



MEMORANDUM

COUNTY OF LAKE

COUNTY COUNSEL

A-9  
12.7.04  
11:00 am

TO: BOARD OF SUPERVISORS

FROM: CAMERON L. REEVES  
County Counsel

DATE: December 6, 2004

SUBJECT: Establishment of Mitigation Fund for Anderson Springs  
and Cobb Valley Communities  
(Item A-9 on December 7, 2004 Agenda)

I have prepared the attached Resolution for your Board to adopt should you proceed with staff's recommendation regarding the establishment of a geothermal impact mitigation fund for Anderson Springs and Cobb Valley. The details of the mitigation fund are set forth in Exhibit "A" which is attached to the Resolution.

If your Board has further questions on this item, I will be available to respond to them.

CLR/cc

cc: Mark Dellinger, Special Districts Administrator

5 pages

1                   **BOARD OF SUPERVISORS, COUNTY OF LAKE, STATE OF CALIFORNIA**

2                                   **RESOLUTION NO. \_\_\_\_\_**

3                                   **A RESOLUTION ESTABLISHING A GEOTHERMAL IMPACT**  
4                                   **MITIGATION FUND FOR THE COMMUNITIES OF ANDERSON**  
5                                   **SPRINGS AND COBB VALLEY IN LAKE COUNTY**

6                   **WHEREAS**, The Lake County communities of Anderson Springs and Cobb Valley continue to  
7 experience adverse impacts of geothermal development and production in Lake County because of their  
8 close proximity to such activity; and

9                   **WHEREAS**, this Board desires to allocate, on an annual basis, a portion of the geothermal resource  
10 royalties (AB 1905 funds) received by the County to mitigate current adverse impacts to those communities  
11 consistent with the AB 1905 law contained in the California Public Resources Code; and

12                   **WHEREAS**, this Board desires to create a separate mitigation fund for these purposes.

13                   **NOW, THEREFORE, BE IT HEREBY RESOLVED AND DETERMINED** that:

14                   1.       This Board does hereby establish a Geothermal Impact Mitigation Fund as contained in  
15 Exhibit "A" attached hereto and incorporated herein by reference.

16                   2.       This Board hereby directs and delegates to the Special Districts Administrator of the County  
17 of Lake the implementation and administration of said fund pursuant to the provisions set forth therein.

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1 This Resolution was passed and adopted by the Board of Supervisors of the County of Lake at a  
2 regular meeting thereof on the \_\_\_\_\_ day of \_\_\_\_\_, 2004, by the following vote:

3 AYES:

4 NOES:

5 ABSENT OR NOT VOTING:

6 COUNTY OF LAKE

7  
8 \_\_\_\_\_  
9 Chair, Board of Supervisors

9 ATTEST: KELLY F. COX  
10 Clerk of the Board of  
11 Supervisors

12 By: \_\_\_\_\_  
13 Deputy

14 APPROVED AS TO FORM:

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17 CAMERON L. REEVES  
18 County Counsel

## **GEOTHERMAL IMPACT MITIGATION FUND**

### **Purpose of Fund**

To assist in the mitigation of current adverse impacts to the communities of Anderson Springs and Cobb Valley from the development and production of geothermal resources in the Geysers area of Lake County.

### **Source of Funds**

Geothermal Resource Royalties, commonly referred to as AB 1905 Geothermal Funds. The annual amount of funding to be made available to each of the communities of Anderson Springs and Cobb Valley will be determined by the Board of Supervisors.

### **Principal Uses of Fund**

Authorized uses in Public Resources Code Section 3823 (h) (i):

Identifying, researching, and implementing feasible measures that will mitigate the adverse impacts of geothermal development or production in Lake County.

Planning, constructing, providing, operating and maintaining those public services and facilities that are necessitated by and result from the development or production of geothermal resources in Lake County.

### **Funding Priorities**

First: Community or public benefit projects or programs in Anderson Springs and Cobb Valley to mitigate current adverse impacts from the development or production of geothermal resources in Lake County.

Second: Projects or Programs in the above two communities that may confer an incidental private benefit to mitigate current adverse impacts that are common in the community and are verifiable impacts from the development or production of geothermal resources in Lake County.

### **Fund Administration**

The Lake County Board of Supervisors creates the fund and delegates to the Special Districts Administrator the establishment of the committees and the administration of the fund in accordance with the purpose, policy and criteria for use of the fund. The Administrator will be an ex-officio member of each committee. The Board of Supervisors will make the final decision on the funding requests.

The Administrator, in establishing the membership of each committee, shall utilize the membership criteria generally set forth below. The committees will recommend to the Board of Supervisors the programs or projects to be funded.

### **Anderson Springs Committee**

District 1 Supervisor (1)  
Anderson Springs Community Services District Board (1)  
Northern California Power Agency (1)  
Calpine Corporation (1)  
Community Members at Large (2)

### **Cobb Valley Committee**

District 5 Supervisor (1)  
Cobb Area Water District (1)  
Calpine Corporation (1)  
Community Members at Large (2)