



COUNTY OF HUMBOLDT

For the meeting of: 11/5/2019

File #: 19-1599

To: Board of Supervisors

From: County Administrative Office

Agenda Section: Departmental

SUBJECT:

Assess Potential Road Improvement Project Near Rio Dell Using Funding from Wind Energy Project

RECOMMENDATION(S):

That the Board of Supervisors:

1. Direct staff to perform an assessment of the Humboldt Wind Energy Project to determine whether it would provide sufficient funding to perform a road improvement project near Rio Dell.

SOURCE OF FUNDING:

General Fund

DISCUSSION:

The City of Rio Dell on Oct. 2 sent Supervisor Estelle Fennell a letter (Attachment 1) requesting that the county consider a proposal approved by the Rio Dell City Council that would result in the county funding a road improvement project of Monument Road, a portion of which falls within the city boundary. The letter proposes the county consider the idea as the road would likely be used during and after construction of the Humboldt Wind, LLC wind energy project currently under review. Monument Road has been problematic for many years and a small portion of the road is currently slated to receive funding from the Federal Emergency Management Agency (FEMA). Further, the letter asks the county to use proceeds from the wind project to fund the road repair.

From a financial perspective, if approved, the Humboldt Wind project would likely result in increased sales and property tax revenue to the county. However, staff have not done a full assessment to build a reasonable estimate for the amount of revenue to expect. In addition, the proposed road repair is significant and would likely cost at least \$1 to \$2 million. It is vital that Public Works performs a full inspection to determine the scope of the project and estimated cost.

FINANCIAL IMPACT:

If the Board ends up ultimately moving forward with the city's project as proposed, it could result in the General Fund spending \$1 to \$2 million or more in new revenue. These costs are expected to be

one-time in nature.

There is adequate funding in the Public Works Department, Assessor's Office and Treasurer-Tax Collector's Office to cover staff time to assess the project in fiscal year 2019-20.

STRATEGIC FRAMEWORK:

This action supports your Board's Strategic Framework by providing community-appropriate levels of service .

OTHER AGENCY INVOLVEMENT:

Humboldt Wind, LLC

ALTERNATIVES TO STAFF RECOMMENDATIONS:

Board discretion

ATTACHMENTS:

1. Letter from Rio Dell

PREVIOUS ACTION/REFERRAL:

Board Order No.: N/A

Meeting of: N/A

File No.: N/A