



## USDA-NRCS Report by Bobette Parsons, District Conservationist, Jackson LPO April 2021

### Environmental Quality Incentives Program (EQIP) and Conservation Stewardship Program (CSP)

- Administration on-going on 117 active conservation contracts to treat 30,779 acres.
- Federal funding of 5.8 million dollars obligated for conservation activities in active contracts.
- 2 CSP renewal contracts on 14,000 acres of Rangeland obligated \$241,000.

### Program Deadlines

- June 9<sup>th</sup> last ranking deadline for FY21 EQIP projects competing for funding.
- June 30<sup>th</sup> ranking deadline for FY21 CSP

### Pollinator projects and Soil Health workshops

- Hedgerow planting completed in Fall on an Amador county ranch. Data to help evaluate benefits to pollinators, Partnership NRCS and Xerces Society. Anticipate field workshop later this year.

### Conservation Planning 2021

- On-going requests for assistance being received, with needed planning on Tree Mortality, General forestry, RCPP, Rangeland and Cropland acreages.
- Numerous requests for planning on Rangeland.
- Rangeland planning priority on applicants without adequate livestock water.
- Plans were developed for 5 new clients for FY21 EQIP funding on RCPP, forestry and range.
- June 9<sup>th</sup> is the last ranking deadline for FY21 EQIP projects competing for funding.

### Staff Updates

- NRCS Central Sierra Team Forester and NRCS Area 3 Forester advertised in March, positions likely filled within the next two months and will help with Jackson workload.
- Permanent NRCS Forester Position for Jackson will be advertised later this year. No date set yet.
- Office remains open for business through telework and rotational staff time in office. Office is closed to clients and visitors, but field work continues with social distancing.

## Minutes of the Calaveras Resource Conservation District (RCD)

Regular Board Meeting

March 4, 2021

RCD In-Person & Virtual via GoToMeeting

423 Saint Charles St, San Andreas, CA

**Call to Order:** The meeting was called to order by S. Beckman-President @ 6:00 pm

Board Members & Staff Present: S. Beckman-President; B. Dubois; K. Hafley; K. Lambert; T. Robertson; G. Long-Executive Director; Dana Simpson-Staff Accountant; Mary Cole-Admin

Board Members & Staff Absent: M. Robie;

Others Present: Bobette Parson, NRCS; Kaylee Dillashaw-Tanner Logging; Dane Wadle-SDRMA; Jesse Fowler, Ag Commissioner; Jill Micheau

**Public Comment:** Dane Wadle introduced himself and discussed current efforts of SDRMA to support RCD's and other Special Districts in California.

**Partners:** Ag Commissioner Ms. Fowler reported on the Agriculture Dept. Ms. Parsons reviewed her NRCS Report.

### Consent Agenda Items:

1. Approval of 2/4/21 Minutes. Board Action –**K. Hafley made motion to approve, B. Dubois second. On a 5-0-1 vote, minutes were approved.**
2. Approval of February 2021 Finance Reports – **K. Hafley made motion to approve, B. Dubois second. On a 5-0-1 vote, financials were approved.**

### Old Business:

1. Update on Projects: *reported on by E.D. Gordon Long*  
The CEQA contractor is doing the work of locating potential cultural sites but so far nothing has been found that is culturally significant. Those areas that are significant will be marked for avoidance during ground operations. The biologist has also been completing wildlife surveys. The next step is to do outreach to educate the landowners treatment prescriptions. CEQA field work should be done by mid-April. Ms. Micheau added that the third quarter report has been sent out for input, and will be ready to turn in next week.  
G. Long had a meeting with Sierra Nevada Conservancy to look for joint projects. They don't yet have any funding so we are to inquire again later. He is still looking into home hardening projects that would aid in loss of structures during wildfires. The Monarch habitat educational grant is being developed with Mariposa/Amador/Calaveras/Tuolumne RCD's.
2. Building Site Update – K. Hafley researched who to contact for the process to get power to the board room building. T. Robertson spoke with two land use consultants and was advised to obtain a land use attorney. He volunteered to help find one. S. Beckman reported his research and agrees the next step is to get a consultant experienced in the sale of publicly owned commercial real estate. An ad hoc committee was formed to work on this. They will be M. Robie, K. Hafley and T. Robertson.

### New Business:

1. Brown Act – G. Long asked the board to review the 30 slides provided by the Calaveras County Clerk's office. And emphasized to NOT use "reply all" when responding to an email.

2. Submission of grants – G. Long reported on the PG&E grant received in November. A submission for 2021 was made for 23 acres (7 miles) of roadside brushing within the Butte Fire area for a \$98k contract. We should hear by April.

Other grants in the works are a \$15k grant for monarch education. We would share the admin work with Amador and their \$15k grant.

Talking with El Dorado RCD about seeds and seedlings project. B. Dubois had ideas about locating the seed trees needed for the project. He will help with some research.

And S. Beckman spoke about a forest health grant.

3. Officer nominations – Nominations were made and accepted for Sid Beckman/President; Keith Hafley/Vice President; Brady Dubois/Secretary-Treasurer.

**Motion was made to accept the slate of officers as named by K. Hafley, second by T. Robertson. Passed on a 5/0/1 vote.**

4. Work Day – G. Long would like some volunteers to help on a work day to clear brush and debris around property. He suggests the last Saturday of each quarter for about two hours. Next work day will be June 26 from 9 – 11 am.

**Reports:**

5. Committee Reports – None.
6. Other Items for Consideration – None.
7. Board Member announcements – S, Beckman is working on the internal control letter to meet SDRMA guidelines. D. Simpson is in touch with an auditor. He also noted that the remaining board position is now open. If you know anyone who would be a good fit, ask them to apply.
8. Staff announcements – None.

**Adjournment of meeting.** Meeting adjourned @ 7:20 pm.

Next meeting scheduled for **Thursday, April 1, 2021** via GoToMeeting.

Attest:  
President, Sid Beckman \_\_\_\_\_

Date \_\_\_\_\_

Secretary, Brady Dubois \_\_\_\_\_

Date \_\_\_\_\_

## Calaveras County Resource Conservation District

## Profit &amp; Loss

03/29/21

July 1, 2020 through March 29, 2021

Accrual Basis

	<u>Jul 1, '20 - Mar 29, 21</u>
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
<b>Direct Public Grants</b>	
Nonprofit Organization Grants	697.50
<b>Total Direct Public Grants</b>	697.50
<b>Investments</b>	
Interest-Savings, Short-term CD	14.67
<b>Total Investments</b>	14.67
<b>Other Types of Income</b>	
Miscellaneous Revenue	2,659.57
<b>Total Other Types of Income</b>	2,659.57
<b>Program Income</b>	
Program Revenue	100,066.89
<b>Total Program Income</b>	100,066.89
<b>Rental Income</b>	6,912.52
<b>Total Income</b>	110,351.15
<b>Gross Profit</b>	110,351.15
<b>Expense</b>	
<b>Insurance Expense</b>	
Insurance - Liability, D and O	-139.81
Worker's Compensation Insurance	936.21
<b>Total Insurance Expense</b>	796.40
<b>Contract Services</b>	
Grant Administration	0.00
Accounting Fees	450.00
Outside Contract Services	59,600.00
<b>Total Contract Services</b>	60,050.00
<b>Facilities and Equipment</b>	
Property Taxes	150.00
Facility Maintenance	2,107.96
Utilities	3,814.87
<b>Total Facilities and Equipment</b>	6,072.83
<b>Operations</b>	
Website	179.40
Books, Subscriptions, Reference	36.60
Computer Software	1,108.87
Office Equipment	463.30
Postage, Mailing Service	266.80
Printing and Copying	410.64
Supplies	171.78
<b>Total Operations</b>	2,637.39
<b>Other Types of Expenses</b>	
Staff Development	50.00
Memberships and Dues	434.86
Other Costs	315.00
<b>Total Other Types of Expenses</b>	799.86

Calaveras County Resource Conservation District

**Profit & Loss**

July 1, 2020 through March 29, 2021

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	<u>Jul 1, '20 - Mar 29, 21</u>
Payroll Expenses	<u>35,258.05</u>
Total Expense	<u>105,614.53</u>
Net Ordinary Income	<u>4,736.62</u>
Net Income	<u><u>4,736.62</u></u>

## Calaveras County Resource Conservation District

03/29/21

## Balance Sheet

Accrual Basis

As of March 29, 2021

	<u>Mar 29, 21</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
Checking	95,403.41
<b>Total Checking/Savings</b>	95,403.41
<b>Accounts Receivable</b>	
Accounts Receivable	521.35
<b>Total Accounts Receivable</b>	521.35
<b>Other Current Assets</b>	
Undeposited Funds	225.00
<b>Total Other Current Assets</b>	225.00
<b>Total Current Assets</b>	96,149.76
<b>TOTAL ASSETS</b>	<b>96,149.76</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
Accounts Payable	2,500.00
<b>Total Accounts Payable</b>	2,500.00
<b>Other Current Liabilities</b>	
Unearned or Deferred Revenue	87,881.45
Payroll Liabilities	2,084.58
<b>Total Other Current Liabilities</b>	89,966.03
<b>Total Current Liabilities</b>	92,466.03
<b>Total Liabilities</b>	92,466.03
<b>Equity</b>	
Retained Earnings	-1,052.89
Net Income	4,736.62
<b>Total Equity</b>	3,683.73
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>96,149.76</b>

**Calaveras County Resource Conservation District**  
**Deposit Detail**  
 February 2021

<u>Type</u>	<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Account</u>	<u>Amount</u>
<b>Deposit</b>		<b>02/23/2021</b>		<b>Checking</b>	<b>180.13</b>
				Other Current Liability	-41.53
				Other Current Liability	-138.60
TOTAL					-180.13
<b>Deposit</b>		<b>02/24/2021</b>		<b>Checking</b>	<b>980.24</b>
Payment	11309...	02/23/2021	UCCE	Undeposited Funds	-305.24
Payment	16615	02/23/2021	Common Ground	Undeposited Funds	-675.00
TOTAL					-980.24
<b>Deposit</b>		<b>02/28/2021</b>		<b>Checking</b>	<b>1.52</b>
				Interest-Savings, Sh...	-1.52
TOTAL					-1.52

## Calaveras County Resource Conservation District

03/29/21

## Check Detail

March 2021

Type	Num	Date	Name	Item	Account	Paid Amount
Liability Check		03/04/2021	QuickBooks Payrol...		Checking	
			QuickBooks Payroll ...		Direct Deposit Liabili...	-1,188.43
TOTAL						-1,188.43
Liability Check		03/18/2021	QuickBooks Payrol...		Checking	
			QuickBooks Payroll ...		Direct Deposit Liabili...	-1,117.09
TOTAL						-1,117.09
Bill Pmt -Check	390	03/02/2021	Calaveras Public U...		Checking	
Bill		03/02/2021			Utilities	-69.94
TOTAL						-69.94
Bill Pmt -Check	391	03/02/2021	San Andreas Sanit...		Checking	
Bill		03/02/2021			Utilities	-101.11
TOTAL						-101.11
Bill Pmt -Check	392	03/08/2021	Calaveras Public P...		Checking	
Bill		03/08/2021			Utilities	-109.40
TOTAL						-109.40
Bill Pmt -Check	393	03/08/2021	PG&E- V		Checking	
Bill		03/08/2021			Utilities	-201.64
TOTAL						-201.64
Bill Pmt -Check	394	03/29/2021	Swift Signs		Checking	
Bill		03/22/2021	Cal Fire:Murphys Fo...		Printing and Copying	-296.01
TOTAL						-296.01



	2017	2018	2019	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	2020	Jan-21	Feb-21	Mar-21	Total All Dates	
<b>Income:</b>																					
CPUD	\$1,420.50	\$348.60																			\$1,769.10
Common Ground	\$0.00	\$3,600.00	\$4,737.50	\$425.00	\$425.00	\$425.00	\$425.00	\$425.00	\$425.00	\$425.00	\$425.00	\$425.00	\$425.00	\$425.00	\$425.00	\$5,100.00	\$425.00	\$675.00	\$550.00		\$15,087.50
UCCE	\$0.00	\$1,261.34	\$3,724.18	\$306.46	\$331.82	\$396.03	\$326.98	\$336.16	\$239.54	\$215.99	\$267.52	\$266.39	\$292.94	\$253.21	\$307.46	\$3,540.50	\$305.24	\$364.92	\$363.85		\$9,560.03
Motherlode Bonsai Club	\$0.00	\$0.00	\$0.00	\$240.00												\$240.00	\$75.00				\$315.00
<b>Total Income</b>	<b>\$1,420.50</b>	<b>\$5,209.94</b>	<b>\$8,461.68</b>	<b>\$971.46</b>	<b>\$756.82</b>	<b>\$821.03</b>	<b>\$751.98</b>	<b>\$761.16</b>	<b>\$664.54</b>	<b>\$640.99</b>	<b>\$692.52</b>	<b>\$691.39</b>	<b>\$717.94</b>	<b>\$678.21</b>	<b>\$732.46</b>	<b>\$8,880.50</b>	<b>\$805.24</b>	<b>\$1,039.92</b>	<b>\$913.85</b>		<b>\$26,731.63</b>
<b>Expenses:</b>																					
CPUD	\$177.38	\$672.06	\$709.63	\$66.52	\$66.52	\$66.52	\$66.52	\$66.52	\$66.52	\$66.52	\$69.94	\$69.94	\$69.94	\$177.49	\$135.56	\$988.51	\$69.94	\$69.94	\$69.94		\$2,757.40
San Andreas Sanitary	\$282.59	\$1,009.61	\$1,280.41	\$126.54	\$126.54	\$126.54	\$126.54	\$126.54	\$126.54	\$126.54	\$101.11	\$101.11	\$101.11	\$101.11	\$101.11	\$1,391.33	\$101.11	\$101.11	\$101.11		\$4,267.27
CPPA	\$44.80	\$1,353.60	\$2,009.80	\$112.80	\$106.00	\$123.00	\$119.60	\$65.20	\$92.40	\$174.00	\$194.40	\$231.80	\$174.00	\$140.00	\$85.60	\$1,618.80	\$89.00	\$119.60	\$109.40		\$5,345.00
PGE	\$44.87	\$422.44	\$1,400.71	\$168.17	\$266.70	\$151.06	\$167.57	\$83.94	\$23.10	\$15.11	\$15.11	\$15.63	\$16.67	\$20.63	\$113.79	\$1,057.48	\$261.27	\$229.13	\$201.64		\$3,617.54
Sewer Repairs	\$0.00	\$8,500.00	\$0.00													\$0.00					\$8,500.00
A/C Repairs	\$0.00	\$142.16	\$0.00			\$185.00				\$349.76	\$1,504.26					\$2,039.02					\$2,181.18
General Maintenance	\$0.00	\$27.57	\$406.89		\$41.53										\$253.94	\$295.47					\$729.93
<b>Total Expenses</b>	<b>\$549.64</b>	<b>\$12,127.44</b>	<b>\$5,807.44</b>	<b>\$474.03</b>	<b>\$607.29</b>	<b>\$652.12</b>	<b>\$480.23</b>	<b>\$342.20</b>	<b>\$308.56</b>	<b>\$731.93</b>	<b>\$1,884.82</b>	<b>\$418.48</b>	<b>\$361.72</b>	<b>\$439.23</b>	<b>\$690.00</b>	<b>\$7,390.61</b>	<b>\$521.32</b>	<b>\$519.78</b>	<b>\$482.09</b>		<b>\$27,398.32</b>
Profit/Loss	\$870.86	(\$6,917.50)	\$2,654.24	\$497.43	\$149.53	\$168.91	\$271.75	\$418.96	\$355.98	(\$90.94)	(\$1,192.30)	\$272.91	\$356.22	\$238.98	\$42.46	\$1,489.89	\$283.92	\$520.14	\$431.76		(\$666.69)

# **PROFESSIONAL AUDIT SERVICES PROPOSAL**

**CALAVERAS COUNTY RCD**

**CONTACT: DAVID FARNSWORTH, CPA**

**MARCH 8, 2021**

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### **AUDIT PROPOSAL SECTION**

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# EXECUTIVE SUMMARY

*From The*  
**CPA**

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February 19, 2021

Calaveras County RCD  
P.O. Box 1041  
San Andreas, CA 95249

Dear Members of the Board and Management,

Getting ready and preparing reports for an annual financial audit is not easy and is extremely inconvenient. Combine the headache of going through an audit with the fact that only between 3% - 5% of fraudulent activity is discovered by a financial audit, choosing a new auditing firm can be daunting to say the least. As board members you assume a heavy burden to ensure that all financial practices of the District are running properly and managed responsibly.

We take our role seriously to help carry this burden for you and to ensure that you are protected from unexpected misuse of funds and fraud of any kind. We have witnessed firsthand the negative impact of loose and unsecured processes and have committed ourselves to providing the very best in financial controls and fraud prevention in government organizations and non-profit agencies such as yours.

The scope of our services includes the following:

1. Audit the financial statements of the Calaveras County RCD, to include all applicable footnotes

As owner and principal, I am authorized to make representations for and to bind our firm. Should you have any questions, please feel free to contact me via email at david@dfarnsworthcpa.com or via phone at (408) 780-2236. Our mailing address is 11501 Dublin Blvd, #200, Dublin, CA 94568. This proposal is a final and irrevocable offer for a period of sixty (60) calendar days from the submitted date.

Sincerely,

*David Farnsworth, CPA*  
David Farnsworth, CPA

## **OUR APPROACH**

Our approach is different than other auditing firms because we educate and train our clients to understand fraudulent red flags and prevent abuse and fraud in addition to performing the financial audit in accordance with the applicable audit standards. Many special districts depend on their auditors to discover fraud and be the tool to prevent or detect fraud. As discussed in the previous page, only 3% - 5% of audits discover fraudulent activity (*See ACFE Study, Report to the Nations Study 2020, P. 78 of 88*). Our approach is designed to assist the District in discovering ways to improve financial processes and strengthen fraud prevention and detection procedures. Our financial audit is performed in accordance with generally accepted auditing standards and generally accepted government auditing standards. Our engagements are supervised and managed by the principal owner.

### **STEP 1 – LEARN AND UNDERSTAND THE DISTRICT OPERATIONS AND FINANCES**

We first need to understand how the District operates its finances. This is called the ‘Planning phase’ of the audit. We learn the financial processes of the District. For example, staff will walk us through the customer billing cycle and the vendor billing cycle. In addition, we perform many different procedures ranging from reading board meeting minutes to analyzing the financial reports and comparing them to prior periods, and interviewing board members and key financial staff.

This phase gives us the information to tailor the audit procedures specific to your District.

### **STEP 2 – PERFORM FINANCIAL AUDIT AND REVIEW THE AUDIT PROCESS**

This step is where the bulk of the audit will be performed. After tailoring or customizing the audit specific to how you operate the financial operations, we will be confirming various balances (i.e., cash, accounts receivable, etc.) with third parties such as banks and customers. We reconcile accounts and compare invoices with the financial reports. We speak with legal counsel and the predecessor auditors. Included in the audit is a review or inspection of the financial activity after the year-end date. We will have most of the proposed adjusting journal entries (if needed) documented, along with any audit findings identified in the audit. Our Firm also has a quality control reviewer to further ensure the financial audit is performed in accordance with applicable standards. A few of the procedures performed in this step is to reconcile the workpapers to the balances found in the financial report name trial balance. We perform further analytical procedures (three-year comparison of the financial statements, trend analysis, etc.) to ensure the financial statements are correctly reported.

### **STEP 3 – PRESENT CONCLUSIONS OF AUDIT**

We will prepare the audit report and the accompanied financial statements, notes to financial statements, and supplemental information. After the financial statements are prepared, the financial statements will be forwarded to the District manager for review. After the District manager approves them, the audit will be forwarded to the Board of Directors for approval. I will present the conclusions of the audit at the next board meeting.

After the audit is concluded, we will setup bi-monthly meeting with the District manager to answer any management questions and keep up to date with District operations that pertain to the financial audit.

## **PROPOSED AUDIT TIMELINE**

We understand starting with a new audit firm can be intimidating not knowing what to expect. Because of this we provided a timeline of when we expect to start and end the financial audit. The specific dates will change for subsequent periods.

<b>Phase of Audit</b>	<b>Proposed Calendar</b>
Planning Phase	April 12, 2021
Fieldwork Phase	April 13 - 16, 2021
Preliminary Audit Report	June 11, 2021
Present Audit Report and Finalize	June or July Board meeting
Bi-Monthly Meetings with Staff (Interim Period)	July 2021, Sept 2021, Nov 2021

## **SCOPE OF SERVICES**

The period covered will be for the fiscal year ended June 30, 2020. This scope of services will be performed for Calaveras County RCD. It is our understanding the scope of the services will be the following:

1. Pre-audit conference with District staff
2. Prepare financial statements for Calaveras County RCD
3. Present conclusions of financial audit to the board of directors at a schedule monthly meeting
4. Exit conference with District staff
5. Submit final audit report

The financial audit will be performed in accordance with generally accepted accounting standards; generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants.

### **License**

The firm and all key personnel are properly licensed to practice in California.

### **Independence**

David Farnsworth, CPA is independent of the Calaveras County RCD as defined by GAAS. David Farnsworth, CPA has not had any professional relationships with the District or its staff.

## **FIRM'S EXPERIENCE**

### **Our Firm and Client Base**

Our firm specializes solely in performing audits of local governments. Our clients range from cemetery districts, resource conservation districts, water districts, and many other types of special districts. We perform financial audits all year long and only perform financial audits and financial reviews.

### **Our Principles**

We are a customer-focused, flexible, hard-working firm that strives to improve the financial position of every client we serve. We hold ourselves to the highest standards and believe in the core principles of:

**Relationship** – Having a caring relationship with our clients who are the lifeblood of our firm, taking a personal stake in the future success of our clients, and shared leadership based on positive influence, honest dialogue, empowerment, and trust.

**Professionalism** – Maintaining a culture that is high-performing, open-minded, respectful, supportive, and enjoyable, while embracing systems documentation as a way of life so we can efficiently over-deliver on our service promises.

**Progressive** – Using progressive thinking and technology so we can do more for our clients while promoting mutual responsibility and ownership so we can anticipate obstacles and exceed our clients' expectations.

### **Our Founder**

David holds a Certified Public Accounting license with the state of California. He has specialized in financial audits while serving local governments through relationships with their board of directors and management. He has established and implemented new accounting systems, new accounting processes and stabilized many accounting operations. His hands-on experiences include preparing financial statements, verifying payroll, audit reports, fraud prevention protocols and client-specific policies and procedures.

### **Our Commitment and Service**

We are committed to providing the very best in financial controls and fraud prevention to government organizations. We provide complementary customized training of internal controls and fraud prevention training to strengthen processes and reduce fraud and human error. We endorse and follow the proven techniques that work the best in the government sector according to the fraud study done by the Association of Certified Fraud Examiners. Our goal is to help you improve business operations and the transparency of the District so you can better serve your community.

## REFERENCES

<b>Name of District</b>	<b>Contact Name and Title</b>	<b>Phone Number</b>	<b>Email Address</b>
Coachella Valley Public Cemetery District	Marcos Coronel, Board Member	(760) 398-3221	marcos.coronel1@outlook.com
Salsipuedes Sanitary District	Delia Brambila, Manager	(831) 722-7760	salsan@sbcglobal.net
Lindsay-Strathmore Cemetery District	Brenda Altermatt, Manager	(559) 562-3349	lscd@attitude.com
North County Fire Protection District of Monterey County	Carolina Bravo, Administrative Officer	(831) 633-2578 ext 200	carolina.bravo@ncfpd.org
Dos Palos Cemetery District	Matthew Thomas, District Manager	(209) 392-2698	dpcd14@gmail.com



## COST PROPOSAL

In accordance with the request for proposal for audit services, we hereby submit the following cost proposals:

<u>1-Year Cost Proposal</u>	<u>June 30, 2020</u>
Financial audit	\$ 5,540
Travel, admin, and software cost**	<u>416</u>
 Total	 <u><u>\$ 5,956</u></u>

\*\* A 7.5% charge is added to cover administrative, software, and travel fees.

<u>Phase of Financial Audit</u>	<u>Estimated Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>
Planning	4	\$ 150	\$ 600
Field-work	20	\$ 175	3,500
Review	6	\$ 150	900
Report preparation	4	\$ 135	<u>540</u>
 Total not-to-exceed fee			 <u><u>\$ 5,540</u></u>



## Audit Engagement Letter

March 8, 2021

To Board of Directors and Management

Calaveras County RCD  
PO Box 1041  
Sand Andreas, CA 95249

We are pleased to confirm our understanding of the services we are to provide Calaveras County RCD for the year ended June 30, 2020. We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of Calaveras County RCD as of and for the year ended June 30, 2020. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Calaveras County RCD's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Calaveras County RCD's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding 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 will 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. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Budget to Actual Comparison Schedule

### **Audit Objective**

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of Calaveras County RCD's financial statements. Our report will be addressed to Governing board of Calaveras County RCD. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or may withdraw from this engagement.

### **Audit Procedures—General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of

assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

#### **Audit Procedures—Internal Control**

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

#### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Calaveras County RCD's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

#### **Other Services**

We will also prepare the financial statements of Calaveras County RCD in conformity with U.S. generally accepted accounting principles based on information provided by you. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

#### **Management Responsibilities**

Management is responsible for designing, implementing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, including identification of all related parties and all related-party relationships and transactions, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the required supplementary information. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

You agree to assume all management responsibilities for financial statement preparation services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

#### **Engagement Administration, Fees, and Other**

We may from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of David Farnsworth, CPA and constitutes confidential information. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of David Farnsworth, CPA personnel.

We expect to begin our audit on approximately April 12 and to issue our reports no later than June 30, 2021. David Farnsworth, CPA is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses will not exceed \$5,956. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation.

We appreciate the opportunity to be of service to Calaveras County RCD and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

*David Farnsworth, CPA*

David Farnsworth, CPA

RESPONSE:

This letter correctly sets forth the understanding of Calaveras County RCD.

Management signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Governance signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## CDFW Cannabis Restoration Grant Program Fact Sheet

The California Department of Fish and Wildlife (CDFW) is seeking grant proposals for the cleanup and remediation of environmental damage in watersheds affected by cannabis cultivation on qualified public lands, which may include lands owned by eligible entities, defined below **or proposals that support the enhancement of watersheds or communities where cannabis cultivation occurs**. These grants are provided through the Environmental Restoration and Protection Account pursuant to Revenue and Taxation Code section 34019(f)(2).

### 2021 Funding and Timeline

- Anticipated Total Funding: up to \$2 million.
- Grant award notifications anticipated in Spring/Summer 2021
- Grant-funded project work must be complete by: Fall 2024

CDFW will provide funding to implement two Cannabis Restoration Grant Program priorities: (1) Cleanup and remediation of illicit cannabis cultivation impacts on qualified public lands, which may include lands owned by eligible entities, and **(2) Watershed and/or community enhancements where cannabis cultivation occurs**.

- Cleanup and remediation proposals should focus on the severe impacts of illicit cannabis operations such as: unlawful water diversions for irrigation, conversion of lands, poaching, and use of prohibited herbicides, rodenticides, and other environmental contaminants that are severely impacting California's fish and wildlife.
- **Proposals to enhance watersheds and/or communities should solicit funds for, but not limited to: road decommissioning, road crossing upgrades, erosion and sediment delivery prevention actions, culvert upgrades, or enhancing biodiversity and wildlife habitat at and around cannabis cultivation sites, among other projects of similar nature.**

### **SOLICITATION PRIORITIES**

All grants funded by CDFW under this Solicitation must fall within one of the following priorities and project type:

2.1 Priority: Cleanup and remediation of illicit cannabis cultivation impacts on qualified public lands.

#### **2.2 Priority: Enhance watersheds or communities**

- **Project Type: Road treatments (RT)**

Activities that may be eligible through this Solicitation under road treatments, which are necessary due to cannabis cultivation activities include, but are not limited to: road upgrading, road decommissioning, culvert and road crossing upgrades, and other sediment prevention delivery actions. All relevant



activities must meet the criteria for the specific action as described in Parts IX, X, and XII in Volume II of the California Salmonid Stream Habitat Restoration Manual, (California Department of Fish and Game and Designing Watercourse Crossings for Passage of 100-Year Flood Flows, Wood, and Sediment (Cafferata et al, 2017)). If the proposal is funded, Final Plans (100% plans) accepted by CDFW technical/engineering staff will be required before implementation of the project.

- Project Type: Wildlife Enhancements (WE)

Activities that may be eligible through this Solicitation under wildlife enhancements, which are necessary due to cannabis cultivation activities include but are not limited to: preventing accidental injury/death; habitat improvements for birds, bats, and pollinators; poisoning prevention with rodenticides, limiting human disturbance to wildlife, minimizing the spread of invasive species, and enhancing native habitat and habitat connectivity.

Applicants need to concisely describe the extent to which watershed and aquatic, riparian, and/or upland habitat and native species have been impacted and how the proposed project will accomplish the following objectives:

- 1) Restore or enhance aquatic, riparian, and/or upland native species habitat or habitat connectivity impacted by unmaintained roads, culverts, erosion, and/or land conversion while conducting cannabis cultivation operations.
- 2) Protect aquatic, riparian, and/or upland native species from activities associated with cannabis cultivation operations.

### **PROJECT CATEGORIES**

Eligible project categories for this Solicitation are Planning, Refuse and Infrastructure Removal, and Implementation. Proposals may only include one project category. Each project category is described below.

#### **3.1 Planning**

Planning grants provide funding for activities that will lead to a specific on-the-ground implementation project. Applicants should consider CDFW grant managers, regional liaisons, and engineers/geologists part of the stakeholder and/or technical advisory groups formed for the project. Inclusion of CDFW staff in planning level decisions streamlines the grant process for eventual implementation of the project. If the proposal seeks funding for permitting, a complete description of the permits needed and a timeline for obtaining them must be included in the proposal. Eligible activities for Planning projects include, but are not limited to:

- Preparing plans or supplementing existing plans (e.g., watershed and habitat assessments) that will result in a specific project or set of projects
- Developing monitoring, adaptive management, climate change adaptation, and long-term management plans for a specific project

- Performing necessary studies and assessments, collecting baseline data, and developing project designs related to a specific site or physical project
- Obtaining the services of qualified licensed professional (refer to Section 3.9 for guidance on when licensed professionals are required)
- Acquiring permits
- Preparing California Environmental Quality Act (CEQA) and National Environmental Protection Act (NEPA) documents
- Conducting stakeholder and public meetings

### **3.2 Refuse and Infrastructure Removal**

Refuse and infrastructure removal grants fund categorically exempt CEQA and categorically excluded NEPA activities, which result in the cleanup and remediation of environmental damage in watersheds affected by cannabis cultivation on qualified public lands. Eligible activities for Refuse and Infrastructure Removal projects include, but are not limited to:

- Finalizing site selection for refuse and infrastructure removal projects
- Submitting a Notice of Exemption and/or Categorical Exclusion
- Waste and infrastructure removal
- Acquiring permits
- Hazardous material disposal

### **3.3 Implementation**

Implementation grants fund construction and monitoring of shovel-ready restoration and enhancement projects. Applicants must demonstrate CEQA compliance, and submit 65% or higher design plans, Basis of Design Report, and technical studies. Eligible activities for Implementation projects include, but are not limited to:

- Preparation of bid packages and subcontractor documents
- Development of final engineering design
- Finalizing permits
- Construction
- Monitoring





California Department of Forestry and Fire Protection  
(CAL FIRE) California Climate Investments  
Fire Prevention Grants Program  
Project Scope of Work



**Project Name: Blue Lake Springs and Boundary Dead Tree and Hazardous Fuels Mitigation Project**

**Project Tracking Number:** 20-FP-TCU-0028

**Project Description Summary:** Please provide a paragraph summarizing proposed project including the location, habitable structures, acres treated, etc. (Please type in blank space below. Please note there is no space limitations).

If awarded, the proposed project will create a 150'-300' shaded fuel break on the perimeter of the Blue Lake Springs subdivision with a total of <50 acres to be treated. Located just east of Arnold, CA on State Highway 4, the subdivision is bordered on the northwest and east by Stanislaus National Forest, on the northeast by Calaveras Big Trees State Park, and on the southeast by Sierra Pacific Industries land (those partners have treated and maintain their lands that border BLS). The southern, western, and portions of the northern boundary are bordered by many small, single-residence parcels of 1-10 acres. The 1,600-acre subdivision has 1,731 family residences, a golf course, Moran Creek, and a few small ponds serviced by county roads. The entire subdivision is located entirely within the State Responsibility Area (SFA).

The vegetation in this area is Sierran Mixed Conifer Forest with a predominantly mature overstory and dense ladder fuels of small trees and brush in the understory. The area is bisected north and south by Moran Creek and a golf course, with moderate slopes to the west and east with some areas of steep slopes leading into drainages. There are a few intermittent streams fed by ephemeral streams leading into Moran Creek.

All treatments will be on private land and all impacted landowners have expressed their willingness to participate and enthusiasm for the project. Right of Entry forms will be collected and in place before this grant is awarded.

Non-Blue Lakes Springs properties: Most of the planned treatment (~40 acres) for this project will take place on properties adjacent to Blue Lake Springs, located on perimeter roads. CAL FIRE has identified these areas as high risk, but the areas are outside CAL FIRE's jurisdiction because there are no structures within 100' of the roads. The landowners cannot afford to adequately treat the areas to provide protection from a fire. Blue Lake Springs wants these properties treated to provide protection to the 1,731 homes within its boundaries. Treatments would create a 150'-300' fuel break along perimeter roads and would remove substantial amounts of dead standing and fallen trees remaining from Blue Lake Springs' intensive cleanup efforts in the wake of the worst bark beetle infestation in modern history. A severe winter storm in 2021 also left thousands of broken and fallen trees in the area.

Blue Lakes Springs properties: In addition to non-Blue Lakes Springs properties, this grant would be used to remove ladder fuels and dead standing or fallen trees on high-priority properties within the BLS subdivision. The BLS Homeowners' Association actively monitors all properties within their boundaries, inspecting every property for PRC 4291 compliance. The BLS CC&Rs are stricter than PRC 4291, and homeowners are fined if their properties are not maintained. Some parcels within BLS have areas beyond the required defensible space that have many dead trees and logs on site and have become overgrown with thick brush. Although homeowners are technically responsible for this cleanup, many cannot afford the extensive work required to create adequate protection of neighboring properties. These high priority lots threaten 80 neighboring properties. BLS would use this grant to treat the out-of-compliance units. No grant money will be applied to areas within 100 feet of any structure.

These BLS properties have been prioritized into two groups: FIRST PRIORITY UNITS and OPTIONAL UNITS. It's possible that some of the FIRST PRIORITY UNITS will be treated by owners before this grant is awarded. In that case, properties on the OPTIONAL UNITS list would be reclassified as FIRST PRIORITY so that the grant would treat the total proposed number of acres. The FIRST PRIORITY UNITS directly impact 80 surrounding BLS properties.

#### **A. Scope of Work**

This item is broken into project specific criteria depending on the type of project being proposed: planning, education or hazardous fuel reduction. Please **answer one section of questions** that pertain to the primary activity type for your project.

##### **Section 1: Hazardous Fuel Reduction/Removal of Dead or Dying Tree Projects**

1. Describe the geographic scope of the project, including an estimate of the number of habitable structures and the names of the general communities that will benefit.
2. Describe the goals, objectives, and expected outcomes of the project.
3. Provide a clear rationale for how the proposed project will reduce the risks associated with wildfire to habitable structures in the WUI.
4. Identify any additional assets at risk to wildfire that will benefit from the proposed project. These may include, but are not limited to, domestic and municipal water supplies, power lines, communication facilities and community centers.
5. Is the scale of the project appropriate to achieve the stated goals, objectives and outcomes discussed in Item 2 above?
6. How will the project/activity utilize the left over woody biomass? Will the project/activity use a biomass facility to reduce greater greenhouse gas emissions?

##### **Section 2: Planning Projects (n/a)**

1. Describe the geographic scope of the project, including the communities that will benefit, and an estimate of the number of structures within the project area.

2. Describe how the project will assess the risks to residents and structures in the WUI and prioritize projects to reduce this risk over time.
3. Does the proposed plan add or build upon previous wildfire prevention planning efforts in the general project area?
4. Identify a diverse group of key stakeholders, including local, state, and federal officials where appropriate, to collaborate with during the planning process. Discuss how the project proponent plans to engage with these targeted stakeholders.
5. Describe the pathways for community involvement that will be incorporated in the planning process.

### **Section 3: Education (n/a)**

1. Describe the specific message of the education program and how it relates to reducing the risk of wildfire to owners of structures in the WUI.
2. Describe the target audience of the education program and how information will be distributed to this audience.
3. Will the education program raise the awareness of homeowner responsibilities of living in a fire prone environment?
4. Identify specific actions being advocated in the education material that is expected to increase the preparedness of residents and structures in the WUI for wildfire.
5. Describe the expected outcome of the education in terms of increased or changed public awareness about wildfire.

Answer only 1 set of questions from above, depending on your project; Fuel Reduction, Planning or Education. (Please type in blank space below. Please note there is no space limitations).

### **Hazardous Fuel Reduction/Removal of Dead or Dying Tree Projects**

1. Describe the geographic scope of the project, including an estimate of the number of habitable structures and the names of the general communities that will benefit.

If awarded, the project will treat ~38-50 acres on private parcels that border Blue Lake Springs boundaries and ~4-7 acres on interior Blue Lake Springs parcels that are considered hazardous and are beyond the PRC 4291 jurisdiction (more than 100 feet from a structure). The entire Blue Lakes Springs development, which includes **1,731 residences**, will be protected from wildfires approaching from all directions, as this fuel break will link to and complement fuel breaks that are either planned or have been implemented by Sierra Pacific Industries, The US Forest Service, and Calaveras Big Trees State Park. It will provide protection to those important resources.

In addition to safeguarding Blue Lakes Springs, the Ebbetts Pass corridor is home to several small towns, totaling about **7,000 residences**. The impacted towns include (west to east) Angels Camp, Hathaway Pines, Murphys, Avery, Arnold, Big Trees Village, Cottage Springs, Camp Conway, and Bear Valley.

Several of the “interior” Blue Lake Springs properties (OPTIONAL UNITS) are heavily littered with logs that were left after beetle-killed trees fell or were cut down. Blue Lake Springs lost ~11,500 trees to bark beetles over the last 7 years. Residents were responsible for the

removal of dead trees, but worked with CAL FIRE, PG&E, and CalAm, and used a Tree Mortality Grant to assure that hazard trees were felled. In the early years of the bark beetle epidemic, PG&E felled trees but did not remove them. Many of those trees are still on the ground and will be removed as part of this project.

## 2. Describe the goals, objectives, and expected outcomes of the project.

**Goals:** This project will:

- Create a defensible shaded fuel break that will protect communities and critical assets from wildfire ignition and spread;
- Remove logs that remain from the bark beetle epidemic and recent 2020 winter storm;
- Clear Blue Lake Springs high priority lots that impact 80 adjacent lots;
- Create safety zones and staging areas for fire fighters;
- Improve evacuation routes for citizens;
- Increase forest resilience to drought and disease;
- Conserve water and protect water quality in the Stanislaus watershed and the Blue Lake Springs Municipal Water Company;
- Avoid greenhouse gas releases from wildfires; and
- Create a forest that is more resilient to fire and insect attacks resulting from climate change.

These fuel breaks are key links to the existing Highway 4 Fuel Reduction Project and will fill gaps between existing fuel breaks, with the ultimate goal of creating a continuous shaded fuel break around the Ebbetts Pass Corridor between Murphys and Big Trees Village.

### **Objectives:**

- CEQA: hire a qualified Registered Professional Forester to develop a CEQA compliance package for the project, following the guidelines in “Appendix A” of the grant guidelines. If possible, submit a Notice of Exemption (NOE) for the entire project area, accompanied by a completed Environmental Review Report (ERR).
- Engage the local community and landowners to inform them of project specifics, timelines, the need for fuel breaks, garner support, and collect Right of Entry forms. All impacted landowners (both Blue Lake Springs residents and those on perimeter properties) have been contacted about this project and all are supportive. Right of Entry forms will be collected as soon as grant funds are awarded so that work can begin as quickly as possible. The Blue Lakes Springs HOA is actively involved with all residents, communicating through monthly Board meetings, mailings, their website, HOA newsletters, and notices on social media (i.e. Next Door). The larger Ebbetts Pass community will be kept in the loop through press releases, updates at monthly EPPOC (Ebbetts Pass Property Owners Council) meetings, and a fuel break tour planned for 2021 or 2022 as part of the FireWise program.
- Create the fuel break: working with qualified contractors, thin understory and tree canopy and remove dead and dying trees.

- Connect to existing and/or planned fuel breaks to form a continuous line of defense around Blue Lake Springs and the WUI communities in the Ebbetts Pass Corridor.
- Remove dead trees and logs from high priority Blue Lake Springs properties and non-BLS privately owned properties bordering the BLS perimeter roads.

**Expected outcomes:**

A 150-300-foot-wide shaded fuel break around the perimeter of the Blue Lake Springs subdivision, linking private parcels with existing and/or planned fuel breaks on Sierra Pacific Industries (SPI) lands, Calaveras Big Trees State Park, and US Forest Service lands. This project will coordinate with, complement, and fill gaps in the greater community's CWPP fuelbreak system. The project will also treat high priority non-PRC 4291 property within Blue Lake Springs and remove dead, dying and downed trees left from the devastating bark beetle infestation of the past six years and a severe 2021 snowstorm.

The following chart identifies the proposed units, their size, and proposed prescriptions. Note that these properties have been prioritized into two groups, FIRST PRIORITY UNITS and OPTIONAL UNITS. If any of the FIRST PRIORITY units have been treated by owners before this grant is awarded, properties on the OPTIONAL UNITS list would be reclassified as FIRST PRIORITY so that the grant funds would treat the total proposed number of acres.

Unit	Owner	Address	Unit Acres	Treatment Acres	Preliminary Prescription
<b>FIRST PRIORITY UNITS</b>					
1	Matthews	836 Moran	7.65	4	Hand thin and/ or masticate trees <10" DBH to a spacing of 20-25 feet between residual trees. Chip thinned material on site.
2	Storey and Holmberg	149 and 175 Moran	1.13	1.13	Chip and/or remove approximately 75 down logs and chunks
3	Homsy	418 Blue Lake Springs Drive	0.33	0.33	Chip and/or remove approximately 12 down logs and chunks
4	Dennen	378 Rocky Ridge	5.63	3	Hand thin and/or masticate trees <10" DBH to a spacing of 20-25 feet between residual trees. Chip thinned material on site.
5	Vassar	389 Rocky Ridge	5.76	5	Chip and/or remove approximately 20 down logs. Fell approximately 12 standing dead and dying trees then chip and/or remove logs.
6	Cornman	560 Summit View	14.6	11	Chip and/or remove existing down logs. Fell standing dead and dying rees then chip and/or remove logs. Hand thin and/or masticate dense groups of trees and/or brush. Cut trees <10" DBH to a spacing of 20-25 feet between residual trees. Chip thinned material on site.
7	Donald Green	APN 026-001-040	44.98	10	Fell existing dead and dying trees within 200 feet of boundary. Hand thin and/or masticate trees <10" DBH to a spacing of 20-25 feet between residual trees. Chip thinned material on site.
8	Wagner/Muzio, Glickman/Duna, Samaha	1141, 1157, 1173 Spring Valley	0.89	0.89	Chip and/or remove approximately 20 down logs. Fell approximately 12 standing dead and dying trees then chip and/or remove logs.
9	Figone	1242 Greensboro	0.84	0.84	TBD
10	Eckstedt	1474 Moran	0.42	0.42	Fell standing dead trees, buck logs, skid and remove from site. Buck and remove from site existing down logs existing logs, remove.
<b>Subtotal:</b>			<b>82.23</b>	<b>36.61</b>	
<b>OPTIONAL UNITS</b>					
11	Isch	1742 Greensboro	0.33	0.33	TBD
12	Parrish	1724 Greensboro	0.36	0.36	TBD
13	Hall	1472 Greensboro	1.93	1.93	TBD
14	Dollar	1355 Spring Valley	0.36	0.36	TBD
15	Cervello	1832 El Ranchero	1.5	1.5	TBD
16	Alfinito	1507 Kiote Hills	0.66	0.66	TBD
17	Arguello	1501 Seminole	0.77	0.77	TBD
18	Simmons	1732 Seminole	0.62	0.62	TBD
19	Honeyman	1526 Seminole	0.5	0.5	TBD
20					TBD
<b>Subtotal:</b>			<b>7.03</b>	<b>7.03</b>	

3. Provide a clear rationale for how the proposed project will reduce the risks associated with wildfire to habitable structures in the WUI.

Fuel treatment projects reduce wildfire risks by breaking up fuel continuity and eliminating the fuel chain between structures and surrounding forest vegetation. Protection is two-directional – structures and communities are protected from encroaching wildfires, and the forest is protected from fires originating within communities. This fuel break will remove dense vegetation along perimeter roads, enabling improved access to strategic staging

areas for more effective fire defense of structures. The project would address the uncontrolled growth of root and stem sprouts (i.e. manzanita and bear clover), and the aggressive seeding of oak and brush species, effectively suppressing fires that could transition into the populated area. The project would also remove ~200 dead trees -- both standing and logs on the ground -- the remnants of the bark beetle tree die-off that killed ~11,500 trees in Blue Lake Springs over the past 7 years.

4. Identify any additional assets at risk to wildfire that will benefit from the proposed project. These may include, but are not limited to, domestic and municipal water supplies, power lines, communication facilities and community centers.

In addition to providing protection to life and property, this fuel break will protect critical watershed, infrastructure, and recreational lands.

The Stanislaus River watershed, which supplies water to New Melones and Tulloch Reservoirs, will be protected from the effects of intensive wildfire, which can include compromised water quality long after a fire has been contained. Burn areas are prone to greater rates of erosion, increasing the downstream accumulation of sediment in streams, rivers and reservoirs, impacting water used for domestic and agricultural purposes. The Stanislaus River is one of the most heavily dammed and diverted rivers in California, with 28 major dams on the river and its tributaries, creating a combined storage capacity of more than 2.8 million acres feet of water. The river irrigates 213,000 acres of productive farmland. Fourteen hydroelectric plants are operated by various local irrigation districts, private power companies and federal agencies. The river provides domestic and industrial water supply to downstream beneficiaries, including the cities of Manteca, Lathrop, Escalon and Tracy. The Stanislaus is a vital resource to maintain fisheries, dilute pollution, recharge groundwater, and control saline intrusion in the Sacramento-San Joaquin River Delta. (Source: [Stanislaus River Report](#)).

Since 1962, Blue Lake Springs has had its own not-for-profit mutual water company owned by the subdivision. It delivers water for domestic use to the residents of Blue Lake Springs. Because of rapid growth throughout the Ebbetts Pass area and a 4-year drought, the Blue Lake Springs Municipal Water Company (BLSMWC) entered into a joint venture with Calaveras County Water District (CCWD) to develop new high production wells at White Pines Lake. The successful project fulfills the water needs of Blue Lake Springs and makes an equivalent amount of water available to CCWD. Over the past year Blue Lake Springs has upgraded its water distribution system and installed fire hydrants. These resources, as well as the wells that supply water to the subdivision, would be threatened by wildfires running through the area.

PG&E supplies power to the area, mostly through overhead lines, which are frequently damaged by falling branches and trees during winter wind- and snowstorms. Downed power lines have been linked to several large fires over the past decades. In 2018 PG&E launched a community wildfire safety program in Calaveras County that includes accelerated marking and removal of trees along roadsides and power lines in the



neighborhoods and communities in the Ebbetts Pass corridor. These PG&E efforts could be considered “value-added” contributions to all the fuel reduction projects in our area, as PG&E has been actively removing dead trees and live trees that threaten roads and power lines in our neighborhoods. Beginning in 2019, PG&E has initiated “Public Safety Power Shutoffs” when gusty winds and dry conditions, combined with a heightened fire risk, are forecasted. These multi-day power shutoffs have taken place several times since the fall of 2019 and are now considered standard operating procedures. The Ebbetts Pass power infrastructure would be threatened by wildfire.

Blue Lake Springs is within the township of Arnold (population 3,843; 4,897 housing units). Arnold and the surrounding area offer a wide variety of outdoor activities including hiking, bicycling, off-road adventures, golf, fishing, and first-rate winter recreation. It is home to fine dining, historic lodging and unique boutique shopping. The town is also home to Calaveras Big Trees State Park, which lies just four miles east along Highway 4 and borders Blue Lake Springs. In addition, its proximity to Bear Valley Mountain ski resort makes it a popular snow sports destination. There is a robust year-round vacation rental business (with many units in Blue Lake Springs) that serves tourism and recreational opportunities through all four seasons. A wildfire could destroy both the natural assets that bring tourists to the area as well as the facilities and resources that serve those tourists.

Immediately bordering Blue Lake Springs to the east is Calaveras Big Trees State Park, home to two groves of giant sequoia trees. It has been a major tourist attraction since 1852 and is considered the longest continuously operated tourist facility in California. The park houses two main campgrounds with a total of 129 campsites, six picnic areas, a visitors’ center, and hundreds of miles of established trails.

The greater Arnold area will benefit from this fuel break by providing protection of these assets from large fires originating in the Blue Lake Springs subdivision or the surrounding lands.

**5. Is the scale of the project appropriate to achieve the stated goals, objectives and outcomes discussed in Item 2 above?**

Yes. The total acreage of the project is small compared to other fuel breaks in the area but will fill critical gaps in the fuel break system being created around the entire Ebbetts Pass corridor between Murphys and Big Trees Village. A Registered Professional Forester (RFP) was hired in 2019 by Blue Lake Springs (an in-kind contribution) to scope the project, develop prescriptions for each unit and identify access points for equipment.

The project has been mapped as nineteen distinct units (10 “first priority” and 9 “optional”), and although the total acreage of all first priority units is 83, much of the work will involve roadside areas 150-300 feet wide (not entire properties), so the acreage treated will be less. CEQA will be the first task and should be able to be completed within 6 months, at which point groundwork would begin.



If funded, the project would meet the goal of creating a shaded fuel break; engage the local community and partner with other agencies (CAL FIRE, USFS, SPI, Calaveras Big Trees State Park); and provide Blue Lake Springs and the greater Arnold community with a robust fuel break and treatment to non-PRC-4291 properties, including removal of dead and dying trees and downed logs.

6. How will the project/activity utilize the leftover woody biomass? Will the project/activity use a biomass facility to reduce greater greenhouse gas emissions?

Woody material will be masticated on site, which will result in a slow decay of the woody shreds and act as a mulch which will retain available water for residual trees and suppress brush resprouting. Mastication equipment can be selected for differing forms of woody biomass. We will attempt to use contractors and equipment that will produce the best fit with the prescription. It is not expected that the resulting mass of material will be great enough to warrant transport to a biomass facility. This is based on the disposition of materials in the other fuel breaks in the immediate area. SPI uses primarily mastication combined with pile burning and limited transport of materials to chipping facilities. The State Park relies primarily on prescribed burning. The USFS uses prescribed burns and pile burning.

## **B. Relationship to Strategic Plans**

Does the proposed project support the goals and objectives of the California Strategic Fire Plan, the local CAL FIRE Unit Fire Plan, a Community Wildfire Protection Plan (CWPP), County Fire Plan, or other long term planning document? (Please type in blank space below. Please note there is no space limitations).

Yes. The project supports the goals of the 2018 California Strategic Fire Plan (specifically goals 4, 5, and 7); is reflected in the TCU 2005 CWPP Fire Plan (see info for Battalion 14 plans on page 69).

The TCU plan states that, “the most effective fire prevention effort should be a two-pronged approach, focusing on the following areas; ***maintaining defensible space around homes and developing a network of fuel breaks around the most densely populated areas.*** This approach serves a twofold purpose in that it protects homes from encroaching wildfires and protects wildland areas from fires starting in adjacent subdivisions.”

This project clearly supports this strategy, especially when coupled with the robust VIP (Volunteers in Prevention) program that inspects every property in Blue Lake Springs every

year. Blue Lake Springs is a FireWise designated community, working in tandem with CAL FIRE to identify and correct defensible space violations. The subdivision employs a full-time Fire Prevention Coordinator who monitors every lot within the subdivision and works with homeowners to keep properties defensible against encroaching fires.

### **C. Degree of Risk**

1. Discuss the location of the project in relation to areas of moderate, high, or very high fire hazard severity zone as identified by the latest Fire and Resource Assessment Program maps. Fire hazard severity zone maps by county can be accessed at: [http://www.fire.ca.gov/fire\\_prevention/fire\\_prevention\\_wildland\\_zones\\_maps.php](http://www.fire.ca.gov/fire_prevention/fire_prevention_wildland_zones_maps.php)

The entire project footprint is located in a Very High Hazard Severity Zone. Map is included as an attachment. **Filename: 20-FP-TCU-0028-Maps.**

2. Describe the geographic proximity of the project to structures at risk to damage from wildfire in the WUI. (Please type in blank space below. Please note there is no space limitations).

This fuel break surrounds and runs through populated areas of the WUI. A map showing the fuel break's proximity to property parcels is included in the "Maps" attachment.

Filename: **Filename: 20-FP-TCU-0028-Maps.**

Critical infrastructure and valued resources in the area include the Stanislaus River and watershed, several small local lakes and streams, Calaveras Big Trees State Park, the Stanislaus National Forest, the Arnold Public Library, Ebbetts Pass Fire District Station, the Ebbetts Pass Gas Liquid Propane Storage Facility, CAL FIRE TCU station, medical facilities, Bear Valley Ski Area, the Sequoia Woods Golf Course, and multiple lakes, campgrounds, hiking trails, and recreational sites. The entire town of Arnold would be at risk.

### **D. Community Support**

1. Does the project include any matching funds from other funding sources or any in-kind contributions that are expected to extend the impact of the proposed project? In-kind contributions from Blue Lake Springs include:

- Approximately 100 hours worked by Thomas Hein, the Blue Lake Springs Fire Prevention Coordinator, who will collect Right of Entry forms from all impacted Blue Lake Springs residents and property owners adjacent to Blue Lake Springs property. Hein also works with contractors and homeowners to assure compliance with Blue Lake Springs CC&Rs, which are written to exceed the standards of PRC 4291.

- In addition, Blue Lake Springs hired an RPF in 2019 to scope the project and develop prescriptions for each unit. The cost for this was borne entirely by Blue Lake Springs, using no grant funds.
  - Blue Lake Springs engages approximately 26 volunteers each year to do property inspections for defensible space. The volunteer hours for 2019 totaled 517 and represent a value of \$15,484 when multiplied by the California volunteer rate of \$29.95/hour (per Independent Sector: [https://independentsector.org/resource/vovt\\_details/](https://independentsector.org/resource/vovt_details/)). *Note that because of Covid 19, CAL FIRE cancelled the 2020 volunteer inspections.*
2. Describe plans for external communications during the life of the project to keep the effected community informed about the goals, objectives and progress of the project. Activities such as planned press releases, project signage, community meetings, and field tours are encouraged.

Several avenues would be employed to keep the community and other agencies informed of the project’s goals, objectives, and progress, such as:

- **Press releases** in local papers at pre-determined intervals (i.e., when grant is funded, when work begins, when milestones are met, etc.)
- **Notices on “Next Door”** community sites. These neighborhood-specific social media sites are heavily used by residents to keep in touch about local news like lost pets, items for sale, recommendations of businesses and services, etc.
- **Community Tour:** We intend to engage TUCare (Tuolumne County Alliance for Resources & Environment) in 2021 or 2022 (depending on Covid 19 restrictions) to host a tour of several fuel breaks being developed in the Ebbetts Pass Corridor. This project would be featured on the tour. TUCare hosted a similar tour on November 14, 2019 which was attended by about 50 local residents. Our intent would be to use this tour as part of our annual “Fire Wise Community Meeting”, which usually draws about 100 locals from the area.
- **HOA website, newsletters and events:** Blue Lake Springs communicates directly with its residents via their website, which is kept up to date by their full-time management staff. The HOA also hosts events (dinners, an annual membership meeting in June, monthly fire safety reports and updates in the Lodge Log newsletter) where project information would be made available to residents.
- **Presentation materials and in-person outreach:**
  - A **one-page handout** with a project overview and map has already been developed and is being used at community and HOA meetings to describe the project and when asking for Right of Entry forms. We would continue to use this handout, updating the text to reflect project progress. The handout can be found in the project Box, **Filename: 20-FP-TCU-0028-Handout.**

- A **PowerPoint presentation** will be developed to be used in many venues. Will request time on agendas for various groups, such as:
  - Blue Lake Springs HOA meetings and events
  - EPPOC: This organization, the Ebbetts Pass Property Owners Council, meets monthly and includes representatives from all HOAs in the area, local fire and law enforcement representatives, Board of Supervisors reps, CALFIRE, and residents.
  - Lions Club and Moose Lodge meetings (very active in the area).
  - Calaveras County Resource Conservation District: the fiscal agent for this project; the grant administrator will provide monthly updates at Board meetings and work directly with CCRCDD staff to administer the grant.
  - Calaveras Foothills Fire Safe Council: this group includes many collaborators on the larger Ebbetts Pass Corridor fuel break project. Updates will be provided at their monthly meetings.
- **Signage:** Signs will be posted at job sites and entrances to the subdivision showing source of funding, partners, etc.

3. Describe any plans to maintain the project after the grant period has ended.

Blue Lake Springs' Fire Prevention Coordinator regularly inspects and monitors Blue Lake Springs fuel breaks and properties for compliance with PRC-4291 and the more stringent CC&Rs for Blue Lake Springs. Blue Lake Springs will work with residents and neighbors to keep the fuel breaks clear. Residents and private landowners will be educated about how to maintain the fuel break and will be encouraged to do annual maintenance to avoid the need for this "heavy lift" level of intervention in the future. Blue Lake Springs will recommend homeowners employ annual treatments that suppress rapid regrowth of vegetation, which might include shade trees, mulching, and/or pre-emergent herbicides.

4. Does the proposed project work with other organizations or agencies to address fire hazard reduction at the landscape level?  
(Please type in blank space below. Please note there is no space limitations).

Yes. Several agencies and organizations are working in concert to create a complete set of connected fuel breaks for the Ebbetts Pass Corridor. This fuel break will connect with or complete fuel breaks along the perimeter of Blue Lake Springs on lands belonging to SPI, the US Forest Service, Calaveras Big Trees State Park, and several private landowners. It will also complement the work being done by PG&E in our neighborhoods.

The 2019 CAL FIRE Fire Prevention Grant cycle awarded several projects in Ebbetts Pass, all linked to planned or existing fuel breaks.

A map showing existing, planned, and current projects in the area is included with this package. Map is included in the project Box file. Filename: 20-FP-TCU-0028-Maps.

## **E. Project Implementation**

1. Discuss the anticipated timeline for the project. Make sure to take seasonal restrictions into account.

The following chart shows anticipated activities across the life of the project. The full-size chart can be found in the project Box as FILENAME: 20-FP-TCU-0028-Timeline.

WILL INSERT TIMELINE HERE

2. Verify the expected timeframes to complete the project will fall under the March 15, 2026 deadline.

Based on the above timeline and the chart below, it is believed that this work can easily be accomplished within the 41-month grant period. This is based on the following conservative assumptions:

- CEQA may take six months to complete.
- Assumes that only 70% of available workdays will be productive due to weather and/or fire restrictions or equipment issues; may also include delays during bird nesting seasons.
- Assumes that contractor(s) will have the equipment and manpower available to complete a minimum of 1 acre/day.

Based on these assumptions, the ~50-acre project could be completed as early as XXX of 202?, well before the mandatory project completion date.

INSERT CHART HERE

3. Describe the milestones that will be used to measure the progress of the project. Milestones would be based on number of acres completed per month, as outlined in the above table.
4. Describe measurable outcomes (i.e. project deliverables) that will be used to measure the project's success. Measurable outcomes would include number of acres completed, funds expended according to the proposed budget, and number of outreach events/activities completed.

5. If applicable, how will the requirements of the California Environmental Quality Act (CEQA) be met?  
(Please type in blank space below. Please note there is no space limitations).

A qualified Registered Professional Forester would be hired to develop a CEQA compliance package for the project, following the guidelines in "Appendix A" of the grant guidelines. If possible, the RPF would submit a Notice of Exemption (NOE) for the entire project area, accompanied by a completed Environmental Review Report (ERR).

If the project is not eligible for the exemption, we would use funds from this grant to hire a professional organization to do the full CEQA analysis and filings as soon as funds become available.

## **F. Administration**

1. Describe any previous experience the project proponent has with similar projects. Include a list of recent past projects the proponent has successfully completed if applicable. Project proponents having no previous experience with similar projects should discuss any past experiences that may help show a capacity to successfully complete the project being proposed. This may include partnering with a more experienced organization that can provide project support.

The Calaveras County Resource Conservation District (CCRCD) was established in June of 2016 by a majority vote of registered Calaveras voters. Calaveras was the last rural California county to develop an RCD. As a California Special District, CCRCD can serve as a fiscal sponsor and can be the lead agency for CEQA compliance.

The CCRCD is currently administering CAL FIRE Grant #5GG19147, the Murphys-to-Forest Meadows WUI Fuelbreak Project, a \$2.2M grant awarded in 2020. The project is on schedule, on budget, and is moving smoothly.

The CCRCD also successfully administered the Mill Woods Fuel Reduction 2018 grant (17-FP-TCU-0011, also a CAL FIRE-CCI grant) and has administered several PG&E grants. The PG&E grants have been completed ahead of schedule and were able to clear more acres than were required in the original statements of work. The CAL FIRE/Mill Woods grant is complete.

Since its inception, the CCRCD has convened a Board of Directors and an Executive Director from the natural resource sector that meets monthly to establish operating procedures, set priorities and solicit support from regional organizations with expertise in forest, watershed and rangeland management. Our District receives generous support from the California Association of Resource Conservation Districts for capacity building with emphasis on contracting, developing policy, planning, access to public resources, para-legal advice and public outreach.

2. Identify who will be responsible for tracking project expenses and maintaining project records in a manner that allows for a full audit trail of any awarded grant funds. (Please type in blank space below. Please note there is no space limitations).

**Jill Micheau** (a CCRCDC employee) will be responsible for project administration, including maintaining project records and contracts, filing quarterly reports, tracking Right of Entry Forms, and managing the selection process for contractors. Jill has extensive experience working in the public sector. She worked for Sandia National Laboratories for 20 years, writing research grant proposals, managing projects, leading strategic planning efforts, and commercializing technologies. She is currently administering CAL FIRE Grant 5GG19147.

**Dana Simpson** is a professional bookkeeper contracted to Calaveras RCD. She has significant grant administration experience. Dana will provide administrative and financial oversight. She will establish bank accounts for the grant funds and pay contractor invoices. She will also be responsible for requesting funds advances and tracking their status and for paying contractors and submitting quarterly financial reports. She is currently administering CAL FIRE Grant 5GG19147.

**Additional oversight** will be provided by CCRCDC's Executive Director, Gordon Long, who also works for the Amador Conservation District. Gordon has worked on several grants from a variety of agencies, from the application stage through project execution.

## **G. Budget**

A detailed project budget should be provided in an Excel spreadsheet attached to this grant application. The space provided here is to allow for a narrative description to further explain the proposed budget.

1. Explain how the grant funds, if awarded, will be spent to support the goals and objectives of the project. If equipment grant funds are requested, explain how the equipment will be utilized and maintained beyond the life of the grant.

Eighty-nine percent of the requested funds will be spent on project implementation (mastication, hand work and log removal). There are no salaries, wages, or employee benefits, as all who work on the project will be contractors to CCRCDC. There is no equipment to purchase. CEQA and field management account for ~9%, and project administration (includes Micheau and Simpson) accounts for less than 1.5% of budget. Prescription development and collection of Right of Entry forms is being performed by Blue Lake Springs staff and a contracted RPF, so will be considered "in-kind" value added to the project. Indirect is set at 10%.

2. Are the costs for each proposed activity reasonable for the geographic area where they are to be performed? Identify any costs that are higher than usual and explain



any special circumstances within the project that makes these increased costs necessary to achieve the goals and objectives of the project.

The costs in our proposed budget are reasonable for this area and are based on contractor bids for similar recent projects in Calaveras County.

3. Is the total project cost appropriate for the size, scope, and anticipated benefit of the project?

Yes. The total cost for this project is \$271,098. That's just \$6,777 per acre. If a wildfire were to destroy half of the 1,731 homes in the subdivision at a modest replacement cost of just \$250,000 each, the loss would total \$216,375 million. This figure does not account for the additional costs for businesses, services and infrastructure that would need to be replaced. It also does not address the cost of fighting the fire or response and recovery services for victims.

Costs for the 2018 Camp Fire are pegged at \$16.5 billion. As the costs to fight these larger, longer lasting fires increases, it takes focus and budget away from fire prevention projects. CAL FIRE's Fire Prevention grants are a sound investment in the safety and security of WUI communities. The return on investment – fewer catastrophic fires that threaten property, lives, and the environment – substantially outweighs the costs of even small wildfires that threaten WUI communities.

Fuel breaks are expensive, but they cost a tiny fraction of the alternative -- an uncontrolled wildfire. Anticipated benefits of fuel break projects, including this one, are the avoidance of catastrophic fires and their associated costs and loss of life and property.

4. Identify all Indirect Costs and describe why they are necessary for a successful project implementation. Administrative expenses to be paid by the Fire Prevention Grants must be less than 12% of the total grant request (excluding equipment). Indirect Costs for this project represent the "cost of doing business" for the CCRCDC. This includes rent, utilities, computers and their attendant services and equipment, payment for office staff members that provide general office support, including accounting and budgeting.
5. Explain each object category in detail and how that would support meeting the grant objectives.  
(Please type in blank space below. Please note there is no space limitations).

A. Salaries and Wages: none. The CCRCDC has no salaried staff; It currently has 2 contractors (Mary Cole and Dana Simpson) who work on a variety of projects and administer the organization, including Board meetings, general office duties, finances, and communications. Costs for these contract workers are included in the proposed budget as part of CCRCDC's "indirect costs."

B. Employee Benefits: none. See above.



### C. Contractual (direct charges):

- **Project Administrator:** Contractor Jill Micheau will manage all contracts (includes the grant contract and contracts for CEQA, field work, program management, etc.), prepare quarterly reports, manage contracts for implementation work, arrange and document CAL FIRE inspections, and manage outreach and communications. This is the “inside/office” work of the project. Micheau has provided a letter of commitment for doing this project work, which can be found in the project Box. Filename: 19-FP-TCU-2029-Support and Bids
- **Project Manager:** this private contractor will work in the field, marking and preparing the site for contractors, directing prescriptive work, documenting progress, assuring that work is satisfactory, approving and documenting completed acreage for payment, and interacting with contractors and landowners. This is the “outside/field” work. A Registered Professional Forester (RFP) has been working on contract with BLUE LAKE SPRINGS to scope the project and develop treatment prescriptions. His letter of commitment can be found in the project Box. Filename: 19-FP-TCU-2029-Support and Bids
- **CEQA:** a qualified CEQA coordinator will assess the project, direct necessary studies, and file all documents.
- **Groundwork:** will be done by qualified contractors with appropriate equipment, (i.e., masticators, grinders, chippers, etc.), experience, and personnel to complete the job on schedule and within budget. Bids from several local contractors have been solicited and can be found in the project Box. See Filename: 19-FP-TCU-2029-Bids.
- **CAL FIRE:** Note that CAL FIRE may be engaged to implement part or all of the project if they are available. CAL FIRE’s work will be fully reimbursed to CAL FIRE under the budget line item “mastication and/or hand work. CAL FIRE TCU indicates that they have limited availability and would that hand crews are the only resources available to work on grant projects. Crew availability would be assessed by Charles Blankenheim at CAL FIRE’s Vallecito site.

## H. California Climate Investments

The space provided here is to allow for a narrative description to further explain how the project/activity will reduce Greenhouse Gas emissions.

### 1. How will the project/activity reduce Greenhouse Gas emissions?

According to the Natural Resources Conservation Service, strategically placed fuel breaks reduce wildfire hazards; provide greater safety to fire fighters by creating a defensible area; reduce the intensity of wildfires; and provide improved access and visual quality to the landscape. The proposed fuel break would protect the 1,731 homes in Blue Lake Springs as well as approximately 7,000 homes in the WUI communities located along the Ebbetts Pass Corridor, including the towns of Murphys (population 2,343), Arnold (population 3,843), and Avery and Hathaway Pines (combined population 646).

Reduction of greenhouse gas emissions from fuel reduction is hard to estimate. GHG reductions associated with fuel breaks are achieved through *avoidance* of catastrophic wildfires. Wildfires in California in 2018 released the rough equivalent of about 68 million tons of heat-trapping carbon dioxide — about the same amount of carbon emissions as are produced in a year to provide electricity to the state, ex-U.S. Interior Secretary Ryan Zinke said on November 30, 2018. So, benefits of lower GHG emissions will occur every time a major fire is *avoided* – harder to anticipate and measure than more obvious GHG reductions resulting from things like improved gas mileage or lower industrial emissions.

According to the US Geological Survey, the 2018 wildfire season in California burned 8.8 million acres, releasing 68 million tons of carbon dioxide (**7.73 tons per acre**), or 15% of the state's total emissions. This is roughly equivalent to the emissions from all electricity used in California for a full year.

In 2013 and 2014 there were large wildfires close to our project area:

- In 2013 the Rim Fire burned 257,314 acres in Tuolumne County, just 60 miles away.
- In 2014 the King Fire burned 97,717 acres in Pollock Pines, just 85 miles from Arnold.

Both of these fires happened in areas with terrain and vegetation similar to that of the Ebbetts Pass Corridor and our project area. If even a small wildfire occurred in our area (say 5,000 acres burned), the CO<sub>2</sub> emissions would be approximately **38,650 tons** (based on the 7.73M tons/acre stated above). Thus, if our fuelbreak system *avoids* just one such a fire, it effectively offsets potential GHG emissions by that amount per 5,000 acres burned.

According to a USDA article on carbon sequestration (<https://www.fs.fed.us/ecosystemservices/carbon.shtml>), “Planting new trees and improving forest health through thinning and prescribed burning are some of the ways to increase forest carbon *in the long run*. Harvesting and regenerating forests can also result in net carbon sequestration in wood products and new forest growth.” This project would not

plant new trees, nor would it include prescribed burns. Net carbon sequestration would primarily be due to improved forest health and growth resulting from a less crowded forest and healthier stands with fewer competitors for water and nutrients. These benefits would not be immediate but would be realized over a period of many years without catastrophic wildfires in the area.

2. Is the project located in a Low-Income or Disadvantaged Community? If not, does the project benefit those communities. Please explain.

No. Blue Lake Springs is part of Arnold, which is not classified as low income or disadvantaged. However, several communities along Highway 4 (between Angels Camp to the west and Bear Valley to the east) are classified as "Low Income". They are (listed west to east): Vallecito, Murphys, Douglas Flat, White Pines, Big Trees, Dorrington, Cottage Springs, and Bear Valley. All of these communities will benefit from the project, and all the other communities (not classified as low income) will also benefit.

3. What are the expected co-benefits of the project/activity (i.e. environmental, public health and safety, and climate resiliency)?

Expected co-benefits include:

- Community engagement and education will begin at project start date and continue throughout the project term. Educating residents about the importance of maintaining fuel breaks, the potential impacts of wildfires, the risk levels for fire in our area, building materials and landscaping features that can reduce fire risk, and defensible space requirements will result in a population and landscape that is prepared to avoid or fight catastrophic fires.
- Community communications will stress the importance of the project to climate resiliency through the avoidance of greenhouse gas emissions resulting from potential wildfires.
- Private landowners will be provided with information on how to maintain the fuel break once it is established.
- Local economies will benefit from jobs created to accomplish the work associated with this project.

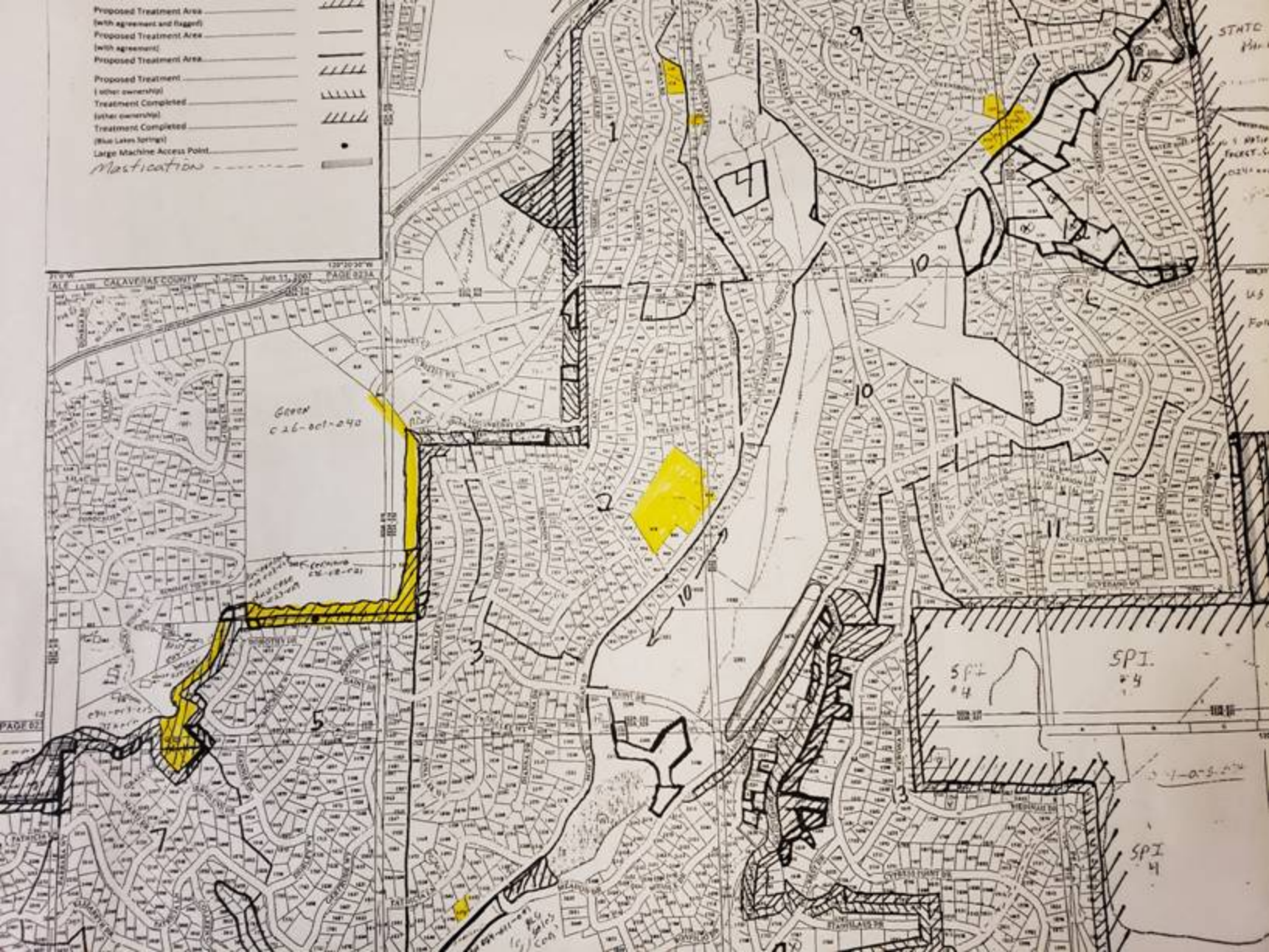
4. When are the Greenhouse Gas emissions and/or co-benefits expected to occur and how will they be maintained?

(Please type in blank space below. Please note there is no space limitations).

GHG reductions associated with fuel breaks are achieved by *avoidance* of catastrophic wildfires. See answer in #1, above.

- Proposed Treatment Area (with agreement and flag) 
- Proposed Treatment Area (with agreement) 
- Proposed Treatment Area 
- Proposed Treatment 
- Treatment Completed (other ownership) 
- Treatment Completed 
- (Blue Lakes Springs) 
- Large Machine Access Point 

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## **CAL FIRE GRANT 5GG19147 PROJECT UPDATE FOR CCRCD APRIL 2021 BOARD MEETING**

March 29, 2021

- Initial mapping (by Gordon) completed; used in RFP for CEQA, final mapping, and treatment plans
- RFP issued; 5 responses evaluated; contract awarded to Ed Struffenegger
- Ed is working diligently on the project and expects all 3 tasks to be completed by ~April 15<sup>th</sup>
- Signage was ordered and delivered; Ed has placed several signs around the project area
- Ed is working on the ERR, which will be given to CCRCD for review prior to submittal to CAL FIRE
- Terry Strange is working on the biological write up – should be done very soon
- Arch sites and 2 major Class II watercourses have been flagged
- Ed met with Gordon on Friday, 3/26. Comments:
  - **GORDON TO ADD THIS DETAIL**
- There was a question about the requirement for GHG analysis – Adam Frese confirmed that they are NOT REQUIRED
- Gordon and Ed have knocked on doors in pursuit of the few outstanding Right of Entry forms.
- Provided there are no snags, it looks like we will be able to issue an RFP for the groundwork by May 1<sup>st</sup>. Contracts may be able to be placed as early as June 1<sup>st</sup>.
- Jill will begin developing a boilerplate RFP so that we can issue the RFP as soon as we have CEQA approval (probably an NE), appropriate maps, and treatment plans. Jill will distribute the draft to the grant team for comment and approval.
- Jill will also develop a boilerplate contract to use when the contract is awarded; will distribute to grant team for comment and approval.
- Funding status: **DANA to input this** – i.e., % spent overall; status of line items and categories

