



Mendocino County

Legislation Text

File #: 20-0167, Version: 1

To: Board of Supervisors

From: Supervisor Brown and Supervisor McCowen

Meeting Date: February 25, 2020

Department Contact: Supervisor Brown

Phone: 463-4441

Department Contact: Supervisor McCowen

Phone: 463-4441

Item Type: Regular Agenda

Time Allocated for Item: 10 mins

Agenda Title:

Discussion and Possible Action Including Authorization of Allocation of Twenty-Five Thousand Dollars (\$25,000) to the Inland Water and Power Commission (IWPC) to Continue the Feasibility Study of a Potential Licensing Proposal for the Potter Valley Project and Other Related Costs
(Sponsors: Supervisors Brown and McCowen)

Recommended Action/Motion:

Authorize the allocation of twenty-five thousand dollars (\$25,000) to the Inland Water and Power Commission (IWPC) to continue the Feasibility Study of a Potential Licensing Proposal for the Potter Valley Project and other related costs.

Previous Board/Board Committee Actions:

On October 16, 2018, the Board of Supervisors approved the allocation of \$25,000 to IWPC for the investigation and negotiation of potential acquisition of the Potter Valley Project. On May 14, 2019, the Board approved the allocation of \$50,000 to IWPC for a feasibility study of a potential licensing proposal for the Potter Valley Project.

Summary of Request:

Last year, MCIWPC, Sonoma Water, County of Humboldt, CalTrout and the Round Valley Indian Tribes agreed to collaborate to prepare a feasibility study that would lead to a "Two Basin Solution" that could be submitted to FERC. Currently, the jointly-retained consultant team, led by Stillwater Sciences, is in the midst of preparing the feasibility study. That study is scheduled for completion in April and, if there is agreement among the planning agreement partners, a report reflecting that agreement will be submitted to FERC.

The work by Stillwater Sciences and the ongoing collaboration with the planning agreement parties is requiring extensive work by MCIWPC, our FERC consultant, Tom Johnson, and our outside counsel, David Aladjem. Much of the discussion that is currently taking place, for instance regarding how the project could be financed in the future or how it could be governed, requires considerable work by these two individuals and their respective expertise. Accordingly, MCIWPC is requesting that each member agency contribute an additional \$25,000 to continue funding the required work. MCIWPC believes that these funds will probably be sufficient to complete the feasibility study. At that point in time, MCIWPC and our members will need to evaluate what has happened, how we can move forward, and the appropriate allocation of costs. Previous

contributions from prior fiscal years were funded through Budget Unit 1940 - Miscellaneous. Supervisor Brown and McCowen recommend utilizing Budget Unit 1940 for this project and making a \$25,000 budgetary adjustment with available funds as part of the mid-year budget adjustments on March 10, 2020.

Alternative Action/Motion:

Do not approve allocation of funds and provide alternative direction.

Supervisory District: District 1, 2 and 5

vote requirement: Majority

Supplemental Information Available Online At: N/A

Fiscal Details:

source of funding: Available general funds at Mid-year **budgeted in current f/y:** No

current f/y cost: \$25,000

if no, please describe:

annual recurring cost: unknown

revenue agreement: N/A

budget clarification: Identify available general funds at mid-year on March 10, 2020.

Agreement/Resolution/Ordinance Approved by County Counsel: N/A

CEO Liaison: Executive Office

CEO Review: Yes

CEO Comments:

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Executed By: Lindsey Dunham, Deputy Clerk I

Date: February 27, 2020

Final Status: **Approved**

