



**COUNTY OF NEVADA**  
**COMMUNITY DEVELOPMENT AGENCY**  
**DEPARTMENT OF PUBLIC WORKS**  
950 MAIDU AVENUE, NEVADA CITY, CA 95959-8617  
(530) 265-1411 FAX (530) 265-9849 [www.mynevadacounty.com](http://www.mynevadacounty.com)

Sean Powers  
Community Development Agency Director

Trisha Tillotson  
Director of Public Works

**File: 600. 33 042**

**NEVADA COUNTY BOARD OF SUPERVISORS**  
**Board Agenda Memo**

**MEETING DATE:** June 12, 2018

**TO:** Board of Supervisors

**FROM:** Trisha Tillotson

**SUBJECT:** **Resolution Authorizing A Loan From The Road Mitigation Funds, Fund 1400, to the Road Fund, Fund 1114, for the Purpose of Providing Cash Flow for the Combie Road Corridor Improvement Project, Combie Road Utility Underground Project, and other Road Fund Projects**

**RECOMMENDATION:** Approve the attached Resolution.

**FUNDING:** \$2,379,000 from Road Mitigation Funds have previously been identified and approved as the primary source of funds to complete the Combie Road Corridor Improvement Project. Funds will be loaned from Fund 1400 to the Road Fund 1114 in advance of construction expenses for both the Combie Road Corridor Improvement Project and the reimbursable Rule 20A Combie Road Utility Underground Project. Additionally, this advance will provide the Road Fund with cash in order to meet capital and operational expenditures, including costs of the 2018 Road Rehabilitation Project that will be funded by SB1 funds. A table outlining the details of the proposed transaction is below...

Project	Funding Source	Amount
Combie Utility Undergrounding	Rule 20A	1,307,377
	Mitigation Funds	96,623
<b>Project Total</b>		<b>1,404,000</b>

Project	Funding Source	Amount
Combie Corridor	Mitigation Funds	2,282,000
	RSTP	843,000
<b>Project Total</b>		<b>3,125,000</b>

**Combined Total** **4,529,000**

Project	Mitigation Funds Required
Combie Utility Undergrounding	96,623
Combie Corridor	2,282,000
<b>Total</b>	<b>2,378,623</b>
<i>Total Loan Request</i>	<i>2,379,000</i>

**BACKGROUND:** In the 2018 Roads Capital Improvement Program, the Department of Public Works has programmed funding for capital projects along the Combie Road corridor. These efforts include the Rule 20A Combie Road Utility Underground Project, the Combie Road Corridor Improvement project, and a sewer line extension project to benefit economic development along the Combie Corridor, specifically the Higgins Marketplace.

The total estimated cost for these projects is \$4,529,000. Funding for the Rule 20A Combie Road Utility Underground Project is estimated at \$1,404,000 and consists mostly of reimbursements in the amount of \$1,307,377 from PG&E and other utilities that will benefit from the relocation project. The remaining \$96,623 will be funded by Road Mitigation funds. The Combie Road Corridor Improvement Project is estimated to cost \$3,125,000. An estimated \$2,282,000 of funding for this project will come from Road Mitigation Funds in Fund 1400 and approximately \$843,000 from Regional Surface Transportation Program funds. The sewer line extension will be delivered as part of the Combie Road Corridor Improvement Project and funded by Nevada County economic development funds in the amount of \$983,211.

In addition to the Combie Corridor projects, the Road Fund has several CIP projects scheduled for Summer 2018 that will require large expenditures to be made. These projects include the 2018 Road Rehabilitation Project that will be funded by SB1. However, SB1 funds received to-date will not cover the entire cost of this project and the Road Mitigation Funds lent will provide necessary cash flow while additional SB1 revenues are accrued. Conservative estimates of SB1 revenue, based upon receipts to-date and historical performance of other fuel-based taxes indicates that the cost of the 2018 Road Rehabilitation Project will be recovered.

The Fiscal Year 2017/18 Road CIP and Road Mitigation budgets already include a transfer of Road Mitigation Funds in the amount of \$1,368,034. This Resolution will authorize an additional transfer of \$1,010,966 for a total of \$2,379,000. In order to provide adequate cash flow for these projects, the Department of Public Works requests the authorization to loan the amount of \$2,379,000 from Fund 1400 to the Road Fund. All expenditures and reimbursements will be carefully tracked and reconciled throughout the course of these projects to insure that authorized funds are used solely for its intended purpose.

**Item Initiated by:** Daniel Chatigny, CFAO

**Approved by:** Trisha Tillotson, Director of Public Works

TT:PP:kw

**Submittal Date:** May 21, 2018