	0	0	0	0	0	N/A
52114 Freight/Postage	0	0	0	0	0	N/A
52115 Books/Media/Subscriptions	957	0	0	0	0	N/A
52117 Mail and Postage Supplies	771	0	0	0	0	N/A
52141 Minor Equipment/Small Tools	5,766	0	0	0	0	N/A
52142 Computer Equipment/Accessories	0	0	0	0	0	N/A
52162 Special Department Expense	3,781	0	0	0	0	N/A
52171 Water Conservation Program	11,984	500,000	525,500	480,000	(45,500)	(8.66%)
52181 Business Meals/Supplies	0	0	0	0	0	N/A
SUBTOTAL	2,063,080	2,566,450	2,085,450	2,060,300	(25,150)	(1.21%)
OTHER CHARGES						
53501 Contributions	92,109	556,870	505,050	0	(505,050)	(100.00%)
SUBTOTAL	92,109	556,870	505,050	0	(505,050)	(100.00%)
OTHER FINANCING USES						
57011 Transfers Out - within a Fund	61,657	0	0	0	0	N/A
57012 Transfers Out - btw Govtl Fund	0	0	0	0	0	N/A
SUBTOTAL	61,657	0	0	0	0	N/A
TOTAL EXPENDITURES	2,216,845	3,123,320	2,590,500	2,060,300	(530,200)	(20.47%)
Adjustments to Reserves/Encumbrances:						
Technical Adjustments	0	0		0		
Outstanding Encumbrances - Net Change	(214,731)	437,869		0		
Change in Windsor Reserve	(98,654)	(101,968)		(129,688)		
Audit Adjustment (A/P)	0	0		0		
Unrealized Gain/ Loss (GASB 31)	1,158	0		0		
Rounding	(1)	(0)				
ENDING FUND BALANCE	481,317	290,552		213,745		

Water Transmission Budget

2017-18

Itemized Detail for Subfunds Consulting/Contractual Services

**Budget
FY17-18**

Water Management Planning

Water Demand Analysis/ Financial Modeling: Develop scope, cost, energy requests, and schedule of transmission system projects required to meet the Water Agency's portion of UWMP-identified projected demands through the Urban Water Management planning horizon. Projects identified using Water Agency's transmission system hydraulic model. Next UWMP due July 1, 2020. Conduct follow-up meetings, respond to DWR and contractor requests, track regulatory compliance changes, and coordinate with climate adaption strategic planning efforts.	\$ 20,000
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Watershed Planning/Restoration

RRIFR Decision 1610 Change Petition: Russian River Flows: Assist in preparation of final Environmental Impact Report for Fish Habitat Flows and Water Rights Project in preparation for Board of Directors consideration for certification. Consultant services for responses to comments on the Draft EIR, and any additional impact analysis, flow modeling, hydroelectric analysis, water quality monitoring, climate change modeling (USGS), EIR, and hydrologic index evaluation needed. Work is occurring internally on the Environmental Impact Report for the Fish Habitat Flows and Water Rights Project. The EIR is being prepared by Water Agency staff, with assistance from consultants on some areas of impact analysis. A draft EIR was released on August 19, 2016. In FY17-18, most of the work will focus on reviewing and responding to public comments, adjustments to the proposed Hydrologic Index, and refinements to models, preparation of the final EIR, and presentation to the Board of Directors to certify. Work also includes submission of annual Temporary Urgency Change Petition to the State Board to approve the requested changes to minimum in-stream flows as identified in the Biological Opinion. Compared to FY16-17, the Decision 1610 budget has increased approximately \$200,000. The increase is attributable to the level of effort to prepare and certify the final EIR.

368,000

RRIFR Estuary Management: Required Annual Biological Opinion Activities: The Water Agency, in consultation with NMFS, California Department of Fish & Wildlife (CDFW) and the U.S. Army Corps of Engineers (Corps), is required to annually prepare a lagoon outlet adaptive management plan by April 1; conduct and record monthly surveys of the beach topography and the outlet channel; use a time lapse video camera to record the interaction of waves, tides and the river mouth; conduct baseline monitoring of seals and other pinnipeds, conduct estuary water quality monitoring, conduct extensive surveys of estuary invertebrates; conduct juvenile steelhead and coho salmon rearing surveys, and prepare annual reports. From late spring to early fall (when flows are below 300 cfs at Hacienda Bridge), the Water Agency conducts monthly surveys of young steelhead in the estuary. Other 2017 activities include installation and monitoring of downstream migrant salmonid traps and water quality monitoring stations, and flood risk feasibility studies, climate change and sea level rise analysis (NOAA Habitat Blueprint). Compared to FY16-17, the Estuary Management budget has increased approximately \$20,000 due to contract services for outlet channel adaptive management plan development and scheduled removal of groundwater wells used for the jetty study. Six monitoring wells were installed at Goat Rock State Beach in 2014 to support the development of the Jetty Study. The draft Jetty Study was prepared by Environmental Science Associates and was released to state and federal resource and regulatory agencies in March 2016. The monitoring wells are no longer needed, therefore a drilling contractor will be employed to remove the monitoring wells. Water Agency staff will oversee all removal activities. Removal activities will comply with all local, state and federal permitting requirements.

\$ 675,000

Water Transmission Budget

2017-18

Itemized Detail for Subfunds Consulting/Contractual Services

	Budget FY17-18
<p><u>USGS Programmatic Climate Change Studies</u>: USGS will continue ongoing work on updating unimpaired flows in the Russian River Basin to support Water Agency water supply planning efforts. This includes developing unimpaired flows for 6 new climate scenarios from the Intergovernmental Panel on Climate Change Fifth Assessment Report, modeling impact scenarios for changing land use and water availability and provide science support in the finalization of the Draft Environmental Impact Report for Fish Habitat Flows and Water Rights Project Environment Impact Report. Under previous agreement the USGS the Russian River Basin Characterization Model to develop a historical unimpaired flow dataset for the Russian River from 1910 to 2013. This dataset was to support the modeling of the Draft EIR, and the 2015 Urban Water Management Plan. The USGS also downscaled 4 future climate change scenarios to produce daily climate change unimpaired hydrology for the Russian River. This dataset was used for the development of the Lake Mendocino Reliability Study completed in 2015.</p>	\$ 120,000
<p><u>National Integrated Drought Information System (NIDIS)</u>: NIDIS is a national program led by NOAA to integrate drought research in support of creating a national early drought water information system. Under a grant from NOAA, the Center for Western Weather and Water Extremes (CW3E) is conducting a study to develop a drought early warning system for Sonoma County. The Water Agency has been working with CW3E to complete this study. Water Agency staff will continue to work with CW3E to finalize this project and participate in upcoming NIDIS meetings.</p>	\$ 25,000
	\$ 1,163,000
<p><u>Recycled Water and Local Supply</u></p>	
<p>Funding for Santa Rosa Plain Groundwater Management in FY 17/18 is included to cover any potential financial contribution from the Water Agency that may be needed for the future Santa Rosa Plain Groundwater Sustainability Agency's (GSA's) first year of activities. The actual amount of any financial contribution, if any, has not yet been determined. Funding any potential Water Agency financial contribution through the Water Transmission Recycled Water/Local Supply is appropriate, as the Water Agency has critical water supply sources within the Santa Rosa Plain Groundwater Subbasin (Occidental Rd, Sebastopol Rd, and Todd Rd groundwater production wells) that could be impacted by the future GSA's activities.</p>	\$ 100,000
<p><u>Sonoma Creek Seepage Study</u></p>	
<p>The Sonoma Creek Seepage Study includes the performance of seepage runs, which are streamflow measurements conducted over a short period of time at multiple locations by the Sonoma Ecology Center, to evaluate the exchange between surface water in Sonoma Creek and its tributaries and groundwater. Data collected through the program provides information on surface water groundwater exchange and information needed to calibrate the groundwater flow model. The funding for the program was budgeted in FY12/13 and 13/14, which funded a \$69K agreement with the Sonoma Ecology Center.</p>	\$ 15,000
<p>In FY14/15 and FY15/16, monthly measurements were collected at approximately 19 sites and semiannual measurements were collected at approximately 70 sites in February and October 2015.</p>	
<p>Funding allocated in FY16/17 and FY17-18: semiannual measurements would be collected at up to 70 sites.</p>	
	\$ 115,000

Water Transmission Budget

2017-18

Itemized Detail for Subfunds Consulting/Contractual Services**Budget****FY17-18****Water Conservation****51241-Outside Printing and Binding**

WUE Program materials, water education calendar, and Green Business Program brochures, Garden Sense materials

\$ 45,000

\$ 45,000**51602-Business Travel/Mileage**

Attend local and statewide meeting representing the Partnership and SCWA

\$ 3,000

\$ 3,000**51803-Other Contract Services**

Water Education Bus Contract to shuttle kids from school to field study sites

\$ 41,800

Green Business Program: Funding to staff a part time position which provides water assessments for local businesses pursuing the Green Business Certification

\$ 50,000

\$ 91,800**51917-District Operations Chgs**

Salaries, benefits and overhead costs for staff assigned to projects budgeted within the Water Conservation Fund.

\$ 1,420,000

\$ 1,420,000**52071-Materials and Supplies Expense**

Teaching aids, pH strips, fabric for displays, youth outreach displays, etc.

\$ 7,500

\$ 7,500**52091-Memberships/Certifications**

Irrigation Association Certificate Renewals, Water Education Foundation, and CUWCC, Alliance for Water Efficiency, etc.

\$ 13,000

\$ 13,000**52171-Water Conservation Program**

Sonoma County Fair: Materials and hardware that are WUE focused for distribution at the Sonoma County fair

\$ 10,000

Saving Water Partnership Wholesaler Support: Act as the regional liaison attend meetings of the CUWCC Board, Alliance for Water Efficiency, Green Building Standards Commission, Independent Technical Panel, Urban Advisory Group, CA Science Teachers Association, environmental education conference.

\$ 20,000

School Education Program: Such as assembly program, port-a-potties, steelhead in the classroom program, youth outreach events, teacher program, English as a second language program, educational workbooks, maps

\$ 160,500

Outdoor Water Use Focused Programs: Qualified Water Efficient Landscaper Training in English and Spanish, Garden Sense funding provides onsite visits by local master gardeners to support local turf removal programs, Community Resilience Challenge event provides training and local workshops to promote water use efficiency; Plant labeling Program, Russian River Friendly Workshops, etc.

\$ 96,500

Public Information/Outreach Programs: Media campaign for the Sonoma-Marín Saving Water Partnership including media ad buy, ad development, photographer

\$ 160,000

Seminars, Workshops, Training: Host trainings/ workshops to benefit the Partnership, such as Water Loss, WELO; Participation in national/ statewide studies such as Turf Transformation Study

\$ 30,000

GardenSoft Licensing: Licensing of online Water Wise Gardening plant palate that is specific to Sonoma and Marin Counties

\$ 3,000

\$ 480,000

Total \$ 2,060,300

Water Transmission System Agency Fund
Local Supply / Recycled Water / Tier 2 Programs
Balance as of January 9, 2017

<i>Contractor</i>	<i>10-Year</i>	<i>Amount</i>	<i>Amount</i>	<i>Balance</i>	
	<i>Allocation</i>	<i>Approved by WAC</i>	<i>Disbursed</i>	<i>Available¹</i>	<i>Encumbered</i>
Santa Rosa	\$5,065,236	\$5,065,236	\$5,065,236	0	
Petaluma	2,197,913	2,197,913	2,197,913	0	
MMWD	1,724,026	1,724,026	1,000,000	724,026	
NMWD	1,846,726	1,846,726	1,846,726	0	
Rohnert Park	649,629	649,629	649,629	0	
VOM WD	627,875	627,875	627,875	0	
Sonoma	539,411	539,411	539,411	0	
Windsor	86,996	86,996	86,996	0	
Cotati	157,235	157,235	157,235	0	
Forestville	104,953	104,953	104,953	0	
TOTAL	\$13,000,000	\$13,000,000	\$12,275,974	\$724,026	

1. Balance Available based on 10-Year Allocation

Program started June 30, 2000 - No end date specified.

**FY 2017-18 BUDGET
BEGINNING AND ENDING CASH SUMMARY**

Section Title: Santa Rosa Aqueduct Capital Fund
 Section/Fund No: 44230

Account Title	Actual 2015-2016	Estimated 2016-2017	Adopted 2016-2017	Requested 2017-18	Difference	Percent Change
BEGINNING FUND BALANCE	2,934,957	6,057,463		5,819,006		
REVENUES						
USE OF MONEY / PROPERTY						
44002 Interest on Pooled Cash	30,614	15,000	15,000	21,450	6,450	43.00%
44003 Other Interest Earnings	29,200	0	0	0	0	N/A
44050 Unrealized Gains & Loss	(285)	(13,863)	0	0	0	N/A
SUBTOTAL	59,530	1,137	15,000	21,450	6,450	43.00%
MISCELLANEOUS REVENUES						
46040 Miscellaneous Revenue	0	0	0	0	0	N/A
46021 Capital Grants - Federal	0	0	0	0	0	N/A
46029 Donations/Contributions	0	0	0	0	0	N/A
SUBTOTAL	0	0	0	0	0	N/A
ADMINISTRATIVE CONTROL ACCOUNT						
49002 Advances	1,571,662	0	0	0	0	N/A
49003 Advances Clearing	(1,571,662)	0	0	0	0	N/A
SUBTOTAL	0	0	0	0	0	N/A
OTHER FINANCING SOURCES						
47101 Transfers In - within a F	1,386,331	320,406	367,728	386,429	18,701	5.09%
47102 Transfers In - btw Govtl	0	0	0	0	0	N/A
SUBTOTAL	1,386,331	320,406	367,728	386,429	18,701	5.09%
SPECIAL ITEMS						
48004 Residual Equity Transfe	156,694	0	0	0	0	N/A
SUBTOTAL	156,694	0	0	0	0	N/A
TOTAL REVENUES	1,602,555	321,542	382,728	407,879	25,151	6.57%
EXPENDITURES						
OTHER CHARGES						
53103 Interest on LT Debt	0	0	0	0	0	N/A
53104 Other Interest Expense	(256)	0	0	0	0	N/A
53105 Costs of Issuance	0	0	0	0	0	N/A
SUBTOTAL	(256)	0	0	0	0	N/A
FIXED ASSETS						
19820 Machinery and Equipme	0	0	0	0	0	N/A
19822 Mobile Equipment	0	0	0	0	0	N/A
19824 Computer Equipment	0	0	0	0	0	N/A
19831 CIP - Bldg & Impr	0	0	0	0	0	N/A
19832 CIP - Infrastructure	51,995	560,000	10,000	727,000	717,000	7170.00%
19840 Work in Progress - Eq	0	0	0	0	0	N/A
19841 Work in Progress - Intar	0	0	0	0	0	N/A
19851 Intangible Assets - Non-	0	0	0	0	0	N/A
SUBTOTAL	51,995	560,000	10,000	727,000	717,000	7170.00%
OTHER FINANCING USES						
57011 Transfers Out - within a	0	0	0	0	0	N/A
SUBTOTAL	0	0	0	0	0	N/A
TOTAL EXPENDITURES	51,739	560,000	10,000	727,000	717,000	7170.00%
Adjustments to Reserves/Encumbrances:						
CBA's - Included in Est. Current Yr Expenses		0				
Repayment of Loan to Storage	1,571,662	0				
Unrealized Gain/ Loss (GASB 31)	285					
Capitalized Interest	(256)					
Rounding	(1)	0				
ENDING FUND BALANCE	6,057,463	5,819,006		5,499,885		

**FY 2017-18 BUDGET
BEGINNING AND ENDING CASH SUMMARY**

Section Title: Petaluma Aqueduct Capital Fund
 Section/Fund No: 44235

Account Title	Actual 2015-2016	Estimated 2016-2017	Adopted 2016-2017	Requested 2017-18	Difference	Percent Change
BEGINNING FUND BALANCE	2,591,332	7,403,293		7,410,323		

REVENUES

USE OF MONEY / PROPERTY

44002 Interest on Pooled Ca	38,015	20,000	15,000	21,450	6,450	43.00%
44003 Other Interest Earning	74,826	0	0	0	0	N/A
44050 Unrealized Gains & L	3,669	(12,000)	0	0	0	N/A
SUBTOTAL	116,510	8,000	15,000	21,450	6,450	43.00%

ADMINISTRATIVE CONTROL ACCOUNT

49002 Advances	4,027,384	0	0	0	0	N/A
49003 Advances Clearing	(4,027,384)	0	0	0	0	N/A
SUBTOTAL	0	0	0	0	0	N/A

OTHER FINANCING SOURCES

47101 Transfers In - within a	683,394	179,029	252,060	250,281	(1,779)	(0.71%)
47102 Transfers In - btw Gov	0	0	0	0	0	N/A
SUBTOTAL	683,394	179,029	252,060	250,281	(1,779)	(0.71%)
TOTAL REVENUES	799,903	187,029	267,060	271,731	4,671	1.75%

EXPENDITURES

OTHER CHARGES

53103 Interest on LT Debt	0	0	0	0		
53105 Costs of Issuance	0	0	0	0		
53403 Loss - Disposed Capit	0	0	0	0		
SUBTOTAL	0	0	0	0	0	N/A

FIXED ASSETS

19820 Machinery and Equipr	0	0	0	0		
19822 Mobile Equipment	0	0	0	0		
19824 Computer Equipment	0	0	0	0		
19831 CIP - Bldg & Impr	0	0	0	0		
19832 CIP - Infrastructure	0	180,000	30,000	145,000	115,000	383.33%
19840 Work in Progress - Ec	0	0	0	0	0	N/A
19841 Work in Progress - Int	0	0	0	0	0	N/A
19851 Intangible Assets - Nc	0	0	0	0		
SUBTOTAL	0	180,000	30,000	145,000	115,000	383.33%

Section Title:

Petaluma Aqueduct Capital Fund

Section/Fund No:

44235

Account Title	Actual 2015-2016	Estimated 2016-2017	Adopted 2016-2017	Requested 2017-18	Difference	Percent Change
<u>SPECIAL ITEMS</u>						
56030 Residual Equity Trans	11,657	0	0	0	0	N/A
SUBTOTAL	11,657	0	0	0	0	N/A
<u>OTHER FINANCING USES</u>						
57011 Transfers Out - within	0	0	0	0	0	N/A
SUBTOTAL	0	0	0	0	0	N/A
TOTAL EXPENDITURES	11,657	180,000	30,000	145,000	115,000	383.33%

Adjustments to Reserves/Encumbrances:

CBA's - Included in Est. Current Yr Expenses		0
Loss on Fixed Asset	0	0
Principal Received on Loan	4,027,384	0
Unrealized Gain/ Loss (GASB 31)	(3,669)	0

ENDING FUND BALANCE	7,403,293	7,410,323	7,537,054
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**FY 2017-18 BUDGET
BEGINNING AND ENDING CASH SUMMARY**

Section Title:

Sonoma Aqueduct Capital Fund

Section/Fund No:

44240

Account Title	Actual 2015-2016	Estimated 2016-2017	Adopted 2016-2017	Requested 2017-18	Difference	Percent Change
BEGINNING FUND BALANCE	43,591	1,309,718		156,827		
REVENUES						
USE OF MONEY / PROPERTY						
44002 Interest on Pooled Cash	3,155	328	600	858	258	43.00%
44003 Other Interest Earnings	0	0	0	0	0	N/A
44050 Unrealized Gains & Losses	(363)	(500)	0	0	0	N/A
SUBTOTAL	2,792	(172)	600	858	258	43.00%
OTHER FINANCING SOURCES						
47101 Transfers In - within a Fund	277,438	113,726	428,105	113,609	(314,496)	(73.46%)
47102 Transfers In - btw Govtl Func	0	0	0	0	0	N/A
SUBTOTAL	277,438	113,726	428,105	113,609	(314,496)	(73.46%)
SPECIAL ITEMS						
48004 Residual Equity Transfers	1,221,292	0	0	0	0	N/A
SUBTOTAL	1,221,292	0	0	0	0	N/A
TOTAL REVENUES	1,501,521	113,554	428,705	114,467	(314,238)	(73.30%)
EXPENDITURES						
OTHER CHARGES						
53103 Interest on LT Debt	0	0	0	0		
53104 Other Interest Expense	0	0	0	0		
53105 Costs of Issuance	0	0	0	0		
53403 Loss-Disposed Capital Asset	3,580	0	0	0		
SUBTOTAL	3,580	0	0	0	0	N/A
FIXED ASSETS						
19820 Machinery and Equipment	0	0	0	0		
19822 Mobile Equipment	0	0	0	0		
19824 Computer Equipment	0	0	0	0		
19831 CIP - Bldg & Impr	0	0	0	0		
19832 CIP - Infrastructure	109,586	1,392,616	400,000	135,000	(265,000)	(66.25%)
19840 Work in Progress - Eq	0	0	0	0		
19841 Work in Progress - Intang	0	0	0	0		
19851 Intangible Assets - Non-am	0	0	0	0		
SUBTOTAL	109,586	1,392,616	400,000	135,000	(265,000)	(66.25%)
OTHER FINANCING USES						
57011 Transfers Out - within a Func	0	0	0	0	0	N/A
SUBTOTAL	0	0	0	0	0	N/A
TOTAL EXPENDITURES	113,166	1,392,616	400,000	135,000	(265,000)	(66.25%)

Adjustments to Reserves/Encumbrances:

Technical Adjustments		0
Outstanding Encumbrances - Net Change	(126,171)	126,171
Capitalized Interest	0	
Unrealized Gain/ Loss (GASB 31)	3,580	
Unrealized Gain/ Loss (GASB 31)	363	

ENDING FUND BALANCE	1,309,718	156,827	136,294
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**FY 2017-18 BUDGET
BEGINNING AND ENDING CASH SUMMARY**

Section Title:

Storage Facilities

Section/Fund No:

44250

Account Title	Actual 2015-2016	Estimated 2016-2017	Adopted 2016-2017	Requested 2017-18	Difference	Percent Change
BEGINNING FUND BALANCE	169,306	202,128		147,145		
REVENUES						
<u>USE OF MONEY / PROPERTY</u>						
44002 Interest on Pooled Cash	1,087	1,110	1,200	0	(1,200)	(100.00%)
44050 Unrealized Gains & Losses	(886)	(2,000)	1,200	(2,000)	(3,200)	(266.67%)
SUBTOTAL	201	(890)	2,400	(2,000)	(4,400)	(183.33%)
<u>MISCELLANEOUS REVENUE</u>						
46021 Capital Grants - Federal	0	185,000	0	0	0	N/A
46029 Donations/Contributions	0	0	0	0	0	N/A
46040 Miscellaneous Revenue	0	100	0	0	0	N/A
46022 Capital Grants - State (Petaluma AQ - Caltrans Project)	0	0	0	0	0	N/A
SUBTOTAL	0	185,100	0	0	0	N/A
<u>Administrative Control</u>						
49002 Advances	0	0	0	0	0	N/A
49003 Advances Clearing	0	0	0	0	0	N/A
SUBTOTAL	0	0	0	0	0	N/A
<u>OTHER FINANCING SOURCES</u>						
47101 Transfers In - within a Fund	420,302	1,870,000	950,000	150,000	(800,000)	(84.21%)
47102 Transfers In - btw Govtl Funds	1,600,000	0	0	0	0	N/A
SUBTOTAL	2,020,302	1,870,000	950,000	150,000	(800,000)	(84.21%)
TOTAL REVENUES	2,020,503	2,054,210	952,400	148,000	(804,400)	(84.46%)
EXPENDITURES						
<u>OTHER CHARGES</u>						
53103 Interest on LT Debt	29,200	0	0	0	0	N/A
53104 Other Interest Expense	(111,347)	0	0	0	0	N/A
SUBTOTAL	(82,147)	0	0	0	0	N/A
<u>FIXED ASSETS</u>						
19831 CIP - Bldg & Impr	0	0	0	0	0	N/A
19832 CIP - Infrastructure	394,231	2,203,362	1,177,000	195,000	(982,000)	(83.43%)
19841 Acq-WIP-Intangibles	26,071	0	0	0	0	N/A
19851 Intangible Assets - Non-amort	0	0	0	0	0	N/A
SUBTOTAL	420,302	2,203,362	1,177,000	195,000	(982,000)	(83.43%)

Section Title:

Storage Facilities

Section/Fund No:

44250

Account Title	Actual 2015-2016	Estimated 2016-2017	Adopted 2016-2017	Requested 2017-18	Difference	Percent Change
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>						
59002 Advances	1,571,662	0	0	0	0	N/A
59003 Advances Clearing	(1,571,662)	0	0	0	0	N/A
SUBTOTAL	0	0	0	0	0	N/A
<u>OTHER FINANCING USES</u>						
57011 Transfers Out - within a Fund	0	0	0	0	0	N/A
SUBTOTAL	0	0	0	0	0	N/A
TOTAL EXPENDITURES	338,155	2,203,362	1,177,000	195,000	(982,000)	(83.43%)

Adjustments to Reserves/Encumbrances:

Technical Adjustments		0
Repayment of Loan from SR Aqueduct Capital		0
Princ. Pymnt on loan from SR Aqueduct	(1,571,662)	0
Outstanding Encumbrances - Net Chang	32,597	92,969
Capitalized Interest	(111,347)	0
Unrealized Gain/ Loss (GASB 31)	886	1,200

ENDING FUND BALANCE	202,128	147,145	100,145
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FY 2017-18 BUDGET
BEGINNING AND ENDING CASH SUMMARY

Section Title: Common Facilities

Section/Fund No: 44260

Account Title	Actual 2015-2016	Estimated 2016-2017	Adopted 2016-2017	Requested 2017-18	Difference	Percent Change
BEGINNING FUND BALANCE	5,101,775	2,527,308		990,630		

REVENUES

USE OF MONEY / PROPERTY

44002 Interest on Pooled Cash	44,660	40,000	42,000	8,580	(33,420)	(79.57%)
44003 Other Interest Earnings	0	0	0	0	0	N/A
44050 Unrealized Gains & Los	(22,273)	(22,000)	0	(22,000)	(22,000)	N/A
SUBTOTAL	22,387	18,000	42,000	(13,420)	(55,420)	(131.95%)

CHARGES FOR SERVICES

45062 Construct/Bldg Permit F	0	0	0	0	0	N/A
SUBTOTAL	0	0	0	0	0	N/A

MIECELLANEOUS REVENUES

46021 Capital Grants - Federa	21,223	7,333,851	4,759,578	0	(4,759,578)	(100.00%)
46022 Capital Grants - State	0	0	0	0	0	N/A
46029 Donations/Contributions	0	0	0	0	0	N/A
46040 Miscellaneous Revenue	531	0	0	0	0	N/A
46041 Discounts Earned	264	0	0	0	0	N/A
46200 Revenue Appl PY Misc	20,880	0	0	0	0	N/A
SUBTOTAL	42,898	7,333,851	4,759,578	0	(4,759,578)	(100.00%)

ADMINISTRATIVE CONTROL

49002 Advances	0	0	141,510	0	(141,510)	(100.00%)
49003 Advances Clearing	0	0	(141,510)	0	141,510	(100.00%)
SUBTOTAL	0	0	0	0	0	N/A

OTHER FINANCING SOURCES

47101 Transfers In - within a F	3,855,046	7,900,000	7,491,422	3,627,000	(3,864,422)	(51.58%)
47102 Transfers In - btw Govtl	648,134	0	0	0	0	N/A
SUBTOTAL	4,503,180	7,900,000	7,491,422	3,627,000	(3,864,422)	(51.58%)

TOTAL REVENUES	4,568,465	15,251,851	12,293,000	3,613,580	(8,679,420)	(70.60%)
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EXPENDITURES

OTHER CHARGES

53103 Interest on LT Debt	74,826	0	0	0	0	N/A
53104 Other Interest Expense	(645,357)	0	0	0	0	N/A
53403 Loss - Disposed Capital	0	0	0	0	0	N/A
SUBTOTAL	(570,531)	0	0	0	0	N/A

FIXED ASSETS

19810 Land	0	0	0	0	0	N/A
19831 CIP - Bldg & Impr	648,134	0	0	0	0	N/A

Section Title:

Common Facilities

Section/Fund No:

44260

Account Title	Actual 2015-2016	Estimated 2016-2017	Adopted 2016-2017	Requested 2017-18	Difference	Percent Change
19832 CIP - Infrastructure	7,902,800	17,492,970	12,871,000	3,375,000	(9,496,000)	(73.78%)
19840 Acq-WIP-Equipment	0	0	0	0	0	N/A
19841 Work in Progress - Intar	104,360	0	0	625,000	625,000	N/A
19851 Intangible Assets - Non-	0	600,000	0	392,000	392,000	N/A
SUBTOTAL	8,655,294	18,092,970	12,871,000	4,392,000	(8,479,000)	(65.88%)
OTHER FINANCING USES						
57011 Transfers Out - within a	0	0	0	0	0	N/A
SUBTOTAL	0	0	0	0	0	N/A
ADMINISTRATIVE CONTROL ACCOUNT						
59002 Advances	4,027,384	0	0	0	0	N/A
59003 Advances Clearing	(4,027,384)	0	0	0	0	N/A
SUBTOTAL	0	0	0	0	0	N/A
TOTAL EXPENDITURES	8,084,763	18,092,970	12,871,000	4,392,000	(8,479,000)	(65.88%)

Adjustments to Reserves/Encumbrances:

Technical Adjustments	0	0
Principal payment on Loan from Petal	(4,027,384)	141,510
Outstanding Encumbrances - Net Chg	5,644,555	1,162,931
Capitalized Interest	(645,357)	
PY CIP adjustment - reclass to PY Ex	0	
Post Audit Adjustment - Payables	(52,256)	
Unrealized Gain/ Loss (GASB 31)	22,273	
Rounding		

ENDING FUND BALANCE	2,527,308	990,630	212,210
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**FY 2017-18 BUDGET
BEGINNING AND ENDING CASH SUMMARY**

Section Title: North Marin Water Deposit

Section/Fund No: 44300

Account Title	Actual 2015-2016	Estimated 2016-2017	Adopted 2016-2017	Requested 2017-18	Difference	Percent Change
BEGINNING FUND BALANCE	13,025	13,156		13,257		

REVENUES

USE OF MONEY / PROPERTY

44002 Interest on Pooled Cash	131	101	101	144	43	43.00%
44050 Unrealized Gains and Losses	(20)	0	0	0	0	N/A
SUBTOTAL	111	101	101	144	43	43.00%

Intergovernmental Revenue

42610 Other Governmental Agencies	0	0	0	0	0	N/A
SUBTOTAL	0	0	0	0	0	N/A

OTHER FINANCING SOURCES

47101 Transfers In - within a Fund	0	0	0	0	0	N/A
SUBTOTAL	0	0	0	0	0	N/A

TOTAL REVENUES	111	101	101	144	43	43.00%
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EXPENDITURES

OTHER CHARGES

53501 Contributions	0	0	0	0	0	N/A
SUBTOTAL	0	0	0	0	0	N/A

OTHER FINANCING USES

57011 Transfers Out - within a Fund	0	0	0	0	0	N/A
SUBTOTAL	0	0	0	0	0	N/A

TOTAL EXPENDITURES	0	0	0	0	0	N/A
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Adjustments to Reserves/Encumbrances:

Unrealized Gain/ Loss (GASB 31)	20	0				
Rounding		(0)				

ENDING FUND BALANCE	13,156	13,257		13,401		
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**FY 2017-18 BUDGET
BEGINNING AND ENDING CASH SUMMARY**

Section Title: State Loan Debt Service Fund

Section/Fund No: 44265

Account Title	Actual 2015-2016	Estimated 2016-2017	Adopted 2016-2017	Requested 2017-18	Difference	Percent Change
BEGINNING FUND BALANCE	\$22,284	\$6,728		\$141,648		
REVENUES						
USE OF MONEY / PROPERTY						
44002 Interest on Pooled Cash	4,986	2,600	4,200	6,006	1,806	43.00%
44003 Other Interest Earnings	0	0	0	0	0	N/A
44050 Unrealized Gains and Losses	(1,651)	(2,600)	0	0	0	N/A
SUBTOTAL	3,335	0	4,200	6,006	1,806	43.00%
OTHER FINANCING SOURCES						
47101 Transfers In - within a Fund	1,040,234	1,196,274	1,040,238	1,196,268	156,030	15.00%
47102 Transfers In - btw Govtl Funds	0	0	0	0	0	N/A
SUBTOTAL	1,040,234	1,196,274	1,040,238	1,196,268	156,030	15.00%
TOTAL REVENUES	1,043,569	1,196,274	1,044,438	1,202,274	157,836	15.11%
EXPENDITURES						
OTHER CHARGES						
53103 Interest on LT Debt	309,883	289,340	289,340	268,218	(21,122)	(7.30%)
SUBTOTAL	309,883	289,340	289,340	268,218	(21,122)	(7.30%)
OTHER FINANCING USES						
57011 Transfers Out - within a Fund	0	0	0	300,000	300,000	N/A
SUBTOTAL	0	0	0	300,000	300,000	N/A
ADMIN. CONTROL ACCOUNT						
59002 Advances	0	750,898	750,898	772,015	21,117	2.81%
59003 Advances Clearing	0	(750,898)	(750,898)	(772,015)	(21,117)	2.81%
SUBTOTAL	0	0	0	0	0	N/A
TOTAL EXPENDITURES	309,883	289,340	289,340	568,218	278,878	96.38%
Adjustments to Reserves/Encumbrances:						
Principal payments on loan	(750,892)	(21,116)				
(Increase) / Decrease in Principal Payable	0	(750,898)		(750,898)		
Unrealized Gain/ Loss (GASB 31)	1,651					
Rounding	0	0				
ENDING FUND BALANCE	\$6,728	\$141,648		\$24,806		

**FY 2017-18 BUDGET
BEGINNING AND ENDING CASH SUMMARY**

Section Title: State Loan Reserve Fund

Section/Fund No: 44270

Account Title	Actual 2015-2016	Estimated 2016-2017	Adopted 2016-2017	Requested 2017-18	Difference	Percent Change
BEGINNING FUND BALANCE	\$0	(\$0)		(\$0)		
REVENUES						
<u>USE OF MONEY / PROPERTY</u>						
44002 Interest on Pooled Cash	9,556	0	0	0	0	N/A
44003 Other Interest Earnings	0	0	0	0	0	N/A
44050 Unrealized Gains and Losses	(1,469)	0	0	0	0	N/A
SUBTOTAL	8,087	0	0	0	0	N/A
<u>OTHER FINANCING SOURCES</u>						
47101 Transfers In - within a Fund	0	0	0	0	0	N/A
SUBTOTAL	0	0	0	0	0	N/A
TOTAL REVENUES	8,087	0	0	0	0	N/A
EXPENDITURES						
<u>OTHER FINANCING USES</u>						
57011 Transfers Out - within a Fund	0	0	0	0	0	N/A
SUBTOTAL	0	0	0	0	0	N/A
TOTAL EXPENDITURES	0	0	0	0	0	N/A
Adjustments to Reserves/Encumbrances:						
Increase in Reserve	(9,557)	0		0		
Unrealized Gain/ Loss (GASB 31)	1,469					
Rounding	0					
ENDING FUND BALANCE	(\$0)	(\$0)		(\$0)		

**FY 2017-18 BUDGET
BEGINNING AND ENDING CASH SUMMARY**

Section Title:

Storage Facilities Revenue Bond - 2012A

Section/Fund No:

44280

Account Title	Actual 2015-2016	Estimated 2016-2017	Adopted 2016-2017	Requested 2017-18	Difference	Percent Change
BEGINNING FUND BALANCE	\$8,335	\$56,287		\$22,275		
REVENUES						
USE OF MONEY / PROPERTY						
44002 Interest on Pooled Cash	331	90	90	129	39	43.00%
44003 Other Interest Earnings	218	0	0	0	0	N/A
44050 Unrealized Gains and Losses	(97)	(200)	0	0	0	N/A
SUBTOTAL	452	(110)	90	129	39	43.00%
OTHER FINANCING SOURCES						
47101 Transfers In - within a Fund	309,785	313,405	272,526	310,471	37,945	13.92%
47102 Transfers In - btw Govtl Funds	0	0	0	0	0	N/A
SUBTOTAL	309,785	313,405	272,526	310,471	37,945	13.92%
TOTAL REVENUES	310,237	313,295	272,616	310,600	37,984	13.93%
EXPENDITURES						
SERVICES AND SUPPLIES						
51242 Bank Charges	863	2,500	2,500	1,500	(1,000)	(40.00%)
SUBTOTAL	863	2,500	2,500	1,500	(1,000)	(40.00%)
OTHER CHARGES						
53103 Interest on LT Debt	110,855	114,876	114,876	108,670	(6,206)	(5.40%)
53104 Other Interest Expense	(4,781)	0	0	0	0	N/A
53105 Costs of Issuance	0	0	0	0	0	N/A
SUBTOTAL	106,074	114,876	114,876	108,670	(6,206)	(5.40%)
OTHER FINANCING USES						
57011 Transfers Out - within a Fund	0	70,000	0	30,000	30,000	N/A
SUBTOTAL	0	70,000	0	30,000	30,000	N/A
ADMIN. CONTROL ACCOUNT						
59004 Administrative Control Account	150,496	155,150	155,150	159,805	4,655	3.00%
59005 Admin Control Acct Clearing	(150,496)	(155,150)	(155,150)	(159,805)	(4,655)	3.00%
SUBTOTAL	0	0	0	0	0	N/A
TOTAL EXPENDITURES	106,937	187,376	117,376	140,170	22,794	19.42%
Adjustments to Reserves/Encumbrances:						
Principal payments on bonds	(150,496)	(155,150)		(159,805)		
Restricted cash with trustee (reserve)	(169)					
Debt Issuance Costs						
(Increase) / Decrease in Bonds Payable	0					
Amortization of bond discount	(10,307)	(10,307)		(10,307)		
Amortization of deferred amount of refunding	5,526	5,526		5,526		
Unrealized Gain/ Loss (GASB 31)	97					
Rounding	1					
ENDING FUND BALANCE	\$56,287	\$22,275		\$28,119		

**FY 2017-18 BUDGET
BEGINNING AND ENDING CASH SUMMARY**

Section Title:

Common Facilities Revenue Bonds - 2012 A

Section/Fund No:

44275

Account Title	Actual 2015-2016	Estimated 2016-2017	Adopted 2016-2017	Requested 2017-18	Difference	Percent Change
BEG. FUND BALANCE	\$24,507	\$90,741		\$141,095		
REVENUES						
USE OF MONEY / PROPERTY						
44002 Interest on Pooled Cash	560	300	240	343	103	43.00%
44003 Other Interest Earnings	305	(400)	0	0	0	N/A
44050 Unrealized Gains and Losses	(194)	0	0	0	0	N/A
SUBTOTAL	672	(100)	240	343	103	43.00%
OTHER FINANCING SOURCES						
47101 Transfers In - within a Fund	432,683	437,753	380,655	434,680	54,025	14.19%
47102 Transfers In - btw Govtl Funds	0	0	0	0	0	N/A
SUBTOTAL	432,683	437,753	380,655	434,680	54,025	14.19%
TOTAL REVENUES	433,355	437,653	380,895	435,024	54,129	14.21%
EXPENDITURES						
SERVICES AND SUPPLIES						
51242 Bank Charges	1,120	2,500	2,500	2,000	(500)	(20.00%)
SUBTOTAL	1,120	2,500	2,500	2,000	(500)	(20.00%)
OTHER CHARGES						
53103 Interest on LT Debt	155,225	160,905	160,905	152,215	(8,690)	(5.40%)
53104 Other Interest Expense	(6,645)	0	0	0	0	N/A
53105 Costs of Issuance	0	0	0	0	0	N/A
SUBTOTAL	148,580	160,905	160,905	152,215	(8,690)	(5.40%)
OTHER FINANCING USES						
57011 Transfers Out - within a Fund	0	0	0	0	0	N/A
SUBTOTAL	0	0	0	0	0	N/A
ADMIN. CONTROL ACCOUNT						
59004 Administrative Control Account	210,733	217,250	217,250	223,768	6,518	3.00%
59005 Admin Control Acct Clearing	(210,733)	(217,250)	(217,250)	(223,768)	(6,518)	3.00%
SUBTOTAL	0	0	0	0	0	N/A
TOTAL EXPENDITURES	149,700	163,405	163,405	154,215	(9,190)	(5.62%)
Adjustments to Reserves/Encumbrances:						
CBAs - Included in Est. Current Yr Expenses		0				
Principal payments on bonds	(210,733)	(217,250)		(223,768)		
Proceeds from issuance	0	0		0		
2003A Bond Redemption	0	0		0		
2003A Deferred amount of refunding	0	0		0		
Underwriters Discount	0	0		0		
Reclass of good faith on refunding to LT Bond	0	0		0		
Debt Issuance Costs	0	0		0		
(Increase) / Decrease in Bonds Payable	0	0		54,269		
Restricted cash with trustee (reserve)	(236)	0		0		
Amortization of bond discount	0	0		0		
Amortization of bond premium	(14,432)	(14,432)		(14,432)		
Amortization of bond issuance costs	0	0		0		
Amortization of deferred amount of refunding	7,787	7,787		7,787		
Unrealized Gain/ Loss (GASB 31)	194	0		0		
Rounding	(1)			0		
ENDING FUND BALANCE	\$90,741	\$141,095		\$245,759		

**FY 2017-18 BUDGET
BEGINNING AND ENDING CASH SUMMARY**

Section Title:

Sonoma Aqueduct Revenue Bonds 2012

Section/Fund No:

44285

Account Title	Actual 2015-2016	Estimated 2016-2017	Adopted 2016-2017	Requested 2017-18	Difference	Percent Change
BEGINNING FUND BALANCE	\$104,237	\$144,936		\$174,831		
REVENUES						
<u>USE OF MONEY / PROPERTY</u>						
44002 Interest on Pooled Cash	1,020	360	360	515	155	43.00%
44003 Other Interest Earnings	179	0	0	0	0	N/A
44050 Unrealized Gains and Losses	(428)	(400)	0	0	0	N/A
SUBTOTAL	771	(40)	360	515	155	43.00%
<u>OTHER FINANCING SOURCES</u>						
47101 Transfers In - within a Fund	255,333	259,347	225,519	255,693	30,174	13.38%
47102 Transfers In - btw Govtl Funds	0	0	0	0	0	N/A
SUBTOTAL	255,333	259,347	225,519	255,693	30,174	13.38%
TOTAL REVENUES	256,104	259,307	225,879	256,208	30,329	13.43%
EXPENDITURES						
<u>SERVICES AND SUPPLIES</u>						
51242 Bank Charges	752	3,400	3,400	1,500	(1,900)	(55.88%)
SUBTOTAL	752	3,400	3,400	1,500	(1,900)	(55.88%)
<u>OTHER CHARGES</u>						
53103 Interest on LT Debt	91,170	94,519	94,519	89,414	(5,105)	(5.40%)
53104 Other Interest Expense	(3,892)	0	0	0	0	N/A
53105 Costs of Issuance	0	0	0	0	0	N/A
SUBTOTAL	87,278	94,519	94,519	89,414	(5,105)	(5.40%)
<u>OTHER FINANCING USES</u>						
57011 Transfers Out - within a Fund	0	0	0	0	0	N/A
SUBTOTAL	0	0	0	0	0	N/A
<u>ADMIN. CONTROL ACCOUNT</u>						
59004 Administrative Control Account	123,772	127,600	127,600	131,428	3,828	3.00%
59005 Admin Control Acct Clearing	(123,772)	(127,600)	(127,600)	(131,428)	(3,828)	3.00%
SUBTOTAL	0	0	0	0	0	N/A
TOTAL EXPENDITURES	88,030	97,919	97,919	90,914	(7,005)	(7.15%)
Adjustments to Reserves/Encumbrances:						
(Increase)/Decrease in Bonds Payable						
Principal Payments on Bonds	(123,772)	(127,600)		(131,428)		
Principal payments on bonds	0	0		0		
Proceeds from issuance	0	0		0		
(Increase) / Decrease in Bonds Payable	0	0		0		
Restricted cash with trustee (reserve)	(138)	0		0		
Amortization of bond discount	(8,477)	(8,477)		0		
Amortization of bond issuance costs	0	0		0		
Amortization of deferred amount of refunding	4,584	4,584		0		
Unrealized Gain/ Loss (GASB 31)	428	0		0		
Rounding	0	0		0		
ENDING FUND BALANCE	\$144,936	\$174,831		\$208,697		

**FY 2017-18 BUDGET
BEGINNING AND ENDING CASH SUMMARY**

Section Title:

Storage Facilities Revenue Bonds 2015

Section/Fund No:

44290

Account Title	Actual 2015-2016	Estimated 2016-2017	Adopted 2016-2017	Requested 2017-18	Difference	Percent Change
BEGINNING FUND BALANCE	\$4,883	\$2,376,295		\$692,843		
REVENUES						
USE OF MONEY / PROPERTY						
44002 Interest on Pooled Cash	12,383	3,400	180	257	77	43.00%
44003 Other Interest Earnings	10	(200)	0	0	0	N/A
44050 Unrealized Gains and Losses	3,008	0	0	0	0	N/A
SUBTOTAL	15,401	3,200	180	257	77	43.00%
OTHER FINANCING SOURCES						
47101 Transfers In - within a Fund	1,167,599	972,688	816,693	967,467	150,774	18.46%
47102 Transfers In - btw Govtl Funds	0	0	0	0	0	N/A
SUBTOTAL	1,167,599	972,688	816,693	967,467	150,774	18.46%
TOTAL REVENUES	1,183,000	975,888	816,873	967,725	150,852	18.47%
EXPENDITURES						
SERVICES AND SUPPLIES						
51242 Bank Charges	1,302	3,583	1,750	2,500	750	42.86%
SUBTOTAL	1,302	3,583	1,750	2,500	750	42.86%
OTHER CHARGES						
53103 Interest on LT Debt	274,296	288,731	261,453	277,349	15,896	6.08%
53104 Other Interest Expense	(13,525)	0	0	0	0	N/A
53105 Costs of Issuance	199,130	0	0	0	0	N/A
SUBTOTAL	459,901	288,731	261,453	277,349	15,896	6.08%
OTHER FINANCING USES						
57011 Transfers Out - within a Fund	420,302	1,800,000	950,000	120,000	(830,000)	(87.37%)
57012 Transfers Out - btw Govtl Fund	1,600,000	0	0	0	0	N/A
SUBTOTAL	2,020,302	1,800,000	950,000	120,000	(830,000)	(87.37%)
59004 Administrative Control Account	540,576	553,502	553,490	561,427	7,937	1.43%
59005 Admin Control Acct Clearing	(540,576)	(553,502)	(553,490)	(561,427)	(7,937)	1.43%
SUBTOTAL	0	0	0	0	0	N/A
TOTAL EXPENDITURES	2,481,505	2,092,314	1,213,203	399,849	(813,354)	(67.04%)
Adjustments to Reserves/Encumbrances:						
Technical Adjustments		0				
Proceeds from Bond Issuance		0				
Proceeds from Taxable Bond Issuance		0				
Deposit to Cost of Issuance Fund	3,950,000	0				
Loss on Refunding of Debt	(101,153)	5,058				
Restricted Cash w/Fiscal Agent	(296,744)					
Principal Payment	(540,576)	(553,502)		(561,427)		
Revenue Bonds Pay - Change in Current Bal	322,033	0		0		
Amortization of Bond Premium	339,364	(18,582)		(2,223)		
Unrealized Gain/ Loss (GASB 31)	(3,008)					
Rounding	1	(0)				
ENDING FUND BALANCE	\$2,376,295	\$692,843		\$697,069		

**FY 2017-18 BUDGET
BEGINNING AND ENDING CASH SUMMARY**

Section Title: Common Facilities Revenue Bonds 2015

Section/Fund No: 44295

Account Title	Actual 2015-2016	Estimated 2016-2017	Adopted 2016-2017	Requested 2017-18	Difference	Percent Change
BEG. FUND BALANCE	\$7,784	\$5,245,073		\$636,074		
REVENUES						
USE OF MONEY / PROPERTY						
44002 Interest on Pooled Cash	44,227	20,000	1,200	1,716	516	43.00%
44003 Other Interest Earnings	16	0	0	0	0	N/A
44050 Unrealized Gains and Losses	13,695	0	0	0	0	N/A
SUBTOTAL	57,938	20,000	1,200	1,716	516	43.00%
OTHER FINANCING SOURCES						
47101 Transfers In - within a Fund	941,383	719,717	648,483	717,738	69,255	10.68%
47102 Transfers In - btw Govtl Funds	0	0	0	0	0	N/A
SUBTOTAL	941,383	719,717	648,483	717,738	69,255	10.68%
TOTAL REVENUES	999,321	739,717	649,683	719,454	69,771	10.74%
EXPENDITURES						
SERVICES AND SUPPLIES						
51242 Bank Charges	1,195	4,200	9,150	2,500	(6,650)	(72.68%)
SUBTOTAL	1,195	4,200	9,150	2,500	(6,650)	(72.68%)
OTHER CHARGES						
53103 Interest on LT Debt	393,179	480,121	497,823	473,046	(24,777)	(4.98%)
53104 Other Interest Expense	(21,956)	0	0	0	0	N/A
53105 Costs of Issuance	289,797	0	0	0	0	N/A
SUBTOTAL	661,020	480,121	497,823	473,046	(24,777)	(4.98%)
OTHER FINANCING USES						
57011 Transfers Out - within a Fund	3,855,046	4,700,000	3,780,000	250,000	(3,530,000)	(93.39%)
57012 Transfers Out - btw Govtl Fund	0	0	0	0	0	N/A
SUBTOTAL	3,855,046	4,700,000	3,780,000	250,000	(3,530,000)	(93.39%)
ADMIN. CONTROL ACCOUNT						
59004 Administrative Control Account	134,424	141,520	141,510	148,574	7,064	4.99%
59005 Admin Control Acct Clearing	(134,424)	(141,520)	(141,510)	(148,574)	(7,064)	4.99%
SUBTOTAL	0	0	0	0	0	N/A
TOTAL EXPENDITURES	4,517,261	5,184,321	4,286,973	725,546	(3,561,427)	(83.08%)
Adjustments to Reserves/Encumbrances:						
CBA's - Included in Est. Current Yr Expense	0	0		0		
Proceeds Bond Issuance	8,550,000	0		0		
Cost of Issuance	0	0		0		
Restricted Cash w/Fiscal Agent	0	0		0		
Principal Payment	(134,424)	(141,520)		(148,574)		
Revenue Bonds Pay - Change in Current B:	465,634	0		0		
Amortization of Bond Premium	540,130	(27,390)		0		
Amortization of Cost of Issuance	0	0		0		

Change in Reserved Fund Balance	(562,116)		
Loss on Refunding Debt	(90,302)	4,515	4,516
Post Audit Adjustments - Closing COI	0	0	0
Unrealized Gain/ Loss (GASB 31)	(13,695)	0	0
Rounding	1	(0)	0
ENDING FUND BALANCE	\$5,245,073	\$636,074	\$485,924

**FY 2017-18 BUDGET
BEGINNING AND ENDING CASH SUMMARY**

Section Title:

Sonoma Aqueduct Revenue Bonds 2015

Section/Fund No:

44305

Account Title	Actual 2015-2016	Estimated 2016-2017	Adopted 2016-2017	Requested 2017-18	Difference	Percent Change
BEGINNING FUND BALANCE	\$0	\$1,146,592		\$1,166,314		
REVENUES						
USE OF MONEY / PROPERTY						
44002 Interest on Pooled Cash	12,359	15,000	15,000	8,580	(6,420)	(42.80%)
44003 Other Interest Earnings	0	0	0	0	0	N/A
44050 Unrealized Gains and Losses	1,606	0	0	0	0	N/A
SUBTOTAL	13,965	15,000	15,000	8,580	(6,420)	(42.80%)
OTHER FINANCING SOURCES						
47101 Transfers In - within a Fund	61,392	49,119	41,812	47,394	5,582	13.35%
47102 Transfers In - btw Govtl Funds	0	0	0	0	0	N/A
SUBTOTAL	61,392	49,119	41,812	47,394	5,582	13.35%
TOTAL REVENUES	75,357	64,119	56,812	55,974	(838)	(1.48%)
EXPENDITURES						
SERVICES AND SUPPLIES						
51242 Bank Charges	238	2,000	1,100	500	(600)	(54.55%)
SUBTOTAL	238	2,000	1,100	500	(600)	(54.55%)
OTHER CHARGES						
53103 Interest on LT Debt	27,367	40,712	40,712	40,712	0	0.00%
53104 Other Interest Expense	(1,685)	0	0	0	0	N/A
53105 Costs of Issuance	25,780	0	0	0	0	N/A
SUBTOTAL	51,462	40,712	40,712	40,712	0	0.00%
OTHER FINANCING USES						
57011 Transfers Out - within a Fund	0	0	300,000	0	(300,000)	(100.00%)
SUBTOTAL	0	0	300,000	0	(300,000)	(100.00%)
ADMIN. CONTROL ACCOUNT						
59004 Administrative Control Account	0	0	0	0	0	N/A
59005 Admin Control Acct Clearing	0	0	0	0	0	N/A
SUBTOTAL	0	0	0	0	0	N/A
TOTAL EXPENDITURES	51,700	42,712	341,812	41,212	(300,600)	(87.94%)
Adjustments to Reserves/Encumbrances:						
Proceeds Bond Issuance	1,162,333	0		0		
Restricted Cash w/Fiscal Agent	0	0		0		
Principal Payment	0	0		0		
Deposit to Cost of Issuance Fund	0	0		0		
Amortization of Bond Premium	40,435	(1,685)		0		
Unrealized Gain/ Loss (GASB 31)	(1,606)	0		0		
Change in Reserved Fund Balance	(78,227)			0		
Rounding	0	0		0		
ENDING FUND BALANCE	\$1,146,592	\$1,166,314		\$1,181,076		

REVENUE BOND / STATE LOAN CHARGES - WATER RATES AND ESTIMATED REVENUES FOR FY17-18

A. ANNUAL DEBT SERVICE REQUIREMENTS

	Common Facilities	Watershed Plan Restoration	Water Conservation	Storage Facilities	Sonoma Pipeline Facilities
2012 A Revenue Bond	44275	TBD	TBD	44280	44285
PRINCIPAL	223,768			159,805	131,428
INTEREST	152,215			108,670	89,414
FISCAL AGENT FEES	2,000			1,500	1,500
DEBT ISSUANCE COSTS					
Total Individual Bond Payments	377,983	0		269,975	222,342
Bond Reserve	56,697	0		40,496	33,351
Total Individual Bond Debt Service	434,680	0		310,471	255,693
2015A Revenue Bond	44295			44290	44305
PRINCIPAL	148,574			561,427	0
INTEREST	473,046			277,349	40,712
FISCAL AGENT FEES	2,500			2,500	500
Total Individual Bond Payments	624,120			841,276	41,212
Bond Reserve (fully funded)	93,618			126,191	6,182
Total Individual Bond Debt Service	717,738			967,467	47,394
2006A Revenue Bond					
PRINCIPAL					
INTEREST					
FISCAL AGENT FEES					
Total Individual Bond Payments	0			0	0
Bond Reserve (fully funded)				0	0
Total Individual Bond Debt Service	0			0	0
2013 Capital Fund Loan Requirement					
PRINCIPAL	0				
INTEREST	0				
FISCAL AGENT FEES	0				
DEBT ISSUANCE COSTS	0				
DISCOUNT/BONDS	0				
Total Individual Loan Payments	0				
Loan Reserve					
Total Individual Loan Debt Service	0				
2013 Santa Rosa AQ Capital Fund Loan					
PRINCIPAL					
INTEREST					
FISCAL AGENT FEES					
DEBT ISSUANCE COSTS					
DISCOUNT/BONDS					
Total Individual Loan Payments					
Loan Reserve					
Total Individual Loan Debt Service	0			0	0
2013 Petaluma AQ Capital Fund Loan					
PRINCIPAL					
INTEREST					
FISCAL AGENT FEES					
DEBT ISSUANCE COSTS					
DISCOUNT/BONDS					
Total Individual Loan Payments					
Loan Reserve					
Total Individual Loan Debt Service	0			0	
<u>1. 09/10 Financing Exp for Common Fac incl above until index established</u>	Mirabel Generators	TBD - RRIFR	TBD - Water Ed Bldg	TBD - Oakmont Pipeline	
PRINCIPAL	0				
INTEREST	0				
FISCAL AGENT FEES	0				
DEBT ISSUANCE COSTS	0				
Total Individual Bond Payments	0	0	0	0	0
Reserve	0	0	0	0	0

REVENUE BOND / STATE LOAN CHARGES - WATER RATES AND ESTIMATED REVENUES FOR FY17-18

A. ANNUAL DEBT SERVICE REQUIREMENTS

	Common Facilities	Watershed Plan Restoration	Water Conservation	Storage Facilities	Sonoma Pipeline Facilities
Total Individual Financing Debt Service	0	0	0	0	0
	44265				
SRF LOAN	675439				
PRINCIPAL	772,015			N.A	N.A
INTEREST	268,218			N.A	N.A
Total Individual Loan Payments	1,040,233				
Reserve Requirement	156,035				
Total SRF Debt Service	1,196,268				
SRF LOAN RESERVE RESERVE				N.A	N.A
Total SRF Debt Service	1,196,268				
TOTAL DEBT SERVICE	\$2,348,686	\$0	\$0	\$1,277,939	\$303,087
LESS REV. FROM N. MARIN REV. BOND CHARGES	290,988				
REMAINING REVENUE REQUIREMENT	\$2,057,699	\$0	\$0	\$1,277,939	\$303,087

B. CALCULATIONS OF WATER RATES FOR FY17-18

	Common Facilities Debt Service Charge	Watershed Plan Restoration Debt Service Charge	Water Conservation Debt Service Charge	Storage Facilities Revenue Bonds Charge	Sonoma Pipeline Facilities Revenue Bonds Charge
REVENUE REQUIREMENT	\$2,057,698.70	\$0	\$0	\$1,277,939	\$303,087
APPLICABLE BASE WATER DELIVERIES IN A.F.	30,347.04	41,395.8	41,395.8	30,347.04	3,553.9
CHARGES PER ACRE-FEET	\$67.81	\$0.00	\$0.00	\$42.11	\$85.28

C. CALCULATIONS OF NORTH MARIN REVENUE BONDS CHARGE

REVENUE REQUIREMENT FOR COMMON FACILITIES DEBT SERVICE (Remaining Facilities per RA 4.3a2)	2,348,686
N. MARIN'S SHARE (REV. REQMT. FOR COMMON FAC. DEBT SERVICE X (11.2/90.4))	290,988
ESTIMATED WATER DELIVERIES TO NORTH MARIN (IN A.F.)	5,813
NORTH MARIN REVENUE BONDS CHARGE	50.05

REVENUE REQUIREMENT FOR COMMON FACILITIES DEBT SERVICE (Additional Facilities per RA 4.3b9)	-
N. MARIN'S SHARE (REV. REQMT. FOR COMMON FAC. DEBT SERVICE X (19.9/146.2))	-
ESTIMATED WATER DELIVERIES TO NORTH MARIN (IN A.F.)	5,813
NORTH MARIN REVENUE BONDS CHARGE	0.01

Common Facilities			
Debt Service RA 4.3a2 (remaining facilities)	2,348,686	Total Revenue Required	\$2,348,686
N. Marin's Share (11.2/90.4)	290,988	Debt service - Additional Facilities	0
Estimated Water Deliveries to N. Marin	5,813.5	Revenue base for NMWD	\$2,348,686
Applicable portion of the N. Marin R. Bonds Charge	\$50.05		

2015A New Money P&I Begins 2020

Debt Service RA 4.3b9 (additional facilities)	0		
N. Marin's Share (19.9/146.2)	-		
Estimated Water Deliveries to N. Marin	5,813	<i>Update formula for the lesser of three years or 12 months average delivery.</i>	
Applicable portion of the N. Marin R. Bonds Charge	\$ -		
Total NMWD Share	290,988		
NMWD Total Bonds Charge	\$50.05		

FY 2017-18 BUDGET
Water Transmission System - Fund Balances and Operating Transfers

Fund	Index	OT Out (57012)	To	OT In (47102)	Fund Bal. (Stmnt.)	Fund Bal. (Cash)	Diff.
Santa Rosa Aq. Capital Fund	44230	0		386,429	5,499,885	5,499,885	0
Petaluma Aq. Capital Fund	44235	0		250,281	7,537,054	7,537,054	0
Sonoma Aq. Capital Fund	44240	0		113,609	136,294	136,294	0
Sonoma Rev Bond 2012 Fund	44285	0		255,693	208,697	208,697	0
Sonoma Rev Bond 2015 Fund	44305	0		47,394	1,181,076	1,181,076	0
Storage Rev Bond 2012 Fund	44280	30,000	Storage Facilities	310,471	28,119	28,119	0
Storage Rev Bond 2015 Fund	44290	120,000	Storage Facilities	967,467	697,069	697,069	(0)
Common Rev Bond 2012 Fund	44275	0	Common Facilities	434,680	245,759	245,759	0
Common Rev Bond 2015 Fund	44295	250,000	Common Facilities	717,738	485,924	485,924	0
State Loan Debt Service	44265	300,000	Common Facilities	1,196,268	24,806	24,806	0
State Loan Reserve	44270	0		0	(1)	(0)	0
Capital Lease Financing		0		0	0	0	0
Agency Fund (Discretionary)	44205	3,077,000	Common Facilities	0	3,539,407	3,539,407	0
Agency Fund (Charges)	44205	10,620,081		0			0
Pipeline Facilities	44255			0	0	0	0
Storage Facilities	44250			150,000	100,145	100,145	0
Common Facilities	44260			3,627,000	212,210	212,210	(0)
North Marin	44300			0	13,401	13,401	(0)
Water Management Planning	44210			130,000	385,413	385,413	(0)
Watershed Planning/Restoration	44215			3,581,000	4,138,117	4,138,117	0
Recycled Water & Local Supply	44220			415,000	375,261	375,261	(0)
Water Conservation	44225			1,814,050	213,745	213,745	(0)
Total		14,397,081		14,397,081	25,022,381	25,022,381	0

Common Facilities OT - in 47101 From

Water Transmission (discretionary)	3,077,000
Water Transmission (Charges)	-
North Marin	-
2012 Bond Fund	-
2015 Bond Fund	250,000
	<u>3,327,000</u>

O&M Rate Computation
Revenue Requirement - Transfers Out:

10,620,081

Agency Fund (Charges) OT - Out To:

AQ Capital Funds

Santa Rosa Aq. Capital Fund	386,429
Petaluma Aq. Capital Fund	250,281
Sonoma Aq. Capital Fund	113,609
	<u>750,319</u>

Agency Fund (Charges) OT - Out To:
Summary

AQ Capital Funds	750,319
Debt Service Funds	3,929,712
WT Subfunds	5,940,050
	<u>10,620,081</u>

Debt Service Funds

Sonoma Rev Bond 2012 Fund	255,693
Sonoma Rev Bond 2015 Fund	47,394
Storage Rev Bond 2012 Fund	310,471
Storage Rev Bond 2015 Fund	967,467
Common Rev Bond 2012 Fund	434,680
Common Rev Bond 2015 Fund	717,738
State Loan Debt Service	1,196,268
State Loan Reserve	0
Capital Lease Financing	0
	<u>3,929,712</u>

Capital Funds and North Marin

Total 13,697,081

See Next Page for Bond Proceeds Summary

Capital Funds and North Marin

Pipeline Facilities	0
Storage Facilities	0
Common Facilities	3,077,000
North Marin	0
	<u>3,077,000</u>

WT Subfunds

Water Management Planning	130,000
Watershed Planning/Restoration	3,581,000
Recycled Water & Local Supply	415,000
Water Conservation	1,814,050
	<u>5,940,050</u>

Total 13,697,081

2015A Water Revenue Bonds - Bond Proceeds Summary

	FY15-16 Actuals	FY16-17 Estimated	FY17-18 Budget	
Sonoma Rev Bond 2015:				
Bond Proceeds:	1,162,333			
Transfer Out To:	Sonoma AQ Capital Fund			Projects
	0	0	0	Sonoma Booster Station (SBS) Pumping/Elec Upgrades & Sonoma SBS Storage Building

Balance: 1,162,333

Storage Rev Bond 2015 Fund

Bond Proceeds:	3,950,000			
Transfer Out To:	Storage Facilities			Projects
	420,302	1,800,000	120,000	Ralphine Tanks Flow Through Project
	1,600,000			Repay SR AQ Intrafund Loan
	<u>2,020,302</u>	<u>1,800,000</u>	<u>120,000</u>	

Balance: 9,698

Common Rev Bond 2015 Fund

Bond Proceeds:	8,550,000			
Transfer Out To:	Common Facilities			Projects
	3,855,046	4,700,000	250,000	Mirabel Fish Screen, Mirabel Dam Bladder Replacement, Isolation Valves, MW and RR Creek Crossings

Balance: -255,046 *per Master Ordinance, collect 1.15x debt service which generates revenue in excess of bond proceeds.*

5,875,348 6,500,000 370,000 *All project allocations are based on costs net of grant funds.*

Balance - all bond proceeds: 916,985

**WATER TRANSMISSION SYSTEM
FY17-18 REVENUE SUMMARY CHART**

WATER CUSTOMER	FY17-18 Budgeted Water Use (Acre- Feet)	FY16-17 Rate \$/Acre-Foot	FY17-18 Proposed Rate \$/Acre-Foot	Dollar Change	Percent Change
Santa Rosa Aqueduct	15,950	\$806.59	\$846.78	\$40.19	4.98%
Petaluma Aqueduct	9,100	806.59	846.78	\$40.19	4.98%
Sonoma Aqueduct	3,554	894.62	944.56	\$49.94	5.58%
North Marin Water Dist.	5,813	829.97	886.28	\$56.31	6.78%
Marin Municipal – Third Off Peak	4,300	982.54	1,058.79	\$76.24	7.76%
Marin Municipal – Supplemental	937	982.54	1,058.79	\$76.24	7.76%
Forestville Aqueduct	353	787.09	827.28	\$40.19	5.11%
Wholesale/Municipal	887	1,073.54	1133.47	\$59.93	5.58%
Surplus	49	829.76	860.83	\$31.07	3.74%
Windsor	502	967.91	1,016.14	\$48.22	4.98%
TOTAL	41,446				

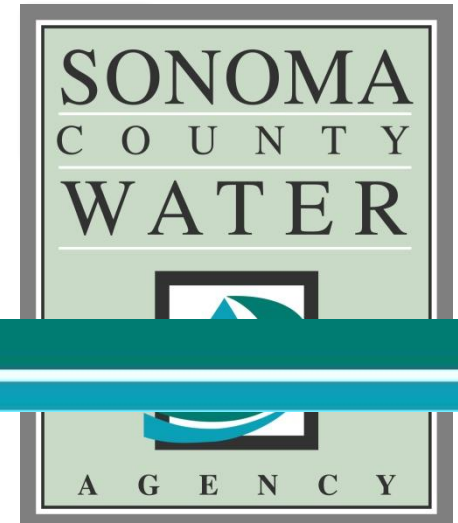
New Charges for Various Debt Service Payments

Name of the Revenue Bond Charge	Project Financed	FY 2016/2017 Debt Service/Per A.F.	FY 2017/2018 Debt Service/Per A.F.	Affected Customer Class
Storage Facilities Revenue Bond Charge	Kawana Springs Tank #2, Oakmont Pipeline, Kawana to Ralphine Pipeline, Kastania Tank #2	\$35.89	\$42.11	All Prime Contractors except North Marin
Common Facilities Revenue Bond Charge	Wohler-Forestville Pipeline, Collector #6	\$59.73	\$67.81	All Prime Contractors except North Marin
Sonoma Aqueduct Revenue Bond Charge	Eldridge-Madrone Pipeline	\$75.53	\$85.28	Sonoma Aqueduct customers
North Marin Revenue Bond Charge	Wohler-Forestville Pipeline, Collector #6	\$51.27	\$50.06	North Marin

FY 17-18 Proposed Budget and Rates Water Transmission System

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Transparent and Collaborative Process



- **Recommended by TAC on March 6**

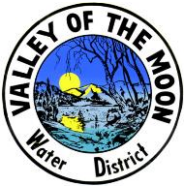
- **Made Presentations to:**

- ✓ **Santa Rosa BPU on March 2**

- ✓ **City of Santa Rosa on March 14**

- ✓ **City of Petaluma on March 20**

- **Recommended by WAC on April 3**



Proposed Rates for FY 17-18

Charge/ Aqueduct	Santa Rosa	Petaluma	Sonoma
Deliveries (Acre-Feet)	41,446	41,446	41,446
O&M	\$574.04	\$574.04	\$574.04
Water Management Planning	\$3.14	\$3.14	\$3.14
Watershed Planning & Restoration	\$86.40	\$86.40	\$86.40
Recycled Water and Local Supply	\$10.01	\$10.01	\$10.01
Water Conservation	\$43.77	\$43.77	\$43.77
Total O&M	\$717.36	\$717.36	\$717.36
Storage & Common Bond/Loan Charges	\$109.92	\$109.92	\$109.92
Sonoma Aqueduct Bond/Loan Charge			\$85.28
Prime Contractors	\$827.28	\$827.28	\$912.56
<u>Discretionary Charges</u>			
Capital Charges - <i>to build fund balance for future projects</i>	\$19.50	\$19.50	\$32.00
Local Recycled Water Tier 2 Program	\$0.00	\$0.00	\$0.00
Prime Contractors	\$19.50	\$19.50	\$32.00
Total Prime Contractors	\$846.78	\$846.78	\$944.56
Total Overall Increase:	4.98%	4.98%	5.58%

Rate Setting Calculation (EXAMPLE)

$$\frac{\$35,100,000}{41,446 \text{ AF}} = \$847 / \text{Acre Foot}$$

Water Sold = Lesser of:

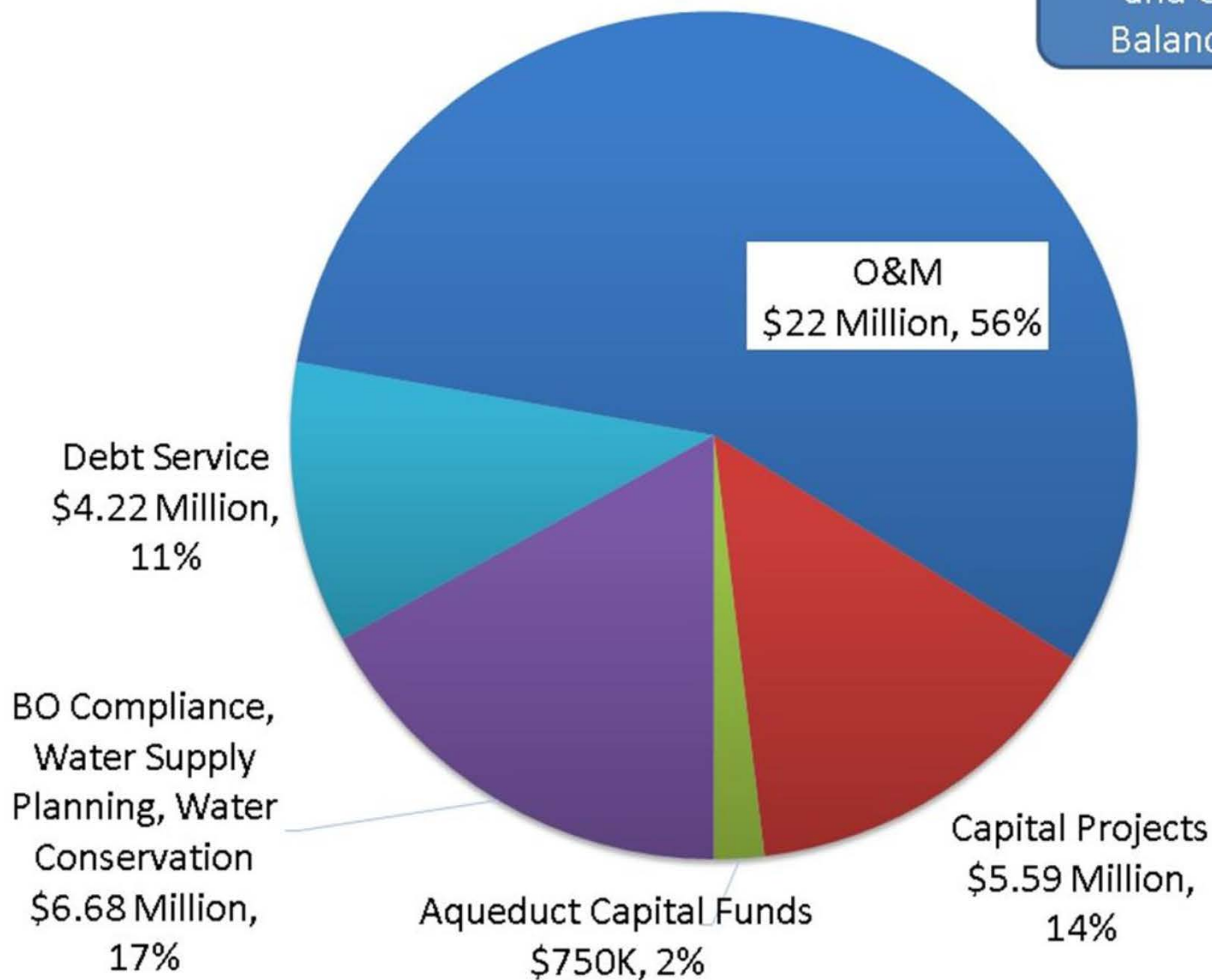
44,187 AF

or

41,446 AF

FY 17-18 Expenditures

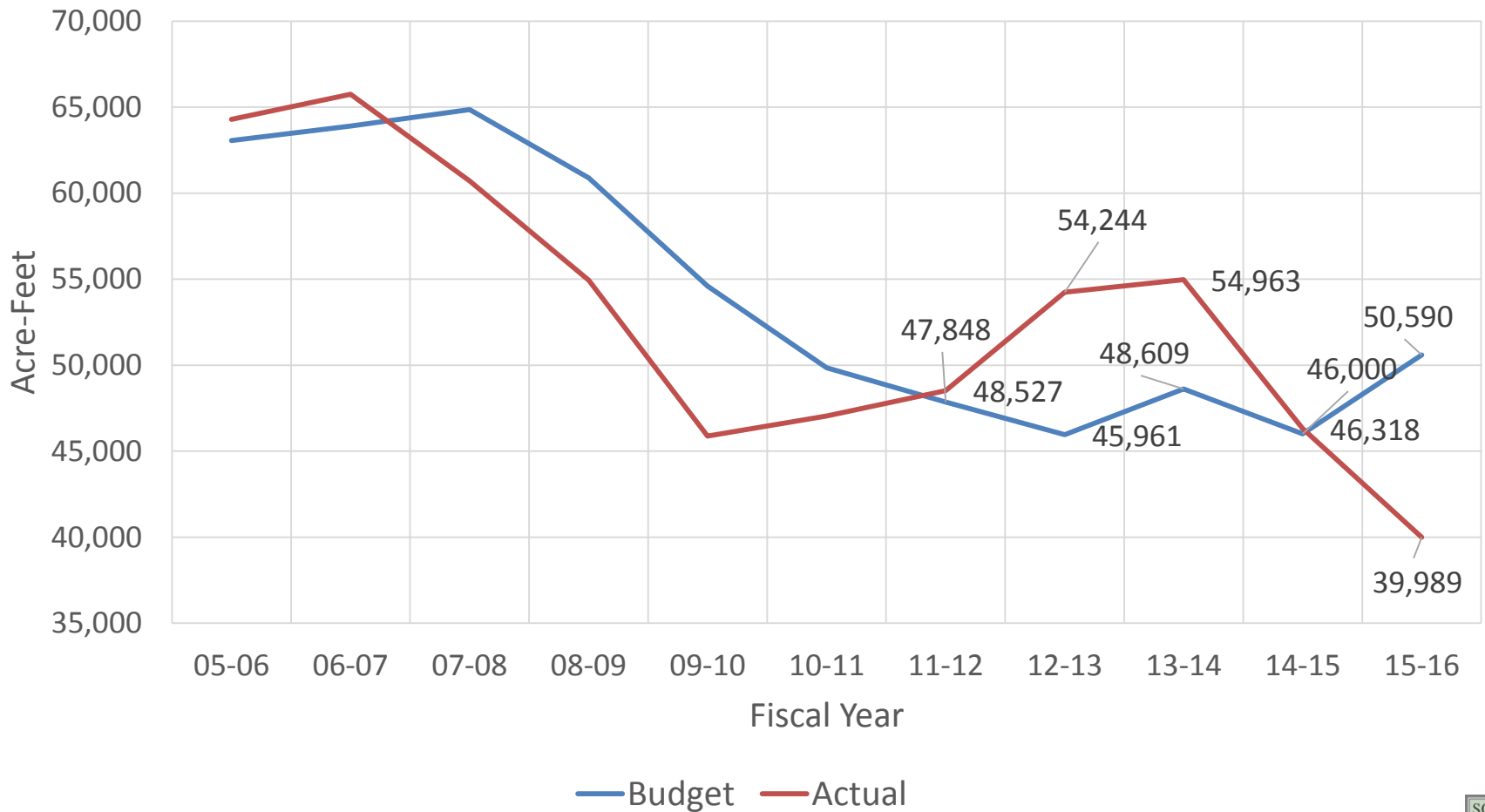
Grants, Bond Proceeds,
and Use of Fund
Balance \$860,000



Expenditures Compared to FY 16-17

	FY16-17	FY17-18	
	Budget	Budget	Change
Operations and Maintenance	\$19.99 Million	\$22.00 Million	\$2,000,000
Capital Projects	\$8.57 Million	\$5.59 Million	(\$2,970,000)
BO Compliance, Water Supply Planning, Water Conservation	\$7.97 Million	\$6.68 Million	(\$1,290,000)
Debt Service	\$3.68 Million	\$4.22 Million	\$540,000
Aqueduct Capital Contribution	\$750,000	\$750,000	\$0
Totals	\$40.96 Million	\$39.24 Million	(\$1,720,000)
Grants, Use of Fund Balance, and Bond Proceeds	\$14,880,000	\$860,000	(\$14,020,000)

Historical Water Transmission Deliveries



Capital Projects

- Begin construction of Russian River and Mark West Creek Crossings - Hazard Mitigation Projects
- Complete Construction of Ralphine Tanks Flow thru Conversion Project, and Isolation Valves Hazard Mitigation Project

Large Non-Routine Maintenance



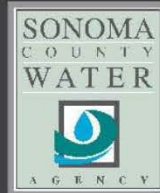
- Recoat interior and exterior surfaces of water tanks
- Replace cathodic protection system
- Kastania Tank - remove coal-tar interior coating

Operations & maintenance **50¢**

Biological Opinion
Compliance,
Water Supply,
Water Conservation
15¢

Aqueduct Capital Fund **2¢**

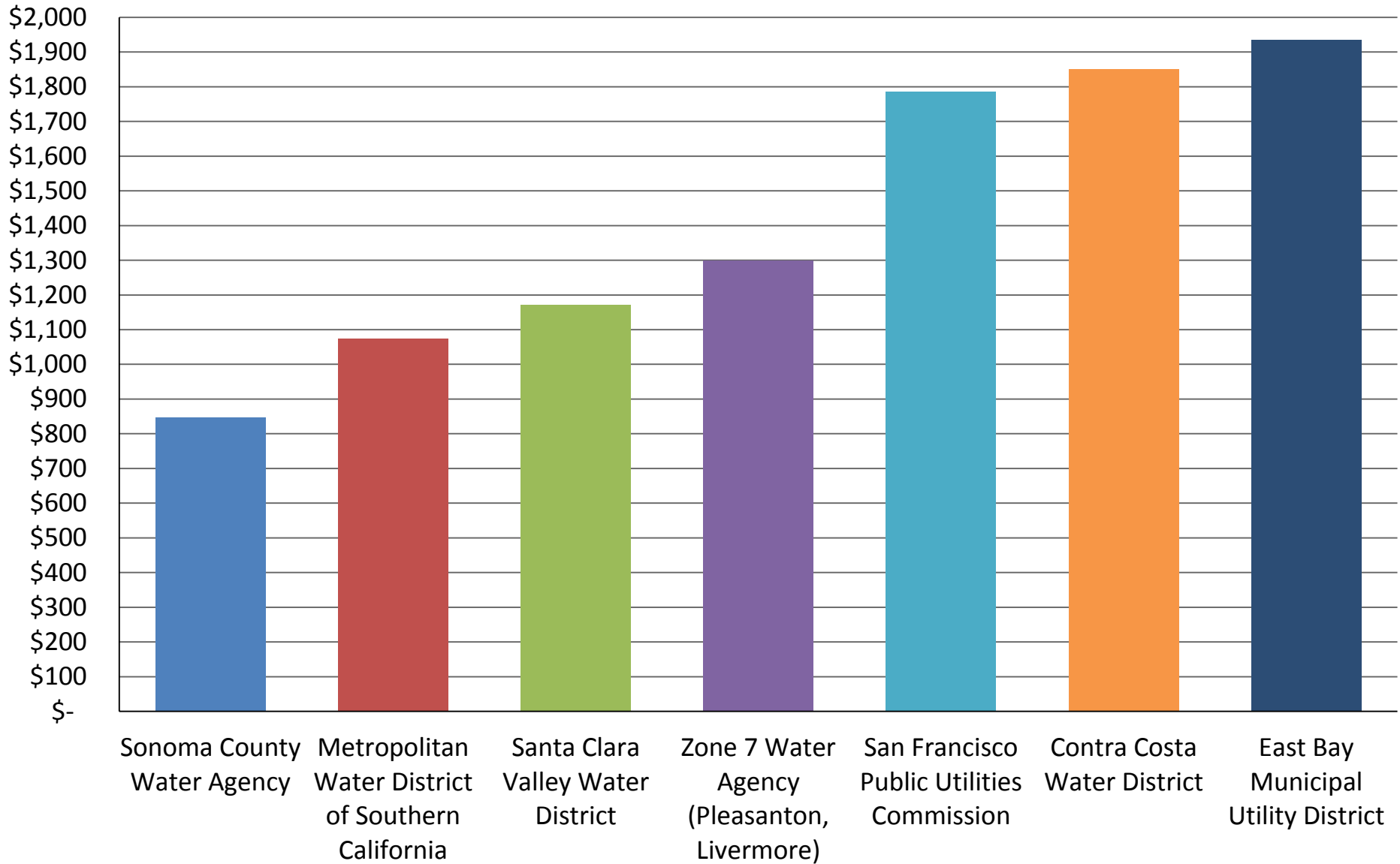
WHERE YOUR
90¢ GOES



Debt Service **10¢**

Capital Projects **13¢**

2017 Wholesale Water Rates Per Acre-Foot



Proposed Rates for FY 17-18

Charge/ Aqueduct	Santa Rosa	Petaluma	Sonoma
Deliveries (Acre-Feet)	41,446	41,446	41,446
O&M	\$574.04	\$574.04	\$574.04
Water Management Planning	\$3.14	\$3.14	\$3.14
Watershed Planning & Restoration	\$86.40	\$86.40	\$86.40
Recycled Water and Local Supply	\$10.01	\$10.01	\$10.01
Water Conservation	\$43.77	\$43.77	\$43.77
Total O&M	\$717.36	\$717.36	\$717.36
Storage & Common Bond/Loan Charges	\$109.92	\$109.92	\$109.92
Sonoma Aqueduct Bond/Loan Charge			\$85.28
Prime Contractors	\$827.28	\$827.28	\$912.56
<u>Discretionary Charges</u>			
Capital Charges - <i>to build fund balance for future projects</i>	\$19.50	\$19.50	\$32.00
Local Recycled Water Tier 2 Program	\$0.00	\$0.00	\$0.00
Prime Contractors	\$19.50	\$19.50	\$32.00
Total Prime Contractors	\$846.78	\$846.78	\$944.56
Total Overall Increase:	4.98%	4.98%	5.58%

Next Steps

- Unanimously approved by Technical Advisory Committee: March 2017
- Unanimously approved by Water Advisory Committee: April 2017
- Staff recommends that the Board of Directors adopt the FY17-18 Water Transmission Budget and Rates

Budget information available at

www.sonomacountywater.org/finance

FY 17-18 Proposed Budget and Rates Water Transmission System

Michael Gossman

Division Manager

mgossman@scwa.ca.gov

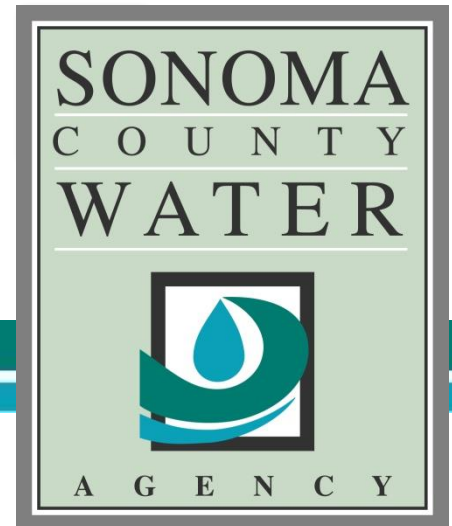
707-521-6207

Lynne Rosselli

Finance & Accounting Mgr

lynne.rosselli@scwa.ca.gov

707-524-3771





County of Sonoma Agenda Item Summary Report

Clerk of the Board
575 Administration Drive
Santa Rosa, CA 95403

Agenda Item Number: 19
(This Section for use by Clerk of the Board Only.)

To: Board of Directors, Sonoma County Water Agency

Board Agenda Date: April 11, 2017

Vote Requirement: 4/5

Department or Agency Name(s): Sonoma County Water Agency

Staff Name and Phone Number:

Kevin Campbell 547-1921

Supervisorial District(s):

Second and Fourth

Title: Public Hearing to Authorize the Use of Eminent Domain to Acquire Property Rights for the Petaluma Aqueduct Cathodic Protection Upgrade Project for Corrosion Protection

Recommended Actions:

1. Conduct a public hearing and determine that the acquisition of real property for the Petaluma Aqueduct Cathodic Protection Upgrade Project is necessary.
2. Authorize acquisition of real property rights as required for construction of the Project.
3. Authorize and direct County Counsel and the General Manager of the Water Agency to take all necessary steps to obtain the real property rights required for the Project.

Executive Summary:

The Petaluma Aqueduct is one of the seven aqueducts that the Water Agency relies on to transport water from the Russian River to residents in portions of Sonoma and Marin Counties. Over time, most buried pipelines will experience corrosion that can compromise the lifespan and integrity of the aqueduct. Fifty years ago when the Petaluma Aqueduct was constructed, cathodic protection was put into place to limit the amount of corrosion that would occur. The cathodic protection system is nearing the end of its useful life and needs to be upgraded in order for the pipeline to be adequately protected from corrosion. The Project will upgrade the existing cathodic protection system to ensure that corrosion will not occur and that the integrity of the aqueduct will not be compromised. This item will allow the Water Agency to proceed with acquiring the necessary property rights needed for construction of the Petaluma Aqueduct Cathodic Protection Upgrade Project (Project). Authorization of eminent domain will allow the Water Agency to pursue legal means, if needed, to secure access to the pipeline for construction of the Project should a property owner refuse access or require compensation in excess of the appraised value; however, Agency staff will continue to work with the individual property owners and their respective lenders to reach agreement for acquisition of the needed property rights.

Discussion:

The Water Agency owns and operates the Petaluma Aqueduct pipeline which is the primary source of potable water for the cities of Rohnert Park, Cotati and Petaluma, as well as for northern Marin County. The Project is a cathodic protection upgrade project for the existing Petaluma Aqueduct Pipeline. The

Project will replace the existing cathodic protection improvements, which are at the end of their expected service life, with new/upgraded cathodic protection improvements. The new/upgraded cathodic protection improvements will significantly extend the service life of the existing pipeline.

The Water Agency is constructing the Project in order to protect the 56 year old steel mortared lined water pipe (aqueduct) from corroding. A 2007 corrosion assessment report conducted by a Water Agency consultant, JDH Corrosion Consultants Inc., state that 60% of the Petaluma Aqueduct was not being adequately protected from corrosion by its existing cathodic protection system. The corrosion that is occurring on the aqueduct is external corrosion – the outside of the aqueduct is slowly degrading, thus increasing its susceptibility to leaks. Although the corrosion of the aqueduct does not directly affect water quality, if the aqueduct is not protected its structure will be weakened, leaving it liable to failure. The Project will extend the life of the existing aqueduct.

In April of 2011, the Water Agency's Board executed an agreement with JDH Corrosion Consultants Inc. to design an upgraded cathodic protection system for the Petaluma Aqueduct. JDH Corrosion Consultants designed an impressed current system to protect the aqueduct. The system requires construction of cathodic protection stations consisting of cathodic rectifiers and anode wells.

Impressed current systems on long pipelines do not act discreetly. Due to current attenuation constraints, the anode locations require approximately 10,000-ft. spacing in order to provide proper cathodic protection. There is some flexibility to anode bed spacing between anode wells, but any adjustment to a single location affects the applied protective current distribution much farther down the pipeline. As a result, moving one site almost always requires moving adjacent sites in order to maintain appropriate cathodic protection current distribution.

The locations of the rectifier equipment were based on available power in the vicinity of the proposed cathodic protection stations, ease of access for construction of the cathodic protection system, ease of access for vehicles and equipment needed for long-term maintenance, aqueduct continuity, spacing between rectifier sites, existing right-of-way for permanent structures in relation to the aqueduct, and impacts to property interests and improvements in the vicinities of the sites chosen for the Project. The locations of the test stations were based on access, existing right-of-way, aqueduct continuity, and proximity of existing test stations. The test stations are used for troubleshooting aqueduct corrosion.

Water Agency staff and JDH Corrosion Consultants Inc. identified 7 locations for construction of Cathodic Protection Stations (rectifier and anode well sites) and 15 locations for installation of test stations to monitor the performances and effectiveness of the system. Water Agency staff and JDH Corrosion Consultants Inc. analyzed other locations based on the above criteria. Alternate locations were discussed during the design phase and proved to be economically infeasible. Of the 22 sites identified for construction of new/upgraded cathodic protection system improvements, 6 sites require acquisition of property rights for construction and maintenance of the proposed improvements.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) COMPLIANCE:

The Water Agency, as the lead CEQA Agency, has determined the Project qualifies for a Categorical Exemption under the following sections of the CEQA Guidelines: 15301(b)(Existing Facilities). On April 2,

2014, the Water Agency prepared and filed a Notice of Exemption for the project in accordance with CEQA (on file with the Clerk).

ACQUISITION OF PROPERTY RIGHTS REQUIRED FOR THE PROJECT:

In order to construct the Project, the Water Agency must obtain property rights to facilitate access, construction, operation, and maintenance of the Project on, and through, privately owned property, property owned by the County of Sonoma (Petaluma Veterans Building), and property owned by the City of Rohnert Park. These rights include permanent easements and temporary construction agreements for the period of constructing the Project. Of the 6 property owners that the Water Agency needs to acquire property rights from for the Project, to date staff have been unable to successfully negotiate agreements with 3 of the property owners. Three of the four properties still needed are subject to a deed of trust requiring the Water Agency to obtain consent/subordination from the beneficiary of the deed of trust, which staff have been unable to obtain.

Water Agency staff appraised the value of just compensation for the property rights required for the Project at \$26,000.

All 6 subject property owners have been notified of their rights under the California Code of Civil Procedure to have the Water Agency pay for an independent appraisal of the value of the rights sought by the Water Agency. To date, staff have received no request from a property owner for the Water Agency to pay for an independent appraisal.

As previously stated, construction of the Project requires real property rights from 3 properties for which have been unable to successfully negotiate agreements. The Water Agency was able to reach agreement with one of the owners; however, the property is subject to a deed of trust. The Water Agency will still move forward with eminent domain to protect the property owner from any potential adverse impact to the property owner should the beneficiary of the deed of trust enforce their rights under the deed of trust. The following property rights are needed to construct the project:

1. From DRL Investments, a California general partnership, a 150-foot long permanent easement, 15 feet wide, containing 2,250 square feet (0.052-acres) and a 150-foot long temporary construction easement, 15 feet wide, containing 2,250 square feet (0.052-acres). The permanent easement and temporary construction easement to be acquired are part of a larger parcel (Assessor's Parcel Number 134-171-052) totaling 312,761 square feet (7.180-acres). The property is located at 240 Todd Road, Santa Rosa, and is improved with a paved parking lot. Just compensation for this acquisition is \$2,300. This property is subject to a deed of trust with the Bank of Marin.
2. From Kristen Sorensen, Trustee of the Sorensen Residuary Trust under Trust Agreement Dated June 6, 2000, an approximately 1,300-foot long, 12-foot wide, permanent easement containing approximately 15,600 square feet (0.358 acres). The permanent easement to be acquired is part of a larger parcel (Assessor's Parcel Number 047-221-041 and 047-221-021) totaling 4,145,605 square feet (53.400-acres). The property is located at 411 Bannon Lane and 445 Bannon Lane, Penngrove, and is improved with two rural residences and assorted agricultural buildings. Just compensation for this acquisition is \$7,700.
3. From Dennis W. Muelrath, an approximately 30-foot long, 25-foot wide, temporary construction easement containing 840 square feet. The temporary construction easement to be acquired is part of

a larger parcel (Assessor's Parcel Number 047-214-024) totaling 2,326,104 square feet (53.400-acres). This property is located at 85 Ely Road in Petaluma, and is improved with a rural residence. Just compensation for this acquisition is \$1,000. This property is subject to a deed of trust with the Exchange Bank.

4. From 715 Southpoint LLC, a California limited liability company, an approximately 234 foot long, 20-foot wide permanent easement, containing 5,857 square feet (0.134 acres). The permanent easement to be acquired is part of a larger parcel (Assessor's Parcel Number 007-391-011) totaling 257,004 square feet (5.900-acres). The property is located at 715 Southpoint Boulevard in Petaluma, and is improved with a 72,931 square foot commercial building. Just compensation for this acquisition is \$15,000. The property is subject to deed of trust with Minnesota Life Insurance Company, a Minnesota corporation.

All property to be acquired is described in Attachment A and shown for reference in Exhibit A-1.

The item was budgeted for in the Water Agency General Fund for Fiscal Year 2016/2017.

Negotiations with the subject property owners to acquire easement rights necessary for the Project are ongoing. The public interest and necessity require the proposed Project because the Project is necessary to upgrade the existing cathodic protection system to protect the existing Petaluma Aqueduct from corrosion. Accordingly, it is necessary to obtain the property through the process of eminent domain. Adoption of the Resolution of Necessity enables Water Agency staff and County Counsel to proceed with the condemnation process to acquire the necessary property rights to construct the Project. If the Resolution of Necessity is adopted, Water Agency staff will continue to negotiate with the Owners. If those negotiations are unsuccessful, the matter would be referred to County Counsel for applicable legal action.

In order to acquire the properties by eminent domain, the Board must now hold a public hearing and adopt a Resolution of Necessity, which must include the following:

1. A description of the property location and the use for which the property is to be taken.
2. A finding that an offer has been made to the owners of record in accordance with law.
3. A finding that public interest and necessity require the Project.
4. A finding that the Project is planned in a manner which is most compatible with the greatest public good and least private injury.
5. A finding that the property is required for the project.

Prior Board Actions:

03/21/2017: Authorize General Manager of the Water Agency to execute Easement Agreements and Purchase Agreements for Petaluma Aqueduct Cathodic Protection Upgrade Project.

05/25/2013: Authorize Chair to approve the second amended agreement for Petaluma Aqueduct Cathodic Protection Upgrade Design Services with JDH Corrosion Consultants, Inc.

04/26/2011: Authorize the Chair to execute agreement for Petaluma Aqueduct Cathodic Protection Upgrade Design Services with JDH Corrosion Consultants, Inc.

Strategic Plan Alignment Goal 2: Economic and Environmental Stewardship			
This item supports the county goal of Economic and Environmental Stewardship by extending the life of the existing pipeline that is the primary water supply for Rohnert Park, Cotati, Petaluma, and north Marin County.			
Water Agency Organizational Goals and Strategies, Goal 1: Increase organizational efficiency, effectiveness, and resilience to natural disasters.			
Fiscal Summary			
Expenditures	FY 16-17 Adopted	FY 17-18 Projected	FY 18-19 Projected
Budgeted Expenses	26,000	0	0
Additional Appropriation Requested			
Total Expenditures	26,000	0	0
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other	26,000	0	0
Use of Fund Balance			
Contingencies			
Total Sources	26,000	0	0
Narrative Explanation of Fiscal Impacts:			
This item was budgeted in the 2016-2017 fiscal year. The appropriations were budgeted in the Water Transmission Fund.			
Staffing Impacts			
Position Title (Payroll Classification)	Monthly Salary Range (A – I Step)	Additions (Number)	Deletions (Number)
Narrative Explanation of Staffing Impacts (If Required):			

Attachments:

Resolution
Exhibit A-1; Attachment A

Related Items "On File" with the Clerk of the Board:

Notice of Exemption

pa\\S:\Agenda\ROW\2017\04-11-2017 WA Petaluma Aqueduct
Resolution of Necessity_summ.docm

ROW/Petaluma Aqueduct Cathodic Protection Upgrade Project/715
Southpoint LLC/60-64-4/File ID 4602 and ROW/Petaluma Aqueduct
Cathodic Protection Upgrade Project/Sorensen/60-4-4/File ID 4603 and
ROW/Petaluma Aqueduct Cathodic Protection Upgrade Project/Muelrath
Trust/60-4-4/File ID 4604 and ROW/Petaluma Aqueduct Cathodic
Protection Upgrade Project/DRL Investments (Ghilotti)/60-64-4/File ID
5217

Date: April 11, 2017

Item Number: _____
Resolution Number: _____

4/5 Vote Required

Resolution Of The Board Of Directors Of The Sonoma County Water Agency, A Body Corporate And Politic, Determining That Acquisition Of Real Property For The Sonoma County Water Agency Petaluma Aqueduct Cathodic Protection Upgrade Project (Project) Is Necessary For Public Purposes That The Sonoma County Water Agency Serves; Authorizing Acquisition Of Real Property Rights As Required For The Project, Encumbering Real Property Situated In The County Of Sonoma, California Identified As Follows: DRL Investments, Assessor's Parcel Number 134-171-052, 715 Southpoint LLC, Assessor's Parcel Number 007-391-011, Kristen Sorensen Trustee Of Sorensen Residuary Trust, Assessor's Parcel Numbers 047-221-041 And 047-221-021, And Dennis W. Muelrath, Assessor's Parcel Number 047-214-024, For Public Purposes Of Construction Of the Project; Authorizing And Directing County Counsel And The General Manager To Take All Necessary Steps To Obtain Said Real Property Rights In Connection With The Construction, Maintenance, And Continued Operation Of The Project, Including Such Steps Which May Be Required To Acquire The Real Property Interests Required For The Project Through The Exercise Of Eminent Domain If Necessary (4/5 Vote Required).

(Second and Fifth Districts)

Whereas, the Sonoma County Water Agency (Water Agency) intends to construct the Petaluma Aqueduct Cathodic Protection Upgrade Project (Project) and, in connection therewith, requires interests in certain real property; and

Whereas, the Project is for a public use that is a function of the Water Agency; and

Whereas, Water Agency is authorized to acquire the parcel(s) described in Attachment A herein and to exercise the power of eminent domain for the public use set forth herein in accordance with the California Constitution and the California Eminent Domain Law, Code of Civil Procedure section 1230.010 et seq. and pursuant to Stats. 1949, Chapter 994, section 3(f), as amended (West's Ann. Water Code Appendix 53-3(f)); and

Whereas, on March 10, 2017, there was mailed a Notice of Hearing regarding the Intent of the Board of Directors of the Sonoma County Water Agency to Adopt a Resolution of Necessity for acquisition by eminent domain of the real property described in Attachment A to the respective addresses appearing on the last equalized assessment roll for each property interest to be acquired. Said Notice of Hearing advised said persons of their right

to be heard on the matters referred to therein on the date and at the time and place stated therein; and

Whereas, the hearing set out in said Notice of Hearing was held on April 11, 2017, at the time and place stated therein, and all interested parties were given an opportunity to be heard, and the hearing was closed; and

Whereas, the Water Agency has prepared and filed a Notice of Exemption in accordance with the California Environmental Quality Act, the state California Environmental Quality Act Guidelines, and the District's procedures for implementation of California Environmental Quality Act which concludes that the Project would not have an adverse impact on the environment.

Now, Therefore, Be It Resolved based on the evidence presented at the hearing, the Board finds, determines, declares, and resolves as follows:

1. The foregoing recitals are true and correct.
2. The public interest and necessity require the proposed Project.
3. The proposed Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.
4. The property described herein in Attachment A is necessary for the proposed Project.
5. The acquisition, construction, and completion by the Water Agency of the Project and the use of the properties described in this resolution are a public use authorized by law.
6. The offer required by section 7267.2 of the Government Code, together with the accompanying statement of and summary of the basis for the amount established as just compensation, was made to the owner or owners of record; which offer and accompanying statement/summary were in the form, and contained all of the factual disclosures, required by Government Code section 7267.2.
7. All conditions and statutory requirements necessary to exercise the power of eminent domain ("the right to take") to acquire the property described herein have been complied with by the Water Agency.
8. The Water Agency has fully complied with all provisions of the California Environmental Quality Act for the Project.
9. County Counsel and the General Manager are hereby authorized and directed:
 - a. To acquire in the name of the Water Agency, by condemnation, the property described in Attachment A, attached hereto and incorporated by this reference, in accordance with the California Constitution and the California Eminent Domain Law, Code of Civil Procedure, Section 1230.010 et seq., and pursuant to Stats. 1949, Chapter 994, section 3(f), as amended (West's Ann. Water Code Appendix §53-3(f)).
 - b. To acquire the property (permanent easements and temporary construction easements) as described in Attachment A herein.

- c. To prepare or have prepared and to prosecute or retain counsel to prosecute in the name of the Water Agency such proceedings in the court as are necessary for such acquisition.
 - d. To deposit the probable amount of compensation, based upon an appraisal, and to apply to said court for an order permitting the Water Agency to acquire immediate possession and use of said property for public uses and purposes.
 - e. The employ at rates of compensation standard in this area such appraisers, engineers, and other expert witnesses as they deem necessary to the preparation for trial, and to take all other actions necessary and appropriate to acquire the property.
 - f. Should the General Manager of the Water Agency determine that construction of the Project necessitates the taking of possession of the property described in Attachment A prior to final determination of the suit or suits authorized, to make application to the court for an order authorizing Water Agency to take immediate possession of and to sue the property sought to be condemned; and that the Water Agency deposit probable just compensation with said court in such manner as the law may direct out of proper funds held by or provided to Water Agency.
10. Should funds necessary for any of the foregoing be payable from money on hand with the Treasurer of Sonoma County, the Auditor and Treasurer of Sonoma County are hereby authorized to issue and honor warrants for payments as necessary.

Directors:

Gorin:

Rabbitt:

Gore:

Hopkins:

Zane:

Ayes:

Noes:

Absent:

Abstain:

So Ordered.

ATTACHMENT "A"

EXHIBIT "A"

Legal Description

Petaluma Aqueduct Cathodic Upgrade

Easement Area

(C.P. Station Number 2)

Real property situated in an unincorporated area of the County of Sonoma, State of California described as follows:

A portion of Parcel 1 as shown upon that certain Parcel Map Number 7747, filed for record in book 355 of Official Records, at page 9, Sonoma County Records, and being more particularly described as follows:

Commencing for reference at the northeast corner of said Parcel 1; Thence westerly along the northern boundary of said Parcel 1, said northern boundary also being the southern boundary of Todd Road as shown upon said Parcel Map, North 89°40'10" West 25.00 feet more or less to the western boundary of the strip of land (25.00 feet in width), described in that certain Final Judgement and Order of Condemnation recorded December 18, 1961 in book 1862, beginning at page 790, of Official Records of Sonoma County being the True Point of Beginning; Thence from said True Point of Beginning, departing from said northern boundary, southerly along said western boundary, South 00°00'00" West 150.00 feet; Thence departing from said western boundary, westerly and parallel with the said northern boundary, North 89°40'10" West 15.00 feet; Thence northerly and parallel with the said western boundary, North 00°00'00" East 150.00 feet to a point on the said northern boundary; Thence easterly along said northern boundary, South 89°40'10" East 15.00 feet to the True Point of Beginning, encompassing an area of 2,250 square feet (0.052 acres) more or less, and being a portion of Sonoma County assessor's Parcel Number (APN) 134-171-052.

Bearings and Distances called for herein are based upon said Parcel Map 7477.

This Legal Description and its accompanying plat were prepared by me in December, 2016.




John Monaghan, L.S. 6122

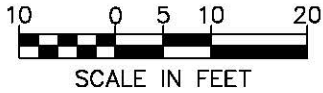
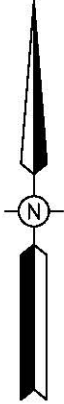
12.19.16
Date

TODD ROAD
 COUNTY OF SONOMA
 3011 O.R. 954

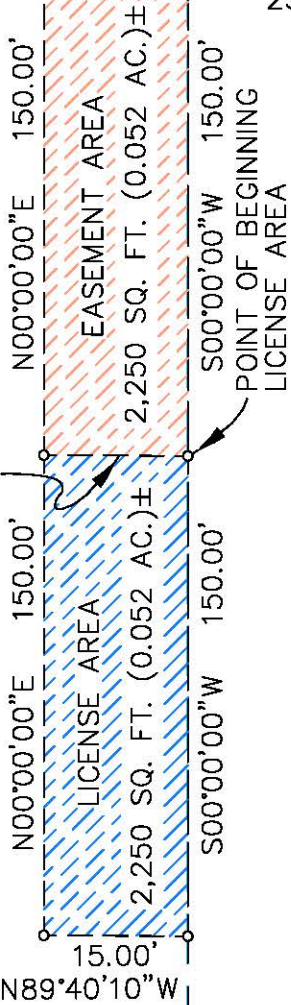
POINT OF BEGINNING
 EASEMENT AREA

S89°40'10"E
 15.00' N89°40'10"W
 25.00'

POINT OF COMMENCEMENT



SCALE IN FEET



25' (WIDE) S.C.W.A. EASEMENT 1862 O.R. 790
 ~PETALUMA AQUEDUCT

A.P.N. 134-171-060
 S.M.A.R.T.D.

A.P.N. 134-171-052
 DRL INVESTMENTS, LP
 DOC. 1994-0099217

BASIS OF BEARINGS

BEARINGS CALLED FOR HEREON ARE BASED UPON
 PARCEL MAP NUMBER 7749, FILED FOR RECORD IN
 BOOK 355, AT PAGE 9 SONOMA COUNTY RECORDS.



REVISIONS		
REV.	DATE	BY

PETALUMA AQUEDUCT CATHODIC UPGRADE PROJECT

EXHIBIT "A-1"

PLAT TO ACCOMPANY LEGAL DESCRIPTION
 EASEMENT & LICENSE AREAS
 CP STATION NO. 2 SITE

PROJECT/TASK:	7679A1
DATE :	12.19.2016
DRAWN BY:	JM
CHECKED BY:	
SHEET NO.	1 ^{A-05} 1

EXHIBIT "A"
Legal Description
Petaluma Aqueduct Cathodic Upgrade

License Area
(C.P. Station Number 2)

Real property situated in an unincorporated area of the County of Sonoma, State of California described as follows:

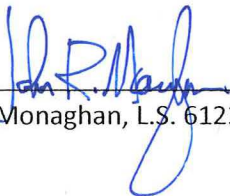
A portion of Parcel 1 as shown upon that certain Parcel Map Number 7747, filed for record in book 355 of Official Records, at page 9, Sonoma County Records, being more particularly described as follows:

Commencing for reference at the northeast corner of said Parcel 1; Thence westerly along the northern boundary of said Parcel 1, said northern boundary also being the southern boundary of Todd Road as shown upon said Parcel Map, North 89°40'10" West 25.00 feet more or less to the western boundary of the strip of land (25.00 feet in width), described in that certain Final Judgement and Order of Condemnation recorded December 18, 1961 in book 1862, beginning at page 790, of Official Records of Sonoma County; Thence, departing from said northern boundary, southerly along said western boundary, South 00°00'00" West 150.00 feet to the True Point of Beginning; Thence from said True Point of Beginning, continuing southerly along said western boundary, South 00°00'00" West 150.00; Thence departing from said western boundary, westerly and parallel with the northern boundary of said Parcel 1, North 89°40'10" West 15.00 feet; Thence northerly and parallel with the said western boundary, North 00°00'00" East 150.00 feet; Thence easterly and parallel with the said northern boundary, South 89°40'10" East 15.00 feet to the True Point of Beginning, encompassing an area of 2,250 square feet (0.052 acres) more or less, and being a portion of Sonoma County assessor's Parcel Number (APN) 134-171-052.

Bearings and Distances called for herein are based upon said Parcel Map 7477.

This Legal Description and its accompanying plat were prepared by me in December, 2016.




John Monaghan, L.S. 6122

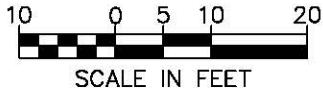
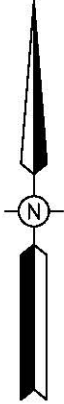
12.19.16
Date

TODD ROAD
 COUNTY OF SONOMA
 3011 O.R. 954

POINT OF BEGINNING
 EASEMENT AREA

S89°40'10"E
 15.00' N89°40'10"W
 25.00'

POINT OF COMMENCEMENT



N00°00'00"E 150.00'
 EASEMENT AREA
 2,250 SQ. FT. (0.052 AC.) ±
 S00°00'00"W 150.00'
 POINT OF BEGINNING
 LICENSE AREA

N89°40'10"W
 15.00'

N00°00'00"E 150.00'
 LICENSE AREA
 2,250 SQ. FT. (0.052 AC.) ±
 S00°00'00"W 150.00'

15.00'
 N89°40'10"W

25' (WIDE) S.C.W.A. EASEMENT 1862 O.R. 790
 ~PETALUMA AQUEDUCT

A.P.N. 134-171-060
 S.M.A.R.T.D.

A.P.N. 134-171-052
 DRL INVESTMENTS, LP
 DOC. 1994-0099217

BASIS OF BEARINGS

BEARINGS CALLED FOR HEREON ARE BASED UPON
 PARCEL MAP NUMBER 7749, FILED FOR RECORD IN
 BOOK 355, AT PAGE 9 SONOMA COUNTY RECORDS.



REVISIONS		
REV.	DATE	BY

PETALUMA AQUEDUCT CATHODIC UPGRADE PROJECT

EXHIBIT "A-1"
 PLAT TO ACCOMPANY LEGAL DESCRIPTION
 EASEMENT & LICENSE AREAS
 CP STATION NO. 2 SITE

PROJECT/TASK: 7679A1	
DATE :	12.19.2016
DRAWN BY:	JM
CHECKED BY:	
SHEET NO. 1 OF 1	

EXHIBIT "A"
Legal Description

Petaluma Aqueduct Cathodic Upgrade Project
(C.P. Test Station 720+00+/-)

Easement Area
Lands of 715 Southpoint, LLC

Real property situated in the City of Petaluma, County of Sonoma, State of California, described as follows:

A portion of the lands of 715 Southpoint, LLC, described in that certain Grant Deed recorded June 1, 2014 as Document 2014-029495, Official Records of Sonoma County, being more particularly described as follows:

A 20.00 foot wide strip of land, lying 10.00 feet each side of the following described centerline:

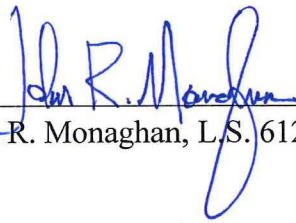
Beginning at a point on the western boundary of said lands of the Stephens Family 1996 Trust, from which the eastern-most terminus of the centerline of South Point Boulevard as shown upon that certain map of the South Point Industrial Subdivision, filed February 23, 1989 in Book 432 of Maps, beginning at page 18, Official Records of Sonoma County (432 Maps 18) bears North 39°41'50" West 61.93 feet being the beginning of a curve concave northerly and having a radius of 100.00 feet, the arc of said curve being tangent to the hereinabove described centerline of South Point Boulevard; Thence from said Point of Beginning, easterly along the arc of said curve deflecting to the left through a central angle (delta) of 104°21'17", for an arc distance (length) of 72.85 feet; Thence North 35°56'53" East 87.81 feet to the beginning of a tangent curve concave southeasterly and having a radius of 100.00 feet; Thence along the arc of said curve, deflecting to the right through a central angle (delta) of 40°00'00", for an arc distance (length) of 69.81 feet; Thence North 75°53'53" East 3.80 feet to a point on the southwestern boundary of the strip of land, 25.00 feet in width described in that certain "Easement" (Deed), recorded April 5, 1960 in Book 1822 of Official Records beginning at page 77, Sonoma County records (1822 O.R. 77), containing: 5,857 square feet (0.135 acres) of land, more or less and being a portion of Assessor's Parcel Number (A.P.N.) 007-391-011.

The bearings called for by this legal description are based upon said map of South Point Industrial Subdivision (432 Maps 18.).

The Sidelines of the hereinabove described 20' wide strip of land shall be shortened or lengthened as necessary to form true intersections with the said western boundary of the Stephens Family 1996 Trust and the southwestern boundary of the said 25 foot wide strip of land (1822 O.R. 77).

This Legal Description and its accompanying plat were prepared by me or under my direction in December 2014.





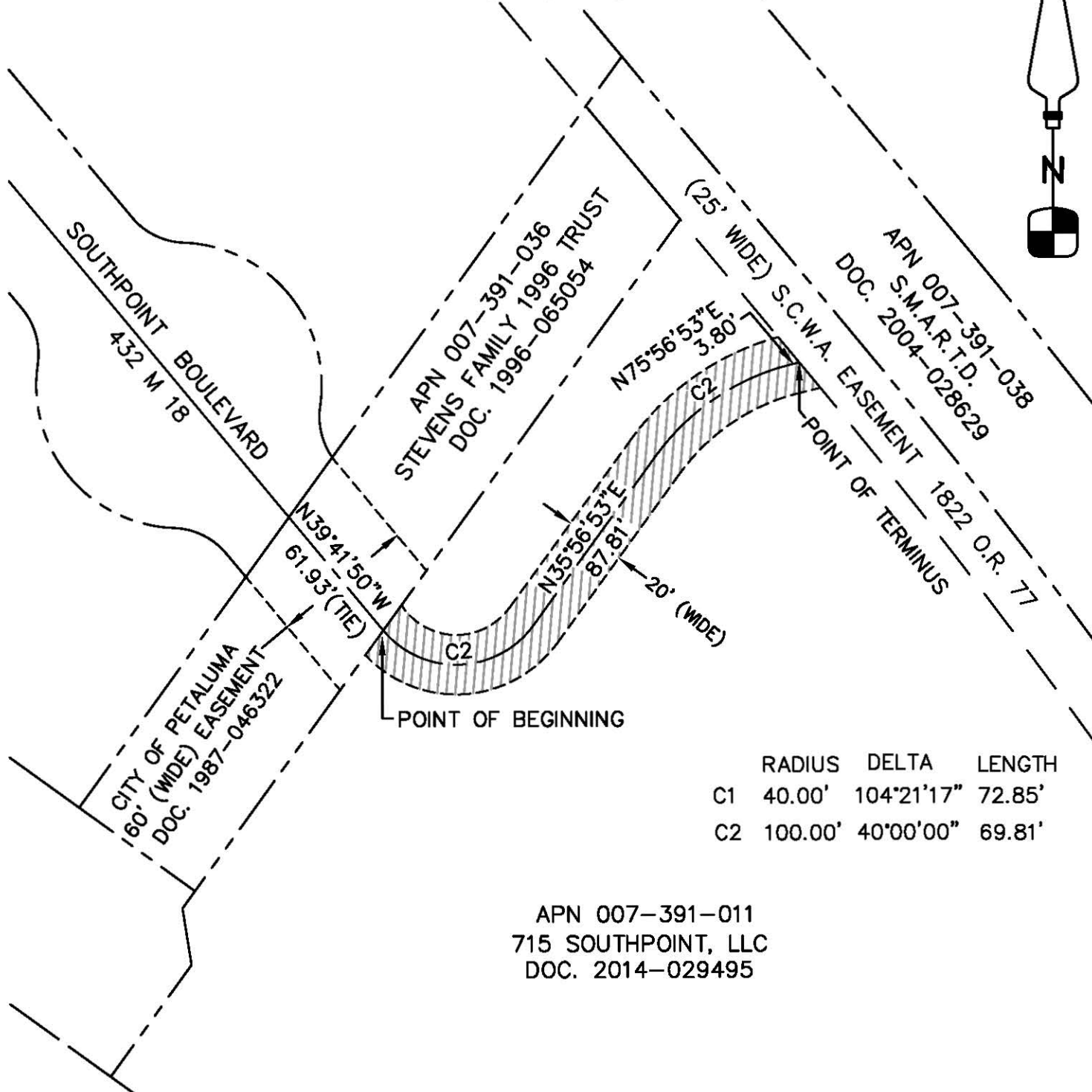
John R. Monaghan, L.S. 6122

12.8.14

Date

EXHIBIT "A-1"

Plat to accompany Legal Description



	RADIUS	DELTA	LENGTH
C1	40.00'	104°21'17"	72.85'
C2	100.00'	40°00'00"	69.81'

APN 007-391-011
715 SOUTHPPOINT, LLC
DOC. 2014-029495

BASIS OF BEARINGS

BEARINGS CALLED FOR BY THE LEGAL DESCRIPTION AND SHOWN ON THIS PLAT ARE BASED UPON:
MAP OF SOUTH POINT INDUSTRIAL SUBDIVISION
FILED 02/23/89 - 432 MAPS 18-19 S.C.R.

KEY

EASEMENT AREA
5,857 SQ. FT. (0.135 AC.)±

\\Sd-data\Survey\Land Projects\Aqueduct-PetalumaCathodicUpgrade\dwg\SOUTHPPOINT BLVD.dwg



Petaluma Aqueduct Cathodic Upgrade Easement Area

LANDS OF 715 SOUTHPPOINT LLC
DOC. 2014-029495

SCALE
1"=60'

SHEET
1 OF 1

EXHIBIT "A"
Legal Description

Petaluma Aqueduct Cathodic Upgrade Project
(Cathodic Test Station 76+10)

Easement Area

Real Property situated in an unincorporated area of the County of Sonoma, State of California, described as follows:

A portion of the lands conveyed to Kristen Sorensen, Trustee of the Sorensen Residuary Trust Under Trust Agreement Dated June 6, 2000 by that certain Trust Transfer Deed recorded September 6, 2016 as Document 2016-077519, Official Records of Sonoma County (hereinafter referred to the Lands of Sorensen Residuary Trust), being more particularly described as follows:

A 12.00 foot wide strip of land, lying 6.00 feet each side of the following described centerline:

Beginning at a point on the eastern boundary of the strip of land, 25.00 feet in width, described in that certain "Easement" (deed), recorded September 6, 1960 in Book 1810 of Official Records beginning at page 597, Sonoma County records (hereinafter referred to as 1810 O.R. 597), being a point which bears South 20°48'57" East 84.09 feet (L1) from the western-most corner of the lands formerly of De Bernardi as shown upon that certain map entitled "Record of Survey of a Portion of the Lands of Rose De Bernardi, Located in the Petaluma and Cotati Ranchos, T5N, R7W, MDM" filed for Record September 11, 1970 in Book 146 of Maps, at age 43, Official Records of Sonoma County (hereinafter referred to as 146 Maps 43); thence from said Point of Beginning, North 87°32'40" East 31.32 feet (L2); thence North 84°10'31" East 50.00 feet (L3); thence North 78°13'50" East 50.00 feet (L4); thence North 69°19'34" East 50.00 feet (L5); thence North 60°16'06" East 50.00 feet (L6); thence North 53°35'22" East 50.00 feet (L7); thence North 51°11'15" East 100.00 feet (L8); thence North 46°47'18" East 100.00 feet (L9); thence North 41°05'32" East 100.00 feet (L10); thence North 35°32'34" East 100.00 feet (L11); thence North 31°15'46" East 100.00 feet (L12); thence North 28°33'55" East 100.00 feet (L13); thence North 25°11'45" East 116.30 feet (L14) to a point of curvature of a tangent curve, concave easterly and having a radius of 20.00 feet; thence along the arc of said curve deflecting to the left through a central (delta) angle of 78°15'39" for an arc distance (length) of 27.32 feet (C1); thence North 53°03'54" West 81.36 feet to a point of curvature of a tangent curve, concave easterly and having a radius of 120.00 feet; thence along the arc of said curve deflecting to the right through a central (delta) angle of 76°31'20" for an arc distance (length) of 160.27 feet (C2) to its intersection with the northeastern boundary of the said Lands of

Sorensen Residuary Trust, said intersection being the Point of Terminus of the hereinabove described centerline.

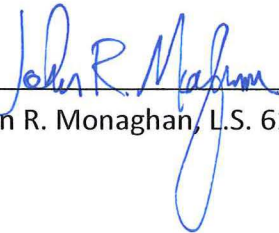
The sidelines of the hereinabove strip of land shall be shortened or lengthened as necessary to form true intersections with the eastern boundary of said 25 wide strip of land (1810 O.R. 597), and the said northeastern boundary of the said Lands of Sorensen Residuary Trust.

The hereinabove described strip of land contains: 15,064 square feet (0.346 acres), more or less, being a portion of Assessor's Parcel Numbers (A.P.N.) 047-221-041 and 047-221-021.

The bearings called for by this legal description are based upon said Record of Survey Map (146 Maps 43).

This Legal Description and its accompanying plat were prepared by me or under my direction in March 2017.



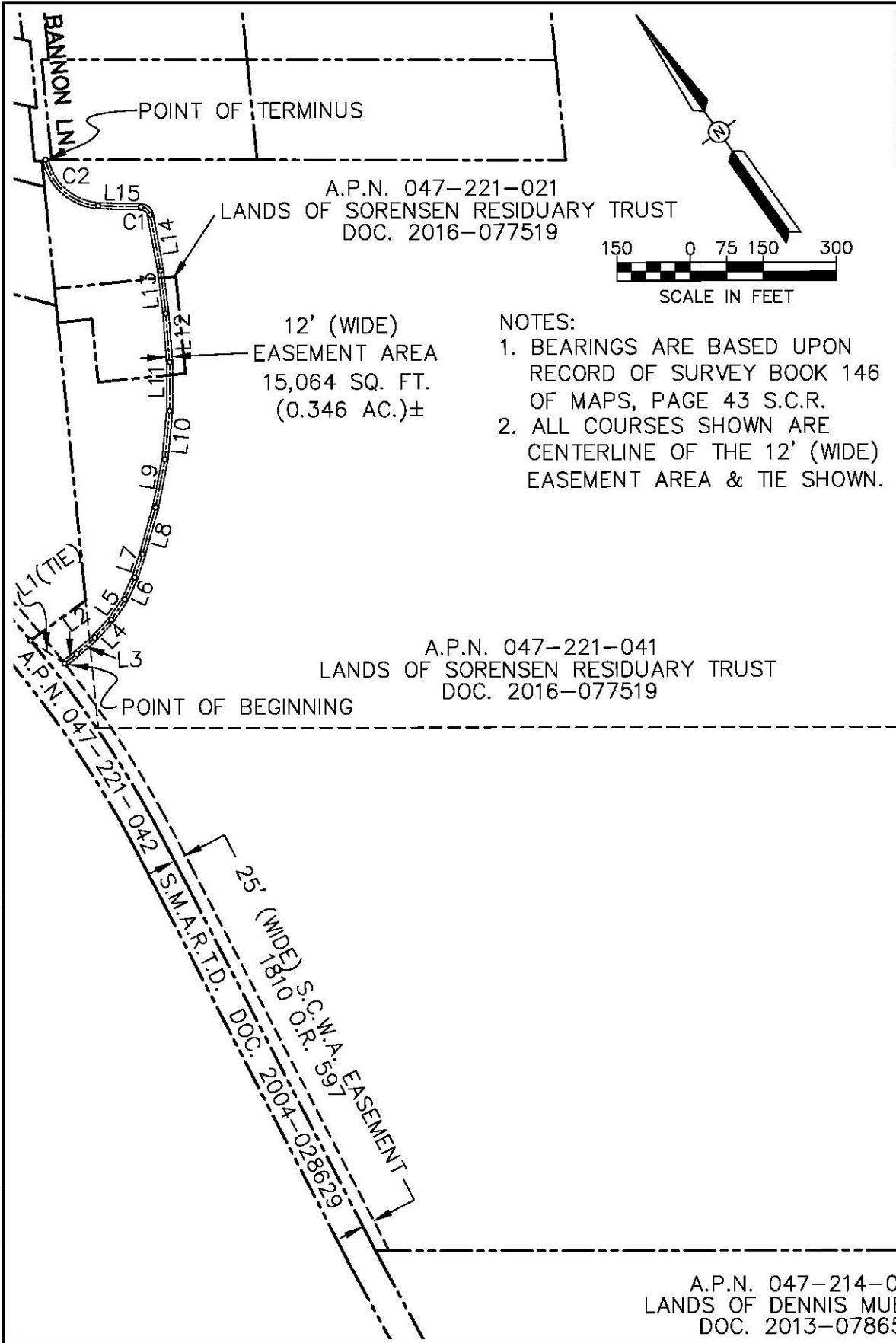


John R. Monaghan, L.S. 6122

3.1.17

Date

\\SD-Data\Survey\Land Projects\Aqueduct-PetalumaCathodicUpgrade\dwg\Sorensen_Access.dwg



LINE/CURVE DATA

L1	S20°48'57"E 84.09'
L2	N87°32'40"E 31.32'
L3	N84°10'31"E 50.00'
L4	N78°13'50"E 50.00'
L5	N69°19'34"E 50.00'
L6	N60°16'06"E 50.00'
L7	N53°35'22"E 50.00'
L8	N51°11'15"E 100.00'
L9	N46°47'18"E 100.00'
L10	N41°05'32"E 100.00'
L11	N35°32'34"E 100.00'
L12	N31°15'46"E 100.00'
L13	N28°33'55"E 100.00'
L14	N25°11'45"E 116.30'
C1	R=20.00' Δ=78°15'39" L=27.32'
L15	N53°03'54"W 81.36'
C2	R=120.00' Δ=76°31'20" L=160.27'



REVISIONS	
REV. DATE BY	
1 3-1-17 JM	
REV. ESMT. AREA	

Petaluma Aqueduct Cathodic Protection Upgrade Project

EXHIBIT A-1

Plat to Accompany Legal Description
Easement Area (CTS~576+10)

PROJECT/TASK:	T0188C012
DATE :	08/16/12
DRAWN BY:	JM
CHECKED BY:	
SHEET NO.	A-95 1

EXHIBIT "A"
Legal Description

Petaluma Aqueduct Cathodic Upgrade Project
(C.P. Station 6)

Temporary Construction Area

Real Property situated in an unincorporated area of the County of Sonoma, State of California, described as follows:

A portion of the lands of Dennis W. Muelrath as described in that certain Interspousal Transfer Deed recorded on August 1, 2013 as Document 2013-078658, Official Records of Sonoma County, and being more particularly described as follows:

Commencing for reference at the intersection of the eastern boundary of the former Northwestern Pacific Railroad "Right of Way", being the eastern boundary of the lands of the Sonoma-Marin Area Rail Transit District in that certain Quitclaim Deed, recorded on March 2, 2004 under Document Number 2004-028629, Official Records of Sonoma County, with the northerly line of Ely Road as shown upon that certain Record of Survey (map) filed for record October 15, 1997 in Book 571 of Maps at page 8, Sonoma County Records (571 Maps 8); Thence continuing for reference northerly along the said eastern boundary as shown upon said map, North 07°55'49" East 64.00 feet; Thence continuing for reference, departing from said eastern boundary, easterly at right angles thereto, South 82°04'11" East 25.00 feet to a point on the eastern boundary of a strip of land, described in that certain "Easement" (deed), recorded January 13, 1961 in Book 1803 of Official Records, beginning at page 54, Sonoma County Records, being the True Point of Beginning of the portion of the real property herein described; Thence from said Point of Beginning, departing from said eastern boundary, South 82°04'11" East 40.00 feet; Thence South 07°55'49" West 25.00 feet; Thence North 82°04'11" West 30.00 feet to the eastern boundary of said easement; Thence northerly along said eastern boundary, North 07°55'49" East 16.00 feet to an angle point in the said eastern boundary; Thence continuing along said eastern boundary, North 82°04'11" West 10.00 feet to another angle point in the said eastern boundary; Thence continuing northerly along said eastern boundary, North 07°55'49" East 9.00 feet to the Point of Beginning. The hereinabove described real property encompasses an area of 840 square feet (0.019 acres) more or less and being a portion of Sonoma County Assessor's Parcel Number (A.P.N.) 047-214-024.

Bearings called for by this legal description are based upon said Record of Survey (571 Maps 8).

This legal description and its accompanying plat were prepared by me or under my direction in March 2017.



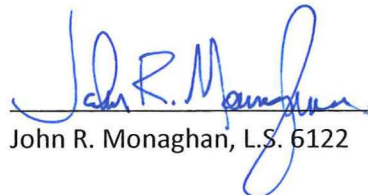

John R. Monaghan, L.S. 6122 Date 3.1.17

EXHIBIT "A-1"
PLAT TO ACCOMPANY LEGAL DESCRIPTION

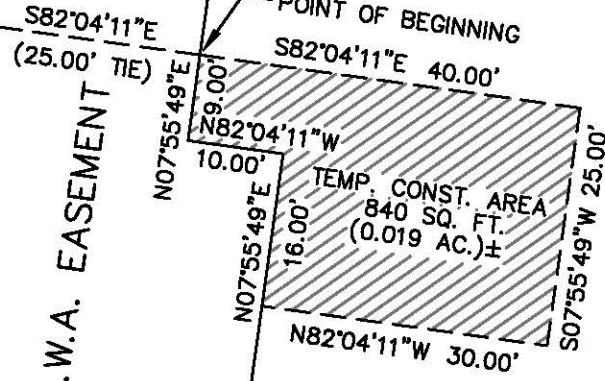


SONOMA-MARIN AREA RAIL
 TRANSIT DISTRICT
 DOC. NO. 2004-028629
 APN 047-214-022

1803 O.R. 54

EXISTING S.C.W.A. EASEMENT

POINT OF BEGINNING



LANDS OF DENNIS MUELRATH
 DOC. NO. 2013-078658
 APN 047-214-024

N07°55'49\"/>

S54°33'00\"/>

ELY ROAD

BASIS OF BEARINGS

BEARINGS CALLED FOR BY THIS LEGAL DESCRIPTION
 AND SHOWN ON THIS PLAT AREA BASED UPON:
 RECORD OF SURVEY FILED 10/15/97 - 571 MAPS 8 S.C.R.

\\sd-data\Survey\Land Projects\AQUEDUCT-PetalumaCathodicUpgrade\dwg\ELY ROAD NORTH.dwg rev.[2] 03-01-2017.m



Petaluma Aqueduct Cathodic Upgrade
Cathodic Protection Station 6
Temporary Construction Area

SCALE
 1"=20'

SHEET
 1 OF 1



County of Sonoma Agenda Item Summary Report

Clerk of the Board
575 Administration Drive
Santa Rosa, CA 95403

Agenda Item Number: 20
(This Section for use by Clerk of the Board Only.)

To: Board of Supervisors

Board Agenda Date: April 11, 2017

Vote Requirement: Majority

Department or Agency Name(s): Transportation and Public Works

Staff Name and Phone Number:

Susan Klassen 707-565-2231

Supervisorial District(s):

Countywide

Title: Consideration of an Amended and Restated Joint Exercise of Powers Agreement for the Sonoma County Waste Management Agency

Recommended Actions:

Approve and authorize the Chair to execute the proposed Amended and Restated Joint Exercise of Powers Agreement (JPA) for the Sonoma County Waste Management Agency (SCWMA) to ensure that the County achieves its state mandated waste diversion goals and protects the environment in the most cost efficient manner for rate payers.

Executive Summary:

The SCWMA was formed in 1992 to address state legislation requiring Cities and Counties to divert a minimum of 50% of their waste from landfill disposal by 2000. When the SCWMA first began tracking the total waste stream diverted through re-use and recycling in 1995 it was only 39%. The Countywide diversion rate in 2006 was 64%. Since 2006 the diversion is no longer calculated and reported based on percentage diverted, however, it is estimated that currently over 70% of discarded material is diverted from landfill disposal through re-use and recycling. The SCWMA has been a significant contributor to the efforts to increase diversion, through creation of the Organics Composting program and Household Hazardous Waste Program, and the Education efforts which taught the public the benefits associated with re-use and recycling and changed behavior. The SCWMA's wood waste and yard debris composting program has prevented approximately 2 million tons of material from landfill disposal, which is approximately 6.5 years of Sonoma County landfill disposal at current rates. The SCWMA's household hazardous waste program has diverted 8,741 tons of material since 2003.

The SCWMA's term was originally set for 25 years ending February 2017, however, all members, comprised of one representative from all nine cities and the County, agreed to extend the term an additional year, so that the current term expiration is February 11, 2018. The SCWMA's core programs currently include Wood Waste and Yard Debris (organic material) processing, Household Hazardous Waste (HHW) collection and proper disposal, solid waste education and outreach, and state-required solid waste planning and reporting. If the SCWMA is not extended or replaced, the services the SCWMA provides must be assumed by its members within their jurisdictions.

Discussion:

Background:

The SCWMA Board of Directors, City and County staff, and governing Councils and Boards have been discussing the future of SCWMA programs for over three years. In March 2016, the SCWMA member agencies agreed to extend the term of the JPA for one year from February, 2017 to February, 11, 2018, to allow for discussions to continue to build consensus on the future SCWMA programs. Over this period of time, the efficacy of SCWMA programs were studied and alternative delivery models were studied. Some of the alternatives studied included: member agencies each providing the programs within the jurisdictional areas individually; the County providing all programs and the Cities contracting for service; and using a JPA affiliate with the Regional Climate Protection Authority to provide services. Ultimately consensus was reached by the SCWMA Board that the continuation of the existing SCWMA with a modified JPA was the preferred model. SCWMA staff and counsel, with the input of the Agency board and the member jurisdictions, including City Attorneys and County Counsel have drafted an Amended and Restated Joint Exercise of Powers Agreement. Feedback has been incorporated into the finalized draft JPA (Attachment A). The SCWMA Board unanimously approved this draft for distribution to SCWMA member agencies on December 21, 2016.

Provisions of the proposed Amended and Restated Joint Exercise of Powers Agreement:

The JPA agreement retains the existing core programs (organics, HHW, education/outreach, and planning/reporting), while introducing the following noteworthy provisions:

General Provisions:

Continuing with the current composting program (directing green waste and wood waste to out of county compost facilities) and allowing members to opt into a potential future organics management program

Allowing for HHW collection and processing to continue at the Central Disposal Site and adding flexibility to establish additional sites elsewhere in the county

Allowing members to opt out of additional, non-core programs, and requiring that only participating members incur any additional costs for implementing those programs

Removing the 25 year term (the SCWMA would remain in existence until dissolved), but requiring that a review of SCWMA programs be performed every ten years during a public meeting to determine whether any agreement amendments are necessary

Retaining the unanimous vote requirement for the acquisition of interest in real property with a value of greater than \$250,000

Requiring a supermajority vote (8/10) for the adoption of the SCWMA annual budget or budget amendments, authorization of expenditures of \$250,000 or more to a single source within a single fiscal year, and incurrence of debt from public or private lending or financing sources in an amount of \$250,000 or more

County Specific Provisions of Interest:

Terms from the existing JPA that *obligated* the County of Sonoma to provide locations at the Central Landfill, for Composting and HHW and to provide staff services including the executive director, agency

staff and support services from the county have been removed or modified such that those issues are handled through separate agreements, licenses, or leases. The staffing services agreements allow the County to terminate with appropriate notice. The language of the proposed JPA provides flexibility to the SCWMA to select other locations for programs and make different arrangements for staffing and offices should they chose to do so in the future.

A more detailed description of the Key Terms of the proposed JPA is attached as Attachment B. A table with a side by side comparison of the existing and proposed JPA agreements is included as Attachment C.

Any changes to the agreement proposed by the County Board of Supervisors would need to be approved by all other participating members, including members who may have already approved this agreement.

Support for Recommendation:

In July 2016, the Agency received a report prepared by R3 Consultants that looked at the pros and cons of continuation of the SCWMA. This report is on file with the Clerk. Members of the County Board of Supervisors acting in their role as the County representative on the SCWMA Board and staff have reviewed this report and have participated in three years of discussion on the issues. Additionally, staff reviewed the policy goals that were adopted by the County City Solid Waste Advisory Group (SWAG), led by Supervisors Zane and Rabbitt, of protecting the environment, increasing diversion, reducing greenhouse gas emissions, managing our own waste stream in-county, and achieving cost efficiencies for rate payers. Continuation of the SCWMA will help meet those goals.

The continuation of this regional agency will assure that a cost effective Household Hazardous Waste Collection program, which will protect these products from ending up in our environment, will continue to serve all of the jurisdictions in Sonoma County. It will ensure that regional planning focused on increased diversion continues and that new programs such as a mandatory commercial recycling, and mandatory organics are implemented consistently throughout the County through the development of model ordinances. It will also help ensure that Outreach and Education, when programs are implemented, is robust and consistent, for all businesses and residents.

The continuation of the SCWMA through approval of the JPA will achieve cost efficiencies. The Consultant, R3, prepared an analysis of costs, allocated by jurisdiction, for the Agency to provide programs to the Cities and the County (other than Compost, which is a tip fee for service funded program). They were also tasked with estimating the costs to the individual jurisdictions to provide the services themselves, if there was no Agency. The Agency's Consultant report to the Agency concluded that the Agency spends approximately \$215,000 annually to provide the County with the HHW, Education, Planning and Reporting programs and that the County would spend that amount, as well as, an additional \$156,000 to \$166,000 annually for a total of up to \$381,000 per year to provide those programs to the unincorporated County residents.

For these reasons staff recommends that the Board of Supervisors approve the proposed JPA agreement.

Status of the Project to re-establish In-County Composting Program(s):

From 2007 to 2016, the SCWMA was engaged in a process to identify, study, permit, and build a new compost site to replace the temporary compost site at the Central Disposal Site. The process ended in 2016, when, as a result of settling CEQA-based litigation, the new site was removed from further

consideration. On September, 2016, the SCWMA issued a Request for Information to determine the level of interest from the private sector to identify and offer long term organics processing capacity for Sonoma County's green, wood, and food waste. That process resulted in 16 responses, an indication of strong interest. The SCWMA is currently working to develop a Request for Proposals with a schedule to complete the process and have agreements ready for adoption by October 2017.

The proposed JPA allows for members to withdraw from the current compost program with written 90 day notice. Any new composting program will be implemented through separate agreements between the participating parties, and the provider (s) and each member of the JPA will have the option to participate, or address composting in any other manner of the choosing. Therefore, the Board of Supervisors will have full flexibility to address composting in the future as they might direct, if the RFP process of JPA does not provide the Board with a project that meets the needs of the unincorporated County residents.

Status of Jurisdictional Approval of the proposed JPA:

For the proposed JPA for the SCWMA to become effective, all participating members must approve the agreement in the same form. The agreement has been reviewed by attorneys representing all Sonoma County cities, and the County, and all legal concerns were addressed in this final draft. The SCWMA Board of Directors reviewed and approved for distribution the attached agreement for the SCWMA at the December 21, 2016 SCWMA Board of Directors meeting. As of the time of this writing seven cities have approved the proposed JPA; Cloverdale, Cotati, Healdsburg, Sebastopol, Sonoma, Windsor, Petaluma and Rohnert Park. City of Santa Rosa has tentatively scheduled to consider this item on April 18, 2017.

Prior Board Actions:

October 18, 2016: The Board of Supervisors accepted an informational report on the SCWMA project related to composting and the future of the SCWMA.

March 1, 2016: The Board of Supervisors approved a one-year extension to the existing JPA for the SCWMA to Feb. 11, 2018 and provided feedback to staff as to the future of the Agency programs.

June 23, 2015: The Board of Supervisors provided direction to staff regarding policy preferences related to the future of the SCWMA.

Strategic Plan Alignment

The continuation and expansion of regional programs, such as Composting, Household Hazardous Waste and Recycling help protect the environmental and address climate action goals.

Fiscal Summary			
Expenditures	FY 16-17 Adopted	FY 17-18 Projected	FY 18-19 Projected
Budgeted Expenses			
Additional Appropriation Requested			
Total Expenditures			
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources			
Narrative Explanation of Fiscal Impacts:			
<p>There are no additional funding impacts expected from the approval of the Amended and Restated Joint Exercise of Powers Agreement for the SCWMA, as the funding sources for that agency (tipping fee surcharges, grants, and agreement-defined contributions) are not expected to change in the FY 2017-18 Fiscal Year.</p> <p>The Agency hired a Consultant to analyze the costs, allocated by jurisdiction, spent by the Agency to provide programs to the Cities and the County (other than Compost, which is a tip fee for service funded program). They were also asked to estimate the costs to the individual jurisdictions to provide the services themselves, if there was no Agency. The Agency's Consultant, R3, in their July 12 report to the Agency estimated that the Agency spends approximately \$215k annually to provide the County with these programs and that the County would spend that amount, as well as, an additional \$156k to \$166k/year for a total of up to \$381k/year to provide those programs to the unincorporated County residents.</p>			
Staffing Impacts			
Position Title (Payroll Classification)	Monthly Salary Range (A – I Step)	Additions (Number)	Deletions (Number)
Narrative Explanation of Staffing Impacts (If Required):			

Attachments:

Attachment A: Amended and Restated Joint Exercise of Powers Agreement

Attachment B: Memo summarizing key agreement provisions

Attachment C: Comparison of Existing and Proposed Agreement Provisions

Related Items “On File” with the Clerk of the Board:

Report on SCWMA Alternatives dated July 12, 2016, by R3 Consulting Group, Inc.

**AMENDED AND RESTATED JOINT EXERCISE OF POWERS
AGREEMENT FOR THE SONOMA COUNTY WASTE
MANAGEMENT AGENCY**

THIS AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT (“Agreement”) is made and entered into as of March 1, 2017 (“**Effective Date**”), by and among the County of Sonoma, a political subdivision of the State of California, the City of Cotati, a California municipal corporation, the City of Cloverdale, a California municipal corporation, the City of Healdsburg, a California municipal corporation, the City of Petaluma, a California municipal corporation, the City of Rohnert Park, a California municipal corporation, the City of Santa Rosa, a California municipal corporation, the City of Sebastopol, a California municipal corporation, the City of Sonoma, a California municipal corporation, and the Town of Windsor, a California municipal corporation (collectively “**Members**” and each individually a “**Member**”).

RECITALS

A. The Members are authorized and empowered to contract with each other for the joint exercise of powers pursuant the Joint Exercise of Powers Act (Government Code Section 6500 *et seq.*) (the “**JPA Act**”).

B. The California Integrated Waste Management Act of 1989 (Public Resources Code Section 40000 *et seq.*) (the “**Integrated Waste Management Act**”) requires Members to divert recyclable and recoverable materials from the waste stream and to cooperate to achieve certain waste diversion goals.

C. On or before September 9, 1992, the Members entered into that certain Agreement between the Cities of Sonoma County and Sonoma County for a Joint Powers Agency to Deal With Waste Management Issues (Wood Waste, Yard Waste, Household Hazardous Waste, and Public Education) (the “**Original Agreement**”) to enable the Members to jointly exercise their powers to address issues related to the management of wood waste, yard waste and household hazardous waste and to provide public education related to waste diversion within the Members’ jurisdictions.

D. The Original Agreement created a separate public entity known as the Sonoma County Waste Management Agency (the “**Agency**”) to implement the purposes of the Original Agreement.

E. On January 24, 1996, the Members entered into that certain First Amendment to Agreement Between the Cities of Sonoma County and Sonoma County for a Joint Powers Agency to Deal with Waste Management Issues (the “**First Amendment**”).

F. On March 27, 2014, the Members entered into that certain “Second Amendment to Agreement Between the Cities of Sonoma County and Sonoma County for a Joint Powers Agency to Deal with Waste Management Issues (the “**Second Amendment**”).

G. The Members desire to continue to jointly exercise common powers and authority through the Agency and to amend and restate the terms of Original Agreement as amended by the First Amendment and the Second Amendment, as with respect to the terms and provisions set forth herein.

AGREEMENT

NOW THEREFORE, in consideration of the matters recited and the mutual promises, covenants, and conditions set forth in this Agreement, the Members hereby agree as follows:

1. DEFINITIONS

As used in this Agreement, unless the context requires otherwise, the meaning of the terms hereinafter set forth shall be as follows:

A. “Agreement” means this Amended and Restated Sonoma County Waste Management Agency Joint Exercise of Powers Agreement.

B. “Agency” shall mean the Sonoma County Waste Management Agency, which is a separate entity created by this Agreement pursuant to the provisions of California Government Code sections 6500 *et seq.*

C. “Board of Directors” or “Board” shall mean the governing body of the Agency as established by Section 7 of this Agreement.

D. “Bylaws” shall mean the bylaws adopted by the Board of Directors pursuant to Section 9.05 of this Agreement to govern the day-to-day operations of the Agency.

E. “Director” and “Alternate Director” shall mean a Director or Alternate Director appointed by a Member pursuant to Section 7.B of this Agreement.

F. “First Amendment” shall have the meaning set forth in Recital E.

G. “Fiscal Year” shall mean that period of 12 months established as the Fiscal Year of the Agency pursuant to Section 12.B of this Agreement.

H. “Food Waste” shall mean a waste material of plant or animal origin that results from the preparation or processing of food for animal or human consumption; and that is separated from the municipal solid waste stream. Food waste includes, but is not limited to, food waste from food facilities as defined in Health and Safety Code section 113789 (such as restaurants), food processing establishments as defined in Health and Safety Code section 111955, grocery stores, institutional cafeterias (such as, cafeterias in prisons, schools and hospitals), and residential food scrap collection. Food waste does not include any material that is required to be handled only pursuant to the California Food and Agricultural Code and regulations adopted pursuant thereto.

I. “Hazardous Waste” shall mean waste as defined in Section 40141 of the Public Resources Code and Section 25117 Health and Safety Code that is, waste or combination of wastes, which because of its quantity, concentration, or physical, chemical, or infectious characteristics may do either of the following: (i) Cause, or significantly contribute to, an increase in mortality or an increase in serious irreversible, or incapacitating reversible, illness; (ii) Pose a substantial present or potential hazard to human health or the environment when improperly treated, stored, transported, or disposed of, or otherwise managed.

J. “Household Hazardous Waste” shall mean waste materials determined by the California Department of Resources Recycling and Recovery, the Department of Health Services, the State Water Resources Control Board, or the Air Resources Board to be of such a nature that they must be listed as hazardous in state statutes and regulations, and which are toxic/ignitable/corrosive/reactive, or carcinogenic/mutagenic/teratogenic; and are discarded from householders as opposed to businesses.

K. “Integrated Waste Management Act” shall mean the California Integrated Waste Management Act of 1989, set forth at California Public Resources Code Section 40000 *et seq.*, including all laws and regulations supplemental thereto, as they may be amended from time to time.

L. “JPA Act” shall mean the Joint Exercise of Powers Act, set forth at California

Government Code, sections 6500, *et seq.*, including all laws and regulations supplemental thereto, as they may be amended from time to time.

M. “Member” or “Members” shall mean the agencies as listed in the preamble of this Agreement, above.

N. “Original Agreement” shall have the meaning set forth in Recital C.

O. “Regional Agency” shall mean the designation of the Agency as a “Regional Agency” by the California Integrated Waste Management Board in compliance with Public Resources Code Section 40975.

P. “Residential Food Waste” shall mean Food Waste generated by people residing within the Members’ jurisdictions who own or occupy single family homes or residential structures with no more than four separate residential living units.

Q. “Second Amendment” shall have the meaning set forth in Recital F.

R. “Wood Waste” shall mean solid waste consisting of wood pieces or particles which are generated from the manufacturing or production of wood products, harvesting, process or storage of raw wood materials, or construction and demolition activities.

S. “Yard Waste” shall mean any wastes generated from the maintenance or alteration of public, commercial or residential landscapes including but not limited to, yard clippings, leaves, tree trimmings, pruning, brush, and weeds.

2. PURPOSE

A. Amended and Restated Agreement. The purpose of this Agreement is to modify and amend the Original Agreement with respect to the purposes, membership, governance, administration and operation of the Agency, and to allow the Agency to continue operations for an extended term as set forth herein. The terms and provisions of this Agreement replace the Original Agreement as amended by the First Amendment and the Second Amendment in its entirety. Unless expressly stated herein, this Agreement does not affect any of the Agency’s contracts, debts, revenues, claims, obligations, policies, procedures or bylaws that pre-date this Agreement, which will continue to remain in full force and effect in accordance with their terms and/or applicable law.

B. Continuation of the Sonoma County Waste Management Agency as a Separate Public Entity. The Members created the Agency as a distinct public entity, separate and apart from the Members, pursuant to and in accordance with the provisions of the JPA Act. It is the intent of the Members that under this Agreement the Agency shall continue as a distinct public entity under the JPA Act and other applicable law.

C. Core Programs. The Agency has the authority to provide the following core programs to the Members: (1) Provide for the recycling and disposal of Household Hazardous Waste from the Members’ jurisdictions (the “Household Hazardous Waste Program”); (2) provide services and programs to provide for or facilitate the diversion of organic material, including but not limited to Yard Waste and Wood Waste (the “Organic Materials Program”); (3) provide education regarding recycling, composting and other methods of waste diversion to Members and the public (the “Education Program”); and (4) conduct, prepare and submit all monitoring and reporting as a Regional Agency as required pursuant to the Integrated Waste Management Act (the “Reporting Program”). The Agency may not add to or eliminate these core programs except by amendment of this Agreement. The Core Programs are further described in Section 4 of this Agreement.

D. Additional Programs. The Agency may conduct additional planning activities and

development of regional programs that are related to the furtherance of increasing waste diversion within the Members' jurisdictions, provided that implementation of any regional program or plan developed by the Agency within any individual Member's jurisdiction shall be subject to the review and approval of the Member's governing body. The Additional Programs are further described in Section 5 of this Agreement.

3. POWERS

A. General Powers. The Agency shall have the powers common to the Members to this Agreement that are necessary or convenient to the implementation and ongoing operation of the Core Programs and Additional Programs, as well as other powers accorded to it by law, subject to the restrictions set forth herein.

B. Specific Powers. The Agency is authorized in its own name to perform all acts necessary for the exercise of common powers to carry out this Agreement, including but not limited to the following:

- i. To make and enter into contracts;
- ii. To employ agents and employees;
- iii. To obtain legal, financial, accounting, technical and other services as needed to carry out its purposes;
- iv. To acquire, construct, manage, maintain and operate any buildings, works, or improvements;
- v. To acquire, hold, lease or dispose of property;
- vi. To incur debts, liabilities, and obligations;
- vii. To impose, levy, collect or cause to be collected, to receive and use charges and fees as provided by law;
- viii. To accumulate operating and reserve funds and invest the same as allowed by law for the purposes of the Agency.
- ix. To apply for, accept and receive all permits, grants, loans or other aids from any federal, state or local public agency;
- x. To receive donations of property, funds, services and other forms of financial assistance from any person, entity or agency;
- xi. To invest money that is not needed for immediate necessities, as the Board determines to be advisable, in the same manner and upon the same conditions that apply to other local agencies as specified in Section 53601 of the Government Code.
- xii. To sue and be sued in its own name;
- xiii. To promulgate, adopt and enforce any by-laws, rules, regulations, policies and procedures in accordance with Section 5 of this Agreement as may be necessary and proper to implement and effectuate the terms, provisions and purposes of this Agreement; and
- xiv. To carry out any power necessary or incidental to the foregoing powers in the manner and according to the procedures provided for under the law applicable to the Members to this Agreement and to perform all other acts necessary or proper to fully carry out the purposes of this Agreement.

C. Restriction on Exercise of Powers. Pursuant to the JPA Act, all common powers exercised by the Agency shall be exercised in a manner consistent with, and subject to, the restrictions and limitations upon the exercise of such powers as are applicable to the County of Sonoma.

4. CORE PROGRAMS

A. Household Hazardous Waste Program. Pursuant to a license agreement between the Agency and the County of Sonoma, the Agency operates a program at the Sonoma County Central Landfill (the “**Central Landfill**”) for the collection and storage of Household Hazardous Waste. The Agency separately contracts with an operator to collect, sort, store, package and transfer the Household Hazardous Waste collected by designated haulers and other entities approved by the Agency, and from members of the public who are residents of a Member. Hazardous Waste generated by small quantity generators may be accepted, but shall be funded entirely by the generators using the service. The Household Hazardous Waste Program shall continue to exist and operate in compliance with all applicable laws, rules and regulations and in substantially the same manner as on the Effective Date of this Agreement, provided that the Agency Board shall be permitted to change the location of the program or add additional locations from time to time, as deemed necessary or convenient by the Agency Board, and to make other changes to the program as necessary to ensure continued compliance with all applicable laws, rules and regulations.

B. Organic Materials Program. The Agency has the authority to operate a program for the diversion of organic material, including but not limited to yard waste and wood waste.

i. Current Program. As of the Effective Date, the Agency operates a program for the collection and processing of Yard Waste, Residential Food Waste and Wood Waste received at the Central Landfill or the Annapolis, Guerneville, Healdsburg and Sonoma Transfer Stations (collectively, the “**Transfer Stations**”) from any source within the jurisdictions of the members that participate in the program (the “**Current Composting Program**”). The Current Composting Program is and shall continue to be funded by a tonnage disposal fee levied against Yard Waste, Residential Food Waste and Wood Waste received at the Central Landfill and the Transfer Stations. The Agency shall continue to operate the Current Composting Program, provided that the Agency may from time to time change the locations at which the Yard Waste, Residential Food Waste and Wood Waste are received, until such time that: (i) The Agency and/or individual Members have developed and implemented an alternative program or programs that provides for the diversion of organic material, including, at a minimum, Yard Waste, Residential Food Waste and Wood Waste, for all of the Members as contemplated in Section 4.B.iii below, or (ii) each of the Members has withdrawn from the Current Composting Program, as permitted under Section 4.B.ii below.

ii. Withdrawal from Current Program. Any of the Members may withdraw from the Current Composting Program upon ninety (90) days written notice to the Agency. Upon withdrawal from the Current Program, the withdrawing Member shall no longer be permitted to deliver Yard Waste, Residential Food Waste and Wood Waste to the Central Landfill or Transfer Stations for processing. A Member that has withdrawn from the Current Composting Program or is not participating as of the Effective Date, may rejoin the Current Composting Program if such request to rejoin is approved by the Agency Board. Even if all Members withdraw from the Current Program, the Agency shall retain the authority set forth in subsection iii below, even if that authority is not exercised. The withdrawal of all Members from the Current Program shall not constitute an elimination of the Organic Materials Program requiring an amendment to this Agreement.

iii. *Alternative Organic Materials Programs.* The Agency shall have the authority, at the direction of the Agency Board, to solicit information and/or request proposals for alternative programs for diversion of organic materials to serve some or all of the Members. The Agency shall serve as a resource to its Members in developing solutions for the diversion of organic materials that will serve the region, either through the development of a single regional organic materials program or multiple programs serving individual Members or groups of Members, including providing advice and expertise to such Members, as directed by the Agency Board. The Agency shall further have the ability to develop and implement an alternative organic materials program that serves the Members or a portion of the Members, provided that any such program shall be implemented through a separate agreement or amendment to this Agreement, and shall be approved by the governing board of each participating Member, and any Member that is not participating in such a future organic materials program shall not have any obligations, financial or otherwise, pursuant to such future organic materials program.

C. Education Program. The Agency provides information and education to individuals using the Agency's services and individuals who live or work in the Members' jurisdictions in order to maximize use of the Agency's programs, encourage recycling and other forms of waste diversion, and otherwise further the purpose and goals of the Agency. The Education Program shall continue to exist and the Agency shall continue to operate such program in compliance with all applicable laws, rules and regulations in furtherance of the Agency's purposes and goals, as directed by the Agency Board.

D. Reporting Program.

i. *Regional Agency.* The Agency is and shall continue to be a Regional Agency for purposes of Section 40971 of the Integrated Waste Management Act, and the Members are member agencies of the Regional Agency, and shall conduct all reporting required for a Regional Agency in accordance with the Integrated Waste Management Act.

ii. *Civil Penalties.* In the event any civil penalties are levied against the Agency pursuant to the Integrated Waste Management Act, the Agency shall research the cause for which civil penalties are being levied. Research may include, but is not limited to, any of the following: Review of landfill disposal origin data, review of hauler origin data, performance of a solid waste disposal study, performance of a solid waste characterization study and/or performance of a solid waste diversion study. Agency shall cooperate with Members, the responsible Member(s) and regulators to identify corrective steps that might be taken prior to assessment of penalties, if any. The Agency shall assign responsibility for payment of any civil penalties as follows: (a) The Agency shall pay the entire penalty, or (b) an individual Member is responsible for the assessment of the civil penalty and the entire penalty shall therefore be imposed upon that member for payment of the penalty; or (c) multiple Members, but not all Members, are responsible for the assessment of the penalty and the penalty therefore shall be allocated equally upon those responsible Members, or (d) the Agency and the individual Members which are also responsible for the penalty shall pay the penalty in amounts proportionate to their responsibility for the penalty. Before apportioning a penalty to one or more Members pursuant to this Section, the Agency shall provide written notice to such Members that explains the basis for apportionment of responsibility for the penalty, and shall provide an opportunity for a hearing before the Agency Board prior to assessment of any such penalty.

iii. *Contingency Plan.* Should the Agency be dissolved for any reason, or should

a Member withdraw from this Agreement, each Member or the former Member shall be responsible for complying with the requirements of the Integrated Waste Management Act within their respective jurisdictional boundaries in accordance with the programs set out in the Agency's documents.

iv. *Members' Duties and Responsibilities.* Each Member is responsible for implementing and meeting the mandated diversion requirements within its jurisdictional boundaries.

5. ADDITIONAL PROGRAMS

A. Authority to Develop Additional Programs. The Agency has the authority to develop and implement Additional Programs that are related to the Agency's overarching purpose of increasing waste diversion in the jurisdictions of the Members. The types of Additional Programs authorized under this section include, but are not limited to, development of model ordinances related to waste diversion which may be considered by the legislative bodies of the Members; implementation of waste diversion programs in Member jurisdictions that are adopted pursuant to such model ordinances; development of or participation in regional plans or efforts to reduce the amount of recyclable, compostable or hazardous materials in the region's solid waste stream; and researching and disseminating information to the Members regarding methods to reduce solid waste and increase waste diversion in the region.

B. Approval by Members Prior to Implementation in Specific Jurisdictions. The implementation of any Additional Programs developed pursuant to this Section 5 in individual jurisdictions, including but not limited to ordinances, regulations or similar legislative actions, shall be subject to the approval of such Member prior to implementation of such program in the Member's jurisdiction. The Agency additionally may enter into agreements with individual Members to implement and/or participate in the enforcement of such programs.

C. Costs of Implementation of Additional Programs. In the event that individual Members approve an additional program developed by the Agency pursuant to this Section and desire that the Agency implement and/or participate in the enforcement of such program within the Member's jurisdiction, each individual Member shall bear the reasonable cost of the Agency's implementation and/or enforcement of any additional program in their respective jurisdictions. The reasonable cost of implementation and/or enforcement within a Member's jurisdiction shall be determined by the Agency and shall be paid by the Member in accordance with the terms of an agreement entered into between the Agency and Member pursuant to Subsection 5.B, or if all Members participate in the additional program such costs of implementation may be paid directly by the Agency. The costs of implementation and/or enforcement of an additional program which shall be borne by individual Members based on this Subsection 5.C specifically exclude the cost of development of the additional program, including but not limited to staff, consultant and legal costs incurred in the research, preparation and drafting of the additional program, environmental analysis required prior to the adoption of the program, including but not limited to analysis in accordance with the California Environmental Quality Act (Public Resources Code §§21000 *et seq.*), and the cost to indemnify, defend and hold harmless individual members that are made party to any claim, suit or similar proceeding challenging the validity of the additional program.

D. Additional Programs Included in Budget. The cost of development and/or implementation of any Additional Programs pursuant to this Section 5 shall be included in the Agency Budget.

6. EFFECTIVE DATE AND TERM

A. Effective Date. This Agreement shall become effective on March 1, 2017, or the date upon which all authorized representative of all the Members have executed this Agreement, whichever is later. Such date shall be the “Effective Date” for purposes identified herein.

B. Term. The Agreement shall remain effective until the Agency is dissolved pursuant to the provisions set forth in Section 10.F, subject to the rights of individual Members to withdraw from the Agency.

7. AGENCY BOARD

A. Board of Directors. The Agency is governed and administered by a Board of Directors (“Board”) that is composed of one voting seat per Member.

B. Directors and Alternates. Each Member shall appoint one Director and at least one Alternate Director to the Board. One of the Alternate Directors, as directed by the Member, shall serve and assume the rights and duties of the Director when the Director is unable to attend a Board meeting. The Primary and Alternate Directors shall be either an elected or appointed members of the Member’s governing body, or an employee of the Member. Directors and Alternate Directors shall serve at the pleasure of the Member appointing them and they may be removed at any time, with or without cause, in the sole discretion of the Member. Each Director and Alternate Director shall hold office until their successor is selected by the Member and the Agency has been notified of the succession. In the event that a Director or Alternate Director loses their position as a member of their appointing body’s governing body or as a Member employee, that Director or Alternative Director position shall become vacant and the governing body of that Member shall appoint a new Director or Alternative Director.

C. Agency Officers. The Board of Directors shall select, from among themselves, a Chair who shall be the presiding officer of all Board of Directors meetings, a Vice Chair who shall serve in the absence of the Chair and a Chair Pro Tempore who shall serve in the absence of both the Chair and the Vice Chair. In addition, the Board of Directors shall appoint a Clerk (who need not be a Director) to be responsible for keeping the minutes of all meetings of the Board and posting agendas.

D. Board Committees. The Board of Directors may from time to time appoint one or more advisory committees or establish standing or ad hoc committees to assist in carrying out the purposes and objects of the Authority. The Board shall determine the purpose and need for such committees.

E. No Personal Liability of Board Members. Under the JPA Act, no Director shall be personally liable for any debts, obligations or liabilities of the Agency, nor subject to any personal liability or accountability by reason of the Agency’s incurrence of debts, obligations or liabilities.

8. BOARD MEETINGS AND VOTING

A. Regular Meetings. The Board shall hold its regular meetings pursuant to a meeting schedule as established by resolution of the Board, but may cancel such regular meetings as it deems necessary or appropriate.

B. Special Meetings. Special meetings of the Board may be called by the Chair or as provided for in the Rules of Governance adopted by the Board.

C. Call, Notice and Conduct of Meetings. All meetings of the Board shall be noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act, California Government Code section 54950 *et seq.*

D. Quorum. Five Board members shall constitute a quorum of the Board.

E. Voting—Regular Items. An affirmative vote of at least a majority of the Board members attending a meeting is required for the Agency to take any action.

F. Super-Majority Vote Items. A super-majority vote, which for purposes of this Agreement constitutes a vote of 8/10 of all members of the Board (currently 8 of 10 members) is required for the Agency to take action on any of the following items:

- i. Approval or amendment of the Agency Budget;
- ii. Incurrence of debt from public or private lending or financing sources in an amount of \$250,000 or more;
- iii. Authorization of expenditures of \$250,000 or more to a single source within a single fiscal year;
- iv. Any increase in fees or imposition of any new fees.

G. Unanimous Vote Items. A unanimous vote is required for the Agency to acquire any interest in real property with a value of \$250,000 or more.

H. Public Meeting for Periodic Review of Agreement. The Board shall conduct a public meeting not less than once every ten (10) years following the Effective Date to review the terms and conditions of this Agreement and discuss whether any amendments to this Agreement are necessary or advisable. At such public meeting the Executive Director and Agency Counsel shall make a report to the Board recommending any amendments to the Agreement, and if directed by the Board shall draft proposed amendments to this Agreement for consideration by the governing boards of each Member. This section shall not preclude the Members from making amendments of this Agreement at other times as deemed necessary or appropriate by the Members, in accordance with Section 13.B of this Agreement.

9. OPERATIONS AND MANAGEMENT.

A. Executive Director. The Agency may appoint an Executive Director, from time-to-time as and when it deems appropriate. If appointed, the Executive Director shall serve at the pleasure of the Board of Directors and his or her duties and responsibilities shall be set forth via a vote of the Board.

B. Legal Counsel and Other Officers. The Agency may appoint Agency Legal Counsel who shall serve at the pleasure of the Board via a vote of the Board. Subject to the limits of the Agency's approved budget, the Board shall also have the power to appoint and contract via a vote of the Board for the services of other officers, consultants, advisers and independent contractors as it may deem necessary or convenient for the business of the Agency, all of whom shall serve at the pleasure of the Board.

C. Treasurer, Controller and Annual Audit. The Sonoma County Auditor-Controller-Treasurer-Tax Collector shall act as the Treasurer and Controller for the Agency. The Treasurer and Controller shall perform all usual and customary duties of their offices for the Agency, including but not limited to receiving all deposits, issuing warrants per direction, and other duties specified in Government Code section 6505.5. The Board may transfer the responsibilities of the Treasurer and/or Controller to any other person or entity as the law may provide at the time (see e.g., Government Code section 6505.5). The Board shall cause an independent annual audit to be made by a certified public accountant, or public accountant, in compliance with Government Code section 6505.

D. Employees and Management. In addition to, or in lieu of, hiring employees, the Agency may engage one or more Members to manage any or all of the business of the Agency or to provide employees to manage any or all of the business of the Agency on terms and conditions acceptable to the Board of Directors. Any Member so engaged shall have such responsibilities and shall be compensated as set forth in the agreement for such Member's services entered into by and between such Member and the Agency, which agreement shall be approved by the Board. Notwithstanding the foregoing, the Director appointed by the Member providing such services shall not vote on the agreement to provide such services.

E. Other Agency Services. The Agency may further engage one or more Members to provide additional services and resources as necessary or desirable for the administration of the Agency, including but not limited to building use, administrative services, purchasing, human resources, purchasing and other administrative services. Any Member so engaged shall have such responsibilities and shall be compensated as set forth in the agreement for such Member's services entered into by and between such Member and the Agency, which agreement shall be approved by the Board. Notwithstanding the foregoing, the Director appointed by the Member providing such services shall not vote on the agreement to provide such services.

F. Rules of Governance. The Board shall adopt Rules of Governance governing the conduct of meetings and the day-to-day operations of the Agency, which Rules of Governance may be amended from time to time.

G. Conflict of Interest Code. The Board shall adopt and file a Conflict of Interest Code pursuant to the provisions of the Political Reform Act of 1974.

10. RELATIONSHIP OF AGENCY AND ITS MEMBERS

A. Separate Public Entity. In accordance with California Government Code Sections 6506 and 6507, the Agency shall be a public entity separate and apart from the parties to this Agreement.

B. Name. The Agency may change its name at any time through adoption of a resolution of the Board of Directors.

C. Liabilities. In accordance with Government Code section 6508.1, the debts, liabilities and obligations of the Agency shall not be debts, liabilities or obligations of the individual Members unless the governing board of a Member agrees in writing to assume any of the debts, liabilities or obligations of the Agency. A Member who has not agreed to assume an Agency debt, liability or obligation shall not be responsible in any way for such debt, liability or obligation even if a majority of the Members agree to assume the debt, liability or obligation of the Agency.

D. Indemnity. Funds of the Agency may be used to defend, indemnify, and hold harmless the Agency, each Member, each Director, and any officers, agents and employees of the Agency for their actions taken within the course and scope of their duties while acting on behalf of the Agency. To the fullest extent permitted by law, the Agency agrees to save, indemnify, defend and hold harmless each Member from any liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorney's fees and costs, court costs, interest, defense costs, and expert witness fees, where the same arise out of, or are attributable in whole or in part to the Agency's programs. Notwithstanding the foregoing, the sole negligence, gross negligence, or intentional acts of any Member is exempted from the indemnification provided by this Section 10.D.

E. Withdrawal of Members. Any Member shall have the ability to withdraw by

providing a minimum of one hundred eighty (180) days written notice of its intention to withdraw to the Agency and the other Members, which withdrawal shall be effective only at the end of the Fiscal Year in which the one hundred eighty (180) day written notice period is completed. Subject to the terms of any lease or license agreement, any Member who withdraws from the Agency shall retain any real property interests already owned by such Member. Upon withdrawal, the withdrawing Member shall not be entitled to distribution of any Agency property or assets; rather the Agency shall retain all property interests and assets used by the Agency in furtherance of its purpose under this Agreement. Upon withdrawal of a Member, the Agency shall have no further obligation to provide any of the programs described in Section 2.C and 2.D to that Member. In the event of a withdrawal, this Agreement shall continue in full force and effect among the remaining members as set forth in Section 5.E below.

F. Continuing Obligations upon Withdrawal. The withdrawal of one or more Members shall not terminate this Agreement or result in the dissolution of the Agency, and the Agency shall remain in operation provided that there are at least two Members which remain in the Agency and subject to this Agreement.

G. Dissolution. The Agency may be dissolved at any time upon the unanimous approval of the Members' governing boards. However, the Agency shall not be dissolved until all debts and liabilities of the Agency have been eliminated. Upon dissolution of the Agency, each Member shall receive its proportionate share of any remaining assets after all Agency liabilities and obligations have been paid in full. Each Member's proportionate share of such remaining assets shall be determined by the Agency Treasurer based upon the estimated total population of each Member in proportion to the total estimated population of all Members at the time of dissolution. The estimated population of the Members shall be determined based on the estimated population report published by the California State Department of Finance, or if such report is no longer published, by such other method of determining population as agreed upon by the Members. The distribution of remaining assets may be made "in kind" or assets may be sold and the proceeds thereof distributed to the Members. This distribution shall occur within a reasonable time after dissolution. No former Member that previously withdrew shall be entitled to a distribution upon dissolution.

11. AUTHORITY RETAINED BY MEMBERS

A. Approval by Members. This Agreement requires specific approval from the legislative bodies of the Members for certain actions provided for under this Agreement. These actions include:

- i. Implementation of an Additional Program in a Member's jurisdiction (Section 2.D, Section 5).
- ii. Approval of an alternative organic materials program (Section 4.B.iii).
- iii. Dissolution of the Agency (Section 10.G).
- iv. Amendment of this Agreement (Section 13.B).

B. No Limitation on Members. Nothing in this Agreement shall be construed as a limitation on the legislative authority or constitutional police powers of the Members.

12. FINANCIAL PROVISIONS

A. Establishment of Funds. The Agency shall establish and maintain such funds and accounts as may be required by general accepted public agency accounting practices. The Agency shall maintain strict accountability of all funds and report all receipts and disbursements of the

Agency on no less than a quarterly basis.

B. Fiscal Year. The Fiscal Year of the Agency shall be from July 1 to June 30.

C. Budget. Prior to the end of each Fiscal Year, the Board shall adopt a budget for the Agency for the ensuing Fiscal Year. The Board may authorize mid-year budget adjustments, as needed.

D. Waste Management Agency Fees. The Agency's programs are funded in part through a tip fee charge on waste entering the County of Sonoma's waste disposal system to fund the cost of the programs and services provided by the Agency, which the County of Sonoma collects and remits to the Agency (the "**Waste Management Agency Fee**"). The County, either directly or through its Contractor, shall continue to collect and remit such Waste Management Agency Fee to the Agency for the term of this Agreement, unless and until the Agency provides written notice directing the County to cease collecting such fee. The County's obligation to collect and remit the Waste Management Agency Fee shall survive the County's withdrawal from the Waste Management Agency.

E. Current Composting Program Fee. The Current Composting Program is primarily funded by a tip fee that is charged to all Yard Waste, Wood Waste and Residential Food Waste received at the Central Landfill and the Transfer Stations (the "**Current Composting Program Fee**"). The County, either directly or through its Contractor, shall continue to collect and remit the Current Composting Program Fee to the Agency for so long as the Agency is operating the Current Composting Program, unless and until the Agency provides written notice to the County to cease collecting the Current Composting Program Fee. At such time that the Agency ceases its operation of the Current Composting Program, the Agency shall provide written notice to the County, and the County shall have no further obligation to collect and remit the Current Composting Program Fee to the Agency. The County's obligation to collect and remit the Waste Management Agency Fee shall survive the County's withdrawal from either the Current Composting Program or the Waste Management Agency.

F. Additional Fees. The Agency may establish, levy and collect such other fees or surcharges for services provided by the Agency in furtherance the Core Programs and Additional Programs to fund the Agency's costs of providing such services, as permitted by law.

G. Agreements with Individual Member Agencies. In the event that a Member does not provide its jurisdiction's waste to the County of Sonoma's waste disposal system and therefore does not contribute to the Waste Management Agency Fee, Agency may, at its discretion, enter into separate agreements with such individual Members to make available some or all of the Core Programs and Additional Programs in exchange for compensation from the Member for the costs of the Programs provided.

H. Insurance. The Agency shall be required to obtain insurance, or join a self-insurance program in which one or more of the Members participate, appropriate for its operations. Any and all insurance coverages provided by the Agency, and/or any self-insurance programs joined by the Agency, shall name each and every Member as an additional insured for all liability arising out of or in connection with the operations by or on behalf of the named insured in the performance of this Agreement. Minimum levels of the insurance or self-insurance program shall be set by the Agency in its ordinary course of business. The Agency shall also require all of its contractors and subcontractors to have insurance appropriate for their operations. All amounts coverages and provisions of the insurance policies identified in this subsection H shall be subject to the approval of Agency Counsel.

13. MISCELLANEOUS PROVISIONS

A. Agreement Complete. This Agreement constitutes the full and complete agreement of the Members. This Agreement supersedes all prior agreements and understandings, whether in writing or oral, related to the subject matter of this Agreement that are not set forth in writing herein.

B. Amendment. This Agreement may be amended from time to time by the unanimous consent of the Members, acting through their governing bodies. Such amendments shall be in the form of a writing signed by each Member.

C. Successors and Assigns. The rights and duties of the Members may not be assigned or delegated without the written consent of all other Members. Any attempt to assign or delegate such rights or duties in contravention of this Agreement shall be null and void. Any assignment or delegation permitted under the terms of this Agreement shall be consistent with the terms of any contracts, resolutions or indentures of the Agency then in effect. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the Members hereto. This section does not prohibit a Member from entering into an independent agreement with another agency regarding the financing of that Member's contributions to the Agency or the disposition of proceeds, which that Member receives under this Agreement so long as such independent agreement does not affect, or purport to affect, the rights and duties of the Agency or the Members under this Agreement.

D. Execution in Counterparts. This Agreement may be executed in counterparts, each counterpart being an exact duplicate of all other counterparts, and all counterparts shall be considered as constituting one complete original and may be attached together when executed by the Members hereto.

E. Member Authorization. The governing bodies of the Members have each authorized execution of this Agreement, as evidenced by their respective signatures below.

F. Notices. Notices authorized or required to be given pursuant to this Agreement shall be in writing and shall be deemed to have been given when mailed, postage prepaid, or delivered during working hours to the addresses set forth for each of the Members hereto on Exhibit "A" of this Agreement, or to such other changed addresses communicated to the Agency and the Members in writing.

G. Severability and Validity of Agreement. Should the participation of any Member to this Agreement, or any part, term or provision of this Agreement be decided by the courts or the legislature to be illegal, in excess of that Member's authority, in conflict with any law of the State of California, or otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms or provisions of this Agreement shall not be affected thereby and each Member hereby agrees it would have entered into this Agreement upon the same remaining terms as provided herein.

IN WITNESS WHEREOF, the Members hereto, pursuant to resolutions duly and regularly adopted by their respective Board of Directors or governing board, have caused their names to be affixed by their proper and respective officers as of the day and year first above-written.

COUNTY OF SONOMA

Chair
Board of Supervisors

ATTEST:

Clerk of the Board of Supervisors

APPROVED AS TO FORM:

Assistant County Counsel

CITY OF SANTA ROSA

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

SIGNATURES CONTINUED ON FOLLOWING PAGE

CITY OF ROHNERT PARK

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

CITY OF SEBASTOPOL

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

CITY OF SONOMA

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

SIGNATURES CONTINUED ON FOLLOWING PAGE

CITY OF CLOVERDALE

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

CITY OF PETALUMA

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

CITY OF COTATI

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

SIGNATURES CONTINUED ON FOLLOWING PAGE

CITY OF HEALDSBURG

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

TOWN OF WINDSOR

Mayor

ATTEST:

Town Clerk

APPROVED AS TO FORM:

Town Attorney

EXHIBIT A

NOTICE INFORMATION FOR MEMBERS

COUNTY OF SONOMA:

County of Sonoma
Attn: County Administrator
575 Administration Drive
Suite 104A
Santa Rosa, CA 95403

CITY OF SANTA ROSA

City of Santa Rosa
Attn: City Manager
100 Santa Rosa Avenue
Room 10
Santa Rosa, CA 95404

CITY OF ROHNERT PARK

City of Rohnert Park
Attn: City Manager
130 Avram Avenue
Rohnert Park, CA 94928

CITY OF SEBASTOPOL

City of Sebastopol
Attn: City Manager
7120 Bodega Avenue
P.O. Box 1776
Sebastopol, CA 95473

CITY OF SONOMA

City of Sonoma
Attn: City Manager
No. 1, the Plaza
Sonoma, CA 95476

[CONTINUED ON NEXT PAGE]

CITY OF CLOVERDALE

City of Cloverdale
Attn: City Manager
124 North Cloverdale Blvd.
Cloverdale, CA 95425

CITY OF PETALUMA

City of Petaluma
Attn: City Manager
11 English Street
Petaluma, CA 94952

CITY OF COTATI

City of Cotati
Attn: City Manager
201 West Sierra Avenue
Cotati, CA 94932-4217

CITY OF HEALDSBURG

City of Healdsburg
401 Grove Street
Healdsburg, CA 95448

TOWN OF WINDSOR

Town of Windsor
Attn: Town Manager
9291 Old Redwood Highway
P.O. Box 100
Windsor, CA 95492-0100



BEST BEST & KRIEGER
ATTORNEYS AT LAW

Memorandum

To: Patrick Carter
From: Ethan Walsh
Agency Counsel
Date: January 13, 2017
Re: Amended and Restated Joint Exercise of Powers Agreement

I. Introduction

This memorandum summarizes the key provisions of the Amended and Restated Joint Powers Agreement (“the “JPA Agreement”) that the Sonoma County Waste Management Agency (“Agency”) Board directed staff to pass on to the Members, for consideration by their legislative bodies. I have also enclosed a document that compares some of the key provisions of this Agreement to the Original Joint Powers Agreement, as it has been amended to date.

II. Key Terms of Draft Agreement

A. Core Programs. (Section 4) The Agency’s core programs include: (1) Household Hazardous Waste Recycling Program; (2) Composting Program; (3) Education Program; and (4) Reporting Program.

1. Household Hazardous Waste Program: (Section 4.A) This section largely tracks the language in the current JPA agreement and allows that the HHW Program will continue as is. The one significant change is that the description of this program allows that while the program is currently operated at the Central Landfill, that location may be moved as deemed necessary or appropriate by the Board. This language is intended to give the Board flexibility to relocate the program if needed during the life of the Agency.

2. Composting Program: (Section 4.B) This Section contains the most significant changes to any of the Core Programs.

i. Current Program: (Section 4.B.i) The draft JPA Agreement provides that the Agency may continue to operate its current composting program, which consists of the collection and processing of yard waste, residential food waste and wood waste at the Central Landfill and Transfer Stations (Section 4.B.i). This language is intended to ensure that the Agency has the authority to continue



BEST BEST & KRIEGER
ATTORNEYS AT LAW

operating its current program of hauling compostable materials received from member agencies for so long as this service is needed.

ii. *Withdrawal from Current Program:* (Section 4.B.ii) This section allows that members can withdraw from the current program with ninety (90) days written notice to the Agency. We recognize that some of the member agencies are exploring different options for composting, and may want to enter into an alternative arrangement separate from the other members. This withdrawal provision is intended to give all members the flexibility to transition to a different option, while still allowing the other members to continue with the existing program for as long as necessary. The compost program is funded from tipping fees collected from compost delivered to the Central Landfill and Transfer Stations. So if an individual member withdraws, that member will no longer be charged for composting. Further, the Agency is only charged for the compost materials delivered to the various out of county composting facilities utilized as part of the current program. These factors allow for a fairly straight forward transition if a member or members withdraw from the Current Program. A member that has withdrawn may rejoin the Current Program, but only if approved by a majority vote of the Board.

iii. *Alternative Composting Programs:* (Section 4.B.iii) This section provides the Agency with the authority to develop an alternative program for composting to serve all or some of the Agency's members. However, any alternative program would have to be developed through a separate agreement between the participating members, or through an additional amendment to the JPA Agreement. This gives the Agency the ability to take the lead in developing a composting solution for the region, and the flexibility to either implement a program itself, or allow member agencies to develop a program or programs to meet their needs.

3. Education Program. (Section 4.C) The Agency will continue to operate its education program as it has in the past. The new language is not intended to change the Agency's existing program.

4. Reporting Program. (Section 4.D) The Agency will continue to serve as a Regional Agency and conduct mandated reporting for the member agencies as required under the Integrated Waste Management Act. The language in this section regarding civil penalties, contingency plans, and members' duties and responsibilities is taken from the First Amendment to the current JPA Agreement, which originally established the Agency as a regional agency for reporting purposes. This language does not make changes to the Agency's existing reporting program.



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ATTORNEYS AT LAW

B. Additional Programs: (Section 5) The Agreement allows that the Agency can develop and implement additional regional programs related to waste diversion for the member agencies. These types of programs could include the development of ordinances or programs on a regional basis that would further the Agency's waste diversion goals. However, these programs would only be implemented in jurisdictions that actually approved the program or ordinance. This section allows the Agency to continue to develop and implement programs similar to the plastic bag ban, but also allows individual members to retain their legislative authority to decide whether or not they want to adopt these programs in their jurisdiction. Further, funding for any of these additional programs would be incorporated into the Agency budget, so that the Board members can ensure that the Agency is not spending an undue amount of resources on these additional programs.

Additionally, once an Additional Program is developed, if some, but not all of the members choose to participate in that program and have the Agency implement that program for them, those members will need to pay the Agency for the cost of implementation. This would not include the cost of developing the additional program, which would be shared by all members and would be paid for out of the Agency fee charged against solid waste received in the County. It would also not include the indemnification of individual members from a challenge to the additional program. So, if the Agency developed a model ordinance and that model ordinance was adopted by members as an additional program, the Agency would still indemnify the individual member against any legal challenges to that ordinance, even if not all members choose to participate in the program.

C. Term: (Section 6.B) This section provides that the Agency shall remain in existence until it is dissolved (i.e., no fixed term). This is in contrast to the Original Agreement, which included a 25 year term, at the end of which the Agency would be dissolved. The JPA agreement does include a separate section providing that the Agency shall conduct a public meeting every ten years to review the terms of the Agreement, and the Executive Director and Agency Counsel will make a recommendation on whether any amendments to the Agreement are needed. (Section 8.H) This section does not require the Members to make any amendments, nor does it prevent the Members from making amendments at another time.

D. Directors and Alternates: (Section 7.B) The Board composition will remain the same, with each member having one spot on the Board, and the members having the option of appointing an elected official or staff member, at their discretion.

E. Supermajority Vote Items. (Section 8.F) The Board will need an 8/10 to approve any of the following items: (i) Approval or amendment of the Agency budget; (ii) incurrence of debt greater than \$250,000; (iii) expenditures in an amount greater than \$250,000; and any increases or adoption of new fees. Additionally, the Board will need unanimous approval of acquisition of any interest in real property with a value of greater than \$250,000. These sections are changed from the original agreement, which required a unanimous vote for major project expansions, approval of the budget, and capital expenditures of greater than \$50,000.



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ATTORNEYS AT LAW

F. Withdrawal of Members. (Section 10.E) The draft JPA Agreement provides that any Member may withdraw from the Agency upon one hundred eighty (180) days written notice to the Agency and the other Members, provided that the withdrawal can only be effective at the end of a given Fiscal Year. The Agreement provides that in the event a Member withdraws, the Agency will have no obligation to disburse any property or assets to the withdrawing member, and the Agency shall have no further obligation to the withdrawing Member.

G. Dissolution of the Agency. (Section 10.G) The draft JPA Agreement includes a provision allowing for the dissolution of the Agency. The Agency can be dissolved by a unanimous vote of the Board and approval of the Members' governing boards, provided that the Agency will not be dissolved until all its debts and liabilities are eliminated. If the Agency has remaining assets after all debts and liabilities are eliminated, those are divided amongst the members on a pro rata basis, based on the population of the member agencies.

H. Agreements with Individual Member Agencies. (Section 12.G) In addition to including the Agency's authority to continue to collect the Waste Management Fees, Composting Fees, and any fees adopted in the future to fund its programs, the amended and restated JPA Agreement grants explicit authority for the Agency to enter into individual agreements with member agencies to make available some or all of the Core Programs and Additional Programs in exchange for direct compensation. This is intended to grant the Agency more explicit authority to enter into arrangements similar to the Agency's existing relationship with the City of Petaluma.

I. Provisions Removed from the Current JPA Agreement. The current JPA Agreement includes certain provisions that require the County to provide sites for the operation of the composting operation and household hazardous waste sites at the Central Landfill. These provisions are not included in the new draft JPA Agreement. The County and Agency both recognized that the current JPA Agreement does not have sufficient detail regarding the terms pursuant to which the Agency can use the Central Landfill, and therefore entered into separate License Agreements that govern the use of property at the Central Landfill. Given that the Agency has separate, detailed agreement that govern the Agency's use of the County's property, it is unnecessary to include those provisions as a term of the JPA. Further, the Agency should retain flexibility to relocate both the composting and household hazardous waste recycling programs as necessary. Rather than specifying a location for these programs, the draft JPA Agreement gives the Agency additional discretion by not committing to a specific location.

COMPARISON OF KEY JPA TERMS

Terms	Original JPA Agreement	Amended and Restated JPA Agreement
Core Programs	(1) Household hazardous waste (2) Wood waste (3) Yard waste (4) Public education and (5) Regional reporting of waste diversion	Core programs are essentially the same: (1) Household hazardous waste (2) diversion of organic materials (includes yard waste and wood waste) (3) Public education (4) Regional reporting
Additional Programs	Agency can implement "non-core programs", including adoption of ordinances. Participants may elect to either participate or not participate in non-core programs.	Agency has the authority to implement Additional Programs related to its overarching purpose of increasing waste diversion in the Member's jurisdictions. Additional programs may include adoption of <u>model</u> ordinances to be considered by individual jurisdictions, implementation of the programs adopted by model ordinances, and development or participation in regional plans related to waste diversion.
Composting Program	County is required to provide a site free at the Central Landfill for wood and yard waste composting. (Sec. 5) All Members are required to cause all wood waste and yard waste to go to Central Landfill for treatment.	Agency will continue to operated its current composting program, which consists of hauling organic waste from the Central landfill and transfer stations to out-of-county facilities. Members can withdraw from the current composting program with 90 days written notice. Agency will additionally work on developing an alternative program for composting or other forms of organic materials diversion. Any new composting program will be implemented through separate agreements between the parties, and each Member will have the option to participate, address composting in some other manner.
Household Hazardous Waste Program	County is required to provide a site free at the Central Landfill for HHW acceptance. The HHW program is available to residents of all member agencies.	Acknowledges that the HHW program is currently operated at the Central Landfill pursuant to a license agreement with the County, but allows that the Location may move, or additional locations may be added from time to time.

Terms**Original JPA Agreement****Amended and Restated JPA Agreement**

Adoption of Ordinances	The Agency has the authority to adopt ordinances to implement programs related to waste diversion. Each agency can decline to participate in the program adopted by ordinance.	The Agency can develop additional programs, which may include <u>model</u> ordinances. If the Agency choose to implement the terms of model ordinances, it can enter into individual agreements with members, and agree to indemnify the member for implementation of the ordinances.
Cost of Additional Programs	While each member can decide whether or not to participate in "non-core" programs, non-participation does not reduce a member's fiscal participation.	The cost of development of additional programs will be paid out of general Agency funds. If the Agency develops an additional program, and some but not all of the members participate, then each member that participates will be responsible for the costs of implementing the program in its own jurisdiction.
Board Representation	10 member Board of Directors. One vote per jurisdiction. Board members are elected officials or staff, as determined by member governing boards.	Same
Voting Requirements	Unanimous vote required for budget approval, capital expenditure over \$50,000, and major program expansions. All other votes are majority.	8/10 vote required for approval or amendment of the budget, incurrence of debt of \$250,000 or more, expenditures of \$250,000 or more, any increase or imposition of new fees. Unanimous vote required for acquisition of real property valued at \$250,000 or more. All other votes are majority.
Term of JPA Agreement	JPA agreement has a 25 year term (has been extended by one year).	JPA agreement will continue in effect until the Agency is dissolved by the action of the Members. However, the Agency Executive Director conduct a public meeting at least once every 10 years to review the Agreement, to see whether updates are necessary.

Terms**Original JPA Agreement****Amended and Restated JPA Agreement**

Withdrawal of Members	Not addressed.	Allows that any member can withdraw from the Agency with a minimum of 180 days written notice, with the withdrawal effective at the end of the fiscal year in which the 180 notice period ends. Withdrawing members do not receive a distribution of assets or have any further obligations to the Agency
Dissolution of Agency	Not addressed.	Agency may be dissolved by the unanimous approval of the Members' boards. The Agency shall not be dissolved until all debts and liabilities have been eliminated and paid in full. The remaining assets of the Agency will be distributed to the members on a proportionate basis, based on each member's population at the time of dissolution.



Consideration of SCWMA JPA Agreement

April 11, 2017



www.recyclenow.org

707-565-DESK (3375)

SCWMA Background

- SCWMA is a Joint Powers Authority (JPA) formed to deal with waste management issues
- Governing body is a 10-member Board of Directors; one representative from each City and the County
- Agency staff currently consists of an Executive Director, 3 Waste Management Specialists, and the Agency Clerk
- Established in 1992 with a 25 year term
- One year extension expires Feb. 2018

Current programs

Municipal organics program

Solid waste education & outreach

Household hazardous waste

Regional planning

Municipal organics program

The SCWMA operated a regional composting facility from 1993 until October 2015

With the closure of the Sonoma Compost facility, all green and wood material has been hauled to four compost facilities outside of Sonoma County (Novato, Ukiah, Napa, and Vacaville)



Over 2 million tons, or about 6.5 years of disposal for the County, have been diverted from landfills through this program

Municipal organics program

- SCWMA issued a Request for Information for the private sector to create organics capacity
 - 16 responses were received, indicating significant interest in this program
- SCWMA hired R3 Consulting Group to assist with the Request For Proposals (RFP) process
- Stakeholder groups will be held to determine RFP priorities
 - Single facility or multiple facilities
 - In-county and/or lowest cost (many have already indicated a preference for in-county capacity)
 - Processing technologies, finished product standards
- RFP issuance in May 2017, proposals due in August 2017, award of agreements in October 2017

Solid Waste Education and Outreach

- Compilation and production of annual recycling guide
- Eco-Desk (565-3375) call-in line
- www.recyclenow.org, www.facebook.com/recyclenow.org websites
- Mandatory Commercial Recycling and Mandatory Organics Recycling outreach
- Booths at fairs, festivals, and farmers markets
- Administration of the carryout bag ordinance



www.recyclenow.org

707-565-DESK (3375)



Household hazardous waste

- Proper disposal of household hazardous waste
 - Household Toxics Facility on Mecham Road between Cotati and Petaluma (free for residents)
 - Community Toxics Collection events throughout Sonoma County on Tuesdays (appointment needed)
 - Door-to-door service Toxic Rover (\$50 fee applies)
 - Collected and disposed of 17.5 million pounds of material since 2003
- Grant-funded Used Oil and Filter recycling program



Regional planning

- Maintenance of the Countywide Integrated Waste Management Plan
- Annual reporting to State agencies regarding solid waste programs
 - Previously included diversion rates
 - The higher the percentage, the better
 - 39% in 1995
 - 64% in 2006 (the last year rates were calculated)
 - Now calculate disposal/population
 - The lower the number, the better
 - Target: 7.1 lb./person/day
 - Sonoma County's 2015 result: 4.3 lb./person/day

Proposed JPA agreement

- Notable differences from the existing agreement
 - Flexibility for organics, members can opt in to new program
 - Members may opt out of current compost out-haul program with 30 days notice
 - Any new program will be implemented through separate green waste delivery agreements between the individual participant and the service provider
 - Each JPA member has full flexibility to participate or to address composting as they might choose to best meet their resident's needs

Proposed JPA agreement

- Notable differences from the existing agreement
 - Allows for additional HHW collection sites
 - Allows members to opt-out of optional additional programs (model ordinances, non-core programs)
 - Term is indefinite, but requires agreement review every 10 years
 - Most unanimous vote items now require 8/10 vote, except for purchase/lease of real property
 - Removes requirements for County to provide staff, sites for composting and HHW

Proposed JPA agreement

- Current status of agreement consideration
 - Cloverdale, Cotati, Healdsburg, Petaluma, Rohnert Park, Sebastopol, Sonoma, and Windsor have approved the agreement (8 members)
 - Santa Rosa has scheduled the discussion for April 18, 2017
- The agreement has been thoroughly reviewed by City attorneys and County Counsel
- Any requested changes to the agreement would need to be approved by all members, including those which have already approved the agreement

Recommended Action:

Approve and Authorize the Chair to execute the Amended and Restated Joint Exercise of Powers Agreement for the Sonoma County Waste Management Agency to ensure that the County achieves its state mandated diversion goals and protects the environment in the most cost efficient manner for the rate payers.



SONOMA COUNTY

Waste
Management
Agency

Questions?





County of Sonoma Agenda Item Summary Report

Clerk of the Board
575 Administration Drive
Santa Rosa, CA 95403

Agenda Item Number: 21
(This Section for use by Clerk of the Board Only.)

To: Board of Supervisors

Board Agenda Date: April 11, 2017

Vote Requirement: Majority

Department or Agency Name(s): Transportation and Public Works

Staff Name and Phone Number:

Susan Klassen 707-565-2231

Supervisorial District(s):

First

Title: Establish No Parking Restrictions on Agua Caliente Road (#6601)- First Reading

Recommended Actions:

Adopt a resolution introducing and waiving the reading of an ordinance amending Ordinance No. 2300 by establishing no parking restrictions on the south side of Agua Caliente Road (#6601) from Postmile 10.590 (Lake Street) to Postmile 10.614.

Executive Summary:

Agua Caliente Road is functionally classified as a Minor Arterial road and carries an average daily traffic (ADT) volume up to approximately 5,000 vehicles per day. Agua Caliente Road services the transportation needs of the immediate unincorporated area by providing a direct connection between State Route 12 and Arnold Drive. There are existing Sonoma County Transit (SCT) bus stops on Agua Caliente Road serving the surrounding neighborhood. Staff from Transportation and Public Works (TPW) have been working with the Agua Caliente community for the past several months to address community concerns regarding traffic safety, specifically the intersection of Agua Caliente Road and Lake Street. The proposed action would establish no parking restrictions as a solution to address traffic safety concerns.

Discussion:

The Agua Caliente community first contacted TPW staff in 2015 regarding traffic safety concerns related to overall vehicle speeds and sight distance along Agua Caliente Road, particularly along the more dense residential zone east of Sonoma Creek. TPW has worked hard to perform numerous traffic studies such as Engineering and Traffic Surveys, sight distance studies, and an all-way stop warrant study. Improvements as a result of these investigations include electronic radar feedback speed signs, parking prohibitions adjacent to private driveways, and striping enhancements.

TPW recently held a public meeting in February 2017 to provide an update to the community on how the improvements are performing. Sight distance issues at the intersection of Agua Caliente Road and Lake Street were a concern from the neighborhood. Motorists provided feedback that the on-street parking at the southeast corner of the intersection makes it difficult to view on-coming vehicles when

turning onto Agua Caliente Road. This issue was one of the basis for an all-way stop request at the intersection. However, because the intersection does not meet the operational criteria for an all-way stop per the warrants contained in the California Manual on Uniform Traffic Control Devices, TPW staff recommends pursuing parking restrictions as a safer and more practical solution to addressing this concern.

TPW proposes to restrict parking at the southeast corner of the Agua Caliente Road and Lake Street intersection. This proposed restriction starts at the beginning of the existing sidewalk on the south side of Agua Caliente Road and extends east a distance of sixty (60) feet, equaling approximately three (3) car lengths. This will greatly enhance the existing sight line for motorists turning off of Lake Street and onto Agua Caliente Road. Another secondary benefit of this restriction is it will ensure the existing Sonoma County Transit (SCT) bus stop at this corner remains clear for arriving and departing SCT buses.

The proposed No Parking restriction reflects the Board’s recently adopted Complete Streets Policy (Resolution No. 15-0463) of providing transportation network with infrastructure and design that allows safe and convenient travel along and across streets for all users, including pedestrians, bicyclists, and persons with disabilities.

In that regard, TPW is requesting that the Board adopt an ordinance establishing no parking restrictions on the south side of Agua Caliente Road (#6601) from Postmile 10.590 (Lake Street) to Postmile 10.614. The estimated cost of labor and materials to implement the No Parking restrictions is \$500 and appropriations are available within the 2017 Road Maintenance Budget.

If approved, staff will begin work to implement the appropriate No Parking signage and markings approximately 30 days after approval of the ordinance.

Prior Board Actions:

None

Strategic Plan Alignment Goal 1: Safe, Healthy, and Caring Community

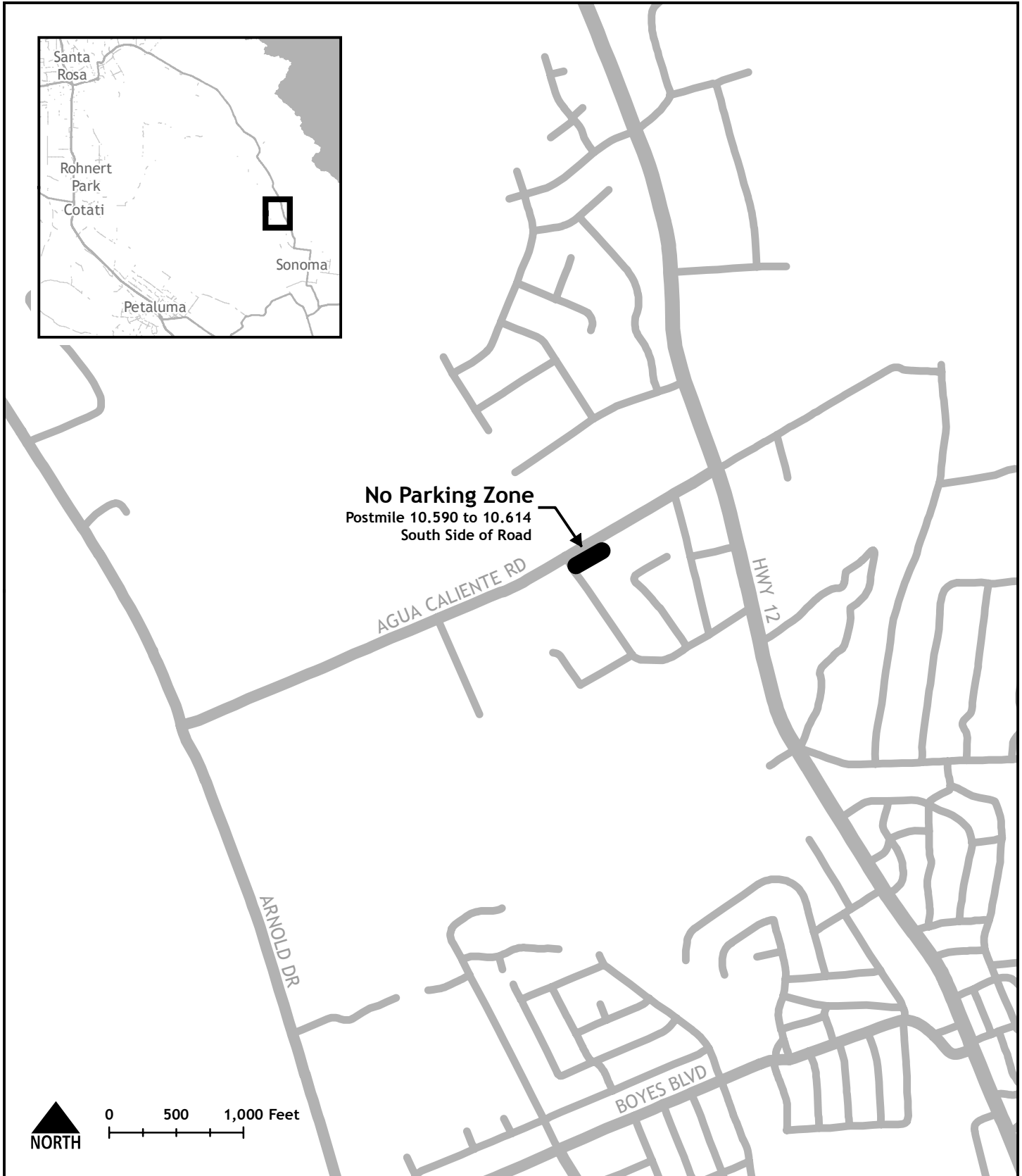
This requested action will help ensure the safety and comfort of community members who travel through this intersection and utilize the public transit system.

Fiscal Summary			
Expenditures	FY 16-17 Adopted	FY 17-18 Projected	FY 18-19 Projected
Budgeted Expenses	\$500.00		
Additional Appropriation Requested			
Total Expenditures	\$500.00		
Funding Sources			
General Fund/WA GF			
State/Federal	\$500.00		
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources	\$500.00		
Narrative Explanation of Fiscal Impacts:			
Appropriations are available for installation of the No Parking zone, to be funded with Road Maintenance operating revenues comprised largely of state gas tax.			
Staffing Impacts			
Position Title (Payroll Classification)	Monthly Salary Range (A – I Step)	Additions (Number)	Deletions (Number)
Narrative Explanation of Staffing Impacts (If Required):			
None.			
Attachments:			
Location Map, Resolution, Ordinance			
Related Items "On File" with the Clerk of the Board:			
None.			

Location Map

No Parking Zone - Agua Caliente Road

March, 2017





County of Sonoma
State of California

Date: April 11, 2017

Item Number: _____
Resolution Number: _____

4/5 Vote Required

**Resolution Of The Board Of Supervisors Of The County Of Sonoma, State Of California,
Introducing, Reading The Title Of And Waiving Further Reading Of An Ordinance Of The
County Of Sonoma, Establishing No Parking Restrictions On The South Side Of Agua Caliente
Road (#6601) From Postmile 10.590 (Lake Street) To Postmile 10.614.**

Whereas, a proposed ordinance establishing no parking restrictions on the south side of
Auga Caliente Road (%6601) from Postmile 10.590 (Lake Street) to Postmile 10.614 has been
introduced and the title read;

Now, Therefore, Be It Resolved that further reading of the ordinance is waived.

Supervisors:

Gorin:

Rabbitt:

Gore:

Hopkins:

Zane:

Ayes:

Noes:

Absent:

Abstain:

So Ordered.

ORDINANCE NO. ()

An Ordinance Of The Board Of Supervisors Of The County Of Sonoma, State Of California, Amending Sonoma County Ordinance No. 2300 To Establish No Parking Restrictions On The South Side Of Agua Caliente Road (#6601) From Postmile 10.590 (Lake Street) To Postmile 10.614.

The Board Of Supervisors Of The County Of Sonoma, State Of California, Ordains As Follows:

SECTION I:

Subsection 559 is hereby added to Section VII of Sonoma County Ordinance No. 2300 (said Section establishes No Parking zones) to read:

South side of Agua Caliente Road (#6601) from Postmile 10.590 (Lake Street) to Postmile 10.614.

SECTION II:

This Ordinance shall be, and the same is hereby declared to be in full force and effect from and after thirty days after its passage, and shall be published once before the expiration of fifteen days after said passage, with the names of the Supervisors voting for or against the same, in a newspaper of general circulation published in the County of Sonoma, State of California.

In regular session of the Board of Supervisors of the County of Sonoma introduced on the ___ day of ____, 201__, and finally passed and adopted this ___ day of _____, 201__, on regular roll call of the members of said Board by the following vote:

SUPERVISORS:

Gorin: ___ Rabbitt: ___ Gore: ___ Hopkins: ___ Zane: ___

Ayes: _____ Noes: _____ Absent: _____ Abstain: _____

WHEREUPON, the Chair declared the above and foregoing Ordinance duly adopted and

SO ORDERED.

Chair, Board of Supervisors
County of Sonoma

ATTEST:

Sheryl Bratton,
Clerk of the Board of Supervisors



County of Sonoma Agenda Item Summary Report

Clerk of the Board
575 Administration Drive
Santa Rosa, CA 95403

Agenda Item Number: 22(a)
(This Section for use by Clerk of the Board Only.)

To: Sonoma County Board of Supervisors

Board Agenda Date: April 11, 2017

Vote Requirement: Majority

Department or Agency Name(s): General Services / Health Services

Staff Name and Phone Number:

Marc McDonald, General Services: 707-565-3468
Michael Kennedy, Health Services: 707-565-5157

Supervisorial District(s):

Title: Behavioral Health Services Campus Lease – 2245 Challenger Way, Santa Rosa

Recommended Actions:

Authorize the Board Clerk to publish a notice, declaring the Board's intention to execute a lease with SR Office Properties DE, LLC and Redbird SR Office Properties DE, LLC for 13,270 sq. ft. of office space, located at 2245 Challenger Way, Santa Rosa, for an initial term of 15 years, with 2, five-year options; rental payments of \$21,100 per month (\$253,200 per year); and tenant improvements to completed by the landlord, in support of consolidation of Behavioral Health Services at the Lakes campus in southwest Santa Rosa.

Executive Summary:

General.

The County's long term facilities plan described the need for improved operational efficiencies and place based services proximate to clients. The Department of Health Services specifically identified the need to consolidate various behavioral health and drug treatment services being delivered at the Chanate campus and the Orenda Center. After a county-wide three year search performed by General Services' staff, the Lakes Complex on Challenger Way in southwest Santa Rosa was identified as the ideal location to consolidate behavioral health and drug treatment services by establishing a Behavioral Health campus in an attractive, semi-pastoral setting with transit and improved access to the community. With your Board's approval, the Department of Health Services, with support from General Services, initiated a phased program of relocation of Behavioral Health services from the Chanate Campus and the Orenda Center to the Lakes Complex. Phase I of the relocation involved relocation of the Crisis Stabilization Unit from the Chanate Campus to the Lakes Complex. Coincident with the sale of the Chanate Campus to a private party the owners and managers of the Lakes Campus have agreed to work with the County to facilitate timely relocation of Behavioral Health Administration and Service from Chanate to the Lakes. The intent of the phased relocation of services from Chanate to the Lakes is to minimize the potential for disruption to staff, clients and their families. The proposed new lease supports the goal of improved access to Behavioral Health Services, due to proximity to transit and other services.

Discussion:

Proposed New Lease. The proposed lease (Lease) with SR Office Properties DE, LLC and Redbird SR Office Properties DE, LLC (the Landlord) is for 13,270 sq. ft. of office space at 2245 Challenger Way, at The Lakes campus (Premises), for an initial term of 15 years, with two, 5-year options, a base rental payment of \$15,128 per month. Health Services will pay an additional monthly rent for its prorata share of common area maintenance, which is \$5,972 per month. The total monthly rent is \$21,100 per month or \$253,200 per year. Full Service monthly rent of \$1.56 per square foot of at this site compares favorably in the market. Rent for comparable space ranges from \$1.40 to \$1.80 in this market. Only one potentially competitive site has sufficient square footage to accommodate a campus. The site has been reviewed and rejected as it is located above hazardous materials plume.

The move to 2245 Challenger Way will provide a significant benefit to the public by centralizing the provision of the County of Sonoma's Substance Use Disorder services through consolidation of the County of Sonoma's Crisis services, Detox, Crisis Stabilization and Access services, at a single site. Currently, Detox Services are delivered at the Orenda Center, while Crisis Stabilization and Access Services are delivered at the Chanate Campus. As a consequence, clients with substance-related behavioral issues are faced with accessing services at either one of two sites that are distant from each other. Consolidation will allow Clients facing behavioral as well as substance-related difficulties to have access to Detox as well as Crisis counseling and other allied services at a single site. Consolidation will improve the availability and effectiveness of the services provided by the County's Behavioral Health professionals and improve access for both those in need of services as well as those seeking services on behalf of someone in need, such as families, law enforcement, and primary care providers. Please see Attachment 1 – Site Plan.

Relocation of the Urgent Care Center/Crisis Stabilization Unit from the Chanate campus to 2225 Challenger Way at The Lakes campus was Phase 1 in implementation of the Department of Health Services' strategy to create a Behavioral Health campus at The Lakes. Subsequent relocations to the Lakes are being phased and executed in program-related groups ranging from 5,223 square feet to 9,955 square feet. Board approval of relocation of Substance Use Disorder Services (which includes Detox Services) to 2245 Challenger Way would be the next phase (Phase 2).

Staff anticipates subsequent relocation phases to include relocation of Connections Counseling Services to 2235 Challenger Way (Phase 3); relocation of Behavioral Health Program Support and administration to 2227 Capricorn Way (Phase 4); relocation of Adult Programs to 2255 Challenger Way (Phase 5); and relocation of Youth & Family Services (Phase 6). Upon completion of these moves, the Behavioral Health Wellness Campus will be approximately 58,800 square feet, and include the Urgent Care Center.

Current facilities for Department of Health Services Detox Center. The Department of Health Services Detox Center is currently located in the County-owned building known as the Orenda Center, located at 1430 Neotomas Avenue, Santa Rosa, and comprised of 10,076 sf. The Detox Center provides social model detoxification services 24 hours per day, 7 days per week, and 365 days per year. The Detox Program is licensed to provide services to 30 individuals (current capacity of 15 beds), open to males and females, in a social model (non-medical) live-in program, usually lasting a total of 72 hours. The program is designed to provide evaluation and supportive services to assist acutely intoxicated

individuals who are withdrawing from the effects of alcohol and other drug abuse and to plan for continuing recovery.

Department of Health Services Detox Center Relocation. Sonoma County is proposing a relocation of the Detox Center programs and staff into a redesigned, leased building at 2245 Challenger Way that will be renovated and designed for Department of Health Services and Orenda Center staff. Department of Health Services will partner with two, full-time staff per eight-hour shift from the Drug Abuse Alternatives Center providing 24/7 services and operations management.

Funding. Tenant improvements for the proposed Premises will be performed by the Landlord, with a tenant improvement allowance of \$20 per square feet, for a total of \$265,400. Annual facilities costs associated with the current Orenda Center site are approximately \$50,000 per year. As such, approximately 20% of the costs for the new site are already budgeted. The remaining 80% of costs, which equates to approximately \$215,400, will be funded through increased Federal (FFP) and State revenue (SGF) associated with the State’s Drug Medi-Cal Organized Delivery System expansion.

Proposed Lease Terms. Staff has negotiated the terms of the proposed lease with SR Office Properties DE, LLC and Redbird SR Office Properties DE, LLC as follows:

- Premises: 13,270 sq. ft. of office and clinic space, at 2245 Challenger Way, Santa Rosa.
- Occupancy: After completion of tenant improvements and fixturation, occupancy of the proposed Premises is anticipated to occur on or about September 15, 2017.
- Use and staffing: The building will be used to house the Department of Health Services Behavioral Health Substance Use Disorder Services programming, which include the Detox Program, Drug and Driving Under the Influence Court, Drug Free Babies & Dependency Drug Court, Substance Use Disorder Assessment & Care Coordination, Treatment Accountability for Safety Communities, Drug Testing and Substance Use Disorder Program support. The programs will be staffed with approximately 24 full-time equivalent (Full Time Equivalent) Behavioral Health Division staff and 10 contractor staff of which 2 are on-duty at any given time in Detox 24 hours per day, 7 days per week.
- Term: Initial term of 15 years. Upon expiration of the initial term, the County will have two, 5-year options to extend the lease term. The total potential term of the Lease would be 25 years.

Base Rent: The proposed monthly base rent will be \$15,128 per month or \$1.14 per square foot. Base rent will be adjusted by \$0.08 per square foot annually until the 63rd month of the initial term. (County is provided with rent abatement for the 1st 3 months of the 1st year.) On the 64th month of the initial term, the rent will be adjusted by \$0.05 per square foot annually, through the end of the initial term and subsequent option terms.

A market survey was performed of available office properties within a 1-mile radius of the proposed site. Rental rates range from \$1.40 to \$1.80 per square foot. The proposed base rent of \$1.14 per square foot plus common area maintenance rent is comparable to the rental rates listed for these available properties and approximates fair market value. In addition, few of the sites surveyed offer the square footage needed for the development of a behavioral health campus.

Common Area Maintenance Charges: In addition to the base rent, Department of Health Services will pay a monthly amount for their share of common area maintenance charges for The Lakes campus. These common area maintenance charges include property taxes, insurance and maintenance. County's share of base common area maintenance charges for the proposed premises will be \$5,972 per month (\$0.45 per square foot). The monthly common area maintenance charge will be adjusted annually based on the change in actual costs over/under \$5,972 per month, incurred by the Landlord for the management and operation of The Lakes campus.

One-time Expenses: Tenant improvements will be performed turnkey by the Landlord. The total one-time expenses (which includes moving, furniture, ISD expenses, and proxy card installation) is approximately \$191,766. The Landlord has agreed to contribute \$20,000 towards these moving expenses. The remaining one-time expenses totaling \$171,766 will be paid by Department of Health Services, utilizing Intergovernmental Transfer funds.

Termination: County may terminate the lease for non-appropriation of funds or the discontinuance of the program(s) with 180 days' notice to the Landlord. After the initial 15-year term, County may terminate the proposed Lease, for any reason (discretionary termination), with 180 days' notice to the Landlord, and payment of a termination penalty as provided in the Lease.

Long-Term Health Services Space Needs and County Comprehensive Facilities Plan. The proposed site for the new Behavioral Health Substance Use Disorder Center will provide space for Department of Health Services Behavioral Health for the Detox program, Drug and Driving Under the Influence Court, Drug Free Babies & Dependency Drug Court, Substance Use Disorder Assessment & Care Coordination, Treatment Accountability for Safety Communities, Drug Testing, Substance Use Disorder Program

support, and include private offices for confidential client meetings, male and female overnight housing, meeting rooms, and support spaces. The Lakes campus is in a location close to its client base, it is accessible by public transportation, and provides easy access to other County services (such as, the Health Services Urgent Care Center, Human Services Employment & Training and Family Youth & Children programs). The goals and development of a Behavioral Health campus are consistent with the intent of the California Mental Wellness Act and County Comprehensive Facilities Plan planning efforts.

Public Notice Requirement. Government Code Section 25350 requires the Board to publish a notice of its intent to enter into a lease valued in excess of \$50,000 for three (3) consecutive weeks prior to consummation of the proposed lease. After the required posting period, this matter will return to the Board at 8:30 A.M., on or after May 9, 2017, for consummation of the proposed Lease for 2245 Challenger Way, Santa Rosa.

Prior Board Actions:

04/04/17—Adopted the County’s Strategic Priorities: Healthy Watersheds, Housing for All, Rebuilding our Infrastructure, and Securing our Safety Net, and provide direction to staff to implement recommended projects, develop outcome measures, and provide routine progress reporting to the Board of Supervisors.

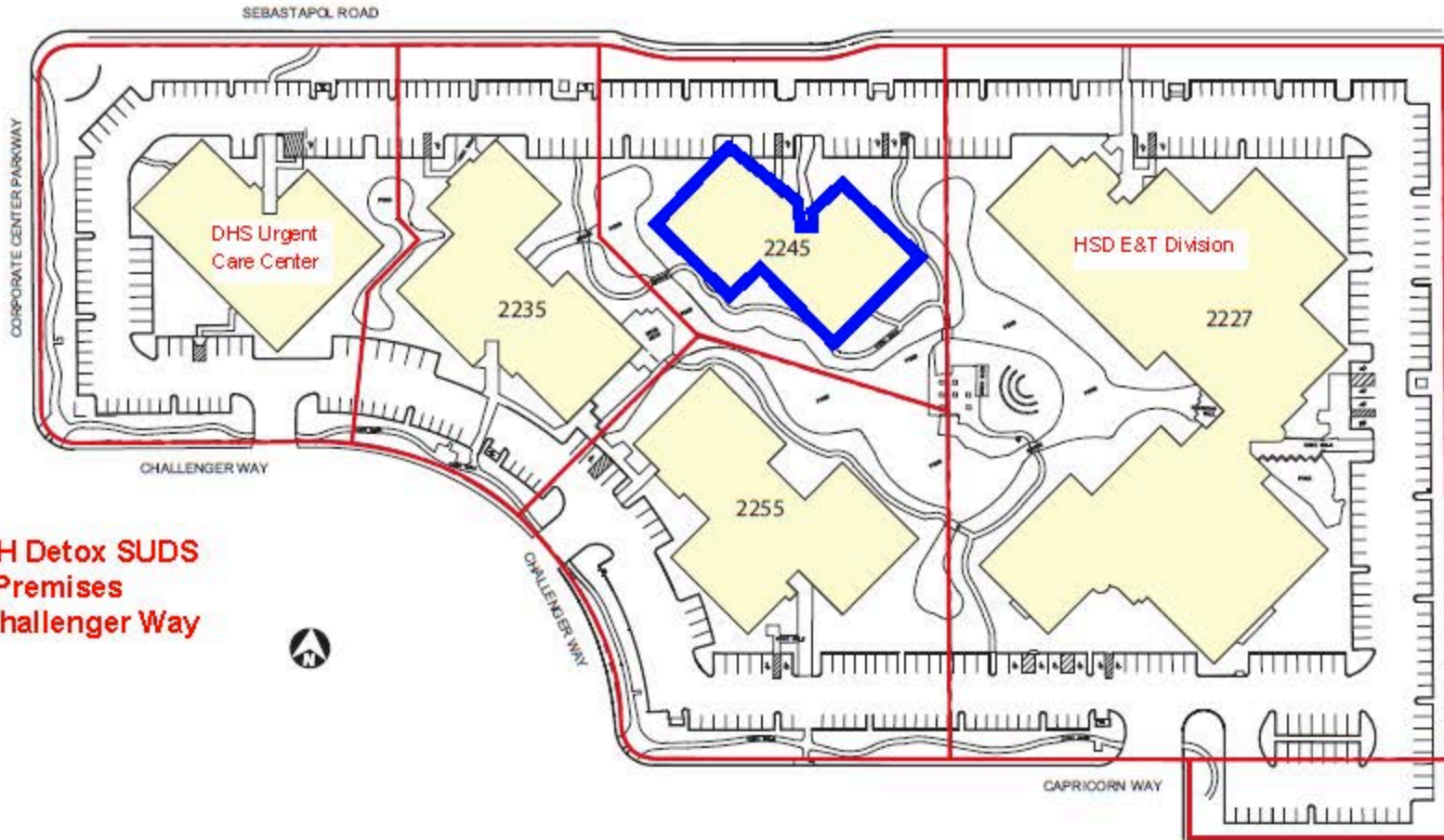
Strategic Plan Alignment Goal 1: Safe, Healthy, and Caring Community

The relocation of the Department of Health Services Behavioral Health programs from the Orenda Center to The Lakes campus provides a single, centralized location for its clients, as well as easy access to other established County services located within and nearby The Lakes.

Fiscal Summary																	
Expenditures	FY 16-17 Adopted	FY 17-18 Projected	FY 18-19 Projected														
Budgeted Expenses	0																
Additional Appropriation Requested																	
Total Expenditures	0	328,916	263,280														
Funding Sources																	
General Fund/WA GF																	
State/Federal	0	308,916	263,280														
Fees/Other (Landlord)		20,000															
Use of Fund Balance																	
Contingencies																	
Total Sources	0	328,916	263,280														
Narrative Explanation of Fiscal Impacts:																	
<p>The Lease is anticipated to commence on September 15, 2017. Rent per month is \$15,128 base rent plus \$5,972 additional rent/CAM, for a total rent of \$21,100 per month. The Lease provides rent abatement for the first three months, with the first rent payment payable on December 15, 2017. The total for lease rent and moving expenses for FY17/18 is calculated as follows:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">6.5 months (December 15, 2017 through June, 2018) times \$21,100</td> <td style="width: 30%; text-align: right;">= \$137,150</td> </tr> <tr> <td>1-time move costs (County)</td> <td style="text-align: right;">= 171,766</td> </tr> <tr> <td>1-time move costs (Landlord)</td> <td style="text-align: right;">= <u>20,000</u></td> </tr> <tr> <td style="text-align: right;">Total FY17/18</td> <td style="text-align: right;">\$328,916.</td> </tr> </table> <p>The total for lease rent for FY18/19 is calculated as follows:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">2.5 months (July 1, 2018 through September 14, 2018) times \$21,100</td> <td style="width: 30%; text-align: right;">= \$ 52,750</td> </tr> <tr> <td>9.5 months (September 15, 2018 through June 30, 2019) times \$22,161</td> <td style="text-align: right;">= <u>\$210,530</u></td> </tr> <tr> <td style="text-align: right;">Total FY18/19</td> <td style="text-align: right;">= \$263,280.</td> </tr> </table>				6.5 months (December 15, 2017 through June, 2018) times \$21,100	= \$137,150	1-time move costs (County)	= 171,766	1-time move costs (Landlord)	= <u>20,000</u>	Total FY17/18	\$328,916.	2.5 months (July 1, 2018 through September 14, 2018) times \$21,100	= \$ 52,750	9.5 months (September 15, 2018 through June 30, 2019) times \$22,161	= <u>\$210,530</u>	Total FY18/19	= \$263,280.
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Total FY18/19	= \$263,280.																
Staffing Impacts																	
Position Title (Payroll Classification)	Monthly Salary Range (A – I Step)	Additions (Number)	Deletions (Number)														

Narrative Explanation of Staffing Impacts (If Required):
None.
Attachments:
Attachment 1: Site Plan Attachment 2: Notice of Intent Attachment 3: Copy of proposed lease Attachment 4: Sonoma County Behavioral Health – Program Relocation List – Planning Worksheet (March 3, 2017)
Related Items “On File” with the Clerk of the Board:

SITE PLAN



- DHS BH Detox SUDS
- TASC Premises
- 2245 Challenger Way

**PUBLIC NOTICE
OF INTENT OF COUNTY
TO LEASE REAL PROPERTY**

NOTICE IS GIVEN that the Sonoma County Board of Supervisors intends to authorize the Director of the Department of General Services, to lease approximately thirteen thousand two hundred seventy (13,270) sq. ft. of office space, more or less depending on final configuration, in that certain one-story building ("Building") located at 2245 Challenger Way, Santa Rosa, California, for use by the Department of Health Services, Behavioral Health Division. The Board intends to lease the premises from SR Office Properties DE, LLC, a California limited liability company, and Redbird SR Office Properties DE, a California limited liability company, for the base monthly gross rental of Fifteen Thousand One Hundred Twenty-Seven and 80/100 Dollars (\$15,127.80) per month, said rental subject to annual increase at a rate of Five Cents (\$0.08) per sq. ft. during the 15-year initial term of the lease, plus common area maintenance charges of Five Thousand Nine Hundred Seventy-One and 50/100 Dollars (\$5,971.50) per month, as set forth in the proposed lease. The Lease contains two (2) optional extension terms of five (5) years each. Additional information regarding the proposed lease is available for public review at the Office of the Director of the Sonoma County General Services Department, 2300 County Center Drive, Suite A200, Santa Rosa, California 95403. The Board of Supervisors will meet on or about May 9, 2017, at 8:30 a.m. at the Sonoma County Administration Building, Room 102A, 575 Administration Drive, Santa Rosa, California to consummate the lease.

Clerk of the Board of Supervisors

Public notice of the County's intention to lease the Property shall be published once a week for three successive weeks in accordance with Government Code Section 25350 and 6063.

LEASE

BETWEEN

**SR OFFICE PROPERTIES DE, LLC and
REDBIRD SR OFFICE PROPERTIES DE, LLC**

AND

COUNTY OF SONOMA



FOR

**2245 Challenger Way
Santa Rosa, California**

DATED

_____, 2017

**THE LAKES
MODIFIED FULL SERVICE LEASE
BASIC LEASE INFORMATION**

In the event of any conflict between this Basic Lease Information and the Lease, the Lease shall prevail.

DATE: _____, 2015

LANDLORD: **SR OFFICE PROPERTIES DE, LLC,**
a Delaware limited liability company,

and

REDBIRD SR OFFICE PROPERTIES DE, LLC,
a Delaware limited liability company

LANDLORD'S ADDRESS: c/o **BASIN STREET PROPERTIES**
300 E. Second Street, Suite 1300
Reno, NV 89501
Attn: Scott Stranzl, Vice President, Leasing
Fax: (775) 954-2917

With a copy to:
BASIN STREET PROPERTIES
119 C Street
Petaluma, CA 94952
Attn: Stephanie Burlingame, Vice President,
Operations and Property Management

TENANT: **COUNTY OF SONOMA,** a political subdivision of the
State of California

TENANT'S ADDRESS: **COUNTY OF SONOMA**
General Services Department
2300 County Center Drive, Suite A220
Santa Rosa, California 95403
Attn: Marc McDonald, Real Estate Manager
Fax: (707) 565-3476

With a copy to:
COUNTY OF SONOMA
Department of Health Services
3313 Chanate Road
Santa Rosa, CA 95403
Attn: Administration
Fax: (707) 565-7849

PREMISES: 13,270 square feet of Rentable Area located at 2245
Challenger Way, as more particularly shown on **Exhibit**
A attached hereto.

PROJECT:	That certain office Project located in the City of Santa Rosa, the County of Sonoma, California, commonly referred to as "The Lakes", consisting of 136,565 sq. ft. of Rentable Area.
TERM:	Fifteen (15) years, with two, 5-year options to extend the term of the Lease.
Commencement Date	See <u>Section 2.2</u> .
RENT:	
a. Base Rent	\$15,127.80 per month for Year 1 of the Lease (\$1.14 psf)
b. Additional Rent (Operating Expenses and Taxes)	\$5,971.50 per month for the initial Term. Tenant shall also pay increases in Operating Expenses and Taxes over the Base Year as set forth in Sections <u>4.5.1</u> and <u>4.5.2</u> .
TOTAL MONTHLY RENT	\$21,099.30 per month for Year 1
c. Rent abatement	Rent and Additional Rent for Months 1-3 of the Lease shall be abated by Landlord, for a total of \$63,297.90 (\$21,099.30 per month x 3 months).
d. Adjustment Date of Monthly Base Rent, Initial Term	At the beginning of the 13 th month and every 12 months thereafter of the Initial Term.
e. Rent adjustment, Base Rent, Initial Term and Option terms	Eight cents (\$.08) over the Base Rent amount psf for the previous year until the 63 rd month of the initial term. Five cents (\$.05) over the Base Rent amount psf for the previous year during the 64 th month through the end of the initial term and Option terms.
BASE YEAR:	2017
SECURITY DEPOSIT:	\$0.00
PERMITTED USE:	Psychiatric care facility and ancillary medical uses in support of the psychiatric care facility (in all cases limited to outpatient services only), and general office and governmental office purposes, including, without limitation, use by the Department of Health Services.
PROGRAM OR AGENCY FOR WHICH THE PREMISES IS LEASED:	Behavioral Health Alcohol and Other Drug Treatment Center, administration and related programs, provided through the County Department of Health Services ("DHS")
PARKING SPACES:	See <u>Article 8</u> .

REAL ESTATE BROKERS:

None.

EXHIBITS AND ADDENDUM:

Exhibit A	Diagram of Premises
Exhibit B	Site Plan
Exhibit C	Rules and Regulations
Exhibit D	Leasehold Improvement Agreement
Exhibit E	Acknowledgement of Commencement Date
Exhibit F	Insurance
Exhibit G	Subordination, Nondisturbance and Attornment Agreement; Estoppel Agreement
Exhibit H	Phase I Environmental Site Assessment
Exhibit I	Memorandum of Lease form

LEASE

This Lease ("Lease") is made this ____ day of _____, 2017 ("Effective Date"), by and between **SR OFFICE PROPERTIES DE, LLC**, a Delaware limited liability company, and **REDBIRD SR OFFICE PROPERTIES DE, LLC**, a Delaware limited liability company (hereinafter called "Landlord"), and the **COUNTY OF SONOMA**, a political subdivision of the State of California (hereinafter called "Tenant"). Landlord and Tenant are sometimes collectively referred to herein as the "parties" and singularly, as "party."

ARTICLE 1

REAL PROPERTY, BUILDING, AND PREMISES

1.1 Lease of Premises. Landlord leases to Tenant and Tenant leases from Landlord those certain premises outlined in red on Exhibit A attached hereto ("**Premises**"), which are located in the building commonly known as **2245 Challenger Way**, ("Building"), situated in that certain building campus commonly known as The Lakes ("Project") located in the city of Santa Rosa, County of Sonoma. Subject to verification as provided in Subsection 1.3.2, the Rentable Area (as defined in Section 1.3.1) and Usable Area (as defined in Section 1.3.1) of the Premises are thirteen thousand two hundred seventy (13,270) square feet, and _____ (____) square feet, respectively, while the Rentable Area of the Project is one hundred thirty-six thousand five hundred sixty-five (136,565) square feet. The Project, the Building, the areas servicing the Building (including any adjacent parking structures and parking areas), and the land on which the Building and those areas are located (as shown on the site plan attached to this Lease as Exhibit B) are sometimes collectively referred to as the "**Real Property**".

1.2 Appurtenant Rights. Tenant shall have the right to the non-exclusive use, in common with others, throughout the term of this Lease, of all common stairways, elevators, sidewalks, plazas and walkways, easements and service alleys located in the Project, delivery and loading areas and facilities of the Building elevator lobbies, telephone equipment rooms and all other common facilities in or about the Building, and the appurtenances thereto, as the same may exist from time to time ("Common Areas"). Such use shall be for Tenant and its customers, agents, employees, assignees, subtenants, licensees and invitees and shall be in common with the use of same by Landlord, its tenants, customers, agents, employees, licensees and invitees. All Common Areas shall be subject to the exclusive control and management of Landlord and Landlord shall have the right to establish, modify, amend and enforce reasonable rules and regulations with respect to the Common Areas. Tenant acknowledges receipt of a copy of the current rules and regulations (the "Rules") attached hereto as Exhibit C, and agrees that they may, from time to time, be modified or amended by Landlord upon prior written notice to Tenant. Tenant agrees to abide by and conform to the Rules; to cause its concessionaires and its and their employees and agents to abide by the Rules; and to use reasonable efforts to cause its customers, invitees and licensees to abide by the Rules. Landlord covenants that all light and air now enjoyed by the Premises shall not be interrupted or disturbed by any act of Landlord during the term of this Lease.

1.3 Preparation of Premises; Acceptance. The rights and obligations of the parties regarding the construction and renovation of the Premises before the commencement of the Lease Term are stated in the Leasehold Improvement Agreement ("LIA") attached to this Lease as Exhibit D. If this Lease conflicts with the LIA, the LIA shall prevail. Landlord hereby represents and warrants to Tenant that Landlord shall complete the Premises in accordance with the terms and conditions of the LIA. The General Contractor (as defined in the LIA) shall comply with the applicable provisions of California Labor Code Sections 1720.2 and 1770 et seq., regarding prevailing wages. Landlord shall cause all work under the LIA to be performed in accordance with Tenant's sustainability practices, including any third-party rating system concerning the environmental compliance of the Building or the Premises, as the same may change from time to time. Landlord further agrees to engage a qualified third-party CalGreen or similarly qualified professional during the design phase through implementation of all work set forth in the LIA to review all plans, material

procurement, demolition, construction and waste management procedures to ensure the leasehold improvement project is in full conformance with Tenant's sustainability practices, and to obtain and maintain compliance with CalGreen on or promptly after the date of Substantial Completion (as defined below). All such costs shall constitute "construction costs" as defined in Section 1.1 of the LIA, and shall be reimbursed by Tenant pursuant to Section 6.1 of the LIA.

1.3.1 Standard of Calculation. For purposes of this Lease, "Rentable Area," "Rentable Square Feet," "Rentable Square Footage," "Usable Area," "Usable Square Feet," and "Usable Square Footage" shall be calculated under the American National Standard Method for Measuring Floor Area in Office Buildings, ANSI Z65.1-2010 or successor standard(s) ("Standard"), adopted by the Building Owners and Managers Association International ("BOMA").

1.3.2 Verification of Rentable Area and Usable Area. Within thirty (30) days after execution of this Lease, Landlord's architect shall calculate and certify in writing to Landlord and Tenant the Rentable Area and Usable Area of the Premises and the Rentable Area of the Building. If Tenant disagrees with the determination of the Rentable Area or Usable Area of the Premises or the Rentable Area of the Building as calculated by Landlord's architect, Tenant shall provide Landlord with written notice of Tenant's disagreement ("Tenant's Notice of Disapproval") within thirty (30) days after the date on which Tenant receives the calculation by Landlord's architect. The parties shall diligently attempt in good faith to resolve the disagreement over the Rentable Area or Usable Area of the Premises or the Rentable Area of the Building within thirty (30) days after the date on which Landlord receives Tenant's Notice of Disapproval. If the parties are unable to resolve the disagreement within that period of time, the dispute shall be resolved by arbitration under Article 23, except that the arbitrator must be a licensed architect with a minimum of five (5) years' experience in designing buildings similar to the Building, and the arbitrator must render a final decision within forty-five (45) days after the date on which the arbitrator is selected. Landlord shall provide written certification of the Rentable and Usable Area of the Premises and the Rentable Area of the Building at Landlord's sole cost and expense.

1.3.3 Adjustment of Rent. On the final determination of the Rentable Area of the Premises and the Building, if the Rentable Area of either is different from that stated in Section 1.1, Rent that is based on the Rentable Area shall be recalculated in accordance with that final determination. On the recalculation of Rent as provided in this Subsection 1.3.3, the parties shall confirm in writing and/or execute an amendment to this Lease, stating the recalculated Rentable Area and the recalculated Rent. Execution of an amendment shall not be a condition precedent to the effectiveness of the recalculated Rent. If there is a dispute over the Rentable Area of the Premises or the Building that has not been settled as provided in Subsection 1.3.2 by the date on which Tenant is required to begin paying Rent under this Lease, Tenant shall pay to Landlord the Rent stated in Section 4.1 until final determination of the Rentable Area of the Premises. If the Rent after final determination of the Rentable Area of the Premises is more than the Rent specified in Section 4.1, the deficiency must be paid by Tenant to Landlord, without interest, within forty-five (45) days after that final determination. If the Rent after final determination of the Rentable Area of the Premises is less than the Rent in Section 4.1, Landlord shall credit the overpayment made by Tenant to the next Rent due, without interest.

1.3.4 Reserved Rights. Landlord reserves the right to do the following from time to time:

(a) Changes. To install, use, maintain, repair, replace and relocate pipes, ducts, shafts, conduits, wires, appurtenant meters and mechanical, electrical and plumbing equipment and appurtenant facilities for service to other parts of the Building or Project above the ceiling surfaces, below the floor surfaces and within the walls of the Premises and in the central core areas of the Building and in the Building Common Areas, and to install, use, maintain, repair, replace and relocate any pipes, ducts, shafts, conduits, wires, appurtenant meters and mechanical, electrical and plumbing equipment and appurtenant facilities servicing the Premises, which are located either in the Premises or elsewhere outside of the Premises, provided, however, that all such changes shall not materially and adversely affect Tenant in any way. Landlord shall provide Tenant with ten (10) calendar days' written notice in advance of making

any such changes, except in the case of emergency work performed to avoid imminent harm to persons or property;

(b) Boundary Changes. To change the boundary lines of the Project, provided, however, that such change not materially and adversely affect Tenant's use of the Premises;

(c) Facility Changes. To alter or relocate the Common Areas or any facility within the Project, provided, however, that such change shall not materially and adversely affect Tenant in any way;

(d) Parking. To designate and/or redesignate specific parking spaces in the Project for the exclusive or non-exclusive use of specific tenants in the Project, provided, however, that, such change shall not materially and adversely affect Tenant in any way;

(e) Services. To install, use, maintain, repair, replace, restore or relocate public or private facilities for communications and utilities on or under the Building and/or Project, provided, however, that such public and private facilities and utilities shall not materially and adversely affect Tenant in any way; and

(f) Other. To perform such other acts and make such other changes in, to or with respect to the Common Areas, Building and/or Project as Landlord may reasonably deem appropriate provided, however, that such other acts and changes shall not materially and adversely affect Tenant in any way.

ARTICLE 2

TERM

2.1 Term. The term of this Lease ("Lease Term") shall commence on the Commencement Date provided for in Section 2.2 below") and shall end upon the expiration of fifteen (15) years following said Commencement Date plus the number of days between the Commencement Date and the first day of the next successive calendar month if the Commencement Date occurs on a day other than the first day of a calendar month ("Lease Expiration Date"), subject to any option, renewal or extension rights of Tenant as provided for in this Lease. For purposes of this Lease, the first "Lease Year" shall mean the period commencing on the Commencement Date and ending twelve (12) months thereafter. Thereafter, the term "Lease Year" shall mean a period equal to twelve (12) full calendar months. On Year 7 and on Year 14 of the initial Lease Term (but in the case of Year 14, only in the event that Tenant has properly exercised its first Extension Option pursuant to Section 2.5), Landlord shall provide Tenant with an allowance of six dollars (\$6.00) per rentable square foot of the Premises to be used solely for the purpose of repainting the Premises and installing new carpeting throughout the Premises (including lifting and moving of Tenant's furniture and equipment and relocation).

2.2 Commencement Date. The Lease Term shall commence on the later of the following dates (the "Commencement Date"): (a) July 1, 2017, or (b) the day that is the first Monday following the elapse of thirty (30) days from actual receipt by Tenant of written notice from Landlord that the work to be done in the Premises by Landlord pursuant to the provisions of Exhibit D is substantially completed. Notwithstanding the foregoing, if Tenant receives actual written notice from Landlord more than thirty (30) days prior to the date stated in subclause (a) of the preceding sentence that the work to be done in the Premises by Landlord is substantially completed and if Tenant commences operation of its business in the Premises prior to the date stated in said subclause (a), then this Lease shall commence on the date that Tenant commences operation of its business in the Premises. Upon the determination of the Commencement Date, Landlord and Tenant shall execute a written acknowledgment of the Commencement Date and shall attach it to this Lease as Exhibit E.

2.3 Substantial Completion of Landlord's Work. The work to be done in the Premises by Landlord pursuant to the provisions of Exhibit D shall be "substantially completed" when Landlord has delivered to Tenant a temporary or final certificate of occupancy or equivalent for the Premises and Landlord's work has been substantially performed, although minor details or adjustments that do not interfere with Tenant's use of such space may have not been completed. Landlord shall diligently pursue completion of any minor details or adjustments that have not been performed at the time Landlord gives the aforesaid notice of substantial completion to Tenant. Evidence of when the Landlord's work has been substantially performed shall be a certificate to that effect signed by Landlord's architect. Substantial (Completion of Landlord's Work or "substantially completed" is defined in Section 5.1 of Exhibit D.) Landlord agrees to use its best efforts to provide Tenant with at least thirty (30) days' advance notice of the date on which the Premises are expected to be substantially completed. Tenant shall have the right of early access to the Premises for a fixturing period of fifteen (15) business days prior to the Commencement Date for installation of Tenant's furniture, fixtures and equipment.

2.4 Delay in Commencement. If Landlord, for any reason whatsoever, fails to give Tenant notice by July 1, 2017, subject to extension one (1) day for each day after April 15, 2017 until Tenant submits this Lease to Landlord fully executed by Tenant, that the Landlord's work in the Premises is substantially completed, as provided for above, then the Tenant may extend Landlord's time for completion thereof and delivery of possession to Tenant, and withhold from the first rental payment and subsequent rental payments as may be necessary, as liquidated damages, an amount equal to the Rent otherwise due for each day after said date during which Landlord has failed to give Tenant such notice of substantial completion. Notwithstanding the foregoing, if Landlord, for any reason whatsoever, fails to give Tenant notice that the Landlord's work in the Premises is substantially completed by December 1, 2017, Tenant at its option shall have the right, by giving Landlord five business (5) days' prior written notice of its intention to do so, to immediately cancel this Lease. Such notice shall be given prior the date that Landlord delivers the Premises to Tenant substantially completed, and any notice given after such deliver shall be void and of no force or effect. This agreement for liquidated damages is entered into because the amount is manifestly reasonable under the circumstances at the time of this Lease, and it would be extremely difficult or impossible to determine, with any degree of accuracy, the actual damages caused by such delay. Landlord's obligation to complete the Premises within the time specified in this Section 2.4 shall be extended for delays caused by Tenant, Tenant's contractors, consultants, architects, strikes, lockouts, fires, floods, war, civil disorder or government regulations. The failure of the Final Plans to be approved by Landlord and Tenant by the date set forth in the Design Schedule shall be grounds for extension of the dates set forth in this Section 2.4 except to the extent such failure is caused by Landlord unreasonably delaying, conditioning or withholding its consent to the Final Plans.

2.5 Options to Extend Term. Landlord grants to Tenant two (2) options to extend the Lease Term ("Extension Option") for a period of five (5) years each ("Option Term"), subject to the conditions described in this Section 2.5.

2.5.1 Conditions of Option. An Extension Option may be exercised only by written notice delivered by Tenant to Landlord as provided in Subsection 2.5.3 and only if, as of the date of delivery of the notice, Tenant is not in material default under this Lease after the expiration of any applicable cure periods. If Tenant properly exercises an Extension Option, the Lease Term, as it applies to the entire Premises then leased by Tenant, shall be extended for the Extended Term.

If Tenant properly exercises its second Extension Option, Landlord shall, prior to the commencement of the second Option Term, provide Tenant with an allowance of six dollars (\$6.00) per rentable square foot of the Premises to be used solely for the purpose of repainting the Premises and installing new carpeting throughout the Premises (including lifting and moving of Tenant's furniture and equipment and relocation) during non-business hours in a manner acceptable to Tenant at Landlord's sole cost and expense.

2.5.2 Option Rent.

2.5.2.1 First Option Term. Upon exercise of the first Extension Option, the Rent payable by Tenant for the first Option Term shall be equal to the Rent per square foot of Rentable Area in effect as of the commencement of the first Option Term, increased by Five Cents (\$.05) per square foot. Rent shall be increased by Five Cents (\$.05) per square foot annually thereafter during each Option Term.

2.5.3 Exercise of Option. If Tenant wishes to exercise an Extension Option, Tenant shall deliver written notice to Landlord ("Tenant's Extension Notice") no less than one hundred (180) days before the expiration of the Initial Term or the preceding Option Term, as the case may be.

2.5.4 Amendment to Lease. If Tenant timely exercises an Extension Option(s), Landlord and Tenant shall execute an amendment to this Lease, extending the Lease Term for the respective Option Term on the terms and conditions set forth in this Section 2.5. Execution of that amendment shall not be a condition precedent to the effectiveness of the respective Option Term. Landlord and Tenant hereby acknowledge that the Director of General Services has been delegated authority to execute such an amendment, as required pursuant to this Section 2.5.4.

2.6 Holding Over. Any holding over by Tenant shall not be nor be construed to be a renewal of the term of this Lease but shall constitute a month-to-month tenancy which may be terminated by either party upon ninety (90) days' prior written notice to the other party, and shall otherwise be on the same terms and conditions herein set forth and at the same rental herein set forth, subject to increase pursuant to Section 4.3 below.

2.7 Termination by Tenant.

2.7.1 Non-appropriation of Funds. Tenant may terminate this Lease, in accordance with Section 2.7.3 below, with respect to all or part of the Premises upon one hundred eighty (180) days' prior written notice to Landlord ("Termination Notice") on the happening of any one or more of the following events: (a) the County Board of Supervisors fails to appropriate sufficient funds for the rental of the property covered by this Lease; (b) the County Board of Supervisors discontinues, in whole or in part, the program or agency for which the Premises were leased; or (c) the funding, whether County, State or Federal, for the program or agency for which the Premises were leased is reduced or withdrawn.

2.7.2 Discretionary Termination. At any time after the date which is fifteen (15) years from the Commencement Date, Tenant shall have the option, by providing Landlord with a Termination Notice, to terminate this Lease with respect to all or part of the Premises, in accordance with Section 2.7.3 below.

2.7.3 Termination Provisions.

2.7.3.1 Exercise of Termination Right. The Premises subject to any Termination Notice shall be referred to as the "Canceled Premises." The termination shall be effective as of one hundred eighty (180) days after Tenant delivers the Termination Notice to Landlord ("Lease Termination Date"). If Tenant terminates the Lease pursuant to this Section 2.7, Tenant's delivery of the Termination Notice to Landlord shall be accompanied by an amount equal to the Lease Termination Fee, as defined in this Subsection 2.6.2.

2.7.3.2 Lease Termination Fee. Before giving the Termination Notice, Tenant shall give Landlord a preliminary notice stating Tenant's intention to exercise the right to terminate and the proposed Lease Termination Date. Within thirty (30) days after receiving the preliminary notice from Tenant, Landlord shall notify Tenant of the amount of the Lease Termination Fee based on the appropriate Lease Termination Date set forth in Tenant's notice. The Lease Termination Fee shall be equal to the "Unamortized Value as of the Lease Termination Date" of the "Lease Concessions and Costs," as defined

in this Subsection 2.7.3.2.

2.7.3.2.1 Lease Concessions & Costs. For purposes of this Subsection 2.7.2.2, "Lease Concessions and Costs" shall be equal to the sum of (a) the amount of the tenant improvement allowance and any other improvement allowance granted by Landlord in connection with Landlord's delivery of the Canceled Premises to Tenant; (b) the amount of lease concessions and/or free rent or rent abatement granted to Tenant with respect to such cancelled portion of the Premises, and (c) the unamortized portion of any leasing commissions paid by Landlord with respect to the Canceled Premises.

2.7.3.2.2 Unamortized Value as of Lease Termination Date. The "Unamortized Value as of the Lease Termination Date" of the Lease Concessions and Costs shall be equal to the product of:

(a) The number of months of the Lease Term remaining after the Lease Termination Date until the Lease Expiration Date;

(b) The Monthly Amortization Amount, as determined in Subsection 2.7.3.2.3(c).

2.7.3.2.3 Monthly Amortization Amount. The "Monthly Amortization Amount" shall be determined as if it were a component of an annuity, using:

(a) The amount of the Lease Concessions and Costs, not including any concessions for Tenant's expansion options, as the present value of the annuity;

(b) Seven percent (7%) per annum as the future value interest factor;

(c) One hundred eighty (180) as the number of monthly payments of the annuity, commencing on the Lease Commencement Date and ending on the Lease Expiration Date; and

(d) The Monthly Amortization Amount (the missing component) as the monthly payment amount under the annuity.

ARTICLE 3

USE OF PREMISES

3.1 Tenant's Use. The Premises may be used for the "Permitted Use" as set forth in the Basic Lease Information and for no other use or purpose. Tenant shall, at Tenant's expense, comply promptly with all applicable federal, state and local laws, regulations, ordinances, rules, orders and requirements in effect during the Lease Term relating to Tenant's business, provided, however, that in no event shall this sentence be construed to require Tenant to make any improvements to the Premises, the Building, the Project or the Real Property. Tenant shall not use or permit the use of the Premises in any manner that will tend to create waste or a nuisance, or that unreasonably disturbs other tenants of the Building or Project, nor shall Tenant place or maintain any signs, antennas, awnings, lighting or plumbing fixtures, loudspeakers, exterior decoration or similar devices on the Building or the Project or visible from the exterior of the Premises without Landlord's prior written consent, which consent may be withheld in Landlord's sole discretion. Tenant shall not use any corridors, sidewalks, stairs, elevators or other areas outside of the Premises for storage or any purpose other than access to the Premises. Tenant shall not use, keep or permit to be used or kept on the Premises any foul or noxious gas or substance, nor shall Tenant do or permit to be done anything in and about the Premises, either in connection with activities hereunder expressly permitted or otherwise, which would cause an increase in premiums for or a cancellation of any

policy of insurance (including fire insurance) maintained by Landlord in connection with the Premises, Building or Project or which would violate the terms of any covenants, conditions or restrictions, the design guidelines, the sign guidelines affecting the Building or the Real Property, or the Rules (as the term is defined under Section 1.2 above).

3.2 Landlord's Obligations. Landlord shall lease space in the Project only for purposes consistent with the maintenance of a first class office/commercial Project of the kind and character of the Project as of the date hereof.

3.3 Signage. Landlord shall provide signage as provided in Article 22.

ARTICLE 4

RENT

4.1 Definition of "Rent". Tenant shall pay to Landlord, without setoff or deduction except as specifically allowed hereunder, rent ("Rent") in equal monthly installments of Fifteen Thousand One Hundred Twenty-Seven and 80/100 Dollars (\$15,127.80) (such amount being equal to One and 14/100 Dollars (\$1.14) per square foot of Rentable Area per month) in advance on or before the first day of every calendar month during the Lease Term. Payment shall be made at the address set forth in Section 19.3 or at any other place that Landlord may from time to time designate in writing.

4.2 Initial Payment; Proration. The Rent for any partial calendar month at the beginning of the Lease Term and the first full calendar month of the Lease Term shall be paid within ten (10) business days of the Commencement Date. If any payment date (including the Lease Commencement Date) for Rent, falls on a day other than the first day of that calendar month, or if any Rent payment is for a period shorter than one calendar month, the Rent for that fractional calendar month shall accrue on a daily basis for each day of that fractional month at a daily rate equal to 1/365 of the total annual Rent. All other payments or adjustments that are required to be made under the terms of this Lease and that require proration on a time basis shall be prorated on the same basis.

4.3 Rental Adjustments. Rent shall be adjusted as follows: At the beginning of the 13th month and every twelve (12) months thereafter during the Initial Term, the base rental rate shall be increased by Eight Cents (\$.08) over the previous period's rent rate for the first Sixty-Three (63) months and Five Cents (\$.05) over the previous period's rental rate from month Sixty-Four (64) through the remainder of the Initial Term..

4.4 Free Rent/Rent Abatement. Landlord shall provide Tenant with three (3) months' free rent as follows: Beginning on the Commencement Date of the Lease, Rent and Additional Rent as defined in Section 4.5 below for the first three (3) full months of the Lease shall be abated, said abatement equal to Rent in the amount of Nineteen Thousand Six Hundred Thirty-Nine and 60/100 Dollars (\$19,639.60) per month times three (3) months, plus Additional Rent in the amount of Five Thousand Nine Hundred Seventy-One and 50/100 Dollars (\$5,971.50) times three (3) months, for a total rent abatement of Sixty-Two Thousand One Hundred Three and 60 /100 Dollars (\$62,103.60).

4.5 Additional Rent. In addition to Rent pursuant to Section 4.1 of this Lease, Tenant shall pay to Landlord in equal monthly installments Five Thousand Nine Hundred Seventy-One and 50/100 Dollars (\$5,971.50), which covers Tenant's Building Percentage Share of Operating Expenses and Taxes for the Base Year, as defined hereafter in Sections 4.5.1 and 4.5.2 of this Lease.

4.5.1 Taxes. Taxes at the level incurred for the calendar base year 2017 (the "Base Year") are covered by the Additional Rent. Tenant shall pay to Landlord, as additional rent, Tenant's "Building Percentage Share" of any increase in Taxes attributable to the Building over the Base Taxes

during each year of the Term (prorated for any partial calendar year during the Term). The term "Base Taxes" shall mean those taxes incurred by Landlord during the calendar year specified as the Base Year in the Basic Lease Information. Tenant's Building Percentage Share is equal to the fraction, the numerator of which is the Rentable Area of the Premises, and the denominator of which is the Rentable Area of the Building, expressed as a percentage, and is currently 100% (13,270 rentable square feet (r.s.f.)/13,270 r.s.f.).

(a) Definition of Taxes. The term "Taxes" shall include all transit charges, housing fund assessments, real estate taxes and all other taxes relating to the Premises, Building, Real Property and Project of every kind and nature whatsoever, including any supplemental real estate taxes attributable to any period during the Term; all taxes which may be levied in lieu of real estate taxes; and all assessments, assessment bonds, levies, fees, penalties (if a result of Tenant's delinquency) and other governmental charges (including, but not limited to, charges for parking, traffic and any storm drainage/flood control facilities, studies and improvements, water and sewer service studies and improvements, and fire services studies and improvements); and all amounts necessary to be expended because of governmental orders, whether general or special, ordinary or extraordinary, unforeseen as well as foreseen, of any kind and nature for public improvements, services, benefits or any other purpose, which are assessed, based upon the use or occupancy of the Premises, Building, Real Property and/or Project, or levied, confirmed, imposed or become a lien upon the Premises, Building, Real Property and/or Project, or become payable during the Term, and which are attributable to any period within the Term.

(b) Limitation. Nothing contained in this Lease shall require Tenant to pay any franchise, estate, inheritance, succession or transfer tax of Landlord, or any income, profits or revenue tax or charge upon the net income of Landlord from all sources; provided, however, that if at any time during the Term under the laws of the United States Government or the State of California, or any political subdivision thereof, a tax or excise on rent, or any other tax however described, is levied or assessed by any such political body against Landlord on account of Rent, or any portion thereof, one hundred percent (100%) of any said tax or excise shall be included in the definition of Taxes and Tenant shall pay its proportionate share as additional rent.

(c) Installment Election. In the case of any Taxes which may be evidenced by improvement or other bonds or which may be paid in annual or other periodic installments, Landlord shall elect to cause such bonds to be issued or such assessment to be paid in installments over the maximum period permitted by law.

(d) Estimate of Tenant's Share of Taxes. Prior to the commencement of each calendar year during the Term, or as soon thereafter as reasonably practicable, Landlord shall notify Tenant in writing of Landlord's estimate of Tenant Building Percentage Share of the increase in Taxes which will be payable by Tenant for the ensuing calendar year. On or before the first day of each month during the ensuing calendar year, Tenant shall pay to Landlord in advance, together with monthly base rent, one-twelfth (1/12th) of the estimated amount; provided, however, if Landlord fails to notify Tenant of the estimated amount of Tenant's share of Taxes for the ensuing calendar year prior to the end of the current calendar year, Tenant shall be required to continue to pay to Landlord each month in advance Tenant's estimated share of Taxes on the basis of the amount due for the immediately prior month until ten (10) days after Landlord notifies Tenant of the estimated amount of Tenant's share of Taxes for the ensuing calendar year. If at any time it appears to Landlord that Tenant's share of Taxes payable for the current calendar year will vary from Landlord's estimate, Landlord may give notice to Tenant of Landlord's revised estimate for the year, and subsequent payments by Tenant for the year shall be based on the revised estimate.

(e) Annual Adjustment. Within one hundred twenty (120) days after the close of each calendar year during the Term, or as soon after the one hundred twenty (120) day period as reasonably practicable, Landlord shall deliver to Tenant a statement of the adjustment to the Taxes for the prior calendar year. If, on the basis of the statement, Tenant owes an amount that is less than the estimated payments for the prior calendar year previously made by Tenant, Landlord shall apply the excess to the

next payment of Taxes due. If, on the basis of the statement, Tenant owes an amount that is more than the amount of the estimated payments made by Tenant for the prior calendar year, Tenant shall pay the deficiency to Landlord within forty-five (45) days after delivery of the statement. The year-end statement shall be binding upon Tenant unless Tenant notifies Landlord in writing of any objection thereto within thirty (30) days after Tenant's receipt of the year end statement. In addition, if, after the end of any calendar year or any annual adjustment of Taxes for a calendar year, any Taxes are assessed or levied against the Premises, Building, Real Property or Project that are attributable to any period within the Term (e.g., supplemental taxes or escaped taxes), Landlord shall notify Tenant of its share of such additional Taxes and Tenant shall pay such amount to Landlord within forty-five (45) after Landlord's written request therefor.

(f) Personal Property Taxes. Tenant shall pay or cause to be paid, not less than ten (10) days prior to delinquency, any and all taxes and assessments levied upon all of Tenant's trade fixtures, inventories and other personal property in, on or about the Premises. When possible, Tenant shall cause Tenant's personal property to be assessed and billed separately from the real or personal property of Landlord. On request by Landlord, Tenant shall furnish Landlord with satisfactory evidence of payment of Tenant's business personal property taxes and deliver copies of such business personal property tax bills to Landlord.

(g) Taxes on Tenant Improvements. Notwithstanding any other provision hereof, Tenant shall pay to Landlord the full amount of any increase in Taxes during the Term resulting from any and all alterations and tenant improvements of any kind whatsoever placed in, on or about or made to the Premises, Building or Project for the benefit of, at the request of, or by Tenant.

4.5.2 Operating Expenses.

(a) Obligation to Pay Operating Expenses. Operating Expenses at the level incurred for the Base Year are covered by the Additional Rent. Commencing with the thirteenth (13th) month of the Term, Tenant shall pay to Landlord as additional rent during the Term, Tenant's Building Percentage Share of any increase in Operating Expenses allocated to the ownership, operation, repair and/or maintenance of the Building over the Base Operating Expenses allocated to the Building; provided that Landlord has the right to allocate any Operating Expenses incurred in connection with the ownership, operation, repair and/or maintenance of the Project to one or more particular buildings within the Project and at such ratios as Landlord reasonably determines based upon the nature of the Operating Expense. The term "Base Operating Expenses" shall mean those Operating Expenses incurred by Landlord during the calendar year specified as the Base Year in the Basic Lease Information.

(b) Definition of Operating Expenses. The term "Operating Expenses" shall include all expenses and costs of every kind and nature which Landlord shall pay or become obligated to pay because of or in connection with the ownership, operation, repair and/or maintenance of the Building, Common Areas and/or Project, the surrounding property, and the supporting facilities, including, without limitation: (A) all maintenance, janitorial and security costs, (B) costs for all materials, supplies and equipment; (C) all costs of water, heat, gas power, electricity, refuse collection, parking lot sweeping, landscaping, and other utilities and services provided or allocated to the Building and the Common Areas; (D) all property management expenses, including, without limitation, all property management fees and all expense and cost reimbursements, (E) all costs of alterations or improvements to the Building or Common Areas made to achieve compliance with federal, state and local law including, without limitation, the Americans with Disabilities Act (42 U.S.C. Section 12101 et seq.), or to reduce Operating Expenses or improve the operating efficiency of the Building or the Project, all of which costs will be amortized over the useful life of such alteration or improvement as reasonably determined by Landlord, together with interest upon the unamortized balance at the Interest Rate or such other higher rate as may have been paid by Landlord on funds borrowed for the purpose of making the alterations or improvements; (F) premiums for insurance maintained by Landlord pursuant to this Lease or with respect to the Building and the Project; (G) costs for repairs, replacements, uninsured damage or insurance deductibles and general maintenance of the Building, Common Areas and Project, but excluding any repairs or replacements paid for out of

insurance proceeds or by other parties; (H) all costs incurred by Landlord for making any capital improvements or structural repairs to the Building or the Common Areas, which costs will be amortized over the useful life of such improvement, repair or modification, as reasonably determined by Landlord, together with interest upon the unamortized balance at the Interest Rate or such other higher rate as may have been paid by Landlord on funds borrowed for the purpose of constructing the improvements or making the improvements or repairs; (I) all costs of maintaining machinery, equipment and directional signage or other markers; and (J) the share allocable to the Building of dues and assessments payable under any reciprocal easement or common area maintenance agreements or declarations or by any owners associations affecting the Building or the Project.

(c) Less Than Full Occupancy. If the Building or the Project are less than ninety-five percent (95%) occupied during any year of the Term, Operating Expenses for each such calendar year shall be adjusted to equal Landlord's reasonable estimate of Operating Expenses as though ninety-five percent (95%) of the total rentable area of the Building and/or the Project as applicable had been occupied.

(d) Estimates of Operating Expenses. Tenant shall pay to Landlord each month at the same time and in the same manner as monthly Base Rent one-twelfth (1/12th) of Landlord's estimate of the amount of Operating Expenses payable by Tenant for the then-current calendar year. If at any time it appears to Landlord that Tenant's share of Operating Expenses payable for the current calendar year will vary from Landlord's estimate, Landlord may give notice to Tenant of Landlord's revised estimate for the calendar year, and subsequent payments by Tenant for the calendar year shall be based on the revised estimate. Within one hundred twenty (120) days after the close of each calendar year, or as soon after such 120-day period as practicable, Landlord shall deliver to Tenant a statement in reasonable detail of the actual amount of Operating Expenses payable by Tenant for such calendar year. Landlord's failure to provide such statement to Tenant within the 120-day period shall not act as a waiver and shall not excuse Tenant or Landlord from making the adjustments to reflect actual costs as provided herein. If on the basis of such statement Tenant owes an amount that is less than the estimated payments for such calendar year previously made by Tenant, Landlord shall credit such excess against the next payment of Operating Expenses due. If on the basis of such statement Tenant owes an amount that is more than the estimated payments for such calendar year previously made by Tenant, Tenant shall pay the deficiency to Landlord within forty-five (45) days after delivery of the statement. In addition, if, after the end of any calendar year or any annual adjustment of Operating Expenses for a calendar year, Operating Expenses are incurred or billed to Landlord that are attributable to any period within the Term (e.g., sewer district flow fees), Landlord shall notify Tenant of its share of such additional Operating Expenses and Tenant shall pay such amount to Landlord within forty-five (45) days after Landlord's written request therefor. The obligations of Landlord and Tenant under this Section 4.6(d) with respect to the reconciliation between the estimated and actual amounts of Operating Expenses payable by Tenant for the last year of the Term shall survive the termination of this Lease. Operating Expenses in the aggregate shall not increase more than four percent (4%) annually on a cumulative basis, excluding Taxes, insurance and utilities, which shall not be subject to a cap."

(e) Payment at End of Term. Any amount payable by Tenant which would not otherwise be due until after the termination of this Lease, shall, if the exact amount is uncertain at the time that this Lease terminates, be paid by Tenant to Landlord upon such termination in an amount to be estimated by Landlord with an adjustment to be made once the exact amount is known.

(f) Audit Rights. Tenant shall have the right, after no less than thirty (30) days prior written notice, at Tenant's sole cost and expense, and not more than once during any calendar year, to have Landlord's books and records relating to such Operating Expenses inspected by an accounting firm designated by Tenant and reasonably acceptable to Landlord, for the prior calendar year at reasonable business hours at Landlord's principal place of business. Any such accounting firm designated by Tenant shall not be compensated on a contingency fee basis. The results of any such audit (and any negotiations between the parties related thereto) shall be maintained strictly confidential by Tenant and its accounting

firm and shall not be disclosed, published or otherwise disseminated to any other party other than to Tenant's attorneys, to Landlord and its authorized agents or to such other persons as either party may otherwise be legally compelled by valid court order, subpoena or other legal process. Any overbilling discovered in the course of such audit shall be refunded to Tenant within thirty (30) days of Landlord's receipt of a copy of the audit. In the event the overstatement of charges exceeds ten percent (10%) of the sum previously billed to Tenant by Landlord, Landlord shall reimburse Tenant for the reasonable costs incurred by Tenant for such audit.

ARTICLE 5

MAINTENANCE

5.1 Maintenance of Building and Premises. Except as otherwise provided in this Lease, Landlord, at its expense, agrees to maintain the Building (including the parking lots, hardscape and landscape) and the Premises, in first class condition appropriate for a building of this type and in this location. This obligation shall include, but not by way of limitation, the maintenance and repair of any air conditioning, heating, ventilating, elevator, sprinkler, sewage, electrical, gas, life safety, water supply or steam system, foundation, superstructure, structural roof, roofing membrane, exterior walls, and other structural members and parts of the Building, all typical maintenance of the interior and exterior of the Building such as painting and/or washing the interior and exterior windows, maintaining the interior and exterior portions of the Building, cleaning and maintaining sidewalks adjacent to the Building, repair and maintenance, including without limitation, the replacement of fluorescent and other lighting (e.g., light bulbs, ballasts); provided, however, that Tenant shall be responsible for all maintenance, repair and replacement required as a direct result of the abuse or negligence of Tenant, or its customers, agents, employees, assignees, subtenants, licensees or invitees. Notwithstanding the foregoing, Landlord shall not be required to polish or wax any interior or exterior components, to provide trash removal from the Premises, or to provide restroom repair, maintenance or replacement or furnish any restroom supplies. Landlord shall have thirty (30) days after notice from Tenant to perform its obligations under this Section 5.1, except that Landlord shall perform its obligations immediately if the nature of the problem presents a hazard or emergency or substantially interferes with Tenant's use of the Premises. Tenant expressly waives the benefits of any statute, including Civil Code Sections 1941 and 1942, which would afford Tenant the right to make repairs at Landlord's expense or to terminate this Lease due to Landlord's failure to keep the Building in good order, condition and repair; provided that if Landlord fails to commence any maintenance or repair (and thereafter diligently prosecute to completion) within the Premises that is required under this Lease for ten (10) business days after the second written request from Tenant, then Tenant may perform such maintenance or repair work. In such event, Tenant shall receive a credit toward the monthly base rent under this Lease for the actual and reasonable costs of such maintenance and repair work.

5.2 Maintenance by Tenant. Tenant shall be responsible for (a) that certain maintenance in the Premises for which Landlord is not responsible as set forth in Section 5.1 above, and (b) the maintenance, including repair and/or replacement desired by Tenant, of its interior signs, furnishings and other personal property used in connection with the Premises. In addition, Tenant shall be responsible for all maintenance, repair and replacement required within the Premises, Building or Project as a direct result of the abuse or negligence of Tenant, or its customers, agents, employees, assignees, subtenants, licensees or invitees. Tenant shall not be responsible for any of the items which are Landlord's responsibilities under this Lease.

ARTICLE 6

UTILITIES AND SERVICES

6.1 Provision of and Payment for Utilities. Landlord shall provide electricity, gas, water, sewer, refuse collection, and heating and air conditioning for Tenant's use during Tenant's hours of operation (i.e., twenty-four (24) hours per day, seven days per week), and all such utilities shall be used by Tenant at Tenant's sole cost and expense. All utilities shall be separately metered (the cost of providing separate meters at Landlord's cost and expense), and shall be used by Tenant in reasonable amounts not to exceed the capacities of the utility systems serving the Premises making delivery to Tenant; provided that Tenant shall contract directly with all utility providers if possible. Tenant shall reimburse Landlord for the cost of any such utilities provided by Landlord.

6.2 Failure to Furnish Utilities. Except as hereinafter provided, Landlord shall not be liable for any failure to furnish any of such services or utilities when such failure is caused by strikes, lockouts, other labor troubles or other conditions beyond Landlord's reasonable control (financial inability excepted), and Tenant shall not be entitled to any damages nor shall any such failure relieve Tenant of the obligation to pay Rent, or constitute or be construed as a constructive or other eviction of Tenant. Notwithstanding the foregoing, Rent of any kind provided in this Lease shall be equitably abated in the event Landlord, for whatever reason, is unable to supply any of the Building's sanitary, electrical, heating, air conditioning, water or other systems serving the Premises for a period of twenty-four (24) hours or more, unless the failure to furnish any of such services or utilities is caused by: (a) Tenant, its employees, licensees or invitees; or (b) strike, lockout or other labor troubles; or (c) other conditions beyond Landlord's reasonable control (financial inability excepted). If the failure to furnish any of such services or utilities is caused by one of the above three listed reasons, then there shall be no abatement of Rent for the first thirty (30) days following such failure to furnish and the amount of any abatement thereafter shall be agreed upon by Landlord and Tenant or, in the event Landlord and Tenant are unable to agree on such abatement, the amount shall be determined in an arbitration proceeding (pursuant to the terms of Article 24) according to the extent to which such unavailability interferes with Tenant's normal business operations on the Premises. If Landlord's failure to furnish any such services or utilities to the Premises or to supply any of the Building's sanitary, electrical, heating, air conditioning, water or other systems serving the Premises for any period of time is caused by the negligence or willful act of Landlord, or Landlord's agents or contractors, there shall be an immediate abatement of Rent for the period of such failure or lack of supply, but only to the extent Tenant actually ceases operations in the Premises. In the event of any stoppage or interruption of services, Landlord shall use commercially reasonable efforts to restore said services as soon as possible.

6.3 Security Services and System. Subject to the terms and conditions of the Leasehold Improvement Agreement, Tenant shall have the right to install or have installed in the Premises, a card key access system or other security system. Tenant shall repair any damage caused to the Premises or the Building due to the installation and removal of any such security system. In addition, Tenant shall provide security services for the Premises at its sole cost and expense, twenty-four (24) hours per day, seven (7) days per week.

6.4 Janitorial and Waste Removal Services. Tenant, at its sole cost and expense, shall provide for waste removal and bonded cleaning/janitorial service consistent with first class buildings for the Premises and for all of the public and common areas within the Premises and the Building and appurtenances thereto, including the elevators and stairways.

ARTICLE 7

ALTERATIONS AND IMPROVEMENTS

7.1 Consent Required. Tenant shall not make any alterations, improvements or additions (each, an "Alteration") in, on or about the Premises without Landlord's prior written consent, except that Tenant may make Alterations without Landlord's prior written consent where (i) the reasonably estimated cost of the Alteration and together with the cost of any other Alteration made during the immediately preceding twelve (12) months does not exceed Fifty Thousand Dollars (\$50,000), and (ii) such Alterations

do not affect or involve the structural integrity, roof membrane, exterior areas, Building systems or water-tight nature of the Premises, Building or Project. In requesting Landlord's consent, Tenant shall, at Tenant's sole cost, submit to Landlord complete drawings and specifications describing the Alteration and the identity of the proposed contractor. Landlord, without any cost to itself, shall cooperate with Tenant in securing building and other permits and authority necessary from time to time for any work permitted under this Lease. Tenant may at any time remove any equipment and trade fixtures installed by or on behalf of Tenant in the Premises. Improvements made by Tenant at any time to the Premises during the term of this Lease shall be and remain the property of Tenant.

7.2 Conditions

(a) Notice. Before commencing any work relating to Alterations, Tenant shall notify Landlord of the expected date of commencement thereof and of the anticipated cost thereof, and shall provide Landlord with a copy of the approved plans and specifications. Landlord shall then have the right at any time and from time to time to post and maintain on the Premises such notices as Landlord reasonably deems necessary to protect the Premises and Landlord from mechanics' liens or any other liens.

(b) Liens. For any Alterations after those to be constructed by Landlord pursuant to the Leasehold Improvement Agreement, Tenant shall pay when due all claims for labor or materials actually furnished for use in the Premises. Tenant shall not permit any mechanics' liens or any other liens to be levied against the Premises for any labor or materials furnished to Tenant in connection with work performed on the Premises by or at the direction of Tenant.

(c) Compliance with Laws. All Alterations in or about the Premises performed by or on behalf of Tenant shall be done in a first-class, workmanlike manner, shall not unreasonably lessen the value of leasehold improvements in the Premises, and shall be completed in compliance with all applicable laws, ordinances, regulations and orders of any governmental authority having jurisdiction thereover, as well as the reasonable requirements of insurers of the Premises and the Building.

(d) Labor Disputes. Upon Landlord's request, Tenant shall remove any contractor, subcontractor or material supplier from the Premises and the Building if the work or presence of such person or entity results in labor disputes in or about the Building or Project or damage to the Premises, Building or Project.

(e) Americans with Disabilities Act. Landlord, at Landlord's sole discretion, may refuse to grant Tenant permission for Alterations which require, because of application of Americans with Disabilities Act or other laws, substantial improvements or alterations to be made to the Common Areas for which Tenant is not willing to pay.

(f) End of Term. Alterations made to the Premises shall become the property of Landlord and remain upon and be surrendered with the Premises upon the expiration of this Lease; provided, however, that Tenant's machinery, equipment, and trade fixtures, other than any which may be affixed to the Premises so that they cannot be removed without material damage to the Premises, shall remain the property of Tenant and may be removed by Tenant subject to the provisions of Article 13 below.

ARTICLE 8

PARKING

Included in Tenant's rental herein is the right of Tenant's customers and invitees to have the non-exclusive right to use free of charge 3.2 parking spaces for each 1,000 square feet of Rentable Area in the parking area associated with the Building in those spaces as designated on **Exhibit B**. Landlord acknowledges that Tenant's parking needs may fluctuate, on a daily basis throughout a 24-hour period. In the event Landlord

installs a system of charging for parking in the parking area, Landlord shall establish and make available to Tenant no-charge validations issued to Tenant's customers and invitees for the use of such parking to the extent of said parking spaces in the parking area. Landlord reserves the right to grant similar nonexclusive rights to other tenant; to promulgate reasonable rules and regulations relating to the use of the parking area; and to make changes in the parking layout from time to time, provided such changes comply with Laws and Orders and do not adversely affect Tenant's ability to utilize the parking rights set forth in this Article 8. In order to help manage Tenant's parking demand, Landlord may in its sole discretion designate parking areas for the employees, clients and/or customers of Tenant and the other tenants and occupants of the Building and/or project. If Landlord determines that Tenant is using more parking spaces than set forth above in this Article 8, and such excess use results in insufficient parking being available for the other tenants and occupants of the Building or project, Tenant shall adjust its parking usage to comply with the parking allocation set forth in this Article 8.

Landlord shall provide at least one (1) bicycle rack or bicycle storage box to accommodate at least eight (8) bicycles, in close proximity to the Building and Premises, and at such location as approved by Landlord and Tenant. Tenant shall use its best efforts to cause its employees, clients and customers to park their bicycles in the designated bicycle parking areas.

ARTICLE 9

INSURANCE AND INDEMNITY

9.1 Insurance. Landlord and Tenant shall maintain insurance as described in Exhibit F, which is attached hereto and incorporated herein by this reference.

9.2 Indemnity.

9.2.1 Indemnification of Landlord. Tenant agrees to indemnify Landlord against and save Landlord harmless from any and all loss, cost, liability, damage and expense, including, without limitation, reasonable attorneys' fees and costs that may be asserted by any party and incurred in connection with or arising from: (a) any default by Tenant in the observance or performance of any of the terms, covenants or conditions of this Lease on Tenant's part to be observed or performed; (b) the use or occupancy or manner of use or occupancy of Tenant; (c) the condition of the Premises related to Tenant's duties under this Lease, or any occurrence on the Premises from any cause whatsoever, except to the extent caused by the negligence or willful misconduct of Landlord or related to the duties of Landlord under this Lease; or (d) any acts, omissions or negligence of Tenant or of the contractors, agents, employees, visitors or licensees of Tenant in, on or about the Premises or the Building. Tenant's obligations under this Section 9.2.1 shall survive the termination of the Lease.

9.2.2 Indemnification of Tenant. Landlord agrees to indemnify Tenant against and save Tenant harmless from any and all loss, cost, liability, damage and expense, including, without limitation, reasonable attorneys' fees and costs that may be asserted by any party and incurred in connection with or arising from: (a) any default by Landlord in the observance or performance of any of the terms, covenants or conditions of this Lease on Landlord's part to be observed or performed; (b) the negligence or willful misconduct of Landlord or its agents, contractors or employees in, on or about the Building. Landlord's obligations under this Section 9.2.2 shall survive the termination of the Lease.

ARTICLE 10

DESTRUCTION AND UNTENANTABILITY OF PREMISES

10.1 Loss -- Insured or Uninsured. Subject to the options to terminate hereinafter provided in this Article 10, if during the Lease Term, the Building or any portion thereof is damaged by fire, earthquake or other casualty or peril, Landlord shall with all due diligence (upon receipt of sufficient insurance proceeds) repair or rebuild the Building and the Premises to the condition at least equal to that existing immediately prior to said damage. In connection therewith, Landlord shall use any such insurance proceeds for such purpose, together with any insurance proceeds received by Tenant by reason of insurance on improvements made by it in excess of the actual amount needed to replace or restore Tenant's improvements, fixtures and equipment, provided that any such proceeds received by Tenant shall only be used for the replacement or restoration of Tenant's improvements, fixtures and equipment. If, by reason of the provisions of any mortgage or deed of trust executed by Landlord encumbering the Building, insurance proceeds are required to be made payable to the lienholder and/or the policies of insurance placed in its custody, Tenant hereby consents thereto, provided that the lienholder in question shall first agree in writing with Landlord to make the proceeds of said insurance available for the repair and restoration of the Building.

10.2 Major Damage. For purposes of this Article 10, "major damage" to the Building resulting from fire, earthquake or any other casualty or peril is defined as damage to such extent that either (a) the estimated cost of full repair of such damage is greater than fifty percent (50%) of the then full replacement value of the Building as required for purposes of the then existing insurance policies provided for in Article 10, or (b) the repair or restoration of such damage that cannot be completed within one hundred eighty (180) days after the date of casualty. Any other damage to the Building from any such casualty or risks shall be deemed to be "non-major."

10.3 Tenant's Option to Terminate in Certain Events. If during the Lease Term the Building or any portion thereof receives damage to such an extent that the cost to repair the damage exceeds twenty percent (20%) of the then full replacement value of the Building and the effect of which is to render the Premises untenable, in Tenant's opinion, for continued occupancy for a period of two hundred forty (240) days or more, then Tenant shall have the option to terminate this Lease upon thirty (30) days' notice to Landlord.

10.4 Landlord's Option to Terminate in Event of Major Damage to Building. If during the Lease Term the Building or any portion thereof receives major damage, Landlord shall have the option to terminate this Lease on sixty (60) days' written notice to Tenant, in which event proration of Rent shall be made to be effective upon the date of such damage, and Landlord shall have no further obligations to Tenant. Notwithstanding the foregoing, Landlord shall have the absolute obligation to rebuild the Building after major damage in the manner set forth in Section 10.1 if the insurance proceeds are sufficient to pay for such rebuilding and Tenant does not elect to terminate this Lease pursuant to Section 10.3 above.

10.5 Proration. In the event of termination pursuant to the provisions of this Article 10, Tenant shall surrender to Landlord possession of the Premises and shall pay to Landlord any Rent hereunder accruing to the date of such damage.

10.6 Abatement of Rent. In the event that after any damage or destruction this Lease is not terminated in accordance with its provisions, Rent shall be equitably prorated and abated during the period commencing with the date of the casualty and continuing until such repairs are completed in the proportion that the Rent of the part usable by Tenant for the normal operation of Tenant's business on the Premises bears to the rental of the total space then leased by Tenant, taking into consideration the rental rate per square foot for the space for which the proration is made and any adverse effects and disruptions to Tenant's business caused during the period of such repairs.

10.7 Waiver. The provisions of California Civil Code Sections 1932(2) and 1933(4), and any successor statutes, are inapplicable with respect to any destruction of the Premises, such sections providing that a lease terminates upon the destruction of the Premises unless otherwise agreed between the parties to the contrary.

ARTICLE 11

EMINENT DOMAIN

11.1 Appropriation. In the event of any taking of or damage to all or any part of the Building or Premises, including any interest therein or appurtenant thereto, by reason of any exercise of the power of eminent domain, whether by a condemnation proceeding, inverse condemnation or otherwise, or in the event of any transfer, conveyance, or sale of all or any part of the Building or Premises, including any interest therein, or appurtenant thereto made in lieu of an exercise of the power of eminent domain (all of the foregoing being hereinafter referred to as "appropriation") prior to or during the Lease Term, the rights and obligations of Landlord and Tenant with respect to such appropriation, each time there is an instance of such appropriation, shall be governed by the provisions of this Article 11.

11.2 Date of Appropriation. For the purposes of this Article 11, the date of appropriation shall be the date upon which the condemning authority takes possession of all or any part of the Building or any interest therein or appurtenant thereto, or the date upon which Tenant is required by the condemning authority to commence vacating the Premises or any portion thereof, or any interest therein or appurtenant thereto, as a result of such appropriation, whichever date shall first occur.

11.3 Appropriation of All of the Building. In the event of appropriation of all of the Building, this Lease, subject to all provisions of this Article 11 pertaining to payments to be made shall terminate as of the date of such appropriation.

11.4 Appropriation of Less Than All of the Building or Premises.

11.4.1 General Provisions. Except as provided below in this Section 11.4, in the event of appropriation of less than all of the Building or of the Premises, this Lease shall continue in full force and effect, except that, as to the portion of the Premises so appropriated, this Lease shall terminate as of the date of appropriation.

11.4.2 Right to Terminate.

(i) If the appropriation shall render the Premises unavailable or unsuitable, in Tenant's sole opinion, to continue Tenant's normal use of the Premises, Tenant shall have the right to terminate this Lease. Exercise of such right by Tenant shall be made by written notice to Landlord on or before thirty (30) days after the date of Tenant's receipt of written notice of appropriation. Any such termination shall be effective as of the date of the appropriation.

(ii) In the event that fifty percent (50%) or more of the rentable area of the Building (as it existed on the date of the appropriation) should become untenanted or unoccupied because the appropriation renders such space unavailable or untenanted, Landlord shall have the right to terminate this Lease, provided that Landlord also terminates the leases of all other tenants of the Building. Exercise of such right shall be made by notice to Tenant on or before thirty (30) days after the date of receipt of notice of appropriation.

11.4.3 Abatement of Rent. The Rent for the remainder of the Lease Term shall be prorated in the same proportion that part of the Premises usable by Tenant for the normal operation of its business bears to the total Premises immediately prior to the appropriation, taking into consideration the Lease rental rate per Rentable Square Foot for the space for which the proration is made. Rent shall also be abated for any portion of the Premises that is not appropriated but is rendered temporarily unusable by virtue of repairs or restoration necessitated by the appropriation of other space.

11.4.4 Restoration of Premises by Landlord. If this Lease is not terminated pursuant to Section 11.4.2 and subject to Section 11.4.5, Landlord will make any restoration of the remainder of the Building and the Premises necessitated by reason of the appropriation of less than all of the Building as promptly as reasonably practicable to as close to the same condition (as circumstances permit) as existed immediately prior to such appropriation.

11.4.5 Restoration of Premises with Tenant Funds. If Landlord would otherwise have the right to terminate this Lease pursuant to Section 11.4.2(ii), Landlord shall not have the right to terminate this Lease if Tenant, within thirty (30) days after receipt of notice from Landlord that Landlord has elected to terminate this Lease pursuant to Section 11.4.2(ii), notifies Landlord that Tenant desires to have the Building, or so much thereof as may be necessary to constitute a complete architectural unit, restored to a condition which will provide Tenant with suitable facilities in Tenant's sole opinion for its continued use of the Premises and that Tenant will supply any additional funds, if any, that may be necessary, in addition to the net amount of the award paid to Landlord under the provisions of Section 11.6, including severance damages (without offset for special benefits) after first deducting any and all amounts which constitute Tenant's share of the award pursuant to Section 11.6. In such event, Tenant and Landlord shall each agree upon the plans and specifications for such rebuilding, the cost thereof, and the method by which Tenant shall supply to Landlord the additional funds necessary for such rebuilding. Tenant shall not be entitled to any ownership of the Building or Project as a result of providing such additional funds, and nor shall Tenant be entitled to any offset, credit, refund or payment as a result of providing such additional funds, the restoration of the Building being the sole consideration Tenant shall receive for providing such additional funds. If Landlord and Tenant are unable to agree on any aspect of such rebuilding, the matter shall be submitted to arbitration in accordance with the provisions of Article 23.

11.5 Amounts Payable by Reason of Termination. If this Lease is terminated pursuant to Section 11.4.2, the entire award (less any amounts separately awarded to Tenant under subsections (1) through (6) below, and less the reasonable expenses of Landlord and Tenant incurred in such appropriation proceedings which shall be paid to Landlord or Tenant, as applicable) made with respect to the appropriation shall be paid to Landlord; provided, however, Tenant and its representative shall have the right to participate in any negotiations with respect to the amount or allocation of such award. Payment from the award shall be made first to the senior mortgage holder on the Building in an amount necessary to repay its security interest and then Tenant shall have the right to make a separate claim in the condemnation proceedings and to share in the aggregate award which is paid by the condemnor or awarded by the court specifically for: (1) the fair market value of the unexpired portion of the Lease Term (including the option to extend the Lease Term pursuant to Section 2.5, as if all such options were fully exercised by Tenant and including Tenant's right to terminate as set forth in Section 2.6) in excess of the Rent provided for herein, exclusive of any immovable trade fixtures or improvements; plus (2) any severance damages attributable to the unexpired Lease Term plus (3) the taking of the unamortized or undepreciated value of any leasehold improvements owned by Tenant that Tenant has the right to remove at the end of the Lease Term and that Tenant elects not to remove; plus (4) reasonable removal and relocation costs for any leasehold improvements that Tenant has the right to remove and elects to remove (if condemnor approves the removal); plus (5) relocation costs under Government Code section 7262, the claim for which Tenant may pursue by separate action independent of this Lease; plus (6) any other amount in addition to the foregoing that does not reduce the amount of the award payable to the Landlord.

11.6 Damages if Lease Not Terminated. In the event of any appropriation of less than all of the Building or the Premises, if this Lease is not terminated pursuant to provisions of Section 11.4.2, the entire award made with respect to the appropriation shall be paid to Landlord; provided, however, Tenant and its representatives shall have the right to participate in any negotiations with respect to the amount or allocation of such award. All of such award shall be used as follows: 1) to reimburse Landlord and Tenant for costs incurred in such appropriation proceedings, 2) to repair or restore the Building as provided in this Article 11, and 3) any remaining balance shall be allocated between Landlord and Tenant pro rata in accordance with Section 11.5.

11.7 Interest. Tenant shall be entitled to the share of any interest paid on any award to the extent the same is allocable to the amounts to which Tenant is entitled.

11.8 Abatement of Monetary Obligations of Tenant. In addition to any other abatement provided for in this Lease, all monetary obligations of Tenant hereunder shall be abated in an equitable amount based upon the interference with Tenant's normal business operations at the Premises commencing with the date of the appropriation and continuing during the period of any restoration and, in addition, for the remainder of the Lease Term to the extent that the Premises are not fully restored.

11.9 Proration and Refund of Payments. If this Lease is terminated pursuant to this Article 11, the Rent shall be prorated to the date of termination. Landlord shall repay to Tenant any Rent paid by Tenant for any period beyond the date of termination to the extent same is in excess of amounts then owed by Tenant to Landlord.

11.10 Date of Payments. All payments due Tenant from Landlord by reason of an appropriation shall be paid to Tenant without prior notice or demand and on or before the expiration of a period of ten (10) days from the date on which the amount of the award is finally determined and Landlord obtains, or has the right to obtain, whichever shall first occur, such award. If Landlord shall fail to make any such payments to Tenant on or before the expiration of such ten (10) day period, in addition to any and all other remedies available to Tenant under this Lease or otherwise, Landlord shall be obligated to pay interest to Tenant on the unpaid amount of such payments at the maximum rate permitted by law.

ARTICLE 12

COMPLIANCE WITH LAWS

12.1 Definition of "Laws and Orders." For purposes of this Article 12, the term "Laws and Orders" includes all federal, state, county, city, or government agency laws, statutes, ordinances, standards, rules, requirements, or orders now in force or hereafter enacted, promulgated, or issued. The term also includes government measures regulating or enforcing public access or occupational or health or safety standards for employers, employees, landlords, or tenants (including, without limitation, tenants that are public entities).

12.2 Compliance with Laws and Orders.

(a) Tenant. Tenant shall, at Tenant's expense, comply promptly with all applicable Laws and Orders in effect during the Term. If, in order to comply with any such Laws and Orders, Tenant must obtain or deliver any permit, certificate or other document evidencing such compliance, Tenant shall provide a copy of such document to Landlord promptly after obtaining or delivering it. If a change to any common area, the building structure, or any building system becomes required under Laws and Orders (or any such requirement is enforced) as a result of (a) Tenant's application for any permit or governmental approval, (b) Tenant's construction or installation of any leasehold improvements or trade fixtures, or (c) any special use of the Premises or any part thereof by Tenant or any subtenant or assignee of Tenant, then Tenant, upon demand, shall, at Landlord's option, either make such change at Tenant's cost or pay Landlord the cost of making such change.

(b) Landlord. Landlord, at its expense (subject to Section 4.5.2 of the Lease), shall cause the structural portions of the building, the building systems and the common areas of the Premises to comply with all Laws and Orders (including the Americans with Disabilities Act ("ADA")) to the extent that (a) such compliance is necessary for Tenant to use the Premises for general office purposes in a normal and customary manner and for Tenant's employees and visitors to have access to and from the Premises, or (b) Landlord's failure to cause such compliance would impose liability upon Tenant under Laws and Orders; provided, however, that Landlord shall not be required to cause or pay for such compliance to the extent that (x) Tenant is required to cause or pay for such compliance under Section 12.2(a) or any other

provision hereof, or (y) non-compliance arises under any provision of the ADA other than Title III thereof. Notwithstanding the foregoing, Landlord may contest any alleged violation in good faith, including by applying for and obtaining a waiver or deferment of compliance, asserting any defense allowed by Law, and appealing any order or judgment to the extent permitted by Law; provided, however, that after exhausting any rights to contest or appeal, Landlord shall perform any work necessary to comply with any final order or judgment.

12.3 Rent Abatement. Subject to Subsection 20.2, Tenant's Rent shall be abated to the extent that Tenant's use and enjoyment of the Premises is disrupted by any work required by Landlord pursuant to Section 12.2.

12.4 Certified Access Specialist Disclosures. Pursuant to California Civil Code Section 1938, the subject property has not been inspected by a Certified Access Specialist ("CASp"). A CASp can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

ARTICLE 13

SURRENDER

Subject to the other provisions of this Lease, Tenant covenants that on the last day of the term or on the last day of a renewal or extension of this Lease, it will peaceably and quietly leave and surrender the Premises in as good condition as they now are, ordinary wear and tear, repairs and replacements required to be made by Landlord, loss by fire, casualty and causes beyond Tenant's control, and alterations, additions and improvements herein permitted, excepted.

ARTICLE 14

SUBORDINATION

This Lease may, at the option of Landlord, be made subordinate to any first mortgage or first deed of trust now or hereafter placed upon or affecting the real property of which the Premises form a part, and to all renewals, modifications, replacements and extensions thereof; provided that as a condition of such subordination, and only if: (a) such mortgage or deed of trust shall contain a covenant which shall permit the proceeds of all insurance policies covering the Building, improvements, equipment and/or appurtenances thereto, whether such proceeds are to be held by Landlord or the first mortgagee or beneficiary, to be paid and/or made available for repair, replacement and rebuilding as provided in this Lease; and (b) a separate written agreement is entered into by the mortgagee named in any such mortgage, or by the trustee and the beneficiary named in any such deed of trust, and is recorded simultaneously with said mortgage or deed of trust, providing that notwithstanding any default in the mortgage or deed of trust and any foreclosure thereof, or the enforcement by the holder thereof of any rights or remedies, including sale thereunder, or otherwise, this Lease shall be recognized, remain in full force and effect, and the Tenant shall be permitted to remain in quiet and peaceful possession of the Premises throughout the term thereof, and any extension or renewal thereof. Such agreements shall be materially in the forms of **Exhibit G** attached hereto. If Tenant has received the nondisturbance agreement and estoppel certificate in the form(s) attached hereto as **Exhibit G**, Tenant shall, within thirty (30) days after Landlord's request, execute

any further instruments or assurances in recordable form that Landlord reasonably considers necessary to evidence or confirm the subordination or superiority of this Lease to any such encumbrances or underlying leases. Such subordination instrument(s) shall be strictly limited to matters contained in the nondisturbance agreement and estoppel certificate, and no such instruments may increase any of Tenant's obligations or decrease any of Tenant's rights under this Lease. Tenant's failure to execute and deliver such instrument(s) shall constitute a default under this Lease only if Landlord has first delivered the nondisturbance agreement and estoppel certificate required hereunder to Tenant.

ARTICLE 15

TRANSFER OF TENANT'S INTEREST

15.1 Assignment and Subletting; Prohibition. Tenant shall not assign, mortgage, pledge or otherwise transfer this Lease, in whole or in part (each hereinafter referred to as an "assignment"), nor sublet or permit occupancy by any party other than Tenant of all or any part of the Premises (each hereinafter referred to as a "sublet" or "subletting"), without the prior written consent of Landlord in each instance, which consent shall not be unreasonably withheld or delayed. No assignment or subletting by Tenant shall relieve Tenant of any obligation under this Lease, including Tenant's obligation to pay Rent hereunder. Any purported assignment or subletting contrary to the provisions of this Lease without Landlord's prior written consent shall be void. The consent by Landlord to any assignment or subletting shall not constitute a waiver of the necessity for obtaining Landlord's consent to any subsequent assignment or subletting. Landlord may consent to any subsequent assignment or subletting, or any amendment to or modification of this Lease with the assignees of Tenant, without notifying Tenant or any successor of Tenant, and without obtaining its or their consent thereto, and such action shall not relieve Tenant or any successor of Tenant of any liability under this Lease. As additional rent hereunder, Tenant shall reimburse Landlord for all reasonable legal fees and other expenses incurred by Landlord in connection with any request by Tenant for consent to an assignment or subletting. Notwithstanding anything stated to the contrary in this Lease, Tenant shall have the right at any time and from time to time with ten business (10) days' notice to Landlord to assign or otherwise transfer all or any part of Tenant's interest in this Lease, or to sublet the Premises, or any part thereof, to any entity that is controlling, controlled by or under common control with Tenant, including but not limited to public entities in which a majority of Directors consists of members of the Sonoma County Board of Supervisors, without complying with any other provision of this Lease.

15.2 Information to be Furnished. If Tenant desires at any time to assign its interest in this Lease or sublet the Premises to an entity that is not affiliated with Tenant, Tenant shall first notify Landlord of its desire to do so and shall submit in writing to Landlord: (i) the name of the proposed assignee or subtenant; (ii) the nature of the proposed assignee's or subtenant's business to be conducted in the Premises; (iii) the terms and provisions of the proposed assignment or sublease, including the date upon which the assignment shall be effective or the commencement date of the sublease (hereinafter referred to as the "Transfer Effective Date") and a copy of the proposed form of assignment or sublease; and (iv) such financial information, including financial statements, and other information as Landlord may reasonably request concerning the proposed assignee or subtenant.

15.3 Landlord's Election. At any time within thirty (30) days after Landlord's receipt of the information specified in Section 15.2, Landlord may, by written notice to Tenant, elect to (i) terminate this Lease as to the space in the Premises that Tenant proposes to sublet; (ii) terminate this Lease as to the entire Premises (available only if Tenant proposes to assign all of its interest in this Lease or the total amount of rentable square feet of space that Tenant proposes to sublease, together with the aggregate amount of rentable square feet of space in the Premises previously subleased by Tenant or recaptured by Landlord pursuant to this Section, exceeds fifty percent (50%) or more of the original Premises), (iii) consent to the proposed assignment or subletting by Tenant; or (iv) withhold its consent to the proposed assignment or subletting by Tenant. In the event Landlord terminates this lease pursuant to this Section 15.3, Tenant

shall have the right to withdraw its request to assign this Lease or sublet the Premises and reinstate this Lease upon written notice to Landlord.

15.4 Termination. If Landlord elects to terminate this Lease with respect to all or a portion of the Premises pursuant to Section 15.3 (i) or (ii) above, this Lease shall terminate effective as of the later of (a) the two hundred seventieth (270th) day after Landlord notifies Tenant in writing of its election to terminate this Lease or (b) the Transfer Effective Date. If Landlord terminates this Lease with respect to less than all of the Premises, Landlord shall, at Landlord's sole cost and expense partition the Premises to provide the occupants of each premises commercially reasonable and secured access to their respective premises, legal fire exits, access to bathrooms and utility rooms and loading facilities, including all design, permitting and construction costs.

15.5 Withholding Consent. Without limiting other situations in which it may be reasonable for Landlord to withhold its consent to any proposed assignment or sublease, Landlord and Tenant agree that it shall be reasonable for Landlord to withhold its consent in any one (1) or more of the following situations: (1) in Landlord's reasonable judgment, the proposed subtenant or assignee or the proposed use of the Premises would materially detract from the status of the Building as a first-class office building, generate vehicle or foot traffic, parking or occupancy density materially in excess of the amount customary for the Building or the Project or result in a materially greater use of the elevator, janitorial, security or other Building services (e.g., HVAC, trash disposal and sanitary sewer flows) than is customary for the Project; (2) in Landlord's reasonable judgment, the creditworthiness of the proposed subtenant or assignee does not meet the credit standards applied by Landlord in considering other tenants for the lease of space in the Project on comparable terms, or Tenant has failed to provide Landlord with reasonable proof of the creditworthiness of the proposed subtenant or assignee; (3) in Landlord's reasonable judgment, the business history, experience or reputation in the community of the proposed subtenant or assignee does not meet the standards applied by Landlord in considering other tenants for occupancy in the Project; (4) the proposed assignee or subtenant is the United States Post Office; or (5) the proposed subtenant or assignee is a then existing or prospective tenant of the Project. If Landlord fails to elect either of the alternatives within the thirty (30) day period referenced in Section 15.3, it shall be deemed that Landlord has refused its consent to the proposed assignment or sublease.

15.6 Bonus Rental. If, in connection with any assignment or sublease, Tenant receives rent or other consideration, either initially or over the term of the assignment or sublease, in excess of the Rent called for hereunder, or in case of the sublease of a portion of the Premises, in excess of such Rent fairly allocable to such portion, Tenant shall pay to Landlord, as additional rent hereunder, fifty percent (50%) of the excess of each such payment of Rent or other consideration received by Tenant promptly after Tenant's receipt of such Rent or other consideration.

15.7 Scope. The prohibition against assigning or subletting contained in this Article 15 shall be construed to include a prohibition against any assignment or subletting by operation of law. If this Lease is assigned, or if the underlying beneficial interest of Tenant is transferred, or if the Premises or any part thereof is sublet or occupied by anybody other than Tenant, Landlord may collect rent from the assignee, subtenant or occupant and apply the net amount collected to the Rent due herein and apportion any excess rent so collected in accordance with the terms of Section 15.6, but no such assignment, subletting, occupancy or collection shall be deemed a waiver of the provisions regarding assignment and subletting, or the acceptance of the assignee, subtenant or occupant as tenant, or a release of Tenant from the further performance by Tenant of covenants on the part of Tenant herein contained.

15.8 Executed Counterparts. No sublease or assignment shall be valid, nor shall any subtenant or assignee take possession of the Premises, until a fully executed counterpart of the sublease or assignment has been delivered to Landlord and Landlord, Tenant and the applicable assignee or subtenant have entered into a consent to assignment or sublease in a form acceptable to Landlord.

ARTICLE 16

QUIET ENJOYMENT AND TITLE

Landlord covenants and represents that it has full right and power to execute and perform this Lease and to grant the estate demised herein, and covenants that Tenant on paying the Rent herein reserved and performing the covenants hereof shall peaceably and quietly have, hold and enjoy the Premises and all appurtenances during the full term of this Lease or any extension or renewal thereof, and further covenants and represents that Landlord has a fee simple interest in the Premises. Landlord further covenants and represents that it will stand so seized on the first day of the Lease Term and will then place Tenant in actual possession of the Premises with the improvements thereon and the appurtenances thereto all in conformity with law and in a safe, clean and tenantable condition and in good order and repair.

ARTICLE 17

ENVIRONMENTAL REPRESENTATIONS

17.1 Definition of "Hazardous Material." As used in this Article 17, the term "Hazardous Material" shall mean any hazardous or toxic substance, material, or waste that is or becomes regulated by the United States, the State of California, or any local government authority having jurisdiction over the Building. Hazardous Material includes:

(a) Any "hazardous substance," as that term is defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA) (42 United States Code sections 9601-9675);

(b) "Hazardous waste," as that term is defined in the Resource Conservation and Recovery Act of 1976 (RCRA) (42 United States Code sections 6901-6992k);

(c) Any pollutant, contaminant, or hazardous, dangerous, or toxic chemical, material, or substance, within the meaning of any other applicable federal, state or local law, regulation, ordinance, or requirement (including consent decrees and administrative orders imposing liability or standards of conduct concerning any hazardous, dangerous, or toxic waste, substance, or material, now or hereafter in effect);

(d) Petroleum products;

(e) Radioactive material, including any source, special nuclear, or byproduct material as defined in 42 United States Code sections 2011-2297g-4;

(f) Asbestos in any form or condition;

(g) Polychlorinated biphenyls (PCBs) and substances or compounds containing PCBs; and

(h) Volatile organic compounds (VOCs).

Notwithstanding the foregoing, Hazardous Materials shall not include limited quantities of standard office, building and janitorial supplies reasonably necessary in connection with Tenant's use and operation of the Premises, provided that such materials are used, stored or disposed of in accordance with applicable Hazardous Substance Laws.

17.2 Landlord's Representations and Warranties. Except as disclosed in that certain Phase I Environmental Site Assessment prepared for The Lakes by Kleinfelder, Inc., dated August 13, 2012, a copy of which is attached hereto as **Exhibit H**, Landlord represents and warrants to Tenant that, to the Landlord's actual knowledge (without duty of inquiry), neither Landlord, nor Landlord's actual knowledge (without duty of inquiry) any third party, has used, manufactured, generated, treated, stored, disposed of, or released any Hazardous Material on, under or about the Real Property or real estate currently owned or controlled by Landlord which is adjacent to the Real Property or transported any Hazardous Material over the Real Property, nor has Landlord or to the Landlord's knowledge (as defined below) any third party installed, used or removed any storage tank on, from or in connection with the Real Property, nor to the Landlord's knowledge (as defined below) are there any storage tanks or wells (whether existing or abandoned) located on, under or about the Real Property. As used in this Lease, the phrases, "the Landlord's knowledge," "Landlord's actual knowledge," and similar phrases mean the actual knowledge of Landlord, without any duty to conduct or undertake any further invasive physical investigation of the Property, but including, without limitation, information gathered as a result of a diligent and thorough search by Landlord of its records and interviews with all relevant current personnel, including, without limitation, property management personnel, and any partners with or shareholders of Landlord. Notwithstanding anything stated to the contrary herein, Landlord hereby acknowledges and understands that Tenant is relying on Landlord's representations and warranties made herein.

17.3 Compliance with Laws. With respect to Landlord's use of the Premises, the Building and the Real Property prior to this Lease, Landlord represents and warrants to Tenant that to Landlord's actual knowledge, at the commencement of the Lease, the Premises, the Building and the Real Property are in compliance with all federal, state and local laws, regulations and standards relating to the use, occupancy, production, storage, sale, disposal, or transportation of any Hazardous Materials ("Hazardous Substance Laws").

17.4 Right of Offset. With respect to Tenant's obligations to pay Rent under the Lease, Tenant may, upon fifteen (15) days' written notice to Landlord, offset payment of Rent to Landlord for costs and expenses incurred by Tenant for any breach of Landlord's representations and warranties set forth in this Article 17.

17.5 Termination of Lease. In the event that Hazardous Materials are found to be present on the Premises, the Building or the Real Property through no fault of Tenant and such that the Premises, the Building and/or the Real Property (a) are not in compliance with Hazardous Substance Laws, and (b) such non-compliance poses a material threat to the health or safety of Tenant's employees, guests or invitees in or about the Premises, as reasonably determined by the Sonoma County Risk Manager, then Tenant may, upon thirty (30) days' written notice to Landlord, terminate this Lease.

17.6 Indemnification. Landlord shall indemnify, defend with counsel reasonable and acceptable to Tenant, and hold Tenant fully harmless from any and all liabilities, damages, claims, penalties, fines, settlements, causes of action, cost or expense, including reasonable attorneys' fees, environmental consultant fees and laboratory fees and costs and expenses of investigating and defending any claims or proceedings resulting from or attributable to any of the following to the extent caused by Landlord or its agents, contractors or employees: (a) the presence, disposal, release or threatened release of any Hazardous Materials that are on, from or affecting the Premises, the Building or the Real Property, including, without limitation, the soil, water, vegetation, buildings, personal property, persons, animals, or otherwise; (b) any personal injury (including wrongful death), or property damage (real or personal) arising out of or relating to any Hazardous Materials on, from or affecting the Premises, the Building or the Real Property; (c) any lawsuits or administrative action brought or threatened, settlement reached or governmental order relating to any Hazardous Materials on, from or affecting the Premises, the Building or the Real Property; or (d) any violation of any laws applicable to any Hazardous Materials on, from or affecting the Premises, the Building or the Real Property.

17.7 Survival. Landlord's indemnification obligations under Section 17.6 above shall survive the

expiration or sooner termination of this Lease.

17.8 Notices. The parties shall give each other written notice within three (3) calendar days after the date on which either party learns or first has reason to believe that: (a) there has or will come to be located on or about the Premises, the Building or the Real Property any Hazardous Materials; (b) any release, discharge or emission of any Hazardous Materials that has occurred on or about the Premises, the Building or the Real Property; (c) any (i) enforcement, cleanup, removal or other governmental or regulatory action has been threatened or commenced against Landlord or with respect to the Premises, the Building or the Real Property pursuant to any Hazardous Substances Laws; or (ii) any claim has been made or threatened by any person or entity against Landlord, Tenant, or the Premises, the Building or the Real Property on account of any alleged loss or injury claimed to result from the alleged presence or release on the Premises, the Building or the Real Property of any Hazardous Materials; or (iii) any report, notice, or complaint has been made to or filed with any governmental agency concerning the presence, use or disposal of any Hazardous Materials on the Premises, the Building or Real Property. Any such notice shall be accompanied by copies of any such claim, report, complaint, notice, warning or other communications that is in the possession of or is reasonably available to such party.

17.9 Audits. Landlord shall, upon completion of any environmental sampling and testing of the Premises, the Building or the Real Property, the surrounding soil in any adjacent areas, any groundwater located under or adjacent to the Premises, the Building or the Real Property, and/or adjoining property, provide Tenant with copies of all reports of the results of such environmental audit.

17.10 Clean-Up. If Landlord is responsible for the clean-up of any contamination of the Premises, the Building or the Real Property, Landlord shall, at its sole cost and expense, carry out and complete any repair, closure, detoxification, decontamination, or other cleanup of the Premises, the Building or the Real Property required by Hazardous Substance Laws. Should Landlord fail to implement and diligently pursue any such clean-up promptly upon receipt of notice thereof, then Tenant shall have the right, but not the obligation, to carry out such clean-up, and to recover all of the costs and expenses thereof from Landlord as a set-off against rental payments under the Lease if Tenant elects to cure.

17.11 Tenant's Covenants. Except for ordinary office supplies and janitorial cleaning materials which in common business practice are customarily and lawfully used, stored and disposed of in small quantities, Tenant shall not use, manufacture, store, release, dispose or transport any Hazardous Materials in, on, under or about the Premises, the Building or the Project without giving prior written notice to Landlord and obtaining Landlord's prior written consent, which consent shall not be unreasonably withheld or delayed. Tenant shall at its own expense procure, maintain in effect, and comply with all conditions of any and all permits, licenses, and other governmental and regulatory approvals required in connection with Tenant's generation, use, storage, disposal and transportation of Hazardous Materials. Except as discharged into the sanitary sewer in strict accordance and conformity with all applicable Hazardous Materials Laws, Tenant shall cause any and all Hazardous Materials removed from the Premises to be removed and transported solely by duly licensed haulers to duly licensed facilities for final disposal of such materials and wastes. Tenant shall not maintain or install in, on, under or about the Premises, the Building or the Project any above or below ground storage tanks, clarifiers or sumps, nor any wells for the monitoring of ground water, soils or subsoils.

17.12 Landlord's Rights. Landlord shall have the right to enter the Premises at all times upon reasonable prior notice for the purposes of ascertaining compliance by Tenant with all applicable Hazardous Materials Laws; provided, however, that in the instance of a true emergency (involving an immediate threat to life and/or property) no notice shall be required. Landlord shall have the option to declare a default of this Lease for the release or discharge of Hazardous Materials by Tenant or Tenant's employees, agents, contractors, or invitees on the Premises, Building or Project in violation of law or in deviation from prescribed procedures in Tenant's use or storage of Hazardous Materials.

ARTICLE 18

INSPECTION AND ENTRY BY OWNER

Landlord and its agents shall have the right at any reasonable time and upon at least twenty-four (24) hours' notice to Tenant, to enter upon the Premises so long as it does not interfere with the business activities of Tenant on the Premises, for the purpose of inspection, serving or posting notices, maintaining the Premises, making any necessary repairs, alterations or additions to any portion of the Premises to the extent required or permitted to Landlord under this Lease.

ARTICLE 19

NOTICE

19.1 Notices. All notices (including requests, demands, approvals, or other communications) unless otherwise set forth in this Lease, under this Lease shall be in writing.

19.1.1 Method of Delivery. Notice shall be sufficiently given for all purposes as follows:

- (a) When personally delivered to the recipient, notice is effective on delivery.
- (b) When mailed first class to the last address of the recipient known to the party giving notice, notice is effective on delivery.
- (c) When mailed by certified mail with return receipt requested, notice is effective two (2) days following mailing.
- (d) When delivered by overnight delivery with charges prepaid or charged to the sender's account, notice is effective on delivery.
- (e) When sent by telex or fax to the last telex or fax number of the recipient known to the party giving notice, notice is effective on transmission as long as (1) a duplicate copy of the notice is promptly given by certified mail, return receipt requested, or by overnight delivery or (2) the receiving party delivers a written confirmation of receipt. Subject to the foregoing requirements, any notice given by telex or fax shall be considered to have been received on the next business day if it is transmitted after 5 p.m. (recipient's time) or on a non-business day.

19.2 Refused, Unclaimed, or Undeliverable Notices. Any correctly addressed notice that is delivered pursuant to Section 19.1.1(b) or (d) is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be considered to be effective as of the first date that the notice was refused, unclaimed, or considered undeliverable by the postal authorities, messenger, or overnight delivery service.

19.3 Addresses. Addresses for purposes of giving notice are set forth below:

"Tenant": **COUNTY OF SONOMA**
General Services Department
Facilities Development & Management
Attn: Real Estate Manager
2300 County Center Drive, Suite A220
Santa Rosa, California 95403
Fax No. 707-565-3476

With a copy to: **COUNTY OF SONOMA**

Department of Health Services
Attn: Barbie Robinson, Interim Director
3313 Chanate Road
Santa Rosa, CA 95404
Fax No. (707) 565-7849

"Landlord": **SR OFFICE PROPERTIES DE, LLC**, and **REDBIRD SR OFFICE PROPERTIES DE, LLC**
c/o **BASIN STREET PROPERTIES**
Attn: Scott Stranzl, Vice President, Leasing
300 E. Second Street, Suite 1300
Reno, NV 89501
Fax No. (775) 954-2917

With a copy to: c/o **BASIN STREET PROPERTIES**
Attn: Stephanie Burlingame, Vice President, Operations
and Property Management
119 C Street
Petaluma, California 94952
Fax No. (707) 795-6283.

ARTICLE 20

DEFAULTS; REMEDIES

20.1 Landlord's Default. Landlord shall be in default of this Lease if Landlord fails or refuses to perform any provisions of this Lease that Landlord is obligated to perform if the failure to perform is not cured within thirty (30) days after notice of default has been given by Tenant to Landlord and to the holder of any first mortgage, deed of trust or ground lease covering the Premises whose name and address shall have been furnished to Tenant in writing, specifying wherein Landlord has failed to perform such obligations, or such shorter period if specified in this Lease. If the default cannot reasonably be cured within thirty (30) days, Landlord shall not be in default of this Lease if Landlord or the holder of any such mortgage, deed of trust or ground lease commences to cure the default within the thirty (30) day period and diligently and in good faith prosecutes such cure to completion.

20.2 Tenant's Remedies on Landlord's Default. In the event either party disputes that Landlord is in default, either party shall have the right to initiate an arbitration proceeding in accordance with Article 24 except that the arbitrator shall be appointed by the presiding judge of the Sonoma County Superior Court and once appointed each side shall have five (5) business days to submit written statements and supporting documents to the arbitrator. Should the arbitrator find Landlord in default and if Landlord fails to cure the default and compensate Tenant, as determined by the arbitrator, within thirty (30) days of the arbitrator's decision, Tenant shall have the right, if the arbitrator determines Landlord has defaulted on its maintenance obligations under Section 5.1, to perform the specific maintenance obligations identified by the arbitrator on Landlord's behalf and to thereafter deduct the reasonable cost therefor from Rent as it becomes due. Except as provided in the foregoing sentence: (i) Tenant shall not have the right to make any repairs, replacements or modifications to the Premises or the Building at Landlord's expense; and (ii) Tenant expressly waives the benefits of any statute, including Civil Code Sections 1941 and 1942, which would afford Tenant the right to make repairs or perform any maintenance at Landlord's expense.

20.3 Tenant's Default. The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by Tenant:

(a) A failure by Tenant to pay Rent within fifteen (15) days after written notice that such payment is due.

(b) The vacating or abandonment of the Premises by Tenant for sixty (60) consecutive days.

(c) Tenant's failure to comply with the provisions contained in Section 14 (Subordination) and Section 21 (Estoppel Certificates/Financial Statements) within the time periods prescribed by such Sections, if such failure continues for forty-five (45) days after written notice to Tenant by Landlord that Tenant is not in compliance with such Sections 14 and 21 hereof.

(d) The failure by Tenant to observe or perform any of the other covenants, conditions or provisions of this Lease to be observed or performed by Tenant, excluding the matters described in (a), (b) and (c) above, where such failure shall continue for a period of thirty (30) days after written notice is given by Landlord to Tenant; provided, however, that if the nature of Tenant's default is such that more than thirty (30) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion. Any notice required to be given by Landlord under this Lease shall be in lieu of, and not in addition to, any notice required under Section 1161 of the California Civil Code of Procedure.

20.4 Landlord's Remedies on Tenant's Default. In the event of any default or breach by Tenant, Landlord may at any time thereafter:

(a) Continue Lease. Pursue the remedy described in California Civil Code Section 1951.4 whereby Landlord may continue this Lease in full force and effect after Tenant's breach and recover the Rent and any other monetary charges as they become due, without terminating Tenant's right to sublet or assign this Lease, subject only to reasonable limitations as herein provided. During the period Tenant is in default, Landlord shall have the right to do all acts necessary to preserve and maintain the Premises as Landlord deems reasonable and necessary, and Landlord can enter the Premises.

(b) Perform. Pay or perform such obligation due (but shall not be obligated to do so), if Tenant fails to pay or perform any obligations when due under this Lease; within the time permitted for their payment or performance. In such case, the costs incurred by Landlord in connection with the performance of any such obligation will be additional rent due under this Lease and will become due and payable on demand by Landlord.

(c) Terminate. Landlord may terminate the tenancy. Landlord may Terminate Tenant's rights to possession by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Premises to Landlord. In such event Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default, including, without limitation, the following: (A) the worth at the time of award of any unpaid Rent which had been earned at the time of such termination; plus (B) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rent loss that is proved could have been reasonably avoided; plus (C) the worth, at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such Rent loss that is proved could be reasonably avoided; plus (D) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease; plus (E) at Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable State law. In addition, Landlord shall be entitled to recover from Tenant the unamortized portion of any tenant improvement allowance, free rent or other allowance provided by Landlord to Tenant and any brokerage commission or finder's fee paid or incurred by Landlord in connection with this Lease (amortized with interest at the Interest Rate on a straight

line-basis over the original term of this Lease). Upon any such termination of Tenant's possessory interest in and to the Premises, Tenant (and at Landlord's sole election, Tenant's sublessees) shall no longer have any interest in the Premises, and Landlord shall have the right to make any reasonable repairs, alterations or modifications to the Premises which Landlord in its sole discretion deems reasonable and necessary. The worth, at the time of the award of the amounts referred to in subparagraphs (A) and (B) above is computed by allowing interest at the maximum rate an individual is permitted by law to charge. The worth at the time of award of the amount referred to in subparagraph (C) above is computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%).

(d) With respect to a default under the matters described in (a), (b) and (c) above, Landlord shall not have the right to exercise the remedy available under Civil Code Section 1951.4.

(e) Additional Remedies. Pursue any other legal or equitable remedy available to Landlord. Unpaid installments of Rent and other unpaid monetary obligations of Tenant under the terms of this Lease shall bear interest from the date due at the rate of ten percent (10%) per annum.

ARTICLE 21

ESTOPPEL CERTIFICATES/FINANCIAL STATEMENTS

21.1 Obligation to Execute Estoppel Certificates. Tenant shall within thirty (30) days after notice from Landlord, execute, acknowledge and deliver to Landlord a statement certifying: (i) that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect), (ii) the amount of the Rent and the security deposit, (iii) the date to which the Rent has been paid, (iv) acknowledging that there are not, to the best of Tenant's knowledge, any uncured defaults on the part of Landlord hereunder, or specifying such defaults, if any are claimed, and (v) such other matters as may reasonably be requested by Landlord. Any such statement may be conclusively relied upon by Landlord and any prospective purchaser or encumbrancer of the Building.

21.2 Failure to Deliver. Tenant's failure to deliver such statement within such time shall be conclusive upon Tenant that: (i) this Lease is in full force and effect, without modification, (ii) there are no uncured defaults in Landlord's performance, and (iii) not more than one (1) month's Rent has been paid in advance.

21.3 Financial Statements. If Landlord desires to sell all or any portion of its interest in the Building or the Project or to finance or refinance the Building or the Project, Tenant agrees to deliver to Landlord and any lender or prospective purchaser designated by Landlord such financial statements of Tenant as may be reasonably required by Landlord or such lender or prospective purchaser. All such financial statements shall be received by Landlord in confidence and shall be used for the purposes herein set forth. In addition, within thirty (30) days after Landlord's written request, Tenant shall deliver to Landlord Tenant's most current annual financial statements audited by Tenant's certified public accountant. If audited financial statements are not available, Tenant shall deliver to Landlord Tenant's financial statements certified to be true and correct by Tenant's chief financial officer. Tenant's annual financial statements shall not be dated more than eighteen (18) months prior to the date of Landlord's request.

ARTICLE 22

SIGNAGE

Upon the commencement of the Lease, Landlord shall provide: (a) Building standard lobby directory signage reasonably acceptable to Tenant (in conformance with all Laws and Orders (as defined in Article 12)) identifying the Department of Health Services as the principal occupant of the Premises; and (b) Building standard Premises main entry door signage. The cost of the signage described above shall be Landlord's responsibility.

ARTICLE 23

BROKERAGE

Neither party has had any contact or dealings regarding the Premises or any communication in connection with the subject matter of this transaction, through any licensed real estate broker or other person who can claim a right to a commission or finder's fee as a procuring cause of the Lease contemplated herein. In the event that any broker or finder perfects a claim for a commission or finder's fee based upon any such contract, dealing or communication, the party through whom the broker or finder makes his or her claim shall be responsible for said commission or fee and all costs and expenses (including reasonable attorneys' fees) incurred by the other party in defending against the same.

ARTICLE 24

DISPUTE RESOLUTION

24.1 Arbitration of Disputes. Any dispute that is required by the express terms of this Lease to be resolved by arbitration shall be resolved by neutral binding arbitration before a panel of three (3) arbitrators unless otherwise agreed, to be held in accordance with the commercial/real estate arbitration rules of the American Arbitration Association. Judgment on the award rendered by the arbitrator(s) may be entered in any Court having jurisdiction over the dispute.

24.1.1 Qualifications of Arbitrators. The arbitrators shall be retired trial court judges that are familiar with handling commercial lease matters and selected in accordance with the American Arbitration Association rules.

24.1.2 Venue. Hearings shall be held in Santa Rosa, California, or another venue determined by mutual agreement of the parties.

24.1.3 Demand and Limitation on Claims. Any demand for arbitration must be made in writing to the other party and to the American Arbitration Association. No demand for arbitration may be made after the date on which the institution of legal proceedings based on the claim, dispute, or other matter is barred by the applicable statute of limitations.

24.1.4 Provisional Remedies. The parties shall each have the right to file with a court of competent jurisdiction an application for temporary or preliminary injunctive relief, writ of attachment, writ of possession, temporary protective order, or appointment of a receiver if the arbitration award to which the applicant may be entitled may be rendered ineffectual in the absence of such relief or if there is no other adequate remedy. This application shall not waive a party's arbitration rights under this Lease.

24.1.5 Powers and Duties of Arbitrators. The arbitrators shall have the power to grant legal and equitable remedies, and award damages, that may be granted or awarded by a judge of the

Superior Court of the State of California. The arbitrators shall prepare and provide to the parties a written decision on all matters subject to the arbitration, including factual findings and the reasons that form the basis of the arbitrators' decision. The award of the arbitrators shall be mailed to the parties no later than thirty (30) days after the close of the arbitration hearing. The arbitration proceedings shall be reported by a certified shorthand court reporter. Written transcripts of the proceedings shall be prepared and made available to the parties.

24.1.6 Discovery. The parties shall have the right to discovery in accordance with Code of Civil Procedure Sections 1283.05 and 1283.1 as long as the arbitrators' permission shall not be required to take a discovery deposition and neither party may take more than three depositions nor more than one set of interrogatories or requests for admissions without the approval of the other party or the arbitrators. All discovery disputes shall be resolved by the arbitrators.

24.1.7 Application of California Evidence Code. The provisions of the California Evidence Code shall apply to the arbitration hearing.

24.1.8 Costs and Fees of Arbitrators. Costs and fees of the arbitrators shall be borne by the non-prevailing party unless the arbitrators for good cause determine otherwise.

24.1.9 Attorney Fees. The prevailing party shall be awarded reasonable attorney fees, expert and non-expert witness expenses, and other costs and expenses incurred in connection with the arbitration, in accordance with Article 24.

ARTICLE 25

ATTORNEY FEES AND COSTS

If either party undertakes litigation or arbitration against the other party arising out of or in connection with this Lease, the prevailing party shall be entitled to recover from the other party reasonable attorney fees, arbitration costs, and court costs incurred. The prevailing party shall be determined under Civil Code Section 1717(b)(1) or any successor statute.

ARTICLE 26

MISCELLANEOUS

26.1 Word Usage. Unless the context clearly requires otherwise: (a) the plural and singular numbers shall each be considered to include the other; (b) the masculine, feminine, and neuter genders shall each be considered to include the others; (c) "shall," "will," "must," "agrees," and "covenants" are each mandatory; (d) "may" is permissive; (e) "or" is not exclusive; and (f) "includes" and "including" are not limiting.

26.2 Counting Days. Days shall be counted by excluding the first day and including the last day. If the last day is a Saturday, Sunday, or a legal holiday as described in Government Code Sections 6700-6701, it shall be excluded. Any act required by this Lease to be performed by a certain day shall be timely performed if completed before 5 p.m. local time on that date. If the day for performance of any obligation under this Lease is a Saturday, Sunday, or a legal holiday, the time for performance of that obligation shall be extended to 5 p.m. local time on the first following date that is not a Saturday, Sunday, or a legal holiday.

26.3 Waiver. The waiver by either party of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition herein contained.

26.4 Force Majeure-Specific Exceptions. Unless otherwise specified, the time for performance of an obligation other than the payment of money under this Lease shall be extended for the period during which a party is prevented from performing by acts of God, government, or other force or event beyond the reasonable control of that party.

26.5 Binding on Successors. This Lease and all of the covenants, agreements, conditions and undertakings contained herein, shall be binding upon and inure to the benefit of the respective heirs, legal representatives, successors and assigns of the parties hereto.

26.6 Headings. The headings of the Articles and Sections hereof are for convenience only and shall not affect or be deemed to affect the meaning of any provisions hereof.

26.7 Entire Agreement. This Lease, including all exhibits, contains all of the terms, covenants, conditions and agreements between Landlord and Tenant relating in any manner to the rental, use and occupancy of the Premises. No prior agreement or understanding pertaining to the same shall be valid or of any force or effect, and the terms, covenants, conditions and provisions of this Lease cannot be altered, changed, modified or added to, except in writing and signed by Landlord and Tenant. All references herein, directly or indirectly, to the term of this Lease shall also be deemed to include any extensions or renewals thereof provided Tenant herein, unless expressly provided to the contrary.

26.8 Governing Law. This Lease shall be governed exclusively by its express provisions and by the laws of the State of California, and any action to enforce the terms of the Lease or breach thereof shall be brought in Santa Rosa, California.

26.9 No Joint Venture. Nothing herein contained shall be deemed in any way or have any purpose whatsoever to constitute Landlord or Tenant a partner of the other in its business or otherwise, or a joint venturer or a member of a joint enterprise with the other.

26.10 Invalidity. If any term or provision of this Lease, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and shall be enforced to the fullest extent permitted by law.

26.11 Construction of Lease. This Lease shall be strictly construed neither against Landlord nor Tenant, but shall be construed according to the fair meaning of its terms. No remedy or election given by any provision in this Lease shall be deemed exclusive unless so indicated, but each shall, wherever possible, be cumulative with all other remedies in law or equity as otherwise specifically provided. Whenever the context of any provision shall require it, the singular number shall be held to include the plural number, and vice versa, and the words "he", "his" or "him" if used with reference to Landlord shall be deemed to include the neuter or feminine gender of such pronoun. "Landlord" whenever used includes all grantors of the term, who shall be held bound jointly and severally hereby.

26.12 Signatures. This Lease may be executed in counterparts. All executed counterparts shall constitute one agreement, and each counterpart shall be deemed an original. The parties hereby agree and acknowledge and agree that facsimile signatures or signatures transmitted by electronic mail in so-called "pdf" format shall be legal and binding and shall have the same full force and effect as if an original of this Lease had been delivered.

[SIGNATURE PAGE FOLLOWS]

#

IN WITNESS WHEREOF, the parties have executed this Lease as of the Effective Date.

“LANDLORD”: **SR OFFICE PROPERTIES DE, LLC**, a Delaware limited liability company

By: G&W Ventures, LLC, a California limited liability company, its Managing

By: _____
Matthew T. White, Manager

REDBIRD SR OFFICE PROPERTIES DE, LLC, a Delaware limited liability company

By: Redbird Investment Group, LLC: Santa Rosa Office Series, a Delaware Series limited liability company, its Sole Member

By: Redbird Investment Group, LLC, a Delaware series limited liability company, its Sole Member

By: _____
Bruce J. Cardinal, Trustee of The Bruce J. Cardinal Living Trust Agreement dated December 15, 1997, its Managing Member

“TENANT”: **COUNTY OF SONOMA**, a political subdivision of the State of California

By: _____
Caroline Judy, Director
General Services Department

The General Services Director is authorized to sign this Lease pursuant to Board of Supervisors' Summary Action dated _____, 2017.

APPROVED AS TO FORM FOR TENANT:

Elizabeth Coleman With
Deputy County Counsel

APPROVED AS TO CONTENT FOR TENANT:

Barbie Robinson, Interim Director
Department of Health Services

Marc McDonald, Real Estate Manager
General Services Department

Certificate of Insurance on file with Department:
Reviewed by: _____ Date: _____, 2017.

Exhibit A

[Premises]

Exhibit B

[Site Plan]

Exhibit C

Rules and Regulations

It is agreed that the following rules and regulations (these "Rules and Regulations") shall be and are hereby made a part of this Lease, and Tenant agrees that Tenant's employees and agents, or any others permitted by Tenant to occupy or enter the Premises, will at all times abide by these Rules and Regulations, unless otherwise specified or provided for in the Lease, to wit:

1. The driveways, entrances and exits to the Project, sidewalks, passages, building entries, lobbies, corridors, stairways, and elevators of the Building shall not be obstructed by Tenant, or Tenant's agents or employees, or used for any purpose other than ingress and egress to and from the Premises. Tenant or Tenant's agents or employees shall not loiter on the lawn areas or other common areas of the Project.

(a) Furniture, freight equipment and supplies will be moved in or out of the Building only through the rear service entrances or other entrances designated by Landlord and then only during such hours and in such manner as may be reasonably prescribed by Landlord. Tenant shall cause its movers to use only the loading facilities and entrances designated by Landlord. In the event Tenant's movers damage any part of the Building or Project, Tenant shall pay to Landlord the amount required to repair said damage upon Landlord's written request.

(b) No safe or article, the weight of which may in the opinion of Landlord constitute a hazard to or damage to the Building or the Building's equipment, shall be moved into the Premises without Landlord's prior written approval, but such consent or approval shall not be unreasonably withheld, conditioned or delayed. Landlord and Tenant shall mutually agree to the location of such articles in the Premises. All damage done to the Project, Building or Premises by putting in, taking out or maintaining extra heavy equipment shall be repaired at the expense of Tenant.

(c) Landlord reserves the right to close and keep locked any and all entrances and exits of the Building and Project and gates or doors closing the parking areas thereof during such hours as Landlord may deem advisable for the adequate protection of the Project and all tenants therein; provided, however, that Landlord shall first provide Tenant with keys to any such locked entrances, exits gates or doors.

2. Except as otherwise provided for in the Lease, no sign, advertisement or notice shall be inscribed, painted or affixed on any part of the inside or outside of the Building unless of such color, size and style and in such place upon or in the Building as shall be first approved in writing by Landlord. No furniture or other materials shall be placed in front of the Building or in any lobby or corridor without the prior written consent of Landlord. Landlord shall have the right to remove all non-permitted signs and furniture without notice to Tenant.

3. Tenant shall not employ any person or persons other than the janitor or cleaning contractor of Landlord for the purpose of cleaning or taking care of the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. Landlord and Tenant hereby acknowledge that Tenant shall provide for waste removal and bonded cleaning/janitorial service for the Premises pursuant to Section 6.4 of the Lease. Notwithstanding the foregoing, Landlord's janitor of the Building of which the Premises are a part, may at all times keep a pass key, and other agents of Landlord may be allowed admittance to the Premises in accordance with the provisions set forth in the Lease.

4. Water closets and other water fixtures shall not be used for any purpose other than that for which the same are intended, and any damage resulting to the same from misuse on the part of Tenant or Tenant's agents or employees, shall be paid for by Tenant. No person shall waste water by tying back or wedging the faucets or in any other manner.

5. No animals except disability assistance animals necessary to the functioning of persons with disabilities shall be allowed on the lawns or sidewalks or in the offices, halls, and corridors of the Building.

6. No persons shall disturb the occupants of this or adjoining buildings or premises by the use of any radio, sound equipment or musical instrument or by the making of loud or improper noises, nor interfere in any way with the other tenants or those having business with them.

7. Except as provided under Section 8 of the Lease, bicycles or other vehicles, other than wheel chairs, shall not be permitted in the offices, halls, corridors and lobbies in the Building nor shall any obstruction of sidewalks or entrances of the Building by such be permitted.

8. Tenant shall not allow anything to be placed on the outside of the Building, nor shall anything be thrown by Tenant or Tenant's agents or employees, out of the windows or doors, or down the corridors, ventilation ducts or shafts of the Building. Tenant, except in case of fire or other emergency, shall not open any outside window.

9. No awnings shall be placed over any window or entrance, without Landlord's prior written approval, which shall not be unreasonably withheld.

10. All garbage, including wet garbage, refuse or trash shall be placed by Tenant in suitable receptacles located in the Premises or in the receptacles designated by Landlord for that purpose. Tenant shall not burn any trash or garbage at any time in or about the leased Premises or any area of the Project. Tenant and Tenant's officers, agents, and employees shall not throw cigar or cigarette butts or other substances or litter of any kind in or about the Project.

11. Tenant shall not install or operate any steam or gas engine or boiler, or other machinery or carry on any mechanical business, other than such mechanical business that normally is identified with general use in the Premises. Explosives or other articles of an extra hazardous nature shall not be brought into the Building complex.

12. Any painting or decorating as may be agreed to be done by and at the expense of Landlord shall be done during regular weekday working hours. Should Tenant desire such work on Saturdays, Sundays, holidays or outside of regular working hours, Tenant shall pay for the extra cost thereof, if any.

13. Tenant shall not mark, drive nails, screw, bore, or drill into, paint or in any way deface the common area walls, exterior walls, roof, foundations, bearing walls, or pillars without the prior written consent of Landlord. The expense of repairing any breakage, stoppage or damage resulting from a violation of this rule shall be borne by Tenant.

14. No waiver of any rule or regulation by Landlord shall be effective unless expressed in writing and signed by Landlord or his authorized agent.

15. Tenant shall be responsible for cleaning up any trash blowing around the Premises that may have been left by their customers or employees.

16. In the event of any conflict between these Rules and Regulations or any further or modified rules and regulations from time to time issued by Landlord and provided in writing to Tenant, and the Lease provisions, the Lease provisions shall govern and control.

17. Landlord reserves the right at any time to change or rescind any one or more of these Rules and Regulations, or to make such other and further reasonable rules and regulations as in Landlord's reasonable judgment may from time to time be necessary for the management, safety, care and cleanliness of the Premises, and for the preservation of good order therein, as well as for the convenience of other tenants of the Project; provided, however, that Landlord first notifies Tenant of any such changed, rescinded or further Rules and Regulations. Landlord shall not be responsible to Tenant or to any other person for

the nonobservance or violation of these Rules and Regulations by any other tenant or person. Tenant shall be deemed to have read these rules and Regulations and to have agreed to abide by them as a condition to its occupancy of the space herein leased, and Tenant shall abide by any additional Rules and Regulations that are ordered or requested by Landlord or by any governmental authority; provided, however, that Landlord first notifies Tenant of any such additional Rules and Regulations.

Exhibit D

[Leasehold Improvement Agreement]

Exhibit E

[Acknowledgement of Commencement Date]

LANDLORD and TENANT hereby acknowledge that the Commencement Date of that certain Lease dated _____, 2017, for premises located at **2245 Challenger Way, Santa Rosa, California**, occurred on _____, 2017.

ACKNOWLEDGED BY LANDLORD:

SR OFFICE PROPERTIES DE, LLC, a Delaware limited liability company,

By: G&W Ventures, LLC, a California limited liability company, its Manager

By: _____
Matthew T. White, Manager

REDBIRD SR OFFICE PROPERTIES DE, LLC, a Delaware limited liability company

By: Redbird Investment Group, LLC: Santa Rosa Office Series, a Delaware Series limited liability company, its Sole Member

By: _____
Bruce J. Cardinal, Trustee of The Bruce J. Cardinal Living Trust Agreement dated December 15, 1997, its Managing Member

ACKNOWLEDGED BY TENANT:

COUNTY OF SONOMA, a political subdivision of the State of California

By: _____
Marc McDonald
Real Estate Manager

Exhibit F

Section I: Insurance Required to be Maintained by Landlord

At all times during the term of this Lease, Landlord shall purchase and maintain, at its own expense, but subject to Section 4.5.2 of the Lease, insurance as described below, unless such insurance has been expressly waived by the attachment of a *Waiver of Insurance Requirements*.

Tenant reserves the right to review any and all of the required insurance policies and/or endorsements, but has no obligation to do so. Failure to demand evidence of full compliance with the insurance requirements set forth in this Lease or failure to identify any insurance deficiency shall not relieve Landlord from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during this Lease.

1. Workers Compensation and Employers Liability Insurance

- a. Required if Landlord has employees.
- b. Workers Compensation insurance with statutory limits as required by the Labor Code of the State of California.
- c. Employers Liability with minimum limits of \$1,000,000 per Accident; \$1,000,000 Disease per employee; \$1,000,000 Disease per policy.
- d. The policy shall be endorsed to include a written waiver of the insurer's right to subrogate against Tenant.
- e. Required Evidence of Insurance:
 - i. Subrogation waiver endorsement; and
 - ii. Certificate of Insurance

If Landlord currently has no employees, Landlord agrees to obtain the above-specified Workers Compensation and Employers Liability insurance should any employees be engaged during the term of this Lease or any extensions of the term.

2. General Liability Insurance

- a. Commercial General Liability Insurance on a standard occurrence form, no less broad than Insurance Services Office (ISO) form CG 00 01.
- b. Minimum Limits: \$1,000,000 per Occurrence; \$2,000,000 General Aggregate; the General Aggregate shall apply separately to each location. The required limits may be provided by a combination of General Liability Insurance and Commercial Umbrella Liability Insurance. If Landlord maintains higher limits than the specified minimum limits, Tenant requires and shall be entitled to coverage for the higher limits maintained by Landlord.
- c. Any deductible or self-insured retention shall be shown on the Certificate of Insurance. If the deductible or self-insured retention exceeds \$25,000 it must be approved in advance by Tenant. Landlord is responsible for any deductible or self-insured retention and shall fund it upon Tenant's written request, regardless of whether Landlord has a claim against the insurance or is named as a party in any action involving the Tenant.
- d. **County of Sonoma, its Officers, Agents and Employees** shall be additional insureds for liability arising out of premises owned by or rented to Landlord, (Insurance Services Office endorsement CG 20 26 or equivalent).
- e. The insurance provided to the additional insureds shall be primary to, and non-contributory with, any insurance or self-insurance program maintained by them.
- f. The policy shall cover inter-insured suits between Landlord and Tenant and include a "separation of insureds" or "severability" clause which treats each insured separately.
- g. The policy shall be endorsed to include a written waiver of the insurer's right to subrogate against Tenant.
- h. Required Evidence of Insurance:
 - i. Copy of the additional insured endorsement or policy language granting additional insured

- status, and
- ii. Certificate of Insurance.

3. Property Insurance for Building

- a. The insurance shall cover the Building (excluding land) and all improvements (except property required to be insured by Tenant pursuant to Section II(4)(a) below) and structures on the land.
- b. Insured perils shall be "special form" or "all risks".
- c. The minimum amount of insurance shall be the full current replacement cost of the building and all improvements and structures on the land, including the cost of debris removal. This amount shall be re-determined annually by Landlord, subject to approval by Tenant.
- d. The insurance shall apply on a replacement cost basis, without deduction for depreciation.
- e. If the policy has a deductible, Landlord shall be responsible for the full amount of the deductible without contribution from Tenant.
- f. The policy shall be endorsed to include a written waiver of the insurer's right to subrogate against Tenant.
- g. Required Evidence of Insurance:
 - i. Certificate of Property Insurance or Evidence of Commercial Property Insurance.

4. Rental Value Insurance

- a. The insurance shall cover loss of rents resulting from an insured cause of loss under a "special form" or "all risks" policy.
- b. The period of insurance shall be for a minimum of 24 months.
- c. The limit shall be one hundred fifty percent (150%) of the annual rents payable by all tenants occupying the building.
- d. Required Evidence of Insurance: Certificate of Property Insurance or Evidence of Commercial Property Insurance

5. Reserved

6. Standards for Insurance Companies

Insurers shall have an A.M. Best's rating of at least A:VII.

7. Documentation

- a. The Certificate of Insurance must include the following reference: **County of Sonoma leased premises located at 2245 Challenger Way, Santa Rosa, California.**
- b. All required Evidence of Insurance shall be submitted prior to the execution of this Lease. Landlord agrees to maintain current Evidence of Insurance on file with Tenant for the required period of insurance.
- c. The name and address for Additional Insured endorsements and Certificates of Insurance is: **County of Sonoma, its Officers, Agents and Employees, in c/o General Services Department, Attn: Real Estate Manager, 2300 County Center Drive, Suite A220, Santa Rosa, CA 95403.**
- d. Required Evidence of Insurance shall be submitted for any renewal or replacement of a policy that already exists, at least ten (10) days before expiration or other termination of the existing policy.
- e. Landlord shall provide immediate written notice if: (1) any of the required insurance policies is terminated; or (2) the limits of any of the required policies are reduced.
- f. Upon written request, certified copies of required insurance policies must be provided within thirty (30) days.

8. Policy Obligations

Landlord's indemnity and other obligations shall not be limited by the foregoing insurance requirements.

9. Material Breach

If Landlord fails to maintain insurance which is required pursuant to this Lease, it shall be deemed a material breach of this Lease. Tenant may give notice to Landlord to reinstate or acquire the affected insurance. Should Landlord fail to reinstate or acquire the affected insurance within ten (10) days of

Tenant's notice to reinstate or acquire such insurance, Tenant may either terminate this Lease, reinstate or acquire the affected insurance, and Landlord shall reimburse Tenant for the necessary cost at Tenant's option.

Section II: Insurance Required to be Maintained by Tenant

At all times during the term of this Lease, Tenant shall purchase and maintain, at its own expense, insurance or self-insurance as described below.

1. General Liability Insurance

- a. Commercial general liability insurance (occurrence form) having a combined single limit of not less than \$2,000,000 per occurrence and \$2,000,000 aggregate per location, if Tenant has multiple locations, providing coverage for, among other things, blanket contractual liability, premises, product/completed operations and personal injury coverage (in a form, with a deductible amount, and with carriers reasonably acceptable to Landlord).
- b. The policy shall be endorsed to include a written waiver of the insurer's right to subrogate against Landlord.
- c. Required Evidence of Insurance: Certificate of Insurance or Letter of Self-Insurance.

2. Automobile Insurance

- a. Comprehensive automobile liability insurance having a combined single limit of not less than Two Million Dollars (\$2,000,000) per occurrence, and insuring Tenant against liability for claims arising out of ownership, maintenance or use of any owned, hired, borrowed or non-owned automobiles.
- b. Required Evidence of Insurance: Certificate of Insurance or Letter of Self-Insurance.

3. Workers Compensation Insurance

- a. Workers' compensation insurance having limits not less than those required by state statute and federal statute, if applicable, and covering all persons employed by Tenant in the conduct of its operations on the Premises (including the all states endorsement and, if applicable, the volunteers endorsement), together with employer's liability insurance coverage in the amount of at least Two Million Dollars (\$2,000,000).
- b. Required Evidence of Insurance: Certificate of Insurance or Letter of Self-Insurance.

4. Property Insurance

- a. "Special Form" property insurance (or its equivalent if "Special Form" property insurance is not available), including vandalism and malicious mischief, boiler and machinery comprehensive form, if applicable, and endorsement for earthquake sprinkler damage, each covering damage to or loss of (i) all office furniture, trade fixtures, office equipment, free-standing cabinet work, movable partitions, merchandise and all other items of Tenant's property in the Premises installed by, for, or at the expense of Tenant, including electronic data processing equipment ("EDP Equipment"), and (ii) any leasehold improvements in the Premises, whenever and by whomever installed or paid for, including any Leasehold Improvements installed pursuant to the LIA and any Alteration (defined in Section 7.1), whether pursuant to this Lease or pursuant to any prior lease or other agreement to which Tenant was a party (the "Tenant-Insured Improvements"). EDP Equipment, media and extra expense shall be covered for perils insured against in the so-called "EDP Form". If the property of Tenant's invitees is to be kept in the Premises, warehouse's legal liability or bailee customers insurance for the full replacement cost of such property.
- b. The foregoing insurance shall be primary to, and non-contributory with, any insurance or self-insurance program maintained by Landlord with respect to the Tenant-Insured Improvements.
- c. The policy shall be endorsed to include a written waiver of the insurer's right to subrogate against Landlord.
- d. Required Evidence of Insurance: Certificate of Insurance or Letter of Self-Insurance.

5. General

Tenant's commercial general liability insurance policy shall be endorsed to provide that (i) it may not

be canceled or altered in such a manner as to adversely affect the coverage afforded thereby without thirty (30) days' prior written notice to Landlord, (ii) Landlord is designated as an additional insured, and (iii) such insurance is primary with respect to Landlord and that any other insurance maintained by Landlord is excess and noncontributing with such insurance. If, in the opinion of Landlord's lender or in the commercially reasonable opinion of Landlord's insurance adviser, the specified amounts of coverage are no longer adequate, such coverage shall, within thirty (30) days' written notice to Tenant, be appropriately adjusted. Prior to the commencement of the Term, Tenant shall deliver to Landlord a certificate thereof to Landlord for retention by it with endorsements. If Tenant fails to obtain such insurance or to furnish Landlord any such duplicate policy or certificate as herein required, Landlord may, at its election, without notice to Tenant and without any obligation to do so, procure and maintain such coverage and Tenant shall reimburse Landlord on demand as additional rent for any premium so paid by Landlord.

6. Documentation

- a.** All required Evidence of Insurance shall be submitted prior to the execution of this Lease. Tenant agrees to maintain current Evidence of Insurance on file with Landlord at all times during the term of this Lease.
- b.** Required Evidence of Insurance shall be submitted for any renewal or replacement of a policy that already exists, at least ten (10) days before expiration or other termination of the existing insurance or self-insurance.

Exhibit G

TENANT ESTOPPEL CERTIFICATE

Date: _____, 20____.

Attention: _____
and

Attention: _____

RE: Lease dated _____ (“Lease”) between _____, a _____
 (“Tenant”) and _____, a _____ (“Landlord”);
 Leased Premises: _____, comprised of _____ rentable square
 feet (“Leased Premises”)

Ladies and Gentlemen:

The undersigned, as Tenant under the above-referenced Lease, hereby represents, warrants and certifies to _____, a _____ (“Buyer”) the truth and accuracy of the foregoing descriptions and the following statements:

1. Attached hereto as Schedule 1 is a complete, true and correct copy of the Lease and, except as identified to Buyer in writing and attached hereto together with the Lease, there are no modifications, amendments, supplements or understandings, oral or written, amending, supplementing or changing the terms of the Lease.

2. Tenant has accepted and is in possession of the Leased Premises, and the Lease is in full force and effect, having been duly executed and delivered by Tenant. The Premises consists of approximately _____ rentable square feet.

3. The term of the Lease commenced on _____ and, including any presently exercised option or renewal term, will terminate on _____.

4. Current base monthly rent under the Lease is \$_____, which has been paid through and including _____. Tenant is currently making estimated payments of additional rent in the amount of \$_____. There is no prepaid rent, except \$_____. Tenant has no right to any future rent abatement under the Lease.

5. To Tenant’s actual knowledge, there is no default under the Lease on the part of Landlord or any existing conditions which upon giving notice or lapse of time or both would constitute a default under the Lease on the part of Landlord, and Landlord has satisfactorily complied with all requirements to the commencement of the term of the Lease.

6. Tenant has no claim against Landlord for any security, rental, cleaning or other deposits, except for a security deposit under the Lease in the amount of \$_____. [If none, state "none".]

7. There is no outstanding tenant improvement allowance or any other payments from the Landlord due under the Lease. [The amount of the tenant improvement allowance outstanding under the Lease is \$_____.]

8. Tenant has not entered into any sublease, assignment or other agreement transferring any of its interest in the Lease or the Leased Premises, except _____. [If none, state "none".]

9. Except as set forth in the Lease, Tenant has no options to extend the term of the Lease, no right of first offer or right of first refusal to lease or occupy any other space within the Leased Premises, no right to renew or extend the Lease and no right or option to purchase the Leased Premises and/or the property related thereto.

This Tenant Estoppel Certificate is made to Buyer in connection with the prospective purchase by Buyer of the property containing the Leased Premises. This Tenant Estoppel Certificate may be relied on by _____ and Buyer's successors and assigns in connection with such purchase.

Very truly yours,

"Tenant"

a _____

By: _____

Name: _____

Title: _____

**RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:**

Wells Fargo Bank, National Association
SAN FRANCISCO COMMERCIAL REAL ESTATE GROUP (AU#02034)
420 Montgomery Street, 6th Floor
San Francisco, CA 94104

Attn: Colleen King
Loan No.
(PROPERTY NAME)

(Space Above For Recorder's Use)

**SUBORDINATION AGREEMENT, ACKNOWLEDGMENT OF LEASE ASSIGNMENT, ESTOPPEL,
ATTORNMEN T AND NON-DISTURBANCE AGREEMENT
(Lease to Security Instrument)**

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

THIS SUBORDINATION AGREEMENT, ACKNOWLEDGMENT OF LEASE ASSIGNMENT, ESTOPPEL, ATTORNMEN T AND NON-DISTURBANCE AGREEMENT ("**Agreement**") is made _____, 2014 by and between REDBIRD SR OFFICE PROPERTIES DE, LLC, a California limited liability company and SR OFFICE PROPERTIES DE, LLC, a California limited liability company, **OWNERS OF THE REAL PROPERTY** **HEREINAFTER DESCRIBED** ("**Mortgagor**"), **TENANT NAME** _____ ("**Tenant**") and Wells Fargo Bank, National Association (collectively with its successors or assigns, "**Lender**").

RECITALS

- A. Pursuant to the terms and provisions of a lease dated _____ ("**Lease**"), Mortgagor granted to Tenant a leasehold estate in and to a portion of the property described on Exhibit A attached hereto and incorporated herein by this reference (which property, together with all improvements now or hereafter located on the property, is defined as the "**Property**").
- B. **[IF LEASE CONTAINS OPTION TO PURCHASE]** Said Lease contains provisions and terms granting Tenant an option to purchase the Property (the "**Option to Purchase**").
- C. Mortgagor has executed that certain DEED OF TRUST WITH ABSOLUTE ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING ("**Deed Of Trust**") securing, among other things, that certain PROMISSORY NOTE SECURED BY DEED OF TRUST dated _____, ("**Original Note**") and as amended and restated by that certain AMENDED AND RESTATED PROMISSORY NOTE SECURED BY DEEDS OF TRUST dated _____ ("**A&R Note**") in the principal sum of _____ (\$ _____), the Original Note and the A&R Note are collectively referred to herein as the ("**Note**"), in favor of Lender ("**Loan**"). The Deed Of Trust was recorded in the Office of the Sonoma County Recorder on _____, as Document Number _____ and as amended by that certain Memorandum Of Assumption, Modification And Joinder Agreement Amending Deed Of Trust dated _____ ("**Amended Deed Of Trust**") and recorded in

the Office of the Sonoma County Recorder on _____, as Document Number _____, the Deed Of Trust and the Amended Deed Of Trust are collectively referred to herein as the ("**Security Instrument**").

- D. As a condition to Lender making the Loan secured by the Security Instrument, Lender requires that the Security Instrument be unconditionally and at all times remain a lien on the Property, prior and superior to all the rights of Tenant under the Lease [and the Option To Purchase] and that the Tenant specifically and unconditionally subordinate the Lease [and the Option To Purchase] to the lien of the Security Instrument.
- E. Mortgagor and Tenant have agreed to the subordination, attornment and other agreements herein in favor of Lender.

NOW THEREFORE, for valuable consideration and to induce Lender to make the Loan, Mortgagor and Tenant hereby agree for the benefit of Lender as follows:

- 1. **SUBORDINATION.** Mortgagor and Tenant hereby agree that:
 - 1.1 **Prior Lien.** The Security Instrument securing the Note in favor of Lender, and any modifications, renewals or extensions thereof (including, without limitation, any modifications, renewals or extensions with respect to any additional advances made subject to the Security Instrument), shall unconditionally be and at all times remain a lien on the Property prior and superior to the Lease [and the Option To Purchase];
 - 1.2 **Subordination.** Lender would not make the Loan without this agreement to subordinate; and
 - 1.3 **Whole Agreement.** This Agreement shall be the whole agreement and only agreement with regard to the subordination of the Lease [and the Option To Purchase] to the lien of the Security Instrument and shall supersede and cancel, but only insofar as would affect the priority between the Security Instrument and the Lease [and the Option To Purchase], any prior agreements as to such subordination, including, without limitation, those provisions, if any, contained in the Lease which provide for the subordination of the Lease [and the Option To Purchase] to a deed or deeds of trust or to a mortgage or mortgages.

AND FURTHER, Tenant individually declares, agrees and acknowledges for the benefit of Lender, that:

- 1.4 **Use of Proceeds.** Lender, in making disbursements pursuant to the Note, the Security Instrument or any loan agreements with respect to the Property, is under no obligation or duty to, nor has Lender represented that it will, see to the application of such proceeds by the person or persons to whom Lender disburses such proceeds, and any application or use of such proceeds for purposes other than those provided for in such agreement or agreements shall not defeat this agreement to subordinate in whole or in part; and
- 1.5 **Waiver, Relinquishment and Subordination.** Tenant intentionally and unconditionally waives, relinquishes and subordinates all of Tenant's right, title and interest in and to the Property to the lien of the Security Instrument and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination, specific loans and advances are being and will be made by Lender and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination.

2. **ASSIGNMENT.** Tenant acknowledges and consents to the assignment of the Lease by Mortgagor in favor of Lender.
3. **ESTOPPEL.** Tenant acknowledges and represents that:
 - 3.1 **Entire Agreement.** The Lease constitutes the entire agreement between Mortgagor and Tenant with respect to the Property and Tenant claims no rights with respect to the Property other than as set forth in the Lease;
 - 3.2 **No Prepaid Rent.** No deposits or prepayments of rent have been made in connection with the Lease, except as follows (if none, state "None"): _____;
 - 3.3 **No Default.** To the best of Tenant's knowledge, as of the date hereof: (i) there exists no breach, default, or event or condition which, with the giving of notice or the passage of time or both, would constitute a breach or default under the Lease; and (ii) there are no existing claims, defenses or offsets against rental due or to become due under the Lease;
 - 3.4 **Lease Effective.** The Lease has been duly executed and delivered by Tenant and, subject to the terms and conditions thereof, the Lease is in full force and effect, the obligations of Tenant thereunder are valid and binding and there have been no amendments, modifications or additions to the Lease, written or oral; and
 - 3.5 **No Broker Liens.** Neither Tenant nor Mortgagor has incurred any fee or commission with any real estate broker which would give rise to any lien right under state or local law, except as follows (if none, state "None"): _____.
4. **ADDITIONAL AGREEMENTS.** Tenant covenants and agrees that, during all such times as Lender is the Beneficiary under the Security Instrument:
 - 4.1 **Modification, Termination and Cancellation.** Tenant will not consent to any modification, amendment, termination or cancellation of the Lease (in whole or in part) without Lender's prior written consent and will not make any payment to Mortgagor in consideration of any modification, termination or cancellation of the Lease (in whole or in part) without Lender's prior written consent;
 - 4.2 **Notice of Default.** Tenant will notify Lender in writing concurrently with any notice given to Mortgagor of any default by Mortgagor under the Lease, and Tenant agrees that Lender has the right (but not the obligation) to cure any breach or default specified in such notice within the time periods set forth below and Tenant will not declare a default of the Lease, as to Lender, if Lender cures such default within fifteen (15) days from and after the expiration of the time period provided in the Lease for the cure thereof by Mortgagor; provided, however, that if such default cannot with diligence be cured by Lender within such fifteen (15) day period, the commencement of action by Lender within such fifteen (15) day period to remedy the same shall be deemed sufficient so long as Lender pursues such cure with diligence;
 - 4.3 **No Advance Rents.** Tenant will make no payments or prepayments of rent more than one (1) month in advance of the time when the same become due under the Lease; and
 - 4.4 **Assignment of Rents.** Upon receipt by Tenant of written notice from Lender that Lender has elected to terminate the license granted to Mortgagor to collect rents, as provided in the Security Instrument, and directing the payment of rents by Tenant to Lender, Tenant shall comply with such direction to pay and shall not be required to determine whether

Mortgagor is in default under the Loan and/or the Security Instrument.

5. **ATTORNMEN**. In the event of a foreclosure under the Security Instrument, Tenant agrees for the benefit of Lender (including for this purpose any transferee of Lender or any transferee of Mortgagor's title in and to the Property by Lender's exercise of the remedy of sale by foreclosure under the Security Instrument) as follows:
 - 5.1 **Payment of Rent**. Tenant shall pay to Lender all rental payments;
 - 5.2 **Continuation of Performance**. Tenant shall be bound to Lender in accordance with all of the provisions of the Lease for the balance of the term thereof, and Tenant hereby attorns to Lender as its landlord, such attornment to be effective and self-operative without the execution of any further instrument immediately upon Lender succeeding to Mortgagor's interest in the Lease and giving written notice thereof to Tenant;
 - 5.3 **No Offset**. Lender shall not be liable for, nor subject to, any offsets or defenses which Tenant may have by reason of any act or omission of Mortgagor under the Lease, nor for the return of any sums which Tenant may have paid to Mortgagor under the Lease as and for security deposits, advance rental payments or otherwise, except to the extent that such sums are actually delivered by Mortgagor to Lender; and
 - 5.4 **Subsequent Transfer**. If Lender, by succeeding to the interest of Mortgagor under the Lease, should become obligated to perform the covenants of Mortgagor thereunder, then, upon any further transfer of Mortgagor's interest by Lender, all of such obligations shall terminate as to Lender.
6. **NON-DISTURBANCE**. In the event of a foreclosure under the Security Instrument, Lender agrees for itself and its successors and assigns that the leasehold interest of Tenant under the Lease shall not be extinguished or terminated by reason of such foreclosure, but rather the Lease shall continue in full force and effect and Lender shall recognize and accept Tenant as tenant under the Lease subject to the terms and provisions of the Lease except as modified by this Agreement; provided, however, that Tenant and Lender agree that the following provisions of the Lease (if any) shall not be binding on Lender: any option to purchase with respect to the Property; any right of first refusal with respect to the Property; any provision regarding the use of insurance proceeds or condemnation proceeds with respect to the Property which is inconsistent with the terms of the Security Instrument.
7. **MISCELLANEOUS**.
 - 7.1 **Remedies Cumulative**. All rights of Lender herein to collect rental payments on behalf of Mortgagor under the Lease are cumulative and shall be in addition to any and all other rights and remedies provided by law and by other agreements between Lender and Mortgagor or others.
 - 7.2 **Notices**. All notices, demands, or other communications under this Agreement and the other Loan Documents shall be in writing and shall be delivered to the appropriate party at the address set forth below (subject to change from time to time by written notice to all other parties to this Agreement). All notices, demands or other communications shall be considered as properly given if delivered personally or sent by first class United States Postal Service mail, postage prepaid, or by Overnight Express Mail or by overnight commercial courier service, charges prepaid, except that notice of Default may be sent by certified mail, return receipt requested, charges prepaid. Notices so sent shall be effective three (3) days after mailing, if mailed by first class mail, and otherwise upon delivery or refusal; provided, however, that non-receipt of any communication as the result of any change of address of which the sending party was not notified or as the result of a refusal

to accept delivery shall be deemed receipt of such communication. For purposes of notice, the address of the parties shall be:

Mortgagor:	SR OFFICE PROPERTIES DE, LLC, and REDBIRD SR OFFICE PROPERTIES DE, LLC c/o Basin Street Properties 300 E. Second Street, Suite 1300 Reno, Nevada 89501 Attention: Matthew T. White
Tenant:	COUNTY OF SONOMA General Services Department c/o Facilities Development & Management 2300 County Center Drive, Suite A220 Santa Rosa, CA 95403 Attention: Real Estate Manager
Lender:	Wells Fargo Bank, National Association San Francisco Real Estate Banking Group (AU #0002034) 420 Montgomery Street, 6 th Floor San Francisco, CA 94104 Attention: Peter Angel Loan #:1008340
With a copy to:	Wells Fargo Bank, National Association Minneapolis Loan Center 608 Second Avenue South, 11 th Floor Minneapolis, MN 55402 Attention: Andrew J. Douglas

Any party shall have the right to change its address for notice hereunder to any other location within the continental United States by the giving of thirty (30) days' notice to the other party in the manner set forth hereinabove.

- 7.3 **Heirs, Successors and Assigns.** Except as otherwise expressly provided under the terms and conditions herein, the terms of this Agreement shall bind and inure to the benefit of the heirs, executors, administrators, nominees, successors and assigns of the parties hereto.
- 7.4 **Headings.** All article, section or other headings appearing in this Agreement are for convenience of reference only and shall be disregarded in construing this Agreement.
- 7.5 **Counterparts.** To facilitate execution, this document may be executed in as many counterparts as may be convenient or required. It shall not be necessary that the signature of, or on behalf of, each party, or that the signature of all persons required to bind any party, appear on each counterpart. All counterparts shall collectively constitute a single document. It shall not be necessary in making proof of this document to produce or account for more than a single counterpart containing the respective signatures of, or on behalf of, each of the parties hereto. Any signature page to any counterpart may be detached from such counterpart without impairing the legal effect of the signatures thereon and thereafter attached to another counterpart identical thereto except having attached to it additional signature pages.

7.6 **Exhibits, Schedules and Riders.** All exhibits, schedules, riders and other items attached hereto are incorporated into this Agreement by such attachment for all purposes.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN, A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LAND.

IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT HERETO.

"MORTGAGOR"

SR OFFICE PROPERTIES DE, LLC,
a Delaware limited liability company

By: G & W Ventures, LLC, a California limited liability company, its Manager

By: _____
Matthew T. White, Manager

REDBIRD SR OFFICE PROPERTIES DE, LLC,
a Delaware limited liability company

By: Redbird Investment Group, LLC: Santa Rosa Office Series, a Delaware Series limited liability company, its Sole Member

By: _____
Bruce J. Cardinal, Trustee of The Bruce J. Cardinal Living Trust Agreement dated December 15, 1997, its Managing Member

"TENANT"

COUNTY OF SONOMA, a political subdivision of the State of California

By: _____
Name: _____
Title: _____

"LENDER"

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: _____
Peter M. Angel
Vice President

**IF DOCUMENT TO BE RECORDED, ALL SIGNATURES MUST BE
ACKNOWLEDGED**

EXHIBIT A - DESCRIPTION OF PROPERTY

All that certain real property located in the City of Santa Rosa, County of Sonoma, State of California, described as follows:

**[IF LEASE GUARANTY]
LEASE GUARANTOR'S CONSENT**

The undersigned ("Lease Guarantor") consents to the foregoing Subordination Agreement; Acknowledgment of Lease Assignment, Estoppel, Attornment and Non-Disturbance Agreement and the transactions contemplated thereby and reaffirms its obligations under the lease guaranty ("Lease Guaranty") dated _____. Lease Guarantor further reaffirms that its obligations under the Lease Guaranty are separate and distinct from Tenant's obligations.

AGREED:

Dated as of: _____

"LEASE GUARANTOR"

[SIGNATURE BLOCK FOR LEASE GUARANTOR]

IF DOCUMENT TO BE RECORDED, ALL SIGNATURES MUST BE ACKNOWLEDGED

Exhibit H

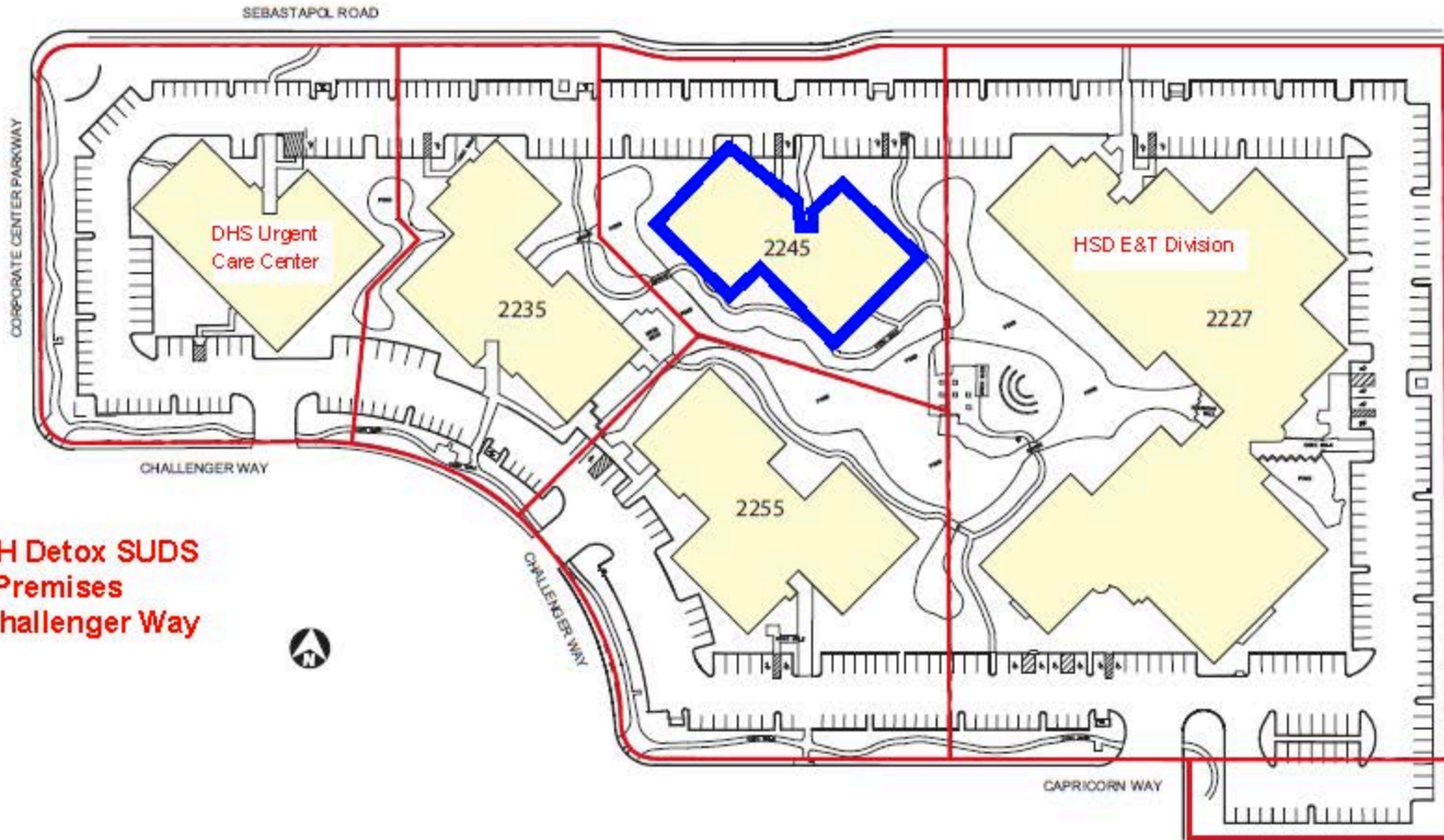
[Phase I Environmental Site Assessment]



--End of Lease--



SITE PLAN



-  DHS BH Detox SUDS
- TASC Premises
- 2245 Challenger Way

EXHIBIT D

LEASEHOLD IMPROVEMENT AGREEMENT

This Leasehold Improvement Agreement ("LIA") is dated for reference purposes only as _____, 2017 ("Effective Date"), and is made by and between **SR OFFICE PROPERTIES DE, LLC**, a Delaware limited liability company, and **REDBIRD SR OFFICE PROPERTIES DE, LLC**, a Delaware limited liability company ("Landlord"), and the **COUNTY OF SONOMA**, a political subdivision of the State of California ("Tenant"), as part of that certain Lease dated as of the same date as this LIA between them, affecting the real property commonly known as **2245 Challenger Way**, located in the City of Santa Rosa, State of California. Capitalized terms used, but not otherwise defined, in this LIA shall have meanings ascribed to those terms in the Lease. The following provisions are added to the Lease and, in the event of conflict between this LIA and the Lease, this LIA shall prevail.

ARTICLE I

DEFINITIONS

1.1 Definitions. Wherever used in this LIA, the following terms are defined as follows:

Architect means **Jennifer Jensen, Basin Street Properties**, or designee.

Contractors means the General Contractor and all other general contractors, design-build contractors, subcontractors, and material suppliers who provide labor and materials for construction of the Leasehold Improvements. Each Contractor shall be duly licensed by the State of California and in good professional standing.

Construction Costs means all costs incurred to complete the Leasehold Improvements, including, without limitation, the following:

- a. Payments to Contractors for labor, material, equipment, and fixture supplied pursuant to any construction contract entered into in accordance with this LIA;
- b. Fees paid to Designers for services required by this LIA;
- c. Taxes, fees, charges, and levies by governmental and quasi-governmental agencies for Permits or for inspections of the work;
- d. Utilities incurred in the course of the construction;
- e. Premiums for builder's risk insurance and other insurance required by this LIA;
- f. Costs incurred for the management and administration of the construction, including without limitation, wages, labor burden, and expediting, procurement, and administrative expenses; and
- g. Any and all other costs incurred to complete the Leasehold Improvements.

Construction Documents means this LIA and the Final Plans.

Design and Construction Schedule means the schedule for preparation, approval, disapproval, modification, and completion of the Final Plans and for obtaining Permits required for the

Leasehold Improvements and for the commencement, prosecution, and Substantial Completion of all Leasehold Improvements, which schedule is attached to this LIA as **Attachment A**, and incorporated into the LIA by this reference.

Design Process means the process for creation of the Final Plans as set forth in **Attachment B**.

Designers means the Architect and all other architects, structural engineers, mechanical engineers, and the other design professionals that are needed to design the Leasehold Improvements, each of whom shall be duly licensed by the State of California and in good professional standing.

Engineered Plans means the heating, ventilating and air conditioning system engineering plans, specifications and calculations prepared by an independent, licensed mechanical engineer acceptable to and approved in writing by Tenant and engaged by the Architect (and not any mechanical or other subcontractor). Such engineer is hereinafter referred to as the "HVAC Engineer". It is the specific intention of the parties that the heating, ventilating and air conditioning system will not be designed under a so-called 'design-build' arrangement.

Final Plans are those working drawings, plans, specifications, elevations, finishes and other documents, including, without limitation, the Engineered Plans, prepared by the Designers and approved by the parties in accordance with this LIA.

General Contractor means **Vila Construction**, the general contractor selected by Landlord, and approved by Tenant, or so such other general contractor that Landlord may reasonably request and which Tenant shall consider and accept unless Tenant has reasonable cause to reject. Tenant may elect to contract directly with certain vendors for particular services for the construction of the Premises, and the total cost for work contracted through the Landlord shall be adjusted downward accordingly.

Landlord's Representative means **Matt Sherrill** or such other person as Landlord shall designate in writing to Tenant as its authorized representative for the purposes of administering this LIA. Landlord's Representative shall have no right to modify any term or conditions of this LIA or the Lease.

Laws and Orders shall have the meaning set forth in Section 12.1 of the Lease.

Leasehold Improvements means the improvements, modifications, and alterations to be constructed in or about the Premises in accordance with this LIA.

Permits means the permits, approvals, and consents of governmental authorities and third parties having jurisdiction over the Leasehold Improvements that are required for commencement and completion of the Leasehold Improvements, including without limitation, conditional use permits, building permits, sign permits and other permits.

Punchlist is defined in Section 5.2 of this LIA.

Substantial Completion or Substantially Completed or Substantially Complete is defined in Section 5.1 below.

Scheduled Completion Date means the scheduled date for Substantial Completion of the Leasehold Improvements as specified in Section 2.3 of the Lease.

Tenant Delay means any actual delay in the Substantial Completion of the Leasehold Improvements as a consequence of:

a. Tenant's failure to fulfill its obligation as set forth in the Design and Construction Schedule, or this LIA which is not cured within twenty-four (24) hours following written notice to Tenant of the default;

b. Change Orders requested by Tenant, provided the delay will not exceed the amount of delay specified in the Change Order;

c. A willful or negligent act or omission of Tenant or Tenant's Representative, Tenant's agents, or employees that interferes with the progress of the work and which is not remedied within twenty-four (24) hours after delivery of notice from Landlord's Representative to Tenant's Representative of the interference.

Tenant's Design Requirements means the documents included in **Attachment C** to this LIA.

Tenant's Representative means **County of Sonoma, General Services Department, FDM Division**, or such other person as Tenant shall designate in writing to Landlord as its authorized representative for the purposes of administering this LIA.

Tenant's Work means furniture, fixtures and equipment not shown or described in Tenant's Design Requirements or the Final Plans, telephone cable from the Building's point-of-demarcation to and within the Premises, computer cable within the Premises, interior signs not shown or described in Tenant's Design Requirements, Tenant's security system if one is to be installed, and Tenant's personal and business property.

ARTICLE II

DESIGNATION OF REPRESENTATIVES

2.1 Designation of Representatives. Landlord and Tenant respectively appoint Landlord's Representative and Tenant's Representative as their sole representatives for the purposes of administering this LIA. Until replaced upon written notice, Landlord's Representative and Tenant's Representative will have the full authority and responsibility to act on behalf of Landlord and Tenant, respectively, as required in this LIA, but shall have no right to modify this LIA or the Lease or to waive any materials right of his or her principal under this LIA.

ARTICLE III

CONTRACT DOCUMENTS AND PERMITS

3.1 Retention of Architect, Design Process and Delivery of Tenant's Design Requirements. Landlord shall retain the Architect to prepare the plans and specifications for the Leasehold Improvements in accordance with the Design Process and Tenant's Design Requirements. Landlord shall also retain the HVAC Engineer to prepare the Engineered Plans in accordance with the Design Process and Tenant's Design Requirements.

3.2 Preparation and Approval of Final Plans. Landlord shall cause the Architect to prepare proposed Final Plans (which Final Plans shall include, but not by way of limitation, the Engineered Plans) which shall conform to Tenant's Design Requirements, on or before the last date specified in the Design Schedule for completion of such items. Tenant shall review the Final Plans and deliver to Landlord Tenant's written approval or disapproval of the Final Plans within the time limits stated in the Design Schedule. If Tenant disapproves in any respect the Final Plans, the parties shall confer and negotiate in good faith to reach written agreement on such item(s), using all reasonable efforts to achieve final agreement on such item(s) by the last date for agreement specified in the Design Schedule. Tenant

agrees to work closely with the Architect to value engineer the proposed Final Plans, provided, however, that, such value engineering shall not compromise Tenant's Design Requirements.

3.3 Standards for Consent. Tenant shall not unreasonably withhold its approval of the Final Plans, unless the Final Plans do not conform to the Tenant's Design Requirements or unless the Leasehold Improvements are unsuitable for the conduct of Tenant's business. Any disapproval by Tenant shall be accompanied by a written statement of the disapproved item, the reasons for disapproval, and the specific changes required to make the Final Plans acceptable. If Tenant's written notice of disapproval is not delivered in accordance with the time limits and standards set forth in this section, approval shall be deemed given.

3.4 Application for Approvals. When Tenant approves the Final Plans, Landlord shall submit them to all appropriate governmental agencies and third parties for issuance of the Permits required for the construction of the Leasehold Improvements and occupancy by Tenant of the Premises for its intended use; provided that Landlord may elect in its discretion to proceed with the construction of the Leasehold Improvement without Permits, in which case any references to the issuance of, or compliance with, Permits in this LIA shall be disregarded. Landlord shall use all reasonable efforts to obtain the Permits within the time permitted by the Design Schedule.

3.5 Changes to Construction Documents. After being approved by Tenant in accordance with the foregoing, the Final Plans established in accordance with Article III, may be modified only by a written "Change Order" executed by Landlord and Tenant, which clearly describes: (a) the change; (b) the party required to perform the change; (c) any modification of the Final Plans necessitated by the Change Order; and (d) the cost or credit to Tenant, if any, of the Change Order. Neither Landlord nor Tenant shall unreasonably withhold or delay its approval of any Change Order (whether requested by a party or required by Law and Orders).

ARTICLE IV

PERFORMANCE OF THE WORK

4.1 Selection of Contractors. When Tenant has approved the Final Plans and Landlord has obtained the Permits required for construction of the Leasehold Improvements, Landlord shall cause the General Contractor to prepare and circulate an appropriate bid package for bidding by the various subcontractors (the "Contractors"). When the bids are received and approved by Landlord and Tenant, Landlord shall enter into a guaranteed maximum cost construction contract with the General Contractor based on the lowest qualified subcontract bids selected by Landlord, and approved by Tenant and General Contractor. No Contractor shall have any direct right or remedy against Tenant for payment of any sum or performance of any obligation with respect to the Leasehold Improvements.

4.2 Commencement and Completion of Leasehold Improvements. When all Permits for construction of the Leasehold Improvements have been obtained and Landlord and the General Contractor have entered into a construction contract in accordance with Section 4.1 above, Landlord shall cause the General Contractor to commence and to thereafter diligently prosecute the construction of the Leasehold Improvements in accordance with the Permits and the Final Plans, so that the Leasehold Improvements will be Substantially Completed on or before the Scheduled Completion Date. Landlord shall comply with the applicable provisions of California Labor Code Sections 1720.2 and 1770 et seq., regarding general prevailing wages.

4.3 Tenant's Entry. Landlord shall notify Tenant when the Leasehold Improvements are Substantially Completed and shall permit Tenant's contractors to enter into the Premises for the purpose of conducting Tenant's Work. Tenant and Landlord shall cooperate in good faith to schedule, coordinate, and perform their respective construction activities in an orderly manner and Tenant shall comply, and shall cause its contractors to comply, with all reasonable rules and regulations promulgated in writing by Landlord and provided to Tenant for the performance of Tenant's Work in the Premises.

4.4 Standards for Performance of the Work. Landlord shall cause the Leasehold Improvements to be constructed by well-trained, adequately supervised workers, in a good and workmanlike manner, free from design, material and workmanship defects in accordance with all Construction Documents and all Laws and Orders. Notwithstanding anything stated to the contrary in the Lease or this LIA, Tenant's acceptance of possession of the Leasehold Improvements shall not waive this warranty and Landlord shall promptly remedy all violations of the warranty at its sole cost and expense.

ARTICLE V

COMPLETION OF THE WORK

5.1 Substantial Completion. Landlord's Work shall be deemed "Substantially Complete" when: (a) construction of the Leasehold Improvements has been substantially completed in accordance with the Final Plans, the Permits, and Laws and Orders; (b) the Architect has certified that the Leasehold Improvements have been constructed in accordance with the Final Plans; (c) Landlord's Representative and Tenant's Representative agree that all work has been substantially performed, such agreement not to be unreasonably withheld; (d) there is no incomplete or defective work that unreasonably interferes with Tenant's use of the Premises; (e) the Leasehold Improvements are ready for occupancy by Tenant (including a Certificate of Occupancy only if Landlord elects to obtain Permits pursuant to Section 3.4) except for the completion of Tenant's Work; and (f) all utilities are hooked up and available for use by Tenant in the Premises. The Substantial Completion Date shall not occur until the Leasehold Improvements are Substantially Completed and Tenant has had at least thirty (30) calendar days to complete Tenant's Work.

5.2 Inspection and Punchlist. Tenant's Representative and Designers shall have the right to enter the Premises at all reasonable times for the purpose of inspecting the progress of construction of the Leasehold Improvements. Landlord shall notify Tenant's Representative when the Leasehold Improvements are Substantially Completed. On receipt of such notice, Tenant's Representative, Landlord's Representative, and the Architect shall inspect the Leasehold Improvements and prepare a written list of any items that are defective, incomplete, or do not conform to the Final Plans or the Permits and Laws and Orders (the "Punchlist"). Tenant may augment the Punchlist at any time on or before sixty (60) days following the Substantial Completion Date. Tenant's failure to specify any item on the Punchlist, however, shall not waive Landlord's obligation to construct the Leasehold Improvements in accordance with this LIA. Landlord shall cause all Punchlist items to be remedied within sixty (60) days after the Substantial Completion Date.

5.3 Delay in Substantial Completion. If the Substantial Completion of the Leasehold Improvements is delayed, the provisions of Sections 2.3 and 2.4 of the Lease shall govern.

ARTICLE VI

PAYMENT OF CONSTRUCTION COSTS

6.1 Duty to Pay Construction Costs. The Leasehold Improvements shall be completed at the sole expense of Landlord, without reimbursement by Tenant, except as Tenant and Landlord may otherwise agree in writing after the date of this LIA. Tenant shall bear all costs of performing Tenant's Work.

6.2 Notice of Non-responsibility. Landlord shall provide Tenant with at least ten (10) days' prior written notice of the date of commencement of construction of the Leasehold Improvements, in order to permit Tenant to post, file, and record such Notices of Non-Responsibility and other instruments as may be necessary to protect Tenant and its property from claims by Contractors for Construction Costs that are to be paid by Landlord pursuant to this LIA.

ARTICLE VII

RISK OF LOSS

7.1 Builder's Risk Insurance. At all times prior to the Substantial Completion Date, Landlord shall maintain, or cause the General Contractor to maintain, so-called contingent liability and broad form "builder's risk" insurance with coverage in an amount equal to the replacement cost of the Premises and the Leasehold Improvements to be constructed pursuant to this LIA.

7.2 Casualty. If the Premises or any portion of the Leasehold Improvements are damaged or destroyed prior to the Substantial Completion Date, the parties shall have the following rights to terminate the Lease:

a. Tenant may terminate the Lease, if (in the reasonable opinion of the Architect) the building cannot be restored and the Leasehold Improvements Substantially Completed prior to one hundred twenty (120) days after the Scheduled Completion Date.

b. If the Lease is so terminated, Landlord shall be entitled to the proceeds of the builder's risk insurance specified in Section 7.1.

c. If the Premises or the Leasehold Improvements are damaged or destroyed prior to the Substantial Completion Date and the Lease is not terminated pursuant to this section, Landlord shall promptly and diligently cause the General Contractor to restore the Premises and complete the construction of the Leasehold Improvements. Landlord shall be entitled to the proceeds of the builder's risk insurance specified in Section 7.1.

#

IN WITNESS WHEREOF, Landlord and Tenant have executed this LIA, intending to be bound by it as of the Effective Date.

LANDLORD: **SR OFFICE PROPERTIES DE, LLC**, a Delaware limited liability company

By: G&W Ventures, LLC, a California limited liability company, its
Manager

By: _____
Matthew T. White, Manager

REDBIRD SR OFFICE PROPERTIES DE, LLC, a Delaware limited liability
company

By: Redbird Investment Group LLC: Santa Rosa Office Series, a Delaware
Series limited liability company, its Sole Member

By: Redbird Investment Group, LLC, a Delaware series limited
liability company, its Sole Member

By: _____
Bruce J. Cardinal, Trustee of The Bruce J. Cardinal Living
Trust Agreement dated December 15, 1997, its Managing
Member

TENANT: **COUNTY OF SONOMA**, a political subdivision of the State of California

By: _____
Caroline Judy, Director
General Services Department

APPROVED AS TO FORM FOR TENANT:

Elizabeth Coleman With
Deputy County Counsel

APPROVED AS TO CONTENT FOR TENANT:

Barbie Robinson, Director
Department of Health Services

Marc McDonald, Real Estate Manager
General Services Department

Attachment A

Design and Construction Schedule

SCHEDULE	DATE or DAYS TO COMPLETE
1. County approves final space plan	
2. County submits space plan to LL	
3. LL applies for permits and completes architectural drawings	
4. Architect completes Construction Drawings	
5. Tenant will approve, conditionally approve or disapprove the Construction Documents	
6. Architect completes the Final Plans and Specifications	
7. County orders furniture	
8. Tenant will approve/disapprove the Final Plans	
9. Last day for Landlord and Tenant to agree upon and initial Final Plans	
10. Last day for Landlord to obtain all Permits	
11. Scheduled Completion Date of Leasehold Improvements and start of County Fixturization period	
12. Last day for Substantial Completion of Leasehold Improvements	
13. Fixturization period completed	
14. Punch list and final (walkthrough and correction)	
15. The last day that LL can give County notice that the work is substantially completed, or County may terminate	

CLIENT TARGET MOVE-IN DATE: _____

Attachment B

Design Process

Landlord's Architect is the architect and designer of record for the Leasehold Improvements. The parties agree to use all reasonable efforts to complete the design documents for the Premises. Tenant shall provide Landlord with a preliminary architectural program and outline specifications for the Leasehold Improvements (the "Program"). Based on said Program, Tenant's Architect shall provide professional architectural, engineering and other services to the Tenant as outlined below.

Schematic Design. The schematic design phase shall be completed by Tenant's Architect, who is the architect and designer of record for the Leasehold Improvements. The parties agree to use all reasonable efforts to complete the design documents for the Premises. Tenant shall provide Landlord with a preliminary architectural program and outline specifications for the Leasehold Improvements (the "Program"). Based on said Program, Tenant's Architect shall provide professional architectural, engineering and other services to the Tenant as outlined below.

Schematic Design. The schematic design phase has been completed by ***Jennifer Jensen, Basin Street Properties***, and is reflected by Tenant's Design Requirements attached hereto as **Attachment C**.

Design Development. Based on Tenant's Design Requirements attached hereto as **Attachment C**, the Tenant's Architect shall prepare, for approval by the Tenant, design development documents ("Design Development Documents") to fix and ascribe the size and character of the Leasehold Improvements as to architectural, structural, mechanical, electrical, and other elements. In addition, the Design Development Documents shall include the following details: (a) specific electrical, mechanical and fire sprinkler distribution plans, including, without limitation, the Engineered Plans (as defined above); (b) a reflected ceiling plan; (c) millwork and cabinet elevation drawings and door details; (d) a separate telecommunications and computer systems cabling plan; (e) three color finish boards (including specifications, swatches and samples); and (f) other details required including, without limitation, building security and safety system plans. Architect shall advise Tenant and Landlord of any adjustments to the schedule.

Final Plans (Construction Documents). Based on the approved Design Development Documents and updated schedule, Tenant's Architect shall prepare the Final Plans and Specifications for approval by the Tenant and Landlord.

Attachment C

Tenant's Design Requirements/Outline Specifications

I GENERAL REQUIREMENTS

II CONSTRUCTION AND CODE CRITERIA

III DESIGN REQUIREMENTS

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Division 6	Wood and Plastics	
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Division 7	Thermal and Moisture Protection	
	A	Exterior Walls
	B	Roofs
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	A	Toilet Room Accessories
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Division 17	Security System	

I - GENERAL REQUIREMENTS

A The Premises shall consist of the usable square footage described in Section 1.1 of the Lease and appurtenant facilities complete and ready for occupancy and in accordance with attached sketch plans and these outline specifications.

B The Tenant's intent is to achieve adequate standards of quality and yet to avoid unnecessary alterations so that in all cases where Tenant agrees an existing feature meets requirements specified herein, the Landlord's obligation is only to maintain that feature, as it exists.

C These specifications and design criteria describe minimum standards of quality and construction for Premises. Construction methods or materials other than those mentioned herein may be acceptable if in the opinion of the Tenant they provide equal appearance and utility. Prior approval in writing must be secured before substitution. Any deviations from the Exhibits of the Lease shall require approval from the Tenant.

D Any reference in these documents to "plans", "sketch plans", or "as shown on plans" should be construed to mean as shown or described in Attachment C-1.

E In case of conflict between the sketch plans and these "Outline Specifications" the sketch plans shall supersede these specifications. When such conflict is discovered, contact the Tenant for clarification and/or interpretation.

F Submit copies of design documents (drawings, calculations, electrical needs, lighting system, and proposed heating, ventilating, and cooling system) to Tenant for review and conceptual approval. Documents shall be retained by Tenant and shall be provided at no cost to Tenant. Submittals shall be made at two stages:

Submittal Stage 1: Submit documents at end of design development stage. Tenant's conceptual approval will be required prior to moving on to the working drawing phase.

Submittal 2: Prior to commencing construction, provide Tenant with copy of permit set of documents as approved by local building authority.

G Should the Tenant make comments with regard to working drawings and specifications, they shall be construed as advisory only and shall not relieve Landlord from sole responsibility for conformity of the Premises to all lease exhibits or attachments, or compliance with all applicable codes and regulations.

II - CONSTRUCTION AND CODE CRITERIA

A Premises when completed shall conform to applicable codes, ordinances, and zoning laws and shall be constructed in accordance with sound engineering practices. Landlord shall obtain a building permit for required construction and tenant improvements from the local authority and, upon completion of construction, a Certificate of Occupancy. Landlord shall furnish the Tenant with copies thereof.

B Prior to beginning construction, submit proposed construction schedule for Tenant's review and approval.

C Landlord shall furnish certification from the local Fire Marshal that Premises comply with local fire regulations, as appropriate. If Tenant detects either before or after occupancy fire, safety or health hazards, Landlord shall correct them at the Landlord's sole cost and expense. Premises shall include installation and annual servicing of fire hoses and extinguishers in cabinets located as required by codes as applied by officials responsible.

D Landlord hereby guarantees that Premises, when completed and ready for occupancy, are tenantable and that mechanical, electrical, plumbing, and all other facilities and features (including architectural finishes, paint, hardware, doors, floor covering, etc.) are of quality capable of giving satisfactory service in accordance with these specifications and for the full term of the Lease. All labor shall be especially skilled for each kind of work and all workmanship must be thorough and first-class in all respects.

E Where the Tenant occupies any portion, or all of a multi-story building, the Landlord shall provide an emergency evacuation plan for the tenants. The plan shall be coordinated with the tenant agency Emergency Coordinator. In addition to any code required exit signage, Landlord shall provide sufficient "key" floor plans to clearly

delineate emergency exit routes, corridor located fire extinguishers and fire alarm pull stations. Key plans shall be located in central traffic areas, wall mounted and framed under glass, minimum size 8" x 10".

F The requirements of CCR Title 24, State Building Code relative to Access Law Compliance, and Americans with Disabilities Act (ADA), and Uniform Federal Access Standards (UFAS), must be included in the planning of these Premises. All new construction work shall be planned to comply with the above-mentioned standards. Modifications of existing conditions to reach compliance are also required unless the alterations and cost meet the qualifications for unreasonable hardship.

G Hazard Communication Program (for work in and adjacent to areas already occupied by Tenant): Always use the least hazardous material available that will achieve required results. Prior to beginning any construction in or adjacent to spaces already occupied by Tenant, Landlord shall provide the following information:

1. MSDS (Material Safety Data Sheets) or other appropriate literature on any hazardous materials (paint thinners, solvents, mastics, etc.) that will be used during construction.
2. Identify any procedures likely to produce vapors, odors, fumes, dust, etc. Such procedures shall only be undertaken during times when adjacent areas are not occupied (i.e. evenings, weekends). Provide adequate ventilation to ensure that all vapors, etc. are expelled from building prior to next business day.
3. Any safety precautions Tenant should take regarding proposed construction.

III - DESIGN REQUIREMENTS

2 – Sitework

A Parking: If parking is shown or indicated on plans or in lease documents, it shall have pre-cast concrete bumpers or curbs to protect property and pedestrians and shall be paved, including paved access from street and be properly graded for effective disposal of surface water away from building, and off site. Each stall shall have unobstructed individual access. Mark parking stalls with painted 4" wide stripes of white traffic paint or indicate by marker buttons. Provide appropriate designation of space for Tenant and ADA requirements.

B Provide accessible route between handicap-designated parking space/s and main building entry serving each tenant space.

6 - Wood and Plastics

A Cabinets:

1. Provide new cabinetwork as shown and where indicated on plan. Manufacture items per the current edition of the Woodwork Institute of California (WIC) "Manual of Millwork" standards for "Custom Grade" millwork. Each item of casework and plastic laminate counter top shall be built in accordance with WIC standards. Cabinet core materials shall be veneer core hardwood plywood or 3/4" medium density fiberboard (MDF). High-density particleboard and tempered hardboard products will not be permitted. Countertop core materials shall be plywood. No product containing formaldehyde shall be used.

2. Cabinets shall be of sizes and types indicated on the plans. Unless otherwise noted, base cabinets shall have one row of drawers and one adjustable shelf below with hinged doors unless noted otherwise. Provide a 4" toe space at base cabinets. Upper cabinets shall have two rows of adjustable shelves and hinged doors unless noted otherwise. Access openings and other cutouts to plumbing and electrical fixtures and lines shall be provided by the cabinetmaker; field cutouts shall be minimized and shall be finished to match casework.

3. Counter tops and cabinets shall be covered with plastic laminate at all exposed surfaces. Counter tops shall be self-edged unless otherwise noted. Counter tops with sinks shall have a no-drip, bull-nose edge, and an integral cove, with a sanitary metal rim around the sink or a self-rim stainless steel sink. Other materials may be submitted to the Tenant for approval.

4. Where concealed, shelves may be of minimum 3/4", white melamine, per WIC Specifications. Cover exposed edges with plastic laminate or hardwood edging.

5. Face of millwork to be high-pressure decorative plastic laminate: NEMA LD-3 grades as required by Tenant Specifications. Use Formica, Wilsonart, Nevamar, or equal, subject to approval by Tenant.
6. Provide 3-way adjustable European-style concealed hinges and wire pulls plated to match hardware.
7. Finishes for casework shall be plastic laminate. Color to be selected by Tenant.
8. Design all casework to meet the requirements of ADA. Work surfaces and counters shall be adjustable in height wherever possible for accessibility and flexibility.

7 - Thermal and Moisture Protection

A Exterior walls, including door and window assemblies, shall be constructed or processed so that they are weatherproof. Seal all visible cracks that allow outside air to penetrate the building's envelope. Exterior walls shall be insulated such that the heat transfer values from the wall to the occupied space comply with CCR Title 24, Part 2.

B Roof shall be weather tight and provided with suitable drainage system that will effectively dispose of roof water without interfering with use of Premises. Roof shall be insulated such that the heat transfer values from roof to occupied area complies with CCR Title 24.

8 – Windows and Doors

A Windows:

Glazed openings in office partitions shall have 3'-6" high sill unless noted otherwise on plans. Glass shall be clear unless noted otherwise and shall meet all applicable code requirements. All products shall be commercial grade.

B Doors:

1. All interior doors shall be of minimum dimension 3'-0" x 6'-8" x 1-3/4" thick, flush solid core wood. Doors with mortise locksets shall be solid core. Face veneer shall be rotary cut book-matched premium birch or maple or beech suitable for stained or natural transparent finish. All double doors to be "book matched".

2. Glass view panels in interior doors shall be minimum 3/16" clear float glass, tempered as required by code.

3. Fire-rated door and frame assemblies shall be installed where noted or as required by code. Doors and frames shall bear Underwriters Laboratory (UL) label for required fire resistive rating. Modification of labeled assemblies will be subject to inspection and approval by the Office of the Fire Marshal who may require re-testing and/or re-certification.

4. Doors separating conditioned and unconditioned space shall be weather stripped or have a door gasket to effectively and reliably limit air infiltration. Adhesive foam-type or felt weather-stripping is not acceptable.

C Hardware:

1. Furnish and install hardware required for complete installation, including but not limited to, hardware for locks, latches, door butts with non-removable pins on out swinging exterior doors, door stops, and, where indicated on plan, metal thresholds, metal kick plates, metal push plates, single or double acting self-closing gravity operated gate hinges.

2. Provide lever type hardware to comply with Title 24 Access and ADA requirements. Locksets and latch sets shall be "Schlage," or approved equal. Interior office doors may have Schlage "AL" series latch sets or equal. Doors providing access to Premises, isolated storage rooms and other doors shall have a lock, shall have Schlage "D" Series or equal. **Provide 6-pin cylinder capable of being keyed to Tenant's master key system (confirm requirement with Tenant prior to installation).**

3. Provide adjustable door closers on entrance doors, doors to toilet room and their vestibules, doors between leased spaces and public areas, and on other doors where noted on the plan. Spring-loaded hinges will not be allowed in lieu of door closers.

9 - Finishes

A Floors:

1. Concrete floors in janitor closets, heater or utility rooms shall be cleaned and treated with epoxy coating. Office areas throughout shall have carpet or other floor covering per Exhibit A with 4" top-set rubber base, unless otherwise specified. Floor covering shall extend under counters and cabinets. Colors and patterns shall be as selected or approved by Tenant.
2. Floors in toilet rooms shall be of nonabsorbent material impervious to moisture (such as sheet vinyl, terrazzo, ceramic tile, or approved equal material) with 6" minimum base. Provide 4' high wainscot of equal material at plumbing fixture walls, walls within water closet compartments, and walls within 24" of the front and sides of urinals. Exposed concrete floors are not acceptable in toilet rooms.

B Carpet:

All other areas shall receive new carpeting. Carpeting may be either broadloom or carpet tiles. Approved products: Lees Commercial Grade - Lineage, Interface Carpet Mills - Quantum Plus Series, Moiré Plus Series with Protekt 2, or equal. Broadloom carpet shall be of level loop or multi-level loop broad loom, nylon face yarn, Antron or BASF with inherent static control, minimum 28 oz./sq. yd. face yarn weight. No pads will be used. Pattern and color as per drawings, or approved equal.

C Ceilings of office areas including reception, corridors, and office storage areas shall have acoustical ceilings of "T" bar systems with new acoustical lay-in panels or other approved material with equivalent acoustical qualities. Ceiling height shall be a minimum of 9'-0" and a maximum of 12'-0". If existing "T" bar system is in place, the grid shall be painted and new tiles installed.

D Window Coverings (horizontal blinds) will be provided on all exterior windows and office sidelights. Acceptable manufacturer is Riviera Dust Guard 1-inch Blind by Levolor. Include cord lock and hold down brackets.

E Painting: Unless otherwise note, all walls to be painted.

1. Colors shall be as selected or approved by Tenant. Provide 12" x 12" brush-out samples off all proposed colors prior to painting.
2. Interior walls and ceilings and painted sash, doors, and trim shall be in clean, newly painted condition.
3. Walls and plaster or gypsum board ceilings shall be finished in latex semi-gloss stipple enamel.
4. Painted doors and trim shall be finished in latex semi-gloss enamel.
5. Where existing acoustic tile is painted, it shall be finished with non-bridging paint "Off-White".
6. Stained or natural finished wood shall be finished with sealer and lacquer.
7. New partitions without factory finish shall be painted with one coat of primer/sealer and two finish coats of best quality latex semi-gloss stipple enamel.
8. Painted doors and trim shall be latex semi-gloss enamel.
9. Stained or natural finish wood shall be finished with sealer and two coats lacquer.
10. Where non-matching contiguous painted surfaces result from preparation of the Tenant's Premises, matching paint shall be applied extending to natural break points of the surfaces in question.
10. Landlord's architect to provide 3 color boards of distinctly different finishes for approval by tenant. An individual qualified to select finishes shall prepare the boards. The selected board is to be retained by the tenant for verification purposes.

10 – Specialties

A Toilet Room Accessories: Each toilet room shall include paper towel holder(s), waste receptacle(s), soap dispensers, and mirror with shelf below for each lavatory. Provide a Diaper Changing Station in each woman and men's public restroom. Station shall be Bobrick or equal. Each woman's toilet room shall include a coin-operated sanitary napkin dispenser. Each toilet stall shall include a toilet paper holder (single roll with continuous paper flow), toilet seat cover dispensers, inside locking device and a coat hook. In addition, in each woman's toilet stall shall include a folding purse shelf and a sanitary napkin receptacle. All dispensers to have stainless steel finish. Accessories must comply with California Accessibility Code 3105.A (6).

B Signs: It is the intent of this paragraph to provide the Tenant with proper identification for the public's information. Signage shall be placed to suit the building configuration and the entrance to the Tenant's Premises.

1. Interior: All signs to comply with California Accessibility Code. On or near entrance door, install the words "COUNTY OF SONOMA" and name of County agency and address numbers as directed. Signage shall be per building standard subject to approval by the Tenant. Painted or pressure sensitive vinyl letters are not acceptable, unless approved in writing by tenant. Provide similar agency identification signage in the building directory, if any. Each toilet room shall have required identification signs.

2. Exterior: Letters shall be of cast aluminum alloy, bronze, black anodized finish, dimensional plastic, or as approved by the Tenant. Submit catalog or sample for approval by the Tenant. The words "COUNTY OF SONOMA " shall be 6" high and the name of the department shall be 10" high. Sign shall include street address numbers 4" high.

C Modular Systems Furniture Projects (MSF) -- The Tenant may elect to provide and install MSF in lieu of traditional office furniture. MSF may be comprised of any combination of freestanding partition panels, panel supported worktops, files, components, and integrated circuitry and access raceways for provision of electrical power and voice and data cabling. The system is typically provided with a hardwired connection for phone, data, and electric service.

If the Tenant elects to use MSF as described above, it will complete all procurement procedures for purchase of MSF and will coordinate the installation of the MSF (excluding hardwiring of Landlord supplied utilities and connections). Landlord shall provide access to building and facilities to Tenant and its MSF installer as required during MSF installation period. Tenant will provide Landlord with MSF layout drawings showing panel and workstation configurations, panel sizes, point of connection (POC) for Landlord-supplied utilities (phone, data, electric), and utility requirements.

Landlord shall ensure that building electrical/mechanical systems and capacities are compatible with MSF design requirements. Landlord shall ensure MSF lay out drawings are used to coordinate location of wall-mounted equipment such as access panels, thermostats, fire extinguishers, etc., and will relocate existing equipment as required to accommodate MSF layout.

Landlord shall be responsible for coordination and delivery of electrical, service and phone/data outlet boxes and conduits to MSF "Point of Connection" (POC) - generally a junction box at wall or above ceiling) as indicated on MSF installation and wiring cable plans to be provided by Tenant. Tenant will provide Landlord with required MSF utility "whip" and Landlord shall also be responsible for hardwiring "whip" at POC. This work shall be coordinated to occur concurrently with MSF installation. Landlord shall obtain any required permits from the local jurisdiction.

Coordination of delivery and installation of MSF is critical to timely occupancy by the tenant agency, as business cannot be conducted until power, voice, and data components are fully operational. Tenant shall provide installation schedule to Landlord, and once agreed upon, both parties may not change this schedule without agreement. If Landlord fails to meet the installation date, Landlord shall be responsible for storage and associated delivery costs of MSF if delivery schedules cannot be adjusted to conform to new schedules.

Installation of modular systems furniture may not take place until construction of tenant improvements is substantially complete. Conditions required for said completion are:

- a. Building official approval of electrical and cabling systems to the point of connection.
- b. Installation of floor covering.
- c. Substantial completion of project punch list.

13 - Special Construction

A Sound Control: Construction of equipment rooms and toilet rooms shall be such as to prevent transmission of sound or vibration to office areas (minimum sound transmission class (STC) rating of 50 STC. Access to mechanical rooms shall not be through office areas. All other walls shall be a of minimum STC 35 rating.

15 - Mechanical

A Plumbing: If not shown on plans, provide plumbing fixtures in number and type required by the California Plumbing Code.

Provide hot and cold water at each lavatory and sink, per CPC and CCR Title 24, Part 5.

Provide one or more ADA compliant refrigerant drinking fountains within close proximity to office Premises or as indicated on plans. Soldered connections on water supply lines shall use ASTM 832, Grade 5A 95-5 Tin Antimony solder. Lead solder is not allowed.

At fixtures provided for the Tenant's exclusive use, provide the following:

1. Set temperature of hot water to lavatories and sinks at maximum 105° F.
2. Water heaters and storage tanks shall be fitted with external insulation blankets rated at a minimum thermal resistance value of R-6 unless the existing insulation jacket is in excess of R-12.

B Heating, Ventilating, and Air Conditioning (HVAC): A comfort conditioning system shall consist of a fully automatic heating, cooling, and ventilating system providing air continuously during occupied hours to areas designed for occupancy, including storage-work rooms, lounge, etc. Provide adequate ventilation and cooling to maintain proper operating temperature for equipment in telephone/communications room and other support spaces.

Systems shall be zoned for each exposure and for interior zones, each zone of size and shape to ensure even distribution and temperature control throughout occupied space. Each zone shall be able to be independently controlled without affecting airflows or air temperature supplied to other zones. Each zone shall require a separate air-handling unit unless Tenant specifically agrees to an alternative design.

The heating and cooling system shall maintain the following temperatures in all occupied areas: Winter 70°F; Summer 75°F.

Prior to construction, submit to Tenant detailed heating and cooling calculations (including loads for lights, occupants, and equipment), equipment data sheets. All calculations and related design documents shall be prepared and signed by licensed engineer. The cooling load for conference rooms, hearing rooms, public lobbies, waiting rooms, and employee rooms shall be based on occupancy of 25 SF per person. Cooling load for all other areas shall be based on occupancy of 100 SF per person.

Distribution ductwork shall be properly insulated in accordance with the California Mechanical Code (CMC). Ductwork shall be concealed or integrated into the architectural design of the interior space. Air distribution system shall be capable of draft less operation at acceptable noise level while handling designed flow of air. Return air shall be conducted through registers connected to ductwork or plenum above ceilings, except as otherwise approved by the Tenant. The ductwork construction and installation shall conform to the appropriate Sheet Metal and Air Conditioning Contractors National Association, Inc. (SMACNA) low velocity, high velocity, or fibrous glass duct construction standards.

Individual supply and return air outlets shall be provided in each enclosed area. Offices between 150 and 250 square feet shall be provided with two supply and one return air register. Undercutting of doors, door grilles, or jumper ducts are not acceptable alternates to ducted returns.

Minimum outside air ventilation shall be 20 cfm per person. The complete hydronic and air system shall be checked, adjusted, and balanced during construction and re-balanced after occupancy by an established air-balancing firm in accordance with the AABC Standards. Certified balance reports shall be delivered to the Tenant upon occupancy of the building. Thereafter, out-door air damper operation and outdoor air quantities shall be verified by an established air balancing firm and a report delivered to the Tenant annually as requested by the Tenant.

A design supply airflow of .75 cfm per SF. in interior of windowless perimeter spaces is acceptable.

Toilet rooms shall be provided with a mechanical exhaust system providing a minimum of 15 air changes per hour. Replacement air shall be supplied from the building system. Individual supply ducts for sound lined jumper ducts are acceptable. Where toilet rooms have individual exhaust fans, the fan operation shall be interlocked with the toilet room light switch. Exhaust air shall be ducted to the outside.

Thermostats shall be provided for the regulation of the "daytime" temperature, in each zone without manual attention by tenant. The thermostats shall include automatic changeover from heating to cooling. "Dead-band" thermostats shall be used with adjustable range where no heating or cooling is activated. The temperature range of the thermostats shall be minimum 55F to 85F. Lockable tamperproof covers shall be provided. Thermostats shall be cleaned, calibrated. Room thermostats shall be located in representative location (out of sun, out of diffuser blow, and not on walls near return air devices). Thermostats on exterior walls shall be on insulated bases.

Provide one winter night setback thermostat for each air-handling unit. The thermostat shall cycle the heating system to maintain 55F.

One or more readily accessible, adjustable, automatic-control time clocks (7-day), battery, spring loaded, or energy management start/stop systems (micro processors) shall be provided to allow the shutoff and startup of the heating, ventilating, and cooling equipment for off-hour energy control. Locate control unit in mechanical room or as directed by the Tenant. Tenant shall determine maximum daily hours of operation. Provide one-hour bypass timers where after-hours operation is noted on plans.

Filtration shall be provided for all ventilated (outside air) and re-circulated air. Low static pressure filters shall be used, with 0.15" maximum pressure drop when clean, except in areas requiring a cleaner atmosphere.

All equipment shall be inspected for proper operation at least every month. An inspection and maintenance log for time clocks and all major equipment, including the economizer, shall be posted in the mechanical room or in a convenient building location and be available upon request for Tenant inspection.

16 – Electrical

Relocate and/or provide fluorescent lighting at ceilings to provide watts/square foot required by Title 24 overall in each area. Lighting fixtures in individual offices shall be located such that illumination levels within each office are as evenly distributed as possible. Proper lighting at task locations is important.

Light fixtures are to be lamped with high efficiency lamps. New or replacement fluorescent fixtures shall have four foot 32 watt T-8 lamps with energy saving solid state electronic ballast.

Light fixtures shall be installed with a 6' flexible "pigtail" to facilitate rearrangement.

Replace incandescent lamps with compact fluorescent lamps or with circular fluorescent lamps wherever possible.

In building designed for a return air plenum, light fixtures shall be of the return air type.

Wall switches shall control lights. All light switches shall be installed within the space controlled by them or near entrances and exits to areas served. Three-way switches shall be provided in corridors and spaces with more than one entrance. Switches shall be located at the interior office wall the door opens onto and shall be mounted a maximum of 44 inches above the finished floor and between 12 and 36 inches horizontally of the end of the door in a fully open position though never behind the door itself.

Any panel switches shall have a 7-day spring or battery loaded time clock set for a maximum of 10-1/2 hours or operation daily. Time clocks shall have manual override with one-hour reset. Override shall be accessible to tenant.

Provide motion sensors for all areas.

Provide dual switching to provide even half-level lighting in enclosed areas (100sf. or larger) in accordance with Title 24, Sec. 2-5319(c).

Any parking and outdoor lights (non-security) shall have photocell control or a 7-day spring or battery loaded time clock set to suit Tenant's after-hours needs.

Duplex convenience outlets shall be 20 ampere 125 volt 3 wire grounding type.

Provide wiring and electrical switching and control equipment for heating, ventilating, and cooling equipment and other special power or heating equipment. Provide special outlets, dedicated circuits, isolated ground convenience outlets, etc., for copy machines, word processing equipment, data processing equipment, etc., where shown on plan. Dedicated circuits shall have individual black wire from outlet to panel neutral bus. Green wire shall be run to building ground via an isolated ground panel bus. (Green wire may be ganged from outlets to isolated ground panel bus.) Landlord shall furnish certification from electrical contractor that this work has been installed in compliance with specifications and vendor's equipment requirements.

Each office and open work station shall be provided with the following unless the existing conditions currently meet these requirements (note: outlets and jacks shall be located such that they are hidden from view by the desk or table (i.e. located in the area where furniture directly adjoins a wall or within 24 inches of the furniture on the user's side of the furniture):

1. Minimum one duplex outlet on the wall adjacent to each desk and data procession (DP) table. When the desk and DP table directly adjoin one another, two duplex outlets may be provided at a wall adjoining either the desk or DP table.

2. Minimum one duplex outlet per wall in each office and workspace and duplex outlet at corridors spaced at no greater than 12 feet apart.

3. Minimum one phone connection at one wall adjacent to each desk. This shall consist of an outlet box in wall with EMT conduit extending from box to 6" above finished ceiling*. Provide nylon pull cord at each location.

4. Minimum one data connection at one wall adjacent to each DP table. This shall consist of an outlet box in wall with EMT conduit extending from box to 6" above finished ceiling*. Provide nylon pull cord at each location.

***Note:** When space at ceiling is not accessible for pulling cables, extend conduit and pull wire to location that will allow Tenant to pull wires unimpeded back to phone/data distribution center.

Landlord shall provide and install all conduits, complete with pull wire, necessary for telephone installation, including conduit from exterior of building to junction box location and telephone distribution centers. Provide 2 – 2" conduit from the Main Telephone Room (MPO) to the telecom room in tenant's space. Provide telephone terminal backboard or terminal cabinet of proper size, as directed by Tenant's telephone vendor company. Provide flush cabinets or closets to enclose all telephone backboards, terminal strips, and telephone equipment except where suitable telephone-company-furnished covers will serve to conceal these items. Provide lighting and power outlet(s) in closets as required. Telephone service outlets shall be as shown and conduit provided to serve these locations. NO ELECTRICAL OR ALARM PANELS WILL BE ALLOWED IN THE TEL/COM ROOM.

Provide 30 percent additional electrical capacity to Tenant leased space for future needs.

17 - Security System

Provide outlet boxes and conduit to support tenant-supplied security system, if required in the plans. Locate outlet boxes in wall adjacent to each location and extend 1/2" conduit with pull cord from outlet to space in ceiling above.

END OF SPECIFICATIONS

SONOMA COUNTY BEHAVIORIAL HEALTH - PROGRAM RELOCATION LIST - PLANNING WORKSHEET (MARCH 22, 2017)

Program	Part of Move to Campus	Current Location	Ideal Move Date	Move Group	Move To Location	Estimated Square Footage
Behavioral Health Urgent Care Center	Yes	2225 Challenger Way	Completed	1	2225 Challenger Way	14,066
GROUP TOTAL		TOTAL FOR GROUP 1				14,066
Dependency Drug Court (DDC)	Yes	Orenda Center	avail now	2	2245 Challenger Way	10,076
Drug Court	Yes	Orenda Center	avail now	2	2245 Challenger Way	
Drug Free Babies (DFB)	Yes	Orenda Center	avail now	2	2245 Challenger Way	
Drug Testing	Yes	Orenda Center	avail now	2	2245 Challenger Way	
DUI Court	Yes	Orenda Center	avail now	2	2245 Challenger Way	
SUD Program Support	Yes	Orenda Center	avail now	2	2245 Challenger Way	
Treatment Accountability for Safer Communities (TASC)	Yes	Orenda Center	avail now	2	2245 Challenger Way	
Integrated Recovery Team (IRT)	Yes	Chanate Hall / 1st Flr	avail 3/15 3/17	2	2255 Challenger Way Ste 109 & 119	6,415
GROUP TOTAL		TOTAL FOR GROUP 2				16,491
Community Intervention Program (CIP)	Yes	490 Mendocino / 2nd Flr	avail soon	3	2235 Challenger Way Ste 101	4,392
Crisis Assessment Prevention & Education (CAPE) & CAPE Triage	Yes	490 Mendocino / 2nd Flr	avail soon	3	2235 Challenger Way Ste 101	
Mobile Support Team (MST) & MST Triage	Yes	Norton Center - West Wing	avail soon	3	2235 Challenger Way Ste 101	831
GROUP TOTAL		TOTAL FOR GROUP 3				5,223
BH Program Support	Yes	Norton Center - Annex	avail 12/17	4	2227 Capricorn Way / 2nd flr ste 202, 203	3,622
Quality Assurance	Yes	Norton Center - Annex	avail 12/17	4	2227 Capricorn Way / 2nd flr ste 202, 203	638
Quality Improvement	Yes	Norton Center - Annex	avail 12/17	4	2227 Capricorn Way / 2nd flr ste 210	
GROUP TOTAL		TOTAL FOR GROUP 4				4,260
Adult Special Programs (Housing & DOR Coop)	Yes	Chanate Hall	avail 7/19	5	2255 Challenger Way ste 101,101,103,	320
Hospital Utilization/Liaison	Yes	Norton Center - East Wing	avail 8/16	5	2255 Challenger Way ste 101,101,103,	160
Innovation (Transportation)	Yes	Norton Center - East Wing	avail 4/17	5	2255 Challenger Way ste 101,101,103,	160
Integrated Health Team (IHT)	Yes	Chanate Hall / 2nd Flr	avail 5/18	5	2255 Challenger Way ste 101,101,103,	5,856
Older Adult Team / Transitional Recovery	Yes	Norton Center - East Wing	avail 5/17	5	2255 Challenger Way ste 104, 106	2,659
Transitional Age Youth (TAY)	Yes	Chanate Hall	avail 5/18	5	2255 Challenger Way ste 104, 106	480
Patience Rights	Yes	Norton Center - East Wing	avail 5/18	5 - A	2255 Challenger Way ste 104, 106	320
GROUP TOTAL		TOTAL FOR GROUP 5				9,955
Family Advocacy Support & Treatment (FAST)	Yes	Norton Center - West Wing	TBD	6	2227 Challenger Way Ste 207,208 and 212	8,818
Y & F - Foster Youth Team	Yes	Norton Center - West Wing	TBD	6	2227 Challenger Way Ste 207,208 and 212	
Y & F - North Team	Yes	Norton Center - West Wing	TBD	6	2227 Challenger Way Ste 207,208 and 212	
Y & F - South Team	Yes	Norton Center - West Wing	TBD	6	2227 Challenger Way Ste 207,208 and 212	
GROUP TOTAL		TOTAL FOR GROUP 6				8,818
Total at the Lakes						58,813
Driving Under the Influence (DUI)	To Orenda	Coddington		7	Orenda Center	9,568



County of Sonoma Agenda Item Summary Report

Clerk of the Board
575 Administration Drive
Santa Rosa, CA 95403

Agenda Item Number: 22(b)
(This Section for use by Clerk of the Board Only.)

To: Board of Supervisors of Sonoma County

Board Agenda Date: April 11, 2017

Vote Requirement: 4/5

Department or Agency Name(s): Department of Health Services

Staff Name and Phone Number:

Barbie Robinson, 565-7876;
Michael Kennedy, 565-4896

Supervisorial District(s):

Title: Investment in Mental Health Wellness Act Grant - Crisis Residential Treatment

Recommended Actions:

Adopt a resolution accepting an Investment In Mental Health Wellness Grant of \$870,343 from the California Health Facilities Financing Authority for crisis residential treatment program expansion and authorizing the Department of Health Services Director to execute the grant agreement and a lease agreement with Progress Foundation for the property located at 1120 Gordon Lane in Santa Rosa.

Adopt a resolution adjusting the fiscal year 2016-2017 final budget by increasing revenues in the Department of Health Services by \$870,343 to reflect the receipt of a grant from the California Health Facilities Financing Authority for crisis residential treatment program expansion (4/5 vote required).

Executive Summary:

The Department of Health Services and co-applicant Progress Foundation have received an Investment in Mental Health Wellness Grant award of \$870,343 from the California Health Facilities Financing Authority to expand the crisis residential treatment program in Sonoma County. Grant funds will provide for an increase in crisis residential facility capacity within the County from 10 to 20 beds. Crisis residential facilities provide a community based alternative to psychiatric hospitalization. All grant funds will be transferred to the grant co-applicant, Progress Foundation, for investment in a 10-bed crisis residential unit facility, recently purchased by Progress Foundation for this purpose. To comply with the terms of the grant, Progress Foundation will enter into a twenty-year facilities lease agreement with the County, ensuring that the property will be available for crisis residential treatment services funded by the County through a separate services agreement.

Discussion:

This item requests that the Board, by way of resolution, 1) accept an Investment in Mental Health Wellness Grant of \$870,343 from the California Health Facilities Financing Authority for crisis residential treatment program expansion; 2) authorize the Department of Health Services Director to execute the Investment in Mental Health Wellness Act Grant Agreement Number SONM-02 on behalf of the County;

and 3) authorize the Department of Health Services Director to execute a lease agreement with Progress Foundation for use of the property located at 1120 Gordon Lane in Santa Rosa as a crisis residential facility for a term of twenty years, and 4) authorize budgetary adjustments to the fiscal year 2016-2017 final budget for appropriation of unanticipated revenue and expenditures associated with the grant.

On June 2013 Governor Brown signed Senate Bill 82 (Steinberg), known as the Investment in Mental Health Wellness Act of 2013 ("Mental Health Wellness Act" or "Act"). The Act enables the State of California to use Mental Health Services Act funds and state General Funds to expand mental health crisis services statewide with the goal of expanding access to early intervention and treatment services, achieving client recovery and wellness, and reducing mental health costs.

Through the Mental Health Crisis Facility Grant portion of the Mental Health Wellness Act, the California Health Facilities Financing Authority will provide a total of \$142 million statewide for capital costs associated with adding new or expanded crisis stabilization, crisis residential treatment, and mobile support services with the goal of increasing the number of crisis residential beds in the state by 2,000. The objectives of the Mental Health Crisis Facility Grant include: 1) reduce unnecessary hospitalizations and inpatient days; 2) reduce recidivism and mitigate unnecessary expenditures of local law enforcement; 3) expand the continuum of services with early intervention and treatment options that are wellness, resiliency, and recovery oriented in the least restrictive environment; and 4) leverage public and private funding sources to achieve improved networks of care.

On September 11, 2015 the Department of Health Services and our community based partner Progress Foundation jointly submitted a grant application to the California Health Facilities Financing Authority to request funding for Progress Foundation's acquisition of property located at 1120 Gordon Lane in Santa Rosa for use as a crisis residential treatment facility. Under the proposal, Progress Foundation would acquire and hold title to the real property and provide the crisis residential treatment services with funding from the County. On October 28, 2015 the Department received notification from the California Health Facilities Financing Authority of an award in the amount of \$870,343, and the award was formally approved on December 3, 2015.

Since that time, the County has been working diligently to meet the complex requirements of the grant. Fortunately, Progress Foundation was able to obtain bridge financing to purchase the property to cover the period required to finalize the grant documents, and opened the facility to clients on November 28, 2016. By the second week of December 2016, the facility was providing crisis residential services at full capacity to Sonoma County residents through a services agreement with the County.

Pursuant to the terms of the grant, all grant funds will be transferred to Progress Foundation and will be used to pay off the bridge financing obtained for the 10-bed crisis residential unit facility. To comply with the terms of the grant, Progress Foundation and the County have negotiated a lease agreement that ensures that the property will be used for a period of twenty years for crisis residential treatment services funded by the County through a separate services agreement.

Should Progress Foundation fail to provide crisis residential services consistent with the services agreement with the County, the County will have the option of taking fee title to the property and contracting with an alternate provider for crisis residential services at the facility. Should the County fail to renew the services agreement for any reason other than the uncured default by Progress Foundation of the services agreement or a breach of the terms of the services agreement, the County will not be entitled to take fee title to the Property, but the California Health Facilities Financing Authority will have remedies against both Progress Foundation and the County. Progress Foundation's obligations to the

California Health Facilities Financing Authority are stated in a grant agreement between Progress Foundation, as the designated grantee, and the California Health Facilities Financing Authority.

The new facility expands crisis residential capacity for Sonoma County residents from 10 to 20 beds. Crisis residential unit facilities provide a community based alternative to psychiatric hospitalization. The facility is licensed as a Social Rehabilitation Facility by the State Department of Community Care Licensing and Progress foundation is certified as a mental health provider by the State Department of Health Care Services.

Prior Board Actions:

On December 9, 2014 the Board adopted a resolution 1) accepting an Investment in Mental Health Wellness Grant of \$2,000,000 from the California Health Facilities Financing Authority for relocation and expansion of the Crisis Stabilization Unit; and 2) confirming the Department of Health Services Director’s delegated authority to execute the grant agreement on behalf of the County.

Strategic Plan Alignment Goal 1: Safe, Healthy, and Caring Community

Expanding capacity of the crisis residential treatment program serves to: 1) reduce unnecessary hospitalizations and inpatient days; 2) reduce recidivism and mitigate unnecessary expenditures of local law enforcement; 3) expand the continuum of services with early intervention and treatment options that are wellness, resiliency, and recovery oriented in the least restrictive environment; and 4) leverage public and private funding sources to achieve improved networks of care.

Fiscal Summary

Expenditures	FY 16-17 Adopted	FY 17-18 Projected	FY 18-19 Projected
Budgeted Expenses			
Additional Appropriation Requested	870,343		
Total Expenditures	870,343	0	0
Funding Sources			
General Fund/WA GF			
State/Federal	870,343		
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources	870,343	0	0

Narrative Explanation of Fiscal Impacts:

Appropriate the revenue and offsetting expenditures associated with the grant award. There are no fiscal impacts associated with this lease.

Staffing Impacts			
Position Title (Payroll Classification)	Monthly Salary Range (A – I Step)	Additions (Number)	Deletions (Number)
Narrative Explanation of Staffing Impacts (If Required):			
N/A			
Attachments:			
1) Resolution accepting grant; 2) Budgetary adjustment resolution; 3) California Health Facilities Financing Authority grant agreement; 4) Lease agreement with Progress Foundation			
Related Items “On File” with the Clerk of the Board:			
None			



County of Sonoma
State of California

Date: April 11, 2017

Item Number: _____
Resolution Number: _____

4/5 Vote Required

**Resolution Of The Board Of Supervisors Of The County Of Sonoma, State Of California,
1) Accepting An Investment In Mental Health Wellness Grant Of \$870,343 From The
California Health Facilities Financing Authority For Crisis Residential Treatment
Program Expansion; 2) Authorizing The Department Of Health Services Director To
Execute The Grant Agreement On Behalf Of The County; And 3) Authorizing The
Department Of Health Services Director To Execute A Lease Agreement With Progress
Foundation For Use Of The Property Located At 1120 Gordon Lane In Santa Rosa As A
Crisis Residential Facility For A Term Of Twenty Years.**

Whereas, as a result of Senate Bill 82, known as the Investment in Mental Health Wellness Act of 2013, California has an opportunity to expand crisis residential treatment services that are expected to improve outcomes for the individuals served;

Whereas, the County and co-applicant Progress Foundation, a private, non-profit community-based organization, have been awarded funding of \$870,343 from the California Health Facilities Financing Authority for use in expanding crisis residential treatment program capacity in Sonoma County;

Whereas, Progress Foundation has purchased and recently opened a 10-bed crisis residential treatment facility, located at 1120 Gordon Lane in Santa Rosa, California, for adults ages 18 and older who experience a mental health crisis, thereby increasing crisis residential treatment capacity in Sonoma County from 10 to 20 beds;

Whereas, the new facility provides 24/7 crisis intervention and stabilization services in a safe home-like environment for approximately 180 clients per year;

Whereas, the crisis residential treatment program should improve the continuum of care by reducing disposition time for visits to emergency rooms, psychiatric inpatient utilization rates, and law enforcement involvement on mental health crisis calls;

Whereas, the County will forward all funding received from the California Health Facilities Financing Authority for this project directly to Progress Foundation for purchase of the property located at 1120 Gordon Lane in Santa Rosa, California;

Whereas, per Title 4, California Code of Regulations, Section 7125.1(a)(5), the California Health Facilities Financing Authority requires that County lease from Progress Foundation the

property located at 1120 Gordon Lane in Santa Rosa, California for use as a crisis residential facility for the useful life of the project, which has been determined to be twenty years; and

Whereas, per Title 4, California Code of Regulations, Section 7124(a)(12), the California Health Facilities Financing Authority requires that authority be granted to an officer to act on the County's behalf with respect to the grant.

Now, Therefore, Be It Resolved that the Sonoma County Board of Supervisors
1) accepts an Investment In Mental Health Wellness Grant of \$870,343 from the California Health Facilities Financing Authority for crisis residential treatment program expansion;
2) authorizes the Department of Health Services Director to execute the grant agreement on behalf of the County; and 3) authorizes the Department of Health Services Director to execute a lease agreement with Progress Foundation for use of the property located at 1120 Gordon Lane in Santa Rosa as a crisis residential facility for a term of twenty years.

Supervisors:

Gorin:	Rabbitt:	Gore:	Hopkins:	Zane:
Ayes:	Noes:	Absent:	Abstain:	

So Ordered.



County of Sonoma
State of California

Date: April 11, 2017

Item Number: _____
Resolution Number: _____

4/5 Vote Required

Resolution Of The Board Of Supervisors Of The County Of Sonoma, State Of California, Authorizing Budgetary Adjustments To The Fiscal Year 2016-2017 Adopted Budget In The Amount Of \$870,343 To Cover Acceptance Of Grant Funding From The California Health Facilities Financing Authority For A Behavioral Health Crisis Residential Treatment Facilities Project.

Whereas, the Board of Supervisors has adopted the Final Budget for FY 16-17 in accordance with Section 29088 of the Government Code of the State of California; and

Whereas, the Government Code allows for adjustments to the Adopted Budget during the 2016-2017 Fiscal Year.

Now, Therefore, Be It Resolved that the County Auditor-Controller is hereby authorized and directed to adjust the Fiscal Year 2016-17 Adopted Budget for the increases/decreases listed in Exhibit A.

Supervisors:

Gorin:

Rabbitt:

Gore:

Hopkins:

Zane:

Ayes:

Noes:

Absent:

Abstain:

So Ordered.

EXHIBIT A - BUDGET RESOLUTION

Department(s)/ Agency/(ies): Department of Health Services

Narratives	FTE Impacts (+/-)	Gross Expenditure	Revenue and Reimbursement	Net Cost	Annualized Net Cost
Summary of Requested Adjustments for Board Consideration					
[DEPT 1 NAME] - OTHER FUND					
Detail Row 1	<i>Department of Health Services</i>		870,343	870,343	-
Detail Row 2					-
Detail Row 3					-
Summary Row	<i>NOTE: HIDE the detail rows if the summary is simply a restatement of the details.</i>	-	870,343	870,343	-

Total Requested Adjustments	0	870,343	870,343	0	0
<i>Subtotal of General Fund Changes</i>	0	0	0	0	0
<i>Subtotal of Other Fund Changes</i>	0	870,343	870,343	0	0

**CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY
INVESTMENT IN MENTAL HEALTH WELLNESS GRANT PROGRAM
GRANT AGREEMENT NUMBER SONM-02**

COUNTY OF SONOMA
3322 CHANATE ROAD, SANTA ROSA, CA 95404

THIS AGREEMENT (the "Agreement") is made this 3rd day of December, 2015, between County of Sonoma ("Grantee") and the California Health Facilities Financing Authority ("CHFFA" or the "Authority").

RECITALS:

- A. Grantee has applied to CHFFA for a grant from the Investment in Mental Health Wellness Grant Program to fund the hereinafter defined Project.
- B. CHFFA has determined that Grantee's Application meets eligibility requirements of the hereinafter defined Regulations.
- C. Subject to the availability of grant monies, CHFFA proposes to grant \$870,343.00 (the "Grant") to Grantee and provide at least some of the Grant funds directly to the Designated Grantee in lieu of the Grantee in consideration of, and on condition that the Grant be used for the purposes of the Project as described in Exhibit D attached hereto and on the terms and conditions contained herein.
- D. The purpose of this Agreement is to set forth the terms and conditions upon which CHFFA will provide the Grant for the Project.

NOW, THEREFORE, CHFFA and Grantee agree as follows:

ARTICLE I – DEFINITIONS

Section 1.1 – ACTUAL EXPENDITURES REPORT FORM means Actual Expenditures Report Form No. CHFFA 7 MH-03 (Rev.06/2014).

Section 1.2 – DESIGNATED GRANTEE means the nonprofit corporation or public agency designated by the Grantee to receive Grant funds for real property acquisition and construction or renovation on such real property.

Section 1.3 – GRANT DOCUMENTS means this Agreement, Grant Agreement between CHFFA and Designated Grantee, the Grantee's Application, the Grant Award Letter (Exhibit A); and the Authority's Resolution (Exhibit B), including all exhibits to such documents.

Section 1.4 – GRANT PERIOD means the period beginning on December 3, 2015 and ending June 30, 2017, as such period may be extended upon the prior written approval of CHFFA, which shall become incorporated into this Agreement.

Section 1.5 – PROJECT means the project to be funded with the Grant as more particularly described in Grantee's Application and other Grant Documents, although the scope of the Project may be clarified in a report prepared by Authority Staff.

The Authority may broaden the definition of the Project at its discretion to ensure the Project can provide the intended services, so long as the broadening of the definition of the Project does not result in additional County funds to complete. Any written approval of CHFFA to expand the Project shall become incorporated into this Agreement.

Section 1.6 – REGULATIONS means the Investment in Mental Health Wellness Grant Program regulations at sections 7113 through 7129 of title 4 of the California Code of Regulations, as may be amended from time to time.

Section 1.7 – REQUEST FOR DISBURSEMENT FORM means Request for Disbursement Form No. CHFFA 7 MH-02 (Rev.06/2014).

Section 1.8 – Any capitalized terms used but not otherwise defined in this Agreement shall have the meaning set forth in the Regulations.

ARTICLE II – REPRESENTATIONS AND WARRANTIES

Grantee makes the following representations and warranties to CHFFA as of the date of execution of this Agreement and throughout the Grant Period:

Section 2.1 – LEGAL STATUS. Grantee is an “eligible applicant” as described in the eligibility requirements of Section 7114 of the Regulations and has full legal right, power and authority to enter into this Agreement and the other Grant Documents to which it is a party and to carry out and consummate all transactions contemplated hereby and by the other Grant Documents as evidenced, in part, by the Resolution of Grantee’s Governing Board attached herein as Exhibit C.

Section 2.2 – VALID AND BINDING OBLIGATION. This Agreement has been duly authorized, executed and delivered by Grantee, and is a valid and binding agreement of Grantee.

Section 2.3 – PROJECT AND ELIGIBLE COSTS. The Project and the eligible costs relating to the Project meet the requirements of the Regulations.

Section 2.4 – PROPERTY OWNERSHIP. Designated Grantee will have obtained good and marketable fee title to the real property upon acquisition or prior to construction or renovation as applicable. If the Project includes construction or renovation located on real property to be leased by Grantee or otherwise not owned in fee title by Grantee, the requirements of Section 7126 of the Regulations will be satisfied prior to the initial disbursement of Grant funds for construction or renovation.

Section 2.5 – GRANT DOCUMENTS. Grantee has access to professional advice to the extent necessary to enable Grantee to comply with the terms of the Grant Documents.

ARTICLE III - CONDITIONS PRECEDENT TO EACH DISBURSEMENT

CHFFA’s obligation to make each disbursement of Grant funds during the Grant Period under this Agreement is subject to all of the following conditions:

Section 3.1 – DOCUMENTATION. This Agreement shall be fully executed and delivered by Grantee and CHFFA in form and substance satisfactory to CHFFA.

A Grant Agreement shall be fully executed and delivered by Designated Grantee and CHFFA in form and substance satisfactory to CHFFA.

Section 3.2 – REPRESENTATIONS AND WARRANTIES. The representations and warranties contained in Article II of this Agreement are true and correct as of the date of such disbursement and as certified by Grantee in the applicable Projected Expenditures Form.

Section 3.3 – NO EVENT OF DEFAULT. There shall exist no Event of Default under this Agreement, and there shall exist no event, omission or failure of condition, which, after notice or lapse of time, would constitute an Event of Default under this Agreement.

Section 3.4 – DISBURSEMENT REQUEST. Grantee shall have delivered to CHFFA a completed Request for Disbursement Form and any other information required by Sections 7125 and 7128 of the Regulations, satisfactory to the Authority.

Section 3.5 – READINESS AND FEASIBILITY. Grantee has submitted to the Authority sufficient documentation to enable Authority staff to conclude the Project is ready and feasible as more particularly described in Section 7125 (a)(2) and (a)(3) of the Regulations. The Authority Staff shall determine Project readiness and feasibility at the time of Initial Allocation or within six (6) months following Final Allocation. Limited extensions beyond six (6) months may be granted as set forth in Regulations Section 7125(a)(3)(C). Upon request, Grantee shall provide updated information necessary for the Authority to determine Project readiness and feasibility. Failure to demonstrate readiness and feasibility within the timeframes dictated by the Authority may cancel the Grant. In the event Grantee fails to complete the Project by the end of the Grant Period (inclusive of any extensions permitted by the Authority), the Authority may require remedies, including forfeiture and return of the Grant to CHFFA in accordance with the Regulations as set forth in Article VI below.

ARTICLE IV – GRANT DISBURSEMENT PROCEDURES

Section 4.1 – DISBURSEMENT PROCESS.

(a) **Initial Disbursements:** Initial disbursement of Grant funds shall be released upon the Authority’s receipt of a completed Request for Disbursement Form and other information required by Section 7125(a)(2) of the Regulations, satisfactory to the Authority.

(b) **Subsequent Disbursements:** Subsequent disbursements of Grant funds shall be released upon receipt of a completed Request for Disbursement Form, a status report pursuant to Section 7128(a) of the Regulations, an Actual Expenditures Report Form, and any other information required by Sections 7125 and 7128 of the Regulations, satisfactory to the Authority.

(c) **Reports and Reconciliations:** CHFFA shall notify Grantee in writing within seven (7) business days of any deficiencies or discrepancies in the information, forms and reports submitted by Grantee, including any reconciliations the Authority deems necessary as may occur due to projected expenditures exceeding actual expenditures for any of the reporting periods. The Authority will not disburse any funds until Grantee addresses to the Authority’s satisfaction, any deficiencies or discrepancies in the information, forms and reports submitted by Grantee. CHFFA may deduct the difference between actual expenditures and the disbursed amount from the next disbursement or the Grantee shall submit a refund for the difference.

Section 4.2 – AMOUNT OF DISBURSEMENT. The total amount of the Grant shall not exceed the amount authorized under this Agreement and may only be spent for eligible costs. Grant funds are subject to the availability of funds and may be rescinded or reduced. Grantee shall establish an account to deposit the Grant funds and shall maintain this account for purposes of payments of Project expenditures. A segregated sub-account may be used by Grantee provided the statement allows for the accounting of the receipt and expenditure of Grant funds, and the interest earned from these funds, separately from other funds in the account. Upon request, Grantee shall submit copies of all statements for such account or sub-account to CHFFA. At the end of the Grant Period (inclusive of any extensions permitted by CHFFA), any unused Grant funds, interest and investment earnings on such Grant funds revert to and shall be paid to the Authority.

Section 4.3 – REAL PROPERTY ACQUISITION BY DESIGNATED NONPROFIT CORPORATION OR PUBLIC AGENCY (DESIGNATED GRANTEE).

(a) Grantee affirmatively supports Grantee’s designation of and collaboration with a designated nonprofit corporation or public agency in lieu of Grantee directly receiving Grant funds to acquire real property. Grantee may request the Authority to release Grant funds to the Designated Grantee, or to the Grantee for disbursement to the Designated Grantee. The Authority will not release Grant funds until and unless the following are met:

(1) An appraisal completed within the previous six months by a state certified appraiser.

(2) Designated Grantee shall execute a Grant Agreement and agree to comply with the Authority’s requirements set forth below and in the Grant Agreement executed by Designated Grantee.

(i) Designated Grantee shall provide the services under the Program(s).

(ii) Designated Grantee shall execute a Grant Agreement with the provisions required in Section 7124 of the Regulations. The Grant Agreement shall also provide that in the event Designated Grantee fails to provide any of the services under the Program(s), title to the real property shall be given to Grantee. In addition, the Grant Agreement shall also provide that in the event Grantee does not act timely, as determined by the Authority, to take and hold title to the real property, the Authority may take any action necessary to take and hold title to the real property.

(iii) Designated Grantee shall provide, upon request, Audited Financial Statements and shall retain all Project and financial records necessary to substantiate the purposes for which the Grant funds were spent for a period of three years after the certification of Project completion has been submitted.

(iv) Designated Grantee shall provide, upon request, a current title report that shows all of the following:

(A) No easements, exceptions or restrictions on the use of the site that shall interfere with or impair the operation of the Project.

(B) A fee title subject to the lease agreement described below.

(C) A deed of trust shall be recorded in the chain of title against the real property and shall contain the lease agreement described below.

(v) Designated Grantee shall enter into a lease agreement with Grantee for use of the real property for Crisis Residential Treatment for the useful life of the Project, including any renewals. The lease agreement shall provide that in the event Designated Grantee fails to provide Crisis Residential Treatment as provided in the Grant Agreement, title to the real property shall be given to Grantee. In addition, the lease agreement shall also provide that in the event Grantee does not act timely, as determined by the Authority, to take and hold title to the real property, the Authority may take any action necessary to take and hold title to the real property.

(b) Grant funds shall be returned to the Authority if Grantee and/or Designated Grantee fails to comply with the Authority's requirements.

(c) In the event Grantee does not act timely, as determined by the Authority, to take and hold title to the real property, the Authority may take any action necessary to take and hold title to the real property. Grantee will assist in facilitating the transfer of title to the real property, and provide any documents and information requested by the Authority for this purpose.

(d) Grantee acknowledges that as Lead Grantee, Grantee is responsible for the completion of the Project and that Grantee shall ensure that the Designated Grantee complies with the requirements of the Grant (including Regulations and Statute). Failure by Grantee and/or Designated Grantee to comply with the requirements of the Grant (including Regulations and Statute) shall constitute an Event of Default under this Agreement.

Section 4.4 – REAL PROPERTY CONSTRUCTION OR RENOVATION BY DESIGNATED NONPROFIT CORPORATION OR PUBLIC AGENCY (DESIGNATED GRANTEE).

(a) Grantee affirmatively supports Grantee's designation of and collaboration with a designated nonprofit corporation or public agency in lieu of Grantee directly receiving Grant funds for construction or renovation of real property acquired with Grant funds under Section 4.3. Grantee may request the Authority to release Grant funds to the Designated Grantee, or to the Grantee for disbursement to the Designated Grantee. The Authority will not release Grant funds until and unless the following are met:

- (1) Grantee or Designated Grantee shall provide:
 - (i) Detail of building plans, costs, and timelines.
 - (ii) Executed construction contract.
 - (iii) Architect, design and engineering contracts, if applicable.
 - (iv) Building permits and conditional use permits, if applicable.

(v) Evidence of compliance with the California Environmental Quality Act.

(vi) Evidence of compliance with prevailing wage law under Labor Code Section 1720 et seq.

(vii) Evidence of property ownership, such as title report.

(2) Requirements under Section 4.3(a).

(b) Grant funds shall be returned to the Authority if Grantee and/or Designated Grantee fails to comply with the Authority's requirements.

(c) In the event Grantee does not act timely, as determined by the Authority, to take and hold title to the real property, the Authority may take any action necessary to take and hold title to the real property. Grantee will assist in facilitating the transfer of title to the real property, and provide any documents and information requested by the Authority for this purpose.

(d) Grantee acknowledges that as Lead Grantee, Grantee is responsible for the completion of the Project and that Grantee shall ensure that the Designated Grantee complies with the requirements of the Grant (including Regulations and Statute). Failure by Grantee and/or Designated Grantee to comply with the requirements of the Grant (including Regulations and Statute) shall constitute an Event of Default under this Agreement.

ARTICLE V – AFFIRMATIVE AND NEGATIVE COVENANTS

Section 5.1 – CERTIFICATE OF COMPLETION. Within 60 days following completion of the Project, Grantee shall certify to CHFFA that the Project is complete by submitting a Certificate of Completion and Final Report Form No. CHFFA 7 MH-04 (Rev.06/2014), and any other information required by Section 7128 of the Regulations, to the satisfaction of CHFFA.

Section 5.2 – COMPLIANCE WITH STATUTE AND REGULATIONS. Grantee shall comply with the requirements of the Investment in Mental Health Wellness Grant Program, Welfare and Institutions Code section 5848.5, the Regulations, and all other applicable laws of the State of California. Grantee agrees that continued compliance with these requirements is Grantee's responsibility.

Section 5.3 – AUDIT AND RECORDKEEPING PROVISIONS. Grantee shall maintain satisfactory financial accounts, documents and other records for the Project and shall retain all documentation necessary to substantiate the purposes for which the Grant funds were spent for a period of three years after the certification of Project completion has been submitted. Grantee agrees that the California State Auditor and Authority Staff may conduct periodic audits and inspections to ensure that Grantee is using the Grant consistent with Program requirements and the terms of this Agreement.

Section 5.4 – NOTICE TO CHFFA. Grantee shall promptly give notice in writing to CHFFA of any pending or threatened action related to the Project in which the amount claimed is in excess of twenty-five thousand dollars (\$25,000). Grantee shall promptly give

notice in writing to CHFFA of any uninsured or partially uninsured loss related to the Project through fire, theft, liability, or otherwise in excess of an aggregate of twenty-five thousand dollars (\$25,000).

Section. 5.5 – RELEASE. Grantee shall waive all claims and recourse against CHFFA including the right to contribution for loss or damage to persons or property arising from, growing out of, or in any way connected with or incident to this Agreement, Grantee's use of the Grant funds, Grantee's operations, or the Project. The provisions of this Section 5.5 shall survive termination of this Agreement.

Section 5.6 – INDEMNIFICATION. Grantee shall defend, indemnify and hold harmless CHFFA and the State, and all officers, trustees, agents and employees of the same, from and against any and all claims, losses, costs, damages, or liabilities of any kind or nature, whether direct or indirect, arising from or relating to the Grant, the Project or the Program. The provisions of this Section 5.6 shall survive termination of this Agreement.

Section 5.7 – NON-DISCRIMINATION CLAUSE. Grantee shall comply with state and federal laws prohibiting discrimination, including those prohibiting discrimination because of sex, race, color, ancestry, religion, creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (including cancer or genetic characteristics), sexual orientation, political affiliation, position in a labor dispute, age, marital status and denial of statutorily-required, employment-related leave.

Section 5.8 – PREVAILING WAGE. Grantee shall comply with California's prevailing wage law under Labor Code Section 1720 et seq. for public works projects.

Section 5.9 – PROJECT COMPLETION. Grantee shall assume any obligation to furnish any additional funds that may be necessary to complete the Project.

Section 5.10 – PAYMENT OF RENT. If any portion of the Project (except for equipment acquisition projects) is located on any real property leased by Grantee, Grantee shall budget for payment of rent each year (unless Grantee pays a nominal yearly rent or has paid full rent under the lease agreement).

Section 5.11 – USE OF FUNDS. Grantee will not without prior consent of CHFFA do any of the following: (1) use any Grant funds for purposes other than for the Project unless a change in the use of the Grant is approved in writing by CHFFA; (2) make any changes to the Project as described in the Application or any of the Grant Documents; or (3) dispose of a capital asset before the end of the useful life of the asset.

ARTICLE VI – DEFAULT AND REMEDIES

Section 6.1 – EVENTS OF DEFAULT. Each of the following shall constitute an Event of Default under this Agreement:

(1) Any representation or warranty made by Grantee, hereunder or under any other Grant Document, proves to be incorrect in any material respect;

(2) Grantee's failure to perform any term or condition of this Agreement, the Regulations, or any other Grant Document;

(3) Any construction or renovation portion of the Project is located on real property leased by Grantee and the lease agreement terminates before the end of the useful life of the Project and the real property is not simultaneously re-leased under a new lease agreement that complies with the Regulations, or fee title to the property is not simultaneously transferred to Grantee; or

(4) As provided under Section 4.3 or 4.4.

Section 6.2 – NOTICE OF DEFAULT AND OPPORTUNITY TO CURE.

CHFFA shall provide written notice to Grantee of any Event of Default by specifying: (1) the nature of the event or deficiency that gave rise to the Event of Default; (2) the action required to cure the Event of Default, if an action to cure is possible; and (3) a date, which shall not be less than thirty (30) calendar days from the mailing of the notice, by which such action to cure must be taken, if an action to cure is possible, provided, however, so long as Grantee has commenced to cure within such time, then CHFFA may allow the Grantee a reasonable period thereafter within which to fully cure the Event of Default.

Section 6.3 – **REMEDIES.** If an Event of Default has occurred and is continuing, CHFFA shall have the right to pursue remedies in accordance with Section 7127 of the Regulations and to take any other actions in law or in equity to enforce performance and observance of any obligation, agreement or covenant of Grantee under this Agreement. CHFFA shall also have the right to take and hold title to the real property as provided in Section 4.3 or 4.4.

ARTICLE VII – MISCELLANEOUS

Section 7.1 – **ENTIRE AGREEMENT.** This Agreement, together with all agreements and documents incorporated by reference herein, constitutes the entire agreement of the parties and may be amended, changed or modified in a writing signed by Grantee and CHFFA.

Section 7.2 – **NOTICES.** Unless otherwise agreed upon in writing by CHFFA and Grantee, all notices, consents or other communications required or permitted hereunder shall be deemed sufficiently given or served if given in writing, mailed by first-class mail, postage prepaid and addressed as follows:

(i) If to Grantee:

County of Sonoma, Behavioral Health Division
Behavioral Health Administrative Annex

3322 Chanate Road

Santa Rosa, CA 95404

Attention: Behavioral Health Director and/or Fiscal Manager

- (ii) If to the Authority:
California Health Facilities
Financing Authority
915 Capitol Mall, Suite 590
Sacramento, California 95814
Attention: Executive Director

Section 7.3 – COUNTERPARTS. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute one instrument.

Section 7.4 – GOVERNING LAW AND VENUE. This Agreement shall be construed in accordance with and governed by the laws of the State of California. This Agreement shall be enforceable in the State of California and any action arising hereunder shall (unless waived in writing by the Authority) be filed and maintained in the County of Sacramento.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the date first hereinabove written. Grantee certifies that the Authorized Officer below is authorized to execute and deliver this Agreement, and the Authorized Officer or his or her designee is authorized to carry out and consummate all transactions contemplated hereby.

GRANTEE:
COUNTY OF SONOMA

By: _____ [Authorized Officer]
Print Name/Title: Barbie Robinson, Director, Department of Health Services
Date: _____

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY:

By: _____
Executive Director
Date: _____

Exhibit A

GRANT AWARD LETTER



CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY

915 Capitol Mall, Suite 590
Sacramento, CA 95814
p (916) 653-2799
f (916) 654-5362
chffa@treasurer.ca.gov
www.treasurer.ca.gov/chffa

MEMBERS

JOHN CHIANG, CHAIRMAN
State Treasurer

BETTY T. YEE
State Controller

MICHAEL COHEN
Director of Finance

JUDITH N. FRANK

JAY HANSEN

ANN MADDEN RICE

OSCAR SABLAN, M.D.

JACK BUCKHORN

PEDRO REYES

EXECUTIVE DIRECTOR
Diane Stanton

December 18, 2015

Michael Kennedy, MFT
Behavioral Health Director
County of Sonoma
3322 Chanate Road
Santa Rosa, CA 95404

RE: Investment in Mental Health Wellness Grant Program
Final Allocation – Fourth Funding Round
County of Sonoma
Total Approved Grant Award: \$870,343.00

Dear Mr. Kennedy:

I am pleased to inform you that the California Health Facilities Financing Authority (“the Authority”) approved a final allocation to the County of Sonoma under the Investment in Mental Health Wellness Grant Program (the “Program”) at its December 3, 2015 meeting. The final allocation is set forth in the attachment to this letter.

Please be advised that funding of this grant is conditioned upon the County of Sonoma meeting certain requirements as specified in the Program regulations, including signing a grant agreement and providing requested documentation acceptable to the Authority prior to disbursement of funds. The Authority reserves the right to modify or cancel the commitment of grant funds upon failure to execute a grant agreement or other failure to comply with the Program regulations. The Authority may also modify or cancel the grant award if the Authority becomes aware of any matter which, if known at the time of Application review and approval, would have resulted in the rejection of the Application or the grant not being approved. The Authority is not liable in any manner whatsoever should such funding not be completed for any reason whatsoever. The grant is subject to availability of funds.

The grant period begins on December 3, 2015 and ends June 30, 2017 unless the grant period is extended by the Authority. The County must be determined “feasible, sustainable, and ready” as per the Program regulations (California Code of Regulations, Title 4, Section 7119 (a)(4)) within nine months after December 3, 2015, which is September 3, 2016. A disbursement request form with accompanying documents as per California Code of Regulations, Title 4, Section 7125 must be received by the Authority a month before your resolution expiration date or you must submit a reasonable justification for an extension to be considered by the Authority board. Eligible costs are described in the Program regulations (California Code of Regulations, Title 4, Section 7115) and are limited to the project as further detailed in the grant agreement and attachment to this letter.

ATTACHMENT

PROJECT DESCRIPTION

The proceeds of the grant will be used by the County of Sonoma as follows:

The County of Sonoma (the “County”) plans to develop a new 10-bed Crisis Residential Treatment (“CRT”) program to serve adults ages 18 and older who experience a mental health crisis. The County anticipates that the new CRT program will expand Sonoma County’s CRT capacity from 10 beds to 20 beds and serve approximately 180 clients per year. The CRT program should improve the continuum of care by reducing disposition time for visits to emergency rooms, psychiatric inpatient utilization rates, and law enforcement involvement on mental health crisis calls. The CRT program will provide 24/7 crisis intervention and stabilization services in a safe home-like environment. Progress Foundation, a private nonprofit corporation, is a co-applicant and is expected to acquire the property and provide the program services. Grant funds will be used for the purchase of real property, renovation costs, furnishings and equipment, information technology costs, and three months of program startup or expansion costs.

Summary of Amount:

Program	Approved Grant Amount
Crisis Residential Treatment	\$ 870,343.00

Exhibit B

RESOLUTION

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY

RESOLUTION NO. MH 2015-12

**A RESOLUTION OF THE CALIFORNIA HEALTH
FACILITIES FINANCING AUTHORITY APPROVING
EXECUTION AND DELIVERY OF GRANT FUNDING UNDER
THE INVESTMENT IN MENTAL HEALTH WELLNESS GRANT PROGRAM
TO THE COUNTY OF SONOMA**

WHEREAS, The California Health Facilities Financing Authority (the "Authority"), a public instrumentality of the State of California, is authorized by the Investment in Mental Health Wellness Act of 2013 (Welfare and Institutions Code Section 5848.5, the "Act") and implementing regulations (California Code of Regulations Title 4, Division 10, Chapter 5 (commencing with Section 7113)) to award grants for capital funding and personnel funding to finance eligible projects; and

WHEREAS, Authority staff reviewed the application submitted by County of Sonoma ("Grantee") against the eligibility requirements of the Act and implementing regulations and, pursuant to the Act and implementing regulations, recommends approval of a grant in an amount not to exceed \$870,343.00 for the eligible project (the "Project") for crisis residential treatment capital costs;

NOW THEREFORE BE IT RESOLVED by the California Health Facilities Financing Authority, as follows:

Section 1. The Authority hereby approves a grant in a total amount not to exceed \$870,343.00 to complete the Project as described in the Grantee's application and as more particularly described in Exhibit A to this Resolution (Exhibit A is hereby incorporated by reference) within a project period that ends on June 30, 2017.

Section 2. The Executive Director is hereby authorized, for and on behalf of the Authority to approve any minor, non-material changes in the Project described in the application submitted to the Authority and extend the project period completion date identified in Section 1 as authorized under the Act and implementing regulations. Nothing in this Resolution shall be construed to require the Authority to provide any additional funding, even if more grants are approved than there is available funding. Any notice to the Grantee shall indicate that the Authority shall not be liable to the Grantee in any manner whatsoever should such funding not be completed for any reason whatsoever.

Section 3. The Executive Director is hereby authorized and directed, for and on behalf of the Authority, to disburse funds not to exceed the amount approved by the Authority for the Grantee. The Executive Director is further authorized and directed, for and on behalf of the Authority, to execute and deliver to the Grantee any and all documents necessary to complete the disbursement of funds that are consistent with the Act and implementing regulations.

Section 4. The Executive Director of the Authority is hereby authorized and directed to do any and all things and to execute and deliver any and all documents which the Executive Director deems necessary or advisable in order to effectuate the purposes of this Resolution and the transactions contemplated hereby.

Section 5. This Resolution expires June 30, 2017.

Date Approved: December 3, 2015

EXHIBIT A

PROJECT DESCRIPTION

The proceeds of the grant will be used by the County of Sonoma as follows:

The County of Sonoma (the "County") plans to develop a new 10-bed Crisis Residential Treatment ("CRT") program to serve adults ages 18 and older who experience a mental health crisis. The County anticipates that the new CRT program will expand Sonoma County's CRT capacity from 10 beds to 20 beds and serve approximately 180 clients per year. The CRT program should improve the continuum of care by reducing disposition time for visits to emergency rooms, psychiatric inpatient utilization rates, and law enforcement involvement on mental health crisis calls. The CRT program will provide 24/7 crisis intervention and stabilization services in a safe home-like environment. Progress Foundation, a private nonprofit corporation, is a co-applicant and is expected to acquire the property and provide the program services. Grant funds will be used for the purchase of real property, renovation costs, furnishings and equipment, information technology costs, and three months of program startup or expansion costs.

Summary of Amount:

Program	Approved Grant Amount
Crisis Residential Treatment	\$ 870,343.00

Exhibit C

RESOLUTION OF GRANTEE'S GOVERNING BOARD

Exhibit D

PROJECT DESCRIPTION

The Project Description, as described in Exhibit A to the Authority's December 3, 2015 Resolution No. MH 2015-12 is as follows:

The proceeds of the grant will be used by the County of Sonoma as follows:

The County of Sonoma (the "County") plans to develop a new 10-bed Crisis Residential Treatment ("CRT") program to serve adults ages 18 and older who experience a mental health crisis. The County anticipates that the new CRT program will expand Sonoma County's CRT capacity from 10 beds to 20 beds and serve approximately 180 clients per year. The CRT program should improve the continuum of care by reducing disposition time for visits to emergency rooms, psychiatric inpatient utilization rates, and law enforcement involvement on mental health crisis calls. The CRT program will provide 24/7 crisis intervention and stabilization services in a safe home-like environment. Progress Foundation, a private nonprofit corporation, is a co-applicant and is expected to acquire the property and provide the program services. Grant funds will be used for the purchase of real property, renovation costs, furnishings and equipment, information technology costs, and three months of program startup or expansion costs.

Summary of Amount:

Program	Approved Grant Amount
Crisis Residential Treatment	\$ 870,343.00

WHEN RECORDED RETURN TO:

COUNTY OF SONOMA

NO FEE DOCUMENT PER GOVERNMENT CODE 27383

APN: 014-652-019-000

Project Name: Progress Foundation - 1120 Gordon Lane, Santa Rosa, California

THIS SPACE FOR RECORDER'S USE ONLY

FACILITIES LEASE AGREEMENT

FACILITIES LEASE AGREEMENT

THIS FACILITIES LEASE AGREEMENT (hereinafter referred to as “Agreement” or “Lease”), dated and effective as of this _____ day of _____, 2017, by and between PROGRESS FOUNDATION, a California 501(c)(3) non-profit corporation (hereinafter referred to as “Lessor”), and the COUNTY OF SONOMA, a political subdivision of the State of California (hereinafter referred to as “Lessee” and together with Lessor, the “Parties”), is made and entered into by the Parties based on the following Background:

BACKGROUND

A. Ownership. Lessor is the owner of real property located at 1120 Gordon Lane, also known as Assessor's Parcel Number 014-652-019-000, which is more particularly described in Exhibit A attached hereto and incorporated herein, and situated in Santa Rosa, Sonoma County, California, hereafter referred to as the “Premises” or “Property.”

B. Services Agreement. On June 16, 2015, the County Board of Supervisors approved and executed a services agreement contract between Lessor and Lessee effective July 1, 2015 through June 30, 2017 for Lessor to provide Crisis Residential Treatment (as that term is defined and used in the Services Agreement, as hereafter defined) services for people experiencing an acute psychiatric episode or intense emotional distress. Said services agreement between Lessor and Lessee is entitled Agreement Number 2015-0116, and is administered by Lessee's Department of Health Services, and is incorporated herein by reference. Agreement Number 2015-0116 was modified by an instrument dated June 29, 2016, executed by and between Lessor and Lessee. Agreement Number 2015-0116, including the June 29, 2016 modification and any further amendments, extensions or renewals, are hereafter referred to collectively as “Services Agreement.”

C. Grant Agreement. Lessor and Lessee have each entered into an agreement with the California Health Facilities Financing Authority (“Authority”) pursuant to which the Authority will disburse grant funding to support the provision of Crisis Residential Treatment services. Lessor and Lessee’s agreements with the Authority are hereafter referred to collectively as “Grant Agreement.”

D. Lease. As the recipient of a grant from Authority, Lessor is required by Title 4 California Code of Regulations section 7125.1(a)(5) to enter into a lease agreement with Lessee for use of the Facility (as hereafter defined) for the purpose of providing crisis residential treatment or crisis stabilization services; therefore, Lessee desires to lease the Facility for such crisis residential and stabilization services at this 10-bed facility (hereinafter referred to as “Crisis Residential Crisis Program”), collectively referred to hereinafter as the “Facility”: an approximate 2,473 square foot residential structure on approximately 20,473 square feet of land, Lessor is willing to grant to Lessee a non-possessory lease of the Premises and Facility as a Crisis Residential Treatment Program on the following terms and conditions as contained herein.

AGREEMENT

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are acknowledged, and intending to be legally bound hereby, Lessor and Lessee agree as follows:

1. Permission. Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, a non-possessory lease of the Facility, as located at the Property, in accordance with the provisions of this Agreement.

2. Term. The term of this Lease is for the useful life of the Facility, which the parties have agreed is twenty (20) years (hereinafter referred to as the “Term” or “Useful Life”). The Term shall commence on May 1, 2017 and shall expire at 11:59 PM, local time, on April 30, 2037 (the “Expiration Date”).

3. Consideration. Consideration for this Lease is the agreement by the Parties to enter into the Services Agreement referred to above in Recital B of the Background and conditioned on the provision as set forth below in Paragraph 4, Early Termination.

4. Early Termination. Notwithstanding any other provisions contained in this Lease, if, during the term of this Lease, Lessee terminates without cause or fails to renew the Services Agreement for any reason other than an uncured default by Lessor or failure of Lessor to comply with the terms of the Services Agreement or this Lease, then this Lease shall automatically terminate and shall no longer be of any force or effect.

5. Conveyance Upon Lessor's Default. In the event Lessor fails to provide Crisis Residential Treatment services at the Facility as provided in the Grant Agreement during the term of this Lease for any reason or reasons other than the reason as expressed in Paragraph 4 above, Lessor shall grant fee title to the Premises and Facility via a warranty or grant deed to the Lessee. Lessor acknowledges that in the event Lessee does not act timely, as determined by the Authority, to take and hold title to the Property and Facility, the Authority may take any action necessary to take and hold title to the Property and Facility as provided in the California Code of Regulations Title 4 sections 7125.1 (a)(5) and 7127(d). This Paragraph 5 shall survive any early termination of this Agreement.

6. Sole Remedy of Lessee for Lessor's Default. In the event of any default under this Agreement by Lessor, Lessee's sole remedy against Lessor shall be the demand and receipt of the Property. In no event may Lessee demand from Lessor repayment of the grant funds received by Lessor under the terms of the Grant Agreement. However, nothing in this paragraph limits the Authority's potential remedies against Lessor and/or Lessee, as applicable, under contract or state law.

7. Sole Remedies of Lessor for Lessee's Default. In the event of any default under this Agreement by Lessee, including the failure of Lessee to extend or renew the Services Agreement as provided in Paragraph 4 above, Lessor's sole remedies are: (a) a suit for specific performance to remedy any specific breach of this Lease, or, (b) pursuant to Paragraph 4 above with respect to the non-renewal of the Services Agreement, the termination of this Lease. Lessor specifically acknowledges and agrees that Lessor's remedies for any default by Lessee does not and may not include cancellation of this Lease, retaking of the property, or the eviction of Lessee, EXCEPT for the reasons as provided in Paragraph 4 above.

8. Access and Use Rights. This Lease provides for a non-possessory interest in the Facility by Lessee as a Crisis Residential Treatment Program. Lessee's rights to the Facility shall be exercised in a manner that does not interfere with Lessor's use or occupation of the Premises and operation of the Facility as a Crisis Residential Treatment Program in accordance with the Services Agreement and Grant Agreement, or Lessor's other real or personal property not subject to this Lease, if any. Lessor's use of the Premises and operation of the Facility shall at all times be lawful and in compliance with all applicable governmental (i.e., State, local, federal) statutes, laws, ordinances, rules, requirements and regulations.

9. Damage to Facility. Lessor agrees that it shall utilize the Facility for the safe exercise of its intended use as a Crisis Residential Treatment Program, with the cost of operating the Crisis Residential Treatment Program to be borne solely by Lessor, in accordance with the provisions of this Agreement and the Services Agreement. Lessee shall have no cost or expenses related to the operation or use of the Facility, EXCEPT for Lessee's obligations to Lessor under the Services Agreement.

10. Facility Repairs and Improvements. Lessor shall bear all the cost and make any repairs, install any improvements, or make any alterations necessary for operation of the Crisis Residential Treatment Program. Any contractors or subcontractors selected to make or construct improvements to the Premises or the Facility as a Crisis Residential Treatment Program shall be selected by a competitive bid process and Lessor shall enter into a contract with any contractor or subcontractors based upon the lowest qualified bid(s) selected by Lessor and reasonably approved by Lessee. No contractor or subcontractor shall have any direct right or remedy against Lessee for payment of any sum or performance of any obligations with respect to facility repairs or improvements. Further, any improvements or maintenance performed on the Premises or the Facility as a Crisis Residential Treatment Program shall comply with the requirements California's Prevailing Wage Laws, as applicable, pursuant to California Labor Code §§ 1720.2 and 1770, et. seq.

11. Risk of Hazards. Lessor shall not use or allow the Facility or any part thereof to be used or occupied for any purpose other than as a Crisis Residential Treatment Program, nor for any unlawful purpose; and Lessor shall not allow any act to be done or condition to exist within the Facility or any part thereof, or any article to be brought thereon, which may be dangerous unless safeguarded as required by law, or which may make void or voidable any insurance then in force or required under this Agreement.

12. Lessor's Responsibilities. Lessor shall comply with the following service requirements:

- (a) Access. Lessor shall have keys and security alarm codes, if needed, for Facility access.
- (b) Metered and Hourly Services and Utilities. Lessor shall, at its own cost and expense, pay for the following services and utilities charged to the Facility as described below:
 - (1) Gas & Electricity. Lessor shall pay gas and electricity utility charges for heating, cooling, lighting, and operation of all office equipment, including computers, used in the Facility.
 - (2) Waste Removal. Lessor shall furnish regular and adequate garbage, waste and recyclable material removal services to the Facility.

- (3) Sewer/Septic System and Water. Lessor shall furnish sewer/septic system and water service to the Facility.
 - (4) Pest Control. Lessor shall provide all structural and non-structural pest control service for the Facility.
 - (5) Mechanical Systems Maintenance. Lessor shall inspect, service, maintain, and repair the HVAC systems of the Facility.
 - (6) Facility Maintenance. Lessor shall keep the Facility in good order, repair, and habitable condition at all times during the Term, including, but not limited to: the roof, ceiling, interior and exterior walls and doors, glazing, flooring, plumbing, water pipes, hot water heater, kitchen appliances, alarm systems, fire extinguishers, lighting (including, but not limited to, bulbs, tubes, fixtures, lens covers, ballasts, emergency lights, security lights and exterior lights), heating, ventilating and air conditioning units, and toiletry dispensers.
- (c) Operation of Facility as a Crisis Residential Treatment Program. Lessor shall operate a Crisis Residential Treatment Program at the Facility, at its sole cost and expense, on a continuous basis during the Term of this Agreement, unless earlier terminated as provided under Paragraphs 4 and 5 hereof.
- (d) Public Services. Lessor shall provide services to eligible clients at the Facility as part of the Crisis Residential Treatment Program operation as defined in the Services Agreement.
- (e) Office Equipment. Lessor shall, at Lessor's sole cost and expense, provide its own equipment necessary for the operation of a Crisis Residential Treatment Program at the Facility, including but not limited to: phones, computers, and printers.

13. Lessee's Responsibilities. Lessee shall have a non-possessory interest in the Facility for Authority grant funding purposes, with no responsibilities whatsoever to own, operate, manage, maintain or repair a Crisis Residential Treatment Program at the Facility, except as otherwise provided in the Grant Agreement.

14. Furniture. Lessor shall install and retain ownership of furniture, fixtures, and furnishings in the Facility.

15. Insurance.

- (a) Lessor agrees that it shall, during the full term of this Agreement and at its own expense, keep the Premises and Facility and any other structural improvements located on the Premises insured in sufficient amounts against loss or damage by fire and other casualty commonly covered by standard fire and all risk coverage insurance including flood coverage. Valuation shall be on a replacement cost basis. Lessor does hereby release and waive on behalf of itself and its insurer by subrogation or otherwise, all claims against Lessee on account of any fire or other casualty insured against whether or not such fire or other casualty shall have resulted in whole or in part from the negligence of Lessee.

(b) Lessor agrees that it shall, during the full term of this Agreement and at its own expense, keep its contents, non-structural improvements and personal property located in the Facility fully insured against loss or damage by fire or other casualty, commonly covered by standard fire and all risk coverage insurance including flood coverage. Valuation shall be on a replacement cost basis. Lessor does hereby release and waive on behalf of itself and its insurer by subrogation or otherwise, all claims against the Lessee on account of any fire or other casualty insured against whether or not such fire or other casualty shall have resulted in whole or in part from the negligence of the Lessee.

(c) Lessor shall maintain property damage and public liability insurance covering the Premises and Facility. Liability insurance coverage shall be not less than One Million Dollars (\$1,000,000) combined single limit per occurrence for injury or property damage.

(d) Lessor shall furnish a certificate substantiating the fact Lessor has taken out the insurance herein set forth for the period covered by this Agreement with an insurance carrier(s) with an A.M. Best financial rating of not less than A:VII and authorized to do business in the State of California. Lessor's insurance policy required by this Agreement shall maintain all insurance coverages and limits in place at all times and provide Lessee with evidence of each policy's renewal ten (10) business days in advance of its anniversary date.

(e) Lessor is required by this Agreement to immediately notify Lessee if Lessor receives a communication from its insurance carrier or agent that any required insurance is to be canceled, non-renewed, reduced in scope or limits or otherwise materially changed. Lessor shall provide evidence that such cancelled or non-renewed or otherwise materially changed insurance has been replaced or its cancellation notice withdrawn without any interruption in coverage, scope or limits. Failure to maintain required insurance in force shall be considered a material breach of this Agreement.

(f) The certificate of insurance shall be filed with Lessee, not less than ten (10) business days prior to the date of occupancy by Lessor.

(g) (Intentionally omitted)

(h) Lessor shall be solely responsible for payment of any deductible in Lessor's respective insurance or self-insurance programs, in the event of a claim.

(i) The insurance and/or self-insurance coverage limits to be maintained by Lessor hereunder shall not limit Lessor's liability under this Agreement.

16. Notification of Claim. If any claim for damages is filed with Lessor, or if any lawsuit is instituted against Lessor, that arise out of or are in any way connected with Lessor's performance under either this Agreement or the Services Agreement and that in any way, directly or indirectly, contingently or otherwise, affects or might reasonably affect Lessee, Lessor shall give prompt and timely notice thereof to Lessee. Notice shall not be considered prompt and timely if not given within thirty (30) calendar days following the date of receipt of a claim or ten (10) business days following the date of service of process of a lawsuit.

17. Negation of Partnership. Nothing in this Agreement shall be deemed or construed as creating a relationship of principal and agent, partnership or joint venture between the parties, it being understood that nothing contained in this Agreement, or any acts of the parties hereto,

shall be deemed to create any relationship other than that of a lessor and lessee, respectively, of a facility.

18. Lessee's Right of Entry. In addition to Lessee's express or implied right of entry under any other provision of this Agreement, Lessor shall permit Lessee to enter the Premises and Facility at all reasonable times for the purposes of, but not limited to:

- (a) Inspecting the Facility to determine whether Lessor has complied, or is complying, with the provisions of this Agreement and the Services Agreement;
- (b) Exercising any matters pursuant to applicable law or governmental regulations; and
- (c) Carrying out any purpose necessary, incidental or connected with the performance of any Lessee obligation under this Agreement or the Services Agreement.

19. Indemnification. To the fullest extent allowed by law, Lessor shall indemnify, defend, and hold harmless Lessee, its governing Board, officers, directors, officials, employees and authorized volunteers and agents, (collectively "Indemnified Parties") from and against any and all claims, demands, actions, losses, liabilities, damages, and all expenses and costs incidental thereto (collectively "Claims"), including cost of defense, settlement, arbitration, and reasonable attorneys' fees, resulting from injuries to or death of persons, including but not limited to employees of either Party hereto, and damage to or destruction of property or loss of use thereof including but not limited to the property of either Party hereto, arising out of, pertaining to or resulting from the acts or omissions of Lessor, its officers, directors, agents, employees, or contractors, or the acts or omissions of anyone else directly or indirectly acting on behalf of Lessor, or for which Lessor is legally liable under law regardless of whether caused in part by an Indemnified Party. Lessor shall not be liable for any Claims arising from the sole active negligence or sole willful misconduct of an Indemnified Party where such indemnification would be invalid under §2782 of the California Civil Code. This indemnity shall not be limited by the types and amounts of insurance or self-insurance maintained by Lessor or Lessor's contractors. Nothing in this Indemnity shall be construed to create any duty to, any standard of care with reference to, or any liability or obligation, contractual or otherwise, to any third party. The provisions of this indemnity shall survive the expiration or termination of this Agreement.

20. Amendments. This Agreement sets forth all of the promises, conditions and understandings between Lessor and Lessee relating to the Facility. There are no promises, conditions and understandings, either oral or written, between Lessor and Lessee other than those set forth in this Agreement. No subsequent modification or agreement with respect to the terms and provisions of this Agreement shall be effective, unless such subsequent modification or agreement is in writing executed by both Lessor and Lessee. No oral representation, whenever made, by any official or employee of Lessee shall be effective to modify the provisions of this Agreement. This Agreement shall be binding upon the parties hereto, including their respective successors and assigns.

21. Written Communication and Notice. All notices from either party to the other under this Agreement shall be in writing and sent by nationally recognized overnight delivery service or by United States certified or registered mail, postage prepaid with receipt obtained, addressed to the other party at the address provided below, or such other address as the party to receive the notification may subsequently designate by written notice to the other:

To Lessee at:
County of Sonoma
Department of Health Services
Behavioral Health Services Division
(Address)
Phone:

To Lessor at:
Progress Foundation
368 Fell Street
San Francisco, CA 94102
Phone: (415) 861-0828
Attn: Executive Director

22. Invalid and Unenforceable Provisions. If any provision of this Agreement or the application thereof to any party or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, and the application of such provision to parties or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each remaining provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

23. Warrant of Signature Authority. Lessor and Lessee each warrants that the officer's signature appearing on this Lease for and on behalf of Lessor and Lessee, respectively, has the legal and requisite signatory authority for the conveyance of Lessor's real property interest in the Facility and acceptance thereof by Lessee (each a "Signature Authority"). Further, the Parties acknowledge and agree that Lessor and Lessee, which is a public entity, are each relying on said warrant of Signature Authority.

24. Construction. Headings at the beginning of each paragraph and subparagraph are solely for the convenience of the Parties and are not a part of this Agreement. Whenever required by the context of this Agreement, the singular shall include the plural and the masculine shall include the feminine and vice-versa. It is agreed and acknowledged by the Parties hereto that the terms and provisions of this Agreement have been arrived at through negotiation, and that each of the Parties has had a full and fair opportunity to revise the provisions of this Agreement and to have such provisions reviewed by legal counsel. Therefore, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement. All exhibits referred to in this Agreement and attached hereto are hereby incorporated herein by this reference.

25. Statement Regarding a Certified Access Specialist. Pursuant to California Civil Code §1938, Lessor states that the Premises and Facility have not undergone an inspection by a Certified Access Specialist (CASp).

26. Existing or Subsequent Encumbrances. Lessor shall take all steps necessary to ensure that any existing or subsequent encumbrances on the Property (e.g., deed of trust), or sale of the Property, shall be subject to this Lease.

27. Services Agreement. Unless specifically stated otherwise within this Lease, nothing contained in this Lease shall abrogate either Party's rights or obligations under the terms and conditions of the Services Agreement.

28. Assignment/Subletting. The Lease may not be sold, assigned, delegated, transferred, or assumed, and the Property, Premises and Facility, or any part thereof, may not be mortgaged, encumbered or sublet, without the prior written consent of the of the other party.

IN WITNESS WHEREOF, each of the Parties have caused this Agreement to be executed by its duly authorized officer and to make same effective on and as of the date first above written.

LESSEE:

COUNTY OF SONOMA, a political subdivision of the State of California

By: _____ Date: _____
Barbie Robinson, Director
Department of Health Services

REVIEWED AND APPROVED BY COUNTY COUNSEL:

By: _____ Date: _____
Deputy County Counsel

APPROVED AS TO CONTENT:

By: _____ Date: _____
Department of Health Services,
Behavioral Health Division

LESSOR:

PROGRESS FOUNDATION, a California 501(c)(3) non-profit corporation

By: _____ Date: _____
Steve Fields, Executive Director

Exhibit A – Legal Description

For APN/Parcel ID: 014-652-019-000

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SANTA ROSA, COUNTY OF SONOMA, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:


BEING A PORTION OF LOT 6, AS NUMBERED AND DESIGNATED UPON THE MAP OF BRUSH AND POOL'S SUBDIVISION OF THE GORDON RANCH, FILED IN THE OFFICE OF THE COUNTY RECORDER ON FEBRUARY 21, 1913, IN BOOK 28 OF MAPS, PAGE 29, SONOMA COUNTY RECORDS, SAID PORTION BEING DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID LOT 6, SAID POINT BEING IN THE CENTER OF GORDON LANE; THENCE SOUTH 24° 15' EAST AND ALONG THE WESTERLY LINE OF SAID LOT 6, A DISTANCE OF 298.32 FEET TO THE SOUTHWESTERLY CORNER OF THE 1 ACRE TRACT CONVEYED TO HENRY P. PFISTER AND WIFE, BY DEED RECORDED MARCH 23, 1954, IN BOOK 1262 OF OFFICIAL RECORDS, PAGE 342, SONOMA COUNTY RECORDS, SAID POINT BEING THE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE HEREIN DESCRIBED; THENCE FROM SAID POINT OF BEGINNING, NORTH 70° 02' EAST AND ALONG THE SOUTHERLY LINE OF SAID 1 ACRE TRACT, 512.16 FEET TO THE EASTERLY LINE OF SAID LOT 6; THENCE SOUTH 24° 15' EAST AND ALONG THE EASTERLY LINE OF SAID LOT 6, A DISTANCE OF 128.04 FEET, MORE OR LESS, TO THE COMMON EASTERLY CORNER OF LOTS 6 AND 7 OF SAID SUBDIVISION; THENCE SOUTH 70° 02' WEST AND ALONG THE DIVISION LINE BETWEEN SAID LOTS 6 AND 7, A DISTANCE OF 512.16 FEET TO THE COMMON WESTERLY CORNER OF SAID LOTS; THENCE NORTH 24° 15' WEST AND ALONG THE WESTERLY LINE OF LOT 6, A DISTANCE OF 128.04 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

EXCEPTING THAT PORTION GRANTED BY JOSEPH C. VIOLETTI AND MARION VIOLETTI TO G.K. HARDT DEVELOPMENT CO., A CORPORATION, BY DEED DATED APRIL 24, 1972 AND RECORDED MAY 12, 1972, IN BOOK 2627 OF OFFICIAL RECORDS, PAGE 18, UNDER RECORDER'S SERIAL NO. M-69844, SONOMA COUNTY RECORDS.

ALSO EXCEPTING THAT PORTION GRANTED BY JOSEPH C. VIOLETTI AND MARION VIOLETTI TO THE CITY OF SANTA ROSA, A MUNICIPAL CORPORATION, BY DEED DATED MAY 11, 1972 AND RECORDED MAY 23, 1972, IN BOOK 2630 OF OFFICIAL RECORDS, PAGE 185, UNDER RECORDER'S SERIAL NO. M-71799, SONOMA COUNTY RECORDS.

APN: 014-652-019-000



Behavioral Health Facilities Update




Facilities Designed to Improve the Client Experience & Enhance the Resources Available to Those In Need

Barbie Robinson, MPP, JD
Department Head, Department of Health Services

Caroline Judy
Director, General Services

Mike Kennedy, LMFT
Director, Behavioral Health Division

April 11, 2017



Agenda

- Background
- Guiding Principle
- Moving Towards a Behavioral Health Wellness Campus
- Phase I - Behavioral Health Urgent Care Center
- Phase II - Relocation of Substance Use Disorder Services Including Detox
- Crisis Residential Unit II and the Successful Expansion of Crisis Residential Capacity
- Board Action Requested
- Questions and Comments

Background



County's Long Term Facilities Plan



Senate Bill 82 – Investment in Mental Health Wellness Grant



Expansion of the Crisis Stabilization Unit

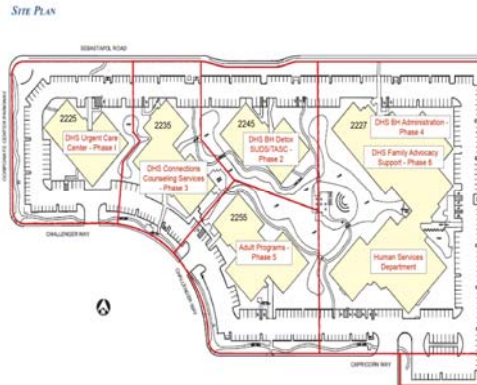
Guiding Principle: Place Based Services

- Targeting high density areas of beneficiaries
- Consolidation of services and co-locating
- Innovative approaches
- Partnering with consumers, families, and community



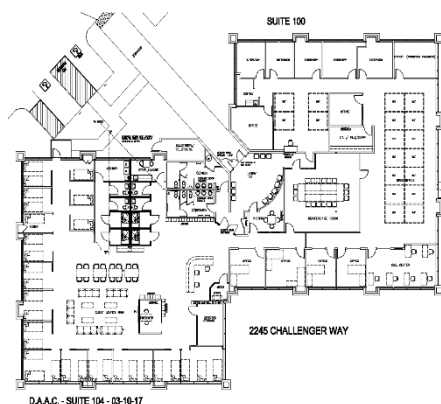
Moving Towards a Behavioral Health Wellness Campus

- Phased in move timeline
- **Place Based**
- Phase 1 = Urgent Care Center
- Increased access
- Single door
- Improves client experience
- Increases care coordination



Behavioral Health Facilities Update – 4/11/2017

2245 Challenger Way “Phase II” of Relocation

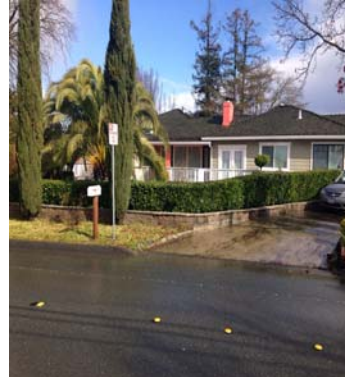


- Will house County’s Substance Use Disorder Services
 - 13,270 square feet
 - Fair Market Rent of \$21,100 per month
 - Term of 15 years with two five year options to extend
- Crisis Stabilization Unit and Detox services on same campus
- Promotes integrated services
- Ready for Drug Medi-Cal expansion
- Driving Under the Influence program will move to the Orenda Center

Behavioral Health Facilities Update – 4/11/2017

Crisis Residential Unit II and the Successful Expansion of Capacity

- Funded through Senate Bill 82 - California Health Facilities Financing Authority Grant
- Harstad House opened on 11/28/2016
- Doubles capacity from 10 to 20 beds
- Part of crisis services continuum of care
- Acts in tandem with Crisis Stabilization Unit
- Alternative to inpatient psychiatric hospital
- Hospitalization census decreased by 9%



Behavioral Health Facilities Update – 4/11/2017

Board Action Requested

1. Authorize the Board Clerk to publish a notice, declaring the Board's Intention to execute a lease at 2245 Challenger Way, Santa Rosa with SR Office Properties;
2. Adopt a resolution accepting an Investment In Mental Health Wellness Grant of \$870,343 from the California Health Facilities Financing Authority for crisis residential treatment program expansion;
3. Authorize the Department of Health Services Director to execute the grant agreement and lease agreement with Progress Foundation for the property located at 1120 Gordon Lane in Santa Rosa; and
4. Adopt a resolution adjusting the fiscal year 2016-2017 final budget by increasing revenues in the Department of Health Services by \$870,343 to reflect the receipt of a grant from the California Health Facilities Financing Authority for crisis residential treatment program expansion.

Thank You

Questions & Comments?



Behavioral Health Facilities Update – 4/11/2017

Behavioral Health Facilities Update

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Enhance the Resources Available to Those In Need

Barbie Robinson, MPP, JD
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April 11, 2017

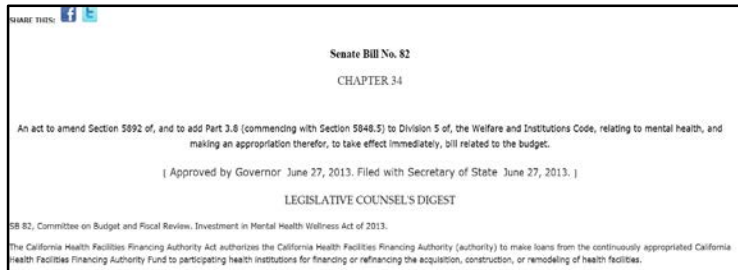
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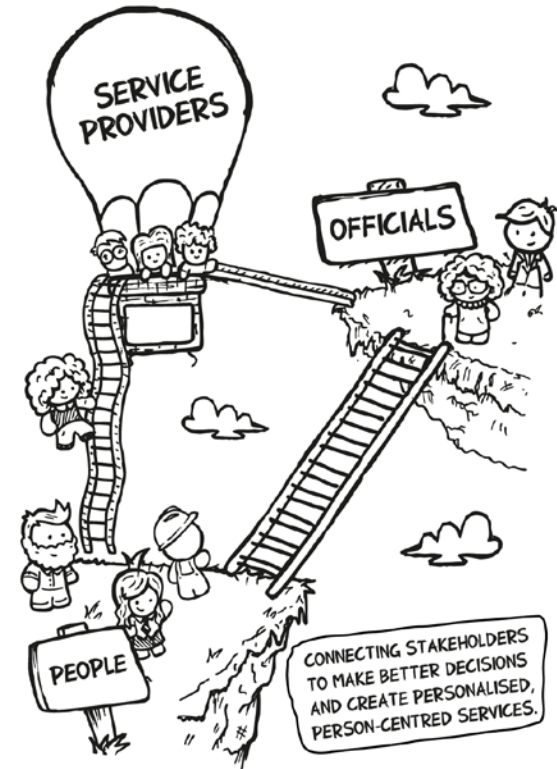
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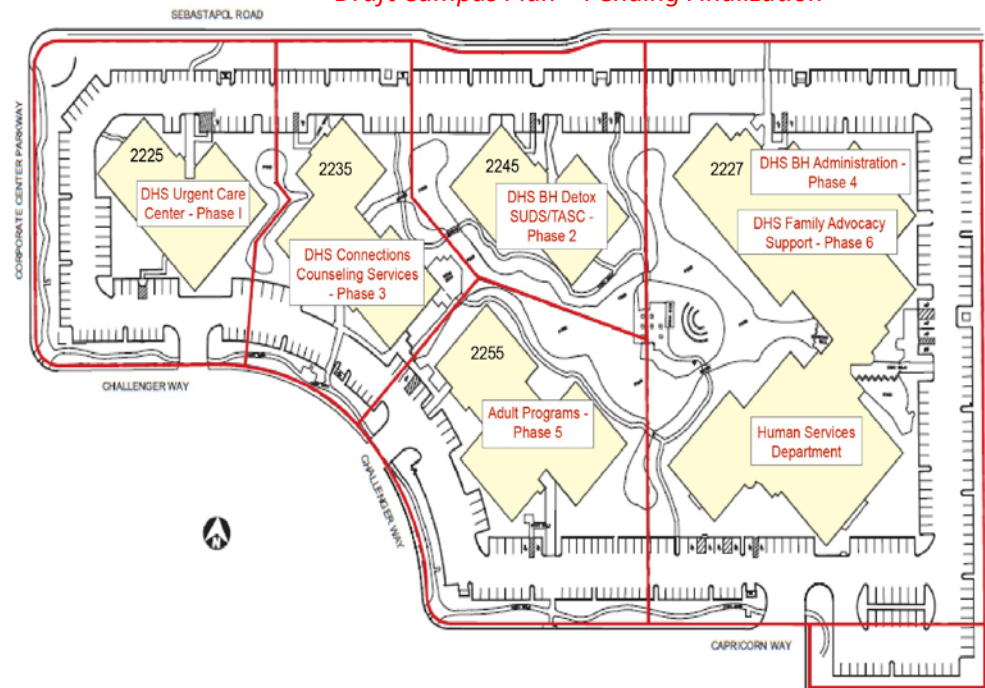


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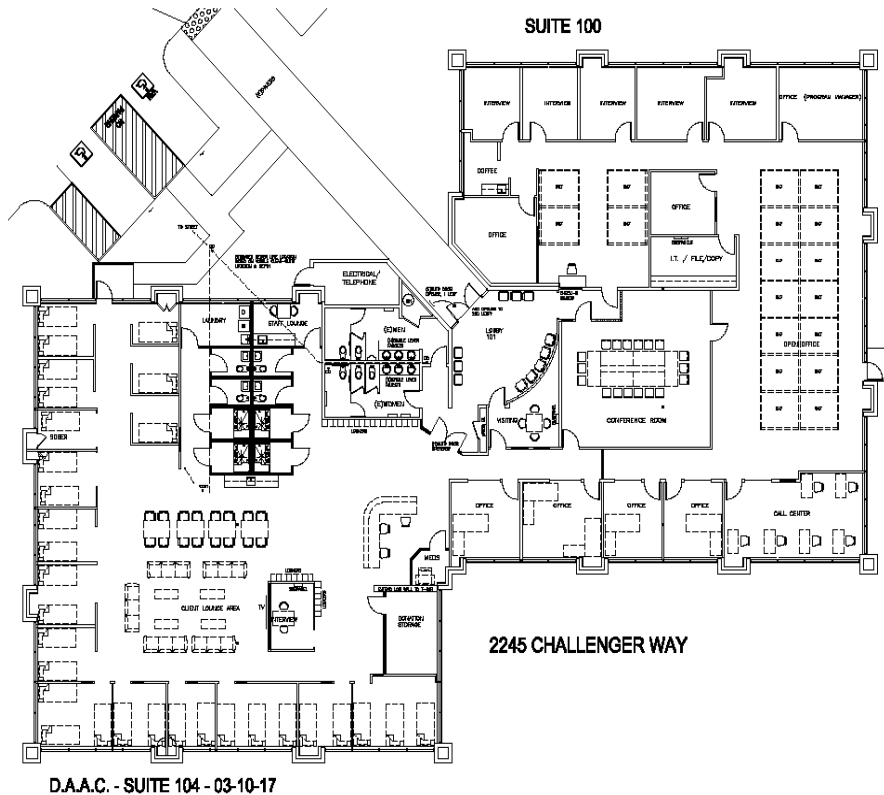
SITE PLAN

Draft Campus Plan – Pending Finalization



2245 Challenger Way

“Phase II” of Relocation



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Thank You

Questions & Comments?





County of Sonoma Agenda Item Summary Report

Clerk of the Board
575 Administration Drive
Santa Rosa, CA 95403

Agenda Item Number: 32
(This Section for use by Clerk of the Board Only.)

To: Board of Supervisors, County of Sonoma

Board Agenda Date: April 11, 2017

Vote Requirement: Majority

Department or Agency Name(s): Fire and Emergency Services

Staff Name and Phone Number:

James Williams / 565-1152

Supervisorial District(s):

Fifth District

Title: Public Road Name Hearing – Thiessen Lane

Recommended Actions:

Conduct a public hearing and adopt a resolution approving one (1) public road name in the new Green Valley Village Subdivision, Graton, California (PLP15-0055): Thiessen Lane

Executive Summary:

This item is requesting adoption of a resolution approving the public road name of “Thiessen Lane” for a new road in the Green Valley Village Subdivision in the unincorporated Sonoma County Graton Community.

Discussion:

On June 20, 1997, the Sonoma County Board of Supervisors (Board) adopted Resolution No. 97-0827 (Resolution), outlining road naming and addressing procedures, and standards for applications made by private parties on roads in the unincorporated area of Sonoma County (County).

These procedures and standards require any applicant for a development permit to file an application of such intent with the Permit and Resource Management Department (PRMD). Owners of the property fronting on and/or being addressed may petition the County to name the roads pursuant to the ‘Standard for Road Names’ outlined in section XII of the Resolution. Notice of a public hearing was posted on March 27, 2017, at least 10 days prior to the hearing pursuant to Government Code section 6061. Naming of new public roads requires approval by the Board at the noticed public hearing. Fire and Emergency Services (FES) reviews the names to ensure that they meet the standards set forth in section XIII of the Resolution. Among other more general standards, these ensure that road names do not duplicate existing road names, are not geographically confusing, are compatible with existing road names, and help ensure that they will not create confusion for emergency responders.

The Sonoma County Board of Supervisors Conditions of Approval was filed May 17, 2016, for the following project description:

1. General Plan Amendment from the LC (Limited Commercial) designation to the UR 15 (Urban Residential 15 units an acre density) and Public and Quasi Public designations; and,
2. Zone Change from the LC (Limited Commercial) AH (Affordable Housing) District to the R3 B6 15 (Urban Residential 15 du/acre) and PF (Public Facility) Districts; and,
3. 12-Lot Major Subdivision; and,

4. Affordable Housing Alternative Equivalent; and,
5. Use Permit to create 10 single family residential lots with two affordable homes and 6 second dwelling units, a .5 acre community park parcel, and a .07 acre parcel containing an existing community water system. The property currently consists of three parcels totaling 1.38 acres.

Access to the subdivision will be from the required improved county owned unnamed alley. This access is required to be named for the purpose of identification. This includes the main access point for residences and emergency response.

On November 30, 2016, property owner, Orrin Thiessen, submitted the required road name application RNC-16-0015 to FES and PRMD for proposed road naming of Thiessen Lane in the Green Valley Village Subdivision (APN# 130-151-005, -006, and -007). This subdivision is located in the unincorporated Graton Community referenced as Green Valley Village Subdivision. The application was approved by the Sonoma County 911 Coordinator and the Local Fire Protection District, Graton Fire.

On January 25, 2017, PRMD approved application RNC-16-0015 requesting the naming of new road: Thiessen Lane.

Prior Board Actions:

12/02/2014: Adopted 2014 Sonoma County General Plan - Housing Element
 06/20/1997: Resolution #97-0827 adopting Road Naming Procedures and Standards for Private Parties

Strategic Plan Alignment Goal 1: Safe, Healthy, and Caring Community

Road names meeting standard road naming conventions permit the efficient delivery of emergency services as well as other common services.

Fiscal Summary

Expenditures	FY 16-17 Adopted	FY 17-18 Projected	FY 18-19 Projected
Budgeted Expenses			
Additional Appropriation Requested			
Total Expenditures	-0-		
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources	-0-		

Narrative Explanation of Fiscal Impacts:

None.

Staffing Impacts			
Position Title (Payroll Classification)	Monthly Salary Range (A – I Step)	Additions (Number)	Deletions (Number)
Narrative Explanation of Staffing Impacts (If Required):			
None.			
Attachments:			
Resolution (A1); PRMD Approval Notice (A2); Subdivision Map (A3)			
Related Items “On File” with the Clerk of the Board:			
Resolution #97-0827			

S:\BOS AGENDA\Dept Misc\Road Naming\04-11-2017 FES Road Naming Hearing Thiessen Ln\04-11-2017 FES Road Naming Hearing Thiessen Ln_Summ.docm



County of Sonoma
State of California

Date: April 11, 2017

Santa Rosa, CA 95403

Item Number: _____

Resolution Number: _____



4/5 Vote Required

Resolution Of The Board Of Supervisors Of The County Of Sonoma, State Of California, Authorizing The Naming Of One New Public Road. (Fifth District)

Whereas, the applicant Orrin Thiessen, filed an application with Sonoma County Fire and Emergency Services through the Permit Resource and Management Department, to assign new public road name for the Green Valley Village Subdivision (PLP15-0055), Graton, California; and

Whereas, Sonoma County Fire and Emergency Services has determined the proposed road naming complies with the standards adopted by this Board in Ordinance 6049, Resolution #97-0827; and

Whereas, this being a new subdivision and the property owner Orrin Thiessen has approved and requested the proposed road name; and

Whereas, notice has been given 10 days in advance, pursuant to Section VIII of the Sonoma County Road Naming and Addressing Procedures and Standards; and

Whereas, in accordance with the provisions of law, the Board of Supervisors held a public hearing on April 11, 2017, at which time all interested persons were given an opportunity to be heard.

Now, Therefore, Be It Resolved, that the Board of Supervisors hereby approves the naming of one new public road as Thiessen Lane, in the Green Valley Village Subdivision.

Supervisors:

Gorin:

Rabbitt:

Gore:

Hopkins:

Zane:

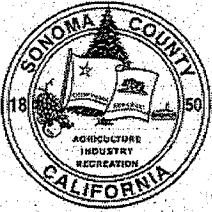
Ayes:

Noes:

Absent:

Abstain:

So Ordered.



COUNTY OF SONOMA PERMIT AND RESOURCE MANAGEMENT DEPARTMENT

2550 Ventura Avenue, Santa Rosa, CA 95403
(707) 565-1900 FAX (707) 565-1103

NOTICE

Sonoma County Code Chapter 13, Article 5, Division C, requires that private roads be named and that the Permit and Resource management Department (PRMD) shall identify a road name that complies with the requirements of Section XIII of the Road Naming and Addressing Procedures and standards for Applications made by Private Parties on Roads in the Unincorporated area of Sonoma County and formally approve the road name.

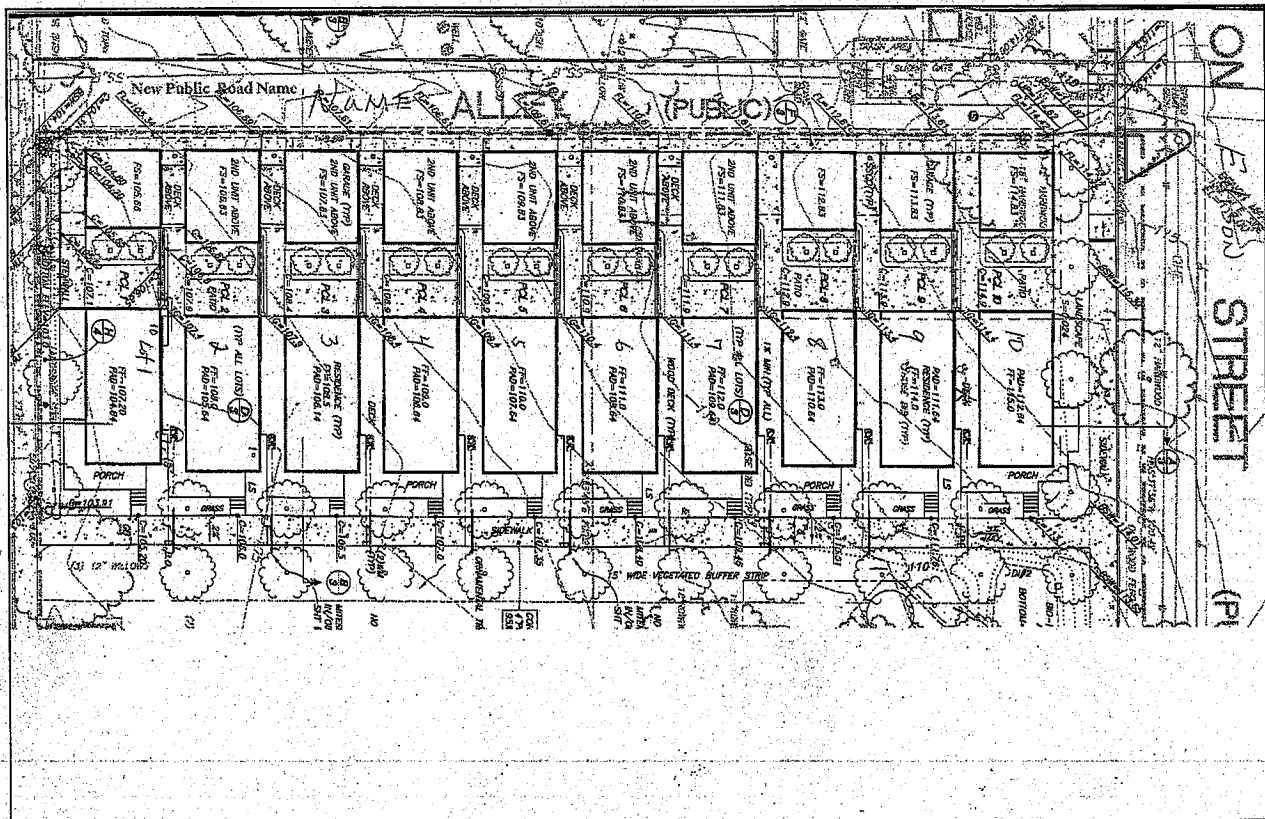
PRMD has received application **RNC- 16-0015** requesting to name new road(s) of: **Thiessen Lane** Such Road Name(s) was approved on 1/25/17.

The decision of PRMD on the road name shall become final and effective ten (10) days after the date of the road name approval unless an appeal is filed in writing with PRMD pursuant to Section 13-12 of the Sonoma county Code.

PRMD shall notify all affected property owners after the road name approval is final.

In accordance with Section XII of the Road Naming and Addressing Procedures and Standards, PRMD will assign new street addresses for a newly named road.

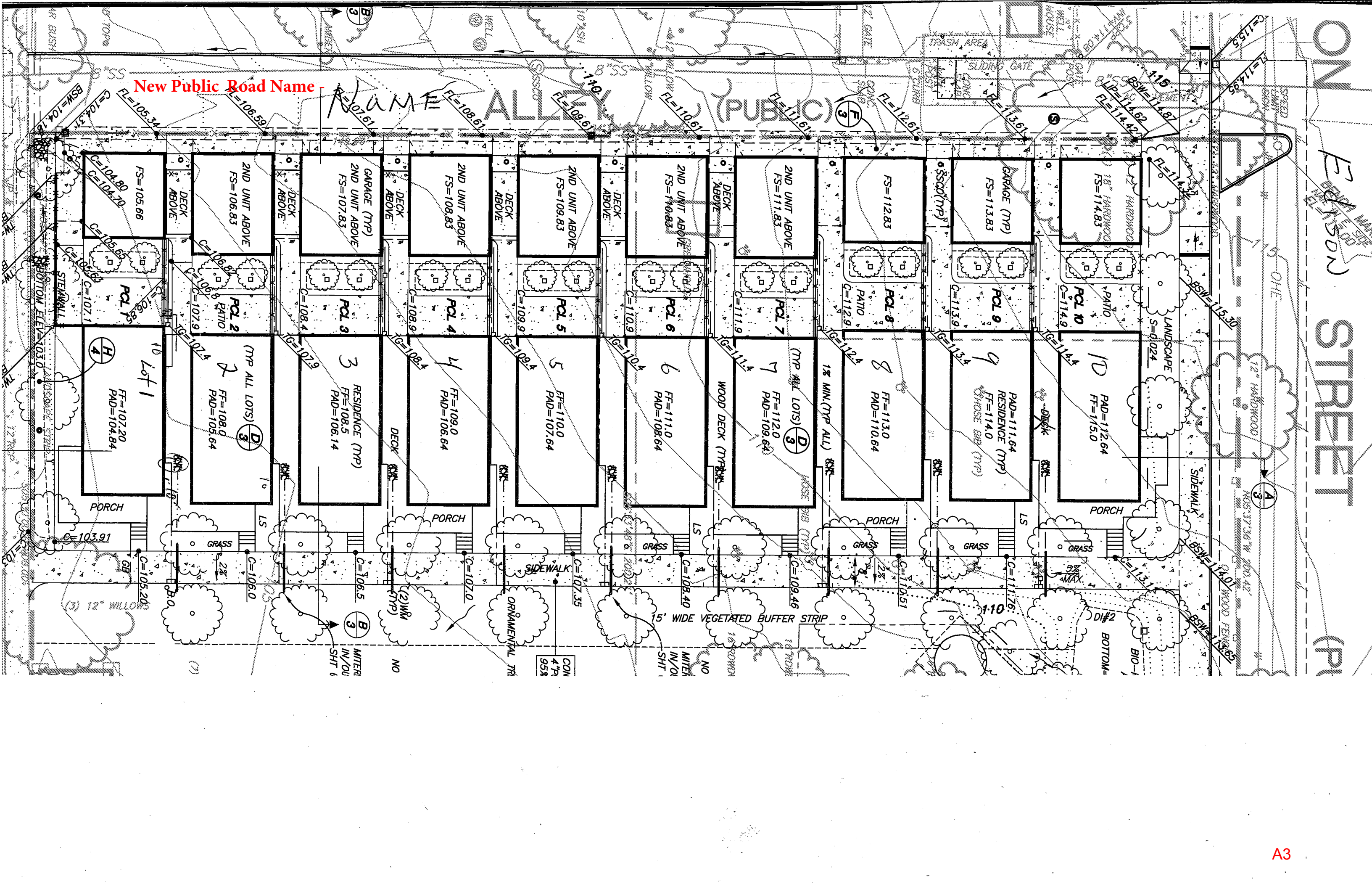
Persons wishing to obtain more information about this application should contact Steve Mosiurchak at the Permit and Resource Management Department, 2550 Ventura Ave., Santa Rosa, CA 95403 Phone: 565-1380.



ON
E (1500)
STREET
(P)

New Public Road Name

NAME ALLEY (PUBLIC)



Assistant Fire Chief/Fire Marshal
Sonoma County Department of
Fire & Emergency Services
2300 County Center Drive, Ste. 220B
Santa Rosa, CA 95403
(707) 565-1152

NOTICE OF PUBLIC HEARING FOR ROAD NAMING

WHO: Orrin Thiessen has applied for one (1) Public Road Name for the Green Valley Village Subdivision (PLP15-0055) **File No. RNC16-0015.**

WHAT: The proposed road naming request is for one (1) public road: Thiessen Lane, Green Valley Village Subdivision (PLP15-0055) located off Edison Street, Graton, California, Fifth Supervisorial District.

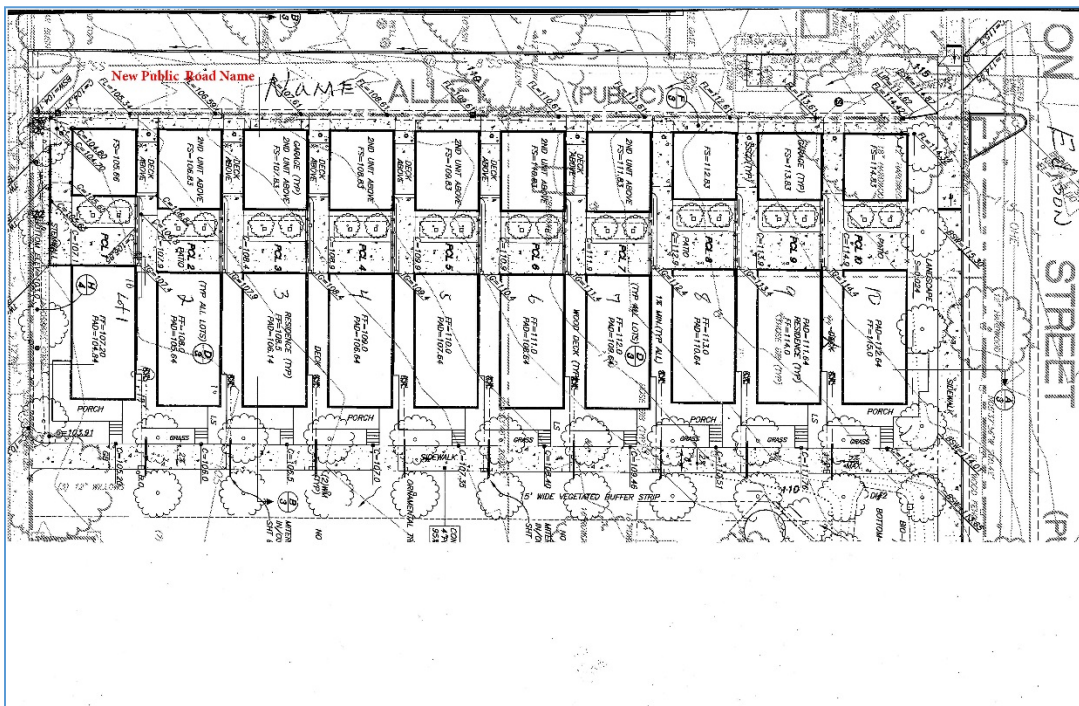
The **Sonoma County Board of Supervisors** will hold a public hearing to consider an action on the requested action in which all interested persons are invited to attend and provide comments.

**WHERE &
WHEN:**

The public hearing will be held on **Tuesday, April 11, 2017, at 2:10 p.m.** at the Board of Supervisors meeting room 102-A, Sonoma County Administration Building, 575 Administration Drive, Santa Rosa, California.

**ADDITIONAL
INFORMATION:**

Prior to the hearing, project details are available at the Permit and Resource Management Department at 2550 Ventura Avenue, Santa Rosa, CA 95403. Contact Steve Mosiurcak at (707) 565-1152.



HOW TO

GET INVOLVED: Written comments may also be submitted prior to, or at the hearing. **Please submit written materials 10 days prior to the hearing date** so that it can be distributed and considered by the decision-makers. Any written material submitted after this date will be distributed to the decision-makers prior to or at the hearing.

If you challenge the decision on the project in court you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Permit and Resource Management Department at or prior to the public hearing.

PUBLISH ONCE: Press Democrat; Public Resource and Management Department Lobby; Project Site

DATE: _____



County of Sonoma
Agenda Item
Summary Report

Clerk of the Board
575 Administration Drive
Santa Rosa, CA 95403

Agenda Item Number: 33
(This Section for use by Clerk of the Board Only.)

To: Board of Supervisors

Board Agenda Date: April 11, 2017

Vote Requirement: Majority & 4/5

Department or Agency Name(s): Board of Supervisors, County Administrator's Office, Permit and Resource Management Department, Department of Health Services, Department of Agriculture/Weights and Measures, Fire and Emergency Services, County Counsel's Office, Auditor-Controller-Treasurer-Tax Collector, Economic Development Department

Staff Name and Phone Number:

Rebecca Wachsberg 707-565-3782
Sita Kuteira 707-565-3771

Supervisorial District(s):

Title: Cannabis Ad Hoc Committee Charter and Program Implementation

Recommended Actions:

- A. Adopt the 2017 Cannabis Ad Hoc Committee Charter and approve Phase 2 of the County's Cannabis Program;
- B. Approve the Cannabis Advisory Group Selection and Work Plan;
- C. Adopt a Resolution amending the Fiscal Year 2016-17 position allocation lists for various departments to add 12 full time staff members, increasing appropriations for staffing and related costs, and allocating \$525,168 from unanticipated actual sales tax revenue to be reimbursed by revenues collected in Fiscal Year 2017-18 from the Cannabis Business Tax to implement and enforce the County's cannabis ordinances; (4/5 vote); and
- D. Adopt a Resolution establishing the Code Enforcement Temporary Penalty Relief Program to incentivize compliance and guide implementation of the Transition Period established in the Cannabis Land Use Ordinance.

Executive Summary:

In December 2016, the Board adopted a series of ordinances establishing a comprehensive local program for the medical cannabis industry. In order to guide the County through the next phase, the Chair created the 2017 Cannabis Ad Hoc Committee. This item recommends adoption of the Committee charter and approval of Phase 2 of the Cannabis Program, which will focus on ordinance implementation, data collection and analysis, inclusion and exclusion zones, programs to address industry impacts, community engagement, and convening of the Cannabis Advisory Group. Additionally, staff presents the initial steps to implement the ordinance in order to initiate permitting on July 1, 2017, and recommends the Board allocate additional staff and resources in order to launch the County's

Cannabis Program.

Discussion:

Background

Over the last several years, the State of California and the County of Sonoma have made significant strides toward establishing legal regimes to enable the cannabis industry to move into a regulated commercial market. In September 2015, the State passed the Medical Cannabis Regulation and Safety Act (MCRSA), which established a regulatory scheme for commercial medical cannabis businesses, which had been operating as collectives and cooperatives. Then in November 2016, California voters passed Proposition 64, the Adult Use of Marijuana Act, legalizing personal and commercial nonmedical cannabis. Both of these State laws maintain substantial local control, particularly in the areas of land use and revenue generation, enabling the County to develop a local cannabis program that is tailored to the unique characteristics of Sonoma County. In December 2016, the Board of Supervisors adopted a series of ordinances to establish a comprehensive local program to permit and regulate medical cannabis cultivators, nurseries, manufacturers, transporters, distributors, testing laboratories, and dispensaries.

Sonoma County’s ordinances regulating medical cannabis businesses include:

- 1) The Medical Cannabis Land Use Ordinance setting forth permit requirements and where and how each cannabis business type may operate;
- 2) The Medical Cannabis Health Ordinance establishing regulations and permitting for medical cannabis dispensaries and manufacturing to address product safety, labeling and advertising; and
- 3) The Cannabis Business Tax Ordinance imposing a tax on both medical and nonmedical commercial cannabis businesses operating in the unincorporated County.

2017 CANNABIS AD HOC COMMITTEE

Recognizing a continued need for prioritization and leadership in this area, the Chair formed the 2017 Cannabis Ad Hoc Committee on January 10, 2017, and appointed Supervisors Gorin and Hopkins to serve. The primary purpose of the Ad Hoc is to ensure the successful implementation of the County Cannabis Program that enables and incentivizes the industry to come into compliance while ensuring the interests of all residents and the environment are protected. To accomplish this, the Ad Hoc will provide policy direction and work with the community to accomplish the items outlined in Phase 2 below. (Attachment C: 2017 Ad Hoc Committee Charter).

Phase 2 Scope

The goal of Phase 1 was to work with the community to develop a comprehensive regulatory scheme for the local cannabis industry that was consistent with new State laws and the County’s mission. Having established a local regulatory scheme, Phase 2 will focus on implementation, community engagement, and evaluating and addressing impacts.

Ordinance Implementation

A primary focus of Phase 2 is to implement and enforce the Medical Cannabis Ordinances. To prepare for and begin permitting and collecting taxes, the departments will need to hire and train staff, develop specific rules and guidelines based on the ordinance, develop materials such as checklists and fact sheets, engage and educate the community, and build out multi-departmental online permitting, tax collection, and database systems. Ordinance implementation, staffing and resourcing is discussed in detail below.

Data Collection and Analysis

While the medical cannabis industry has existed for decades, there is very little hard and reliable data on its size, operations, and impacts. This work would focus on collecting data from participating industry operators as well as from community organizations such as schools, hospitals, and the tourism community. This will enable a better understanding of the industry and its impacts on the community, and where possible, an understanding of how local regulations are affecting both. Some of this work will be performed by the regulatory/permitting departments as well as the Economic Development Department. For health and human services impacts, additional resources will be needed to the extent this work exceeds the data collection and analysis performed under current programs.

Inclusion and Exclusion Zones

In December 2016, the Board gave direction to staff to develop inclusion and exclusion combining zones for future consideration. The Ad Hoc will work on the development of combining zones that would allow the Board to carve out specific areas or properties on which to include or exclude certain cannabis land uses separately from what is allowed pursuant to the base zoning district.

Programs to Address Industry Impacts

Departments will focus on working with the community to develop programs that address and prevent impacts of the cannabis industry, such as programs related to health and human services, schools, and environmental protection and clean up. This may also include programs that assist the industry directly such as job training and education on how to obtain a permit and run a business. The Health and Human Services Subcommittee of the Marijuana Technical Advisory Committee (MTAC) has already begun doing research and outreach to community stakeholders to begin scoping community need. With existing resources staff is able to assess current programs and any necessary adjustments, but will require additional resources to fully scope and design, as well as implement, new programs to address the impacts of the new cannabis industry, including outreach and education around cannabis risks, safe use and youth prevention. It is anticipated that a preliminary plan and resource estimate will come before the Board this fall.

Advisory Group and Community Engagement

The Ad Hoc and staff propose to convene an advisory group of stakeholders and subject matter experts to evaluate the implementation of the new cannabis ordinance, including data on trends and impacts, and provide feedback for the next phases of implementation. If approved by the Board, applications will be made publicly available in late-April. It is anticipated that the group will consist of 12-20 members and include representatives from varying operator categories (*i.e.* nursery, cultivator, distributor, etc.), other industries in Sonoma County, city government representatives, education, health care, non-industry residents, and other stakeholders. (Attachment D: Cannabis Advisory Group Plan and Scope). There will also be broader community engagement to receive more feedback and input as implementation progresses.

CANNABIS ORDINANCE IMPLEMENTATION

Once the new ordinances were adopted by the Board of Supervisors, and by the voters in the case of the Cannabis Business Tax, considerable work is needed to turn those ordinances into an operable program. That work is laid out below.

Information Gathering/Sharing

Staff has been and will continue to establish connections and resources to work collaboratively with the industry to gain a better understanding of standard practices and needs while sharing information about regulatory requirements and working together to fully develop a program that benefits the industry and community at large.

Staffing and Resources

Regulating the cannabis industry and accepting permit applications on July 1, 2017, present a new and sizable workload that cannot be absorbed within existing resource allocations. Based on projected permit volume and the time to process each permit, the departments have estimated staffing needs. A phased-in approach for adding new staff has been developed due to uncertainty in initial permit volume and anticipated workloads gradually increasing as cannabis businesses prepare permit applications, become permitted, and begin operating. Once staffing needs are assessed and approved by the Board, the departments will recruit and complete the hiring process, assess space issues and complete office reconfigurations, if necessary, and train new staff.

Fee Development

Each department involved in permitting, monitoring, or inspections must develop a fee to cover the cost of providing the service to the permit applicant or permit holder. This has included a review of existing fee schedules, time task analyses, and preparing fees for Board approval. Fees are estimated below and will be included in the fee packet that goes before the Board at the consolidated fee hearing.

Program Development

Prior to accepting applications in July, staff will create a medical cannabis program infrastructure from the ordinances in order to permit and tax each operator type. This work includes writing policies and procedures; creating application forms and checklists; designing data collection and evaluation plans; developing a flow chart of the permitting process; creating processes for plan check, design review, site reviews, and permit applications; developing inspection standards; and designing the permit renewal process. Staff will then develop and conduct internal and external trainings. Additionally, staff will identify metrics to measure program effectiveness and budget allocation.

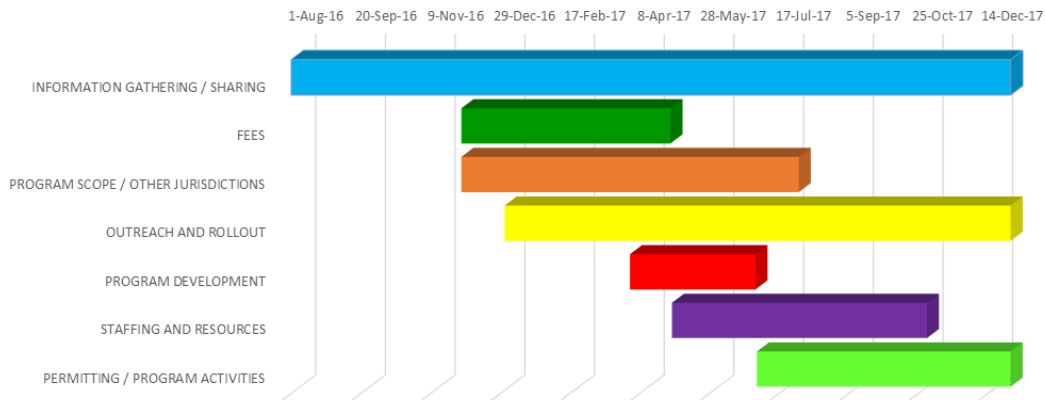
Database and System Development

The online permit system will need to be expanded to accommodate cannabis permitting. Additionally, because multiple agencies will be permitting, monitoring, inspecting, and collecting taxes from each operator, it is essential that the online system be developed to integrate permits and processes among departments. This will serve to minimize confusion for permit applicants, streamline workload for permit staff, and increase compliance with various program requirements.

Outreach and Education

Starting a new program with a previously largely unregulated industry will require substantial outreach and education to the industry. Staff will develop a process for education that provides information and support to business owners to increase compliance. This will include convening the Advisory Group, developing methods for widespread notification, creating outreach materials, and providing educational trainings starting in May focusing on the local regulations, application development, permitting process, inspections, coming into compliance and any additional State regulations.

PROJECT TIMELINE AND KEY TASKS



Estimated Permitting Volume and Fees

The permit estimates below are primarily based on a survey performed by the California Department Food and Agriculture to assess permit interest in Sonoma County. The results of that survey have been adjusted based on discussions with the industry and permitting volumes in other jurisdictions.

Operator	Permits/Inspections/Review Required	Est. Permit / Inspection Fee	No. of Applications
Cultivation			
Outdoor (1C, 1, 2)	Cannabis zoning permit (AWM) Ag inspection (AWM) Building/Well and Septic (Permit Sonoma)	\$1,500-\$2,100 \$600-\$1,200 Existing fee	50-150
Outdoor (1, 2, 3)	Cannabis use permit (Permit Sonoma) Building/Well and Septic (Permit Sonoma) Fire review & inspection (FES) Ag inspection (AWM) Legal review (CC)	\$11,500 (at cost) Existing fee \$200 \$600-\$900 Incl. in use permit	15-55
Indoor (1C)	Cannabis zoning permit (Permit Sonoma) Building/Well and Septic (Permit Sonoma) Fire review & inspection (FES) Ag inspection (AWM)	\$2,880 Existing fee \$200 \$600	15-35
Indoor (1A, 2A, 3A)	Cannabis use permit (Permit Sonoma) Building/Well and Septic (Permit Sonoma) Fire review & inspection (FES) Ag inspection (AWM) Legal review (CC)	\$7,200 (at cost) Existing fee \$200 \$600 Incl. in use permit	15-55
Mixed-light (1C)	Cannabis zoning permit (Permit Sonoma) Building/Well and Septic (Permit Sonoma) Fire review & inspection (FES) Ag inspection (AWM)	\$4,320 Existing fee \$200 \$600	5-20

Mixed-light (1C, 1B, 2B, 3)	Cannabis use permit (Permit Sonoma) Building/Well and Septic (Permit Sonoma) Fire review & inspection (FES) Ag inspection (AWM) Legal review (CC)	\$8,700 (at cost) Existing fee \$200 \$600 Incl. in use permit	40-135
Supply Chain Businesses			
Nursery (4)	Cannabis use permit (Permit Sonoma) Building/Well and Septic (Permit Sonoma) Fire review & inspection (FES) Ag inspection (AWM) Legal review (CC)	\$5,800 (at cost) Existing fee \$200 \$600-\$900 Incl. in use permit	10-30
Manufacturer (6)	Cannabis use permit (Permit Sonoma) Cannabis health permit (DHS) Health plan & site review (DHS) Building/Well and Septic (Permit Sonoma) Fire review & inspection (FES) Legal review (CC)	\$8,700 (at cost) \$3,640-\$4,732 \$728-\$1,820 Existing fee \$200 Incl. in use permit	10-30 (County) 20-50 (cities)
Testing Lab (8)	Cannabis use permit (Permit Sonoma) Building/Well and Septic (Permit Sonoma) Fire review & inspection (FES) Legal review (CC)	\$3,600 (at cost) Existing fee \$200 Incl. in use permit	3-10
Distributor (11)	Cannabis use permit (Permit Sonoma) Building/Well and Septic (Permit Sonoma) Fire review & inspection (FES) Legal review (CC)	\$8,700 (at cost) Existing fee \$200 Incl. in use permit	5-15
Transporter (12)	Cannabis use permit (Permit Sonoma) Building/Well and Septic (Permit Sonoma) Fire review & inspection (FES) Legal review (CC)	\$3,600 (at cost) Existing fee \$200 Incl. in use permit	5-15
Dispensary (10, 10A)	Cannabis use permit (Permit Sonoma) Cannabis health permit (DHS) Health plan & site review (DHS) Building/Well and Septic (Permit Sonoma) Fire review & inspection (FES) Legal review (CC)	\$8,700 (at cost) \$2,621-\$3,058 \$546-\$1,456 Existing fee \$200 Incl. in use permit	6-9 (County) 10-30 (cities)
Total Permit Applications			180-560 (County) 40-80 (cities)

Staffing and Budgetary Requests

The following request focuses on staff needed to develop and initiate the permitting and tax ordinances, with additional resources for enforcement. Staffing is based on the anticipated number of initial permit applications, as well as capacity to develop the program and begin accepting applications and tax payments. Because the permit and tax volume is uncertain, the staffing proposal is preliminary and conservative. It is recommended that in addition to the permanent positions described below, funding for extra help also be allocated to each department to address workload above the staffed capacity.

Additionally, staff will track permit volume and potential backlogs, and expects to return in the fall with additional staffing requests once it is clear those positions can be supported by steady fee revenue. Note that these staffing and resource requests are on the lowest end of what was estimated in the December 6 Board report. If a start date is not specified in the bullets below the position would be effective upon approval. While Fire and Emergency Services (FES) will also experience additional workload, the department will cover any permit demand that cannot be absorbed within the existing staff levels with extra help until it can determine that permit levels require additional permanent staff.

Permit and Resource Management Department (Permit Sonoma)

- 2.0 FTE Planner III (Project Review) – The Project Review Planners will be responsible for establishing permitting procedures and requirements, building databases, checklists and forms, public outreach and education, and processing permit applications. One Planner III will begin immediately and one will begin in the new fiscal year.
- 1.0 FTE Accounting Technician – The Accounting Technician will be responsible for handling the increased amount of billing services that will result from the cannabis program related to the high number of use permits. This position would start in July 2017.
- 1.0 FTE Code Enforcement Inspector – The Code Enforcement Inspector will be dedicated to cannabis-related code violations including conducting investigations, determining violations, gaining compliance, conducting abatement hearings, and helping to establish permitting requirements.
- 1.0 FTE Secretary (Code Enforcement) – The Secretary will support and strengthen the Code Enforcement Section by maintaining records, producing legal notices, reports and graphs, coordinating hearings, and supporting the Code Enforcement Manager.

Department of Agriculture / Weights and Measures (AWM)

- 2.0 FTE Agricultural Biologist / Standards Specialist – The Agricultural Biologists will be responsible for establishing permitting procedures and standards, public outreach and education, processing permit applications, inspections and monitoring, applying Best Management Practices, and responding to complaints.
- 1.0 FTE Senior Office Assistant – The Senior Office Assistant will support the cannabis program by completing financial transactions, developing website content and outreach materials, interacting with the public and responding to field calls, and assisting with the development of program forms.

Department of Health Services (DHS)

- 1.0 FTE Senior Environmental Health Specialist – The Senior Environmental Health Specialist will develop and administer the new cannabis health permit program including developing forms, procedures and trainings, conducting plan and site review activities, conducting enforcement and non-compliance inspections, and performing industry training and educational courses.
- 1.0 FTE Program Planning and Evaluation Analyst (PPEA) – The Analyst will work in the Environmental Health and Safety Section to develop and implement mechanisms for reaching out to the industry about best management practices for safe food handling, increase compliance, receive information and input to adapt to a changing industry, and overall enhance education, collaboration and awareness around the cannabis program.

County Counsel's Office (CC)

- 1.0 FTE Deputy County Counsel – The Deputy County Counsel would counsel departments in the development of permitting procedures, requirements and materials, review use permit applications and environmental documents, support staff in public hearings, ensure compliance with federal, state and local regulations, and research and develop additional code provisions.

Auditor-Controller-Treasurer-Tax Collector (ACTTC)

- 1.0 FTE Supervising Accountant – The Supervising Accountant will manage the collection and enforcement of the Cannabis Business Tax, develop and review procedures and guidelines for collection and ordinance implementation, work with the multi-departmental team to create an integrated collection system, and supervise accounting personnel.
- 1.0 FTE Accountant – The Accountant will supervise accounting personnel, coordinate administration across departments and other taxing agencies, review and update procedures and guidelines, and assist with managing overall administration.

Economic Development Department (EDB)

- 1.0 Department Program Manager – The Department Program Manager will coordinate the day-to-day multi-departmental implementation efforts, be the primary point of contact in the County for cannabis-related inquiries and feedback, coordinate community outreach and engagement, collect and analyze data, track and recommend advocacy positions related to new legislation and regulations, provide business startup and support services, and serve as an ombudsman to assist businesses in navigating the permitting process.

Department	Permanent Positions	FY 16-17	FY 17-18		
		Total Expenditures	Total Expenditures	General Fund	Cost Recovery
Permit Sonoma	5.0 FTE**	\$137,000	\$753,000*	\$133,000	\$620,000
AWM	3.0 FTE	\$175,000	\$674,000*	\$298,000	\$376,000
DHS	2.0 FTE	\$52,000	\$319,000	\$194,000	\$125,000
CC	1.0 FTE	\$40,000	\$326,000*	\$163,000	\$163,000
ACTTC	2.0 FTE	\$84,000	\$451,000*	\$451,000	\$0
EDB	1.0 FTE	\$37,000	\$206,000	\$206,000	\$0
Totals	14.0 FTE	\$525,000	\$2,729,000	\$1,445,000	\$1,284,000

*Cost includes allotment for extra help. **2.0 FTE to start in FY 17-18.

Expenditures not paid for by cost recovery will be funded by revenue from the Cannabis Business Tax collected in FY 17-18 as shown below. Use of additional potential revenue will be discussed at a later date.

FY 16-17 Expenditures	\$525,000
FY 17-18 Expenditures	\$2,729,000
Total Expenditures	\$3,254,000
FY 17-18 Tax Revenue	\$1,970,000
FY 17-18 Cost Recovery	\$1,284,000
Total Revenues	\$3,254,000

Enforcement

The cannabis industry heavily impacts code enforcement, public safety, and justice services. With the Code Enforcement Manager added in March, the staffing recommended in this item would bring the total additions to Permit Sonoma's Code Enforcement Section to 3 full-time employees this fiscal year, a 33% increase over previous staffing levels. Still, code enforcement cases related to cannabis are rising and staff anticipates this trend to continue. The staffing here presents a conservative approach, given that a large portion of code enforcement costs will be funded by the cannabis business tax. Staff plans to return by the end of the calendar year with requests for additional code enforcement staff, which may include an additional supervisor, senior inspector, and other inspectors, dependent on resource availability. At that point, the Transition Period will be ending, enabling code enforcement to more readily identify violators, and operators will have registered with the Tax Collector's Office and begun making tax payments, supplying a revenue source for the code enforcement expenditure.

It is estimated that current cannabis-related costs in just the Sheriff's and District Attorney's Offices total upwards of \$1.9 million annually. The Sheriff's Office is responsible for responding to and investigating all cannabis related crimes, including violent crimes such as assaults, home invasions, and homicides. Investigative work includes responding to complaints, writing and serving search warrants, identifying and eradicating illegal grow sites, researching growers medical claims, curtailing illegal cannabis trafficking, forensic analysis of cell phone and financial records, and court appearances. The District Attorney's Office frequently handles violent crimes related to cannabis, including a triple homicide last year, another murder case pending, and many home invasion robbery cases. In addition to violent crimes, there is a large workload related to more generic cases and day-to-day enforcement, as well as work on environmental crimes. Going forward this enforcement will be critical to not only protecting the community at large, but also those in the industry who are properly operating. Public safety costs will also be considered by the Ad Hoc, staff, and the Advisory Group in making recommendations for tax revenue expenditures.

Transition Period and Penalty Relief

A key goal of the County is to bring the cannabis industry out of the grey and into the regulated market, which is beneficial for operators and the community at large. Recognizing this goal, the Cannabis Land Use Ordinance established a Transition Period to allow existing cannabis cultivation collectives and cooperatives to come into compliance with new local regulations (So. Co. Ord. 6189, Section III). The Penalty Relief Program recommended in this item expands the County's ability to incentivize existing operators to come in for a permit by establishing the authority to waive certain penalties which would have otherwise automatically attached to a new permit application.

The Penalty Relief Program allows the enforcement agency to waive only those penalties associated with the cannabis land use. Penalties for failing to comply with other code requirements, such as obtaining a building or septic permit, will not be waived because those permits have been available to cannabis operators. The recommended Penalty Relief Program will be administered as follows:

- **Non-Permit-Eligible Locations:** Cannabis cultivation cooperatives or collectives that existed prior to January 1, 2016, that are not eligible for permitting due to zoning district, parcel size or some other reason, may continue until January 1, 2018, provided they do not increase the cultivation area, and follow the ordinance operating standards and Best Management Practices. If a complaint is received, as long as the operator is able to establish compliance with these requirements, no land use fines or penalties will be assessed.

- **Permit-Eligible Locations:** For all types of cannabis operations, other than dispensaries, in locations that are eligible for land use permits, land use fines and penalties will not be applied so long as the operator submits a complete application by July 31, 2017, and operates in compliance with the site development standards, operating standards, and Best Management Practices where applicable.

Note that operations that do not qualify for the transition period and are located on parcels that are not permit-eligible must cease immediately and will be subject to fines and penalties. Additionally, if at any time the County establishes that a cannabis operation poses environmental, health or safety risks, it will be subject to immediate enforcement and penalty relief will not apply.

CANNABIS BUSINESS TAX

In the March 2017 special election, Sonoma County voters passed the Cannabis Business Tax (Measure A) with 71% voter approval. As with the permitting ordinances, additional policy and program development is needed to begin implementing the ordinance.

Tax Policies and Guidelines

The tax ordinance sets a framework for taxation and maximum rates at which each operator may be taxed. Additionally, the ordinance sets out initial tax rates for cultivators and manufacturers at rates far below the maximum. The County recognizes that it is beneficial for all residents to set tax rates and policies that incentivize compliance and do not unduly burden the industry. In order to begin implementing the tax ordinance, several policies must be established and some may be reconsidered in order to maximize compliance and success. Staff held a town hall meeting and elicited feedback via a community survey on initial rates, different rate structures, procedures for evaluating and changing rates, and revenue expenditures, among other issues. In the next month, staff will release draft policies and procedures for public comment and bring a final proposal to the Board before permitting begins.

Additional Fiscal Impact Considerations

The County has spent considerable resources addressing the cannabis industry in the areas of regulatory development, code enforcement, health and human services, and public safety and justice services. Whereas a large portion of program implementation costs going forward can be covered by fees charged to the industry, costs to date have been covered fully by Sonoma County taxpayers and should be considered as tax rates and tax expenditures are assessed. The County estimates that it has expended approximately \$500,000 over the last year and half to develop the comprehensive County Cannabis Program involving staff time in the MTAC departments for research, community outreach, analysis, drafting, legal review, and the public hearing process. When assessing expenditures of cannabis business tax revenue, expenses could be considered for repayment.

Additional costs to the County will be incurred to address the impacts of the cannabis industry and will not be recoverable by fees, such as health education and environmental cleanup. For example, the Agricultural Preservation and Open Space District, in addition to collaborating on ordinance development, holds coordinated cleanups of illegal grows. This work typically benefits from considerable in-kind labor from organizations such as the Conservation Corps North Bay. It is estimated that the hazardous material assessment and cleanup of one illegal grow at the Cresta Ranch cost up to \$100,000. These costs will also be considered as part of a revenue expenditure plan once actual revenues are realized.

Prior Board Actions:			
December 20, 2016: Final adoption of Cannabis Land Use Ordinance. December 13, 2016: Final adoption of Cannabis Business Tax Ordinance and Cannabis Health Ordinance. December 6, 2016: Calling the March Special Election for the Cannabis Business Tax Ordinance.			
Strategic Plan Alignment Goal 1: Safe, Healthy, and Caring Community			
Implementing the County’s cannabis ordinances and approving work on Phase 2 of the Cannabis Program supports the County’s Strategic Plan goals by permitting, regulating, and taxing cannabis operations in a way that maintains the health and safety of our communities, protects our environmental resources, and promotes positive economic activity.			
Fiscal Summary			
Expenditures	FY 16-17 Adopted	FY 17-18 Projected	FY 18-19 Projected
Budgeted Expenses		\$2,729,238	\$2,729,238
Additional Appropriation Requested	\$525,169		
Total Expenditures	\$525,169	\$2,729,238	\$2,729,238
Funding Sources			
General Fund/WA GF	\$525,169	\$1,445,334	\$1,100,000
State/Federal			
Fees/Other		\$1,283,904	\$1,629,238
Use of Fund Balance			
Contingencies			
Total Sources	\$525,169	\$2,729,238	\$2,729,238
Narrative Explanation of Fiscal Impacts:			
<p>Costs for staffing and services and supplies for the remainder of FY 16-17 is \$525,169. These expenses will be financed from unanticipated local sales tax revenue in FY 16-17 and reimbursed by revenue generated from the Cannabis Business Tax in FY 17-18 in excess of FY 17-18 programmatic expenses. Cost recovery is not anticipated this fiscal year due to onboarding and the July 1 permitting start date. Total costs to begin implementing the County Cannabis Program in FY 17-18 are \$2,729,238, with \$1,445,334 coming from the General Fund and \$1,238,904 being recovered from funding sources including fees and penalties. In future fiscal years, cost recovery for many of the requested positions will increase as policies are established and a higher percentage of time can be dedicated to fee-based activities. In addition to these new staffing costs, costs related to existing staff, particularly management, will continue in order to achieve the objectives laid out in Phase 2.</p>			

Staffing Impacts			
Position Title (Payroll Classification)	Monthly Salary Range (A – I Step)	Additions (Number)	Deletions (Number)
Secretary	\$3,800 - \$4,618	1.0	0.0
Code Enforcement Inspector	\$5,814 - \$7,068	1.0	0.0
Accounting Technician	\$4,052 - \$4,926	1.0	0.0
Planner III (Project Review)	\$6,279 - \$7,634	2.0	0.0
Agricultural Biologist / Standards Specialist	\$4,863 - \$5,912	2.0	0.0
Senior Office Assistant	\$3,470 - \$4,219	1.0	0.0
Program Planning and Evaluation Analyst	\$5,514 - \$7,068	1.0	0.0
Senior Environmental Health Specialist	\$6,256 - \$7,604	1.0	0.0
Deputy County Counsel III	\$9,383 - \$11,404	1.0	0.0
Supervising Accountant	\$6,675 - \$8,115	1.0	0.0
Accountant	\$5,340 - \$6,491	1.0	0.0
Business Development Manager	\$8,159 - \$9,919	1.0	0.0
Narrative Explanation of Staffing Impacts (If Required):			
12.0 FTE are recommended for FY 16-17 and an additional 2.0 FTE starting in FY 17-18 (14.0 FTE total). The recommended positions are needed to develop, promote, initiate and enforce the permitting and tax ordinances. Staffing is conservatively based on the anticipated number of initial permit applications, as well as capacity to develop the program and begin accepting applications and tax payments.			
Attachments:			
Attachment A: Position Allocation Change and Budgetary Adjustment Resolution Attachment B: Code Enforcement Temporary Penalty Relief Program Resolution Attachment C: 2017 Cannabis Ad Hoc Committee Charter Attachment D: Cannabis Advisory Group Selection and Work Plan			
Related Items "On File" with the Clerk of the Board:			



County of Sonoma

State of California

Date: April 11, 2017

Item Number: _____

Resolution Number: _____



4/5 Vote Required

Resolution Of The Board Of Supervisors Of The County Of Sonoma, State Of California, Amending The Department Allocation Lists For Various Departments To Reflect The Addition Of Positions Effective April 11, 2017, And Increasing Appropriations For Staffing And Related Costs And Allocating \$525,168 From The County General Fund To Support Implementation Of the County Cannabis Program.

Whereas, on December 20, 2016, the Board of Supervisors adopted the Medical Cannabis Land Use Ordinance (Ordinance No. 6189) establishing regulations to allow commercial medical cannabis uses including cultivation, nurseries, laboratories, manufacturing, distribution, transportation, and dispensaries; and

Whereas, on December 13, 2016, the Board of Supervisors adopted the Cannabis Health Ordinance (Ordinance No. 6187), establishing health regulations and permits for medical cannabis dispensaries and edible cannabis product manufacturing sites; and

Whereas, on December 13, 2016, the Board of Supervisors adopted the Cannabis Business Tax Ordinance (Ordinance No. 6188) imposing a business tax on commercial cannabis business operating in the unincorporated County; and

Whereas, the people of the County of Sonoma voted to pass Measure A, the Cannabis Business Tax, on March 7, 2017; and

Whereas, implementation of the aforementioned ordinances, collectively referred to as the County Cannabis Program, is important to protecting the health and safety of the community and the environmental, and enabling the cannabis industry to contribute positively to the economy; and

Whereas, additional staffing and resources are required to successfully develop, promote, implement and enforce the County Cannabis Program; and

Now, Therefore, Be It Resolved that the Board of Supervisors of the County of Sonoma hereby authorizes revisions to the Department Allocation Lists of the Permit and Resource Management Department, Department of Agriculture/Weights and Measures, Auditor-Controller Treasurer-Tax Collector’s Office, Department of Health Services, Office of the County Counsel, Economic Development Department as follows:

Section/ Subsection ID	Job Class	Class Title	Existing Positions In Class	Change in Position Allocation	New Total Allocation For Class	Duration/ End Date	Salary Range
26010116	0023	Secretary	0.00	1.00	1.00	Ongoing	\$4,618
26010116	1192	Code Enforcement Inspector II	4.00	1.00	5.00	Ongoing	\$7,068
26010123	1203	Planner III	8.00	1.00	9.00	Ongoing	\$7,634
11010203	0419	Supervising Accountant	0.00	1.00	1.00	Ongoing	\$8,115
11010203	0416	Accountant	0.00	1.00	1.00	Ongoing	\$6,491
22020102	0880	Program Planning & Evaluation Analyst	0.00	1.00	1.00	Ongoing	\$7,068
22020102	2614	Senior Environmental Health Specialist	7.00	1.00	8.00	Ongoing	\$7,604
17010100	4033	Deputy County Counsel III		1.00		Ongoing	\$11,404
19010100	0850	Business Development Manager	1.00	1.00	2.00	Ongoing	\$9,919
10010100	1125	Agriculture Biologist/Stand ards Specialist III	10.70	2.00	12.70	Ongoing	\$5,912
10010100	0003	Senior Office Assistant	1.00	1.00	2.00	Ongoing	\$4,219

Be It Further Resolved, that the Board of Supervisors hereby authorizes and directs adjustments to the Fiscal Year 2016-17 Adopted Budget, for the attached increases listed in Exhibit A, and authorizes any related minor budgetary corrections that do not cumulatively increase spending authority per Departmental budget.

Supervisors:

Gorin: Rabbit: Gore: Hopkins: Zane:

Ayes: Noes: Absent: Abstain:

So Ordered

Exhibit A

Department(s)/ Agency/(ies):		FTE Impacts (+/-)	Gross Expenditure	Revenue and Reimbursement	Net Cost	Annualized Net Cost
Summary of Requested Adjustments for Board Consideration						
PERMIT AND RESOURCE MANAGEMENT DEPARTMENT - COUNTY GENERAL FUND						
Detail Row 1	Add staff to implement and enforcement the County Cannabis Program, including: 1.0 FTE Secretary to support the Code Enforcement Section, 1.0 Code Enforcement Inspector to address cannabis-related code violations, and 1.0 Planner III to develop the land use permit program and process permit applications.	3	136,808		136,808	394,437
Detail Row 2					-	
Detail Row 3					-	
Summary Row	Add staff to implement and enforcement the County Cannabis Program, including: 1.0 FTE Secretary to support the Code Enforcement Section, 1.0 Code Enforcement Inspector to address cannabis-related code violations, and 1.0 Planner III to develop the land use permit program and process permit applications.	3	136,808	-	136,808	394,437
DEPT AGRICULTURE / WEIGHTS & MEASURES - COUNTY GENERAL FUND						
Detail Row 1	Add staff to implement and enforcement the County Cannabis Program, including: 2.0 FTE Agricultural Biologists/Standards Specialiststo establish procedures and process permits, and 1.0 FTE Senior Office Assistant to support the cannabis program.	3	174,475		174,475	464,114
Detail Row 2					-	
Detail Row 3					-	
Summary Row	Add staff to implement and enforcement the County Cannabis Program, including: 2.0 FTE Agricultural Biologists/Standards Specialiststo establish procedures and process permits, and 1.0 FTE Senior Office Assistant to support the cannabis program.	3	174,475	-	174,475	464,114
COUNTY COUNSEL - COUNTY GENERAL FUND						
Detail Row 1	Add 1.0 FTE Deputy County Counsel III to assist departments in development of permitting programs and review use permit applications.	1	39,692		39,692	226,153
Detail Row 2					-	
Detail Row 3					-	
Summary Row	Add 1.0 FTE Deputy County Counsel III to assist departments in development of permitting programs and review use permit applications.	1	39,692	-	39,692	226,153
AUDITOR-CONTROLLER-TREASURER-TAX COLLECTOR - COUNTY GENERAL FUND						
Detail Row 1	Add 1.0 FTE Supervising Accountant and 1.0 Accountant to implement the Cannabis Business Tax Ordinance, including developing procedures and guidelines for implementation, managing collection and enforcement, and supervising accounting personnel.	2	84,475		84,475	320,846
Detail Row 2					-	
Detail Row 3					-	
Summary Row	Add 1.0 FTE Supervising Accountant and 1.0 Accountant to implement the Cannabis Business Tax Ordinance, including developing procedures and guidelines for implementation, managing collection and enforcement, and supervising accounting personnel.	2	84,475	-	84,475	320,846
ECONOMIC DEVELOPMENT BOARD - OTHER FUND						
Detail Row 1	Add 1.0 FTE Business Development Manager to serve as an ombudsman for the County Cannabis Program including coordinating cross departmental efforts, analyzing data and impacts, facilitating the permitting process.	1	37,333	37,333	-	206,000
Detail Row 2					-	
Detail Row 3					-	
Summary Row	Add 1.0 FTE Business Development Manager to serve as an ombudsman for the County Cannabis Program including coordinating cross departmental efforts, analyzing data and impacts, facilitating the permitting process.	1	37,333	37,333	-	206,000
DEPT HEALTH SERVICES - COUNTY GENERAL FUND						
Detail Row 1	Add staff to implement the County Cannabis Program, including: 1.0 FTE Senior Environmental Health Specialist to develop and administer the new health permit program, and 1.0 FTE Program Planning and Evaluation Analyst to develop and implement outreach and education.	2	52,386		52,386	269,310
Detail Row 2					-	

Narratives		FTE Impacts (+/-)	Gross Expenditure	Revenue and Reimbursement	Net Cost	Annualized Net Cost
Detail Row 3					-	
Summary Row	Add staff to implement the County Cannabis Program, including: 1.0 FTE Senior Environmental Health Specialist to develop and administer the new health permit program, and 1.0 FTE Program Planning and Evaluation Analyst to develop and implement outreach and education.	2	52,386	-	52,386	269,310

NON-DEPARTMENTAL - COUNTY GENERAL FUND

Detail Row 1	Increase sales tax revenue for FY 16-17 based upon recent forecasts from HDL.			525,169	(525,169)	-
Detail Row 2	Transfer General Fund monies to Economic Development Board		37,333		37,333	
Detail Row 3					-	
Summary Row	Increase sales tax revenue for FY 16-17 based upon recent forecasts from HDL.	-	37,333	525,169	(487,836)	269,310

Total Requested Adjustments	12	562,502	562,502	0	2,150,170
Subtotal of General Fund Changes	11	525,169	525,169	0	1,944,170
Subtotal of Other Fund Changes	1	37,333	37,333	0	206,000



County of Sonoma

State of California

Date: April 11, 2017

Item Number: _____

Resolution Number: _____



4/5 Vote Required

**Resolution Of The Board Of Supervisors Of The County Of Sonoma, State Of California,
Establishing A Temporary Code Enforcement Penalty Relief Program for Land Use Permits for
Cannabis Operations**

Whereas, in 1996, the voters of the State of California approved Proposition 215, “The Compassionate Use Act” (codified as Health and Safety Code Section 11362.5), which was intended to decriminalize cultivation and possession of medical marijuana by a seriously ill patient, or the patient’s primary caregiver, for the patient’s personal use, and to create a limited defense to the crimes of possessing or cultivating cannabis. The Compassionate Use Act further provided that nothing in it shall be construed to supersede legislation prohibiting persons from engaging in conduct that endangers others, or to condone the diversion of cannabis for non-medical purposes; and

Whereas, the State enacted SB 420 in 2004 (known as the “Medical Marijuana Program Act”, codified as Health and Safety Code Section 11362.7 et seq.) to expand and clarify the scope of The Compassionate Use Act of 1996 by creating the Medical Marijuana Identification Card program, creating reasonable regulations for cultivating, processing, transporting and administering medical cannabis, as well as limiting the amount of medical cannabis a qualified individual may possess; and

Whereas, the Sonoma County Board of Supervisors adopted Medical Marijuana Possession and Cultivation Guidelines on September 26, 2006 by Resolution 06-0846. The Guidelines provided a limited defense to prosecution or other sanction by the County of Sonoma which was only available to someone who possesses or cultivates marijuana for personal medical use. These Guidelines were not zoning code regulations, and did not allow or regulate any manner of cultivation, growing, or delivery of marijuana; and

Whereas, the State enacted the Medical Marijuana Regulation and Safety Act (MMRSA) on September 11, 2015 (SB 643, AB 266, and AB 243), instituting a comprehensive state-level licensure and regulatory scheme for cultivation,

manufacturing, distribution, transportation, laboratory testing, and dispensing of medical cannabis through numerous changes and additions to the Business & Professions Code and the Health and Safety Code. MMRSA legalizes and regulates for-profit commercial activity related to medical marijuana in California. MMRSA provides that cities and counties retain local regulatory authority over medical cannabis; and

Whereas, on June 27, 2016 the Governor signed SB 837, changing the term “marijuana” to “cannabis” and renaming the Medical Cannabis Regulation and Safety Act (Cannabis Act); and

Whereas, on December 20, 2016 the Board of Supervisors adopted the Medical Cannabis Land Use Ordinance #6189 establishing regulations to allow commercial medical cannabis uses including cultivation, nurseries, laboratories, manufacturing, distribution, transportation, and dispensaries; and

Whereas, collectives have been cultivating medical marijuana under Prop 215 and Resolution 06-0846 and will need to become permitted, or relocate to a different property where they can become permitted, under the Ordinance #6189; and

Whereas, the Medical Cannabis Land Use Ordinance included the following section as follows: *“Transition Period: This ordinance hereby supersedes Resolution 06-0846. Existing cannabis cultivation cooperatives or collectives that demonstrate to the review authority that they were in operation before January 1, 2016 shall have until January 1, 2018 to come into compliance with this ordinance, provided that there has been no increase in the size of the cultivation area and the operations are in compliance with the best management practices and the operating standards;”* and

Whereas, the Medical Land Use Ordinance provided that it is *“necessary and desirable to . . . provide a regulatory path to permit an existing underground industry”* and that the *“[O]rdinance is intended to be Phase I of this policy effort to provide an initial opportunity to legalize existing unpermitted medical cannabis operations, where appropriate and steer the industry to appropriate locations;”* and

Whereas, Chapter 1, Sections 1-7 and 1-7.1 of the Sonoma County Code set forth the amount of penalties that may be charged for violations of certain provisions of the Sonoma County Code, including unpermitted cannabis cultivation, pursuant to the County’s police power; and

Whereas, the Board of Supervisors is desirous of establishing a temporary penalty relief program as an incentive to bring unpermitted cannabis operations, operating under the Transition Period or in permit-eligible locations, into compliance for the purposes of addressing potential health and safety issues; and

Now, Therefore, Be It Resolved that the Board of Supervisors of the County of Sonoma hereby adopts a Code Enforcement Temporary Penalty Relief Program (“Program”). The criteria, terms, conditions, and limitation of the Program are as follows:

1. The Program shall expire automatically without further action by the Board on January 1, 2018 for existing operators described in 4a and July 31, 2017 for all other operators described in 4b below.
2. The Program shall apply to all use permits for cannabis operations, other than dispensaries.
3. The Program shall not include building, grading, well, septic, or other violations on the Property.
4. The Program shall only apply to the following:
 - a. **Existing Operators in Non-Permit Eligible Locations:** Cannabis cultivation cooperatives and collectives that existed prior to January 1, 2016, and that under the Medical Cannabis Land Use Ordinance are not eligible for permitting due to zoning district, parcel size or some other reason, will not be subject to fines and penalties for their land use, and may continue to operate until January 1, 2018, provided that they do not increase the cultivation area, and follow the Cannabis Land Use Ordinance operating standards and Best Management Practices adopted by the Agricultural Commissioner.
 - b. **Permit-Eligible Locations:** For all types of cannabis operations, other than dispensaries, in locations that are eligible for land use permits, fines and penalties will not be assessed on the land use permit, so long as the operators self-disclose and submit complete applications by July 31, 2017, operate in compliance with the site development and operating standards of the Cannabis Land Use Ordinance and Best Management Practices adopted by the Agricultural Commissioner, as applicable depending on the operator type.
5. The Program shall not apply if the review authority determines that the land use poses a serious risk to the environment, public health or safety.
6. Cannabis operations under the Program must still meet all applicable codes currently in effect, pay all other permit and development fees, and complete all required inspections prior to a waiver of penalties being granted.
7. If all the Penalty Relief Program terms and conditions listed below are met, the enforcing officer, or his or her designee, pursuant to Sonoma County Code

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Section 1-7.1(d), may waive any penalty/permit modifier for land use violations that would otherwise have been imposed pursuant to Section 1-7 or 1-7.1 of the Sonoma County Code.

Supervisors:

Gorin:

Rabbitt:

Gore:

Hopkins:

Zane:

Ayes:

Noes:

Absent:

Abstain:

So Ordered.

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Over the last several years, the State of California and the County of Sonoma have made significant progress toward establishing legal structures to enable the cannabis industry to move into a regulated commercial market. In September 2015, the State passed the Medical Cannabis Regulation and Safety Act (MCRSA), which established a regulatory scheme for commercial medical cannabis businesses, which were operating as collectives and cooperatives. Then in November 2016, California voters passed Proposition 64, the Adult Use of Marijuana Act, legalizing commercial nonmedical cannabis.

In December 2016, the Board of Supervisors adopted a series of ordinances to establish a comprehensive local program to permit and regulate medical cannabis cultivators, nurseries, manufacturers, transporters, distributors, testing laboratories, and dispensaries. Recognizing a continued need for prioritization and leadership in this area, the Chair formed the 2017 Cannabis Ad Hoc Committee on January 10, 2017. The primary purpose of the Ad Hoc is to ensure the successful implementation of the County Cannabis Program that enables and incentivizes the industry to come into compliance while ensuring the interests of all residents and the environment are protected.

Committee members

Susan Gorin, Board of Supervisors, First District

Lynda Hopkins, Board of Supervisors, Fifth District

County Department Resources

As the regulation of the commercial medical cannabis industry presents a broad range of tasks and impacts, last year the County convened a Marijuana Technical Advisory Committee (MTAC) to ensure all departmental perspectives were represented to develop the most appropriate and effective regulatory structure. The MTAC consists of representatives from the County Administrator's Office, County Counsel's Office, Permit and Resource Management Department, Department of Agriculture/Weights and Measures, Economic Development Board, Department of Health Services, Human Services Department, Auditor-Controller-Treasurer-Tax Collector's Office, Regional Parks Department, Agricultural Preservation and Open Space District, University of California Cooperative Extension, Water Agency, District Attorney's Office, Sheriff's Office, Probation Department, Fire and Emergency Services Department, Clerk Recorder Assessor's Office, and the Fair. The MTAC will continue to meet regularly to advise and coordinate program implementation, data collection and analysis, the development of programs to address industry impacts, community outreach, and any changes to the regulatory scheme.

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Outcomes

The desired outcome will be the successful implementation of the County's Medical Cannabis Program including the Land Use Ordinance, Cannabis Health Ordinance, and Cannabis Business Tax Ordinance (Measure A).

As part of this effort, desired outcomes will include:

- Conduct education and outreach to the community on regulatory efforts, processes, and goals.
- Permit and monitor medical cannabis cultivators, nurseries, manufacturers, transporters, distributors, testing laboratories, and dispensaries.
- Collect cannabis business tax revenue from businesses operating within the unincorporated County.
- Convene an Advisory Group to review impacts to the industry and the community and advise the County on ordinance implementation and policy amendments.
- Facilitate community meetings and outreach efforts to receive input and feedback from the public on any potential changes to the regulatory scheme.
- Review initial tax rates and establish policies for implementation and review of the Cannabis Business Tax.
- Explore opportunities to streamline the permitting process, increase collaboration between departments, and make obtaining a permit easier for applicants, including looking at opportunities for collocation of information and services, and joint workshops.
- Collect data and analyze the impacts of the regulatory scheme on the community, infrastructure, and services.
- Establish programs to address impacts of the cannabis industry, such as those related to health and human services, education, public safety, and environmental protection and clean up.
- Advocate at the State level to ensure that State legislative, regulatory, and budgetary actions pertaining to medical cannabis further the interests of Sonoma County, including actions related to local control, revenue generation, adequate funding for delegated enforcement or program implementation, public health and safety, and environmental cleanup and protection.
- Enhance code enforcement efforts related to noncompliant cannabis businesses.

Budget

Resources will be required to permit, monitor, engage, educate, and collect taxes from medical cannabis businesses. Additional resources are also required to work with the broader

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community, enforce the regulations, and develop and implement programs that address the impacts of the cannabis industry. Current staff resources within the MTAC departments will continue to be dedicated to this project in order to coordinate and manage new staff and programs.

The following is an estimate of new staff and budgetary resources needed to begin implementing permitting, taxing and enforcement under the Medical Cannabis Program. Costs will be shared between fees, General Fund, and fines and penalties. The staffing column represents permanent staff, while additional appropriations are added to the budget columns for related one-time costs and extra help:

Department	Staffing	FY 16-17	FY 17-18
PRMD	5.0 FTE**	\$137,000	\$753,000*
AWM	3.0 FTE	\$175,000	\$674,000*
Health	2.0 FTE	\$52,000	\$319,000
County Counsel	1.0 FTE	\$40,000	\$326,000*
ACTTC	2.0 FTE	\$84,000	\$451,000*
EDB	1.0 FTE	\$37,000	\$206,000
Totals	14.0 FTE	\$525,000	\$2,729,000

*Cost includes allotment for extra help. **2.0 FTE to start in FY 17-18.

It is anticipated that additional staffing will be needed during the next fiscal year depending on permitting volume and overall workload. Additionally, staff will be required to implement programs that address the impacts of the cannabis industry. The Ad Hoc will guide staff's development of those programs as well as analysis of impacts, and will return with a proposal for the full Board later in the year.

The Cannabis Business Tax passed by voters in March 2017 will be implemented along with the permitting program. Revenues from this tax are expected to offset startup costs and fully fund the proposed ongoing costs. Based on a survey by the California Department of Food and Agriculture on permit interest in Sonoma County and estimated compliance (35% for zoning permits and 10% for use permits), staff estimates that revenue in FY 2017-18 at the proposed starting rates will total approximately \$3.7 million annually. It is important to note that revenues are difficult to estimate due to the many unknowns about the industry and how it will transition, as well as the substantial effort required to bring the industry onboard and normalize paying taxes.

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Scope

Ordinance Implementation

To prepare for and begin permitting and collecting taxes, the departments will need to hire and train staff, develop specific rules and guidelines based on the ordinance, develop materials such as checklists and fact sheets, engage and educate the community, and build out multi-departmental online permitting, tax collection, and database systems.

Data Collection and Analysis

While the medical cannabis industry has been around for decades, there is very little hard and reliable data on the size, operations, and impacts of it. This work would focus on collecting data from participating industry operators as well as from community organizations such as schools, hospitals, and the tourism community. This will enable a better understanding of the industry and its impacts on the community, and where possible, an understanding of how local regulations are affecting both.

Inclusion and Exclusion Zones

In December 2016, the Board gave direction to staff to develop inclusion and exclusion combining zones for future consideration. The Ad Hoc will work on the development of combining zones that would allow the Board to carve out specific areas or properties on which to include or exclude certain cannabis land uses separately from what is allowed pursuant to the base zoning district.

Programs to Address Industry Impacts

The County will focus on developing programs that address the impacts of the cannabis industry, such as programs related to health and human services, education, and environmental protection and clean up. This may also include programs that assist the industry directly such as job training and education on how to obtain a permit and run a business.

Advisory Group and Community Engagement

The Ad Hoc and staff will convene an advisory group of stakeholders and subject matter experts to evaluate the implementation of the new cannabis ordinance, including data on trends and impacts, and provide recommendations for the next phases of implementation. There will also be broader community engagement to receive more feedback and input as implementation progresses.

Sonoma County Cannabis Advisory Group Selection and Work Plan

Purpose

The purpose of the Sonoma County Cannabis Advisory Group is to provide a diverse perspective on the impacts of cannabis and cannabis regulations and to provide information and feedback to the County for developing, amending, and funding local cannabis programs and policies.

Focus Areas

The areas of focus for the Advisory Group would be informed by the group itself. The County anticipates that issues would include, but not be limited to, the following:

- Permitting
- Enforcement
- Impacts and Mitigation Programs
- Tax Policy
- Revenue Expenditure

Selection

Advisory Group members may be any interested party who is a resident of Sonoma County. The County would make applications available and advertise the openings via the County and partner websites, newspaper advertisements, and social media. Applications would open in mid-April.

The County intends to select 12 to 20 members to serve on the committee. The group should be small enough to have discussions and analyze issues, while at the same time large enough to ensure that the members represent a diverse group of stakeholders and geographic areas.

Staff will review all applications and present qualified applicants to the Ad Hoc Committee. The Ad Hoc Committee will review and make a recommendation to the Board of Supervisors to appoint members of the committee. Applications will be evaluated based on experience with the cannabis industry or expertise in an area that is or may be heavily impacted by the cannabis industry. Selections will be made to ensure a diverse group of stakeholders.

Meetings and Tasks

The Advisory Group would meet monthly during business hours, for a period of two years. Members may be asked to assist with gathering data and input from their communities, reading research materials, and reviewing and providing feedback on documents. County staff will be responsible for drafting reports and recommendations on behalf of the Advisory Group to be shared with the public, Ad Hoc Committee, Board of Supervisors, Marijuana Technical Advisory Committee (MTAC) and other county and city staff.