



Meeting: **Reservoir Committee & Authority Board**
Agenda Item 1.5

March 22, 2024

Subject: **Glenn County Memorandum of Understanding (MOU)**

Requested Action:

Reservoir Committee and Authority Board consider authorizing the Executive Director to enter into a Memorandum of Understanding with Glenn County, committing the Authority to pay County costs for performing property/sales tax analysis and land use planning activities needed to support County and local agency permits and approvals for the Project. The requested action includes a transfer of \$50,000 from the Engineering Subject Area Contingency to be committed to Glenn County for the above services.

Detailed Description/Background:

Similar to the action taken by the Board last month, a Memorandum of Understanding with Glenn County is proposed to initiate land use and zoning changes that will be necessary associated with the north end of the Reservoir. In addition, Glenn County has an existing contract with a firm that specializes in sales tax analysis and in a collaborative manner the Authority and County's wish to seek their assistance in analyzing these aspects of the Project and the implications project implementation may have within Glenn and Colusa County. The proposed MOU would establish two tasks that include the following:

Task 1 – HdL Sales Tax Analyses

Glenn County would amend on behalf of the Authority their existing services contract with Heinterleiter del Lamas (HdL) to provide advisory services related to preparation of the development agreement with Glenn and Colusa County's including a review of sales, use, and transaction tax analyses for the with and without project case to be used to advise on these aggregate economic benefits to the County's finances from the project, and provide recommendations for addressing these matters. HdL may also be called upon to provide job site progress and audit services in this regard during construction, but this is not to be included at this time.

Task 2 – Initiate necessary land use and zoning changes

Glenn County staff and consultants initiating the process and establishing land use designations or adopt necessary zoning changes to accommodate construction and operations of the Sites Reservoir consistent with Glenn County General Plan requirements.

Glenn County would lead both tasks - using county staff and hired consultants. The Authority would pay all costs for the work. The estimated cost of both tasks is a total of \$50,000.

These two tasks are consistent with the Local Community Working Group's (LCWG) policy recommendations 2, 3, and 4 adopted at the January 19, 2024, Authority Board/Reservoir Committee Meeting.

The key terms of the proposed MOU would consist of the following:

- Sites Authority will pay 100% of consultants' cost related to performing this work plus County staff time incurred in directing the work of consultants.
- Sites Authority to deposit funds to be drawn by County to cover actual cost with any excess deposited funds returned to the Authority upon completion. County to provide regular accounting reports of actual cost to Sites Authority.
- Estimated cost for Task 1 is anticipated to NTE **\$20,000**.
- Estimated cost for Task 2 is anticipated to NTE **\$30,000**.
- Assume that the Glenn County BOS will consider the MOU at its **March 26, 2024** meeting that would authorize the contact amendment in conjunction with the related work to reimburse to Glenn County for HdL's services and initiate the land use and zoning changes required by the County.
- Schedule to complete all work related to Task 1 is to be completed by **May 25, 2024**.
- Schedule to complete all work related to Task 2, including adoption of any land use or zoning changes by the Glenn County Board of Supervisors is to be completed by **December 31, 2024**.
- County to direct the work and be in responsible charge of consultants and regularly coordinate with Sites Authority as needed for project related input.
- County to consult with Sites Authority and the LCWG before finalizing recommendations to the Board of Supervisors.

Prior Action:

None.

Fiscal Impact/Funding Source:

The estimated cost to complete the tasks is \$50,000. Funding to support this effort would be allocated from the Engineering Subject Area Unrestricted Contingency since the Real Estate Subject Area Contingency does not have sufficient funds to cover the anticipated expenses. The above mentioned services will be performed under the Real Estate Subject Area.

Staff Contact:

Kevin Spesert/Jerry Brown

Primary Service Provider:

None

Attachments:

None