

## **AGREEMENT**

### **AGREEMENT BETWEEN SOLANO COUNTY AND THE COUNTY OF SAN MATEO TO TRANSFER \$1,000,000 IN SOLANO COUNTY RULE 20A CREDITS TO THE COUNTY OF SAN MATEO IN EXCHANGE FOR \$500,000**

---

**THIS AGREEMENT**, made and entered into this \_\_\_\_\_ day  
of \_\_\_\_\_, 2019, by and between **COUNTY OF SAN MATEO**, a  
political subdivision of the State of California, hereinafter called "County" and **SOLANO  
COUNTY**, a political subdivision of the State of California, hereinafter called "Solano  
County," collectively "Parties,"

### **W I T N E S S E T H :**

**WHEREAS**, PG&E collects and annually allocates Rule 20A work credits to  
communities to convert overhead electric and telecommunication facilities to  
underground electric facilities within an approved Underground Utility District; and

**WHEREAS**, the County is actively planning a project to underground overhead  
electrical and telecommunication facilities on Middlefield Road in the North Fair Oaks  
Area that qualifies for the Rule 20A work credits; however, the County has a shortfall in  
the number of Rule 20A work credits anticipated for its Middlefield Road underground  
project (Project) and requires an additional allocation of Rule 20A work credits to fund  
this Project; and

**WHEREAS**, PG&E currently holds an allocation of Rule 20A work credits for the  
benefit of Solano County, a portion of which represents a surplus that is not being utilized  
by Solano County at this time or in the near future; and

**WHEREAS**, Solano County is willing and has agreed to sell a portion of its Rule 20A work credits to the County; and

**WHEREAS**, the County will purchase \$1,000,000 in Rule 20A work credits from Solano County for its Project and Solano County is willing to sell the Rule 20A work credits to the County for a mutually agreed amount of \$500,000; and

**WHEREAS**, should additional Rule 20A work credits be required by the County for the Project and Solano County were willing to sell additional Rule 20A work credits such transfer of additional Rule 20A work credits would be through an amendment to this Agreement; and

**WHEREAS**, the Parties now desire to enter into this Agreement to transfer the PG&E Rule 20A work credits from Solano County to the County.

**NOW, THEREFORE, IT IS AGREED AS FOLLOWS:**

1. Solano County agrees to transfer \$1,000,000 in Rule 20A work credits to the County in exchange for \$500,000 in accordance with the terms of this Agreement.

2. This Agreement shall be subject to the approval of Solano County's Board of Supervisors and the County of San Mateo's Board of Supervisors and shall become effective on the date after execution by both parties with signatures below (the "Effective Date").

3. Within thirty (30) calendar days of the Effective Date, the County shall authorize staff to pay \$500,000 to Solano County in exchange for \$1,000,000 in Rule 20A work credits from Solano County.

4. Within fifteen (15) calendar days of receiving the funds, Solano County

shall deliver a written letter to PG&E, with a copy to the County, making a formal request to transfer \$1,000,000 in Rule 20A work credits to the County, and to provide any additional documentation or information that is reasonably requested by PG&E to complete the transfer. The County acknowledges and agrees that it has conducted its own investigation as to the applicability and transferability of Solano County's Rule 20A work credit allocation for use in the County's proposed Project and that Solano County has not made any representation or warranty to the County with respect to the same. The Rule 20A work credits purchased from Solano County shall be used by the County in accordance to the rules and procedures adopted by PG&E and such other conditions or requirements set forth in the Public Utilities Code.

**5.** To the full extent permitted by law, each Party shall defend, indemnify and hold harmless the other Party, its officers, agents and employees from all claims, damages, suits, or actions of every name, kind, and description, arising out of or relating to the matters covered by this Agreement to the extent that such claims, damages, suits or actions are due to the negligence or willful misconduct or failure to perform obligations required under this Agreement.

**6.** Any notice, request, demand, or other communication required or permitted under this Agreement shall be deemed to be properly given when both: (1) transmitted via email to the email address listed below; and (2) sent to the physical address listed below by either being deposited in the United States mail, postage prepaid, or deposited for overnight delivery, charges prepaid, with an established overnight courier that provides a tracking number showing confirmation of receipt.

**In the case of County of San Mateo, to:**

James C. Porter, Director  
County of San Mateo  
Department of Public Works  
555 County Center, 5<sup>th</sup> Floor  
Redwood City, CA 94063  
Telephone:(650) 363-4100  
Email: jporter@smcgov.org

**In the case of Solano County, to:**

Bill Emlen, Director  
Solano County  
Department of Resource Management  
675 Texas Street, Suite 5500  
Fairfield, CA 94533  
Telephone: (707) 784-6765  
Email: wfemlen@solanocounty.com

**7.** This Agreement constitutes the sole agreement of the Parties to this Agreement and correctly states the right, duties, and obligations of each Party as of this document's date.

**8.** Any prior agreement, promises, negotiations or representation between the Parties not expressly stated in this document are not binding.

**9.** Authority is given to the County's Director of Public Works to execute contract amendments to modify the contract terms and/or services. All subsequent modifications or amendments shall be made in writing and signed by both Parties.

**IN WITNESS WHEREOF**, the Parties , by their duly authorized representatives,  
have affixed their hands on the day and year first above written.

**"County"**

**COUNTY OF SAN MATEO**  
A Political Subdivision of the  
State of California

**BY**

\_\_\_\_\_  
President, Board of Supervisors,  
San Mateo County

**"Solano County"**

**SOLANO COUNTY**  
A Political Subdivision of the  
State of California

**BY**

\_\_\_\_\_  
Director of Resource Management  
Solano County