

RESOLUTION NO. .

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

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**RESOLUTION AUTHORIZING THE COUNTY MANAGER TO EXECUTE
AGREEMENT(S) WITH COUNTIES OR CITIES FOR THE TRANSFER OF \$1,000,000
IN RULE 20A CREDITS TO THE COUNTY OF SAN MATEO IN EXCHANGE FOR
\$500,000 IN GENERAL FUND DOLLARS**

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that

WHEREAS, on November 5, 2002, this Board adopted Resolution No. 065657, which approved the Middlefield Road Underground Utility District – Phase II, which included Middlefield Road from Fifth Avenue to MacArthur Avenue; and

WHEREAS, on November 17, 2015, this Board adopted Resolution No. 074209 to modify the boundaries of the existing Middlefield Road Underground Utility District - Phase II from Fifth Avenue to MacArthur Avenue in the North Fair Oaks Area and authorized the Director of Public Works to make minor adjustments if necessary, to the Middlefield Road Underground Utility District -Phase II Boundary hereafter; and

WHEREAS, on October 22, 2019, this Board adopted Resolution No. 077011, which authorized an agreement with Solano County for the transfer of \$1,000,000 in Solano County Rule 20A credits to the County of San Mateo in exchange for \$500,000 in General Fund dollars, an exchange rate of 50 cents for every dollar of Rule 20A credits purchased; and

WHEREAS, the Solano County Board of Supervisors decided not to execute the agreement to transfer Rule 20A credits and to instead retain their Rule 20A credits; and

WHEREAS, Pacific Gas and Electric Company (PG&E) collects and annually allocates Rule 20A credits to agencies to fund conversion of overhead electrical facilities to underground facilities within an approved Underground Utility District; and

WHEREAS, the County is actively planning a project to underground overhead facilities (electrical, telecommunication, and cable) on Middlefield Road in the North Fair Oaks Area for which the electrical portion qualifies for the Rule 20A credits; however, the County has a shortfall in the number of Rule 20A credits necessary for this work and requires additional Rule 20A credits; and

WHEREAS, PG&E's Rule 20A credit program allows agencies to borrow or purchase additional Rule 20A credits from other agencies based on a mutually agreeable rate of exchange and an agreement between the agencies for the borrow or purchase of such credits; and

WHEREAS, PG&E currently holds allocations of Rule 20A credits for the benefit of cities and counties and some agencies have a surplus that they may be willing to sell to the County; and

WHEREAS, PG&E has indicated that the County must purchase \$1,000,000 in Rule 20A credits to add to the County's current \$5,930,496 Rule 20A credit balance for the Middlefield Road undergrounding work; and

WHEREAS, the Director of Public Works has recommended that the County Manager be authorized to execute agreement(s) with counties or cities for the transfer of \$1,000,000 in Rule 20A credits to the County of San Mateo in exchange for \$500,000 in General Fund dollars; and

WHEREAS, the Board has considered and concurs with the recommendation of the Director of Public Works.

NOW THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board of Supervisors be and is hereby authorizing:

1. The County Manager to execute agreement(s), consistent with the terms and conditions included in the previously approved agreement, for the purchase of Rule 20A credits with any substantive changes approved by County Counsel prior to execution.
2. The total amount of Rule 20A credits to be purchased is \$1,000,000.
3. The form of agreement for the purchase of Rule 20A credits is attached hereto as Exhibit "A".
4. The Director of Public Works to make contract amendments to modify the contract terms, if necessary, to accommodate any constraints as may be identified as part of the purchase of Rule 20A credits from other agencies.

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