



RESOLUTION No. _____

OF THE BOARD OF SUPERVISORS OF THE COUNTY OF NEVADA

RESOLUTION OF THE COUNTY OF NEVADA AUTHORIZING THE COUNTY EXECUTIVE OFFICER TO EXECUTE FUNDING AGREEMENTS TO IMPLEMENT A TAX NEUTRALITY REQUIREMENT

WHEREAS, the Funding Agreement to Implement Tax Neutrality Requirement (“Agreement”) as described in Exhibit A, is entered into as of the Effective Date by and between the Pacific Forest and Watershed Lands Stewardship Council, a California nonprofit public benefit corporation (“Stewardship Council”) and County of Nevada, a public entity (“County”) with reference to the following; and

WHEREAS, the Stewardship Council was created to oversee the “Land Conservation Commitment” described in that certain Settlement Agreement among Pacific Gas and Electric Company (“PG&E”), PG&E Corporation, and the California Public Utilities Commission (the “Commission”) as modified and approved by the Commission in its Opinion and Order of December 18, 2003 (Decision 03-12-035) (“the Settlement Agreement”); and that Stipulation Resolving Issues Regarding the Land Conservation Commitment dated September 25, 2003 (“the Stipulation”). The Stewardship Council has limited assets and no foreseeable sources of revenue and consequently the Stewardship Council is anticipated to dissolve or otherwise wind down or cease to operate in the future; and

WHEREAS, pursuant to the Settlement Agreement and Stipulation, certain lands owned by PG&E at the time of the Settlement (the “PG&E Watershed Lands”) are to be conserved for a broad range of beneficial public values, including the protection of the natural habitat of fish, wildlife and plants; the preservation of open space; outdoor recreation by the general public; sustainable forestry; agricultural uses; and historic values. The Stewardship Council is charged with developing a Land Conservation Plan (“LCP”) for the protection and enhancement of the PG&E Watershed Lands; and

WHEREAS, in connection with the Land Conservation Commitment, approximately 1,867 acres of PG&E Watershed Lands in Nevada County that PG&E agreed to make available for donation are anticipated to be donated to eligible organizations; and

WHEREAS, the Settlement Agreement requires that the LCP assess that any donation will not adversely impact local tax revenue, and the Stipulation requires that an appropriate entity provide property tax revenue, other equivalent revenue source, or a lump sum payment so that the totality of the dispositions in each affected county under the Land Conservation Commitment will be tax neutral for that county (“Tax Neutrality Requirement”). By and through the Agreement, Nevada County and Stewardship Council desire, among other things, to confirm and acknowledge that the Tax Neutrality Requirement has been met; and

WHEREAS, in consideration of the covenants and obligations set forth in the attached and future agreements, the Stewardship Council intends that the funding be provided to Nevada County as described in those agreements, and Nevada County desires to accept such funding, all subject to the terms and conditions described in the Agreements.

NOW, THEREFORE, BE IT HEREBY RESOLVED, that the Board of Supervisors approves the substantial form of Agreement as attached as Exhibit A; and

BE IT FURTHER RESOLVED, that the County Executive Officer is hereby authorized to execute all agreements in substantial form as attached as Exhibit A related to and necessary to implement tax neutrality.