



COUNTY OF NEVADA
COMMUNITY DEVELOPMENT AGENCY
DEPARTMENT OF PUBLIC WORKS
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Sean Powers
Community Development Agency Director

Trisha Tillotson
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NEVADA COUNTY BOARD OF SUPERVISORS
Board Agenda Memo

MEETING DATE: September 12, 2017

TO: Board of Supervisors

FROM: Daniel Chatigny/CFAO

SUBJECT: Resolution authorizing a short term loan of funds from the Community Development Agency fund to the roads fund in the amount of \$1,500,000 to meet temporary cash flow needs of roads for emergency storm damage repairs.

RECOMMENDATION: Approve the attached Resolution.

FUNDING: Roads has incurred emergency storm damage related expense in the amount of approximately \$1.5 million and the related cash outlay has impacted funds available for ongoing projects. The proposal is for a short term loan of funds from the Community Development Agency fund (1123) to the Roads fund (1114) to meet the Roads cash flow need for budgeted Capital Improvement Plan (CIP) roads projects. Once the Roads fund receives reimbursement from FEMA/Cal-EMA and the Federal Highway Administration (FHWA) or has accumulated enough cash from other revenue sources to meet ongoing cash flow needs, the temporary loan will be repaid to the Community Development Agency. It's expected that in the end there will be no net impact to either the Community Development Agency fund or the Roads fund. There is no budget amendment required and no impact on the General Fund.

BACKGROUND: In January, 2017 the County of Nevada Director of Emergency Services proclaimed the existence of a local emergency due to extreme weather and precipitation from an atmospheric river event which caused flooding and damage throughout the County, and on January 11, 2017, by Resolution 17-035 the Board of Supervisors of the County of Nevada ratified said emergency proclamation. By subsequent resolutions the Board of Supervisors ratified continuance of the emergency declaration for a reasonable amount of time, with the most recent continuation occurring with on August 8, 2017 with Resolution 17-414.

The Road fund has been impacted by approximately \$1.5 million of expenses and cash outflow due to road projects and repairs related to the local emergency and needs those funds to meet contractual requirements for projects underway for the fiscal year 2017/18 Capital Improvement Plan (CIP) adopted by the Board of Supervisors in Resolution 17-115. The emergency related expenses to date include repairs to Brunswick, Maybert, Purdon, Cooper and other roads. The County Office of Emergency Services director and Roads department staff have been diligent in submitting expenses for reimbursements to FEMA/ Cal-EMA and

the Federal Highway Administration (FHWA), and working with those agencies to complete requirements for reimbursement. It is expected that eligible expenses will be reimbursed, but the timing of reimbursement is subject to completion of the administrative process for the reimbursing agencies and regardless of the County's diligence there's some uncertainty in timing.

To meet cash flow requirements for budgeted Roads CIP projects, staff recommends that the Board of Supervisors approve a short term interest free cash flow loan from Community Development Agency (Fund 1123) to Roads (Fund 1114). All FEMA/Cal-EMA and FHWA reimbursement funds that are received by June 30, 2018 will be paid by July 31, 2018; any remaining balance will be repaid by the latter of (a) thirty (30) days after all anticipated FEMA/Cal-EMA and FHWA reimbursements have been received, or (b) June 30, 2019.

Please contact me if additional information is required.

Item Initiated by: Daniel Chatigny

Approved by: Trisha Tillotson

Submittal Date: August 31, 2017

Revision Date: