

# YOLO HABITAT CONSERVANCY

## AGENDA

March 17, 2025



### BOARD MEMBERS

MARY VIXIE SANDY, COUNTY OF YOLO  
LUCAS FRERICHS, COUNTY OF YOLO  
LINDA DEOS, CITY OF DAVIS  
VERNA SULPIZIO HULL, CITY OF WEST SACRAMENTO  
RICHARD CASAVECCHIA, CITY OF WINTERS  
DAVID MORENO, CITY OF WOODLAND  
MABEL SALON, UNIVERSITY OF CALIFORNIA, DAVIS

### BOARD OF SUPERVISORS CHAMBERS

625 COURT STREET, ROOM 206  
WOODLAND, CA 95695

NOTE: All meetings of the Yolo Habitat Conservancy will be held in person. Members of the public are welcome to submit written comments by 4:00 p.m. the day prior to the meeting. Written comments should be emailed to [clerkoftheboard@yolocounty.gov](mailto:clerkoftheboard@yolocounty.gov) or sent to Attn: Clerk, 625 Court Street, Room 204 Woodland, CA 95695. If you are submitting written comments on a particular item on the agenda, please identify the agenda item number. All written comments are distributed to Board members and filed in the record, but will not be read aloud.

Chris Alford  
Interim Executive Director

Philip J. Pogledich  
County Counsel

**5:30 P.M. CALL TO ORDER**

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

**CONSENT AGENDA**

6. Approve January 27, 2025, meeting minutes

**REGULAR AGENDA**

7. Authorize Interim Executive Director to execute an agreement with Urban Economics in an amount not to exceed \$50,000 to conduct the required five-year periodic financial assessment
8. Receive and file the 2025 Yolo HCP/NCCP Development Fees Automatic Inflation Adjustment Memorandum
9. Receive and file the Yolo Habitat Conservancy FY24/25 Mid-Year Budget Update
10. Executive Director's Report

**CLOSED SESSION**

11. Conference with Real Property Negotiator  
Government Code § 54956.8  
Agency Negotiator(s): Chris Alford  
Other party: California Department of Water Resources  
Assessor Parcel Nos: 042-330-001, 042-330-002, 042-330-006

**ADJOURNMENT**

Next meeting scheduled for: May 19, 2025

I declare under penalty of perjury that the foregoing agenda was posted March 14, 2025, by 5:00 p.m. at the following places:

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

By: \_\_\_\_\_  
Julie Dachtler, Clerk

### **NOTICE**

If requested, this agenda can be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 and the Federal Rules and Regulations adopted in implementation thereof. Persons seeking an alternative format should contact the Clerk of the Board for further information. In addition, a person with a disability who requires a modification or accommodation, including auxiliary aids or services, in order to participate in a public meeting should telephone or otherwise contact the Clerk of the Board as soon as possible and at least 72 hours prior to the meeting at (530) 666-8195.

Yolo Habitat Conservancy Board of Directors Meeting

Meeting Date: 03/17/2025

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Information

SUBJECT

Approve January 27, 2025, meeting minutes

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Attachments

Att. A. Minutes

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**Form Review**

Form Started By: Charlie Tschudin  
Final Approval Date: 03/11/2025

Started On: 03/11/2025 12:13 PM

# YOLO HABITAT CONSERVANCY

January 27, 2025

## MINUTES

The Yolo Habitat Conservancy Board met on the 27th day of January, 2025, starting at 5:30 p.m. in regular session in the Board of Supervisors' Chambers in the Erwin W. Meier Administration Building, Woodland, California. [Here](#) is a link to the video.

**Present:** Mary Vixie Sandy  
Verna Sulpizio Hull  
Mabel Salon  
Chris Alford, Interim ED

**Absent:** Richard Casavecchia  
Lucas Frerichs

**Staff Present:** Chris Alford, Interim Executive Director  
Phil Pogledich, County Counsel  
Charlie Tschudin, Natural Resources Planner  
Julie Dachtler, Clerk

### 5:30 P.M. CALL TO ORDER

1. Pledge of Allegiance
2. Roll Call
3. Approval of the Agenda Order

Minute Order No. 25-01: Approved agenda as submitted.

MOTION BY: Moreno / SECONDED BY: Deos  
AYES: Deos, Moreno, Sulpizio Hull, Vixie Sandy.  
ABSENT: Casavecchia, Frerichs.  
ABSTAIN: None.

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

There was no public comment.

5. Board Correspondence

There was no Board Correspondence.

## CONSENT AGENDA

Minute Order No. 25-02: Approved Consent Agenda Item Nos. 6-8.

MOTION BY: Vixie Sandy / SECONDED BY: Moreno  
AYES: Deos, Moreno, Sulpizio Hull, Vixie Sandy.  
ABSENT: Casavecchia, Frerichs.  
ABSTAIN: None.

6. Approve December 9, 2024, meeting minutes

Approved the December 9, 2024 meeting minutes on Consent.

7. Authorize the Executive Director to execute a Sponsor Agreement with the California Conservation Corps to provide services that support Yolo HCP/NCCP implementation

Approved Agreement No. 25-01 on Consent.

8. Approve amendment to the Agreement with the Yolo Resource Conservation District, increasing the compensation amount by \$40,000 for a total compensation of \$190,000 for monitoring, management, and restoration services

Approved Agreement No. 25-02 on Consent.

## REGULAR AGENDA

9. Receive and file the FY23-24 independent auditor's report from Maze & Associates

Minute Order No. 25-03: Approved recommended action.

MOTION BY: Deos / SECONDED BY: Vixie Sandy  
AYES: Deos, Moreno, Sulpizio Hull, Vixie Sandy.  
ABSENT: Casavecchia, Frerichs.  
ABSTAIN: None.

10. Receive and file the Yolo HCP/NCCP Annual Report for FY23/24

Minute Order No. 25-04: Approved recommended action.

MOTION BY: Vixie Sandy / SECONDED BY: Deos  
AYES: Deos, Moreno, Sulpizio Hull, Vixie Sandy.  
ABSENT: Casavecchia, Frerichs.  
ABSTAIN: None.

11. Elect Chair and Vice-Chair

Minute Order No. 25-05: Elected Board Member Frerichs as Chair and Board Member Moreno as Vice-Chair.

MOTION BY: Sulpizio Hull / SECONDED BY: Deos

AYES: Deos, Moreno, Sulpizio Hull, Vixie Sandy.

ABSENT: Casavecchia, Frerichs.

ABSTAIN: None.

12. Executive Director's Report

Received Executive Director's Report.

**ADJOURNMENT**

Next meeting scheduled for: March 17, 2025

Yolo Habitat Conservancy Board of Directors Meeting

Meeting Date: 03/17/2025

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Information

**SUBJECT**

Authorize Interim Executive Director to execute an agreement with Urban Economics in an amount not to exceed \$50,000 to conduct the required five-year periodic financial assessment

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Attachments

Staff Report

Att. A. Agreement with Urban Economics

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**Form Review**

Form Started By: Charlie Tschudin

Final Approval Date: 03/11/2025

Started On: 03/11/2025 12:15 PM





# Yolo Habitat Conservancy

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

To: Lucas Frerichs, Chair  
Members of the Board

From: Chris Alford  
Interim Executive Director

Re: Authorize Interim Executive Director to execute an agreement with Urban Economics in an amount not to exceed \$50,000 to conduct the required five-year periodic financial assessment

Date: March 17, 2025

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## REQUESTED ACTION:

1. Authorize Interim Executive Director to execute an agreement with Urban Economics in an amount not to exceed \$50,000 to conduct the required five-year periodic financial assessment (Attachment A)

## BACKGROUND:

Every five years during implementation of the Yolo HCP/NCCP, the Conservancy is required to complete a fee assessment to review the costs and underlying assumptions utilized as part of the original funding plan as well as estimate the remaining costs to implement the Yolo HCP/NCCP. The scope of work included in the agreement with Urban Economics (**Attachment A**) includes the preparation of the first five-year periodic financial assessment, updates to the Yolo HCP/NCCP cost and funding models, and the preparation of a report that will summarize the results of the financial assessment and incorporate a nexus study that satisfies the requirements of the Mitigation Fee Act (Government Code Sec. 66000 through 60025) for adoption of fees on development projects. The Conservancy will utilize this information to adjust fees based on this analysis to ensure full funding of the mitigation share of the remaining HCP/NCCP costs.

Urban Economics is uniquely qualified to conduct this work as they prepared the initial cost and funding model for the Yolo HCP/NCCP. They also have extensive experience preparing financial analysis and nexus studies for other HCPs and HCP/NCCPs.

## ATTACHMENT:

**Attachment A.** Agreement with Urban Economics

AGREEMENT NO. \_\_\_\_\_  
(Short-Form Agreement)

THIS AGREEMENT is made this 17th day of March, 2025, by and between the Yolo Habitat Conservancy (referred to hereinafter as the “Conservancy”), and Urban Economics (“Consultant”), who agree as follows:

**AGREEMENT**

1. Consultant shall perform the services described in **Attachment A** hereto.
2. Consultant shall perform said services between March 17, 2025 and December 31, 2025. Either party may terminate this Agreement for any reason by providing thirty (30) days advance written notice of termination to the other party. In addition, the Conservancy may suspend work under this Agreement at any time by providing written notice to Consultant, who shall cease all work immediately upon receipt thereof until otherwise directed by the Conservancy.
3. Total compensation to Consultant shall not exceed the rates set forth in Attachment A, nor shall total compensation exceed \$50,000. Hourly rates shall not increase during the term of this Agreement.
4. During the term of this Agreement, Consultant shall maintain the insurance described in **Attachment B** hereto at its sole cost and expense.
5. On a monthly basis, Consultant shall submit an invoice detailing the services provided, the amount of time spent providing the service, the rate per hour, and an itemization of the actual expenses for which reimbursement is requested. If requested by the Conservancy, Consultant shall provide any further documentation to verify the compensation and reimbursement sought by Consultant. All services provided by Consultant which may be eligible for grant reimbursement shall be invoiced in a manner (generally, by grant and task) that meets applicable requirements for reimbursement from available grant funds. At the option of the Conservancy, this may include using a billing template for time entries. Within fifteen (15) calendar days of the receipt of Consultant’s detailed invoice, the Conservancy shall either authorize payment for services performed to its reasonable satisfaction or advise Consultant in writing of any concerns that the Conservancy has with the invoice and any need for further documentation. The Conservancy shall use reasonable efforts to ensure that the County Auditor-Controller processes payment of each invoice with forty-five (45) calendar days after the Conservancy approves payment.

There shall be no penalty for late payments.

6. With the exception that this section shall in no event be construed to require indemnification by Consultant to a greater extent than permitted under the public policy of the State of California, Consultant shall indemnify, defend and hold harmless the County of Yolo, officers, agents, employees and volunteers from and against any and all claims, damages, demands, losses, defense costs, expenses (including attorney fees) and liability of any kind or nature arising out of or resulting from performance of the work, provided that any such claim, damage, demand, loss, cost, expense or liability is caused in whole or in part by any negligent or intentional act or omission of the Consultant or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, regardless of whether or not it is caused in part by a party indemnified hereunder. Consultant’s responsibility for such defense and indemnity obligations shall survive the termination or completion of this Agreement for the full period of time allowed by law. The defense and indemnification obligations of this Agreement are undertaken in addition to, and shall not in any way be limited by, the insurance obligations contained in this agreement. In providing any defense under this section, Consultant shall use counsel reasonably acceptable to the County Counsel.
7. Consultant shall comply with all applicable laws and regulations, including but not limited to any that are promulgated to protect the public health, welfare and safety or prevent conflicts of interest. Consultant shall defend the Conservancy and reimburse it for any fines, damages or costs (including attorneys’ fees) that might be incurred

or assessed based upon a claim or determination that Consultant has violated any applicable law or regulation.

8. This Agreement is subject to the Conservancy, the State of California and the United States appropriating and approving sufficient funds for the activities required of the Contractor pursuant to this Agreement. If the Conservancy's adopted budget and/or its receipts from California and the United States do not contain sufficient funds for this Agreement, the Conservancy may terminate this Agreement by giving ten (10) days advance written notice thereof to the Consultant, in which even the Conservancy shall have no obligation to pay the Consultant any further funds or provide other consideration and the Consultant shall have no obligation to provide any further services under this Agreement.

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

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

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

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

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

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

**Consultant**

**Conservancy**

\_\_\_\_\_  
Consultant's Signature

\_\_\_\_\_  
Christine Alford, Interim Executive Director  
Yolo Habitat Conservancy

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Street Address/PO Box

\_\_\_\_\_  
City/State/Zip

  
\_\_\_\_\_  
Philip J. Pogledich, County Counsel  
Counsel to the Yolo Habitat Conservancy

\_\_\_\_\_  
Phone

## ATTACHMENT A

### YOLO HCP/NCCP FIVE-YEAR PERIODIC ASSESSMENT AND ADJUSTMENT OF FEES

#### SCOPE OF WORK & BUDGET

The objective of this project is to conduct the “five-year periodic assessment and adjustment of fees” required by Chapter 8 of the Yolo HCP/NCCP (Section 8.4.1.6.2). The intent of this effort is to provide assurance that Plan revenue over the term of the HCP/NCCP permit will be adequate to fully fund Plan implementation.

The analytical focus of this work will be updating the cost and funding models included in Appendix H and Appendix I of the HCP/NCCP based on experience to date. The primary deliverable of this project will be a report that provides an updated funding plan and schedule of development fees. The report will also incorporate a nexus study that satisfies the requirements of the Mitigation Fee Act (Government Code Sec. 66000 through 60025) for adoption of fees on development projects.

The basis for this periodic assessment and adjustment of fees will be the first five full fiscal years of Plan implementation, including the partial 2018-19 fiscal year and the following five years, FY 2019-20 through FY 2023-24. All costs and revenues will be expressed in 2024 dollars and the updated development fee schedule will reflect any additional annual inflation adjustment for 2025 as appropriate.

#### **Task 1: Administer Project**

Kickoff project through meeting between prime consultant (Urban Economics), subconsultant (Insight Data & Economic Analysis) and key Yolo Habitat Conservancy staff who will assist in completing this project. Provide project management and administration through communications with staff and subconsultant. Administer budget and invoicing.

#### **Task 2: Gather Data Inputs for Model Updates**

Review documents related to HCP/NCCP costs and revenues including annual reports and budgets for the first five years. Provide detailed data request to staff. Follow up as needed to clarify data needs.

#### **Task 3: Cost Model Update**

Objective of this task is to update the cost model developed for Plan adoption and documented in Appendix H of the HCP/NCCP. Maintain same model structure that summarizes costs in five-year periods through the permit term

across seven major cost categories (including “Contingency”). Present all costs in 2024 dollars.

Relying on detailed financial reports provided by the Yolo Habitat Conservancy (Conservancy), summarize actual costs in each of the seven major cost categories, adjust to 2024 dollars, and insert total costs into the cost model for the first five-year period by major cost category.

For remaining nine five-year periods of the permit term, update plan cost factors based on actual experience through FY 2023-24 for acquisition, restoration, management, enhancement, monitoring, local partner activities, and plan administration using, as appropriate, based on:

- ◆ Actual costs from the first five years of implementation
- ◆ Conservancy annual budget cost factors
- ◆ Local trends in agricultural land values
- ◆ Recent appraisals or available evidence of land sales transactions comparable to potential Yolo habitat reserve lands
- ◆ Appropriate cost adjustment factors to estimate the change in costs from 2017 to 2024.

Rely on information from Conservancy annual reports to incorporate into the cost model progress through FY 2023-24 in reserve land protection and restoration by natural community type and species, enrollment of pre-permit reserve lands, and implementation of local partner activities. Distribute remaining acres in each category evenly across the remaining nine periods of the permit term.

Confer with Conservancy staff to determine if actual experience over the past five years indicates the need for new approaches to plan cost estimates and incorporate appropriate adjustments into the cost model.

Provide staff with updated funding model tables and memorandum documenting sources and methods, meet to review and discuss, and incorporate revisions as appropriate.

#### **Task 4: Funding Model Update**

Objective of this task is to update the funding model developed for Plan adoption and documented in Appendix I of the HCP/NCCP. Maintain same model structure that uses the updated cost model for input and provides updated development fee schedules and funding plan. Present all revenues in 2024 dollars.

Relying on detailed financial reports provided by the Yolo Habitat Conservancy (Conservancy), summarize actual revenues for each source tracked by the funding model (see Appendix I, Table 13). adjust to 2024 dollars and insert into the funding model for the first five-year period.

For remaining 45 years of permit term, update the funding model based on:

- ◆ Remaining development impacts by community type based on covered activities documented in annual reports
- ◆ Endowment fund requirements
- ◆ Remaining reimbursements for plan preparation costs
- ◆ Mitigation cost share for newly protected lands and consequent land cover fee per acre
- ◆ Restoration funding based on updated restoration costs, remaining restoration to be completed through the permit term, and consequent wetland fee per acre
- ◆ Local funding based on total funding anticipated in Appendix I adjusted for funding through FY 2023-24
- ◆ State and federal funding based on total funding anticipated in Appendix I adjusted for funding through FY 2023-24

Confer with Conservancy staff to determine if actual experience over the past five years indicates the need for new approaches to plan revenue estimates and incorporate appropriate adjustments into the funding model.

Provide staff with updated funding model tables, meet to review and discuss; and incorporate revisions as appropriate.

## **Task 5: Periodic Assessment Report**

Document prior tasks in a final report that also meets the requirements of the Mitigation Fee Act and includes updated development fee schedules. Provide administrative draft report to staff and meet to discuss. Incorporate revisions as appropriate and provide final report.

## **Budget and Staffing**

Based on our experience with other HCP/NCCPs, developing a budget for this effort is challenging because it is the first five-year assessment. The amount of time required to gather the necessary data and adjust the cost and funding models for experience to date is highly uncertain. The budget estimate provided here reflects the fact that the Yolo HCP/NCCP models are less complex than other habitat plans we have experience with.

For this scope of work, we estimate **a total budget of up to \$50,000**, split roughly evenly between Urban Economics (prime consultant) and Insight Data & Economic Analysis (subconsultant). This estimated budget is based on hourly billing rates of \$250 for Robert Spencer (Urban Economics) and \$215 for Sally Nielsen (Insight Data & Economics Analysis). We do not anticipate invoicing for any expenses for this project other than our labor costs.

Yolo Habitat Conservancy Board of Directors Meeting

Meeting Date: 03/17/2025

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Information

SUBJECT

Receive and file the 2025 Yolo HCP/NCCP Development Fees Automatic Inflation Adjustment Memorandum

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Attachments

Staff Report

Att. A. 2025 Yolo HCP/NCCP Development Fees Automatic Inflation Adjustment Memorandum

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Form Review

Form Started By: Charlie Tschudin

Final Approval Date: 03/11/2025

Started On: 03/11/2025 12:15 PM



# Yolo Habitat Conservancy

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

To: Lucas Frerichs, Chair  
Members of the Board

From: Chris Alford  
Interim Executive Director

Re: Receive and file the 2025 Yolo HCP/NCCP Development Fees Automatic Inflation Adjustment Memorandum

Date: March 17, 2025

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**REQUESTED ACTION:**

1. Receive and file the 2025 Yolo HCP/NCCP Development Fees Automatic Inflation Adjustment Memorandum

**BACKGROUND:**

Section 4.C of the Conservancy’s adopted fee ordinance (Ordinance No. 2018-1) states that mitigation fees shall be adjusted annually by the Executive Director on or about March 15 of each year using the automatic adjustment methodology specified in Section 8.4.1.6.1 of Chapter 8 and Table 8-10 of the Yolo HCP/NCCP. This automatic inflation adjustment to the Yolo HCP/NCCP’s development fees was established to ensure that revenue from development fees keeps pace with the effect of inflation on Yolo HCP/NCCP implementation costs. The table below shows the automatic fee inflation adjustment for 2025. The approach and methodology used to determine the automatic fee inflation adjustment is described in the attached memorandum (Attachment A). The automatic fee adjustment for 2025 will be effective as of April 1, 2025.

**Table 1: 2025 Development Fees Automatic Inflation Adjustment**

| Development Fee          | Unit     | Current Fee | Inflation Adjustment | Revised Fee |
|--------------------------|----------|-------------|----------------------|-------------|
| Land Cover Fee           | per acre | \$16,559    | 0.7%                 | \$16,672    |
| Wetland Fee Types:       |          |             |                      |             |
| Fresh Emergent Marsh     | per acre | \$91,085    | 2.8%                 | \$93,648    |
| Valley Foothill Riparian | per acre | \$95,754    | 2.8%                 | \$98,448    |
| Lacustrine and Riverine  | per acre | \$73,052    | 2.8%                 | \$75,107    |

**ATTACHMENT:**

**Attachment A.** 2025 Yolo HCP/NCCP Development Fees Automatic Inflation Adjustment Memorandum



**MEMORANDUM**

To: Chris Alford  
From: Charlie Tschudin  
Date: March 17, 2025  
Subject: 2025 Habitat Agency Development Fees Adjustment

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Chapter 8 of the Yolo HCP/NCCP (Plan) requires an automatic inflation adjustment to the Plan’s development fees and describes the adjustment process.<sup>1</sup> These fees are a critical revenue source providing most of the Plan’s total funding. The Conservancy makes this adjustment annually to ensure that Plan revenues from development fees keep pace with the effect of inflation on Plan implementation costs. The ordinance adopting the development fees incorporates this annual adjustment, so this is an administrative process that does not require Conservancy Board approval. The purpose of this memorandum is to describe the fee adjustment methodology and provide a revised development fee schedule for 2025. The approach and methodology described in this memorandum has been reviewed and approved by the economic consultant that drafted Chapter 8 of the Plan (Urban Economics).

The Plan includes two development fees based on the type of permanent impact caused by the activity seeking coverage under the Plan: a land cover fee and a wetland fee. The Plan also has development fees for temporary impacts from activities subject to the land cover and wetland fees. Temporary fees are calculated based on the same fees as the fee for permanent impacts and adjusted for the length of time that the impact occurs.

**Adjustment Methodology and Data**

Plan implementation costs include a wide range of cost categories affected in varying ways by inflation. The automatic inflation adjustment method breaks Plan costs into two primary cost categories to allow the use of a different inflation index more closely related to each category. The Plan’s recommended inflation indices are from federal government and professional land appraisal sources and are widely used to estimate inflation across various sectors of the economy. The two cost categories are:

1. Land acquisition (reserve system assembly costs)
2. All other Plan costs (e.g. maintenance, monitoring, restoration, and program administration)

Land acquisition costs are treated separately from other Plan costs because land costs (1) are a significant share of total Plan costs and (2) are influenced by agricultural economic factors that are different from those factors affecting other Plan costs, and (3) tend to be more volatile than other Plan costs. The Conservancy may decide to use other cost inflation indices during

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<sup>1</sup> Yolo Habitat Conservancy, *Yolo HCP/NCCP* (April 2018), pp. 8-39 to 8-40 and Table 8-10.

Plan implementation than those described below to better represent changes in Plan costs.

### ***Inflation of Land Acquisition Costs***

The inflation index used to adjust the land acquisition cost component of fees is primarily based on the prior year’s annual report of agricultural land values for the southern Sacramento Valley (*Trends in Agricultural Land and Lease Values: California and Nevada*) published by the California Chapter of the American Society of Farm Managers and Rural Appraisers (ASFMRA). The ASFMRA data is applicable to the following three land cover types that combined represent 88 percent of the total reserve:

- ◆ Cultivated land – non-rice
- ◆ Cultivated land – rice
- ◆ Grassland

The annual inflation adjustment for these land cover types uses the five-year rolling average annual compounded change. Using a five-year rolling average reduces year-to-year volatility in the index while updating the development fees based on recent trends in land values. Although ASFRMA data represents fee title acquisition values, the same trends are applicable to conservation easements costs that are the primary tool that the Conservancy will use to build the reserve.

Lacking an applicable land value index from ASFRMA, the inflation index for all other land cover types including woodlands, wetlands, and alkali prairie, is based on the annual change over the prior two years for the Consumer Price Index (CPI) published by the U.S. Bureau of Labor Statistics. These land cover types represent the remaining 12 percent of the reserve not represented as cultivated land or grassland.

The land acquisition annual cost inflation methodology and applicable data sources are summarized in Table 1.

The automatic inflation adjustment for 2025 uses data from the 2024 ASFRMA *Trends* report that provides high and low values for the five-year period 2018 to 2023. The CPI adjustment is based on the annual change from 2023 to 2024.

To calculate the land acquisition cost component for the land cover fee annual adjustment, the annual change in value for each of the four land cover types based on the methodology and sources in Table 1 is weighted by the share of remaining reserve lands to be acquired. The weighted average increase for the current annual inflation adjustment is 0.8% as shown in Table 2.

For the wetland fee, only the CPI inflation adjustment is used for the land acquisition component because only the CPI is used to reflect in acquisition costs for the applicable land cover types (fresh emergent wetland, valley foothill riparian, and lacustrine and riverine).

**Table 1: Components of Land Acquisition Cost Inflation Adjustment**

| <b>Land Cover Type</b> | <b>Historical Time Period for Measuring Inflation</b> | <b>Value</b> | <b>Source</b> |
|------------------------|---|--------------|---------------|
|------------------------|---|--------------|---------------|

|  |  |  |   |
|--|--|--|---|
| Cultivated Land – Non-Rice             | Average annual percentage change over prior five years | Median of the range of values reported for:<br><ul style="list-style-type: none"> <li>• Vegetable crops</li> <li>• Irrigated field cropland</li> </ul> With each value weighted by amount of Yolo County crop acreage in production in each category (excluding rice). | California Chapter American Society of Farm Managers and Rural Appraisers, <i>Trends in Agricultural Land and Lease Values</i> (ASFMRA Report)<br>Yolo County Department of Agriculture and Weights & Measures, <i>Yolo County Agricultural Crop Report</i> |
| Cultivated Land – Rice                 | Average annual percentage change over prior five years | Median of the range of values for rice cropland  | ASFMRA Report   |
| Grassland                              | Average annual percentage change over prior five years | Median of the range of values for rangeland  | ASFMRA Report   |
| Woodland, Wetlands, and Alkali Prairie | Annual average percentage change over prior two years  | West region consumer price index for all urban consumers (not seasonally adjusted)   | U.S. Bureau of Labor Statistics   |

**Table 2: Land Acquisition Cost Inflation Factor**

| Land Cover Type                         | Start |          | End  |          | Average Annual Change | Remaining Reserve Share | Weighted Average Annual Change |
|---|-------|----------|------|----------|-----------------------|-------------------------|--------------------------------|
|   | Year  | Value    | Year | Value    |                       |                         |                                |
| Cultivated Land – Non-Rice <sup>1</sup> | 2018  | \$14,820 | 2023 | \$13,690 | -1.6%                 | 61.1%                   | -1.0%                          |
| Cultivated Land – Rice                  | 2018  | \$11,000 | 2023 | \$14,500 | 5.7%                  | 11.5%                   | 0.7%                           |
| Grassland                               | 2018  | \$2,125  | 2023 | \$1,625  | -5.2%                 | 15.5%                   | -0.8%                          |
| Woodlands, Wetlands, and Alkali Prairie | 2023  | 323.834  | 2024 | 332.945  | 2.8%                  | 11.9%                   | 0.3%                           |
| <b>Total</b>                            |       |          |      |          |                       | <b>100.0%</b>           | <b>-0.8%</b>                   |

<sup>1</sup> Average of median value for vegetable and irrigated field crops weighted by amount of Yolo County crop acreage in production in each category (excluding rice).

Sources: See Table 1.

### **Inflation of All Other Plan Costs**

All other (non-land acquisition) plan costs, such as maintenance, monitoring, restoration, and program administration, include a wide range of personnel, supply, and capital costs. Given the diverse types of costs included in this category, overall cost inflation in the local economy provides a reasonable estimate of inflation. This index uses the same index used for “all other” land cover types in the Table 1, annual increase over the prior two years of the Consumer Price Index (CPI) from the U.S. Bureau of Labor Statistics for the West region.

### **Inflation Cost Component Shares**

To calculate the annual adjustment for each of the two development fees (land cover fee and wetland fee), the two inflation cost components discussed above (land acquisition and all other plan costs) are weighted by the share of costs to be funded by each fee. These cost shares will vary over the course of Plan implementation depending on cash flow estimates for the use of revenue generated by each fee. Table 8-10 in Chapter 8 of the Plan included initial estimates of these cost shares for each fee. These initial estimates have been updated based on the most recent cash flow estimates. Current cost share estimates for each fee are shown in Table 3.

**Table 3: Cost Category Shares**

| <b>Cost Category</b> | <b>Land Cover Fee</b> | <b>Wetland Fee</b> |
|----------------------|-----------------------|--------------------|
| Land Acquisition     | 59.3%                 | 16.8%              |
| All Other Plan Costs | <u>40.7%</u>          | <u>83.2%</u>       |
| Total                | 100%                  | 100%               |

Sources: Yolo HCP/NCCP Funding Model (version 2021-02-24).

### **Annual Inflation Adjustment**

The 2025 automatic annual adjustment for each of the development fees is shown in Table 4 based on the inputs from Tables 2 and 3.

The total inflation adjustment for each fee from Table 4 is applied to the current fee schedule to calculate the revised fee schedule for 2025 as shown in **Table 5**.

**Table 4: 2025 Development Fee Inflation Indices**

| <b>Fee and Cost Component</b> | <b>Cost Component Weight</b> | <b>Inflation Factor</b> | <b>Weighted Inflation Factor</b> |
|-------------------------------|------------------------------|-------------------------|----------------------------------|
| Land Cover Fee                |                              |                         |                                  |
| Reserve Assembly              | 59.3%                        | -0.8%                   | -0.5%                            |

|                      |              |      |             |
|----------------------|--------------|------|-------------|
| All Other Plan Costs | <u>40.7%</u> | 2.8% | <u>1.2%</u> |
| Total                | 100%         |      | 0.7%        |
| <b>Wetland Fee</b>   |              |      |             |
| Reserve Assembly     | 16.8%        | 2.8% | 0.5%        |
| All Other Plan Costs | <u>83.2%</u> | 2.8% | <u>2.3%</u> |
| Total                | 100%         |      | 2.8%        |

Sources: Tables 2 and 3.

**Table 5: 2025 Revised Development Fee Schedule**

| <b>Development Fee</b>   | <b>Unit</b> | <b>Current Fee</b> | <b>Inflation Adjustment</b> | <b>Revised Fee</b> |
|--------------------------|-------------|--------------------|-----------------------------|--------------------|
| Land Cover Fee           | per acre    | \$16,559           | 0.7%                        | \$16,672           |
| <b>Wetland Fees</b>      |             |                    |                             |                    |
| Fresh Emergent Marsh     | per acre    | \$91,085           | 2.8%                        | \$93,648           |
| Valley Foothill Riparian | per acre    | \$95,754           | 2.8%                        | \$98,448           |
| Lacustrine and Riverine  | per acre    | \$73,052           | 2.8%                        | \$75,107           |

Yolo Habitat Conservancy Board of Directors Meeting

Meeting Date: 03/17/2025

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Information

SUBJECT

Receive and file the Yolo Habitat Conservancy FY24/25 Mid-Year Budget Update

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Attachments

Staff Report

Att. A. Mid-Year Budget Summary for FY24/25

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Form Review

Form Started By: Charlie Tschudin

Final Approval Date: 03/11/2025

Started On: 03/11/2025 12:27 PM



# Yolo Habitat Conservancy

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

To: Lucas Frerichs, Chair  
Members of the Board

From: Chris Alford  
Interim Executive Director

Re: Receive and file the Yolo Habitat Conservancy FY24/25 Mid-Year Budget Update

Date: March 17, 2025

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## REQUESTED ACTION:

1. Receive and file the Yolo Habitat Conservancy FY24/25 Mid-Year Budget Update (Attachment A)

## BACKGROUND:

The Yolo Habitat Conservancy maintains six separate funds associated with the Yolo HCP/NCCP. As part of the Conservancy's regular financial updates to the Board, staff provides a fund-level financial summary. This financial update includes revenues and expenditures for the first half of FY24/25 (July 1, 2024 through December 31, 2024) for each of the six funds. Below is a description of each fund and notable activities that occurred in the first half of FY24/25. Attachment A includes the adopted budget for FY24/25, financial status of each fund for the first half of FY24/25, the projected account activity anticipated to occur within the remainder of the fiscal year and a comparison of budget to actuals.

**Mitigation Fee Fund:** The Conservancy places revenue collected from Yolo HCP/NCCP mitigation fees in this fund and utilizes this fund to track expenditures of mitigation fees used to implement the Yolo HCP/NCCP. A total of \$13,311 was deposited into this account as mitigation fee revenue in the first half of FY24/25. This amount constitutes only 2% of the budgeted fee revenue for the total fiscal year. It is anticipated; however, that an additional \$797,206 in fee revenue will be collected by the end of FY24/25 which is slightly greater than the \$700,000 of anticipated fee revenue included in the approved budget. A total of \$339,276 in expenditures were incurred during the first half of FY24/25. This only constitutes approximately 13% of the total \$2,589,962 of anticipated expenditures included in the FY24/25 budget. The primary expense anticipated for the Mitigation Fee Fund for the fiscal year is the purchase of a conservation easement, which is anticipated to occur in the second half of the fiscal year. Conservancy staff also anticipate an increase in professional service expenses in the second half of the fiscal year as due diligence activities are conducted for multiple candidate Yolo HCP/NCCP reserve system sites.

**Mitigation Trust Account Fund:** This fund contains fees collected for specific mitigation purposes. The funds currently held within the Mitigation Trust Account Fund are to be used towards the acquisition of land that contains burrowing owl habitat. The Conservancy intends to utilize the balance of the funds currently held within this account by the end of FY24/25.

**Grant Fund:** The Conservancy tracks all grant revenues and expenditures through this fund. The Conservancy does not currently have any grants so there was no activity associated with this fund during the first half of FY24/25.

**Pre-Permit Endowment:** This fund is held by the Sacramento Region Community Foundation and contains endowment funds collected to monitor pre-permit conservation easements established prior to the official start of Yolo HCP/NCCP implementation (January 11, 2019). Annual compliance monitoring was conducted during the first half of FY24/25. Interest accrued to this account during the first half of FY24/25 was \$25,620, while a total of \$7,607 of expenses were incurred between monitoring compliance costs and service fees charged by the Sacramento Regional Community Foundation.

**Post-Permit Endowment:** The Conservancy places 2.5% of all HCP/NCCP mitigation fees collected as well as all stewardship donations collected into this fund to save for management and monitoring of the reserve system after the permit term ends in 50 years. The Conservancy deposits these funds into an account held by the County at the time they are received and subsequently transfers the funds to a long-term endowment fund held by the Sacramento Region Community Foundation on a semi-regular basis. This account accrued \$17,462 of interest and received an additional \$138 of mitigation fee funds during the first half of FY24/25. A total of \$1,528 in service fees were paid to the Sacramento Region Community Foundation for administering this account.

**Other Revenue Fund:** The Conservancy places contribution to recovery fee revenue collected from Special Participating Entities, landowner contributions, and other non-mitigation fee revenue in this fund. The Conservancy did not collect any fees from Special Participating Entities or other non-mitigation revenue funds during the first half of FY24/25.

**ATTACHMENT:**

**Attachment A.** Mid-Year Budget Summary for FY24/25





## Yolo Habitat Conservancy FY24-25 Mid-Year Budget Summary

### Mitigation Fee Fund (Fund 7230)

| Description                               | Approved<br>FY24/25 Budget<br>(5.20.24) | Actual through<br>12/31/24 | Estimates for 2nd<br>half of FY24/25* | Total          | Favorable<br>(Unfavorable)<br>Variance | % of Budget<br>for 1st half<br>of FY24/25 | % of Budget<br>Estimated<br>Total |
|---|---|----------------------------|---------------------------------------|----------------|--|---|-----------------------------------|
| <b>Beginning Fund Balance</b>             | \$ 2,967,008                            |                            |                                       |                |  |   |                                   |
| Unassigned Fund Balance                   | \$ 2,506,921                            |                            |                                       |                |  |   |                                   |
| Assigned Fund Balance                     | \$ 460,087                              |                            |                                       |                |  |   |                                   |
| <b>Revenues</b>                           | \$ 705,000                              | \$ 42,871                  | \$ 797,206                            | \$ 840,077     | \$ 135,077                             | 6%  | 119%                              |
| Fees and Permits                          | \$ 700,000                              | \$ 13,311                  | \$ 797,206                            | \$ 810,517     | \$ 110,517                             | 2%  | 116%                              |
| Interest                                  | \$ 5,000                                | \$ 29,560                  | \$ -                                  | \$ 29,560      | \$ 24,560                              | 591%                                      | 591%                              |
| <b>Expenditures</b>                       | \$ (2,589,962)                          | \$ (339,276)               | \$ (2,065,855)                        | \$ (2,405,131) | \$ 184,831                             | 13%                                       | 93%                               |
| Insurance-public liability                | \$ (500)                                | \$ (1,045)                 | \$ -                                  | \$ (1,045)     | \$ (545)                               | 209%                                      | 209%                              |
| Office Expense                            | \$ (500)                                | \$ -                       | \$ -                                  | \$ -           | \$ 500                                 | 0%  | 0%                                |
| Transportation and Travel                 | \$ (300)                                | \$ -                       | \$ -                                  | \$ -           | \$ 300                                 | 0%  | 0%                                |
| IT Service - ERP                          | \$ (500)                                | \$ (558)                   | \$ (558)                              | \$ (1,116)     | \$ (616)                               | 112%                                      | 223%                              |
| IT SVCS - Dept System Maint               | \$ (7,000)                              | \$ (126)                   | \$ (1,000)                            | \$ (1,126)     | \$ 5,874                               | 2%  | 16%                               |
| Prof & Sec Svc - IT Services              | \$ (700)                                | \$ (444)                   | \$ (250)                              | \$ (694)       | \$ 6                                   | 63%                                       | 99%                               |
| Prof & Sec Svc - auditing and accounting  | \$ (25,000)                             | \$ (36,480)                | \$ -                                  | \$ (36,480)    | \$ (11,480)                            | 146%                                      | 146%                              |
| Prof & Sec Svc - Legal                    | \$ (15,000)                             | \$ -                       | \$ (10,000)                           | \$ (10,000)    | \$ 5,000                               | 0%  | 67%                               |
| Prof & Sec Svc - Other                    | \$ (753,700)                            | \$ (299,673)               | \$ (468,335)                          | \$ (768,008)   | \$ (14,308)                            | 40%                                       | 102%                              |
| Board Meeting Stipends                    | \$ (2,000)                              | \$ (950)                   | \$ (950)                              | \$ (1,900)     | \$ 100                                 | 48%                                       | 95%                               |
| Easements - Non Depreciable               | \$ (1,584,762)                          | \$ -                       | \$ (1,584,762)                        | \$ (1,584,762) | \$ -                                   | 0%  | 100%                              |
| Contingency                               | \$ (200,000)                            | \$ -                       | \$ -                                  | \$ -           | \$ 200,000                             | 0%  | 0%                                |
| <b>Net Fund Balance</b>                   | \$ (1,884,962)                          | \$ (296,405)               | \$ (1,268,649)                        | \$ (1,565,054) | \$ 319,908                             | 16%                                       | 83%                               |
| <b>Use (Contribution) to Fund Balance</b> |   |                            |                                       |                |  |   |                                   |
| Transfer to reserve                       | \$ (200,000)                            | \$ (100,000)               | \$ (100,000)                          | \$ (200,000)   | \$ -                                   | 50%                                       | 100%                              |
| <b>End Fund Balance</b>                   | \$ 1,082,046                            | \$ 2,670,603               | \$ 1,401,954                          | \$ 1,401,954   | \$ 319,908                             | 247%                                      | 130%                              |
| Unassigned Fund Balance                   | \$ 421,959                              | \$ 2,110,516               | \$ 741,867                            | \$ 741,867     | \$ 319,908                             | 500%                                      | 176%                              |
| Assigned Fund Balance                     | \$ 660,087                              | \$ 560,087                 | \$ 660,087                            | \$ 660,087     | \$ -                                   | 85%                                       | 100%                              |

\* Staff provide an estimate in this column of the potential additions or reductions in revenue and expenditures relative to actual revenue and expenditures. This column allows staff to communicate expected upcoming changes that actual reporting does not reflect.

### Mitigation Trust Account Fund (Fund 7231)

| Description                   | Approved<br>FY24/25 Budget<br>(5.20.24) | Actual through<br>12/31/24 | Estimates for 2nd<br>half of FY24/25* | Total        | Favorable<br>(Unfavorable)<br>Variance | % of Budget<br>for 1st half<br>of FY24/25 | % of Budget<br>Estimated<br>Total |
|-------------------------------|---|----------------------------|---------------------------------------|--------------|--|---|-----------------------------------|
| <b>Beginning Fund Balance</b> | \$ 155,611                              |                            |                                       |              |  |   |                                   |
| <b>Revenues</b>               | \$ -                                    | \$ 1,561                   | \$ -                                  | \$ 1,561     | \$ 1,561                               | -   | -                                 |
| Interest                      | \$ -                                    | \$ 1,561                   | \$ -                                  | \$ 1,561     | \$ 1,561                               | -   | -                                 |
| <b>Expenditures</b>           | \$ (155,611)                            | \$ -                       | \$ (157,172)                          | \$ (157,172) | \$ (1,561)                             | 0%  | 101%                              |
| Prof & Spec Svc - Legal       |   |                            |                                       |              |  |   |                                   |
| Prof & Spec Svc - Other       |   |                            |                                       |              |  |   |                                   |
| Easements - Non Depreciable   | \$ (155,611)                            | \$ -                       | \$ (157,172)                          | \$ (157,172) | \$ (1,561)                             | 0%  | 101%                              |
| Other Fin Uses - Transfer Out |   |                            |                                       |              |  |   |                                   |
| <b>Net Fund Balance</b>       | \$ (155,611)                            | \$ 1,561                   | \$ (155,611)                          | \$ (155,611) | \$ -                                   | -1%                                       | 100%                              |
| <b>End Fund Balance</b>       | \$ -                                    | \$ 157,172                 | \$ -                                  | \$ -         | \$ -                                   | -   | -                                 |

\* Staff provide an estimate in this column of the potential additions or reductions in revenue and expenditures relative to actual revenue and expenditures. This column allows staff to communicate expected upcoming changes that actual reporting does not reflect.

**Grant Fund (Fund 7232)**

| Description                   | Approved<br>FY24/25 Budget<br>(5.20.24) | Actual through<br>12/31/24 | Estimates for 2nd<br>half of FY24/25* | Total | Favorable<br>(Unfavorable)<br>Variance | % of Budget<br>for 1st half<br>of FY24/25 | % of Budget<br>Estimated<br>Total |
|-------------------------------|---|----------------------------|---------------------------------------|-------|--|---|-----------------------------------|
| <b>Beginning Fund Balance</b> | \$ 28,496                               |                            |                                       |       |  |   |                                   |
| Unassigned Fund Balance       | \$ (31,591)                             |                            |                                       |       |  |   |                                   |
| Assigned Fund Balance         | \$ 60,087                               |                            |                                       |       |  |   |                                   |
| <b>Revenues</b>               | \$ -                                    | \$ -                       | \$ -                                  | \$ -  | \$ -                                   | -   | -                                 |
| Interest                      |   |                            |                                       |       |  |   |                                   |
| Other revenue- State          |   |                            |                                       |       |  |   |                                   |
| <b>Expenditures</b>           | \$ -                                    | \$ -                       | \$ -                                  | \$ -  | \$ -                                   | -   | -                                 |
| Prof & spec svc-other         | \$ -                                    | \$ -                       | \$ -                                  | \$ -  | \$ -                                   | -   | -                                 |
| <b>Net Fund Balance</b>       | \$ -                                    | \$ -                       | \$ -                                  | \$ -  | \$ -                                   | -   | -                                 |
| <b>End Fund Balance</b>       | \$ 28,496                               | \$ -                       | \$ -                                  | \$ -  | \$ -                                   | -   | -                                 |
| Unassigned Fund Balance       | \$ (31,591)                             |                            |                                       |       |  |   |                                   |
| Assigned Fund Balance         | \$ 60,087                               |                            |                                       |       |  |   |                                   |

\* Staff provide an estimate in this column of the potential additions or reductions in revenue and expenditures relative to actual revenue and expenditures. This column allows staff to communicate expected upcoming changes that actual reporting does not reflect.

**Pre Permit Endowmnet Fund (Fund 7233)**

| Description                   | Approved<br>FY24/25 Budget<br>(5.20.24) | Actual through<br>12/31/24 | Estimates for 2nd<br>half of FY24/25* | Total      | Favorable<br>(Unfavorable)<br>Variance | % of Budget<br>for 1st half<br>of FY24/25 | % of Budget<br>Estimated<br>Total |
|-------------------------------|---|----------------------------|---------------------------------------|------------|--|---|-----------------------------------|
| <b>Beginning Fund Balance</b> | \$ 351,715                              |                            |                                       |            |  |   |                                   |
| <b>Revenues</b>               | \$ -                                    | \$ 25,620                  | \$ -                                  | \$ 25,620  | \$ 25,620                              | -   | -                                 |
| Interest                      | \$ -                                    | \$ 25,620                  | \$ -                                  | \$ 25,620  | \$ 25,620                              | -   | -                                 |
| <b>Expenditures**</b>         | \$ (10,000)                             | \$ (7,607)                 | \$ -                                  | \$ (7,607) | \$ 2,393                               | 76%                                       | 76%                               |
| Prof & spec svc-other**       | \$ (10,000)                             | \$ (7,607)                 | \$ -                                  | \$ (7,607) | \$ 2,393                               | 76%                                       | 76%                               |
| <b>Net Fund Balance</b>       | \$ (10,000)                             | \$ 18,013                  | \$ -                                  | \$ 18,013  | \$ 28,013                              | -180%                                     | -180%                             |
| <b>End Fund Balance</b>       | \$ 341,715                              | \$ 408,634                 | \$ 408,634                            | \$ 408,634 | \$ 66,919                              | 120%                                      | 120%                              |

\* Staff provide an estimate in this column of the potential additions or reductions in revenue and expenditures relative to actual revenue and expenditures. This column allows staff to communicate expected upcoming changes that actual reporting does not reflect.

\*\* Funds in this line item were noted as income in the FY24/25 budget approved on 5/20/24. This is assumed to have been a hand key error and has been corrected in this table.

**Post Permit Endowmnet Fund (Fund 7234)**

| Description                   | Approved<br>FY24/25 Budget<br>(5.20.24) | Actual through<br>12/31/24 | Estimates for 2nd<br>half of FY24/25* | Total      | Favorable<br>(Unfavorable)<br>Variance | % of Budget<br>for 1st half<br>of FY24/25 | % of Budget<br>Estimated<br>Total |
|-------------------------------|---|----------------------------|---------------------------------------|------------|--|---|-----------------------------------|
| <b>Beginning Fund Balance</b> | \$ 350,858                              |                            |                                       |            |  |   |                                   |
| <b>Revenues</b>               | \$ 8,000                                | \$ 17,600                  | \$ 19,865                             | \$ 37,465  | \$ 29,465                              | 220%                                      | 468%                              |
| Fees and Permits              | \$ 8,000                                | \$ 138                     | \$ 19,865                             | \$ 20,003  | \$ 12,003                              | 2%  | 250%                              |
| Interest                      | \$ -                                    | \$ 17,462                  | \$ -                                  | \$ 17,462  | \$ 17,462                              | -   | -                                 |
| <b>Expenditures</b>           | \$ -                                    | \$ (1,528)                 | \$ (1,600)                            | \$ (3,128) | \$ (3,128)                             | -   | -                                 |
| Prof & spec svc-other         | \$ -                                    | \$ (1,528)                 | \$ (1,600)                            | \$ (3,128) | \$ (3,128)                             | -   | -                                 |
| <b>Net Fund Balance</b>       | \$ 8,000                                | \$ 19,127                  | \$ 21,465                             | \$ 40,593  | \$ 32,593                              | 239%                                      | 507%                              |
| <b>End Fund Balance</b>       | \$ 358,858                              | \$ 369,985                 | \$ 391,451                            | \$ 391,451 | \$ 32,593                              | 103%                                      | 109%                              |

\* Staff provide an estimate in this column of the potential additions or reductions in revenue and expenditures relative to actual revenue and expenditures. This column allows staff to communicate expected upcoming changes that actual reporting does not reflect.

**Other Revenue Fund (Fund 7235)**

| Description                       | Approved<br>FY24/25 Budget<br>(5.20.24) | Actual through<br>12/31/24 | Estimates for 2nd<br>half of FY24/25* | Total      | Favorable<br>(Unfavorable)<br>Variance | % of Budget<br>for 1st half<br>of FY24/25 | % of Budget<br>Estimated<br>Total |
|-----------------------------------|---|----------------------------|---------------------------------------|------------|--|---|-----------------------------------|
| <b>Beginning Fund Balance</b>     | \$ 122,550                              |                            |                                       |            |  |   |                                   |
| <b>Revenues</b>                   | \$ -                                    | \$ 1,112                   | \$ -                                  | \$ -       | \$ -                                   | -   | -                                 |
| Fees and Permits                  | \$ -                                    | \$ -                       | \$ -                                  | \$ -       | \$ -                                   | -   | -                                 |
| Interest                          | \$ -                                    | \$ 1,112                   | \$ -                                  | \$ -       | \$ -                                   | -   | -                                 |
| <b>Expenditures</b>               | \$ -                                    | \$ -                       | \$ -                                  | \$ -       | \$ -                                   | -   | -                                 |
| Prof & spec svc-other             | \$ -                                    | \$ -                       | \$ -                                  | \$ -       | \$ -                                   | -   | -                                 |
| <b>Net Fund Balance</b>           | \$ -                                    | \$ 1,112                   | \$ -                                  | \$ 1,112   | \$ 1,112                               | -   | -                                 |
| <b>End Fund Balance</b>           | \$ 122,550                              | \$ 123,662                 | \$ 123,662                            | \$ 123,662 | \$ 1,112                               | 101%                                      | 101%                              |
| <b>All Funds End Fund Balance</b> | \$ 1,933,665                            |                            |                                       |            |  |   |                                   |

\* Staff provide an estimate in this column of the potential additions or reductions in revenue and expenditures relative to actual revenue and expenditures. This column allows staff to communicate expected upcoming changes that actual reporting does not reflect.

Meeting Date: 03/17/2025

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Information

SUBJECT

Executive Director's Report

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Attachments

Att. A. Staff Report

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Form Review

Form Started By: Julie Dachtler  
Final Approval Date: 03/14/2025

Started On: 03/14/2025 01:41 PM



# Yolo Habitat Conservancy

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

To: Lucas Frerichs, Chair  
Members of the Board

From: Chris Alford  
Interim Executive Director

Re: Receive Interim Executive Director's update on proposed staffing approach and provide direction on next steps

Date: March 17, 2025

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## **REQUESTED ACTION:**

1. Receive Interim Executive Director's update on proposed staffing approach and provide direction regarding next steps

## **BACKGROUND:**

Since 2020, the County of Yolo (County) has provided a variety of ongoing administrative services that support the Yolo Habitat Conservancy (Conservancy) and its implementation of the Yolo Habitat Conservation Plan/Natural Community Conservation Plan (HCP/NCCP) under a Memorandum of Understanding (MOU). The Conservancy also contracts with other entities to provide specialized services and as-needed support. In October 2024, the County staff member acting as the Executive Director for the Yolo Habitat Conservancy left their position at the County. On December 9, 2024, the Conservancy Board appointed Chris Alford to be the Interim Executive Director to oversee implementation of the Yolo HCP/NCCP in the short-term and to evaluate staffing options to ensure the Conservancy has the capacity to address Yolo HCP/NCCP implementation responsibilities in the coming years. A summary of the assessment effort conducted to-date and the recommended staffing approach to share staff with the County's Natural Resources Program is provided below. Staff request that the Board provide their initial input and recommendations regarding the proposed staffing approach and provide direction regarding next steps.

## **CONSERVANCY CAPACITY NEEDS:**

The Conservancy is in its sixth year of implementing the Yolo HCP/NCCP. The Conservancy has maintained a very lean staffing structure that primarily relies on partial FTEs of County staff with support from consultants. Since 2020, the 'key' positions conducting day-to-day management and implementation of the Yolo HCP/NCCP for the Conservancy have consisted of 0.25 FTE of a management-level County staff member to act as Executive Director, 0.4 FTE of a County Planner position to oversee the review and processing of covered activity applications, and a contract with Alford Environmental to

manage conservation strategy implementation with a time allocation that is approximately equivalent to 0.45 FTE of a staff position. In total this equates to 1.1 FTE in annual work hours, spread across three part-time positions.

In the first few years of Yolo HCP/NCCP implementation, staff time was primarily focused on developing policies and implementation structures. In more recent years, the day-to-day staff activities have shifted from putting structures in place to support Yolo HCP/NCCP implementation to conducting key implementation functions such as processing covered activity applications, review and certification of qualified biologist applications, reserve system property identification and enrollment, identification of habitat restoration and enhancement needs within the reserve system, and the procurement and management of contracts to support reserve system site acquisitions, restoration, management, monitoring, and other activities as-needed to support Yolo HCP/NCCP implementation. The Conservancy currently has active contract agreements in place with 14 consultants and contractors that assist in meeting the requirements of the Yolo HCP/NCCP.

The number of applications for take coverage and reserve system site enrollment, management, and monitoring needs have increased substantially in the past few years. A total of 84 projects have received permit coverage under the Yolo HCP/NCCP to-date. In part due to COVID and other economic factors, there were few development projects seeking permit coverage and paying mitigation fees during the first three years of implementation. An average of only 7 projects per year were issued permit coverage during the first three years of implementation. In contrast, an average of 20 projects a year have been issued permit coverage during the most recent three years of implementation.

The Conservancy has steadily increased the number of properties in the reserve system and overall acreage of habitat restoration and enhancement projects conducted within the reserve system consistent with the goals and objectives of the Yolo HCP/NCCP. Currently there are 5,837 acres of land, spread across 28 properties, that are enrolled in the Yolo HCP/NCCP reserve system. The Conservancy is also actively engaged in completing required due diligence and enrollment steps for 9 additional properties that have already been approved as candidate conservation easement sites. Over 18 acres of land across four different reserve system sites have been restored as riparian, wetlands, or lacustrine habitat to meet valley elderberry longhorn beetle mitigation and habitat restoration requirements. Several projects that are anticipated to seek permit coverage within the next two years will require riparian habitat mitigation and the transplanting of elderberries onto reserve system sites. Staff are actively working on enrolling three additional properties in the reserve system that are suitable for riparian restoration and can receive elderberry transplants.

While site management and monitoring activities are primarily conducted by consultants and project partners, Conservancy staff are responsible for making sure these activities occur, managing contracts, coordinating with landowners and project partners, maintaining documentation and datasets associated with monitoring and management efforts, and summarizing monitoring and management activities in the Yolo HCP/NCCP's annual report. Monitoring activities currently being conducted to meet Yolo HCP/NCCP requirements are extensive and include, among other things, an array of different compliance, species, habitat, and land cover surveys at various frequencies across the reserve system. Additional monitoring activities will also be necessary as the reserve system is expanded by the addition



of new conservation easement sites that include habitat types that are not already part of the existing reserve system.

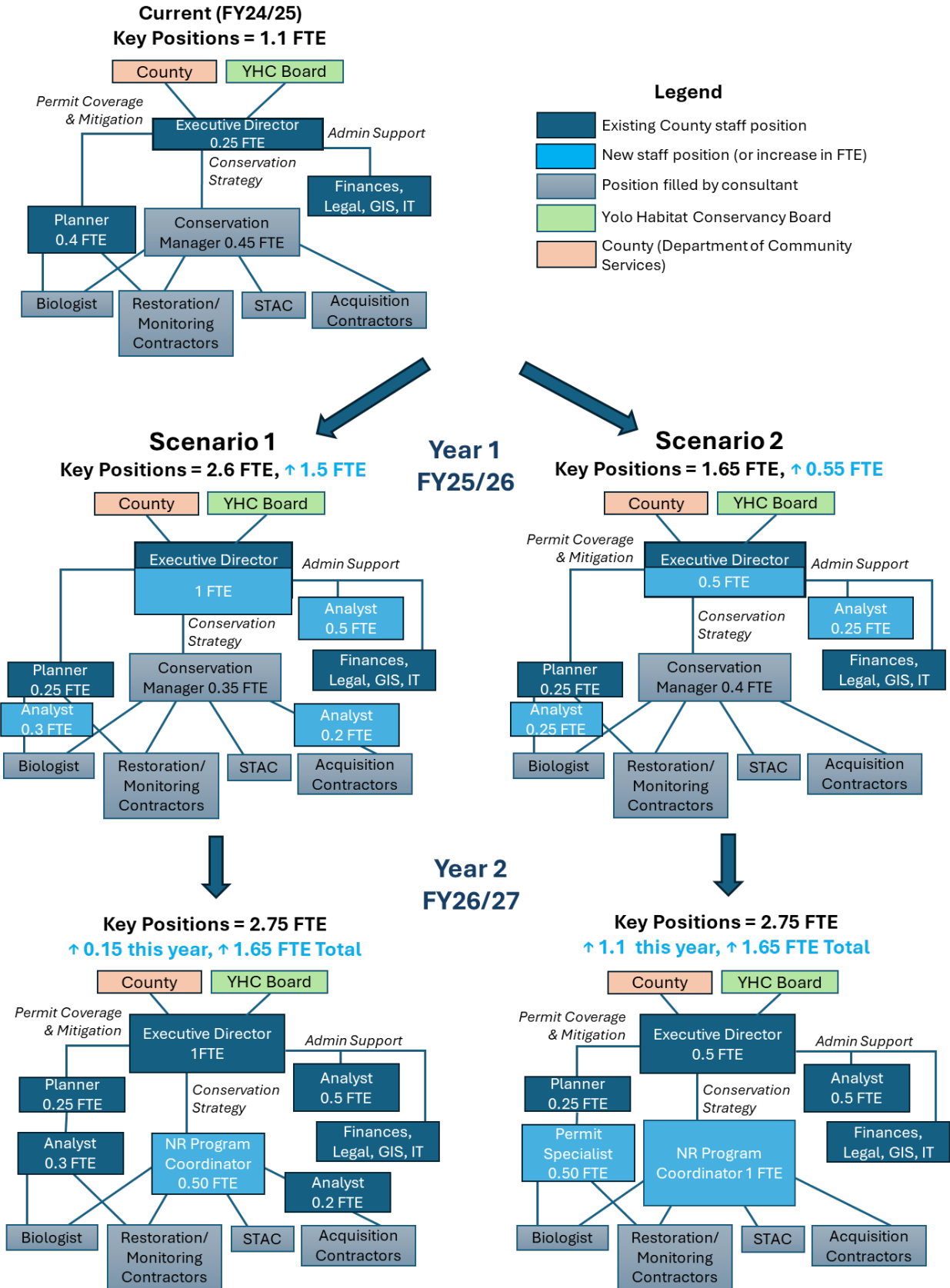
The Conservancy has been able to meet the primary requirements of the Yolo HCP/NCCP permit terms; however, there are some items identified in the Yolo HCP/NCCP that have not been conducted or have been minimally addressed to-date due to the current lack of staff capacity. Activities such as grant writing, development of an annual work plan, convening of the Advisory Committee, and public education and outreach are all activities identified in the Yolo HCP/NCCP that either haven't, or have only minimally, been conducted. There is also the need for the Conservancy to consider amending the Yolo HCP/NCCP within the next few years to include permit coverage for species that are likely to become state or federally listed species and potentially to seek modifications in the amount of temporary impacts that are covered by the Yolo HCP/NCCP. While an amendment is not required of the Yolo HCP/NCCP permits, it may be necessary in order to ensure that the Yolo HCP/NCCP is able to continue to provide the benefits of efficient project permitting and certainty regarding development project fees and pre-established avoidance and minimization measures.

#### **STAFFING APPROACH SCENARIOS:**

The staffing evaluation conducted thus far assumes the Conservancy would continue to maintain an MOU with the County to provide administrative and other support services. Other options include hiring employees for the Conservancy or contracting with a different member agency, but these options are not further considered herein due to concerns with feasibility, costs, and other practical concerns.

Assuming an ongoing County/Conservancy collaboration, the amounts budgeted in the tables below are based on County position classifications and include an 8% annual increase that accounts for a 3% automatic inflation increase and a 5% merit increase based on current County practices. In terms of the type of staffing needed, the most immediate needs of the Conservancy are to: 1) fill and increase the time allotment of the Executive Director position to provide leadership and overall management, and 2) add staff to provide administrative support. The two scenarios provided below take different approaches to address these needs. Scenario 1 assumes that any new staff to the Conservancy established within year one (FY25/26) are entirely assigned to the Conservancy. Scenario 2 assumes new staff to the Conservancy established in year one are shared 50/50 with the County's Natural Resources staff which implement the Cache Creek Area Plan (related to ongoing gravel mining). These two scenarios were initially chosen to provide the Board and County staff with a relative comparison of what staffing structures and associated costs would look like under different scenarios that result in a similar number of work hours per year assigned to key staff at year 2.







| Key YHC Staff Roles                      | Current staffing (FY24/25) |              |                  |
|--|----------------------------|--------------|------------------|
|  | FTE Allocation             | Hours/Year*  | Cost/Year        |
| Executive Director (staff)               | 0.25                       | 438          | \$68,382         |
| NR Planner (staff)                       | 0.4                        | 700          | \$84,382         |
| Conservation Manager (contractor)        | 0.45                       | 915          | \$160,000        |
| Sr. Admin. Services Analyst (staff)      | -                          | -            | -                |
| NR Program Coordinator (staff)           | -                          | -            | -                |
| Associate Administrative Analyst (staff) | -                          | -            | -                |
| NR P C - Permit Specialist (staff)       | -                          | -            | -                |
| <b>Totals:</b>                           | <b>1.1</b>                 | <b>2,053</b> | <b>\$312,764</b> |

**YEAR 1: Comparison of staffing options evaluated for FY25/26**

| Key YHC Staff Roles                  | Scenario 1: New positions in Year 1 are not shared |              |                  | Scenario 2: Conservancy & Natural Resources Staff Share |              |                  |
|--------------------------------------|--|--------------|------------------|---|--------------|------------------|
|                                      | FTE Allocation                                     | Hours/Year*  | Cost/Year        | FTE Allocation  | Hours/Year*  | Cost/Year        |
| Executive Director (staff)           | 1  | 1,750        | \$248,660        | 0.5   | 875          | \$124,330        |
| NR Planner (staff)                   | 0.25   | 500          | \$52,739         | 0.25  | 500          | \$52,739         |
| Conservation Manager (contractor)**  | 0.35   | 700          | \$133,000        | 0.4   | 800          | \$152,000        |
| Sr. Admin. Services Analyst (staff)  | 1  | 1,750        | \$182,486        | 0.5   | 875          | \$91,243         |
| NR Program Coordinator (staff)       | -  | -            | -                | -   | -            | -                |
| NR P C - Permit Specialist (staff)   | -  | -            | -                | -   | -            | -                |
| <b>Totals:</b>                       | <b>2.6</b>   | <b>4,700</b> | <b>\$616,885</b> | <b>1.65</b>   | <b>3,050</b> | <b>\$420,312</b> |
| <b>Increase compared to FY24/25:</b> | <b>1.5</b>   | <b>2,647</b> | <b>\$304,122</b> | <b>0.55</b>   | <b>997</b>   | <b>\$107,549</b> |

**YEAR 2: Comparison of staffing options evaluated for FY26/27**

| Key YHC Staff Roles                  | Scenario 1: New positions in Year 1 are not shared |              |                  | Scenario 2: Conservancy & Natural Resources Staff Share |              |                  |
|--------------------------------------|--|--------------|------------------|---|--------------|------------------|
|                                      | FTE Allocation                                     | Hours/Year*  | Cost/Year        | FTE Allocation  | Hours/Year*  | Cost/Year        |
| Executive Director (staff)           | 1  | 1,750        | \$268,553        | 0.5   | 875          | \$134,276        |
| NR Planner (staff)                   | 0.25   | 500          | \$56,958         | 0.25  | 500          | \$56,958         |
| Conservation Manager (contractor)**  | -  | -            | -                | -   | -            | -                |
| Sr. Admin. Services Analyst          | 1  | 1,750        | \$197,085        | 0.5   | 875          | \$98,542         |
| NR Program Coordinator (staff)       | 0.5  | 875          | \$80,460         | 1   | 1,750        | \$160,920        |
| NR P C - Permit Specialist (staff)   | -  | -            | -                | 0.5   | 875          | \$80,460         |
| <b>Totals:</b>                       | <b>2.75</b>  | <b>4,875</b> | <b>\$603,056</b> | <b>2.75</b>   | <b>4,875</b> | <b>\$531,157</b> |
| <b>Increase compared to FY24/25:</b> | <b>1.65</b>  | <b>2,822</b> | <b>\$290,292</b> | <b>1.65</b>   | <b>2,822</b> | <b>\$218,393</b> |

\* Annual hours for staff positions are considered working hours such that standard vacation allotments are not included

\*\* Assumption is that this position, which is currently filled by a contractor, would be eliminated/replaced by staff positions. The Executive Director may choose to utilize the contractor for special projects or as-needed but they would no longer be fulfilling a key YHC staff role.

**RECOMMENDATION:**

Of the two scenarios provided above, Scenario 2 is the proposed as the preferred staffing approach for the following reasons:

- Both of the Conservancy’s most immediate needs (leadership and administrative support) are addressed immediately without causing a potential strain on the Conservancy’s overall budget
- Staff sharing between the Conservancy and Natural Resources provides an opportunity to



increase communications and coordination amongst the two programs and provides increased staff capacity to each program that may not be financially viable for either program on its own

- The Natural Resources Manager position, which was allocated an 0.25 FTE to serve as the Conservancy's Executive Director during the past and current fiscal year has historically been funded primarily with County General Funds. For example, this staff position billed approximately 70% of its time to the County General Fund in FY23/24. The new composition of this staff position will increase staff support to both the Yolo Habitat Conservancy and Natural Resources by approximately 25-35% for each program, while eliminating all reliance on the County's General Fund.
- The incoming Executive Director will have the opportunity to become familiar with the operations of the organization and have the ability to be directly involved in the hiring of more key staff in year 2 and/or adjust the approach as needed for year 2 to accommodate capacity needs, economic climate, and financial conditions at that time
- This approach includes one additional partial staff position for the Conservancy in year 2 as compared with Scenario 1, which slightly improves the overall ability to build institutional knowledge amongst staff

The two scenarios have been discussed with the County's Director of Community Services and Chief Assistant Director of Community Services. Community Services staff are supportive of the proposed staff sharing recommendation and have tentatively included a Natural Resources Manager position and a new Administrative Analyst position that would both be split 50/50 between the Conservancy and the Natural Resources Division in their draft Department budget for FY25/26, pending Yolo Habitat Conservancy Board approval. The Community Services Department's budget is also still subject to review and approval by the Board of Supervisors.

#### **NEXT STEPS:**

Staff request that the Board provide input regarding the proposed staffing approach and direct staff regarding the Board's desired approach for finalizing the approval of a staffing approach for FY25/26. If the Board is comfortable with the proposed staff sharing approach, the Board may choose to direct staff to coordinate with the Executive Management Committee and County staff to finalize the details of the staff positions prior to when the County's budget goes to the Board of Supervisors for an update on April 29<sup>th</sup> and return to the Board at the Conservancy's May Board meeting with a proposed FY25/26 Conservancy budget that incorporates the staffing recommendations. Alternatively, if the Board would like additional staffing options evaluated for consideration they may choose to direct staff to evaluate additional scenarios and schedule a special Conservancy Board meeting in April in order to review and discuss additional staffing approach options.

