



CALAVERAS COUNTY BOARD OF SUPERVISORS AGENDA SUBMITTAL

Short Name/Subject PG&E Settlement	Board Meeting Date April 9, 2019	Agenda Number 28
Dept: Administrative Office Contact: Manuel Lopez Phone: 209/754-6025	Supervisory District Number Countywide	Regular Agenda
Published Notice Required? No Public Hearing Required? No		Estimated Time: 2 Hours
Type of Document? Action Item PowerPoint Presentation Included? Yes Budget Transfer Included (Must be signed by Auditor)? No Complete Agreement Required? No Position Allocation Change? No		

RECOMMENDATION:

1) Approve various projects and allocate PG&E Settlement funds. Determine that any and all allocations to non-County entities are in the public's benefit. Authorize and direct staff to effect the related budget transfers, which funds will ultimately be transferred on a reimbursement basis. Requires 4/5th affirmative vote of the Board; or, 2) Direct staff to include the proposal as a stand-alone budget unit in the CAO's recommended budget in June 2019. This action only requires a 3/5ths affirmative vote of the Board.

On March 19, 2019, the Board considered this item. At the conclusion of that meeting, the Board was polled and directed staff to bring this item as an action item on April 9, 2019. As such, we have brought this item back to you with the proposal submitted by Supervisor Garamendi at the March 19, 2019 meeting. Therefore, the item brought to you today includes the matrix and the related budget transfers to appropriate the PG&E settlement funds, as proposed by Supervisor Garamendi, should the Board choose to approve the proposal.

On January 19, 2019, the Board directed staff to place an item on the Board agenda for a study session regarding the use of the Butte Fire Settlement funds. On March 19, 2019, staff presented the Board with a general proposal of potential uses for the Settlement, which the Board used as a springboard for a discussion of how it may choose to allocate the Settlement funds. The Board discussed a list of projects set forth by Supervisor Garamendi at the meeting, as well as several additional proposals that were suggested by other Supervisors. The projects are listed on Attachment "A". At that meeting the Board reached consensus that the time for outside agencies to use any funds allocated to them be limited to three years from the five years suggested in the proposal. There was also consensus that the proposed \$1,000,000.00 set aside for potentially rescinded federal or state reimbursements made to the County in connection with the Butte Fire be held for five years. At the end of the discussion, the Board directed staff to bring back an action item for the Board to further explore, and potentially fund, the proposals contained in it, as well as other projects as might be proposed by the Board.

The Settlement funds are nonrecurring, one-time funds over which the Board has total discretion and can appropriate as it chooses. In effect, the Settlement funds can be considered General Purpose Revenue. Regarding potential uses, below is the generalized list of projects, activities or contributions that can be selected by the Board, which were previously presented to

the Board in March 2019. It is recommended that projects or programs that could incur ongoing costs for which funds have not been identified not be selected until funds for those ongoing costs are identified. Consequently, new permanent positions are inappropriate. It is further recommended that programs that are primarily funded by state or federal sources also not be funded.

Suggestions to fund:

1. Increase the County's General Fund Reserve to provide for possible shortages that could result from an economic downturn.
2. Construction, re-construction and/or major improvements of County-owned facilities.
3. Major capital assets to facilitate activities that are hampered because appropriate equipment is either unavailable or beyond its useful life.
4. Communications equipment or activities or capital assets that increase the County's ability to rapidly respond to emergencies or disasters in the future.
5. Training activities to prepare the County to respond to future disasters.
6. Improvements to facilities that will serve as temporary evacuation areas or facilities.
7. Road improvements that were damaged by the Butte Fire or which could serve as primary evacuation routes.
8. Contributions to our emergency "partners" to help in their response to future emergencies.

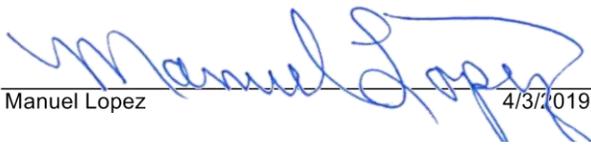
FINANCING:

The discussion will not have a direct impact on the general fund other than the staff time to prepare the item and participate in the discussion. If the Board directs staff to proceed with appropriating all or part of the Settlement funds, then operating budget units, appropriations, and the related budget transfers will be presented to the Board for approval in an amount not to exceed \$20,252,034.98. If approved, the budget transfers contemplated by this item would be made on a reimbursement basis from org key 56030000.

ALTERNATIVES:

The Board could choose not to allocate any or all of the Settlement funds at this time.

APPROVED BY:


Manuel Lopez 4/3/2019


Rebecca Callen, Auditor/Controller 4/3/2019


Christa Vo Latta, Deputy CAO 4/3/2019


Diane Severud, Deputy Clerk of the Board of Supervisors 4/3/2019


Megan Stedfeld, County Counsel 4/3/2019