

YREKA CITY COUNCIL
AGENDA

January 7, 2016 – 6:30 P.M.

Yreka City Council Chamber 701 Fourth Street, Yreka, CA

The full agenda packet can be found on the City's website www.ci.yreka.ca.us/council

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS: This is the time for public comments. Council may ask questions but may take no action during the public comment section of the meeting, except to direct staff to prepare a report or place an item on a future agenda. If you are here to make comments on a specific agenda item, you may speak at that time. If not, this is the time. Please limit your remarks to 5 minutes.

SPEAKERS: Please speak from the podium. State your name and mailing address so that City Staff can respond to you in regard to your comments, or provide you with information, if appropriate. You are not required to state your name and address if you do not desire to do so.

1. Discussion/Possible Action - Consent Calendar: All matters listed under the consent calendar are considered routine and will be enacted by one motion unless any member of the Council wishes to remove an item for discussion or a member of the audience wishes to comment on an item. The City Manager recommends approval of the following consent calendar items:
 - a. Approval of Minutes of the meeting held December 17, 2015.
 - b. Approval/ratification of payments issued from December 18, 2015 through January 7, 2016.
 - c. Acceptance of Treasurer's Report and Budget to Actual for the month of November 2015.
2. Discussion/Possible Action:
 - State Water Resources Control Board Conservation Order;
 - Adopt Resolution adopting restrictions on the use of outdoor irrigation – One Day per week watering schedule.
3. Discussion – Marijuana Status.
4. Discussion/Possible Action – Councilmember Simmen request for consideration of Marijuana regulation.
5. Discussion/Possible Action – Approval of Yreka Volunteer Fire Department Elected Officers for the 2016-2017 term.
6. Discussion/Possible Action – Approval of the appointment of Scott Caldwell to the Yreka Volunteer Fire Department.
7. Discussion/Possible Action – Acceptance of the Audited Financial Report Fiscal Year 2014-15.

City Manager Report

Council Statements and Requests: Members of the Council may make brief announcements, reports, or request staff to report to Council on any matter at a subsequent meeting.

CLOSED SESSION:

1. Conference with Legal Counsel - Anticipated Litigation

Initiation of litigation pursuant to Subdivision (c) of Section 54956.9 of the Government Code:
(Number of cases to be discussed – 1 - The names of the parties are not disclosed, as it is believed that that to do so would jeopardize the City's ability to serve process or to conclude existing settlement negotiations to the City's advantage).

RETURN TO OPEN SESSION: Announcement of any action taken by the City Council in Closed Session required by the Ralph M. Brown Act. (Government Code Section 54950 et. seq.)

Adjournment.

In compliance with the requirements of the Brown Act, notice of this meeting has been posted in a public accessible place, 72 hours in advance of the meeting.

All documents produced by the City which are related to an open session agenda item and distributed to the City Council are made available for public inspection in the City Clerk's Office during normal business hours.

In compliance with the Americans with Disabilities Act, those requiring accommodations for this meeting should notify the City Clerk 48 hours prior to the meeting at (530) 841-2324 or by notifying the Clerk at casson@ci.yreka.ca.us.

MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF
YREKA HELD IN SAID CITY ON DECEMBER 17, 2015

On the 17th day of December 2015, the City Council of the City of Yreka met in the City Council Chambers of said City in regular session, and upon roll call, the following were present: Deborah Baird, Bryan Foster, Joan Smith Freeman, and David Simmen. Absent – John Mercier.

Mayor Pro-tempore Bryan Foster announced that he received a request to add one item to the agenda, which came to the staff's attention after the preparation and posting of the agenda. Mayor Pro-tempore Foster stated that he would entertain a motion that there is a need to take immediate action and that the need for action came to the attention of the Council subsequent to the agenda being posted.

The item to add to the agenda is:

Report of Closed Session action pursuant to Government Code Section 54957.1(a)(5). On November 20, 2015, upon a motion made by Councilmember David Simmen, and seconded by Councilmember Bryan Foster, the City Council unanimously voted to dismiss a Police Officer from employment.

Following Council discussion, Councilmember Freeman moved to add to the agenda for public record, the report from the Special Meeting of the Yreka City Council held November 20, 2015 as submitted.

Councilmember Baird seconded the motion, and upon roll call, the following voted YEA: Baird, Foster, Freeman, and Simmen.

Mayor Pro-tempore Foster thereupon declared the motion carried, and asked that the record reflect the following report from closed session:

Report of Closed Session action pursuant to Government Code Section 54957.1(a)(5). On November 20, 2015, upon a motion made by Councilmember David Simmen, and seconded by Councilmember Bryan Foster, the City Council unanimously voted to dismiss a Police Officer from employment.

Consent Calendar: Mayor Pro-tempore Foster announced that all matters listed under the consent calendar are considered routine and will be enacted by one motion unless any member of the Council wishes to remove an item for discussion or a member of the audience wishes to comment on an item:

- a. Approval of Minutes of the special meeting held November 20, 2015 and the regular meeting held December 3, 2015.
- b. Approval/ratification of payments issued from December 4, 2015 through December 17, 2015.
- c. Adopt Resolution No. 2015-40 approving requests associated with the Special Event of the Jefferson Mountain Bike Association known as the Humbug Hurry-Up to be held June 25, 2016.

- d. Acceptance of Treasurer's Report and Budget to Actual for the month of October 2015.

Councilmember Freeman requested that item 1c be pulled from the consent calendar for discussion.

Following Council discussion, Councilmember Freeman moved to approve items a, b & d listed on the consent calendar as submitted.

Councilmember Simmen seconded the motion, and upon roll call, the following voted YEA: Baird, Foster, Freeman, and Simmen.

Mayor Pro-tempore Foster thereupon declared the motion carried.

Adopt Resolution No. 2015-40 approving requests associated with the Special Event of the Jefferson Mountain Bike Association known as the Humbug Hurry-Up to be held June 25, 2016.

Jill Harris addressed the Council on behalf of the Jefferson Mountain Bike Association, to answer any questions regarding the 2016 event.

Following Council discussion, Councilmember Freeman moved to adopt the Resolution as submitted.

Councilmember Simmen seconded the motion, and upon roll call, the following voted YEA: Baird, Foster, Freeman, and Simmen.

Mayor Pro-tempore Foster thereupon declared the motion carried.

Adopt Resolution No. 2015-41 approving agreement for the Collection of Solid Waste within the City of Yreka.

Neill Eller addressed the Council on behalf of Yreka Transfer to update the Council on the success of the residential curbside recycling program. Mr. Eller stated that in 2010 they started a pilot program for curbside recycling with approximately 90 residential customers. The program included recycling of cardboard, newspaper, aluminum cans, and #1 and #2 plastic at the curb. The initial program required customers to separate each item.

As the program grew in popularity, we realized our baler could not handle the increase in volume and that the system of pickup was inefficient. By 2011, we made a significant investment in the program by purchasing a larger automated baler and conveyer system to address these problems as well as a new truck with an automated arm and 400 new toter carts. As of November 2015, we now have over 600 residential customers, and our customers are no longer required to separate the recycled items, all accepted items are simply put into the blue recycling tote. The volume of recyclables has gone up over 465% since 2011, and we expect that the increase will be even higher when we receive the data for the month of December 2015.

In closing, Mr. Eller stated, "This program has been so popular that we will likely need to split Yreka up into two-recycling day routes as we are barely able to pick up and process the recyclables in one day anymore."

Following Council discussion, Councilmember Baird moved to adopt the Resolution as submitted.

Councilmember Simmen seconded the motion, and upon roll call, the following voted YEA: Baird, Foster, Freeman, and Simmen.

Mayor Pro-tempore Foster thereupon declared the motion carried.

Adopt Resolution No. 2015-42 authorizing implementation of a Signing Bonus Program for Lateral Police Officers from other agencies.

Police Chief Brian Bowles addressed the Council to answer any questions regarding the proposed Signing Bonus Program.

Ken Cozzetto, owner of Ken's Glass, addressed the Council in support of the proposed signing bonus program, stating, "We need to enable the Police Department to put more cops on the streets".

Following Council discussion, Councilmember Simmen moved to adopt the Resolution as submitted.

Councilmember Freeman seconded the motion, and upon roll call, the following voted YEA: Baird, Foster, Freeman, and Simmen.

Mayor Pro-tempore Foster thereupon declared the motion carried.

Adopt Resolution No. 2015-43 agreeing to collaborate with the City of Weed and Siskiyou County for a Brownfields Assessment Coalition Grant.

City Manager Steve Baker reported to the Council that in 2013, the City of Yreka, in cooperation with the Siskiyou County Economic Development Council, completed a successful Brownfields Assessment Project with funding from the US Environmental Protection Agency. This grant provided an important economic development tool for the reuse of old industrial sites and it resulted in the location of several new businesses in Yreka, including Belcampo Meats and Fruit Growers Mill on Phillipe Lane.

The City received a request from the staff at Siskiyou County Economic Development Council requesting that the city participate in a regionally collaborative Brownfields Assessment Coalition Grant application with the City of Weed and Siskiyou County to ensure funds are available should a specific opportunity present itself. Even though potential sites located within Yreka may be limited, staff believes that a new grant would be a valuable opportunity to support business development.

Due to the City's successful experience with the previous program, the City has been asked to act as the lead-agency for the project coalition. If the Grant is awarded, the City will act as fiscal sponsor for the project and administer an Advisory Committee comprised of representatives from each participating agency to oversee implementation of the grant objectives.

Following Council discussion, Councilmember Simmen moved to adopt the Resolution as submitted.

Councilmember Freeman seconded the motion, and upon roll call, the following voted YEA: Baird, Foster, Freeman, and Simmen.

Mayor Pro-tempore Foster thereupon declared the motion carried.

ADJOURNMENT There being no further business before the Council the meeting was adjourned.

Attest:

John Mercier, Mayor
Minutes approved by Council
Motion January 7, 2016.

Elizabeth E. Casson, City Clerk

Accounts Payable

Computer Check Proof List by Vendor

User: lysandra
 Printed: 12/30/2015 - 10:11AM
 Batch: 00012.12.2015



Invoice No	Description	Amount	Payment Date	Acct Number	Reference
Vendor: 1527 FPA-89566	ACME COMPUTER INV FPA-89566	3,480.00	01/08/2016	Check Sequence: 1 01-050-0000-525-000	ACH Enabled: False
	Check Total:	3,480.00			
Vendor: 1011 LMED1210232	AMERICAN LINEN INV LMED1210232	25.00	01/08/2016	Check Sequence: 2 01-200-0000-526-000	ACH Enabled: False
	Check Total:	25.00			
Vendor: 3007 3046763804	AMERIGAS INV 3046763804	184.77	01/08/2016	Check Sequence: 3 01-200-0000-518-002	ACH Enabled: False
	Check Total:	184.77			
Vendor: 1080 506-4147535 506-4162111 506-4176811 506-4191817	ARAMARK UNIFORM SERVICES INC INV 506-4147535 - UNIFORM SERVICES (CO INV 506-4162111 - UNIFORM SERVICES (CO INV 506-4176811 - UNIFORM SERVICES (CO INV 506-4191817 - UNIFORM SERVICES (CO	31.01 36.01 36.01 36.01	01/08/2016 01/08/2016 01/08/2016 01/08/2016	Check Sequence: 4 01-350-0000-510-000 01-350-0000-510-000 01-350-0000-510-000 01-350-0000-510-000	ACH Enabled: False
	Check Total:	139.04			
Vendor: 4301 7357282 7396011 7443099 7443100 7443101 7443102 7460923	AT&T CALNET INV 7357282 INV 7396011 INV 7443099 INV 7443100 INV 7443101 INV 7443102 INV 7460923	165.88 976.85 19.79 19.64 37.55 19.64 99.53	01/08/2016 01/08/2016 01/08/2016 01/08/2016 01/08/2016 01/08/2016 01/08/2016	Check Sequence: 5 01-200-0000-517-000 01-200-0000-517-000 01-300-0000-517-000 80-560-0000-517-000 01-020-0000-517-000 70-510-0000-517-000 01-210-0000-517-000	ACH Enabled: False
	Check Total:	1,338.88			

Invoice No	Description	Amount	Payment Date	Acct Number	Reference
Vendor: 1645	STEVE BAKER			Check Sequence: 6	ACH Enabled: False
01/08/16	REIMBURSE EXPENSES	67.50	01/08/2016	70-500-0000-516-000	
	Check Total:	67.50			
Vendor: 6021	BASIC LABORATORY INC			Check Sequence: 7	ACH Enabled: False
1511541	INV 1511541 - COLILERT BACTI	96.00	01/08/2016	70-500-0000-420-006	
1511818	INV 1511818 - WKLY EFFLUENT TESTING	135.40	01/08/2016	80-560-0000-416-001	
1511852	INV 1511852 - COLILERT BACTI	96.00	01/08/2016	70-500-0000-420-006	
1512044	INV 1512044 - TTHM, HAA5, TOC	571.00	01/08/2016	70-510-0000-416-001	
1512060	INV 1512060 - WKLY EFFLUENT TESTING	135.40	01/08/2016	80-560-0000-416-001	
1512080	INV 1512080 - COLILERT BACTI	96.00	01/08/2016	70-500-0000-420-006	
	Check Total:	1,129.80			
Vendor: 1041	RON BLACK			Check Sequence: 8	ACH Enabled: False
01/08/16	JANUARY 2016	682.00	01/08/2016	01-200-0000-521-004	
	Check Total:	682.00			
Vendor: 1178	CA CHAMBER OF COMMERCE			Check Sequence: 9	ACH Enabled: False
10971397	INV 10971397	267.86	01/08/2016	01-030-0000-515-000	
	Check Total:	267.86			
Vendor: 1050	CAL-ORE COMMUNICATIONS INC			Check Sequence: 10	ACH Enabled: False
324000097 1/16	ACCT 324000097 1/16	206.85	01/08/2016	01-050-0000-517-005	
324000973 1/16	ACCT 324000973 1/16	99.00	01/08/2016	70-510-0000-517-005	
324001630 1/16	ACCT 324001630 1/16	99.00	01/08/2016	01-210-0000-517-005	
324001631 1/16	ACCT 324001631 1/16	150.00	01/08/2016	01-200-0000-517-005	
324004371 1/16	ACCT 324004371 1/16	400.00	01/08/2016	01-370-0000-517-005	
	Check Total:	954.85			
Vendor: 3643	CITY OF YREKA - WATER DEPT			Check Sequence: 11	ACH Enabled: False
13279 12/15	013279-000 12/15	3,212.38	01/08/2016	80-560-0000-518-003	
13280 12/15	013280-000 12/15	78.12	01/08/2016	01-370-0000-518-003	
16150 12/15	016150-000 12/15	183.89	01/08/2016	01-400-0000-518-003	
16165 12/15	016165-000 12/15	136.67	01/08/2016	01-400-0000-518-003	
17683 12/15	017683-000 12/15	88.48	01/08/2016	01-400-0000-518-003	
17694-005 12/15	017694-005 12/15	433.70	01/08/2016	01-420-0000-518-003	
17825 12/15	017825-000 12/15	47.40	01/08/2016	01-400-0000-518-003	
17826 12/15	017826-000 12/15	379.20	01/08/2016	01-400-0000-518-003	
17827 12/15	017827-000 12/15	421.20	01/08/2016	01-400-0000-518-003	

Invoice No	Description	Amount	Payment Date	Acct Number	Reference
17890 12/15	017890-000 12/15	78.12	01/08/2016	01-400-0000-518-003	
17949 12/15	017949-000 12/15	566.80	01/08/2016	01-400-0000-518-003	
17950 12/15	017950-000 12/15	126.40	01/08/2016	01-400-0000-518-003	
17951 12/15	017951-000 12/15	163.41	01/08/2016	01-400-0000-518-003	
17952 12/15	017952-000 12/15	88.48	01/08/2016	01-400-0000-518-003	
17963 12/15	017963-000 12/15	31.60	01/08/2016	01-400-0000-518-003	
19066 12/15	019066-000 12/15	670.58	01/08/2016	01-400-0000-518-003	
19244 12/15	019244-000 12/15	31.60	01/08/2016	01-400-0000-518-003	
20153 12/15	020153-000 12/15	3,810.96	01/08/2016	80-560-0000-518-003	
20207 12/15	020207-000 12/15	47.40	01/08/2016	01-400-0000-518-003	
5406 12/12	005406-000 12/15	31.60	01/08/2016	01-400-0000-518-003	
5407 12/15	005407-000 12/15	87.88	01/08/2016	01-400-0000-518-003	
6136 12/15	006136-000 12/15	38.81	01/08/2016	01-400-0000-518-003	
6327 12/15	006327-000 12/15	130.62	01/08/2016	01-200-0000-518-003	
6327-001 12/15	006327-001 12/15	78.12	01/08/2016	01-200-0000-518-003	
6404 12/15	006404-000 12/15	341.70	01/08/2016	01-210-0000-518-003	
6420 12/15	006420-000 12/15	80.05	01/08/2016	01-210-0000-518-003	
6427 12/15	006427-000 12/15	31.60	01/08/2016	01-400-0000-518-003	
6529 12/15	006529-000 12/15	41.08	01/08/2016	01-400-0000-518-003	
6531 12/15	006531-000 12/15	41.08	01/08/2016	01-400-0000-518-003	
7488 12/15	007488-000 12/15	95.01	01/08/2016	01-020-0000-518-003	
7599 12/15	007599-000 12/15	0.01	01/08/2016	01-400-0000-518-003	
7603 12/15	007603-000 12/15	88.48	01/08/2016	01-400-0000-518-003	
9919 12/15	009919-000 12/15	126.40	01/08/2016	01-400-0000-518-003	
9919-001 12/15	009919-001 12/15	78.12	01/08/2016	01-400-0000-518-003	
	Check Total:	11,886.95			
Vendor: 1073	COASTWIDE LABORATORIES INC			Check Sequence: 12	ACH Enabled: False
2832900	INV 2832900 - ENMOTION TOWELS	117.95	01/08/2016	01-200-0000-516-001	
	Check Total:	117.95			
Vendor: 1077	COMPUTER LOGISTICS CORPORATION			Check Sequence: 13	ACH Enabled: False
66292	INV 66292 - CABLE	75.25	01/08/2016	01-200-0000-517-000	
	Check Total:	75.25			
Vendor: 3118	CROSS PETROLEUM			Check Sequence: 14	ACH Enabled: False
250720-IN	INV 250720-IN - UNLEADED FUEL	8,534.03	01/08/2016	01-350-0000-520-100	
250721-IN	INV 250721-IN - DIESEL FUEL	3,322.71	01/08/2016	01-350-0000-520-100	
75200-IN	INV 75200-IN - DIESEL KLEEN	109.88	01/08/2016	01-350-0000-520-100	
77512-IN	INV 77512-IN - DEF FLUID	22.50	01/08/2016	01-350-0000-520-100	

Invoice No	Description	Amount	Payment Date	Acct Number	Reference
78125-IN	INV 78125-IN - DIESEL KLEEN	109.88	01/08/2016	01-350-0000-520-100	
	Check Total:	12,099.00			
Vendor: 1093	DATA TICKET INC			Check Sequence: 15	ACH Enabled: False
66596	INV 66596 - OCTOBER 2015	150.00	01/08/2016	24-200-0000-526-005	
	Check Total:	150.00			
Vendor: 10101	DEPT OF JUSTICE			Check Sequence: 16	ACH Enabled: False
144388	INV 144388	15.00	01/08/2016	01-200-0000-525-000	
	Check Total:	15.00			
Vendor: 1116	DRY CREEK LANDFILL INC			Check Sequence: 17	ACH Enabled: False
2190336	INV 2190336 - SLUDGE DISPOSAL FEE	1,303.92	01/08/2016	80-560-0000-420-006	
	Check Total:	1,303.92			
Vendor: 1915	G & G HARDWARE (VEHICLE MAINT)			Check Sequence: 18	ACH Enabled: False
198342	INV 198342 - HOSE HANGER #344	8.05	01/08/2016	01-350-0000-520-000	
198775	INV 198775 - ELECTRICAL CONDUIT	31.79	01/08/2016	01-350-0000-521-000	
199270	INV 199270 - NIPPLE SCH80 PVC 1" CLS #41	1.39	01/08/2016	01-350-0000-520-000	
199460	INV 199460 - CABINET KNOBS & TOLET PA	23.62	01/08/2016	01-350-0000-521-000	
	Check Total:	64.85			
Vendor: 1133	DAVID GAMACHE			Check Sequence: 19	ACH Enabled: False
01/08/16	REIMBURSE CABLE	8.59	01/08/2016	01-200-0000-517-000	
	Check Total:	8.59			
Vendor: 2024	GERARD PELLETIER TRANSFER (FLEET)			Check Sequence: 20	ACH Enabled: False
6612	INV 6612 ACCT 45	30.00	01/08/2016	01-350-0000-416-001	
7126	INV 7126 ACCT 45	12.00	01/08/2016	01-350-0000-416-001	
7280	INV 7280 ACCT 45	6.00	01/08/2016	01-350-0000-416-001	
	Check Total:	48.00			
Vendor: 2142	DOHN HENION			Check Sequence: 21	ACH Enabled: False
01/08/16	JANUARY 2016	1,250.00	01/08/2016	01-040-0000-525-001	
	Check Total:	1,250.00			
Vendor: 1159	INTERNATIONAL INSTITUTE OF MUNICIPAL			Check Sequence: 22	ACH Enabled: False

Invoice No	Description	Amount	Payment Date	Acct Number	Reference
18451 - 2016	RENEW 18451 - 2016	155.00	01/08/2016	01-020-0000-511-000	
	Check Total:	155.00			
Vendor: 1406	KUBWATER RESOURCES			Check Sequence: 23	ACH Enabled: False
5337	INV 5337 - POLYMER (ZETAG) 881.85 GAL.	2,682.81	01/08/2016	80-560-0000-416-004	
	Check Total:	2,682.81			
Vendor: 1400	MADRONE HOSPICE			Check Sequence: 24	ACH Enabled: False
01/08/16	JANUARY 2016	5,625.00	01/08/2016	01-090-0000-560-004	
	Check Total:	5,625.00			
Vendor: 2337	MICHAEL'S OFFICE FURNISHINGS			Check Sequence: 25	ACH Enabled: False
2467	INV 2467 - CHAIRS 2 DISPATCH	1,071.29	01/08/2016	01-200-0000-515-000	
	Check Total:	1,071.29			
Vendor: 1589	NATIONAL METER & AUTOMATION INC			Check Sequence: 26	ACH Enabled: False
S1066953.001	INV S1066953.001 - METER WIRE CONNECT	64.50	01/08/2016	70-500-0000-420-009	
	Check Total:	64.50			
Vendor: 1544	NEOFUNDS BY NEOPOST			Check Sequence: 27	ACH Enabled: False
04702374 12/15	7900044904702374 12/15	1,200.00	01/08/2016	01-020-0000-515-001	
	Check Total:	1,200.00			
Vendor: 22019	OFFICE DEPOT			Check Sequence: 28	ACH Enabled: False
813019109001	INV 813019109001 - DIVIDERS & FOLDERS	58.03	01/08/2016	01-060-1033-515-000	
	Check Total:	58.03			
Vendor: 2245	OPENGOV INC			Check Sequence: 29	ACH Enabled: False
1788	INV 1788 - CONTRACT RENEWAL	2,250.00	01/08/2016	01-030-0000-525-000	
1788	INV 1788 - CONTRACT RENEWAL	1,125.00	01/08/2016	70-030-0000-525-000	
1788	INV 1788 - CONTRACT RENEWAL	1,125.00	01/08/2016	80-030-0000-525-000	
	Check Total:	4,500.00			
Vendor: 16014	PACE ENGINEERING INC			Check Sequence: 30	ACH Enabled: False
25674	INV 25674	1,069.38	01/08/2016	71-500-0000-625-011	
25674	INV 25674	1,069.37	01/08/2016	71-510-0000-625-003	

Invoice No	Description	Amount	Payment Date	Acct Number	Reference
	Check Total:	2,138.75			
Vendor: 1244	PACIFIC MUNICIPAL CONSULTANTS			Check Sequence: 31	ACH Enabled: False
45025	INV 45025	1,278.75	01/08/2016	01-060-0000-526-000	
	Check Total:	1,278.75			
Vendor: 1253	PERFECTION CLEANING INC			Check Sequence: 32	ACH Enabled: False
01/08/16	DECEMBER 2015	425.00	01/08/2016	01-080-0000-526-001	
01/08/16	DECEMBER 2015	680.00	01/08/2016	01-200-0000-526-001	
01/08/16	DECEMBER 2015	400.00	01/08/2016	01-400-0000-426-003	
	Check Total:	1,505.00			
Vendor: 1396	PUBLIC SAFETY CENTER INC			Check Sequence: 33	ACH Enabled: False
5639603	INV 5639603 - NIK KITS U METH	84.96	01/08/2016	01-200-0000-416-000	
	Check Total:	84.96			
Vendor: 17014	QUILL CORPORATION			Check Sequence: 34	ACH Enabled: False
1049711	INV 1049711 - BATTERY BACKUPS	257.98	01/08/2016	01-200-0000-515-000	
	Check Total:	257.98			
Vendor: 2216	RAY MORGAN COMPANY			Check Sequence: 35	ACH Enabled: False
1061793	INV 1061793	2.00	01/08/2016	01-300-0000-515-000	
1061793	INV 1061793	0.01	01/08/2016	01-370-0000-515-000	
1061793	INV 1061793	7.27	01/08/2016	01-060-0000-515-000	
1061793	INV 1061793	0.33	01/08/2016	01-040-0000-515-000	
1061793	INV 1061793	1.46	01/08/2016	01-030-0000-515-000	
1061793	INV 1061793	22.90	01/08/2016	01-030-0000-515-000	
1061793	INV 1061793	8.24	01/08/2016	01-020-0000-515-000	
1061793	INV 1061793	44.92	01/08/2016	70-030-0000-515-000	
1061793	INV 1061793	2.17	01/08/2016	01-020-0000-515-000	
	Check Total:	89.30			
Vendor: 2294	ROTORK CONTROLS INC			Check Sequence: 36	ACH Enabled: False
100532/15	INV 100532/15 - FREIGHT CHARGES FOR V	151.84	01/08/2016	70-510-0000-420-000	
	Check Total:	151.84			
Vendor: 1283	SC ECONOMIC DEVELOPMENT COUNCIL			Check Sequence: 37	ACH Enabled: False
01/08/16	JANUARY 2016	3,333.33	01/08/2016	01-090-0000-560-001	

Invoice No	Description	Amount	Payment Date	Acct Number	Reference
	Check Total:	3,333.33			
Vendor: 1557 3975844	SHOPKEY INV 3975844 - SHOPKEY ANNUAL RENEWA	1,728.00	01/08/2016	Check Sequence: 38 01-350-0000-416-004	ACH Enabled: False
	Check Total:	1,728.00			
Vendor: 2042 01/08/16	SISKIYOU MEDIA COUNCIL JANUARY - MARCH 2016	1,450.00	01/08/2016	Check Sequence: 39 01-090-0000-560-003	ACH Enabled: False
	Check Total:	1,450.00			
Vendor: 1330 01/08/16	STATE WATER RESOURCES CONTROL BOA INV EXAM APPLICATION DATE - 12-01-15 -	30.00	01/08/2016	Check Sequence: 40 70-500-0000-535-002	ACH Enabled: False
	Check Total:	30.00			
Vendor: 1334 12221524766	TRAVIS STRINGER INV 12221524766 - DIAPHRAGM	226.83	01/08/2016	Check Sequence: 41 01-350-0000-522-000	ACH Enabled: False
	Check Total:	226.83			
Vendor: 22015 002022 12/15 002535 12/15 002543 12/15 002551 12/15 010421 12/15	SUBURBAN PROPANE 1638-002022 12/15 1638-002535 12/15 1638-002543 12/15 1638-002551 12/15 1638-010421 12/15	758.46 633.63 1,138.53 2,202.90 961.94	01/08/2016 01/08/2016 01/08/2016 01/08/2016 01/08/2016	Check Sequence: 42 01-210-0000-518-002 01-020-0000-518-002 01-470-0000-518-002 01-480-0000-518-002 01-210-0000-518-002	ACH Enabled: False
	Check Total:	5,695.46			
Vendor: 25090 01/08/16	USPS JANUARY 2016	1,400.00	01/08/2016	Check Sequence: 43 70-030-0000-515-001	ACH Enabled: False
	Check Total:	1,400.00			
Vendor: 23008 002549 002588 008092	WAL-MART COMMUNITY INV 002549 - CLEANING SUPPLIES INV 002588 - COFFEE & CREAMER INV 008092 - HEATER & MOUSE TRAP	14.59 35.74 33.80	01/08/2016 01/08/2016 01/08/2016	Check Sequence: 44 01-350-0000-516-001 01-200-0000-516-000 01-200-0000-516-000	ACH Enabled: False
	Check Total:	84.13			
Vendor: 1374	YREKA CHAMBER OF COMMERCE			Check Sequence: 45	ACH Enabled: False

Invoice No	Description	Amount	Payment Date	Acct Number	Reference
01/08/16	JANUARY 2016	4,750.00	01/08/2016	01-090-0000-560-000	
	Check Total:	4,750.00			
Vendor: 1378	YREKA PAINT & DECORATING CENTER			Check Sequence: 46	ACH Enabled: False
5438	INV 5438 - RAW SUGAR COLORED PAINT F	37.63	01/08/2016	01-350-0000-521-000	
5439	INV 5439 - RAW SUGAR COLORED PAINT &	40.04	01/08/2016	01-350-0000-521-000	
	Check Total:	77.67			
	Total for Check Run:	74,927.84			
	Total of Number of Checks:	46			

CITY OF YREKA
TREASURER'S REPORT TO THE CITY COUNCIL
Nov-2015

Fund Type	Fund	Fund Description	Previous Balance	Receipts / Debits	Disbursements / Credits	Cash Balance by Fund	
General-Unrestricted	01	General Operating	\$ 2,478,882.06	\$ 289,411.73	\$ 387,921.67	\$ 2,380,372.12	
General-Designated	01	Comm Art	2,772.56	-	-	2,772.56	
General-Designated	01	Fire Museum	3,322.35	-	-	3,322.35	
General-Designated	01	Planning Deposits	-	-	-	0.00	
General-Designated	01	Sidewalk in Lieu	36,228.46	-	-	36,228.46	
General-Designated	01	Parkland Trust	300.00	-	-	300.00	
General-Designated	01	Police Asset Forfeit	6,803.63	-	-	6,803.63	
General-Designated	01	Parking Fees	63,011.04	-	-	63,011.04	
General-Designated	01	Campbell Tract Redemption	48,020.34	-	-	48,020.34	
General-Designated	01	Baker Tract/Lucas	-	-	-	0.00	
General-Designated	02	Gifts Donations	5,894.83	-	-	5,894.83	
General-Designated	02	K-9 Unit	11,565.53	-	-	11,565.53	
General-Designated	02	YPD Donated - Hitson	5,649.06	-	-	5,649.06	
General-Designated	02	YPD Donated - Travellers	2,173.38	-	56.00	2,117.38	
General-Designated	02	YPD Donated - Teen Fund	3,151.59	-	-	3,151.59	
General-Designated	02	Greenhorn Park Redevelopment	-	-	-	0.00	
General-Designated	03	YVFD Volunter Fund	62,553.09	638.58	-	63,191.67	
General-Restricted	04	Crandell Cash	627,457.95	2,244.98	530,777.63	98,925.30	
General-Designated	08	Grant Projects Reserve	785,762.29	7,486.84	14,973.68	778,275.45	
General-Designated	08	PERS Pension Liability Reserve	(184,545.71)	7,486.84	-	(177,058.87)	
General-Designated	09	Reserves for Cap. Outlay	564,070.67	-	-	564,070.67	
General-Designated	10	Capital Outlay	49,132.17	-	-	49,132.17	General - All
General-Designated	11	Capital Building Project - YPD	929,423.60	531,277.63	-	1,460,701.23	\$ 5,406,446.51
Spec. Rev. -Streets	20	Road and Street Funds including HUTA	(45,449.40)	-	18,613.12	(64,062.52)	
Spec. Rev. -Streets	21	Local Transportation	339,533.51	-	-	339,533.51	Streets
Spec. Rev. -Streets	24	Fines - Traffic Safety	79,588.91	2,056.37	5,062.80	76,582.48	\$ 352,053.47
Special Revenue	30	Fire Assessment Spec. Rev	152,817.14	20,828.60	11,576.39	162,069.35	
Special Revenue	31	Landfill Access Fee - Debt Service	(66,197.97)	20,288.85	536.20	(46,445.32)	Special Revenues
Special Revenue	32	Developer Impact Fees	243,270.21	5,901.93	-	249,172.14	\$ 364,796.17
Special Grants	60	Spec Grants Capital Outlay	(431,737.32)	229,177.48	1,578,654.13	(1,781,213.97)	Special Grants
Special Grants	65	Community Development Grants	307,331.42	1,283.18	414.74	308,199.86	\$ (1,473,014.11)
Water Enterprise	70	Water Operating	198,973.81	275,537.09	178,199.41	296,311.49	
Water Enterprise	71	Water Capital Projects	(219,207.04)	-	157,350.26	(378,557.30)	
Water Enterprise	72	Water Debt Servicing	166,387.32	-	-	166,387.32	
Water Enterprise	72	USDA COPS 2010	200,000.00	-	-	200,000.00	Water Enterprise
Water Enterprise	74	Water Reserves	7,337,604.59	51,275.31	-	7,388,879.90	\$ 7,675,021.41
Sewer Enterprise	80	Sewer Operating	148,748.10	210,838.87	153,660.14	205,926.83	
Sewer Enterprise	81	Sewer Capital Outlay	512,588.48	475,266.70	19,668.67	968,186.51	
Sewer Enterprise	82	Sewer Debt Servicing	(67,333.99)	-	-	(67,333.99)	
Sewer Enterprise	82	USDA COPS 2003	100,000.00	-	-	100,000.00	Enterprise-Sewer
Sewer Enterprise	84	Sewer Reserves	2,124,647.30	51,468.32	-	2,176,115.62	\$ 3,382,894.97
Agency	90	Agency - Cash	24,325.68	336,006.36	318,308.87	42,023.17	Agency- Payroll
							\$ 42,023.17
		COLUMN TOTALS	\$16,607,519.64	\$ 2,518,475.66	\$ 3,375,773.71	\$ 15,750,221.59	\$ 15,750,221.59

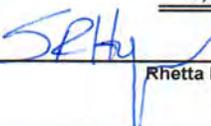
BANK RECAPITULATION

	PER BANK	Market Value	PER LEDGER
L.A.I.F. 0.374%	15,305,306.59	15,305,306.59	
Petty Cash Drawers	1,200.00		
YVFD Petty Cash	100.00		
TriCounties YVFD DDA	63,159.63		
Scott Valley Bank - 01036830	-		
Scott Valley Bank - 01015102	566,341.24		
TOTAL PER BANK	15,936,107.46		

ADJUSTMENTS

Less Outstanding Checks SVB	(190,122.63)
Less Outstanding Checks TCB	(67.96)
SVB DDA Interest 9/30 GL 10/3	(79.31)
OS CC GL 11/28-30 SVB 12/1-2	4,384.03
TOTAL PER LEDGER	15,750,221.59

15,750,221.59


Rhett Hogan, City Treasurer

John Mercier, City Mayor

**2015-2016 Operating Budget of Revenue and Expenditures
with Actual Results
November 30, 2015**

Fund Analysis		REVENUE			EXPENSE			Excess of Rev over Exp.-Surplus/ (Deficit)		Based on Operating Budget			Current Cash Balance
Major Grp	Fund	Adopted	Operating Budget	Year to Date	Adopted	Operating Budget	Year to Date	Operating Budget	Net Actual Year to Date	Beginning Working Capital	Operating Budget Net Increase / (Decrease)	Ending Working Capital	
Investment in LAIF	00	-	-	-	-	-	-	-	-	-	-	-	-
General Operating	01	4,914,225.50	4,545,003.13	962,969.23	4,898,493.61	4,898,493.61	1,901,910.20	(353,490.48)	(938,940.97)	3,486,120.48	(353,490.48)	3,132,630.00	2,540,830.50
General Operating Fund		4,914,225.50	4,545,003.13	962,969.23	4,898,493.61	4,898,493.61	1,901,910.20	(353,490.48)	(938,940.97)	3,486,120.48	(353,490.48)	3,132,630.00	2,540,830.50
Gifts Donations	02	500.00	500.00	805.00	700.00	700.00	275.97	(200.00)	529.03	27,849.36	(200.00)	27,649.36	28,378.39
YVFD Volunter Fund	03	11,000.00	11,000.00	505.13	11,000.00	11,000.00	(4,863.41)	-	5,368.54	57,823.13	-	57,823.13	63,191.67
Trusts -Crandell-Stewart	04	6,000.00	(524,777.63)	(524,644.28)	17,000.00	17,000.00	10,851.74	(541,777.63)	(535,496.02)	629,229.77	(541,777.63)	87,452.14	98,925.30
General Fund Reserves	08	(146,030.50)	(146,030.50)	(39,479.92)	(142,568.75)	(142,568.75)	(40,810.92)	(3,461.75)	1,331.00	599,885.58	(3,461.75)	596,423.83	601,216.58
Reserves for Cap. Outlay	09	100,000.00	100,000.00	-	180,958.35	180,958.35	-	(80,958.35)	-	564,070.67	(80,958.35)	483,112.32	564,070.67
Capital Outlay	10	75,500.00	75,500.00	62,922.73	75,500.00	75,500.00	13,790.56	-	49,132.17	-	-	-	49,132.17
Construction Fund	11	-	900,000.00	533,777.63	-	1,835,354.76	17,948.92	(935,354.76)	515,828.71	945,372.52	(935,354.76)	10,017.76	1,460,701.23
Agency Trust - Cash	90	-	-	-	-	-	(42,240.24)	-	42,240.24	-	-	-	42,023.17
General Fund - Restricted or Designated		46,969.50	416,191.87	33,886.29	142,589.60	1,977,944.36	(45,047.38)	(1,561,752.49)	78,933.67	2,824,231.03	(1,561,752.49)	1,262,478.54	2,907,639.18
Total General Fund		4,961,195.00	4,961,195.00	996,855.52	5,041,083.21	6,876,437.97	1,856,862.82	(1,915,242.97)	(860,007.30)	6,310,351.51	(1,915,242.97)	4,395,108.54	5,448,469.68
Gas Tax & Traffic Cong.	20	406,897.27	406,897.27	46,550.76	624,708.87	624,708.87	110,613.38	(217,811.60)	(64,062.62)	0.10	(217,811.60)	(217,811.50)	(64,062.52)
Local Transportation	21	200,000.00	233,457.00	-	218,828.00	250,657.00	-	(17,200.00)	-	339,533.51	(17,200.00)	322,333.51	339,533.51
Fines - Traffic Safety	24	76,208.95	76,208.95	6,958.24	76,208.95	76,208.95	16,704.41	-	(9,746.17)	86,328.65	-	86,328.65	76,582.48
Road, Street & Transit - Restricted		683,106.22	716,563.22	53,509.00	919,745.82	951,574.82	127,317.79	(235,011.60)	(73,808.79)	425,862.26	(235,011.60)	190,850.66	352,053.47
Total Road, Streets and Transit		683,106.22	716,563.22	53,509.00	919,745.82	951,574.82	127,317.79	(235,011.60)	(73,808.79)	425,862.26	(235,011.60)	190,850.66	352,053.47
Fire Assessment Spec. Rev	30	230,750.00	230,750.00	103,122.05	129,727.69	129,727.69	54,097.83	101,022.31	49,024.22	130,603.78	101,022.31	231,626.09	162,069.35
Landfill Access Fee - Debt Service	31	218,000.00	218,000.00	98,537.90	181,224.71	181,224.71	177,644.96	36,775.29	(79,107.06)	54,346.52	36,775.29	91,121.81	(46,445.32)
Developer Impact Fees	32	16,000.00	16,000.00	5,901.93	-	-	-	16,000.00	5,901.93	243,270.21	16,000.00	259,270.21	249,172.14
Special Revenue - Restricted		464,750.00	464,750.00	207,561.88	310,952.40	310,952.40	231,742.79	153,797.60	(24,180.91)	428,220.51	153,797.60	582,018.11	364,796.17
Total Special Revenue		464,750.00	464,750.00	207,561.88	310,952.40	310,952.40	231,742.79	153,797.60	(24,180.91)	428,220.51	153,797.60	582,018.11	364,796.17
Spec Grants Capital Outlay	60	2,267,393.35	2,865,301.35	812,172.70	2,267,393.35	2,821,281.35	1,948,151.10	44,020.00	(1,135,978.40)	161,947.96	44,020.00	205,967.96	(1,781,213.97)
Community Development Grants	65	5,700.00	5,700.00	3,430.60	-	10,750.00	817.00	(5,050.00)	2,613.60	299,175.97	(5,050.00)	294,125.97	308,199.86
Special Grants - Capital Projects		2,273,093.35	2,871,001.35	815,603.30	2,267,393.35	2,832,031.35	1,948,968.10	38,970.00	(1,133,364.80)	461,123.93	38,970.00	500,093.93	(1,473,014.11)
Special Grants - Operating & Capital Projects		2,273,093.35	2,871,001.35	815,603.30	2,267,393.35	2,832,031.35	1,948,968.10	38,970.00	(1,133,364.80)	461,123.93	38,970.00	500,093.93	(1,473,014.11)
Water Operating	70	1,590,366.41	1,590,366.41	1,055,225.40	1,590,366.41	1,590,366.41	599,171.04	-	456,054.36	-	-	-	296,311.49
Water Capital Projects	71	428,000.00	1,723,000.00	10,856.00	428,000.00	1,723,000.00	387,413.30	-	(376,557.30)	-	-	-	(376,557.30)
Water Debt Servicing	72	263,236.00	263,236.00	-	144,236.00	144,236.00	36,393.75	119,000.00	(36,393.75)	521,781.07	119,000.00	640,781.07	366,387.32
Water Reserves	74	476,897.59	(818,102.41)	295,638.70	-	-	-	(818,102.41)	295,638.70	5,587,286.97	(818,102.41)	4,769,184.56	7,388,879.90
Water Enterprise		2,758,500.00	2,758,500.00	1,361,720.10	2,162,602.41	3,457,602.41	1,022,978.09	(699,102.41)	338,742.01	6,109,068.04	(699,102.41)	5,409,965.63	7,675,021.41
Sewer Operating	80	1,632,426.18	1,632,426.18	774,299.20	1,632,426.18	1,632,426.18	419,272.90	-	355,026.30	-	-	-	205,926.83
Sewer Capital Outlay	81	5,428.00	217,428.00	1,242,800.25	5,428.00	217,428.00	334,315.67	-	908,484.58	-	-	-	968,186.51
Sewer Debt Servicing	82	278,605.72	278,605.72	(1,049,872.75)	284,033.72	284,033.72	4,754.86	(5,428.00)	(1,054,627.61)	100,000.00	(5,428.00)	94,572.00	32,666.01
Sewer Reserves	84	450,540.10	450,540.10	256,954.76	-	-	-	450,540.10	256,954.76	3,153,168.83	450,540.10	3,603,708.93	2,176,115.62
Sewer Enterprise Fund		2,367,000.00	2,579,000.00	1,224,181.46	1,921,887.90	2,133,887.90	758,343.43	445,112.10	465,838.03	3,253,168.83	445,112.10	3,698,280.93	3,382,894.97
Total Enterprise Funds		5,125,500.00	5,337,500.00	2,585,901.56	4,084,490.31	5,591,490.31	1,781,321.52	(253,990.31)	804,580.04	9,362,236.87	(253,990.31)	9,108,246.56	11,057,916.38
All Funds Combined		13,507,644.57	14,351,009.57	4,659,431.26	12,623,665.09	16,562,486.85	5,946,213.02	(2,211,477.28)	(1,286,781.76)	16,987,795.08	(2,211,477.28)	14,776,317.80	15,750,221.59

Approval: _____ John Mercier, City Mayor



CITY OF YREKA
CITY COUNCIL AGENDA MEMORANDUM

To: Yreka City Council
Prepared by: Steven W. Baker, City Manager
Agenda title: Discussion/Possible Action –

1. State Water Resources Control Board Conservation Order;
2. RESOLUTION NO. 2016- ADOPTING RESTRICTIONS ON THE USE OF OUTDOOR IRRIGATION – ONE DAY PER WEEK WATERING SCHEDULE.

Meeting date: January 7, 2016

Discussion:

On December 23, 2015, the City received a Conservation Order from the State Water Resources Control Board because the City has not met the 32% conservation target imposed by the State. Cumulatively, the City's conservation rate as calculated by the state through the end of October was 14.3% compared with 2013. Originally, the City was achieving conservation rates of 29% in May, 19% in July and 24% in August, however those rates did not hold for September (5%) and October (17% increase from 2013). Note that the October increases were a result of warmer weather (and people using their outdoor irrigation) in October 2015 compared to 2013.

The order requires a number of actions by the City. Because of the holidays, staff has not yet developed a full plan to meet the conservation order. Some items will be discussed at the meeting; others may trail to the next meeting.

One requirement is that the City impose a one day a week watering schedule. Because of the weather, we believe that users have turned off their outdoor irrigation already, but the one day per week restriction might be applicable if there is a long gap between storms and freezing weather. Staff is recommending that the one day a week requirement commence immediately and end when irrigation season starts. Staff will be assessing whether a two or three day irrigation cycle works best for the irrigation season.

Other requirements are to do a rate study in compliance with proposition 218, increase our outreach efforts, coordinate a rebate program with the state program and Pacific Power's programs, and perform water audits for large commercial/industrial water users. In addition, the City will need to accelerate its leak detection and pipe replacement program (we have a long-term pipe replacement program in our infrastructure plans because we know that older pipes are reaching the end of their lifetime) and dedicate more hours toward enforcement of water use violations.

Fiscal Impact:

To be determined.

Recommendation:

That the City Council:

1. Discuss the Conservation order from the State Water Board, and
2. Adopt RESOLUTION NO. 2016- Adopting Restrictions on the Use of Outdoor Irrigation
– One Day per Week Watering Schedule.

Approved by:



Steven Baker, City Manager

STATE OF CALIFORNIA
CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY
STATE WATER RESOURCES CONTROL BOARD

OFFICE OF ENFORCEMENT

CONSERVATION ORDER

In the Matter of Urban Water Conservation by

City of Yreka

1. On January 17, 2014, Governor Edmund G. Brown Jr. (Governor Brown) issued Proclamation No. 1-17-2014, (Proclamation) declaring a State of Emergency to exist in California under the Emergency Services Act due to severe drought conditions. The Proclamation, among other things, called on all Californians to reduce their water usage by 20 percent.
2. On April 25, 2014, Governor Brown issued a Proclamation of a Continued State of Emergency due to drought conditions, based on the need to strengthen the state's ability to manage water and habitat effectively in drought conditions.
3. On April 1, 2015, Governor Brown issued Executive Order B-29-15 (Executive Order) to strengthen the state's ability to manage water and habitat effectively in drought conditions. The Executive Order calls on all Californians to redouble their efforts to conserve water, and directs the State Water Resources Control Board (State Water Board) to impose restrictions on urban water suppliers to achieve a statewide 25 percent reduction in potable urban water usage through February 2016. The Executive Order further requires commercial, industrial, and institutional users to implement water efficiency measures, prohibits irrigation with potable water of ornamental turf in public street medians and prohibits irrigation with potable water outside newly constructed homes and buildings that is not delivered by drip or microspray systems.
4. On May 5, 2015, the State Water Board adopted Resolution 2015-0032, an Emergency Regulation for Statewide Urban Water Conservation (Emergency Regulation) pursuant to Water Code section 1058.5. The Emergency Regulation adds a new section to title 23 of the California Code of Regulations intended to safeguard urban water supplies in the event of continued drought, minimize the potential for waste and unreasonable use of water, and achieve the 25 percent statewide potable water usage reduction ordered by Governor Brown in the Executive Order. The Emergency Regulation was approved by the Office of Administrative Law and became effective on May 18, 2015.
5. The Emergency Regulation requires each urban water supplier to "reduce its total potable water production by the percentage identified as its conservation standard." California Code of Regulations, title 23, section 865(c)(1).
6. Section 865(b)(2) requires urban water suppliers to prepare and submit to the State Water Board by the 15th of each month a monitoring report detailing the total amount of potable water produced compared to the amount produced in the same calendar month in 2013.
7. Section 866(a) allows the Executive Director of the State Water Board, or the Executive Director's designee, to issue Conservation Orders requiring additional actions by the supplier to come into compliance with its conservation standard. Section 866(b) allows the Executive Director of the State Water Board, or the Executive Director's designee, to issue orders requesting information from the supplier concerning water production, water use and/or water conservation. State Water Board Executive Director Thomas Howard has delegated authority under sections 866(a) and (b)

to State Water Board Chief Deputy Director Caren Trgovcich, who in turn has delegated these authorities to Director of the State Water Board's Office of Enforcement Christian Carrigan.

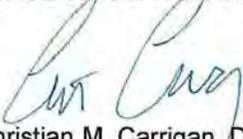
8. The drought conditions that formed the bases for the Executive Order and Emergency Regulations continue to exist and will likely continue to exist for the foreseeable future.
9. The City of Yreka's (City) conservation target, pursuant to section 865(c), is 32 percent. According to the monitoring reports filed with the State Water Board monthly since June 2015, the City is 17.7 percent behind its conservation standard as of October 2015.
10. On August 7, 2015 the State Water Board Office of Enforcement issued a Notice of Violation and Informational Order pursuant to its authority outlined in section 866(c) of the Emergency Regulations, to determine what actions the City had taken to comply with its conservation standard.
11. On December 4, 2015, representatives of the City met with Office of Enforcement Staff to review its response to the Informational Order, discuss its water conservation program, and identify areas of potential water use savings.
12. The circumstances described above indicate that the City has not met its monthly conservation standard, and is not on track to meet the standard by February 2016.
13. To help ensure that the City meets its conservation target of 32 percent by February 2016, the State Water Board mandates that the City take the actions described below.
14. Recipients of Conservation Orders issued pursuant to section 866(a) may petition the State Water Board for reconsideration. (Water Code § 1122; Cal Code Regs., tit 23, §§ 768 et seq., 866(a)(2).)

IT IS HEREBY ORDERED:

1. This Order is effective on the date shown below. All submittal requirements are based on the effective date of this Order.
2. The City shall:
 - (A) Immediately and diligently pursue a rate study in compliance with California Proposition 218, with the goal of implementing a tiered water rate structure that encourages conservation as well as discouraging waste or overuse. The rate study shall be completed by the end of February 2016 with a goal of implementing the new rate structure no later than the end of April 2016.
 - (B) Immediately implement an outreach program that focuses on increasing conservation awareness.
 - (C) Immediately implement or participate in an active rebate program that offers rebates. The City shall implement or participate in a rebate program for high-efficient toilets and other indoor water efficient devices. The City shall include these rebate programs into its outreach and advertising materials. The City shall contact its electric service provider to request that the electric service provider's rebate programs are effectively marketed to the City's customers.
 - (D) Within sixty (60) days, determine what volume of non-revenue water is lost to leaks each year. The City shall allocate funding to implement a plan and allocate staff to reduce this volume to an amount consistent with industry best practices.
 - (E) Within forty five (45) days, the City shall identify the highest water users in its service area and conduct specialized outreach to that group of water users, inviting them to a meeting (or meetings held by the City where additional conservation measures that those users may implement will be discussed.

- (F) Increase outreach efforts towards the City's commercial, industrial, and institutional (CII) customers by offering at least twenty (20) water use audits. The City shall maintain communications with audited customers to ensure audit recommendations are implemented.
 - (G) Immediately implement a mandatory outdoor irrigation conservation program that limits outdoor irrigation to 1 day per week through March 2016.
 - (H) Increase part-time employee hours dedicated to enforcing the City's outdoor water restrictions within sixty (60) days and conducting the outreach noted in section (B).
3. The City shall continue to report the monthly conservation data required for all water suppliers pursuant to section 865(b)(2) of the Emergency Regulation.
 4. The City shall develop and submit a report by January 15, 2016 and February 15, 2016, detailing the previous month's efforts to comply with each of the mandates listed above in section 2, pursuant to section 866(b) of the Emergency Regulation. The report shall include the estimated non-revenue water, including unbilled authorized consumption, apparent losses, and real losses. The report shall be submitted via email to Dr. Matthew Buffleben, at Matthew.Buffleben@waterboards.ca.gov no later than the 15th of the month, for every month within the reporting period.
 5. The City is required to take the actions mandated above. Failure to comply with this Order subjects the party to enforcement action including, but not limited to, civil liability of up to \$500 per day for each day the violation continues pursuant to Water Code section 1058.5.
 6. Reservation of Enforcement Authority and Discretion: Nothing in this Order is intended to or shall be construed to limit or preclude the State Water Board from exercising its authority under any statute, regulation, ordinance, or other law, including, but not limited to, the authority to bring enforcement against water suppliers who in violation of Water Code section 1052, the Emergency Regulations or any applicable law.

STATE WATER RESOURCES CONTROL BOARD



Christian M. Carrigan, Director
Office of Enforcement

Dated: 12/22/2015



EDMUND G. BROWN JR.
GOVERNOR



MATTHEW RODRIGUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

State Water Resources Control Board

December 23, 2015

(Via email and Certified Mail)
CERTIFIED MAIL
NO. 7015 1520 0001 8019 5548

Mr. Steven Baker
City Manager
City of Yreka
701 4th Street
Yreka, CA 96097
Sbaker@ci.yreka.ca.us

SUBJECT: ENFORCEMENT ACTION: ISSUANCE OF CONSERVATION ORDER FOR FAILURE TO MEET WATER CONSERVATION STANDARD

Mr. Baker:

On May 5, 2015, the State Water Resources Control Board (State Water Board) adopted Resolution 2015-0032, an Emergency Regulation for Statewide Urban Water Conservation (Emergency Regulation) pursuant to Water Code section 1058.5. The Emergency Regulation became effective on May 18, 2015. Among other things, the Emergency Regulation is designed to achieve the 25 percent statewide potable water usage reduction through February 2016 ordered by Governor Brown in his April 1, 2015 Executive Order.

The Emergency Regulation requires each urban water supplier to "reduce its total potable water production by the percentage identified as its conservation standard." (Cal. Code Regs., tit. 23, § 865(c)(1).)

After reviewing your response to the State Water Board's Informational Order, and meeting with representatives from the City of Yreka (City) on November 19, 2015, it has become clear that the City is not likely to meet its conservation target of 32 percent through February 2016. Accordingly, further enforcement action is warranted.

The State Water Board is issuing the City a Conservation Order (Order) under section 866(a)(1). Please see the enclosed Order.

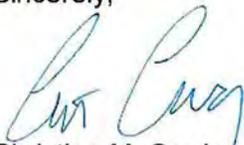
The State Water Board finds that a tiered rate structure that implements a drought penalty is an effective way to encourage water conservation. Additional information on conservation water pricing can be found at:
http://www.waterboards.ca.gov/waterrights/water_issues/programs/drought/pricing/.

FELICIA MARCUS, CHAIR | THOMAS HOWARD, EXECUTIVE DIRECTOR

1001 I Street, Sacramento, CA 95814 | Mailing Address: P.O. Box 100, Sacramento, Ca 95812-0100 | www.waterboards.ca.gov

If you have questions, please contact Dr. Matthew Buffleben at (916) 341-5891, or by email at Matthew.Buffleben@waterboards.ca.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Chris Carrigan".

Christian M. Carrigan, Director
Office of Enforcement

Enclosure

cc: *(via email only)*

Dr. Matthew Buffleben, Chief
Special Investigations Unit
Matthew.Buffleben@waterboards.ca.gov

RESOLUTION NO. 2016- 1
RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YREKA
ADOPTING RESTRICTIONS ON THE USE OF OUTDOOR IRRIGATION
ONE DAY PER WEEK WATERING SCHEDULE.

WHEREAS, the City Council of the City of Yreka Adopted Ordinance 841 regarding Water Limitations and Resolution 2015-30 Adopting Regulations and Restriction on the Delivery and Consumption of Water within the City's Service Area, both on August 20, 2015, and

WHEREAS, The City has received a Conservation Order from the California State Water Board that requires, among other requirements, the implementation of a one day per week irrigation schedule.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Yreka that the City Council authorizes implementation of a one day per week irrigation cycle, and

BE IT FURTHER RESOLVED that customers with street addresses that end with an odd number may irrigate only on Tuesdays and customers with street addresses that end with an even number may irrigate on Wednesdays. No irrigation is permitted on Monday, Thursdays, Fridays, Saturdays or Sundays; and

BE IT FURTHER RESOLVED that this watering schedule shall be in place until the last day of March 2016, unless extended; and

BE IT FURTHER RESOLVED that the City Manager shall have the authority to take all actions necessary or appropriate to implement the water irrigation schedule.

Passed and adopted this 7th day of January 2016, by the following vote:

AYES:
NAYS:
ABSENT:

John Mercier, Mayor

Attest:

Elizabeth E. Casson, City Clerk



CITY OF YREKA
CITY COUNCIL AGENDA MEMORANDUM

To: Yreka City Council
Prepared by: Steven W. Baker, City Manager
Agenda title: Discussion – Marijuana Status.
Meeting date: January 7, 2016

Discussion:

The State currently has a March 1, 2016 deadline for an ordinance to be in effect to locally regulate the cultivation of medical marijuana.

Staff was directed to bring back to the City Council two draft ordinances – one that banned all cultivation and another that banned outdoor cultivation, but allowed a small indoor grow of marijuana. Staff had originally indicated that the ordinances would come back directly to the City Council, but after reviewing the methods for adoption of such an ordinance on a short time line and consulting with the League of California Cities, the appropriate process appears to be to send it to the Planning Commission first, then the Council for an introduction of the ordinance, followed by adoption of the ordinance at the following meeting on an urgency basis. This would allow the ordinance to go into effect prior to the March 1 2016 date.

The proposed schedule then is to have the Planning Commission hear and make a recommendation on an ordinance at their January 20, 2016 meeting. Introduction at a City Council meeting would occur on February 4th with adoption on February 18th. The urgency will require a 4/5ths vote.

Staff will be recommending that the City engage in a longer, more thoughtful discussion of all of the aspects of local regulation, including dispensaries, distribution, taxation and cultivation in the near future to craft an overall regulatory structure that preserves local control.

We have heard that the legislature and governor may agree to new legislation that would eliminate the March 1 2016 implementation date. In spite of that possibility, staff believes that the City should move forward now to preserve local control rather than relying on the state to make its change.

Fiscal Impact:

To be determined.

Recommendation:

N/A – Information Only

Approved by: _____


Steven Baker, City Manager



CITY OF YREKA
CITY COUNCIL AGENDA MEMORANDUM

To: Yreka City Council
Prepared by: Steven W. Baker, City Manager
Agenda title: Discussion/Possible Action – Councilmember Simmen request for consideration of Marijuana regulation.
Meeting date: January 7, 2016

Discussion:

Attached is a conceptual ordinance that Councilmember Simmen asked to be placed on the agenda for consideration regarding Marijuana regulation.

Approved by: _____

A handwritten signature in blue ink, appearing to read "Steven Baker", written over a horizontal line.

Steven Baker, City Manager

Marijuana Ordinance

1. Cultivation of Marijuana is permissible outdoors
 - a. In privately controlled “grows” of 100 square feet or less
 - b. Subject to State Law Requirements

2. Cultivation of Marijuana is illegal in outdoor “grows” larger than 100 square feet
 - a. Larger “grows” have a tendency to increase community complaints and anxiety
 - i. Because of the monetary value there is a heightened emotion
 1. Video cameras
 2. Security
 3. Paranoia
 4. Unwanted traffic and thief possibilities
 - ii. Odor
 - iii. Enforcement by Yreka Police Department
 1. No criminal prosecution
 2. Fines are imposed at the rate of 50% or more of the estimated wholesale cash value of the crop
 3. Unpaid fines are attached to the property as a “property lien”
 4. Fines increase the General Fund Revenues to help with enforcement costs
 5. Fines act as a deterrent for future “grows”

3. Cultivation of Marijuana is illegal in all indoor applications
 - a. Indoor cultivation increased unwanted results
 - i. Requires an increased in electrical energy consumption contrary to energy conservation measures
 1. Heating in winter
 2. Cooling fans in summer
 3. Lighting
 - ii. Increases the possibility of house fires because of this electric demand
 - iii. Creates a possible mold and fungus situation because of the increase in moisture requirements
 - iv. Could create a proliferation of unwanted outbuildings and greenhouses



**CITY OF YREKA
CITY COUNCIL AGENDA MEMORANDUM**

To: Yreka City Council
Prepared by: Steve Baker, City Manager
Agenda title: Approval of Yreka Volunteer Fire Department Fire Officers for 2016-2017
Meeting date: January 7, 2016

Discussion:

The Yreka Volunteer Fire Department has elected officers for the two-year period beginning January 2016 – December 2017, subject to approval by the City Council. The Department is requesting such approval and the results of the election are attached. Under City Code, the City Council approves the appointment of the Chief, First Assistant Chief and Secretary-Treasurer.

Recommendation and Requested Action:

That the City Council approve Jerry Lemos for Chief, Jason Suter for First Assistant Chief and Michael Mallory as Secretary –Treasurer.

Approved by: _____

A handwritten signature in black ink, appearing to read "Steven Baker", written over a horizontal line.

Steven Baker, City Manager

Liz Casson

From: BJ Laustalot
Sent: Tuesday, December 15, 2015 3:18 PM
To: Steven Baker; Liz Casson
Subject: Elections

The results of the bi-annual elections are as follows:

Officers

Chief- Jerry Lemos
1st Asst. Chief- Jason Suter
2nd Asst. Chief- open
Captain- Michael Anderson
1st Lt.- Rusty Bigler
2nd- Lt.- William Girdner
Sec/Tres- Mike Mallory

Executive Board

Rick Dean
Phil White
Rob Bicego
Brian Jones

Liz we need to get the officers on the next council agenda for approval

Thanks,
BJ

Sent from my iPad

CONFIDENTIALITY NOTICE: The information contained in this e-mail is information protected by Deliberative Process, Official Information, attorney-client, pending litigation or claims, and may relate to Personnel Records or the Public Interest Exemption or other privileges as well as Medical Privacy Laws including the Medical Information Act and Health Insurance Portability and Accountability Act. The information contained in this electronic mail is also covered by the Electronic Communications Privacy Act, 18 U.S.C. Sections 2510-2521, and is solely for use by the person or entity that was its intended recipient. If you are not the intended recipient, please immediately delete it and notify us of the error to help us redirect it. Thank you.

MEMORANDUM

CITY OF YREKA



To: City Council
From: BJ Laustalot, Fire Chief
Re: Recruitment and Recommendation Checklist for Appointment of Candidate,
Name: SCOTT CALDWELL
Date: 12-29-15

I certify this candidate has completed all of the following steps in connection with their application.

- Chief Memo regarding Application process
- Candidate Application

Background Investigation (prior to Fire Department approval)

- City of Yreka External Background check form
- Authorization to Procure and Election to Receive/Not Receive Copy of Consumer Report
- Certification to Consumer Credit Agency (*Fire Chief signs*)
- City of Yreka Internal Background check form
- DMV driver record information and report

Health and Safety Screening (prior to City Council appointment)

- Essential Functions and Work Conditions of Firefighter
- Certificate of Physician (*Physician signs*)
- Health Screen Questionnaire
- OSHA Respirator Questionnaire
- Candidate's Release for Pre-Appointment Agility Test (*Fire Chief also signs*)
- Fire Chief Certification of Candidate Agility Test (*Fire Chief signs*)
- Live Scan Fingerprint Screening
- Drug Screening (*Fire Chief notes date and time, and also signs*)
- Department Recommendation of Appointment and Approval (*Fire Chief signs before scheduling City Council appointment*)

I recommend that the City Council approve the appointment of this candidate to the Yreka Volunteer Fire Department:



BJ Laustalot, Fire Chief



CITY OF YREKA
CITY COUNCIL AGENDA MEMORANDUM

To: Yreka City Council
Prepared by: Rhetta Hogan
Agenda title: Acceptance of the City of Yreka's Audited Financial Statement
Fiscal Year 2014-15
Meeting date: January 7, 2016

Discussion:

Oral presentation of the City's 2014-2015 audited financial statements by Aiello, Goodrich and Teuscher and Rhetta Hogan, Finance Director.

Highlights from the report state no significant audit findings, and the City did not have any findings pursuant to compliance with the federal single audit act report, commonly referred to as OMB Circular 133A for federal grant awards. The City had \$3,783,220 in federal award expenditures in 2014-2015.

The December 29, 2015, governance letter from Aiello Goodrich and Teuscher recaps:

- Qualitative aspects of Accounting Practices
 - Implementation of Governmental Accounting Standards Board issued Statement No. 68, Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27. This pronouncement has been implemented for purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense/expenditures.
 - No transactions were entered into by the city for which there is a lack of authoritative guidance or consensus.
 - All significant transactions were recognized in the financial statements in the proper period.
- Difficulties encountered in performing the audit
 - There were none.
- Corrected and Uncorrected Misstatements
 - None were noted.
- Disagreements with management, management representations
 - No such disagreements arose during the course of the audit.
- Management Representations
 - The City's management representation letter to Aiello Goodrich and Teuscher is attachment to this staff report
- Management Consultations with Other Independent Accountants

Approved by: _____

Steven Baker, City Manager

January 7, 2016

- There were none.
- Other Audit Findings or Issues
 - There were none

The full report may be viewed on the City's website:
<http://ci.yreka.ca.us/city-government/finance/statements>

Fiscal Impact:

Required compliance reporting for grants, debt, and State of California, State Controller's Office per Government Code 12410.

Recommendation and Requested Action:

Acceptance of the City of Yreka's Audited Financial Statement Fiscal Year 2014-2015



December 29, 2015

To the City Council
City of Yreka, California

We have audited 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 of the City of Yreka, California for the year ended June 30, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and OMB Circular A-133, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 30, 2013. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management has the responsibility for the selection and use of appropriate accounting policies. The significant accounting policies used by City of Yreka, California are described in Note 1 to the financial statements. As described in Note 1 to the financial statements, the City of Yreka, California changed accounting policies related to pension liabilities by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 68, *Accounting and Financial Reporting for Pensions*, in 2015. Accordingly, the cumulative effect of the accounting change as of the beginning of the year is reported in the Statement of Activities and described in the notes to the financial statements. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting City's financial statements was management's estimate of the allowance for doubtful accounts. The estimate is based on the future likelihood of not being able to collect on certain accounts receivable balances. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For the purposes of this letter, a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 29, 2015.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves the application of an accounting principle to the City's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Management's Discussion and Analysis and the Budgetary Comparison Schedules, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restrictions on Use

This information is intended solely for the use of City of Yreka, California's management and City Council, and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,



Aiello, Goodrich & Teuscher
An Accountancy Corporation





City of Yreka

701 Fourth Street • Yreka, CA 96097
(530) 841-2386 • FAX (530) 842-4836



December 29, 2015

Aiello, Goodrich & Teuscher
An Accountancy Corporation
PO Box 158
Mt. Shasta, CA 96067

This representation letter is provided in connection with your audit of the financial statements of City of Yreka, which comprise the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of December 29, 2015, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated July 30, 2013, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for the preparation of the supplementary information in accordance with the applicable criteria
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumption we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.

- 7) All adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements or in the schedule of findings and question costs.
- 8) The effects of all known actual and possible litigation, claims and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 9) Guarantees, whether written or oral, under which the City is contingently liable, if any, have been properly recorded and disclosed.

Information Provided

- 10) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the City from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the City Council, or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 11) All material transactions have been recorded in the accounting records and are reflected in the financial statements and the schedule of expenditures of federal awards.
- 12) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 13) We have no knowledge of any fraud or suspected fraud that affects the City and involves:
 - a) Management,
 - b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.
- 14) We have no knowledge of any allegations of fraud or suspected fraud affecting the City's financial statements communicated by employees, former employees, analysts, regulators, or others.
- 15) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 16) We have disclosed to you all known or actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 17) We have disclosed to you the identity of the City's related parties and all the related party relationships and transactions of which we are aware.

Government-specific

- 18) There have been no communication from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 19) We have identified to you any previous financial audits, attestation engagements, performance audits, or other studies related to the objectives and whether related recommendations have been implemented.
- 20) The City has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.

- 21) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 22) We have identified and disclosed to you all instances that have occurred, or fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- 23) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 24) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively material to the financial statements or other financial data significant to the audit objectives.
- 25) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 26) The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 27) The City has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 28) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 29) The financial statements properly classify all funds and activities in accordance with GASB Statement No. 34.
- 30) All funds that meet the quantitative criteria in GASB Statement Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 31) Components of net position (net investment in capital assets; restricted; and unrestricted) and components of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 32) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
- 33) Provisions for uncollectible receivables have been properly identified and recorded.
- 34) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 35) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 36) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 37) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.

- 38) Capital assets, including infrastructure assets, are properly capitalized, reported, and, if applicable, depreciated.
- 39) We have appropriately disclosed the City's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 40) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 41) We acknowledge our responsibility for presenting the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 42) With respect to the budgetary comparison information and PERS supplemental schedules:
 - a) We acknowledge our responsibility for presenting the budgetary comparison information and PERS supplemental schedules (supplementary information) in accordance with accounting principles generally accepted in the United States of America, and we believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b) If the budgetary comparison or PERS supplemental schedules are not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.
- 43) With respect to federal award programs:
 - a) We are responsible for understanding and complying and have complied with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, including requirements relating to the preparation of the schedule of expenditures of federal awards.
 - b) We acknowledge our responsibility for presenting the schedule of expenditures of federal awards (SEFA) in accordance with the requirements of OMB Circular A-133 section 310.b, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Circular. The methods of measurement or presentation of the SEFA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the SEFA.
 - c) If the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFA no later than the date we issue the SEFA and the auditor's report thereon.
 - d) We have identified and disclosed to you all of our government programs and related activities subject to OMB Circular A-133, and included in the SEFA, expenditures made during the audit period for all awards provided by federal agencies in the form of grants, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.

- e) We are responsible for understanding and complying with, and have complied with, the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of our federal programs and have identified and disclosed to you the requirements of laws, regulations, and the provisions of contracts and grant agreements that are considered to have a direct and material effect on each major program.
- f) We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for federal programs that provides reasonable assurance that we are managing our federal awards in compliance with laws, regulations, and the provisions of contracts and grant agreements that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended.
- g) We have made available to you all contracts and grant agreements (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.
- h) We have received no requests from a federal agency to audit one or more specific programs as a major program.
- i) We have complied with the direct and material compliance requirements (except for noncompliance disclosed to you), including when applicable, those set forth in the *OMB Circular A-133 Compliance Supplement*, relating to federal awards and have identified and disclosed to you all known noncompliance with the direct and material compliance audit to the requirements of federal awards.
- j) We have disclosed any communications from grantor and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditors' report.
- k) We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
- l) Amounts claimed or used for matching were determined in accordance with relevant guidelines in *OMB Circular A-87, Cost Principles for State, Local, and Tribal Governments*, and *OMB's Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*.
- m) We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- n) We have made available to you all documentation related to compliance with the direct material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- o) We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- p) There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.
- q) No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies or material weaknesses in internal control over compliance, subsequent to the date as of which compliance was audited.
- r) Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.

City of Yreka
Management Representation Letter to Aiello Goodrich & Teuscher

- s) The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- t) We have charged costs to federal awards in accordance with applicable cost principles.
- u) We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by OMB Circular A-133 and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
- v) We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by OMB Circular A-133.
- w) We are responsible for preparing and implementing a corrective action plan for each audit finding.

Signed: Shella Rhonda Hogan
Title: FINANCE DIRECTOR

Signed: [Signature]
Title: CITY MANAGER



JOHN CHIANG
California State Controller

October 16, 2014

To: Certified Public Accountants and Their Auditees: Local Governments (Counties, Cities, Towns, and Special Districts).

Subject: Assembly Bill 1345—Additions and Amendments to Government Code Section 12410

This advisory provides information to counties, cities, towns, and special districts (local agency) and assists independent auditors in planning and performing audits of local agency entities commencing with fiscal year 2013-14.

SINGLE AUDITS WEB PAGE

The California State Controller's Office (SCO) Single Audits webpage is located at http://www.sco.ca.gov/aud_single_audits.html. This advisory and general guidelines for single audits of local governments are available on this internet site.

SUMMARY OF ADDED PROVISIONS

Government Code section 12410.6.(a) states:

An audit for any local agency, including those submitted to the Controller pursuant to subdivision (a) of Section 12410.5, below, shall be made by a certified public accountant or public accountant, licensed by, and in good standing with, the California Board of Accountancy.

Government Code section 12410.6.(b) states:

Commencing with the 2013-14 fiscal year, a local agency shall not employ a public accounting firm to provide audit services to a local agency if the lead audit partner or coordinating audit partner having primary responsibility for the audit, or the audit partner responsible for reviewing the audit, has performed audit services for that local agency for six consecutive fiscal years. For purposes of calculating the six consecutive fiscal years, the local agency shall not take into account any time that a public accounting firm was employed by that local agency prior to the 2013-14 fiscal year. The Controller may waive this requirement if he or she finds that another eligible public accounting firm is not available to perform the audit.

SUMMARY OF AMMENDMENTS

Government Code section 12410.5.(a) states:

The Controller shall receive every audit report prepared for any local agency, as defined in Section 53890, in compliance with the federal Single Audit Act of 1984 (31 U.S.C. Sec. 7501 et seq.) and required under any law to be submitted to any state agency, and shall, after ascertaining its compliance with that federal act, transmit the report to the designated state agency.

MAILING ADDRESS P.O. Box 942850, Sacramento, CA 94250-5874
SACRAMENTO 3301 C Street, Suite 700, Sacramento, CA 95816 (916) 324-8907
LOS ANGELES 901 Corporate Center Drive, Suite 200, Monterey Park, CA 91754-7619 (323) 981-6802

Government Code section 12410.5.b) states:

The audit report shall be submitted to the Controller within nine months after the end of the period audited or pursuant to applicable federal or state law.

Government Code section 12410.5.(c) states:

An audit report for any local agency submitted to the Controller pursuant to this section shall comply with the Government Auditing Standards issued by the Comptroller General of the United States.

Government Code section 12410.5.(d) states:

If a local agency does not submit the audit report required by this section to the Controller by the due date established in subdivision (b) of this section, the Controller may appoint a qualified certified public accountant or public accountant to complete the report and to obtain the information required. Any cost incurred by the Controller pursuant to this subdivision, including a contract with, or the employment of, the certified public accountant or public accountant, in completing the audit shall be borne by the local agency and shall be a charge against any unencumbered funds of the local agency.

Government Code section 12410.5.(e) states:

Before appointing a certified public accountant or public accountant pursuant to subdivision (d), the Controller shall first notify a local agency of its failure to submit the audit report and give the local agency a reasonable amount of time to submit the report.

Government Code section 12410.5.(f) states:

The Controller shall refer any matters of unprofessional conduct, as defined in Section 5100 of the Business and Professions Code, and multiple and repeated failures to disclose noncompliant acts to the California Board of Accountancy.

If you have any questions or need additional information, please contact Carolyn Baez, Chief, Financial Audits Bureau, Division of Audits, by telephone at (916) 324-6442 or by email at singleaudits@sco.ca.gov.

Sincerely,

Original signed by

JEFFREY V. BROWNFIELD, CPA
Chief, Division of Audits

JVB/kw

14661

cc: Carolyn Baez, CPA
Bureau Chief, Division of Audits