

CITY OF LOYALTON

COUNTY OF SIERRA
605 SCHOOL STREET
P.O. BOX 128
LOYALTON, CALIFORNIA 96118
(530) 993-6750
cityofloyalton.org



OFFICE OF THE MAYOR

**AGENDA FOR THE REGULAR MEETING OF THE
LOYALTON CITY COUNCIL
6:00 P.M. – CITY HALL AUDITORIUM
605 SCHOOL STREET
JUNE 21ST, 2022
NEXT ORDINANCE #425
NEXT RESOLUTION NO. 3-2022**

**AGENDA & PACKET AVAILABLE ON CITY WEB SITE
cityofloyalton.org**

Any person with a disability may submit a request for reasonable modification or accommodation to the above-described means for accessing and offering comment at the meeting to Kathy LeBlanc, City Clerk, at [\[ofclerk-cityofloyalton@psln.com\]](mailto:ofclerk-cityofloyalton@psln.com) who will swiftly resolve such request.

1. **CALL TO ORDER**
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL**
4. **APPROVAL OF AGENDA**
5. **ANNOUNCEMENTS**
6. **APPROVAL OF MINUTES**
Special Meeting May 24, 2022 (Attachment)
7. **STAFF REPORTS**
8. **TIMED ITEM 6:15 SURPLUS BIDS FOR 1981 INTERNATIONAL DUMP TRUCK.**

9. PUBLIC COMMENT

This is an opportunity for members of the public to address the Council on items which are not on the agenda. Please state your name for the record. Comments are limited to three minutes. Written comments should be submitted to the City Clerk 24 hours prior to the meeting to allow for distribution. Under Government Code Section 54954.2 – Brown Act, the Council **cannot take action on any item not on the posted agenda**

10. FIRE DEPARTMENT REPORT

11. FINANCIAL COMMITTEE REPORTS

1. Financial Committee Report/Update

- Discussion and Possible Action in regards to 1099 for Fire Department and Council Members pay as employees.
- Discussion and Possible Action regarding Draft Audit 20-21 (Attachment)
- Approval of Reconciled Accounts for May 2022 (Attachment)
- Approval of Bill Sheet May 2022 (Attachment)
- Approval of Fund Transfer \$43,817.71 from General 1956 to Savings 0059 and combine with old CDBG account balance \$11,646.86 and designate fund FEMA Fund Savings (Auditor Request)
- Acknowledgment of Approval of Fund Transfer from General 1956 to Enterprise Loan MM 0559 not to exceed \$24,000.00 (Attachment)

12. PUBLIC WORKS COMMITTEE REPORTS/PARK AND RECREATION

13. OTHER COMMITTEE REPORTS

14. DISCUSSION AND POSSIBLE ACTION ITEMS

1. Discussion and Possible Action regarding FEMA Update.
2. Discussion and Possible Action regarding Main Water Line.
3. Discussion and Possible Action regarding adoption of Resolution 3-2022 Requesting County Elections to Conduct The Election, and Requesting Consolidation of the Election (Attachment)
4. Discussion and Possible Action in regarding Forest Edge (old mobile home Park Properties) Conditional Use Permit Application submitted to Sierra County. (Attachment)

15. **AGENDA INPUT FOR UPCOMING MEETINGS**

16. **BOARD MEMBER CLOSING REMARKS**

17. **ADJOURNMENT**

CITY OF LOYALTON

COUNTY OF SIERRA
605 SCHOOL STREET
P.O. BOX 128
LOYALTON, CALIFORNIA 96118
(530) 993-6750
cityofloyalton.org



OFFICE OF THE MAYOR

AGENDA FOR THE SPECIAL MEETING OF THE LOYALTON CITY COUNCIL 5:00 PM – CITY HALL AUDITORIUM 605 SCHOOL STREET JUNE 21 , 2022 LOYALTON, CA.

AGENDA AND PACKET AVAILABLE ON CITY WEB SITE
cityofloyalton.org

NEXT ORDINANCE #425
NEXT RESOLUTION #3-2022

CALL TO ORDER:

PLEDGE OF ALLEGIANCE:

ROLL CALL:

APPROVAL OF AGENDA:

ANNOUNCEMENTS:

STAFF REPORTS:

PUBLIC COMMENT:

This is an opportunity for members of the public to address the Council on items which are not on the agenda. Please state your name for the record. Comments are limited to three minutes. Written comments should be submitted to the Board Clerk 24 hours prior to the meeting to allow for distribution. Under Government Code Section 54954.2 – Brown Act, the Council cannot take action on any item not on the agenda. The City Mayor may choose to acknowledge the comment or, where appropriate, briefly answer a question, refer the matter to staff, or set the item for discussion at a future meeting.

A SPECIAL MEETING IS BEING HELD TO CONDUCT THE FOLLOWING BUSINESS:

CLOSED SESSION:

1. Closed Session pursuant to Government Code Section 54957, Public Employee Employment/Bookkeeper/Accountant

Agenda Input of Upcoming Meetings

Council Member Closing Remarks

ADJOURNMENT

May 24, 2022

SPECIAL MEETING

The Special meeting of the Loyalton City Council was called to order by Vice Mayor D. Riede on May 24, 2022 at 6:00 p.m. Loyalton City Auditorium

COUNCIL MEMBERS PRESENT Vice Mayor D. Riede, J. Markum, J. Gerow

COUNCIL MEMBERS ABSENT

Mayor S. Jackson

STAFF PRESENT

City Clerk- Kathy LeBlanc

GUESTS PRESENT

B. Mertton, R. DeMartini, N. Rogers, L. Horner, S. Dryden, A. Hollingshead, L. McIntosh

APPROVAL OF AGENDA

It was moved by J. Markum, seconded by J. Gerow to approve the agenda as posted. Motion carried.

ANNOUNCEMENTS

1. Vice Mayor Riede reported on the letter received from J. Chang in regards to ADA Annual Certification. Vice Mayor will contact him.

APPROVAL OF MINUTES

1. It was moved by J. Gerow, seconded by J. Markum to approve the minutes of the Special Meeting of April 19, 2022. Motion carried.

2. It was moved by J. Gerow, seconded by J. Markum to approve the minutes of the Regular Meeting of April 19, 2022. Motion carried.

STAFF REPORTS/WRITTEN COMMUNICATIONS

1. Vic Mayor Riede reported that K. Bennett started on Monday. She also stated that she and several volunteers cleaned downtown before TimberFest and that the maintenance crew will take over now.

PUBLIC COMMENT

1. L. McIntosh addressed the council in regards to the Music of Sierra Program and stated that she would like to work with the City of Loyalton in regards to this program.

2. Bill Mertton thanked all volunteers that organized the TimberFest. He also inquired about the recording device, Water and WWTP operators, settlement monies and Road Rehab projects. (A complete list of his comments and questions are available at City Hall.)

3. L. Horner inquired about the corner of Lewis and Railroad. Council will look into this project.

4. S. Dryden also complimented the City for the work done downtown for the TimberFest.

FIRE DEPARTMENT REPORT

1. Assistant Chief R. DeMartini reported the following: (1) 100 call so far this year. (2) Spaghetti Feed was very successful and thanked the community for attending and supporting this event. (3) The new engine is in the process of being built. (4) Wild Life Training is taking place. (5) He reported that all burning permits have been suspended in Sierra County and would like the City to follow suit.

FINANCIAL COMMITTEE REPORT/UPDATE

Councilmember Markum reported that the new bookkeeper has quit, Kelly Champion will continue doing the accounting until position can be filled. Vice Mayor gave a brief report on letter from K. Champion.

1. It was moved by J. Markum, seconded by J. Gerow to approve the reconciled Accounts for April 2022. Motion carried.
2. It was moved by J. Markum, seconded by J. Gerow to approve the bill sheet not to exceed \$201,036.93. Motion carried.

ACKNOWLEDGEMENT OF APPROVAL OF FUNDS TRANSFERS

1. It was moved by J. Markum, seconded by J. Gerow to approve the fund transfer from General 1956 to Enterprise MM 0559 not to exceed \$24,000. Motion carried.

PUBLIC WORKS COMMITTEE REPORTS/PARK AND RECREATION

1. Councilmember Gerow reported that the WWTP is working and looking good with all crew on board. He stated that all 10 aerators are working and the new aerators will be incorporated into the system slowly.
2. Vice Mayor Riede reported that the water is working downtown and ball fields. She also reported that the water at the Park should be working by Monday.

OTHER COMMITTEE REPORTS

1. None

DISCUSSION AND POSSIBLE ACTION ITEMS

1. No update was given on the FEMA Flood Project.
2. It was moved by J. Markum, seconded by J. Gerow to approve Resolution 2-2022 Adopting a list of Projects for Fiscal Year 2022-2023 Funded by SB-1: The Road Repair and Accountability Act of 2017. Roll Call : Vice Mayor Riede-Aye, J. Markum-Aye, J. Gerow-Aye Motion carried.
3. It was moved by J. Markum, seconded by J. Gerow to pay the total amount for liability insurance. Motion carried.

INPUT FOR UPCOMING MEETINGS

- 1. Discussion of Fire Department 1099 Forms.
- 2. Discussion of hiring someone to clean City Hall once a week.

CLOSING REMARKS

None

Meeting Adjourned

APPROVED: _____
Vice Mayor Riede

ATTEST: _____
Kathy LeBlanc, City Clerk

DRAFT

CITY OF LOYALTON
NOTICE OF SURPLUS PROPERTY FOR SALE
June 1, 2022

Notice is hereby given that the Loyalton City Council has approved the surplusing of a 1981 International Dump Truck, S-1700, 404 CI V8, 10 Speed Transmission. VIN# AA172KHB23613, and that the 1981 International Dump Truck, S-1700, 404 CI V8, 10 Speed Transmission. will be sold to the person who submits the highest bid. Minimum Bid \$2,000. Sealed bids for the 1981 International Dump Truck, S-1700, 404 CI V8, 10 Speed Transmission must be submitted to the City Clerk no later than 10:00 a.m. on June 15, 2022.

The bid must be submitted in a sealed envelope with the outside clearly marked, "Bid to Purchase 1981 International Dump Truck, S-1700, 404 CI V8, 10 Speed Transmission" The bid must include the amount of the bid, the name and contact information, including telephone number, of the bidder.

Bids will be opened by the Loyalton City Council on June 21, 2022 at the Regular City Council Meeting Loyalton City Hall, 605 School Street, Loyalton Ca. 96118. The winning bidder will be notified by telephone within 24 hours of the bid opening. If the bidder does not respond to the call, or come to City Hall, pay in cash or with a certified check, sign a Bill of Sale acknowledging the 1981 International Dump Truck, S-1700, 404 CI V8, 10 Speed Transmission is being sold as-is, where-is and without any warranty, and haul away or drive the 1981 International Dump Truck, S-1700, 404 CI V8, 10 Speed Transmission away within 24 hours of being first notified, then the City will offer to sell the to the next highest bidder in the same manner as above. The City will follow this process until the 1981 International Dump Truck, S-1700, 404 CI V8, 10 Speed Transmission has been sold.

This notice will appear in a general circulated paper and posted at City Hall.

Kathy LeBlanc-City Clerk
530-993-6750

Type	Date	Num	Name	Memo	Paid Amount
General Funds					
General Checking 1956- NEW					
Liability Check	05/11/2022		US Treasury-941	94-6000364 Original sent 4/29 was rejected	-1,027.72
Check	05/13/2022		CPS- Check Printing Service	Checks	-26.12
Check	05/31/2022			Service Charge	-2.00
Liability Check	05/12/2022	E-pay	Employment Development De...	69817369 QB Tracking # -1705562326	-106.02
Liability Check	05/12/2022	E-pay	US Treasury-941	VOID: 94-6000364 QB Tracking # -1705542326	0.00
Liability Check	05/12/2022	E-pay	Employment Development De...	69817369 QB Tracking # -1705534326	-81.45
Liability Check	05/11/2022	E-pay	US Treasury-941	94-6000364 QB Tracking # -1658989326	-1,067.04
Liability Check	05/27/2022	E-pay	Employment Development De...	69817369 QB Tracking # -1062208326	-118.80
Liability Check	05/27/2022	E-pay	US Treasury-941	94-6000364 QB Tracking # -1062193326	-1,262.48
Liability Check	05/27/2022	E-pay	Employment Development De...	69817369 QB Tracking # -1062176326	-68.02
Check	05/01/2022	7526	Kathy LeBlanc	May 2022 City Council	-150.00
Bill Pmt -Check	05/01/2022	7527	Darlene Riede	May 2022 City Council	-150.00
Bill Pmt -Check	05/01/2022	7528	Donald Yegge Retiree	May 2022 Pension Payment	-537.69
Bill Pmt -Check	05/01/2022	7529	Jerry Gerow	May 2022 City Council	-150.00
Bill Pmt -Check	05/01/2022	7530	John Cussins Retiree	May 2022 Pension Payment	-1,226.83
Bill Pmt -Check	05/01/2022	7531	Joy Markum	May 2022 City Council	-150.00
Bill Pmt -Check	05/01/2022	7532	Orville McGarity Retiree	May 2022 Pension Payment	-280.97
Bill Pmt -Check	05/01/2022	7533	Patsy Jardin Retiree	May 2022 Pension Payment	-2,000.79
Bill Pmt -Check	05/01/2022	7534	Sarah Jackson	May 2022 City Council	-150.00
Check	05/10/2022	7535	Bank of America	5472 0640 0001 0235	-1,972.93
Bill Pmt -Check	05/10/2022	7536	Christopher Patrick	Dixie Fire 8/23/21-9/7/21	-11,807.85
Bill Pmt -Check	05/10/2022	7537	Flag Store	2-4X6' CA Flags	-98.00
Bill Pmt -Check	05/10/2022	7538	High Sierra Gas LLC	512 Longhorn, Switch Out Tank	-155.72
Bill Pmt -Check	05/10/2022	7539	Intermountain Disposal, Inc.		-158.50
Bill Pmt -Check	05/10/2022	7540	John Evans	Caldor Fire 9/23/21-10/8/21	-14,492.36
Bill Pmt -Check	05/10/2022	7541	Kelly Champion	Feb, Mar, Apr Services	-1,123.00
Bill Pmt -Check	05/10/2022	7542	Les Schwab	Install new tire tube for JD riding mower	-50.74
Bill Pmt -Check	05/10/2022	7543	Ora Heaston	Dixie Fire 8/23/21-9/7/21	-11,807.85
Bill Pmt -Check	05/10/2022	7544	Plumas-Sierra Telecomm.		-218.00
Bill Pmt -Check	05/10/2022	7545	Plumas Sierra Rural Electric		-4,193.13
Bill Pmt -Check	05/10/2022	7546	Porter Simon Professional Ser...	92132-13200M	-1,275.00
Bill Pmt -Check	05/10/2022	7547	Portola Motor Parts	Part for 86 F250	-23.26
Bill Pmt -Check	05/10/2022	7548	Robert Holbrook	Dixie Fire 8/23/21-9/7/21	-11,807.85
Bill Pmt -Check	05/10/2022	7549	Sierra Booster	4/28 Bookkeeper Ad	-63.25
Bill Pmt -Check	05/10/2022	7550	Sierra Valley Home Center	1100	-262.92
Bill Pmt -Check	05/10/2022	7551	Silver State Analytical Laborat...		-140.00
Bill Pmt -Check	05/10/2022	7552	Xerox Corporation	951429299	-281.12
Paycheck	05/12/2022	7553	Hauff, Taylor M		-108.05
Paycheck	05/12/2022	7554	LeBlanc, Katherine L		-599.83
Paycheck	05/12/2022	7555	Lundy, Justus		-591.52
Paycheck	05/12/2022	7556	Morris, Raymond J		-1,360.59
Paycheck	05/12/2022	7557	Reeves, Jonathan		-1,374.02
Bill Pmt -Check	05/11/2022	7558	Farr West Engineering		-4,012.00
Bill Pmt -Check	05/11/2022	7559	JW Harris Plumbing & Rooter	Repair 3 leaks in storage room of park restrooms	-787.50
Bill Pmt -Check	05/11/2022	7560	Pac Machine Co., Inc.	Repair Agitator Units	-11,560.18
Bill Pmt -Check	05/11/2022	7561	Sierra Booster	3/3/22 & 3/17/22 Maintenance & Water/Sewer Op...	-236.50
Paycheck	05/27/2022	7562	Hauff, Taylor M		-328.65
Paycheck	05/27/2022	7563	LeBlanc, Katherine L		-579.74
Paycheck	05/27/2022	7564	Lundy, Justus		-1,256.03
Paycheck	05/27/2022	7565	Morris, Raymond J		-796.03
Paycheck	05/27/2022	7566	Reeves, Jonathan		-1,466.21
Bill Pmt -Check	05/25/2022	7567	Jamie M Stockdale		-120.00
Bill Pmt -Check	05/25/2022	7568	Sierra County Auditor	Police Contract	-1,250.00
Bill Pmt -Check	05/25/2022	7569	Silver State Analytical Laborat...		-232.00
Bill Pmt -Check	05/25/2022	7570	Thatcher Company	39500	-3,004.03
Check	05/24/2022	7580	Postmaster	W/S Bills	-150.00
Total General Checking 1956- NEW					-98,300.29
Total General Funds					-98,300.29
Designated Funds					
WWTP Settlement MM 4321					
Total WWTP Settlement MM 4321					
WWTP Construction 1990					
Total WWTP Construction 1990					

City of Loyalton- Fire Department
Profit & Loss Budget vs. Actual
July 2021 through May 2022

	<u>Jul '21 - May 22</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
Transfer In from Fire Reserve	88,500.00			
Transfer in to Fire Department	10,000.00	10,000.00	0.00	100.0%
Transfer In	10,000.00			
Charges for Current Services	45,394.34	40,800.00	4,594.34	111.3%
Revenue Use of Money & Property	144.95	120.00	24.95	120.8%
Fire Fighting Revenue	472,868.23			
Total Income	<u>626,907.52</u>	<u>50,920.00</u>	<u>575,987.52</u>	<u>1,231.2%</u>
Gross Profit	626,907.52	50,920.00	575,987.52	1,231.2%
Expense				
Fire Fighting Expenses	266,955.63			
Tools & Equipment	10,591.31	8,500.00	2,091.31	124.6%
Repairs & Maintenance	693.26	3,500.00	-2,806.74	19.8%
Building Repairs	0.00	500.00	-500.00	0.0%
Utilities	9,735.52	7,779.00	1,956.52	125.2%
Equipment Repair & Maintenance	12,269.99	6,930.00	5,339.99	177.1%
Taxes	1,054.40			
Salaries and Wages	457.12			
Services and Supplies	12,967.99	23,711.00	-10,743.01	54.7%
Total Expense	<u>314,725.22</u>	<u>50,920.00</u>	<u>263,805.22</u>	<u>618.1%</u>
Net Ordinary Income	312,182.30	0.00	312,182.30	100.0%
Other Income/Expense				
Other Expense				
Debt Service	15,536.20			
Capital Outlay	88,500.00			
Total Other Expense	<u>104,036.20</u>			
Net Other Income	-104,036.20			
Net Income	<u><u>208,146.10</u></u>	<u><u>0.00</u></u>	<u><u>208,146.10</u></u>	<u><u>100.0%</u></u>

City of Loyalton- Water/Sewer Enterprise
Profit & Loss Budget vs. Actual
July 2021 through May 2022

06/15/22

Accrual Basis

	Jul '21 - May 22	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Transfer In From WWTP Reserve	17,550.00			
Enterprise Income	553,805.78	678,200.00	-124,394.22	81.7%
Revenue Use of Money & Property	3,980.20	6,052.00	-2,071.80	65.8%
Total Income	<u>575,335.98</u>	<u>684,252.00</u>	<u>-108,916.02</u>	<u>84.1%</u>
Gross Profit	575,335.98	684,252.00	-108,916.02	84.1%
Expense				
Tools & Equipment	17,631.63	1,750.00	15,881.63	1,007.5%
Repairs & Maintenance	30,412.47	13,000.00	17,412.47	233.9%
Building Repairs	307.50	350.00	-42.50	87.9%
Utilities	97,062.93	107,065.00	-10,002.07	90.7%
Equipment Repair & Maintenance	14,289.38	11,500.00	2,789.38	124.3%
Taxes	1,059.06	1,110.00	-50.94	95.4%
Salaries and Wages	75,220.61	97,169.00	-21,948.39	77.4%
Employee Benefits	31,973.10	48,329.00	-16,355.90	66.2%
Services and Supplies	159,043.23	166,077.00	-7,033.77	95.8%
Total Expense	<u>426,999.91</u>	<u>446,350.00</u>	<u>-19,350.09</u>	<u>95.7%</u>
Net Ordinary Income	148,336.07	237,902.00	-89,565.93	62.4%
Other Income/Expense				
Other Expense				
Debt Service	283,875.76	284,650.00	-774.24	99.7%
Capital Outlay	0.00	9,799.00	-9,799.00	0.0%
Total Other Expense	<u>283,875.76</u>	<u>294,449.00</u>	<u>-10,573.24</u>	<u>96.4%</u>
Net Other Income	<u>-283,875.76</u>	<u>-294,449.00</u>	<u>10,573.24</u>	<u>96.4%</u>
Net Income	<u><u>-135,539.69</u></u>	<u><u>-56,547.00</u></u>	<u><u>-78,992.69</u></u>	<u><u>239.7%</u></u>

**City of Loyaltan- General Fund
Profit & Loss Budget vs. Actual
July 2021 through May 2022**

	<u>Jul '21 - May 22</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
Transfer Out From General Fund	-10,000.00			
Donations	1,000.00			
Property Taxes	34,947.80	92,800.00	-57,852.20	37.7%
License & Fee Revenues	68,846.36	164,694.00	-95,847.64	41.8%
Intergovernmental - Federal	86,843.12			
Intergovernmental - State	83,952.85	107,699.00	-23,746.15	78.0%
Charges for Current Services	21,992.64	33,960.00	-11,967.36	64.8%
Revenue Use of Money & Property	27.74	6,776.00	-6,748.26	0.4%
Miscellaneous Revenue	62.23			
Total Income	<u>287,672.74</u>	<u>405,929.00</u>	<u>-118,256.26</u>	<u>70.9%</u>
Gross Profit	287,672.74	405,929.00	-118,256.26	70.9%
Expense				
Tools & Equipment	92.35	1,500.00	-1,407.65	6.2%
Repairs & Maintenance	5,645.19	11,500.00	-5,854.81	49.1%
Building Repairs	1,400.00	2,800.00	-1,400.00	50.0%
Penalties & Interest	109.33			
Utilities	42,145.46	57,314.00	-15,168.54	73.5%
Equipment Repair & Maintenance	1,172.22	3,730.00	-2,557.78	31.4%
Taxes	5,475.08	4,710.00	765.08	116.2%
Salaries and Wages	36,092.69	74,043.00	-37,950.31	48.7%
Employee Benefits	12,143.68	30,048.00	-17,904.32	40.4%
Services and Supplies	82,093.51	151,949.63	-69,856.12	54.0%
Total Expense	<u>186,369.51</u>	<u>337,594.63</u>	<u>-151,225.12</u>	<u>55.2%</u>
Net Ordinary Income	101,303.23	68,334.37	32,968.86	148.2%
Other Income/Expense				
Other Expense				
Transfers Out	10,000.00	20,000.00	-10,000.00	50.0%
Capital Outlay	0.00	60,000.00	-60,000.00	0.0%
Total Other Expense	<u>10,000.00</u>	<u>80,000.00</u>	<u>-70,000.00</u>	<u>12.5%</u>
Net Other Income	<u>-10,000.00</u>	<u>-80,000.00</u>	<u>70,000.00</u>	<u>12.5%</u>
Net Income	<u><u>91,303.23</u></u>	<u><u>-11,665.63</u></u>	<u><u>102,968.86</u></u>	<u><u>-782.7%</u></u>

Acknowledgement of Approval, City of Loyalton

The City of Loyalton acknowledges approval of the below listed Transfer(s) of Funds.

Transfer From	Transfer To	Date	Amount
General Fund	Enterprise Loan MM 0559	6/03/2022	
	Water		1,500.00
	Sewer		4,500.00
General Fund	Enterprise Loan MM 0559	6/10/2022	
	Water		1,500.00
	Sewer		4,500.00
General Fund	Enterprise Loan MM 0559	6/17/2022	
	Water		1,500.00
	Sewer		4,500.00
General Fund	Enterprise Loan MM 0559	6/24/2022	
	Water		1,500.00
	Sewer		4,500.00

THIS TOTAL

\$24,000.00

This authorization took place at the council meeting held on 6/21/2022 and will be further reflected in the council minutes of this meeting.

Authorized Signature

Sarah Jackson, Mayor, Dated 6/21/2022

Acknowledgement of Approval, City of Loyalton

The City of Loyalton acknowledges approval of the below listed reconciled Plumas Bank Accounts

General Account (1956)	5/31/2022	(\$300,012.41)	Reconciled	06/15/2022
CDBG Account (0059)	5/22/2022	(\$11,646.86)	Reconciled	06/06/2022
F.D. Reserve (7243)	5/31/2022	(\$177,748.62)	Reconciled	06/15/2022
General Savings(0364)	5/22/2022	(\$29,440.51)	Reconciled	06/06/2022
Enterprise-W&S (0559)	5/31/2022	(\$390,311.63)	Reconciled	06/15/2022
WWTP Settle. (4387)	5/31/2022	(\$178,006.27)	Reconciled	06/15/2022
CARES Act (0998)	4/30/2022	(\$0.00)	Reconciled	05/18/2022
LAIF Account (496)	3/31/2022	(\$2,033,284.90)	Reconciled	04/07/2022
CalTrust (29130)	3/31/2022	(\$81,007.24)	Reconciled	04/07/2022

This authorization took place at the council meeting held on 5/21/22 and will be further reflected in the council minutes of this meeting.

Authorized Signature

Sarah Jackson, Mayor, Dated 5/21/22

Situation Report for City of Loyalton Main Line Water Leak

Incident: The 10 in. main water line that serves as the main artery for the entire town developed a massive leak on the south side of town. This pipe functions as the main line that services all the other water mains throughout the town. It also functions as the transmission line from the well to the tank simultaneously when the well is in service. Without this pipe the town has no ability to store drinking water in the storage tank, or keep water flowing to the rest of the town.

Situation: CRITICAL: This leak started about five years ago and has progressively gotten worse. The estimated water loss from this leak is between 100,000 to 200,000 gallons per day based on the well flows minus the wastewater inflow. A leak of this size will only get worse exponentially.

Action Required: Due to the location and nature of this leak, the city's excavation equipment is not sufficient enough for this repair or replacement. According to the plans, this pipe crosses under Smithneck Creek around the section that we suspect is leaking. Making a sound repair and/or replacement of the pipe could consist of diverting the creek. The pipe depth is extremely deep in this area as well, and excavation equipment would need to be capable to dig at such depths safely.

For these reasons I recommend:

- 1) Contact an engineering firm to examine our situation and propose a few different solutions.
- 2) Contacting Cal Rural Water to see what grants are available for us to fix this problem.
- 3) Putting the job out to bid to a large excavation contractor that would have the appropriate equipment for this project.

Location: End of Mill Street on the south side of town in the marsh land near Smithneck Creek.

Item: 10 in. Diameter main water line that services all of the other capillaries in the town.

Time: The leak had started about 5 years ago in 2017 according to the resident at the end of Mill Street. However, the incident has only just been brought to my attention as of June 1st 2022.

**CITY OF LOYALTON
RESOLUTION NO. 3-2022**

**A RESOLUTION ORDERING AN ELECTION, REQUESTING COUNTY
ELECTIONS TO CONDUCT THE ELECTION, AND REQUESTING
CONSOLIDATION OF THE ELECTION**

CITY OF LOYALTON

WHEREAS, pursuant to Elections Code Section 10002, the governing body of any city or district may by resolution request the Board of Supervisors of the county to permit the county elections official to render specified services to the city or district relating to the conduct of an election; and

WHEREAS, the resolution of the governing body of the city or district shall specify the services requested; and

WHEREAS, pursuant to Elections Code Section 10002, the city or district shall reimburse the county in full for the services performed upon presentation of a bill to the city or district; and

WHEREAS, pursuant to Elections Code Section 10400, whenever two or more elections, including bond elections, of any legislative or congressional district, public district, city, county, or other political subdivision are called to be held on the same day, in the same territory, or in territory that is in part the same, they may be consolidated upon the order of the governing body or bodies or officer or officers calling the elections; and

WHEREAS, pursuant to Elections Code Section 10400, such election for cities and special districts may be either completely or partially consolidated; and

WHEREAS, pursuant to Elections Code Section 10403, whenever an election called by a district, city or political subdivision for the submission of any question, proposition, or office to be filled is to be consolidated with a statewide election, and the question, proposition, or office to be filled is to appear upon the same ballot as that provided for that statewide election, the district, city or other political subdivision shall, at least 88 days prior to the date of the election, file with the board of supervisors, and a copy with the election official, a resolution of its governing board requesting the consolidation, and setting forth the exact form of any question, proposition, or office to be voted upon at the election, as it is to appear on the ballot. Upon such request, the Board of Supervisors may order the consolidation; and

WHEREAS, the resolution requesting the consolidation shall be adopted and filed at the same time as the adoption of the ordinance, resolution, or order calling the election; and

WHEREAS, various district, county, state and other political subdivision elections may be or have been called to be held on November 8, 2022;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED THAT THE governing body of the City of Loyalton hereby orders an election be called and consolidated with any and all elections also called to be held on November 8, 2022 insofar as said elections are to be held in the same territory or in territory that is in part the same as the territory of the city request to the Board of Supervisors of the County of Sierra to order such consolidation under Elections Code Section 10401 and 10403.

BE IT FURTHER RESOLVED AND ORDERED that said governing body hereby requests the Board of Supervisors to permit the Sierra County Elections Department to provide any and all services necessary for conducting the election and agrees to pay for said services, and

BE IT FURTHER RESOLVED AND ORDERED that the Sierra County Elections Department conduct the election for the following offices on the November 8, 2022 ballot:

<u>SEATS OPEN</u>	<u>OFFICE TERM</u>
2 Council Members	4 years
1 Council Members	2 years
1 City Clerk	2 years

PASSED AND ADOPTED this 21st day of June, 2022 by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

Sarah Jackson, Mayor

Kathy LeBlanc, City Clerk



MILLENNIUM

PLANNING & ENGINEERING

471 Sutton Way, Suite 210
Grass Valley, CA 95945

530-446-6765
www.millenniumpe.com

April 12, 2022

Via email to bpangman@sierracounty.ca.gov

Brandon Pangman, Assistant Director
Sierra County Planning & Building Department
101 Courthouse Square
Downieville, CA 95936

Re: **1st Submittal – Forest Edge Conditional Use Permit**

THIS IS AN APPLICATION FOR A DEVELOPMENT PERMIT UNDER GOVT CODE SECTION 65943(A) AND THE PERMIT STREAMLINING ACT (GOVT CODE SECTIONS 65920-65964)

205 Hill Street, Loyalton CA
APN's 016-040-080; 017-120-001; & 017-120-006

Dear Mr. Pangman:

Included herein for your review are the following items in accordance with the County's application checklist(s) for a Conditional Use Permit:

1. Initial Review Fee in the amount of \$100
2. Completed & Signed CUP Application
3. Project Description
4. Site/Plot Plans (including Location Map)
 - o C1.0 Proposed Site Plan
 - o C2.0 Existing Conditions
 - o E1.0 – E1.4 Site Exhibits
5. Preliminary Environmental Questionnaire
6. Indemnification Agreement
7. Draft CC&R's

Please contact our office if you have any questions or need additional information.

Sincerely,

Millennium Planning & Engineering

Robert E. Wood, AICP
Principal Planner



CITY OF LOYALTON

08/02/2021

Tim H. Beals
Executive Officer
Sierra County Local Agency Formation Commission
101 Courthouse Square
P.O. Box 530
Downieville, CA 95936

Re: Request for Outside Service Area Agreement

Tim:

The City received a request from Route 49 Partners, LLC to enter into an Outside Service Area Agreement for the City to provide water and sewer service to three parcels, Sierra County APNs 016-040-080, 017-120-001 and 017-120-006 ("Property"). The former mobile home park was situated on the Property. A copy of the draft Outside Service Area Agreement submitted to the City is attached.

For the reasons set forth below, the City believes that an Outside Service Area Agreement is not needed for the City to continue providing water and sewer service to the Property. The City is requesting Sierra County LAFCo to respond in writing and confirm its agreement with the City that such an agreement is not required. Please let us know if you would like additional information in order to evaluate and respond to this request.

As you know, the requirement for LAFCO to approve the City's provision of services outside of its jurisdictional boundaries is set forth in Government Code Section 56133(a). This Section states,

"(a) A city or district may provide new or extended services by contract or agreement outside its jurisdictional boundary only if it first requests and receives written approval from the commission."

However, Section 56133(e) provides several exemptions, including one for extended services that a city was providing on or before January 1, 2001. Section 56133(e)(4) states,

"(e) This section does not apply to any of the following:

(4) An extended service that a city or district was providing on or before January 1, 2001."

For decades, the City has provided water and sewer service to the Property and to additional parcels outside of the City's jurisdictional boundaries ("Additional Parcels") that are served by the same water and sewer lines that serve and run through the Property. Although the mobile home park and mobile homes are no longer on the Property, the City currently provides water and sewer service to the

Property and to the Additional Parcels and has continuously provide such service since before January 1, 2001. While the level of service has changed because there are no mobile homes, water and sewer services continue be provided.

Water and sewer service to the Property has not changed and the City does not contemplate expanding the scope of water or sewer service to the Property beyond what it has historically provided. The City's water and sewer boundaries have not changed. A map showing the boundaries and service beyond the City's boundaries is attached.

The City looks forward to hearing from you. Thank you.

Attachmentents.

File No. _____
Date Rec. _____

Sierra County Planning Department

P.O. Box 530/101 Courthouse
Square Downieville, CA 95936

Phone: (530) 289-3251

Fax: (530) 289-2828

E-mail: planning@sierracounty.ca.gov



**CONDITIONAL USE PERMIT
APPLICATION**

The Sierra County Zoning Code requires Conditional Use Permits for certain uses of land, typically listed in each zoning district's ordinance as "conditional" which may be suitable only in specific locations or which may be suitable only if designed or situated on the site in a certain manner that minimizes potential impacts to neighbors and the environment. The purpose of the Conditional Use Permit is to allow careful analysis and public disclosure of the proposed project description and requested entitlement by the County, which has the discretionary authority to approve, approve with conditions, or deny the application.

There are two different categories of Conditional Use Permits. A Minor Conditional Use Permit, which is processed administratively, includes: travel trailers, mobile homes and commercial coaches used as temporary dwellings in certain limited circumstances, or for temporary storage or commercial uses (ref., SCC §12.12.040). All other conditional uses are regular Conditional Use Permits, approved by the Planning Commission.

A Conditional Use Permit Application may be processed only after a preliminary environmental review has been completed in accordance with the Sierra County Code and the California Environmental Quality Act (CEQA). The size, scope and location of the project will determine the extent of the information the applicant is required to provide regarding the environmental impacts of the project. The greater the detail that is provided in the project description and supporting documents, the easier (and, generally, *quicker*) planning staff will be able to process the application and get the project to a public hearing for final determination. The applicant is encouraged to discuss the proposal with a member of the Sierra County Planning Department staff.

APPLICANT: Route 49 Partners LLC PHONE: 775-223-4891

E-MAIL: dlawler@m3multifamily.com

ADDRESS: _____

STATUS OF APPLICANT'S INTEREST IN PROPERTY: Owner

OWNER/s: Route 49 Partners LLC PHONE: 775-223-4891

ADDRESS: _____

GENERAL PLAN DESIGNATION: Multi-unit Residential (MUR)

ZONING DISTRICT: Commercial Residential (CR)

ASSESSOR PARCEL NUMBER/S: 16-040-080, 17-120-001, 17-120-006

LEGAL DESCRIPTION OF ALL PROPERTY INVOLVED (include location map): _____
Bearings and distances are shown on sheet "C2.0" _____

PROJECT DESCRIPTION. Fully explain conditional use requested (attach separate pages, photos, maps, etc. if necessary; also reference Sierra County Code section authorizing proposed conditional use):

See Attached

A **PLOT PLAN** and other supporting documentation (maps, pictures, etc. as needed) must be submitted with the application showing the following information and be sufficiently detailed to clearly illustrate existing conditions, as well as the nature of the proposed development and/or Conditional use requested. At a minimum, the plot plan must illustrate:

1. Property boundary lines, easements, and accurate setback distances from each.
2. Site plan showing locations of all existing and proposed structures, roads, parking facilities, fire suppression systems, utilities, well and septic disposal areas on premises, and on adjacent properties (within 100 feet).
3. All water features, drainages, and wet meadow areas; as well as steep slopes and other physical constraints that may potentially impact development of property. Include setback distances from each (existing and proposed).
4. Scenic Corridor or other zoning overlay district boundaries; designated "Conditional Treatment Areas" identified in the Sierra County General Plan; and FEMA mapped 100-year floodplain boundary, if applicable.
5. Elevations of proposed buildings, alterations, grading, or improvements in detail.

The plot plan does not have to be prepared by a licensed surveyor; however it should be legibly drawn and accurate with scale, north arrow, property boundaries and legal access clearly indicated. Both the project description and plot plan should be of sufficient detail to clearly demonstrate both existing (physical) conditions, and any proposed changes or uses that are the subject of this Conditional Use Permit.

LEGAL FINDINGS. The applicant must present statements of fact ("findings") to the Planning Commission with clear written evidence supporting the following legal standards. The finding contained in Sierra County Code (SCC) Section 20.15(a)7 pertaining to compliance with the California Environmental Quality Act (CEQA) will be addressed by Planning Department staff separately. The application may be denied action if the following information and sufficient written evidence is not presented with this application [Note: attach separate sheets if necessary]:

1. ***The proposed use is consistent with all applicable provisions of the Sierra County Code, including the Sierra County Zoning Code. [ref. SCC 20.15(a)1]***

EVIDENCE: The proposed development is consistent with the Sierra County Code. The development of manufactured home parks is conditionally allowed under SCC 15.12.110(d) and SCC 12.12.030(b). Additionally, the proposed use and density are conditionally allowed under the current zoning of Commercial Residential (CR).

2. ***The proposed use is consistent with applicable policies and requirements of the Sierra County General Plan, and any applicable community plan or specific plan, and any specific findings required by any of these plans are made. [ref. SCC 20.15(a)2]***

EVIDENCE: This proposed residential use of an overall density of 4.3 units/acre is consistent with the General Plan designation Multi-unit Residential (MUR).

3. ***The establishment, maintenance or operation of the proposed use or building will not, under the circumstances of the particular case, be detrimental to the health, safety, peace, comfort and general welfare of people residing or working in the neighborhood of the proposed use, or be detrimental or injurious to property or improvements in the neighborhood or to the general welfare of the county; except that a proposed use may be approved contrary to this finding where the granting authority determines that extenuating circumstances justify approval and enable the making of specific overriding findings. [ref. SCC 20.15(a)3]***

EVIDENCE: This project intends to provide housing within an area adjacent to compatible residential uses and thus does not contribute to any detriment of health, safety, peace, comfort, or general welfare of the current or future residents.

4. **The proposed project or use will be consistent with the character of the immediate neighborhood and will not be contrary to its orderly development.**
[ref. SCC 20.15(a)4]

EVIDENCE: The proposed project is located in an area that has previously been used for residential purposes and is consistent with the surrounding residential areas.

5. **In a TPZ zone district, the establishment, maintenance and operation of the proposed use or building will not significantly detract from the use of the property for, or inhibit the growing and harvesting of timber.** [ref. SCC 20.15(a)5]

Not applicable

EVIDENCE: N/A

6. **Any specific findings as required by the applicable Zoning Ordinance/s.**
[ref. SCC 20.15(a)6]

EVIDENCE: None Required.

7. **The proposed use is consistent with, replaces or appropriately modifies any prior established relevant conditions of a previous entitlement, if applicable.**
[ref. SCC 20.15(a)8]

Not applicable

EVIDENCE:

APPLICATION CHECKLIST:

- Initial review fee: \$ 100.00 *[Project fee to be determined]*
- Completed and Signed Application Form (including execution of consent and certification statement, below)
- Location Map (may be combined with Plot Plan if sufficiently clear)
- Detailed Project Description (including supporting documentation as necessary)
- Plot Plan (3 legible hard copies, min. 11" x 17"; plus 1 electronic copy in Adobe Acrobat (.pdf) format if feasible)
- Completed "Preliminary Environmental Questionnaire" Form
- Sierra County's "Indemnification Agreement" *[Note: must be returned with original signatures; photocopies, faxes or electronic/scanned images cannot be accepted]*

"I CERTIFY THAT I AM PRESENTLY THE LEGAL OWNER OR THE AUTHORIZED AGENT OF THE OWNER/S OF THE ABOVE DESCRIBED PROPERTY. FURTHER, I ACKNOWLEDGE THE FILING OF THIS APPLICATION AND CERTIFY THAT ALL OF THE ABOVE INFORMATION IS TRUE AND ACCURATE; AND I HEREBY AUTHORIZE THE PROCESSING OF THIS APPLICATION BY SIERRA COUNTY, AND HEREBY AUTHORIZE OFFICIAL COUNTY STAFF EMPLOYEES OR THEIR AUTHORIZED CONSULTANTS TO ENTER THE PROPERTY DURING REASONABLE HOURS AS NECESSARY TO CONDUCT FIELD INSPECTIONS AND SURVEYS."

Signature of Applicant Date

[Note: If "Applicant" is different than "Owner," evidence of Owner's consent to this application is required. All persons having a vested interest in the property must consent in writing, unless otherwise provided by law. Attach original Notary/-ies or legible copy of driver's license/s, or other evidence of signature verification acceptable to the Planning Director.]

Signature of Landowner Date

Print Name

Signature of Landowner Date

Print Name

Signature of Landowner Date

Print Name

Forest Edge Manufactured Housing Community | Application Narrative

Project Description:

The proposed "Forest Edge Homes" project is situated on approximately 12.09 acres at 205 & 300 Hill Street (Parcel #'s: 016-040-080-0, 017-120-001-0 & 017-120-006-0) which is comprised of three lots formerly operated as, Loyalton Mobile Estates, a 52-site mobile home park. The project site is located north of Sierra Valley Senior Apartments and west of several single-family homes along Hill Street, Granite and Patterson Avenue. With immediate access to Highway 49, the site is primed to benefit from commuter traffic to and from adjacent employment destinations of Reno and Truckee.

The property was in tax default from June 30, 2009, through August 3, 2020, at which point title was transferred to Route 49 Partners, LLC (Route 49) via a quitclaim deed awarded through a judicial auction facilitated by Sierra County. Immediately following the judicial sale, Route 49 made commitments to provide remedies for longstanding liabilities listed below; all of which are completed and paid in full as of the date of this memo.

- All current year real estate taxes paid in full
- Operations and Maintenance planning for recurring weed abatement & waste
- Environmental testing, disposal and abatement of site debris from demolition of the prior mobile home park including asbestos containing materials (\$159,000)

A Market Study was prepared by Economic & Planning Systems, Inc. (EPS) out of Sacramento, CA, dated August 2021 which outlines favorable supply-demand characteristic for the formation of new affordable housing units designed to provide solutions for the area's "missing middle". Driven primarily by the robust expansion and employment growth of Reno and Truckee in recent years, Loyalton's close proximity coupled with limited current housing inventory of less than 450 units, provides an attractive opportunity to capture the significant share of the households currently be squeezed out of affordable situations in Reno and Truckee (Reno & Truckee are experiencing sub-3% vacancy rates as of the date of this report). With major metropolitan housing costs and interest rates on the rise, EPS notes the affordable housing crisis is anticipated to persist. The study concludes with guidance suggesting a newly built single family manufactured housing product, positioned to achieve local affordability goals, would offer a high-quality community and aesthetic for both the local service sector and those looking to relocate from higher cost of living, more dense urban areas.

A conceptual site plan has been submitted at this time for review. The proposed layout features 52 sites and market-rate, single family affordable manufactured housing to be placed by the Applicant on each home site. The proposed residential unit count is a 1:1 replacement of the prior historic residential uses on the site. Approximately 21,000+ square feet of land area is reserved for common area amenities and an office for permanent onsite management.

The 52 homes represent an overall gross density of 4.3 units per acre. As identified in the exhibits to the conceptual site plan, the size of a typical space will range from 6,000 – 10,000+ square feet, providing ample area for usable private yards.

The circulation system will consist of a reconstructed private road which includes resurfacing a portion of the existing paved areas that served the previous mobile home park but has been reorganized into a more efficient and consistent private street system with a typical width of 32'. The design also incorporates paved private driveways for off-street, covered resident parking (1 – 2-car) as well as sufficient width for on-street parking for visitors. The conceptual site plan proposes minimum building setbacks which will govern the placement of each manufactured home within each space, as follows:

- Front yards: 15' minimum
- Side yards: 5 – 15' variable with the intent of one side yard having enough width to accommodate single or double loaded parking
- Rear yards: 20' minimum

The site concept features approximately one-half acre of open space, common area improvements and access to neighboring trailheads. The primary access point along Hill Street directs guests and residents to the project's onsite management office which will house hands-on management staff available onsite during posted business hours.

The property is in Sierra County's CR (Commercial Residential) Zone and the City of Loyalton's R-2 (Residential) Zone. This site plan concept adheres to current development standards, per the direction of the Sierra County Planning Department.

As shown in the attached exhibits, Forest Edge Homes features multiple access points along the southern border of the property on Hill Street with primary access to the office area off Hill Street near the intersection of Hill Street and Highway 49. Entry monumentation will be located at the primary and secondary gated access points. A *Welcome to Loyalton* community sign currently exists on the private property and will be maintained and incorporated into the project plan.

Route 49 intends to not only construct the manufactured housing pads, or spaces, but also to acquiring, installing the units, private driveways and front yard landscaping. The manufactured homes will all be new units with a mix of two, three and/or four-bedroom homes ranging from approximately 1,000 – 1,700 square feet. These homes will be delivered to the Sierra County housing market with the primary goal of promoting home ownership; however, rental and seller-financed housing will be options as well. Under the home ownership setting, community residents would own their homes subject to monthly Lot Rents payable to the landowner.

As proposed in the Development Application package, Forest Edge Homes will be governed by recorded Covenants, Conditions and Restrictions (CC&Rs) as a mechanism for maintaining the integrity of both the individual homes and the community as a whole. All residents of Forest Edge Homes will be required to execute and abide by the rules and regulations set forth in the CC&Rs with an emphasis placed on protecting, preserving and enhancing a high-quality living environment. The CC&Rs are non-negotiable from the resident's perspective and will be uniformly applied to all residents in accordance with the Fair Housing Act.

As a manufactured housing community, the development and the housing units will be subject to the regulatory oversight of the State of California's Housing and Community Development Department (HCD).

Route 49 obtained an HCD Dealer's License for the purpose of acquiring newly built, factory-direct manufactured homes to install and potentially resell. Route 49 will utilize the HCD license as a means of providing cost effective, high-quality homes from nationally recognized manufacturers with an affordability component that is nearly impossible to provide in a conventional setting today. By acquiring a large volume of homes at wholesale prices, Route 49 has the ability to pass through low-cost entry points for both homeowners and renters. Route 49 is currently a Dealer for Clayton Homes and has successfully acquired and installed numerous homes at a sister project in Vinton, California.

The Development Application submittals also include a letter delivered to Mr. Tim Beals, Executive Officer of the Sierra County Local Agency Formation Commission, dated August 2, 2021, from Mayor Sarah Jackson of the City of Loyalton addressing the concern of Loyalton's ability to provide water and sewer services to the project. The City of Loyalton has provided guidance that an Outside Service Area Agreement is unnecessary given the project itself has been continuously served by Loyalton since prior to January 1, 2001, and the project remains a current customer of Loyalton as of the date of this memo (May 2022). Loyalton confirmed the water and sewer boundaries have not changed and while the level of service has changed since the former Loyalton Mobile Estates was in operation, water and sewer services have continued to be provided, and are currently provided, by the City of Loyalton.

This proposed development will replace the historic use of the property as a manufactured housing development, but unlike the prior Loyalton Mobile Estates, this project has been designed to complement the community and adjacent land uses by providing high quality housing with on-site management and enforcement mechanisms to insure long-term safe and decent housing consistent with the surrounding neighborhood. While the proposed residential use is the same as the historic use, the redevelopment proposed herein will be far superior housing when compared to the unfortunate story of the prior Loyalton Mobile Estates.

The proposed project is also a new residential option not seen in the City of Loyalton. Loyalton is an appealing alternative for service workers, families, and retirees to live, work and play in a setting that caters to lower-cost, semi-rural characteristics unavailable in the neighboring high cost of living urban areas. Providing a variety of housing choices, both rental and ownership options, creates a setting which solves for an array of housing needs across varying demographics.

--

Applicant Contact Information:

Route 49 Partners, LLC
Douglas Lawler, Principal
709 Roundup Drive
Loyalton, CA 96118
530-993-4586

Summary of Key Project Data:

Name: Forest Edge Homes

Owner: Route 49 Partners, LLC

Location: 205 Hill Street, Loyalton, CA 96118

County: Sierra County

APN: 016-040-080-0, 017-120-001-0 & 017-120-006-0

Total acreage: 12.09

Single Family Residential Unit count: 52

Private Space Size: Approximately 6,300 to 11,000 square feet

Amenities: Approximately 1,000 – 1,500 square feet onsite management office with parking for current and future residents. Approximately 6,000 – 6,500 square feet of Common Area space with gazebos, seating areas and trailhead to Tahoe National Forest.

Construction type: Clayton Manufactured Homes and other selected Manufacturers

Roofing type: 60-pound snow load as required by Sierra County

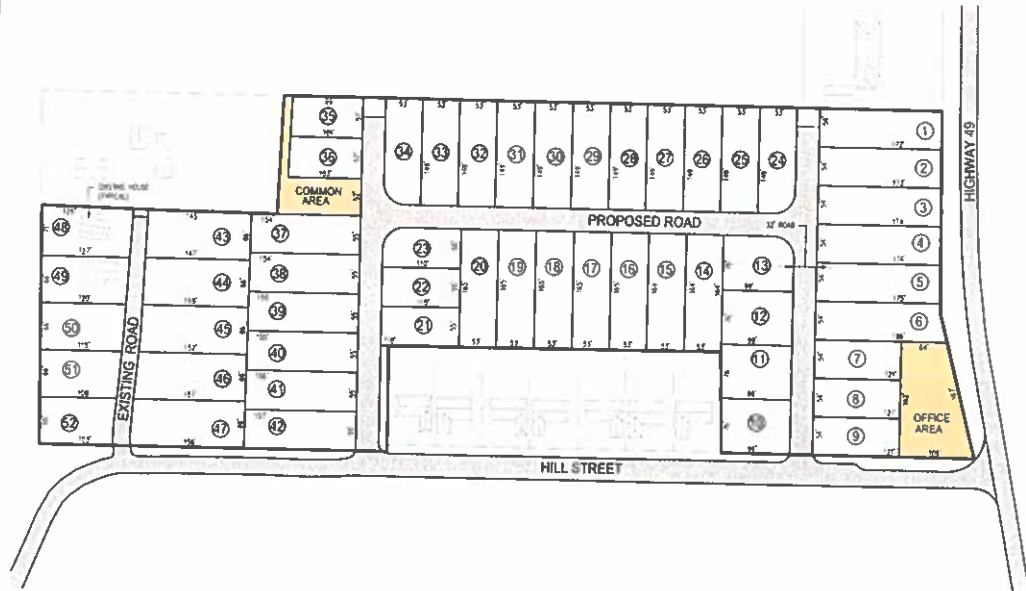
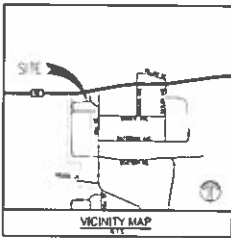
Set Type: Concrete foundations or conventional footings with required skirting for frost/freeze protection (not sure what we want to say here – probably want to allow either traditional manufactured home sets with the frost/freeze protection OR home sets on permanent foundations.

Parking: Individual 1 - 2-car driveways for off-street resident parking and on-street visitor spaces.

Lighting: Signage, Common Area, Street lighting, motion activated on homes.

Fencing: 3' split cedar (perimeter or front yard of each space), 6' plank privacy fencing when in locations backed to adjacent housing.

CONCEPTUAL SITE PLAN
FOR
FOREST EDGE



PROJECT INFORMATION

PROPERTY ADDRESS
55-141 TRIST
SUNNYVALE, CA 95086

OWNER/APPLICANT
55-141 TRIST
CONTACT PERSON: DOUG L. HILDE
1775 BAYVIEW DRIVE, SUITE 200
SUNNYVALE, CA 95086
925-448-4700
CONTACT PERSON: ROB B. BOGGS, MAP

PLANNING/ENGINEERING
HILL GROUP PLANNING & ENGINEERING
4710 BAYVIEW DRIVE, SUITE 200
SUNNYVALE, CA 95086
925-448-4700
CONTACT PERSON: ROB B. BOGGS, MAP

SURVEYING
SUNNYVALE SURVEYING, INC.
128 BAYVIEW AVENUE, SUITE 200
SUNNYVALE, CA 95086
925-448-4700
CONTACT PERSON: ROBERT J. LARSEN, P.E., P.L.S.

ASSESSOR'S PARCEL NUMBERS
04-040-001, 04-040-002, 04-040-003, 04-040-004

ZONING/GENERAL PLAN
SUNNYVALE COMMERCIAL RESIDENTIAL (SC-1)
CITY OF SUNNYVALE, CALIFORNIA, 95086

ZONING PLAN
CITY OF SUNNYVALE, CALIFORNIA, 95086

LOT AREA
47,800 SQ. FT.

ELECTRICAL
SEE SPECIFICATIONS

WATER
SEE SPECIFICATIONS

SEWAGE DISPOSAL
SEE SPECIFICATIONS

FIRE PROTECTION
SEE CITY FIRE DEPARTMENT SPECIFICATIONS

SPACE DIMENSIONS

LOT #	LENGTH (FEET)	WIDTH (FEET)	AREA (SQ. FT.)
1-4	4.50' - 4.50'	20' - 0"	90.00'
5-8	4.50' - 4.50'	20' - 0"	90.00'
9-12	7.00' - 7.00'	43' - 0"	301.00'
13-16	8.00' - 8.00'	40' - 0"	320.00'
17-20	8.00' - 8.00'	40' - 0"	320.00'
21-24	7.00' - 7.00'	43' - 0"	301.00'

SITE PLAN
SCALE: 1" = 60'

NOTES
ROAD WIDTH OF 32' TO ACCOMMODATE ON-STREET PARKING



FOREST EDGE
205 HILL STREET
CONCEPTUAL SITE PLAN

NO.	DATE	DESCRIPTION

LEGEND		
	PROPERTY LINE	SEE PLOT BOOK
	AVERAGE ROAD LINE	SEE PLOT BOOK
	BLOCK LINE	SEE PLOT BOOK
	STRIP LINE	SEE PLOT BOOK
	STRIP	SEE PLOT BOOK
	STRIP	SEE PLOT BOOK
	STRIP	SEE PLOT BOOK
	STRIP	SEE PLOT BOOK



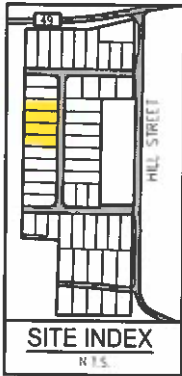
SEE PLAN
SCALE 1" = 10'

NOTES
CHECK BOOK IS APPROXIMATE



FOREST EDGE
205 HILL STREET
EXISTING CONDITIONS

NO.	DATE	DESCRIPTION



BUILDING SETBACKS

YARD	SETBACK (V.V.)
FRONT	15'
SIDE	5'
SIDE STREET	15'
REAR	20'

LEGEND

	LOT BOUNDARY
	FENCE (SPLIT RAIL)
	LANDSCAPE AREA
	WALKWAY
	PAVEMENT



SITE PLAN
SCALE: 1" = 20'

NOTES:
1. BUILDING DIMENSIONS ARE CONCEPTUAL
2. LANDSCAPE AREAS ARE CONCEPTUAL



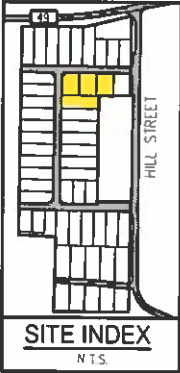
FOREST EDGE
SPACES 26 - 29
CONCEPTUAL SITE EXHIBIT

SERRA COUNTY CALIFORNIA

DESIGNED: REW
DRAWN: TOG
PROJ. NO: 20-1103
DATE: APRIL, 2022

SHEET NUMBER

E1.0



BUILDING SETBACKS

YARD	SETBACK (M.N.)
FRONT	15'
SIDE	5'
SIDE STREET	15'
REAR	20'

LEGEND

	LOT BOUNDARY
	FENCE (SPILT RAIL)
	LANDSCAPE AREA
	WALKWAY
	PAVEMENT



SITE PLAN
SCALE: 1" = 20'



NOTES:
1. BUILDING DIMENSIONS ARE CONCEPTUAL.
2. LANDSCAPE AREAS ARE CONCEPTUAL.



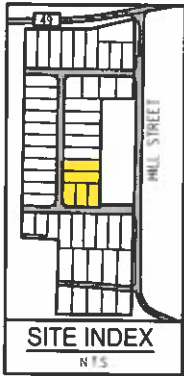
FOREST EDGE
SPACES 11 - 14
CONCEPTUAL SITE EXHIBIT

SIERRA COUNTY CALIFORNIA

DESIGNED: REW
DRAWN: TOG
PROJ. NO: 20-1103
DATE: APRIL, 2022

SHEET NUMBER

E1.1

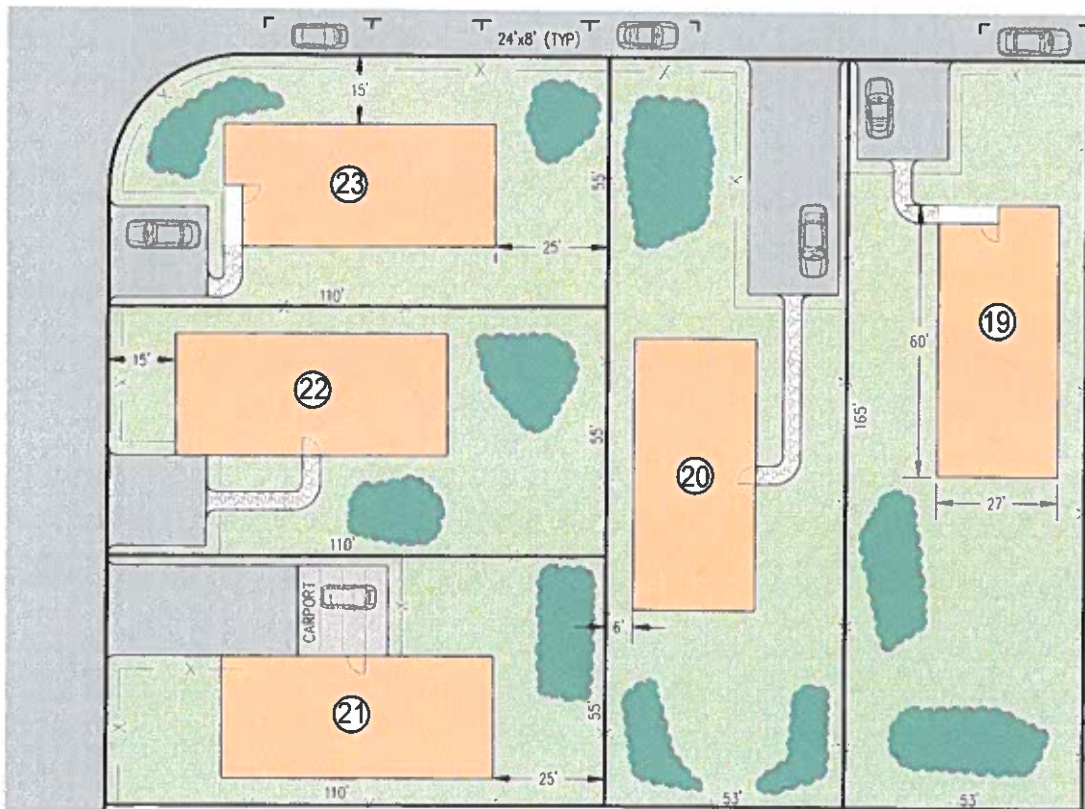


BUILDING SETBACKS

YARD	SETBACK (MIN)
FRONT	15
SIDE	5
SIDE STREET	15'
REAR	20

LEGEND

	LOT BOUNDARY
	FENCE (SPLIT RAIL)
	LANDSCAPE AREA
	WALKWAY
	PAVEMENT



SITE PLAN

SCALE: 1" = 20'



NOTES:

1. BUILDING DIMENSIONS ARE CONCEPTUAL.
2. LANDSCAPE AREAS ARE CONCEPTUAL.



FOREST EDGE
SPACES 19 - 23
CONCEPTUAL SITE EXHIBIT

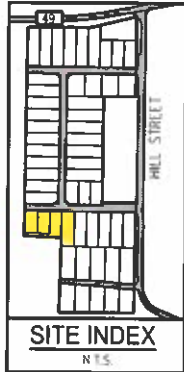
CALIFORNIA

SIERRA COUNTY

DESIGNED: REW
DRAWN: TOG
PROJ. NO: 20-1103
DATE: APRIL, 2022

SHEET NUMBER

E1.2



BUILDING SETBACKS

YARD	SETBACK (MIN)
FRONT	15'
SIDE	5'
SIDE STREET	15'
REAR	20'

LEGEND

	LOT BOUNDARY
	FENCE (SPLIT RAIL)
	LANDSCAPE AREA
	WALKWAY
	PAVEMENT



SITE PLAN
SCALE: 1" = 20'

NOTES:
1. BUILDING DIMENSIONS ARE CONCEPTUAL
2. LANDSCAPE AREAS ARE CONCEPTUAL

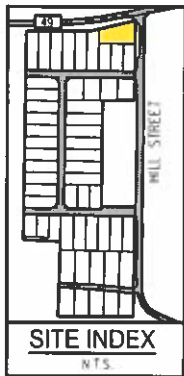
ILLUMINUM
Sierra County Illumination & Signage, Inc.
1000 N. Main Street, Suite 100
Yuba City, CA 95991
Phone: (530) 885-1100
Fax: (530) 885-1101
www.illumination.com

FOREST EDGE
COMMON AREA
CONCEPTUAL SITE EXHIBIT

DESIGNED: REW
DRAWN: TOC
PROJ. NO: 20-1103
DATE: APRIL, 2022

SIERRA COUNTY
CALIFORNIA

SHEET NUMBER
E1.3

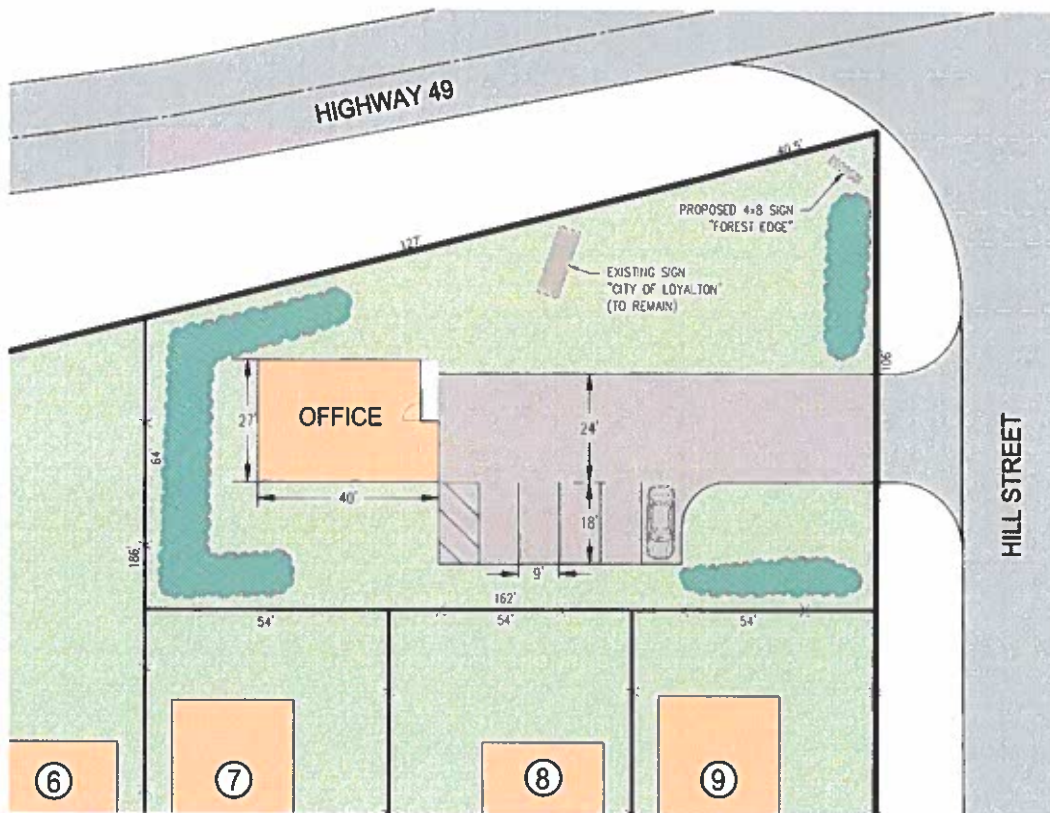


BUILDING SETBACKS

YARD	SETBACK (MIN)
FRONT	15'
SIDE	5'
SIDE STREET	15'
REAR	20'

LEGEND

	LOT BOUNDARY
	FENCE (SPUT RAIL)
	LANDSCAPE AREA
	WALKWAY
	PAVEMENT



SITE PLAN
SCALE: 1" = 20'



NOTES:
1. BUILDING DIMENSIONS ARE CONCEPTUAL
2. LANDSCAPE AREAS ARE CONCEPTUAL



**FOREST EDGE
OFFICE AREA
CONCEPTUAL SITE EXHIBIT**

CALIFORNIA

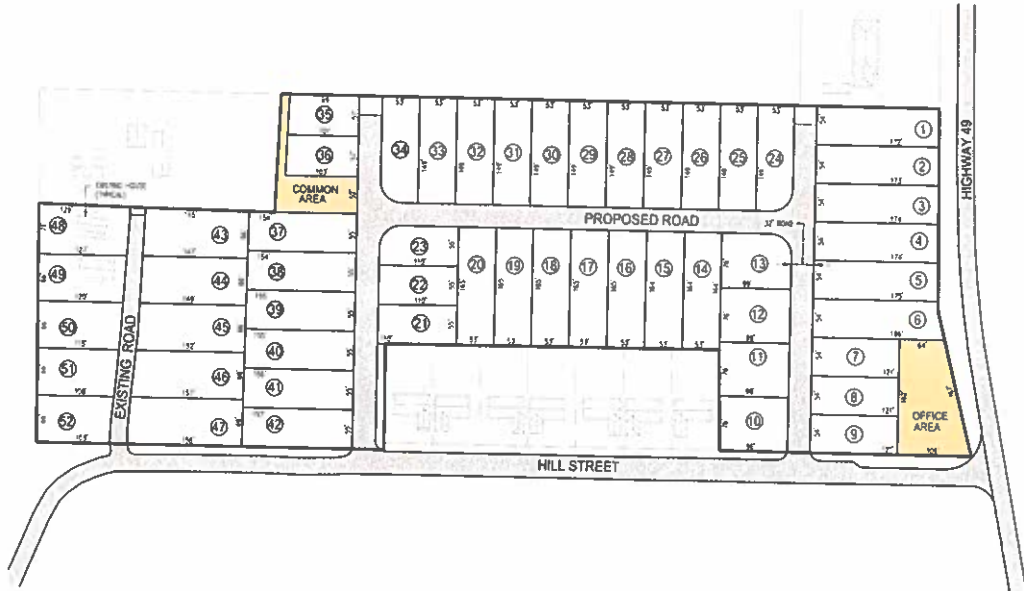
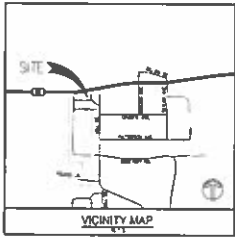
SERRA COUNTY

DESIGNED: REW
DRAWN: TOG
PROJ. NO: 20-1103
DATE: APRIL, 2022

SHEET NUMBER

E1.4

CONCEPTUAL SITE PLAN
FOR
FOREST EDGE



PROJECT INFORMATION

PROPERTY ADDRESS
205 HILL STREET
LOS ANGELES, CA 90012

OWNER/APPLICANT
BOB & JANE SMITH
CONTACT PERSON: BOB SMITH

PLANNING/ENGINEERING
MILLER & ASSOCIATES, INC.
4110 BURTON DRIVE, SUITE 200
CHINA VALLEY, CA 91331
CONTACT PERSON: BOB SMITH

SURVEYING
SMITH SURVEYING, INC.
12000 WILSON AVENUE, SUITE 100
CHINA VALLEY, CA 91331
CONTACT PERSON: BOB SMITH

ASSESSOR'S PARCEL NUMBERS
84-542-002, 81-113-001, 81-113-002

ZONING/GENERAL PLAN
ZONING: COMMERCIAL RESIDENTIAL (CR)
CITY OF LOS ANGELES RESOLUTION: 31-21

LOT AREA
778 SQ. FT.

ELECTRICAL
SEE SPECIFICATIONS

WATER
SEE SPECIFICATIONS

SEWAGE DISPOSAL
SEE SPECIFICATIONS

FIRE PROTECTION
SEE CITY FIRE DEPARTMENT SPECIFICATIONS

SPACE DIMENSIONS

LOT NO.	APPROXIMATE SQUARE FOOTAGE	APPROXIMATE FRONT YIELD	APPROXIMATE DEPTH
1-4	6,500 - 6,500	20-25	110 FT.
5-8	6,500 - 6,500	20-25	110 FT.
9-12	6,500 - 6,500	20-25	110 FT.
13-16	6,500 - 6,500	20-25	110 FT.
17-20	6,500 - 6,500	20-25	110 FT.
21-24	6,500 - 6,500	20-25	110 FT.
25-28	6,500 - 6,500	20-25	110 FT.
29-32	6,500 - 6,500	20-25	110 FT.

SITE PLAN
SCALE: 1" = 40'

NOTES
SEE SPECIFICATIONS FOR ADDITIONAL NOTES ON STREET PAVING.

ILLUMINUM
CONCEPTUAL SITE PLAN

FOREST EDGE
205 HILL STREET
CONCEPTUAL SITE PLAN

DATE: _____
DRAWN BY: _____
CHECKED BY: _____
DATE: _____

SCALE: 1" = 40'

LEGEND			
	PROPOSED LINE	Yes	EXISTING SITE
	PROPOSED ROAD LINE	Yes	PROPOSED
	PROPOSED LINE	No	EXISTING SITE
	PROPOSED LINE	No	EXISTING SITE
	PROPOSED LINE	No	EXISTING SITE
	PROPOSED LINE	No	EXISTING SITE
	PROPOSED LINE	No	EXISTING SITE
	PROPOSED LINE	No	EXISTING SITE



SITE PLAN
SCALE: 1" = 40'

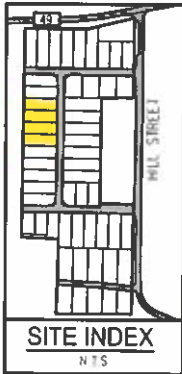
NOTES
UTILITIES SHOWN AS "APPROXIMATE"



FOREST EDGE
205 HILL STREET
EXISTING CONDITIONS

NO.	DATE	DESCRIPTION

C2.0



BUILDING SETBACKS

YARD	SETBACK (MIN)
FRONT	15'
SIDE	5'
SIDE STREET	15'
REAR	20'

LEGEND

	LOT BOUNDARY
	FENCE (SPLIT RAIL)
	LANDSCAPE AREA
	WALKWAY
	PAYEMENT



SITE PLAN
SCALE: 1" = 20'

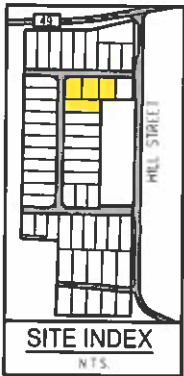
NOTES:
 1. BUILDING DIMENSIONS ARE CONCEPTUAL
 2. LANDSCAPE AREAS ARE CONCEPTUAL



FOREST EDGE
 SPACES 26 - 29
 CONCEPTUAL SITE EXHIBIT
 SIERRA COUNTY CALIFORNIA

DESIGNED: REW
 DRAWN: TOC
 PROJ. NO: 20-1103
 DATE: APRIL, 2022

SHEET NUMBER
E1.0



BUILDING SETBACKS

YARD	SETBACK (MIN)
FRONT	15'
SIDE	5'
SIDE STREET	15'
REAR	20'

LEGEND

	LOT BOUNDARY
	FENCE (SPUI RAIL)
	LANDSCAPE AREA
	WALKWAY
	PAVEMENT



SITE PLAN
SCALE: 1" = 20'

NOTES:
1. BUILDING DIMENSIONS ARE CONCEPTUAL
2. LANDSCAPE AREAS ARE CONCEPTUAL



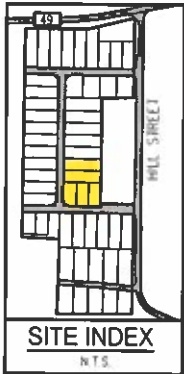
FOREST EDGE
SPACES 11 - 14
CONCEPTUAL SITE EXHIBIT

SIERRA COUNTY CALIFORNIA

DESIGNED: REW
DRAWN: TOG
PROJ. NO: 20-1103
DATE: APRIL, 2022

SHEET NUMBER

E1.1

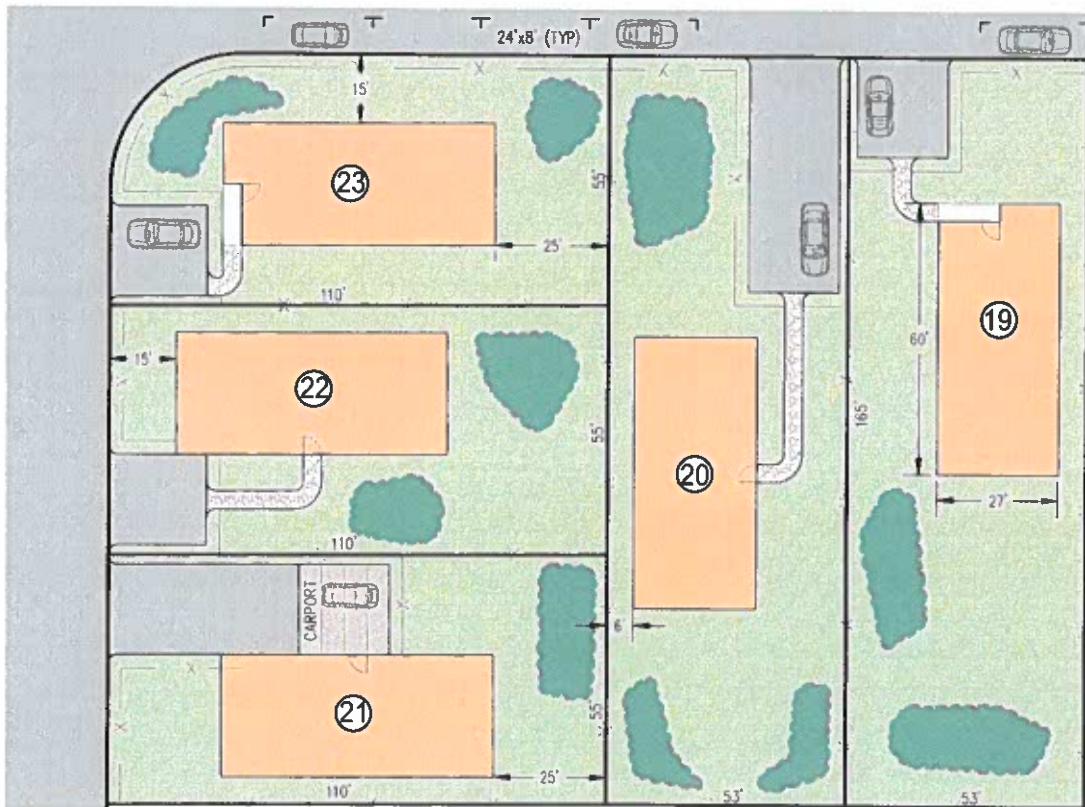


BUILDING SETBACKS

YARD	SETBACK (MIN)
FRONT	15'
SIDE	5'
SIDE STREET	15'
REAR	20'

LEGEND

	LOT BOUNDARY
	FENCE (SPLIT RAIL)
	LANDSCAPE AREA
	WALKWAY
	PAVEMENT



SITE PLAN
SCALE: 1" = 20'

NOTES:
1. BUILDING DIMENSIONS ARE CONCEPTUAL
2. LANDSCAPE AREAS ARE CONCEPTUAL

ILLUMINIUM
LANDSCAPE ARCHITECTURE

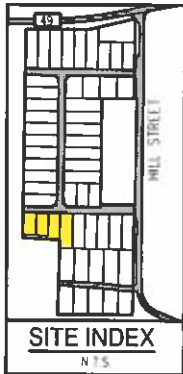
CALIFORNIA

FOREST EDGE
SPACES 19 - 23
CONCEPTUAL SITE EXHIBIT

SIERRA COUNTY

DESIGNED: REW
DRAWN: TOG
PROJ. NO: 20-1103
DATE: APRIL, 2022

SHEET NUMBER
E1.2



BUILDING SETBACKS

YARD	SETBACK (MIN)
FRONT	15'
SIDE	5'
SIDE STREET	15'
REAR	20'

LEGEND

	LOT BOUNDARY
	FENCE (SPLIT RAIL)
	LANDSCAPE AREA
	WALKWAY
	PAVEMENT



SITE PLAN
SCALE: 1" = 20'



NOTES:
1. BUILDING DIMENSIONS ARE CONCEPTUAL
2. LANDSCAPE AREAS ARE CONCEPTUAL.



**FOREST EDGE
COMMON AREA
CONCEPTUAL SITE EXHIBIT**

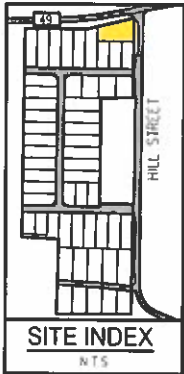
CALIFORNIA

SERRA COUNTY

DESIGNED: REW
DRAWN: TOG
PROJ. NO: 20-11103
DATE: APRIL, 2022

SHEET NUMBER

E1.3

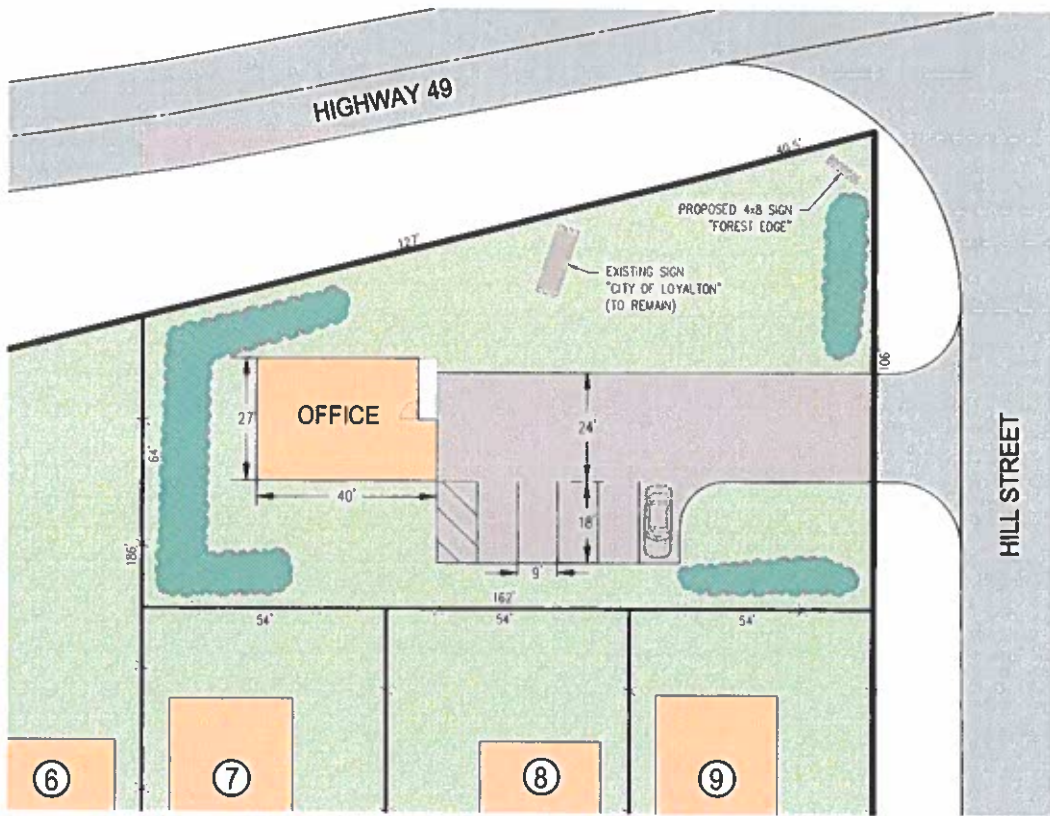


BUILDING SETBACKS

YARD	SETBACK (U.N.)
FRONT	15'
SIDE	5'
SIDE STREET	15'
REAR	20'

LEGEND

	LOT BOUNDARY
	FENCE (SPLIT RAIL)
	LANDSCAPE AREA
	WALKWAY
	PAVEMENT



SITE PLAN
SCALE: 1" = 20'



NOTES:
 1. BUILDING DIMENSIONS ARE CONCEPTUAL
 2. LANDSCAPE AREAS ARE CONCEPTUAL



FOREST EDGE
OFFICE AREA
 CONCEPTUAL SITE EXHIBIT

CALIFORNIA

SIERRA COUNTY

DESIGNED: REW
 DRAWN: TOG
 PROJ. NO: 20-1103
 DATE: APRIL, 2022

SHEET NUMBER

E1.4

Department of Planning and Building Inspection
P.O. Box 530
Downieville, CA 95936
(530) 289-3251
Fax (530) 289-2828
Email: planning@sierracounty.ca.gov



ENVIRONMENTAL QUESTIONNAIRE

Answer all questions that are applicable.

I. GENERAL

1. Project name Forest Edge Address: 205 Hill Street, Loyalton, CA 96118
Project site area 12.09 acres, or _____ square feet
Land use description General Plan/Community Plan Multi-unit Residential (MUR) Zoning Commercial Residential (CR)
2. Any other public agencies whose approval is required? _____
3. Project description in detail, including the number of units or gross floor area proposed, site area in acres/square feet (PLN)
This project proposes a 52-unit mobile home park located just outside the city limits of the City of Loyalton. The area where this project is proposed had previously been used for the same purpose with the same number of units. The parcels in question have since had the previous structures removed, excluding 2 dwellings and a storage unit. This project proposes 50 new 60'x27' modular homes and a 40'x27' office for park management.
4. Describe existing uses and facilities onsite (buildings, wells, septic systems, parking, etc) The parcels still possess the roadway and utility infrastructure that had serviced the previous park. This includes water, sewer, and electrical.
5. Is adjacent property in common ownership? yes no
If yes, indicate acreage _____ and Assessor's Parcel Number(s) _____
6. Indicate all historic uses of the property to its first known use and show areas of such use on site plan (ie. animal enclosures, livestock dipping areas, family cemetery plots, chemical mixing structures, clandestine drug labs or dumpsites, fuel tanks, crop areas, mining shafts, buildings, processing areas, storage, hazardous waste, spoils piles, etc.):
 - a. Residential uses? yes no
If yes, describe uses: This area had previously been used as a 52-space mobile home/RV park known as "Loyalton Mobile Home Park" until Sierra County appointed the California Receivership Group to resolve the "blight and ownership absence" in 2017.
 - b. Commercial agriculture uses? yes no
If yes, what types of uses have occurred? animal husbandry crops other
Describe use, era/decade, associated pesticides, herbicides, or other hazardous materials storage or use: _____
 - c. Mining uses? yes no
If yes, describe types, features, and any related uses: _____

d. Physical hazards (i.e. mine adit, air shaft, etc)? yes no

If yes, describe hazards: _____

e. Commercial uses? yes no

If yes, describe types, any related uses and is there sufficient parking?: _____

7. Is any portion of the site under a Williamson Act contract? yes no

If yes, indicate contract name and number: _____

II. GEOLOGY & SOILS

1. Have you observed any building or soil settlement, landslides, slumps, faults, steep areas, rock falls, mud flows, avalanches or other natural hazards on this property or in the nearby surrounding area? yes no

If yes, describe _____

2. How many cubic yards of material will be removed onsite? 0 cubic yards

How many cubic yards of material will be imported? 0 cubic yards

How many cubic yards of material will be exported? 0 cubic yards

Describe material sources or disposal sites, transport methods and haul routes: _____

3. What is the maximum proposed height and slope of any excavation/cut? No cut expected

What is the maximum proposed height and slope of any fill? No fill expected

4. Are retaining walls proposed? yes no

If yes, identify location, type, height, etc. _____

5. Is there a potential for any blasting during construction? yes no

If yes, explain _____

6. How much of the area is to be disturbed by grading activities? No grading expected

7. Would the project result in the direct or indirect discharge of sediment into any lakes or streams? yes no

If yes, explain _____

8. Are there any known natural economic resources such as sand, gravel, building stone, road base rock, or mineral deposits on the property? yes no

If yes, describe _____

9. Are any frontage or offsite road and/or drainage improvements proposed or required? yes no

If yes, explain and show on site plan Minor road improvements and treatment of surface run off.

10. What are the current California Department of Conservation Farmland categories for the property? (Access the CA Important Farmland Finder application on the web at <http://www.conservation.ca.gov/dlrp/fmmp/Pages/Index.aspx> or call 916-324-0859 for assistance) Urban and Built-Up Land

How many acres of each category? Urban and Built-Up Land - 12.09 acres

III. DRAINAGE, HYDROLOGY & WATER QUALITY

1. Is there a body of water (lake, pond, stream, canal, etc.) within or on the boundaries of the property? yes no If yes, name the body of water here and show location on site plan: _____

2. If answer to the above is yes, would water be diverted from or into this water body? yes no

If yes, does applicant have an appropriative or riparian water right? yes no

3. Where is the nearest off-site body of water such as a waterway, river, stream, pond, lake, canal, irrigation ditch, or year-round drainage-way? Include name, if applicable Smithneck Creek, ~ 0.5 miles from site.
-
4. What percentage of the project site is presently covered by impervious surfaces? ~19%
 What percentage of the project site will be covered by impervious surfaces after development? ~15%
-
5. Would any run-off of water from the project enter any offsite canal/stream or watershed drainage? yes no
 If yes, describe _____
-
6. Is stormwater run-off currently being intercepted by an upstream and/or onsite canal? yes no
 If yes, describe _____
-
7. Will there be discharge to surface water of wastewaters other than storm water run-off? yes no
 If yes, a) what materials will be present in the discharge? _____
 b) what contaminants will be contained in storm water run-off? _____
-
8. Would the project result in the physical alteration of a body of water? yes no
 If yes, how? _____
-
9. Will drainage from this project cause or exacerbate any downstream flooding condition? yes no
 If yes, explain: _____
-
10. Are any improvements (streets, building sites, earthwork, etc) proposed within the limits of the 100-year floodplain?
 yes no
 If yes, accurately identify the location of the future, fully developed, unmitigated 100-year floodplain on the site plan.
-
11. Are any areas of the property subject to flooding or inundation? yes no
 If yes, accurately identify the location on the site plan.
-
12. Would the project alter any on or off site drainage channels or patterns? yes no
 If yes, explain _____
 a. How will drainage be discharged to offsite project boundaries? _____

 b. Are downstream improvements required to upgrade, replace, or mitigate existing facilities? yes no
 If yes, explain _____

 c. Will grading be required for drainage conveyance, either in right of way or on private property? yes no
 If yes, describe _____

-
13. What specific temporary and permanent Best Management Practice (BMP) measures will be provided? _____
Silt Fence, Fiber Rolls, Perimeter Controls, Stabilization of Disturbed Areas

IV. VEGETATION AND WILDLIFE

All projects disturbing wetlands, streams, vernal pools, or marshes are required to notify the U.S. Army Corps of Engineers and federal permits may be required prior to land disturbance activities. In addition, consultation with the California Department of Fish and Game, U.S. Fish and Wildlife Service, National Marine Fisheries Service, and/or the Central Valley Regional Water Quality Control Board may be required depending on the types of vegetation and wildlife resources affected by project-related activities.

1. Identify the vegetation communities occurring on the project site
- | | |
|----------------------------------|--------------------------|
| _____ % alpine | _____ % orchard/vineyard |
| _____ % coniferous forest | _____ % perennial stream |
| _____ % freshwater wetland/marsh | _____ % pond-stock pond |
| _____ % grassland (dry pasture) | _____ % rice |

_____ % hardwood woodland
_____ % intermittent stream
_____ % riparian (stream zone) woodland
_____ % irrigated pasture

_____ % row crop
_____ % scrub/chaparral
_____ % vernal pool
_____ % meadow (above 3000 ft)

2. Estimate how many individual trees of 6-inches diameter or larger would be removed by the ultimate development of this project as proposed: None.
If oak trees (Quercus sp.) are present, estimate how many individual oak trees 5 inches diameter or larger would be removed by ultimate development of this project as proposed. None.
3. Estimate the percentage of all existing trees that would be removed by the project as proposed None.
4. Have any biological surveys been conducted on the property? yes no
If yes, give date of the survey(s) and attach a copy of the survey(s) _____
5. List any known endangered species of plants or animals (as defined in Section 15380 a-d of the California Environmental Quality Act Guidelines) found in the project area Unknown.
6. What changes to the existing vegetative communities will the project cause as proposed? None.

V. FIRE PROTECTION

1. How distant are the nearest fire protection facilities? ~ 0.8 miles
2. What is the nearest emergency source of water for fire protection purposes? Describe the source and location: Existing fire hydrants can be found throughout the site.
3. What additional fire hazard and fire protection service needs would the project create? None.
What facilities are proposed with this project? No additional fire protection facilities are proposed with this project.
4. For single access projects, what is the distance from the project to the nearest through road? _____
Does the fire district require an emergency vehicle access road? yes no
If yes, show on the project grading plans and site plan.
5. Are there offsite access limitations that might limit fire truck accessibility (ie. steep grades, poor road alignment or surfacing, substandard bridges, etc.)? yes no
If yes, describe: _____

VI. NOISE

Project sites near a major source of noise, and projects which will result in increased noise, may require a detailed noise study prior to environmental determination.

1. Is the project near a major source of noise? yes no
If yes, name the source(s): This project would take place on parcels directly adjacent to State Highway 49.
2. What noise would result from this project, both during and after construction? During construction – Standard construction noise (equipment, vehicles, tools). After construction – Standard residential noise
3. If noises attenuation measure (ie. berms, walls, special construction) are proposed, please attach noise study, describe measures and include on the site plan and in cross-sectional details.

VII. AIR QUALITY

Specific air quality studies may be required by the Northern Sierra Air Quality Management District (NSAQMD). It is suggested that applicants with residential projects containing 20 or more units, industrial, or commercial projects contact the NSAQMD before proceeding.

- 1. Are there any sources of air pollution within the vicinity of the project? yes no
If yes, name the source(s): _____
- 2. At full buildout of the project, what are the quantities of air pollutants in terms of vehicle and stationary sources (ie. woodstove emissions, etc.)? Include short-term (construction) impacts: _____

- 3. Are there any sensitive receptors of air pollution located within one quarter mile of the project (ie. schools, hospitals, etc.)?
 yes no
If yes, describe _____
Will the project generate any toxic/hazardous emissions? yes no
If yes, describe _____
- 4. What specific mobile/stationary source mitigation measures, if any, are proposed to reduce the air quality impact(s) of the project? Quantify any emission reductions and corresponding beneficial air quality impacts on a local/regional scale.
None.
- 5. Will there be any land clearing of vegetation for this project? yes no
If yes, how will vegetation be disposed? _____

VIII. WATER SUPPLY

- 1. Define purpose of water currently used on-site Water on site is for residential and emergency purposes.
- 2. Define existing water source and its location on-site The water for this site is currently connected to the City of Loyalton's water system.
- 3. List water sources (provider or system) proposed and their projected peak water usage in gallons per day:
Domestic City of Loyalton peak gallons/day 5,200 (based on 100gal/day per unit)
Irrigation City of Loyalton peak gallons/day Included in previous estimate
Fire Protection Sierra County Fire Protection District peak gallons/day N/A
- 4. Is the project site located within a public domestic water district? yes no
- 5. Will there be public water supply for domestic use? yes no
If yes, provide the districts name here: City of Loyalton
If no, and the water main is in close proximity, please discuss why not _____
If no, give the distance to the closest public water main _____ feet
- 6. Will there be groundwater for domestic or other uses? yes no
If yes, what is the projected daily peak groundwater usage? _____
- 7. Are there any wells, drilled or hand-dug, on the site? yes no
If yes, describe approximate year well was constructed, depth, annular seal, yield, contaminants, etc _____
Show existing and proposed well sites and label type of well on the site plan.
- 8. Will the project potentially impact the surrounding area's use of agricultural water? yes no
If yes, describe _____

IX. AESTHETICS

- 1. Describe adjacent land use and explain how the proposed project is consistent/compatible with these uses and densities
This area a part of the City of Loyalton's "Community Core" residential area and abuts the Forest parcels of County jurisdiction.
- 2. Is the proposed project consistent/compatible with adjacent architectural styles? yes no
If no, explain _____

3. Would aesthetic features of the project (such as architecture, height, color, etc.) be subject to review? yes no If yes, by whom (i.e. HOA, ARC)? _____
4. Describe signs and lighting associated with the project: Signage, Common Area, Street lighting, motion activated on homes
5. Is landscaping proposed? yes no
If yes, provide a conceptual landscape plan to describe and indicate types and location of plants.

X. ARCHAEOLOGY/HISTORY

1. What is the nearest historic site, state historic monument, national register district, or archaeological site?
Crystal Peak
2. How far away is it? ~ 36 miles from site
3. Are there any historical, archaeological or culturally significant features on the site (i.e. old foundations, structures, Native American habitation sites, etc.)? yes no
If yes, explain _____
4. Are there any Tribal lands, sites or artifacts known or believed to be on the site?" No.

XI. SEWAGE

1. How much wastewater is presently produced daily? 2 Equivalent Dwelling Units (EDUs)
2. How is sewage presently disposed of at the site? City Sewer – City of Loyaltan
3. How much wastewater will be produced daily after the project? 52 EDUs
4. What is the proposed method of sewage disposal? City Sewer – City of Loyaltan
5. Is there a plan to protect groundwater from wastewater discharges? yes no N/A
If yes, attach a draft of this plan.
6. List all unusual wastewater characteristics of the project None.
What special treatment processes are proposed for these unusual wastes? N/A
- Will pre-treatment of wastewater be available? yes no
If yes, attach a description of pre- treatment processes and monitoring system.
7. During the wettest time of the year, is the groundwater level less than 8 feet below the surface of the ground onsite?
 yes no
If no, explain _____
8. Is this project located within a sewer district? yes no
If yes, provide the district name here: City of Loyaltan
9. Is there sewer in the area? yes no
If yes, what is the distance to the nearest sewer line? Sewer line is within parcel boundary
10. Will the project be trenching offsite to connect to sewer? yes no
If yes, describe distance and impacts to roadways, adjacent properties, etc. _____

XII. HAZARDOUS MATERIALS

"Hazardous materials" include, but are not limited to, hazardous substances, hazardous waste, or any material which a handler or the administering agency has a reasonable basis for believing that it would be injurious to the health and safety of persons or harmful to the environment if released into the workplace or the environment (i.e. oils, lubricants, and fuels).

1. a. Has the site ever stored or used hazardous materials, including pesticides and herbicides? yes no
If yes, describe _____

b. Are these materials stored in underground tanks? yes no

If yes, contact the Department of Environmental Health at 530-993-6702 for additional requirements.

2. Will the proposed project involve the handling, storage or transportation of hazardous materials? yes no
If yes, will it involve the handling, storage, or transportation at any one time of more than 55 gallons, 500 pounds, or 200 cubic feet (at standard temperature and pressure) of a product or formulation containing hazardous materials?

yes no

If yes, describe _____

XIII. SOLID WASTE

1. What types of solid waste will be produced? Household Waste

How much? 52 EDUs

How will it be disposed of? Sierra County Public Works

XIV. PUBLIC AND EMERGENCY SERVICES

1. Identify those entities which serve the project with gas, electricity, telephone and water Electricity – PG&E.

Water – City of Loyalton. Gas- No existing gas service. Telephone – No existing telephone service.

XV. PARKS & RECREATION

1. How close is the project to the nearest public park or recreation area? 1.1 miles

Name the area Loyalton Park

2. Describe any onsite recreational facilities proposed as part of the project This project will include a common area along the south-western property boundary for gathering and light recreation.

3. How does this project propose to provide park and recreation facilities to the community? The common area will include picnic tables, gazebos, barbeques, and landscaping within walking distance of the proposed homes.

XVI. SOCIAL IMPACT

1. How many new residents will the project generate? _____

2. Will the project displace or require relocation of any residential units? yes no

If yes, explain _____

3. What changes in character of the neighborhood (surrounding uses such as pastures, farmland, residential) would the project cause? This project is compatible with surrounding residential uses.

4. Would the project create job opportunities? yes no

If yes, explain During construction

5. Would the project destroy job opportunities? yes no

If yes, explain _____

6. Will the proposed development displace any currently productive use, including agricultural livestock grazing?

yes no

If yes, describe _____

7. Are there any Federal funds helping to finance your project? yes no

If yes, you may have to comply with NEPA, the National Environmental Policy Act

XVII. TRANSPORTATION/CIRCULATION

1. Does the proposed project front on a County road or State Highway? yes no
If yes, what is the name of the road? State Highway 49 and Hill Street

If no, what is the name of the private access road and nearest cross-street? _____
2. Would any non-auto traffic, not related to construction activities, result from the project (trucks, trains, etc.)?
 yes no
If yes, describe type and volume _____
3. Will new roadway/driveway access onto County roads be constructed with the project? yes no
If yes, are the access points proposed in a location in which would provide sufficient sight distance along the roadway for safe entering and exiting vehicles? _____
4. Describe any proposed improvements to County roads and/or State Highways (i.e. frontage improvements, bike lanes, curb, sidewalk): None
5. Would any form of transit be used for traffic to/from the project site? yes no
If yes, show proposed transit stop locations on site plan.
6. How much additional traffic is the project expected to generate? What are the expected peak hours of traffic to be caused by the development (i.e. Churches on Sundays, 8:00am-1:00pm; Offices on Mondays through Fridays, 8:00-9:00am, and 4:00-6:00pm)? Traffic generation is identical to the previous development of 52 residential units.
7. What bikeway, pedestrian, equestrian, or transit facilities are proposed with the project?
None.

XVIII. CERTIFICATION

I hereby certify that the statements furnished above and in the attached exhibits present the data and information required for this initial evaluation to the best of my ability, and that the facts, statements, and information presented are true and correct to the best of my knowledge and belief.

First Name _____ Last Name _____

Signature _____ Date: _____

Work Phone () _____ Cell Phone () _____

Email Address _____

**AGREEMENT FOR INDEMNIFICATION AND
REIMBURSEMENT FOR EXTRAORDINARY COSTS**
("The Agreement")

SHADED AREAS FOR OFFICE USE ONLY

Route 49 Partners LLC ("APPLICANT") and Route 49 Partners LLC
("LANDOWNER"), collectively referred to as "the APPLICANT" have applied to the County of Sierra, a political
subdivision of the State of California, Sierra ("the County") for:

Forest Edge

("the Project")

(APN) 017-120-006, 017-120-001, 016-040-080

TERMS AND CONDITIONS

1. **Conditions to the Project Approval:** All approvals, permits and consents for the project by the County shall only become effective, and are expressly conditioned upon performance by the APPLICANT, and if a separate party, by the LANDOWNER, upon the following:
 - 1.1 Full performance of all conditions imposed in connection with the applicable permit or the Project approved.
 - 1.2 Posting of any fees for CEQA review required by the California Department of Fish & Wildlife pursuant to AB 3158, in the amount of \$2,480.25 for a Negative Declaration, and \$3,445.25 for an Environmental Impact Report.
 - 1.3 Full performance of the terms and conditions hereof.
 - 1.4 Compliance with all required mitigation measures of an approved environmental document for the application project.
 - 1.5 Security Deposits (if required) for fulfillment of any conditions.

2. **Terms of Agreement:** The terms of this Agreement consist of:
 - 2.1 This Indemnification and Reimbursement Agreement facing sheet
 - 2.2 The conditions for charging Extraordinary Costs attached as Exhibit A
 - 2.3 The Additional Terms attached as Exhibit B
 - 2.4 The General Provisions attached as Exhibit C
 - 2.5 Notices and Supplemental Terms attached as Exhibit D

This Agreement is entered into as of April 13, 2022.

APPLICANT

(Signature) **Douglas Lawler**

(Type or print name)

LANDOWNER

(Signature)

Douglas Lawler

(Type or print name)

COUNTY

Lee Adams, Chair
Sierra County Board of Supervisors

APPROVED AS TO FORM:

David Prentice
County Counsel

ATTEST:

Heather Foster, Clerk of Board

**CONDITIONS FOR CHARGING
EXTRA COSTS
EXHIBIT "A"**

A.1 BACKGROUND

The County of Sierra is authorized to charge for the actual costs of processing land use permits including all staff and administration and County Counsel time actually expended on the Project. While the County has previously established a schedule of fees for normal permit processing, there are times when the permit fees do not cover the costs incurred by the County for applications requiring significant amounts of staff and/or counsel time and/or in retaining consultants who may need to be retained in conjunction with the processing of an application that is filed with the County. In the event that the processing of an application for a permit, general plan amendment and/or rezoning of property requires, in the judgment of the Planning Department, more than the customary amount of time allocated to a type of application and/or results in the County retaining an outside consultant or consultants (including without limitation incurring fees for counsel), addition fees will be charged to cover the costs incurred by the County. The following events or circumstances (referred to as "Extraordinary Events") are examples (without limitation) of the circumstances that may give rise to extra costs:

- A.1.1 Incomplete or inaccurate information provided by an APPLICANT;
- A.1.2 A change in an application by means of an amendment, correction or otherwise;
- A.1.3 Opposition to a project;
- A.1.4 Submission of a controversial application, whether or not specifically or initially opposed;
- A.1.5 An appeal of a land use decision;
- A.1.6 Non-compliance in whole or in part by an APPLICANT with a condition of an application, a permit or a planning or building department request;
- A.1.7 Delays in processing caused in part by the APPLICANT or the latter's agents;
- A.1.8 Unique, novel or irregular applications or requests by an APPLICANT;
- A.1.9 Other circumstances or events which increase the workload of County staff to process an application.
- A.1.10 Hiring of outside consultants

A.2 NOTICE OF EXTRAORDINARY EVENT AND REQUEST FOR DEPOSIT

In the event that one or more Extraordinary Events arise or are reasonably foreseen, the Director of Planning may give written notice thereof to the APPLICANT together with a request for deposit of Extraordinary Costs ("Costs") [Exhibit B - Provision 1.1].

A.3 SUBMISSION OF DEPOSIT

Upon receipt of such Notice, APPLICANT shall have ten (10) days to deposit the sums so requested. Failure to comply with deposit request shall be governed by Exhibit B - Provision 1-6.

A.4 RIGHT OF WITHDRAWAL

Extraordinary Costs, the APPLICANT has the right to withdraw or abandon APPLICANT's project and/or application without incurring any further costs beyond those incurred to the date of receipt by the Director of Planning of the Notice to Withdraw or Abandon the Application.

A.5 OBLIGATION AFTER DEPOSIT

In the event APPLICANT deposits the costs requested, the County shall proceed or continue with application processing and APPLICANT shall be responsible for the costs as billed, whether or not the latter are covered by or included in the Deposit.

A.6 FURTHER TERMS AND CONDITIONS

The use of the Deposit, responsibility for costs and the further terms and conditions of this Agreement are as set forth in Exhibits B and C and, if applicable, Exhibit D hereof.

A.7 EXTRAORDINARY COST SCHEDULE

Extraordinary Costs include:

Planning staff -	\$65 per hour [per Resolution # 2005-064]
County Counsel -	At cost
County Counsel Staff -	\$20 per hour
Special Counsel -	As billed to County
Consultants -	As billed to County
Other Costs -	As authorized by County Ordinance or Resolution

**TERMS
EXHIBIT "B"**

B.1 DEPOSIT.

B.1.1 "INITIAL DEPOSIT." APPLICANT shall provide funds in the amount set forth in the "Notice of Extraordinary Costs" in the form of a check made payable to the "SIERRA COUNTY TREASURER".

B.1.2 INCREMENTAL DEPOSITS. The COUNTY may request deposits in advance of expenditures or obligations for expenditures. With the exception of the requirements of Provision B.2, APPLICANT shall only be liable for the amount of costs actually incurred by the COUNTY to the date of the request for additional deposits. No individual deposit request (exclusive of deposit on consulting contracts) shall exceed \$25,000 without APPLICANT's prior written authorization or assent.

B.1.3 ADDITIONAL DEPOSITS. If the deposit or any increases therein is inadequate to pay for Costs actually incurred by the COUNTY, APPLICANT will be notified immediately of the need to supplement the deposit. The APPLICANT shall only be contractually obligated to pay or to increase deposits beyond that which it otherwise agrees up to the limitation set forth in Provision B.2 below.

B.1.4 USE OF DEPOSITS. The Initial Deposit constitutes an initial estimate of Extraordinary Costs associated with processing the Application and the initial study. The use of the Initial Deposit funds and all future deposits shall include costs of administrative review, consulting fees, legal review, and any other actual costs incurred in support of the Application processing and any applicable environmental review of the Project (collectively referred to as "Costs".) Costs include those expenses incurred on the Project from its inception. Credit shall be given for any standard application permit fee paid by APPLICANT. Further, deposit will be required in the full amount of any contract or contracts for consulting services. Costs shall include the total dollar amount of all COUNTY personnel time (computed on the basis of hours spent multiplied by the salary and benefit rate paid by the COUNTY to such individual(s)), all fees and costs charged by outside consultants and contract personnel, amounts expended for photo copies, telephone calls, FAX charges, postage, trip expenses (gas, meals, lodging, parking, transportation) and any and all other costs incurred or expended by the COUNTY in direct connection with the Project.

B.1.5 DRAW DOWN OF DEPOSIT. On a monthly basis, or on such other time intervals as the Director of the PLANNING DEPARTMENT may deem appropriate, Costs incurred shall be deducted from the Deposit and an accounting of the status of the Deposit shall be provided to the APPLICANT. In the case of Costs expended against billings from outside consultants, the amount of such billing statements shall be provided to the APPLICANT. The APPLICANT shall not be entitled to any detail revealing the substantive contents or "detail of billings" pertaining to legal advisement to the COUNTY by contract attorneys or County Counsel, but shall be entitled to an accounting of the total amounts paid to such attorneys or reimbursement to the COUNTY General Fund, as the case pertains.

B.1.6 FAILURE TO MAKE DEPOSITS. In the event that APPLICANT does not make deposits as requested pursuant to the terms hereof, the processing of the Application may be suspended by the COUNTY. The refusal or failure to make a requested deposit within sixty (60) days after request shall constitute an abandonment of the Project by the APPLICANT and shall terminate all processing of the Application. The COUNTY shall not be liable for such termination and APPLICANT hereby indemnifies and holds the COUNTY harmless from any and all claims arising out of such termination including those of APPLICANT. Any request for deposit or payment to the COUNTY must be made in writing and mailed or telefaxed, in accord with "Notices" set forth on Exhibit "A". The APPLICANT shall have ten (10) working days from the date of mailing and telefaxing within which to remit the amount requested before the COUNTY may exercise the remedies for "Failure to make Deposits" set forth herein. Any delay in providing deposits or payments by APPLICANT as requested after the ten (10) days specified herein shall toll any time periods required for document processing by the COUNTY, including those under the Permit Streamlining Act, for the period of time equal to the date of the request for deposit to the date of receipt of the requested deposit minus the ten (10) day performance period ("the Delay Time") if the Delay Time is ten (10) calendar days or less. If the delay exceeds ten (10) calendar days beyond the ten (10) day performance time, then the tolling period shall be equal to the Delay Time plus thirty (30) days.

B.1.7 DEPOSITS IN EXCESS OF COSTS. If the actual Cost of the Application and environmental review is less than the deposit, the excess amount will be returned to the APPLICANT or applied toward subsequent phases of environmental review on the APPLICANT's Project or any subsequent projects at the option of the APPLICANT, including the Costs of the EIR or any supplemental environmental reviews. If APPLICANT includes both an APPLICANT and LANDOWNER, both must give joint signed instructions for handling funds.

B.2 OBLIGATION FOR COSTS.

APPLICANT is responsible for all Extraordinary Costs in connection with Application processing and all necessary environmental review processing. In the event that the Extraordinary Costs exceed or are in the opinion of the Director of the PLANNING DEPARTMENT expected to exceed the amount of deposit as set forth in Provision 1 above, the COUNTY may request an additional deposit to cover such Costs or may bill APPLICANT for Costs accrued but unpaid, or both. In the event that APPLICANT objects to making any further payments or deposits, APPLICANT shall only be contractually obligated up to an amount not to exceed twenty percent (20%) over the initial deposit (referred to as "Cost Overruns"). In the event that APPLICANT refuses to make deposits or to pay cost incurred, the COUNTY may close the Project application processing and may seek recovery from the Undersigned for the costs incurred and the party's rights and responsibilities shall be governed under Provision B.1.6 ("Failure to Make Deposits") above.

B.3 PROJECT ACCOUNTING.

The COUNTY shall maintain books and records necessary to track all costs associated with the Project, and to account for all sums deposited and/or paid by the APPLICANT, which records may be inspected in the PLANNING DEPARTMENT by the APPLICANT, a report of which shall be provided to APPLICANT on a monthly basis.

B.4 LEGAL DEFENSE.

In the event that any litigation is initiated by any third party in which the COUNTY is named in any capacity arising out of or in connection with the Project, APPLICANT agrees to defend the COUNTY (with counsel selected by APPLICANT) and at the COUNTY's request to appear and represent it at APPLICANT's sole cost and expense; provided however, that APPLICANT shall not be obligated to defend or indemnify the

COUNTY against any claims, actions or litigation arising out of damages, personal injury or death caused or contributed by the acts, errors or omissions, or COUNTY's negligence or willful misconduct of County, its agents, employees or independent contractors. (The foregoing shall not limit the right of the COUNTY to appear and defend against any or all issues or causes of action at the COUNTY's sole cost and expense.)

Formatted: Font: Bold

Formatted: Normal, Indent: Left: 0", First line: 0.5"

B.5 INDEMNIFICATION.

The Undersigned, jointly and severally, do(es) indemnify and agree to hold harmless the County, its Officers, Agents, and employees from and against any and all costs, claims, damages, judgments, or payments in compromise and settlement, including therein all direct and administrative costs, reasonable attorneys' fees including county counsel or special counsel fees incurred with respect to any third party action to attack, set aside, void, or annul any approvals or denials by the County, arising out of or in connection with the Project, whether by way of court action or administrative proceeding before agencies other than the County, except as caused or contributed by the acts, errors or omissions, or negligence or willful misconduct of County, its agents, employees or independent contractors. In the event that any third party action is filed, including but not limited to notice of administrative appeal before an agency other than the County, summons and complaint, or writ proceeding (collectively referred to as "Action"), the County may request and the Undersigned shall make a deposit in the amount requested by the Director of Public Works, in the initial amount of which shall not exceed ten thousand dollars (\$10,000) to cover initial cost and fees, and shall replenish the deposit on an ongoing basis as may be requested during the ongoing proceedings, if any. In the event that actual costs are less than the sums deposited, the unused balance shall be returned to the Undersigned by warrant made payable to APPLICANT and LANDOWNER as they mutually advise in writing. In the event that the Undersigned fails or refuses to make deposits as requested hereunder, in addition to any and all remedies in law or equity, the County may cease to proceed with any administrative action, any affirmative action, or refuse or abstain from defense of any such action and/or may enter into any stipulation, the results of which voids, retracts or restricts the Project or any permit or entitlement pertaining to the Project.

**GENERAL PROVISIONS
EXHIBIT "C"**

C.1 INTERPRETATION AND ENFORCEMENT.

C.1.1 WAIVER. A waiver by any party of any breach of any term, covenant or condition herein contained or a waiver of any right or remedy of such party available hereunder at law or in equity shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition herein contained or of any continued or subsequent right to the same right or remedy. No party shall be deemed to have made any such waiver unless it is in writing and signed by the party so waiving.

C.1.2 ASSIGNMENT. This Agreement constitutes a personal contract and no party hereto shall assign or transfer this Agreement, or any part thereof, without the prior written consent of the other(s), unless such transfer is otherwise expressly permitted hereby.

C.1.3 COMPLETENESS OF INSTRUMENT. This Agreement, together with its specific references and attachments, constitutes all of the agreements, understandings, representations, conditions, warranties and covenants made by and between the parties hereto. Unless set forth herein, neither party shall be liable for any representations made express or implied.

C.1.4 SUPERSEDES PRIOR AGREEMENTS. It is the intention of the parties hereto that this Agreement shall supersede any prior agreements, discussions, commitments, representations, or agreements, written or oral, between the parties hereto.

C.1.5 ATTORNEY'S FEES. If any action at law or in equity, including an action for declaratory relief, is brought to enforce or interpret provisions of this Agreement, the prevailing party shall be entitled to reasonable attorney's fee, which may be set by the Court in the same action or in a separate action brought for that purpose, in addition to any other relief to which such party may be entitled.

C.1.6 CAPTIONS. The captions of this Agreement are for convenience in reference only and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

C.1.7 DEFINITIONS. Unless otherwise provided in this Agreement, or unless the context otherwise requires, the following definitions and rules of construction shall apply herein.

C.1.7.1 NUMBER AND GENDER. In this Agreement, the neuter gender includes the feminine and masculine, and the singular includes the plural, the word "person" includes corporations, partnerships, firms or associations, wherever the context so requires.

C.1.7.2 MANDATORY AND PERMISSIVE. "Shall" and "will" and "agrees" are mandatory. "May" is permissive.

C.1.8 TERM INCLUDES EXTENSIONS. All references to the term of this Agreement or the Agreement Term shall include any extensions of such term.

C.1.9 SUCCESSORS AND ASSIGNS. All representations, covenants and warranties specifically set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.

C.1.10 MODIFICATION. No modification or waiver of any provisions of this Agreement or its attachments shall be effective unless such waiver or modification shall be in writing, signed by all parties, and then shall be effective only for the period and on the condition, and for the specific instance for which given.

C.1.11 COUNTERPARTS. This Agreement may be executed simultaneously and in several counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

C.1.12 OTHER DOCUMENTS. The parties agree that they shall cooperate in good faith to accomplish the object of this Agreement and to that end, agree to execute and deliver such other and further instruments and documents as may be necessary and convenient to the fulfillment of these purposes.

C.1.13 PARTIAL INVALIDITY. If any term, covenant, condition or provision of this Agreement is held by a Court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provision and/or provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

C.1.14 JURISDICTION. It is agreed by the parties hereto that unless otherwise expressly waived by them, any action brought to enforce any of the provisions hereof or for declaratory relief hereunder shall be filed and remain in a Court of competent jurisdiction in the County of Sierra, State of California.

C.1.15 CONTROLLING LAW. The validity, interpretation and performance of this Agreement shall be controlled by and construed under the laws of the State of California.

C.1.16 INCORPORATION OF EXHIBITS. All exhibits mentioned herein and attached hereto are specifically incorporated herein by this reference and made a part of this Agreement.

C.1.17 TIME IS OF THE ESSENCE. Time is of the essence of this Agreement and each covenant and term a condition herein.

C.1.18 AUTHORITY. All parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles and capacities herein stated and on behalf of any entities, persons, estates or firms represented or purported to be represented by such entity(s), person(s), estate(s) or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order to enter into this Agreement have been fully complied with. Further, by entering into this Agreement, neither party hereto shall have breached the terms or conditions of any other contract or agreement to which such party is obligated, which such breach would have a material effect hereon. Both APPLICATION and LANDOWNER shall be jointly and severally responsible and liable for performance hereunder.

C.1.19 POSSESSORY INTEREST. The parties to this Agreement recognize that certain rights to property may create a "possessory interest", as those words are used in the California Revenue and Taxation Code (107). For all purposes of compliance by County with a Section 107.6 of the California Revenue and Taxation Code, this recital shall be deemed full compliance by the County of Sierra. All questions of initial determination of possessory interest and valuation of such interest, if any, shall be the responsibility of the County Assessor and the contracting parties hereto. A taxable possessory interest may be created by this if created; and the party in whom such an interest is vested will be subject to the payment of property taxes levied on such an interest.

NOTICE AND SUPPLEMENTAL TERMS
Exhibit "D"

D.1 NOTICES.

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

If to "COUNTY":

If to "APPLICANT":

APPLICANT:

LANDOWNER:

Chairman, Board of Supervisors

County of Sierra

Post Office Drawer D

Downieville, California 95936

With a copy to:

With a copy to:

County Counsel

County of Sierra

Post Office Drawer D

Downieville, California 95936

D.2 SUPPLEMENTAL TERMS.

none

DRAFT COPY

Forest Edge (DRAFT) Loyalton, CA

COMMUNITY COVENANTS, CONIDITIONS & RESTRICTIONS (CC&Rs)

It is essential that all of us within our Community respect each other, refrain from acts that might trouble others, and work together to continue to make our Community a pleasant place to call home. These Rules and Regulations (the "Rules and Regulations") have been adopted pursuant to California law in order to promote the general welfare, safety, convenience, enjoyment of our Residents. We ask that you treat your neighbors as you yourself would like to be treated. As used in these Rules (and unless otherwise specified), the term "Homeowner" Shall refer to persons that own a home located within Forest Edge and lease a space/site of Forest Edge, "Resident" shall include tenants/residents and persons authorized to reside at the rental homesite listed on the Rental Agreement; the terms "Park", "Community", and "Forest Edge" refer to; and the terms "space," "site," and "homesite" refer to each rental premises.

VIOLATIONS - Any violation of these Rules, the rules or signs posted in the Community shall be treated as a violation of your Rental Agreement.

1. MANAGEMENT

- a. All potential Homeowners/Residents must apply for residency by paying required screening fees, providing required documentation and information, after being screened must meet Management's qualification standards.
- b. Rental and Community information are available by calling the Property Manager during normal business hours.
- c. Management Office Hours: Manager will make every effort to be available during normal business hours. Closed: Saturdays, Sundays and Holidays.
 - i. Office and Emergency Telephone: 775-223-4891
- d. Please notify management if you intend to be away for any extended length of time.
- e. Emergency Service Phone Number If an emergency develops, or if you suspect an emergency situation, immediately call the appropriate emergency number first, then contact Management, if needed. For Police, fire or medical emergencies, please Dial 911.
- f. Requests/Complaints. In order to effectively serve you and to address problems or items of concern, requests and/or complaints must be in writing and must be signed by the Resident submitting the issue. Anonymous complaints made by or on behalf of third parties will not be considered. If there is a complaint against another resident, or their guest, visitors or invitees, and if court action is required, the complaining party must agree to participate in prosecuting the complaint and to testify in court if requested by Management. The filing of frivolous or unjustified complaints for the refusal to participate in the prosecution of the

complaint or to testify in court may be considered a material violation of the terms of tenancy.

2. USE RESTRICTIONS

- a. Residential Use Only. Each homesite shall be used, improved and devoted exclusively to single-family residential use. No occupation, profession, business, trade or other non-residential use shall be conducted on any homesite, nor shall any activity be permitted which creates a nuisance or attracts business, clients, customers, or vehicles to the Community. Additionally, Homeowners/Residents shall not allow or engage in any conduct that attracts excessive vehicles, guests or visitors to the community, or that attracts such vehicles for persons during the parks designated quiet hours. Obviously, in order to operate the Community, this restriction is not applicable to Landlord, Management and their agents and representatives.
- b. Driveways and Patios. Driveways, patios and homesites shall not be used for miscellaneous storage. Only patio furniture (i.e. furniture commercially manufactured for outdoor use) and commercial manufactured barbecue equipment may be placed in such areas and must be kept in good condition and visibly pleasant in appearance. Washers, dryers, refrigerators, freezers and other such items are not permitted outside of home.
- c. Yard Sale. Individual yard sales are not permitted. Management may approve two (2) Park sponsored yard sales per calendar year.
- d. Gardens. Small gardens are permitted with Management's approval.
- e. Machinery and Equipment. Unless prior written approval is first obtained from the Management, no machinery or equipment of any kind shall be placed, operated, or maintained upon or adjacent to any site, except such machinery and equipment as is usual and customary in connection with the use, maintenance or construction of residence or other improvements, and except that which the Management may require for operation and maintenance of the Community.
- f. Trespassing. Trespassing on or through Homeowner's homesites without express permission is not permitted unless management deems that it is necessary for life or property safety.
- g. Soliciting. Solicitors, vendors, peddlers, etc., are not permitted in the Community without Management approval.
- h. Fires, Barbecues are permitted unless the Fire Department, due to fire danger, prohibits any outdoor barbecuing. Outdoor fire pits are prohibited.
- i. Street Activities. Recreational activities (ball playing, street hockey, etc.) and recreational equipment (ramps, nets, etc.) are prohibited in the streets.
- j. Driveways. Rugs and carpets are not permitted in driveways; however, carpeted specifically manufactured for outdoor use may be permitted if approved by Management and kept in good, clean condition.

3. AWNING, SIDING, SKIRTING, AND COMPLIANCE REQUIREMENTS

- a. All homes and improvements must comply with all applicable legal requirements as to zoning, construction, material, installation, maintenance, and the like.
- b. Prior to installing any improvements that are permitted through California, County or City, as required. Homeowners/Residents must submit the proposed improvements to the

Management and obtain the written approval of Management. Satellite dishes and video antennas are treated separately herein.

- c. Required Improvements Within 30 Days of Move-In. Each of the following improvements and items apply to new and existing homes and must be completed prior to occupancy if a home is being moved into the Community, or immediately if an existing home is sold or transferred in place (subject to the requirements of Section 20).
 - i. House Number. All Homes must have their applicable site number installed on the street side of home, in professional quality lettering between 3 inches to 6 inches tall.
 - ii. Skirting or Foundation The entire perimeter of the home must be skirted if not on a foundation and comply with California, City and County code as required.
 - iii. Set up. Homes must be set up per the manufacturer's specifications.
 - iv. Steps/Decks. Steps must be installed at every door in the home and must be constructed of commercial quality fiberglass, concrete, vinyl or wood. New steps and decks must conform to the following construction specs: Each stair must be a minimum of three (3) feet wide, must have at least one hand railing, and the platform must be at least 4 feet by 4 feet in size. Management must approve the size, materials and quality of construction in advance.
 - d. Sewer. It is Homeowner/Resident's responsibility to maintain the sewer line(s) from the point of entry to Resident's Homesite to Resident's home. The cost of repairing damages to or removing clogs from the Park's sewer lines, caused by Homeowner/Resident's abuse or failure to properly maintain each home's sewer lines, shall be the responsibility of Homeowner/Resident.
 - e. Variances. Based on various factors such as zoning and set-back requirements, underground utilities, easements, the unique size and attributes of individual homes and spaces, aesthetics, etc., Management reserves the right to modify or make exceptions to the foregoing requirements, in writing, when necessary or deemed in the best interest of the Community.
 - f. Space/site/homesite, landscaping and all improvements must be maintained in good condition by Homeowner/Residents or at their cost.
 - g. Prior to occupancy and before utilities are connected, the home installation must be approved by the applicable governmental inspector(s), if any.
4. **GUESTS/VISITORS** - A "Guest is any non-Tenant/Resident who stays overnight in the Community, and a "Visitor" is any non-Tenant/Resident who does not stay overnight in the Community, other than those persons stated in the Rental Agreement who are authorized to reside in the Community.
- a. Residents must register "Guests" with Management. Management reserves the right to limit the number of guests and visitors using the Community facilities.
 - b. Supervision/Use of Facilities. Guests and Visitors may use Community facilities as long as the host Resident is present.
5. **QUIET HOURS/DISTURBANCES/HARASSMENT/NUISANCES**
- a. Quiet hours are from 10:00 pm – 7:00 am during which time Homeowner/Residents must ensure that potentially disruptive sounds, including, but not limited to voice, television,

radio, musical instruments, power tools, etc., shall not travel beyond the Homeowner/Resident's individual homesite.

- b. Loud parties, profane or obscene language, verbal harassment, arguing, public intoxication, excessive vehicles, or guest/visitors during quiet hours, disturbing noises of any nature, and all other forms of disruptive conduct are prohibited. No nuisance creating exterior speakers, horns, whistles, bells, or other sounds devices, except security devices used exclusively for security purposes (and installed by a licensed contractor in compliance with applicable ordinances, regulations and these Rules) shall be located, used or place on any homesite.
- c. Interference with or harassment of Management or other persons, disturbances of the peace and quiet, or willful or careless destruction of or injury to property in the Community is prohibited.
- d. No rubbish or debris of any kind shall be placed or permitted to accumulate upon or adjacent to any homesite, and no odors shall be permitted to arise there from, so as to render any such homesite for any portion thereof unsanitary, unsightly, offensive or detrimental to any other site in the vicinity thereof or to its occupants.

6. OTHER PROHIBITED CONDUCT

- a. Conduct which threatens, harasses or intimidates others is prohibited.
- b. Fireworks are prohibited. Firearms and weapons of any type are not permitted outside of a Homeowner/Resident's home unless being transported (must be unloaded) and may not be publicly worn or displayed in the Community or visible through windows. The discharge or display of any firearm or weapon (including but not limited to BB guns, knives, bows and arrows, etc.) within the Community, displaying such items in a threatening manner, or pointing such weapons at others may be treated as a material and irreparable breach of the Lease Agreement.
- c. Residents shall not engage in, facilitate, or allow any criminal activity in the Community, including illegal drug-related activity. Drug-related activity includes, but is not limited to, the illegal manufacture, sale, distribution, usage, storage, or possession of a controlled substance.

7. VEHICLES AND PARKING

- a. THE SPEED LIMIT IN THE COMMUNITY IS 10 MPH. Cruising, reckless or unsafe driving is prohibited. Homeowner/Residents are responsible for compliance by their Guests, Visitors and invites. Non-compliance shall be deemed a material violation of the Lease Agreement.
- b. Maximum Number of Vehicles. The Rules prohibit certain vehicles from parking at homesite. A maximum of two (2) permitted vehicles are allowed per homesite driveway, provided that the vehicles comply with the requirements below. The term "vehicle" includes every type of motor vehicle including, but not limited to, cars, trucks, motorcycles, golf carts, etc.
- c. Parking
 - i. Vehicles parked in violation of these Rules may be towed at the owner's expense, and without prior notice.
 - ii. Vehicles may only be parked in designated paved or graveled areas and/or driveways and may not be parked on or driven across landscaped. Motorcycles may only be parked in driveways, not patio areas.

- iii. Vehicles shall not be parked on any vacant homesite without Management approval.
- iv. Parking must not obstruct access for emergency vehicles, garbage trucks, home movers, the driveways of other homesites and access for other service vehicles.
- v. Only licensed and drivable (running) vehicles are allowed in the Community.
- vi. Unless Management consents in writing, Vehicles that have not been operated in thirty (30) days or that are missing any body panels are prohibited.
- vii. No semi or trailer-pulling trucks are permitted to park in the Community.
- viii. Management reserves the right to restrict other vehicles and to impose other limitations on vehicles if deemed to be in the best interest of the Community or its Homeowners/Residents.

8. VEHICLE STORAGE AND ABANDONMENT - Vehicles without current license plates or tags, inoperable, stripped, missing any body panels, unclaimed, scrapped, junked, discarded, in a dangerous condition, or otherwise deemed problematic by Management, may not be parked or stored in the Community unless being stored in the designated lot.

- a. **Vehicles Leaking Fluids.** Vehicles leaking oil or fluids are prohibited in the Community and must be repaired off premises.
- b. **Recreation, Semi and Other Vehicles/Vehicle Storage Areas.** Trailers of any type, commercial vehicles (semis), campers, boats, jet skis, watercraft of any type, ATV's, camper shells, sports or recreational vehicles of any type, and all other types of trailers, towing or recreational or commercial vehicles of any type or nature whatsoever, are prohibited from parking at homesite.
- c. **Bicycles.** Bicycles are subject to all traffic and parking regulations. Any bicycle left unattended or improperly parked may be removed and/or stored at the owner's expense. No riding or parking is allowed in vacant sites.

9. Improvements - "Improvements" shall mean all homes, recreational vehicles and travel trailers, sheds, building, additions, driveways, parking areas, walls, rocks, plants, landscaping, lighting and all other structures and improvements of every type and kind (except for antennas and mini-satellite dishes), including any exterior changes to any home, homesite or paint color.

- a. Improvements, alteration, repairs, excavations, remodeling, or other work which in any way alters the exterior appearance of any home or homesite, or the improvements located thereon, shall not be made without the prior written approval of Management. The concept and design of all proposed Improvements to be performed at any home or site must be approved in writing by Management prior to the commencement of any improvements.
- b. In every instance, Management's approval of any improvements or alterations is conditional and may subsequently be revoked should any improvement not be properly maintained.
- c. Management must approve all new exterior lighting or modifications to existing lighting.
- d. The color of any home, shed or other improvement, including the exterior color scheme and building material, shall not be altered without the prior written approval of Management. Management reserves the right to adopt a standardized color scheme for all homes and improvements, and all repainting will be required to conform to the standardized color scheme.

- e. Each Homeowner/Resident, when installing or constructing improvements, shall provide a place for the daily collection and storage of trash and debris and must remove such trash and debris on a regular schedule, but not less than two weeks. No Resident shall allow any nuisance to occur on their site or adjacent to their site as a result of construction activity.
- f. Installation of satellite and antennas on home sites requires management's consent. Unless Management consents in writing, the Community prohibits all antennas, dishes, masts and the like, except for those expressly permitted under the Federal telecommunications Act of 1996, as amended, and the Rules adopted by the Federal Communications Commission, as amended (collectively the "FCC Rules"). The term "Antenna", as used in this Section, refers only to those video antennas, dishes, and masts expressly permitted by the FCC Rules.
 - i. Limit. Only one single exterior Antenna is permitted per homesite.
 - ii. Installation. All Antennas must be installed in compliance with the manufacturer's instructions.
 - 1. In compliance with any applicable state, local or other buildings codes so that it does not obstruct or impair the visibility of or from streets, sidewalks or driveways; and in a secure manner (including protection against winds, where applicable) so that it does not pose a safety threat to persons or property.
 - 2. If an Antenna poses a risk to the safety of persons or property, the Landlord may seek an injunction to prohibit the installation or continued presence of the Antenna.
 - 3. Safety Setback. To protect neighboring persons and property from being injured by a falling mast or Antenna a mast, if installed, must be installed not closer to the lot line of the Homeowner/Resident's rental homesite than the combined total height of the mast and Antenna. For example, a mast and Antenna that are 8 feet tall must be installed at least 8 feet in from the lot line.
 - 4. Restricted-Prohibited Areas. Antennas and masts cannot be located on or encroach on:
 - a. Common areas or other restricted access areas
 - b. Neighboring homesites
 - c. Streets or fire lanes
 - d. Maintenance. Homeowner/Residents must maintain and repair any Antenna and mast at their own expense.
 - e. Safety. Based on safety concerns, Antennas may only be as high as is necessary to receive an acceptable quality signal. Due to safety concerns relating to wind, falling Antennas, and falling masts, a resident must submit a written request to Management in order to install an Antenna and mast extending more than 12 feet above the roof peak, including a detailed description of the proposed mast and Antenna, the method of installing and securing the items, and written explanation stating the basis for seeking to extend the height of the mast. Should Management determine that the

- installation above the height limit would pose a safety hazard to persons or neighboring property, the installation may be prohibited.
- f. **Indoor Installation.** To best maintain the attractive appearance of our Community (which can affect the value of the homes), we encourage Residents to use cable TV systems or indoor or concealed broadcast Antennas, rather than a highly visible outdoor Antennas. Should a Resident desire to install an Antenna and, if an acceptable quality signal can be received by locating the Antenna indoors without unreasonable delay or expense, the Community encourages the indoor installation.
 - g. **Future Laws, Rules & Regulations.** To the extent that future laws, rules or regulations are enacted which would permit greater restrictions on the size, location or appearance of Antennas, the Community reserves the right to enact such rules and to enforce future laws, rules or regulations.
 - h. **Compliance.** If Resident violates these rules or the FCC Rules, the Community may, after giving Resident notice and an opportunity to be heard, bring an action against the Resident with the Federal Communications Commission or any court of competent jurisdiction. To the extent allowed by law, the Community may be entitled to recover from the offending Resident, its reasonable attorney's fees, costs and any applicable fines.
 - i. **Severability** To the extent that any portion, term or word of this Section of the Rules should be determined to be contrary to law or otherwise unenforceable by a tribunal of competent jurisdiction, the offending word, term, or provisions may be stricken, and the remaining provisions shall remain fully enforceable.

10. MAINTENANCE/LANDSCAPING/APPEARANCE/RESTRICTIONS

- a. All Homes, accessories and improvements shall comply with applicable federal, state, and local statutes and ordinances as to their construction, installation, maintenance and materials. Before occupancy and before utilities are connected, the home installation must be approved by the applicable governmental inspector(s).
- b. Each Resident shall maintain, repair, replace and restore, at their expense, all portions of their home, improvements and homesite which should fall into disrepair.
- c. Residents are responsible for all property maintenance within their homesite.
 - i. All homesites must be kept clean, neat and free of weeds, unsightly debris, trash, etc.
 - ii. All fence line provided by management at the time of leasing the homesite must be maintained, painted, and repaired as needed or damaged with or with like original materials and colors at the Homeowner/resident's expense.
 - iii. No rubbish, debris, rocks, or landscape materials shall be placed or allowed to accumulate on the street/roadway adjacent to any site.

- iv. During planned absences, arrangements must be made for the care of Homeowner/Resident's home and homesite.
- v. Rock or desert landscaping shall be raked regularly and kept free of weeds, debris and animal feces.
- vi. Shrubs, vines, trees, etc., cannot interfere with traffic flow or brush against adjoining homes or structures.
- vii. Plants and shrubs must be watered and neatly maintained.
- d. Residents shall not place or maintain on their homesite any signs, banners, advertisements, etc. except such signs as may be required by legal proceedings, court order, or as approved by Management. Except as allowed herein, no signs of any nature shall be located in any common area of the Community without the written authorization of Management. Management reserves the right to remove or require removal of non-complying signs.
- e. Window air conditioners will only be permitted in exceptional circumstances, with the written approval of Management and provided that they are securely affixed by Resident. Any such unit must be braced from the side of the home in a neat, safe, and visually pleasing manner.

11. UTILITIES/CABLES

- a. The Community contains extensive underground utility cables and facilities. All work on utility lines or connections must be performed by the respective utility providers. Management approval must be obtained prior to any digging in the Community.
- b. Except as specified for satellite dishes and antennas addressed in Section 9 (H) and (I) lines, wires, or other devices for the communication or transmission of electric current, power, erected, placed or maintained anywhere in or upon a homesite unless provided by Landlord or approved in writing by Management, in which event such items shall be contained in conduits or cables installed and maintained underground or concealed in, under, or on buildings or other structures.
- c. No extension cords may be run to sheds, vehicles or other homes.

12. PETS/ANIMALS

- a. Quantity. A maximum of two (2) generally recognized house pets are allowed per home (i.e., dogs, cats, birds). Vicious pets or those displaying threatening behavior are not permitted.
- b. All pets regardless of the species must undergo an in-person interview with management and must be approved prior to entering the property.
- c. At the time each pet is approved by Management. A photo of each pet must be maintained on file with Management.
- d. A victim of an animal bite must immediately report the incident to Management. A pet that bites or that has vicious propensities must immediately be removed from the Community.
- e. Pets with vicious tempers or noisy tendencies are not permitted. Pets will not be allowed to annoy other Homeowner/Residents or Guests. Any violations or disturbances such as consistent barking, snarling, growling, etc., may result in the revocation of permission to keep the pet, among other remedies available to Management.

- f. All pets (including cats) must be on a hand leash not longer than 8 feet in length when outside of a home and may not be left unattended. Residents are responsible for their pets at all times and must immediately clean up and dispose of all animal droppings.
- g. All pets must maintain current rabies and other inoculations. Management may require proof of the foregoing at any time.
- h. Pets must not be buried within the Community and must be disposed of in conformity with applicable governmental regulations.
- i. Homeowner/Residents are responsible for damage caused by their pets.
- j. Stray Animals, Management is not responsible for stray animals.

13. ASSISTANCE ANIMALS

- a. The Community does not discriminate against persons with disabilities or impairments. This policy applies to assistance animals that would otherwise not meet the animal restrictions as stated in the Rental Agreement and or Rules and regulations. The Remaining animal restrictions contained in the Rental Agreement and the Rules and Regulations continues to apply.
- b. Homeowner/Residents must provide to Management a written statement from a competent healthcare provider. The statement must indicate that the Resident has impairment and must state the type of assistance that an animal can provide to the Homeowner/Resident in relation to the impairment (in other words, the assistance provided the animal must relate to the impairment).
- c. If the foregoing healthcare statement requires that the assistance animal have specialized training, Management may request confirmation of the assistance animal's training and/or certification, as well as the name, address and telephone number of the persons who trained and/or certified the animal. In certain circumstances, such as if the animal's ability to perform the services is in question, Management may ask for demonstration to confirm that the designated animal can in fact actually perform the identified tasks.
- d. If requested for identification purposes, Resident may be required to provide Management with a recent photograph of the animal, as well as information on the size and age of the animal.
- e. The designated animal must be sufficiently conditioned to eliminate risks to the public and must be licensed and vaccinated. Animals which are used solely as guard or protection animals are not permitted.
- f. Assistance animals cannot be vicious, dangerous, or create a nuisance that interferes with the peaceful use or enjoyment of the premises by others. Residents must promptly pick up after their animals.
- g. If a Homeowner/Resident's impairment appears to have ceased or if the animal no longer appears to be rendering the designate assistance, Management may request that Homeowner/Resident provide:
 - i. a renewed written statement from a competent healthcare provider confirming that the Homeowner/Resident's impairment continues to exist, and/or
 - ii. confirmation of the type of assistance that can be provided by a trained animal; and/or
 - iii. confirmation of the animal's ability to perform the designated services.

- iv. Dogs must be licensed.
- v. There is no pet charge for assistance animals.
- vi. Management reserves the right to make further special accommodations based on the needs of its Homeowner/Resident with disabilities or impairments.

14. GARBAGE, REFUSE, CHEMICALS AND HAZARDOUS MATERIALS

- a. Flammable or combustible liquids, gasses or solids, or hazardous materials of any nature shall not be transported through or stored in the Community.
- b. Oils, fluids, chemicals or other toxic or environmentally sensitive items shall not be disposed of in the Community and must be disposed of in a proper manner and in accordance with applicable environmental laws. All such substances are prohibited in the Community's dumpsters and refuse containers. NOTE: Many automobile parts stores and service centers will accept motor oils and other fluids for disposal.
- c. All garbage and refuse must be placed in sealed plastic bags and deposited in the refuse containers. All boxes and cartons must first be flattened. For health and safety reasons, everyone is required to close the lids on the refuse containers. No refuse is to be placed outside of refuse containers.
- d. For health and safety reasons, all persons are prohibited from sorting through refuse containers. The removal of any items from refuse containers or dumpsters is strictly prohibited.

15. RECREATIONAL, AND COMMON AREAS IN GENERAL - All commons areas, recreational areas and common facilities are for the use and enjoyment of homeowner/Resident's and their registered Guest and Visitors, and provided that they do not interfere with other Homeowner/Resident's use of the facilities. Residents are responsible for their Guests and Visitors. Management reserves the right to limit or restrict the use of any facilities or areas.

16. SALE/TRANSFERS OF HOME

- a. Sales/Transfers of Homes in Place. If a Homeowner desires to sell or transfer ownership of their home in place, contemplating that the home will remain in the Park after the transaction, the prospective buyer/transferee must first apply for tenancy and be approved for tenancy, which shall be conditioned upon full compliance with the terms of this Section of the Rules. The owner and buyer/transferee must also comply with all the terms of this Section of the Rules pertaining to the home.
- b. Removal or Required Improvements upon Sale or Transfer of Ownership. Prior to the sale, transfer, rental or change of ownership of any home in the community, and if the prospective owner desires for the home to remain in the Community, Management may require that certain repairs or improvements be performed to the home or homesite as a condition to the home remaining, including, but not limited to:
 - i. The improvements stated in the Community's Rules and Regulations, Statement of Policy and Rental Agreement which is then in existence.
 - ii. The improvements necessary to make the home compatible with the other homes in the Community.

- iii. Bringing the home up to fire, safety, HUD, or other governmental standards in existence at the time.
 - iv. Bringing the home up to the Community's then current standards in order to preserve and/or upgrade the appearance, safety and quality of the home or homesite.
 - c. New Homeowner/Resident(s).
 - i. Prior to approval as a new Homeowner/Resident, a new Rental Agreement must be signed by each new Homeowner/Tenant/Resident.
 - ii. New Homeowner must provide Management with a bill of sale and copy of the title to their home indicating that they are the legal owners.
 - d. Removal of Non-Conforming Homes. Upon the sale, transfer or change of ownership of a home, management reserves the right to require that a home be removed from the Community within sixty (60) days after the sale or transfer of the home:
 - i. Is not compatible with the other homes in the Community.
 - ii. Does not meet the Community's then current policy of preserving or upgrading the Community; or
 - iii. Has not had the improvements required by Management performed.
 - iv. Or the home or owner has not satisfied all the conditions under this Section of the Rules pertaining to the subletting, sale or transfer of homes.
 - e. Violation. The sale or transfer of a home in the community in violation of this Section of the Rules shall be deemed a material breach and will require that the home be removed.

17. LEGAL AND RELATED MATTERS

- a. Modifications. The Property Owner reserve the right to revise, add, delete or otherwise modify these Rules from time to time as is necessary to advance the best interest of the Community, Property Owner, and Management and according to HCD guidelines.
- b. No Waiver. Property Owner's or Management's waiver, inability or failure in one or more instances to insist upon compliance with the terms, conditions or provisions of these Rules shall not be construed as a waiver or relinquishment of any rights to enforce the Rules.
- c. Homeowner/Resident Responsibility for the conduct of others. Damage caused to the Community premises by Homeowner(s), Resident(s), occupant(s), Guest(s), Visitor(s), or invites of Homeowner/Residents will be the responsibility of the Homeowner/Resident.
- d. Additional Rules. All signs, notices or directives that are posted in the Community are made a part of these Rules and incorporated herein by this reference.
- e. Headings. The section headings and titles contained in these Rules are for purposes of convenience and reference only, and do not limit or define the scope or coverage under these Rules.
- f. Severability. Invalidation of any portion, term, word, or rule herein, by a tribunal of competent jurisdiction shall in no way affect any other provisions, which shall remain in full force and effect.

Resolution No. 2022-

**RESOLUTION ORDERING AN ELECTION,
REQUESTING COUNTY ELECTIONS TO CONDUCT THE ELECTION,
AND REQUESTING CONSOLIDATION OF THE ELECTION**

CITY OF LOYALTON

WHEREAS, pursuant to Elections Code Section 10002, the governing body of any city or district may by resolution request the Board of Supervisors of the county to permit the county elections official to render specified services to the city or district relating to the conduct of an election; and

WHEREAS, the resolution of the governing body of the city or district shall specify the services requested; and

WHEREAS, pursuant to Elections Code Section 10002, the city or district shall reimburse the county in full for the services performed upon presentation of a bill to the city or district; and

WHEREAS, pursuant to Elections Code Section 10400, whenever two or more elections, including bond elections, of any legislative or congressional district, public district, city, county, or other political subdivision are called to be held on the same day, in the same territory, or in territory that is in part the same, they may be consolidated upon the order of the governing body or bodies or officer or officers calling the elections; and

WHEREAS, pursuant to Elections Code Section 10400, such election for cities and special districts may be either completely or partially consolidated; and

WHEREAS, pursuant to Elections Code Section 10403, whenever an election called by a district, city or other political subdivision for the submission of any question, proposition, or office to be filled is to be consolidated with a statewide election, and the question, proposition, or office to be filled is to appear upon the same ballot as that provided for that statewide election, the district, city or other political subdivision shall, at least 88 days prior to the date of the election, file with the board of supervisors, and a copy with the elections official, a resolution of its governing board requesting the consolidation, and setting forth the exact form of any question, proposition, or office to be voted upon at the election, as it is to appear on the ballot. Upon such request, the Board of Supervisors may order the consolidation; and

WHEREAS, the resolution requesting the consolidation shall be adopted and filed at the same time as the adoption of the ordinance, resolution, or order calling the election; and

WHEREAS, various district, county, state and other political subdivision elections may be or have been called to be held on November 8, 2022;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED THAT THE governing body of the City of Loyalton hereby orders an election be called and consolidated with any and all

elections also called to be held on November 8, 2022 insofar as said elections are to be held in the same territory or in territory that is in part the same as the territory of the city request to the Board of Supervisors of the County of Sierra to order such consolidation under Elections Code Section 10401 and 10403.

BE IT FURTHER RESOLVED AND ORDERED that said governing body hereby requests the Board of Supervisors to permit the Sierra County Elections Department to provide any and all services necessary for conducting the election and agrees to pay for said services, and

BE IT FURTHER RESOLVED AND ORDERED that the Sierra County Elections Department conduct the election for the following offices on the November 8, 2022, ballot:

SEATS OPEN

OFFICE TERM

2 Council Members

4 year

1 Council Member

2 years

1 City Clerk

2 years

PASSED AND ADOPTED this _____ day of _____, 2022 by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

Chairperson of said Governing Board

Attested: _____
Secretary

Kathy LeBlanc

From: Joy Markum [obejoyous@gmail.com]
Sent: Monday, June 06, 2022 9:38 AM
To: Sarah Jackson; Kathy of Loyalton (ofclerk-cityofloyalton@psln.com)
Subject: Employees

We have 2 applications for office jobs. One is for bookkeeping can we add to council meeting as a closed session for discussion

Kathy LeBlanc

From: Sarah Jackson [sarah.cityofloyalton@gmail.com]
Sent: Wednesday, June 08, 2022 11:09 AM
To: Kathy LeBlanc
Subject: Agenda item

Hi Kathy - please add the following to the June agenda under DPA:

Discussion and possible action regarding Forest Edge (old mobile home park properties) Conditional Use Permit Application submitted to Sierra County.

Thanks, Sarah

Sent from my iPhone=

CITY OF LOYALTON
FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

DRAFT

CITY OF LOYALTON

Table of Contents

Independent Auditor's Report..... 1

Basic Financial Statements:

 Government-Wide Financial Statements:

 Statement of Net Position..... 3

 Statement of Activities..... 4

 Fund Financial Statements:

 Governmental Funds:

 Balance Sheet..... 5

 Reconciliation of the Governmental Funds Balance Sheet to the
 Government-Wide Statement of Net Position – Governmental Activities..... 6

 Statement of Revenues, Expenditures and Changes in Fund Balances..... 7

 Reconciliation of the Statement of Revenues, Expenditures and Changes
 In Fund Balances of Governmental Funds to the Government-Wide
 Statement of Activities – Governmental Activities..... 8

 Proprietary Funds:

 Statement of Net Position..... 9

 Statement of Revenues, Expenses and Changes in Net Position..... 10

 Statement of Cash Flows..... 11

Notes to the Financial Statements..... 12

Required Supplementary Information:

 Budgetary Comparison Schedule:

 General Fund..... 26

 Special Revenue Fund

 Gas Tax Fund..... 27

Note to the Required Supplementary Information..... 28

LARRY BAIN, CPA

An Accounting Corporation

2148 Frascati Drive, El Dorado Hills, CA 95762 / 916.601-8894
lpbain@sbcglobal.net

INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Loyalton, California

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the City of Loyalton, California, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our Responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

The City does not utilize an accounting system with a self-balancing set of accounts for recording transactions to each fund. As a result entries can be posted to the general ledger causing the financial statements to be out of balance by fund and entries posted to funds causing material misstatement without being detected in a timely manner by the finance staff.

The City has not reviewed and adjusted prior year allocations for the enterprise funds debt service reserve transfers. The net effect of adjustments could result in material misstatements to these financial statements, the amount of which is unknown.

Basis for Qualified Opinion (Continued)

The City has not obtained an actuarial valuation and has not recorded the information in these financial statements in accordance with Governmental Accounting Board Statement No. 68 (GASB 68), for the pension commitment made to certain retirees of the City. As a result of not obtaining an actuarial valuation in accordance with GASB 68, the amount of misstatement to the net pension liability, the deferred outflow of resources, the deferred inflow of resources and pension expense is unknown.

Revenue from strike team incidents was deposited to the Loyaltown Volunteers Fire Association (Association) and then transferred from the Association checking account to the City. The Association is operating as a non-profit organization, however they have not established legal non-profit status as a 501(c)(3). Because the Association is not a legally recognized organization their activities are not included in these financial statements as a component unit of the City, and as such the associated Strike Team activity was not audited for completeness. The effect of this condition on these financial statements is unknown.

Qualified Opinion

Except for the effects of the matters described in the "Basis for Qualified Opinion" paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the City of Loyaltown as of June 30, 2021, and the respective changes in financial position and where applicable, cash flows thereof for the fiscal year then ended in conformity with U.S. generally accepted accounting principles.

Other Matters

Required Supplementary Information

The City of Loyaltown has not presented the Management Discussion and Analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

Other Information

The required supplementary information other than Management Discussion and Analysis, described as the budgetary comparison schedules in the table of contents on pages 26 and 27 are presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

DRAFT

Larry Bain, CPA,
An Accounting Corporation
May 31, 2022

CITY OF LOYALTON
STATEMENT OF NET POSITION
JUNE 30, 2021

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Current Assets			
Cash and investments	\$ 252,693	\$ 2,361,200	\$ 2,613,893
Prepaid expense		39,396	39,396
Accounts receivable	41,984	80,120	122,104
Grants receivable	70,877	-	70,877
Restricted cash and investments		350,878	350,878
Total current assets	<u>365,554</u>	<u>2,831,594</u>	<u>3,197,148</u>
Non Current Assets			
Internal balances	504,196	(504,196)	-
Capital assets:			
Land	55,293	373,319	428,612
Construction in Progress		-	-
Buildings	867,070	415,920	1,282,990
Site improvements	2,363,686	11,386,017	13,749,703
Equipment	855,403	787,303	1,642,706
Less: accumulated depreciation	<u>(1,783,683)</u>	<u>(5,815,956)</u>	<u>(7,599,639)</u>
Total capital assets	<u>2,357,769</u>	<u>7,146,603</u>	<u>9,504,372</u>
Total non current assets	<u>2,861,965</u>	<u>6,642,407</u>	<u>9,504,372</u>
Total assets	<u>3,227,519</u>	<u>9,474,001</u>	<u>12,701,520</u>
Liabilities			
Current liabilities:			
Accounts payable	10,706	6,177	16,883
Accrued wages	19,440		19,440
Accrued interest payable		59,459	59,459
Unearned revenue-advance	116,677		116,677
Long-term liabilities-due within one year	13,500	183,100	196,600
Total current liabilities	<u>160,323</u>	<u>248,736</u>	<u>409,059</u>
Liabilities-due in more than one year:			
Capital lease	43,466		43,466
Note payable		808,529	808,529
Certificate of participation		3,672,200	3,672,200
Total liabilities due in more than one year	<u>43,466</u>	<u>4,480,729</u>	<u>4,524,195</u>
Total liabilities	<u>203,789</u>	<u>4,729,465</u>	<u>4,933,254</u>
Net Position			
Net investment in capital assets	2,344,269	2,482,774	4,827,043
Restricted for debt service		350,878	350,878
Unrestricted	679,461	1,910,884	2,590,346
Total net position	<u>\$ 3,023,730</u>	<u>\$ 4,744,536</u>	<u>\$ 7,768,266</u>

The accompanying notes are an integral part of these financial statements

CITY OF LOYALTON
STATEMENT OF ACTIVITIES
JUNE 30, 2021

Functions/programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:						
General government	\$ 252,486	\$ 5,370	\$ -	\$ (247,116)	\$ -	\$ (247,116)
Public safety	215,175	47,271	375,930	208,026		208,026
Public works	1,793	-		(1,793)		(1,793)
Health and welfare-cemetery	440	150		(290)		(290)
Streets and roads	49,889	24,949	14,326	(10,614)		(10,614)
Community development	89,501			(89,501)		(89,501)
Culture/recreation	57,561	586		(56,975)		(56,975)
Interest expense	2,502			(2,502)		(2,502)
Total governmental activities	<u>669,348</u>	<u>78,326</u>	<u>390,256</u>	<u>(200,766)</u>		<u>(200,766)</u>
Business-type Activities:						
Water	268,077	285,272			17,195	17,195
Sewer	436,716	379,832			(56,884)	(56,884)
Interest on long-term debt	150,909				(150,909)	(150,909)
Total business-type activities	<u>855,702</u>	<u>665,104</u>			<u>(190,598)</u>	<u>(190,598)</u>
Total Government	<u>\$1,525,050</u>	<u>\$ 743,430</u>	<u>\$ 390,256</u>	<u>(200,766)</u>	<u>(190,598)</u>	<u>(391,364)</u>
General Revenues:						
Taxes:						
Property taxes				48,004		48,004
Sales and use tax				83,030		83,030
Franchise tax				7,347		7,347
Motor vehicle in lieu tax				31,999		31,999
Other				5,251		5,251
Sale of property				18,521	8,479	27,000
Investment income				18,198	11,508	29,706
Total general revenues				<u>212,350</u>	<u>19,987</u>	<u>232,337</u>
Change in net position				<u>11,584</u>	<u>(170,611)</u>	<u>(159,027)</u>
Net position - beginning of fiscal year				<u>3,012,145</u>	<u>4,915,147</u>	<u>7,927,292</u>
Net position - end of fiscal year				<u>\$ 3,023,729</u>	<u>\$4,744,536</u>	<u>\$7,768,265</u>

The accompanying notes are an integral part of these financial statements

CITY OF LOYALTON
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2021

	Major Special Revenue Funds			Total Governmental Funds
	General	Gas Tax	CDBG	
<u>Assets</u>				
Cash and investments	\$ 224,054	\$ -	\$ 28,639	\$ 252,693
Receivables				
Accounts	38,650	3,334		41,984
Grants	70,877			70,877
Loans			-	-
Due from other funds	667,735	18,974	196,287	882,996
Total assets	<u>\$ 1,001,316</u>	<u>\$ 22,308</u>	<u>\$ 224,926</u>	<u>\$ 1,248,550</u>
<u>Liabilities</u>				
Accounts payable	\$ 10,534	\$ 172	\$ -	\$ 10,706
Accrued wages	19,440			19,440
Unearned revenue-advance	61,212	55,465		116,677
Due to other funds	300,512	78,288		378,800
Total liabilities	<u>391,698</u>	<u>133,925</u>		<u>525,623</u>
<u>Fund Balances</u>				
Nonspendable for loans receivable			-	
Assigned for special revenue funds			224,926	224,926
Unassigned	609,618	(111,617)		498,001
Total fund balances	<u>609,618</u>	<u>(111,617)</u>	<u>224,926</u>	<u>722,927</u>
Total liabilities and fund balances	<u>\$ 1,001,316</u>	<u>\$ 22,308</u>	<u>\$ 224,926</u>	<u>\$ 1,248,550</u>

The accompanying notes are an integral part of these financial statements

CITY OF LOYALTON
RECONCILIATION OF GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2021

Fund balances of governmental funds	\$	722,927
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets, net of accumulated depreciation, are not current financial resources and are not included in the governmental funds.		2,357,769
Long-term debt is not payable in the current period and therefore is not reported in the funds		(56,966)
Net position of governmental activities	\$	<u>3,023,730</u>

The accompanying notes are an integral part of these financial statements

CITY OF LOYALTON
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	General	Major Special Revenue Funds		Total Governmental Funds
		Gas Tax	CDBG	
Revenues				
Taxes	\$ 163,033	\$ -	\$ -	\$ 163,033
Licenses and permits	12,188			12,188
Intergovernmental	375,930	39,275		415,205
Charges for current services	65,988			65,988
Use of money and property	160			160
Other	5,837			5,837
Total revenues	623,136	39,275		662,411
Expenditures				
Current:				
General government	179,526			179,526
Public safety	179,025			179,025
Health and sanitation	440			440
Highways and streets		49,889		49,889
Community development	89,501			89,501
Culture and recreation	25,143			25,143
Debt service				
Principal	13,034			13,034
Interest	2,502			2,502
Capital outlay	20,000			20,000
Total expenditures	509,171	49,889		559,060
Excess (deficit) of revenues over expenditures before other financing sources (uses)	113,965	(10,614)		103,351
Other Financing Sources (Uses)				
Sale of assets	18,521			18,521
Total other financing sources (uses)	18,521			18,521
Net change in fund balances	132,486	(10,614)		121,872
Fund balances, beginning of fiscal year	477,132	(101,003)	224,926	601,055
Fund balances, end of fiscal year	\$ 609,618	\$ (111,617)	\$ 224,926	\$ 722,927

The accompanying notes are an integral part of these financial statements

CITY OF LOYALTON

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES-GOVERNMENTAL FUNDS TO THE STATEMENT OF
ACTIVITIES-GOVERNMENTAL ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Net change in fund balances - total governmental funds \$ 121,872

Amounts reported for governmental activities in the statement of activities differs from the amounts reported in the statement of revenues, expenditures and changes in fund balances because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities. The costs of those assets is allocated over their estimated useful lives as depreciation expense or are allocated to the appropriate functional expense when the cost is below the capitalization threshold. This activity is reconciled as follows:

Cost of assets capitalized	20,000
Depreciation expense	(1)

Proceeds of debt is recorded as other financing sources in the fund financial statements, however the debt is recorded as a liability in the statement of net position

-

Change in net position of governmental activities \$ 141,872

The accompanying notes are an integral part of these financial statements

CITY OF LOYALTON
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Water	Sewer	Totals
Current Assets:			
Cash and investments	\$ 167,051	\$ 2,194,149	\$ 2,361,200
Restricted cash and investments	61,887	288,991	350,878
Prepaid expense		39,396	39,396
Receivables			
Accounts (net of allowance for doubtful accounts)	38,431	41,689	80,120
Interest receivable		-	-
Due from other funds	71,963	43,224	115,187
Total current assets	<u>339,332</u>	<u>2,607,449</u>	<u>2,946,781</u>
Capital assets:			
Nondepreciable Capital Assets:			
Land		373,319	373,319
Construction in progress		-	-
Depreciable Capital Assets			
Building		415,920	415,920
Site improvements	2,787,734	8,598,283	11,386,017
Equipment	149,993	637,310	787,303
Less accumulated depreciation	<u>(1,337,979)</u>	<u>(4,477,977)</u>	<u>(5,815,956)</u>
Total capital assets (net of accumulated depreciation)	<u>1,599,748</u>	<u>5,546,855</u>	<u>7,146,603</u>
Total assets	<u>1,939,080</u>	<u>8,154,304</u>	<u>10,093,384</u>
Liabilities			
Current Liabilities:			
Accounts payable	2,950	3,227	6,177
Due to other funds	159,179	460,204	619,383
Current portion - long term liabilities	21,600	161,500	183,100
Interest payable	13,535	45,924	59,459
Total current liabilities	<u>197,264</u>	<u>670,855</u>	<u>868,119</u>
Noncurrent Liabilities:			
Bonds payable		808,529	808,529
Certificates of participation	880,700	2,791,500	3,672,200
Total noncurrent liabilities	<u>880,700</u>	<u>3,600,029</u>	<u>4,480,729</u>
Total liabilities	<u>1,077,964</u>	<u>4,270,884</u>	<u>5,348,848</u>
Net Position:			
Net investment in capital assets	697,448	1,785,326	2,482,774
Restricted for debt service	61,887	288,991	350,878
Unrestricted	101,781	1,809,103	1,910,884
Total net position	<u>\$ 861,116</u>	<u>\$ 3,883,420</u>	<u>\$ 4,744,536</u>

The accompanying notes are an integral part of these financial statements

CITY OF LOYALTON

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Water</u>	<u>Sewer</u>	<u>Totals</u>
Operating Revenues			
Charges for services	<u>\$ 285,272</u>	<u>\$ 379,832</u>	<u>\$ 665,104</u>
Total operating revenues	<u>285,272</u>	<u>379,832</u>	<u>665,104</u>
Operating Expenses			
Salaries and benefits	69,706	96,166	165,872
Services and supplies	126,602	130,198	256,800
Depreciation expense	<u>71,769</u>	<u>210,352</u>	<u>282,121</u>
Total operating expenses	<u>268,077</u>	<u>436,716</u>	<u>704,793</u>
Operating Income (Loss)	<u>17,195</u>	<u>(56,884)</u>	<u>(39,689)</u>
Non-Operating Revenues (Expenses)			
Interest income	133	11,375	11,508
Interest expense	(40,759)	(110,150)	(150,909)
Gain on sale of assets	<u>6,375</u>	<u>2,104</u>	<u>8,479</u>
Total non-operating revenues (expenses)	<u>(34,251)</u>	<u>(96,671)</u>	<u>(130,922)</u>
Net increase (decrease) in net position	<u>(17,056)</u>	<u>(153,555)</u>	<u>(170,611)</u>
Net position, beginning of fiscal year	<u>878,172</u>	<u>4,036,975</u>	<u>4,915,147</u>
Net position, end of fiscal year	<u>\$ 861,116</u>	<u>\$ 3,883,420</u>	<u>\$ 4,744,536</u>

The accompanying notes are an integral part of these financial statements

CITY OF LOYALTON
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
JUNE 30, 2021

	Water	Sewer	Totals
Cash Flows from Operating Activities			
Cash received from customers	\$ 273,297	\$ 363,192	\$ 636,489
Cash payments to suppliers	(132,468)	(126,032)	(258,500)
Cash payments to employees	(69,706)	(96,166)	(165,872)
Net cash provided by (used for) operating activities	<u>71,123</u>	<u>140,994</u>	<u>212,117</u>
Cash Flows from Noncapital Financing Activities			
Interfund activity	472	75,860	76,332
Net cash provided by (used for) noncapital financing activities	<u>472</u>	<u>75,860</u>	<u>76,332</u>
Cash Flows from Capital and Related Financing Activities			
Purchase of fixed assets		(174,472)	(174,472)
Reductions of debt	(20,700)	(110,100)	(130,800)
Sale of assets	6,375	2,104	8,479
Interest expense	(41,069)	(111,996)	(153,065)
Net cash provided by (used for) capital and related financing activities	<u>(55,394)</u>	<u>(394,464)</u>	<u>(449,858)</u>
Cash Flows from Investing Activities:			
Interest income	133	18,265	18,398
Net cash provided by investing activities	<u>133</u>	<u>18,265</u>	<u>18,398</u>
Net increase (decrease) in cash and cash equivalents	16,334	(159,345)	(143,011)
Cash and cash equivalents, beginning of fiscal year	212,604	2,642,485	2,855,089
Cash and cash equivalents, end of fiscal year	<u>\$ 228,938</u>	<u>\$ 2,483,140</u>	<u>\$ 2,712,078</u>
Reconciliation of Cash and Cash Equivalents:			
Cash and investments	\$ 167,051	\$ 2,194,149	\$ 2,361,200
Restricted cash and investments	61,887	288,991	350,878
Total cash and cash equivalents	<u>\$ 228,938</u>	<u>\$ 2,483,140</u>	<u>\$ 2,712,078</u>
Reconciliation of Operating Income to Net Cash Provided by (used for) operating activities			
Adjustments to operating income:			
Depreciation	71,769	210,352	282,121
(Increase) decrease in accounts receivable	(11,975)	(16,640)	(28,615)
(Increase) decrease in prepaid expense		5,628	5,628
Increase (decrease) in accounts payable	(5,866)	(1,462)	(7,328)
Increase (decrease) in accrued payroll			-
Net cash provided by (used for) operating activities	<u>\$ 71,123</u>	<u>\$ 140,994</u>	<u>\$ 212,117</u>

The accompanying notes are an integral part of these financial statements

CITY OF LOYALTON

Notes to the Financial Statements June 30, 2021

Note 1: Summary of Significant Accounting Policies

The basic financial statements of City of Loyalton, California, (the "City") have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") as applied to governmental agencies. The Governmental Accounting Standards Board ("GASB") is the acceptable standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. Reporting Entity

The City was incorporated in 1901, as a municipal corporation operating under the general laws of the State of California. The City operates under a Council-Manager form of government and provides services including general government, public works, public safety, water, sewer, and parks and recreation. Control or dependence is determined on the basis of budget adoption, selection of governing authority and designation of management, outstanding debt secured by revenues or general obligations of the City and ability to significantly influence operations.

The financial reporting entity, as defined by the GASB, consists of the primary government, the City, organizations for which the primary government is financially accountable, and any other organization for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

B. Basis of Accounting

The government-wide, proprietary and agency fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned or, for property tax revenues, in the period for which levied. Expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Revenue from sales tax is recognized when the underlying transactions take place. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligible requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when both measurable and available. Measurable means the amount of the transaction can be determined and available means collectible in the current period or soon enough thereafter to be used to pay liabilities of the current period. Resources not available to finance expenditures and commitments of the current period are recognized as deferred revenue or as a reservation of fund balance. The City considers property taxes available if they are collected within sixty-days after year-end.

Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt, as well as compensated absences and claims and judgments are recorded only when payment is due. General capital acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financial sources.

When applicable, the City reports deferred revenue on its combined balance sheet. Deferred revenue arises when a potential revenue source does not meet both the measurable and available criteria for recognition in the current period. Deferred revenues also arise when resources are received by the City before it has legal claim to them, as when grant monies are received prior to the occurrences of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has legal claim to the resources, deferred revenue is removed from the combined balance sheet and revenue is recognized.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

CITY OF LOYALTON

**Notes to the Financial Statements
June 30, 2021**

Note 1: Summary of Significant Accounting Policies (Continued)

C. Basis of Presentation

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the primary government (the City). These statements include the financial activities of the overall government. These statements distinguish between the governmental and business-type activities of the City. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The statement of activities demonstrates the degree to which the program expenses of a given function are offset by program revenues. Program expenses include direct expenses, which are clearly identifiable with a specific function. Program revenues include 1) charges paid by the recipient of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

When both restricted and unrestricted net position are available, unrestricted resources are used only after the restricted resources are depleted.

Fund Financial Statements

The fund financial statements provide information about the City's funds. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in separate columns. All remaining governmental and enterprise funds are separately aggregated and reported as non-major funds.

The City reports the following major governmental funds:

General Fund - This fund accounts for all the financial resources not required to be accounted for in another fund. This fund consists primarily of general government type activities.

Gas Tax Fund – This fund is used to account the revenues and expenditures of the State Gas Tax

CDBG Fund – This is used to account for Community Development revenue and expenditures

The City reports the following major enterprise funds:

Water and Sewer Funds - account for the operation of the City's water and sewer utilities. Activities of these funds include administration, operation and maintenance of the water and sewer systems and billing and collection activities. The Funds also accumulate resources for, and payment of long-term debt principal and interest. All costs are financed through charges made to utility customers with rates reviewed regularly and adjusted if necessary to ensure the integrity of the Funds.

CITY OF LOYALTON

**Notes to the Financial Statements
June 30, 2021**

Note 1: Summary of Significant Accounting Policies (Continued)

D. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

E. Cash Equivalents

For the purpose of the statement of cash flows, the City considers cash and cash equivalents as short term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates.

Restricted cash and unrestricted pooled cash and investments held by the City are considered cash equivalents for purposes of the combined statement of cash flow's because the City's cash management pool and funds invested by the City possess the characteristics of demand deposit accounts.

F. Fixed Assets

Capital assets, recorded at historical cost or estimated historical cost if actual historical cost is not available, are reported in governmental activities column of the government-wide financial statements. Contributed fixed assets are valued at their estimated fair market value. Capital assets include land, buildings and building improvements and equipment. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Depreciation is recorded in the government-wide financial statements on the straight-line basis over the useful life of the assets as follows:

<u>Assets</u>	<u>Useful Life</u>
Building and improvements	40-50 years
Utility Systems	18-50 years
Equipment and machinery	5-15 years

G. Property Tax

Sierra County is responsible for assessing, collecting and distributing property taxes in accordance with enabling legislation. Revenue received is based on an allocation factor calculated by the County under the provisions of Proposition 13 plus a percentage of the increase in market value in specific areas. The City's property tax is levied each July 1 on the assessed values as of the prior January 1 for all real and personal property located in the City. Property sold after the assessment date (January 1) is reassessed and the amount of property tax levied is prorated.

Secured property taxes are due in two equal installments; the first is due November 1 and delinquent with penalties after December 10; the second is due February 1 and delinquent with penalties after April 10. Unsecured property tax is levied on July 1 and due on July 31 and becomes delinquent on August 31.

Based on a policy by the County called the Teeter Plan, 100% of the allocated taxes are transmitted by the County to the City, eliminating the need for an allowance for uncollectable. The County, in return, receives all penalties and interest on the related delinquent taxes.

CITY OF LOYALTON

Notes to the Financial Statements June 30, 2021

Note 1: Summary of Significant Accounting Policies (Continued)

H. Balance Sheet Classifications

Certain resources are classified as restricted assets as their use is restricted for specific purposes by bond agreements, lease agreements, trust agreements, grant agreements, City Charter provisions, or other requirements. Governmental fund types' restricted assets are for grant advances. Proprietary fund types' restricted assets are for renewal and replacement of equipment and debt service reserves.

I. Compensated Absences

City employees are granted vacation in varying amounts based on classification and length of service. Upon termination or retirement, the City is to pay 100% of the vacation time accrued and 25-35% of the accrued sick leave depending on the length of employment with the City.

Governmental Funds – Governmental funds record expenditures for compensated absences as they are taken by employees.

Proprietary Funds – Proprietary funds record expenditures for compensated absences as they are taken by employees.

J. Intergovernmental Revenues

Federal and state governments reimburse the City for costs incurred on certain fixed asset construction projects under capital grant agreements. Amounts claimed under such grants are credited to intergovernmental revenues if the project is being administered by a Capital Projects fund or to contributed capital if administered by a Proprietary fund. Additionally, the City receives reimbursement from federal and state governments for other programs, such as streets, housing and rehabilitation. These reimbursements are recorded in the fund administering the program as intergovernmental revenues with related program costs included in expenditures.

The respective grant agreements generally require the City to maintain accounting records and substantiating evidence to determine if all costs incurred and claimed are proper and that the City is in compliance with other terms of the grant agreements. These records are subject to audit by the appropriate government agency. Any amounts disallowed will reduce future claims or be directly recovered from the City.

K. Net Position

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position are categorized as invested in capital assets (net of related debt), restricted, and unrestricted.

- Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- Restricted net position – Consists of net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. These principally include restrictions for capital projects, debt service requirements and other special revenue fund purposes.
- Unrestricted net position – All other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

CITY OF LOYALTON

Notes to the Financial Statements
June 30, 2021

Note 1: Summary of Significant Accounting Policies (Concluding)

L. Fund Balances

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2021, fund balances for governmental funds are made up of the following:

- Non-spendable fund balance - includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example: inventories, prepaid, and long-term receivables.
- Restricted fund balance - includes amounts that can be spent for specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.
- Committed fund balance - includes amounts that can only be used for the specific purposes determined by a formal action of the City's highest level of decision-making authority, the City Council. Commitments may be changed or lifted only by the City taking the same formal action that imposed the constraint originally (for example: resolution and ordinance).
- Assigned fund balance - comprises amounts intended to be used by the City for specific purposes that are neither restricted nor committed. Intent is expressed by (1) the City Council or (b) a body (for example: a budget or finance committee) or official to which City Council has delegated the authority to assign amounts to be used for specific purposes.
- Unassigned fund balance - is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, that fund would report a negative unassigned fund balance.

Note 2: Cash and Investments

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as cash and investments. Unless otherwise dictated by legal or contractual requirements, income earned or losses arising from the investment of pooled cash are allocated on a quarterly basis to the participating funds and component units based on their proportionate shares of the average quarterly cash balance.

The City maintains "restricted cash and investments". Monies restricted are for debt service reserves and legal settlement funds for the wastewater treatment plant.

Cash and investments at June 30, 2021, consisted of the following:

Cash and investments	\$ 2,613,893
Restricted cash and investments	350,878
Total per statement of activities	<u>\$ 2,964,771</u>
Checking account	\$ 543,466
Imprest cash	400
Savings	391,683
LAIIF	<u>2,029,222</u>
Total cash and investments	<u>\$ 2,964,771</u>

CITY OF LOYALTON

**Notes to the Financial Statements
June 30, 2021**

Note 2: Cash and Investments (Continued)

A. Investments Authorized by the California Government Code and the Entity's Investment Policy

The table below identifies the **investment types** that are authorized for the City of Loyalton by the California Government Code (or the City's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that address **interest rate risk, credit risk and concentration of credit risk**. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City investment policy.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Percentage of Portfolio</u>	<u>Investment in One Issuer</u>
Investment pools authorized under CA			
Statutes governed by Government Code	N/A	None	\$40 million
U.S. Treasury Obligations	5 years	None	None
Bank Savings Accounts	N/A	25%	None
Federal Agencies	5 years	75%	None
Commercial Paper	180 days	20%	None
Negotiable Certificates of Deposit	180 days	20%	None
Re-Purchase Agreements	180 days	20%	None
Corporate Debt	5 years	25%	None

B. Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of and investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investment by maturity:

<u>Investment Type</u>	<u>Totals</u>	<u>Remaining Maturity (in Months)</u>	
		<u>12 Months or Less</u>	<u>13-48 Months</u>
State Investment Pool*	\$ 2,029,222	\$ 2,029,222	\$ -
Totals	\$ 2,029,222	\$ 2,029,222	\$ -

*Not subject to categorization

C. Concentrations of Credit Risk

The investment policy of the City contains limitations on the amount that can be invested in any one issuer. There are no investments to one issuer exceeding those limits.

D. Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposit or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment of collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits; The California Government Code requires that a financial institution secured deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the government unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the City's deposits by pledging first deed mortgage notes having a value of 150% of the secured public deposits.

CITY OF LOYALTON

Notes to the Financial Statements June 30, 2021

Note 2: Cash and Investments (Continued)

D. Custodial Credit Risk (Continued)

At June 30, 2021, the City's deposits balance was \$988,513 and the carrying amount was \$935,149. The difference between the bank balance and the carrying amount was due to normal outstanding checks and deposits in transit. Of the bank balance \$351,458 was covered by the Federal Depository Insurance.

E. Investment in State Investment Pool

LAIF is included in the State's Pooled Money Investment Account. The total amount invested by all public agencies in the State's Pooled Money Investment Account approximates \$193.32 billion. Of the \$193.32 billion managed by the State Treasurer, 100% is invested in non-derivative financial products and 2.31% is invested in structured notes and asset-backed securities. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by state statute.

Investments are accounted for in accordance with the provisions of GASB Statement No. 31, which requires governmental entities to report certain investments at fair value in the balance sheet and recognize the corresponding change in fair value of investments in the year in which the change occurred. The City reports its investments at fair value based on quoted market information obtained from fiscal agents or other sources if the change is material to the financial statements.

Note 3: Liability, Insured Programs and Workers Compensation Protection

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In 1986, the City joined together with other cities in the State to form Small Cities Organized Risk Effort (SCORE), a public entity risk pool currently operating as a common risk management and insurance program for member cities. The City pays an annual premium to SCORE for its insurance coverage. The Agreement for Formation of the SCORE provides that SCORE will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of self-insured levels. A Board of Directors governs the SCORE, consisting of one member appointed by each Member City. A management group employed by the SCORE handles the day-to-day business. At the termination of the joint power agreement and after all claims been settled, any excess or deficit will be divided among the cities in accordance with its governing documents. Financial statements of SCORE are available at the City.

CITY OF LOYALTON

**Notes to the Financial Statements
June 30, 2021**

Note 4: Capital Assets

Capital asset activity for the year ended June 30, 2021 was as follows:

	Balance July 1, 2020	Additions	Retirements/ Adjustments	Balance June 30, 2021
Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 55,293	\$ -	\$ -	\$ 55,293
Capital assets, being depreciated:				
Buildings and improvements	2,363,686			2,363,686
Site improvements	867,070			867,070
Equipment	856,842	20,000	(21,439)	855,403
Total capital assets, being depreciated	4,087,598	20,000	(21,439)	4,086,159
Less accumulated depreciation for:				
Buildings and improvements	(859,462)	(77,650)		(937,112)
Site Improvements	(418,605)	(30,173)		(448,778)
Equipment	(383,734)	(35,498)	21,439	(397,793)
Total accumulated depreciation	(1,661,801)	(143,321)	21,439	(1,783,683)
Total capital assets, being depreciated, net	2,425,797	(123,321)		2,302,476
Governmental activities capital assets, net	\$ 2,481,090	\$ (123,321)	\$ -	\$ 2,357,769
Business-Type Activities				
Water				
Capital assets, being depreciated:				
Site improvements	\$ 2,787,734	\$ -	\$ -	\$ 2,787,734
Equipment	167,153		(17,160)	149,993
Total capital assets, being depreciated	2,954,887			2,937,727
Less accumulated depreciation	(1,283,370)	(71,769)	17,160	(1,337,979)
Total capital assets, being depreciated, net	1,671,517	(71,769)		1,599,748
Water capital assets, net	\$ 1,671,517	\$ (71,769)	\$ -	\$ 1,599,748
Sewer				
Capital assets, not being depreciated:				
Land	\$ 373,319	\$ -	\$ -	\$ 373,319
Construction in progress	180,675		(180,675)	-
Capital assets, being depreciated:				
Buildings	415,920			415,920
Site improvements	8,243,137	355,146		8,598,283
Equipment	643,031		(5,721)	637,310
Total capital assets, being depreciated	9,302,087	355,146	(5,721)	9,651,513
Less accumulated depreciation	(4,273,346)	(210,352)	5,721	(4,477,977)
Total capital assets, being depreciated, net	5,028,741	144,794		5,173,536
Sewer capital assets, net	\$ 5,582,735	\$ 144,794	\$ (180,675)	\$ 5,546,855

CITY OF LOYALTON

**Notes to the Financial Statements
June 30, 2021**

Note 4: Capital Assets (Continued)

Depreciation

Depreciation expense was charged to functions/programs of the City as follows:

General government	\$ 72,960
Public safety	36,150
Streets and roads	1,793
Parks	<u>32,418</u>
Total	<u>\$ 143,321</u>

The City believes the estimated useful lives of some of the assets involved at the Wastewater Treatment Plant will be much less than was previously anticipated at the time the assets were completed. Depreciation expense has been increased accordingly. The ultimate useful life of these items will depend on the alternative corrective action the City selects for repair of the facility.

Note 5: Lease Income

The City of Loyaltan derives a portion of its revenue from the rental of real property based on a fixed lease amount. All leases of the City are treated as operating leases for accounting purposes. Lease terms can be terminated by lessor at any time and without cause. Because these are cancelable leases we do not present the operating revenue over the term of the lease.

Note 6: Long-term Liabilities

Governmental-Type Activities:

A summary of changes in the City's governmental-type activities long-term liabilities for the year ended June 30, 2021:

	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Retirements/ Adjustments</u>	<u>Balance June 30, 2021</u>	<u>Due Within One Year</u>
Capital leases	\$ 70,000	\$ -	\$ (13,034)	\$ 56,966	\$ 13,500
Total	<u>\$ 70,000</u>	<u>\$ -</u>	<u>\$ (13,034)</u>	<u>\$ 56,966</u>	<u>\$ 13,500</u>

During the 2019-20 fiscal year, the City purchased a fire tender water truck for \$241,869, paying \$171,869 cash and \$70,000 with a capital lease. The capital lease agreement was executed on April 24, 2020 with 5 annual payments of \$15,536 including interest, starting April 24, 2021 through April 24, 2025, with an interest rate of 3.574%.

Future annual requirements to amortize the long-term debt outstanding as of June 30, 2021 are as follows:

CITY OF LOYALTON

**Notes to the Financial Statements
June 30, 2021**

Fiscal Year End			
June 30,	Principal	Interest	Total
2022	13,500	2,036	15,536
2023	13,983	1,553	15,536
2024	14,482	1,054	15,536
2025	15,000	536	15,536
Totals	<u>\$ 56,966</u>	<u>\$ 5,179</u>	<u>\$ 62,145</u>

Note 6: Long-term Liabilities (Continued)

Business-Type Activities:

A summary of changes in the City's business-type activities long-term liabilities for the year ended June 30, 2021:

Water Fund	Balance July 1, 2020	Additions	Retirements/ Adjustments	Balance June 30, 2021	Due Within One Year
2004 COP	\$ 923,000	\$ -	\$ (20,700)	\$ 902,300	\$ 21,600
Total	<u>\$ 923,000</u>	<u>\$ -</u>	<u>\$ (20,700)</u>	<u>\$ 902,300</u>	<u>\$ 21,600</u>

Sewer Fund	Balance July 1, 2020	Additions	Retirements/ Adjustments	Balance June 30, 2021	Due Within One Year
1995A Sewer revenue bond	\$ 738,738	\$ -	\$ (36,000)	\$ 702,738	\$ 37,500
1995B Sewer revenue bond	110,891		(5,100)	105,791	53,000
2009 COP	3,022,000		(69,000)	2,953,000	71,000
Total	<u>\$ 3,871,629</u>	<u>\$ -</u>	<u>\$ (110,100)</u>	<u>\$ 3,761,529</u>	<u>\$ 161,500</u>

Water Fund - 2004 Certificates of Participation

The City of Loyalton issued \$1,144,600 in certificates of participation on March 1, 2004 through Rural USDA to provide funds for the construction of various water system improvements.

The installment payments are secured by a pledge of the net revenues of the City's water system as provided in the installment purchase contract. The interest rate is 4.5% with payment due dates of March 1 and September 1 and final payment due September 1, 2044.

Future annual requirements to amortize the long-term debt outstanding as of June 30, 2021 are as follows:

CITY OF LOYALTON

**Notes to the Financial Statements
June 30, 2021**

Fiscal Year End June 30,	Principal	Interest	Total
2022	\$ 21,600	\$ 40,118	\$ 61,718
2023	22,600	39,123	61,723
2024	23,600	38,615	62,215
2025	24,700	36,997	61,697
2026	25,800	35,861	61,661
2027-2031	147,700	160,369	308,069
2032-2036	183,900	123,212	307,112
2037-2041	229,100	76,916	306,016
2042-2045	223,300	20,653	243,953
Totals	<u>\$ 902,300</u>	<u>\$571,862</u>	<u>\$ 1,474,162</u>

Note 6: Long-term Liabilities (Continued)

Sewer Fund – Series 1995-A Revenue Bond

The City of Loyaltan issued \$1,256,500 in revenue bonds on February 1, 1995 through Rural Economic and Community Development Service to provide funds for the construction of various water system improvements.

The payments are secured by a pledge of the net revenues of the City’s sewer system as provided in the installment purchase contract. The interest rate is 4.5% with payment due dates of February 1 and August 1 and final payment due August 1, 2034.

Future annual requirements to amortize the long-term debt outstanding as of June 30, 2021 are as follows:

Fiscal Year End June 30,	Principal	Interest	Total
2022	\$ 37,500	\$ 30,782	\$ 68,282
2023	38,600	29,070	67,670
2024	40,900	27,281	68,181
2025	42,600	25,403	68,003
2026	44,300	23,447	67,747
2027-2031	253,700	95,888	349,588
2032-2035	245,138	34,958	280,096
Totals	<u>\$ 702,738</u>	<u>\$266,830</u>	<u>\$ 969,568</u>

Sewer Fund – Series 1995-B Revenue Bond

The City of Loyaltan issued \$186,200 in revenue bonds on February 1, 1995 through Rural Economic and Community Development Service to provide funds for the construction of various water system improvements.

CITY OF LOYALTON

**Notes to the Financial Statements
June 30, 2021**

The payments are secured by a pledge of the net revenues of the City's sewer system as provided in the installment purchase contract. The interest rate is 4.5% with payment due dates of February 1 and August 1 and final payment due August 1, 2034.

Future annual requirements to amortize the long-term debt outstanding as of June 30, 2021 are as follows:

Fiscal Year End			
June 30,	Principal	Interest	Total
2022	\$ 5,300	\$ 4,642	\$ 9,942
2023	5,600	4,397	9,997
2024	6,300	4,129	10,429
2025	6,600	3,839	10,439
2026	6,900	3,535	10,435
2027-2031	38,800	12,690	51,490
2032-2035	36,291	3,364	39,655
Totals	<u>\$ 105,791</u>	<u>\$ 36,594</u>	<u>\$ 142,385</u>

Note 6: Long-term Liabilities (Continued)

Sewer Fund – 2009 Certificate of Participation

The City of Loyalton issued \$3,569,000 in certificates of participation on February 1, 2010 through Rural USDA to provide funds for the construction of various sewer system improvements.

The installment payments are secured by a pledge of the net revenues of the City's water system as provided in the installment purchase contract. The interest rate is 2.5% with payment due dates of February 1 and August 1 and final payment due August 1, 2049.

Future annual requirements to amortize the long-term debt outstanding as of June 30, 2021 are as follows:

Fiscal Year End			
June 30,	Principal	Interest	Total
2022	\$ 71,000	\$ 72,938	\$ 143,938
2023	72,000	71,150	143,150
2024	74,000	69,325	144,250
2025	76,000	67,450	143,450
2026	78,000	65,525	143,525
2027-2031	420,000	297,000	717,000
2032-2036	475,000	241,163	716,163
2037-2041	537,000	177,988	714,988
2042-2046	607,000	106,563	713,563
2047-2050	543,000	27,563	570,563
Totals	<u>\$2,953,000</u>	<u>\$1,196,663</u>	<u>\$ 4,150,588</u>

CITY OF LOYALTON

**Notes to the Financial Statements
June 30, 2021**

Note 7: Defined Benefit Pension Plan

On November 16, 2016, the CalPERS Board of Administration declared the city of Loyalton in default of its obligation to CalPERS. Effective January 2018, CalPERS reduced the retirement benefits paid to City of Loyalton retirees', pursuant to Government code section 20577 to 40% of retiree' base pension benefit, as subject to cost of living adjustments as calculated by CalPERS ("Reduced Benefit Amount".)

Per a subsequent settlement agreement with three City of Loyalton retirees, beginning April 2019, and on a monthly basis thereafter, The City of Loyalton agreed to pay an amount equal to 1.075 times the monthly Reduced Benefit Amount for the three retirees. In no event shall Loyalton's monthly payment, when combined with CalPERS' monthly payment, exceed 83% of the three retirees Base Pension or Survivor Benefit (whichever is applicable). Loyalton's obligations under this Agreement will cease once CalPERS ceases making payments to the retirees or their designated survivors. Furthermore, per the settlement agreement, the City agreed to pay a combined \$73,946.74 to the three retirees as settlement of all potential claims related to the pension retirement benefits.

Note 8: Interfund Transactions

Operating transfers are transactions to allocate resources from one fund to another fund not contingent on the incurrence of specific expenditures in the receiving fund. Interfund transfers are generally recorded as operating transfers in and operating transfers out in the same accounting period.

Receivables and Payables

Balances representing lending/borrowing transactions between funds outstanding at the fiscal year end are reported as either "due from/due to other funds" (amounts due within one year), "advances to/from other funds" (non-current portions of interfund lending/borrowing transactions), or "loans to/from other funds" (long-term lending/borrowing transactions evidenced by loan agreements). Advances and loans to other funds are offset by a fund balance reserve in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources. The interfund balances are not expected to be repaid within one year of the balance sheet date.

Interfund transactions for the fiscal year ended June 30, 2021 are summarized as follows:

	Due to Other Funds	Due from Other Funds
General fund	\$ 300,512	\$ 667,735
Special revenue funds	78,288	215,261
Enterprise funds	619,383	115,187
Totals	\$ 998,183	\$ 998,183

Note 9: Stewardship, Compliance and Accountability

A. Deficit Fund Balances

CITY OF LOYALTON

Notes to the Financial Statements
June 30, 2021

The gas tax fund had a deficit fund balance of \$111,617 at June 30, 2021. The deficit fund balance is expected to be eliminated upon receipt of future funding or transfers from the general fund.

B. Expenditures over Budgeted Appropriations

Actual general fund expenditures were over the approved appropriations budget by \$339,552. Actual because no budget was established for the gas tax fund in the 2020/21 fiscal year, expenditures exceeded appropriations by \$49,889.

Note 10: Revenue Limitations Imposed by California Proposition 218

Proposition 218, which was approved by the voters in November 1996, regulates the City’s ability to impose, increase, and extend taxes and assessments. Any new increase or extended taxes and assessments subject to the provisions of Proposition 218, requires voter approval before they can be implemented. Additionally, Proposition 218 provides that these taxes and assessments are subject to voter initiative and may be rescinded in the future years by the voters.

Note 11: Related Party Transactions

The City currently is operating without a City Manager. Members of the City Council have taken on the job duties normally performed by a City Manager. The members of the City Council are not compensated for taking on these duties in excess of the approved stipend per meeting received by all City Council members.

Note 12: Gann Limit

Proceeds subject to the limit for 2020-21	\$ 246,495
Amount of limit for 2020-21	1,213,225
Amount (under)/over the limit	<u>\$ (966,730)</u>
Per Capita Percentage Change	3.73%
Population Change	-0.38%

Note 14: Commitments and Contingencies

Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

Commitments

The City had ongoing engineering and professional service commitments as of June 30, 2021.

COVID 19

In December 2019, a novel strain of coronavirus has spread around the world resulting in business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. The operations and business results of City of Loyalton could potentially be adversely affected by this global pandemic. The extent to which the coronavirus may impact business activity or investment results will depend on future developments, which are highly uncertain and cannot

CITY OF LOYALTON

Notes to the Financial Statements

June 30, 2021

be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions required to contain the coronavirus. The District has not included any contingencies in the financial statements specific to this issue.

Note 15: Subsequent Events

The City of Loyalton management has evaluated subsequent events through May 31, 2022, the date these financial statements were available to be issued.

**CITY OF LOYALTON
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
JUNE 30, 2021**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Taxes	\$ 127,200	\$ 127,200	\$ 163,033	\$ 35,833
Licenses and permits	4,000	4,000	12,188	8,188
Intergovernmental			375,930	375,930
Charges for current services			65,988	65,988
Use of money and property	25,200	25,200	160	(25,040)
Other	7,000	7,000	5,837	(1,163)
Total revenue	<u>163,400</u>	<u>163,400</u>	<u>623,136</u>	<u>459,736</u>
Expenditures				
Current:				
General government	124,620	124,620	179,526	(54,906)
Public safety	15,000	15,000	179,025	(164,025)
Health and sanitation			440	(440)
Community development			89,501	(89,501)
Culture and recreation			25,143	(25,143)
Debt service				
Principal			13,034	(13,034)
Interest			2,502	(2,502)
Capital Outlay	30,000	30,000	20,000	10,000
Total expenditures	<u>169,620</u>	<u>169,620</u>	<u>509,171</u>	<u>(339,552)</u>
Excess (deficit) of revenues over expenditures before other financing sources (uses)	<u>(6,220)</u>	<u>(6,220)</u>	<u>113,965</u>	<u>120,185</u>
Other Financing Sources (Uses)				
Sale of assets			18,521	18,521
Operating transfers out	(13,780)	(13,780)		13,780
Total other financing sources (uses)	<u>(13,780)</u>	<u>(13,780)</u>	<u>18,521</u>	<u>32,301</u>
Net change in fund balance	<u>\$ (20,000)</u>	<u>\$ (20,000)</u>	<u>132,486</u>	<u>\$ 152,486</u>
Fund balance, beginning of fiscal year			<u>477,132</u>	
Fund balance, end of fiscal year			<u>\$ 609,618</u>	

**CITY OF LOYALTON
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GAS TAX FUND
JUNE 30, 2021**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Intergovernmental	\$ -	\$ -	\$ 39,275	\$ 39,275
Total revenue *			39,275	39,275
Expenditures				
Current:				
Highways and streets			49,889	(49,889)
Total expenditures *			49,889	(49,889)
Net change in fund balance *	\$ -	\$ -	(10,614)	\$ 89,164
Fund balance, beginning of fiscal year			(101,003)	
Fund balance, end of fiscal year			\$ (111,617)	

* No budget was established for the gas tax fund in the 2020/21 fiscal year.

**CITY OF LOYALTON
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
JUNE 30, 2021**

CITY OF LOYALTON
Note to Required Supplementary Information
June 30, 2021

Budgets and Budgetary Accounting

As required by State law the City prepares and legally adopts a final operating budget. Public hearings were conducted on the proposed and final budget to review all appropriations and the source of financing.

The budgets for the general fund and Gas Tax fund are adopted on the modified accrual basis of accounting. The budget for the general fund and Gas Tax fund are the only legally adopted budgets. Appropriations lapse at fiscal year-end.

The budgetary data presented in the final budgeted amount in the accompanying financial statements includes all revisions approved by the City Council.