



County of Fresno

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Legislation Details (With Text)

File #: 19-1031

On agenda: 8/20/2019

Final action: 8/20/2019

Enactment date:

Enactment #: Resolution No. 19-331

Title: Adopt Budget Resolution decreasing appropriations for Fund 0400 Capital Projects - Juvenile Justice Campus Org 8830 in the amount of \$128,374.99 from the proceeds of Tobacco Settlement Asset-Backed Bonds, Subordinate Series 2006 (2006 Tobacco Securitization Bonds), currently on deposit in the County's Endowment Fund, that were originally committed for a Juvenile Justice Campus Waste Water Treatment Plant Lift Station Screen project (the WWTP Project), and cancelling such amount originally committed for the WWTP Project; and, preliminarily earmarking proceeds of 2006 Tobacco Securitization Bonds, currently on deposit in the County's Endowment Fund, in the amount of \$1,082,938.64 for a portion of the cost of the Sheriff's Area 2 Substation

Attachments: 1. Agenda Item, 2. Resolution No. 19-331

Date	Ver.	Action By	Action	Result
8/20/2019	1	Board of Supervisors	Approved (Consent Agenda)	Pass

DATE: August 20, 2019

TO: Board of Supervisors

SUBMITTED BY: Steven E. White, Director
Department of Public Works and Planning

Jean M. Rousseau, County Administrative Officer

SUBJECT: Decrease Juvenile Justice Campus Appropriations and Preliminary Earmark 2006 Tobacco Bond Proceeds for Sheriff's Area 2 Substation

RECOMMENDED ACTION(S):

Adopt Budget Resolution:

- a. **Decreasing appropriations for Fund 0400 Capital Projects - Juvenile Justice Campus Org 8830 in the amount of \$128,374.99 from the proceeds of Tobacco Settlement Asset-Backed Bonds, Subordinate Series 2006 (2006 Tobacco Securitization Bonds), currently on deposit in the County's Endowment Fund, that were originally committed for a Juvenile Justice Campus Waste Water Treatment Plant Lift Station Screen project (the WWTP Project), and cancelling such amount originally committed for the WWTP Project; and**
- b. **Preliminarily earmarking proceeds of 2006 Tobacco Securitization Bonds, currently on deposit in the County's Endowment Fund, in the amount of \$1,082,938.64 for a portion of the cost of the Sheriff's Area 2 Substation.**

Approval of the recommended action will (a) approve the proposed cancellation of unused 2006

Tobacco Securitization Bond proceeds (\$128,374.99), originally committed to the Juvenile Justice Campus WWTP Project, and (b) preliminarily earmark remaining 2006 Tobacco Securitization Bond proceeds (\$1,082,938.64, *i.e.*, the unused \$128,374.99 plus \$954,563.65) for the Sheriff's Area 2 Substation project. This item is countywide.

ALTERNATIVE ACTION(S):

The Board can choose not to approve the recommended action; however, the Board would need to identify an alternate qualifying capital project for the unused 2006 Tobacco Securitization Bond proceeds (\$128,374.99), and identify an alternative funding source to address the potential Substation funding shortfall and direct the Department of Public Works and Planning staff to return with the necessary recommended actions.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The proposed decrease in appropriations in the Capital Projects Fund 0400, Subclass 10100 - Juvenile Justice Campus will make such funds available, when needed, for future Capital Projects Fund 0400, Subclass 10053 - Sheriff Area 2 Substation appropriations. The recommended preliminary earmark (\$1,082,937.64) includes the amount of unused 2006 Tobacco Securitization Bond proceeds from the WWTP project, which are recommended for your Board's cancellation from that project (\$128,374.99) and the remaining 2006 Tobacco Securitization Bond proceeds (\$954,563.65).

DISCUSSION:

On December 13, 2011, the Board of Supervisors authorized the expenditure of 2006 Tobacco Securitization Bond proceeds for a scope of work related to the Juvenile Justice Campus Wastewater Treatment Plant (WWTP Project) in the amount of \$744,000. The project consisted of the installation of a mechanical screen ahead of the lift station to remove debris that caused the WWTP lift station grinder pumps to jam. The project was completed in April 2014, at a cost of \$615,625.01, which was \$128,374.99 under budget.

The Auditor-Controller/Treasurer-Tax Collector has informed the Public Works and Planning Department that there remains 2006 Tobacco Securitization Bond proceeds (\$954,563.65) available on deposit in the County's Endowment Fund for qualifying capital projects.

If your Board approves the recommended action, then, as provided in the recommended Budget Resolution:

- The unused \$128,374.99 of 2006 Tobacco Securitization Bond proceeds will be cancelled from the WWTP Project (*i.e.*, such cancelled appropriations will remain on deposit in the County's Endowment Fund and be available for use, as follows).
- The remaining proceeds of 2006 tobacco bond proceeds (\$1,082,938.64, *i.e.*, the foregoing \$128,374.99 plus \$954,563.65) will be preliminarily earmarked for a portion of the cost of the Sheriff's Area 2 Substation.
- All of the foregoing preliminarily earmarked 2006 Tobacco Securitization Bond proceeds will

remain in the County's Endowment Fund unless and until such funds are appropriated by your Board and spent for their purposes.

- The Auditor-Controller/Treasurer-Tax Collector will determine the portion of the cost of the Sheriff's Area 2 Substation project that is eligible for the use of the foregoing 2006 Tobacco Securitization Bond proceeds.

REFERENCE MATERIAL:

BAI #28, December 13, 2011

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Resolution

CAO ANALYST:

Sonia M. De La Rosa