

Special Revenue: **Crockett-Rodeo Return-to-Source Cogeneration (Budget Unit 0004/1270) and Rodeo/Unocal/Conoco Philips (Budget Unit 0004/1280)**

Authority to Collect:

Crockett-Rodeo Return-to-Source Cogeneration: On November 3, 1992 the Board of Supervisors passed Resolution No. 92/757 to establish a "Community Benefits Program" for Crockett in anticipation of the approval of a proposed Cogeneration plan.

Rodeo/Unocal/Conoco Philips: Board action on April 19, 2005, stipulated that approximately \$60,000 be allocated to this from the Ultra Low Sulfur Diesel Fuel Project in order to replace the declining revenue from the original Unocal "Reformulated Gasoline Project").

Source of Funds:

Crockett-Rodeo Return-to-Source Cogeneration: Funded through property tax based on assessed value of projects. The program, among other things, established a policy to annually dedicate during the project's operation \$200,000 of property tax increment, subject to any discounted amounts resulting from State tax shifts, for a community benefits program. It also provided for a commitment of up to \$250,000 of new project property tax increment to enhance law enforcement in the greater Crockett area. The original allocation was 48.4% of the incremental allocation factor for Tax Rate Area #62001 of the County's share of the property tax (1%). On December 12, 1995, the Board decided to allocate 100% of the County's share of property tax from the Cogeneration Plant to the Crockett programs. Of this amount, 43% is allocated to the Crockett Community Foundation for community projects and 57% is allocated to the Sheriff's P-1 District.

Rodeo/Unocal/Conoco Philips – was originally based on the calculation using the incremental allocation factor for Tax Rate Area #62045. On October 17, 1995, the Board revised the revenue sharing formula for the Unocal "Reformulated Gasoline Project," doubling the share to the communities of Rodeo, Crockett, and Tormey from 21.5% to 43%. On April 19, 2005, the Board stipulated that approximately \$60,000 be allocated to the communities from the Ultra Low Sulfur Diesel Fuel Project in order to replace the declining revenue from the original Unocal "Reformulated Gasoline Project"). The annual allocation currently stands at \$60,000 and projects are funded at the request of the Supervisor Glover and approval by the Board of Supervisors.

Purpose of Funds at Genesis:	Community projects and police services
Level of Board Discretion Over Use of Funds:	<p>The Board has broad discretion over fund use within or for the benefit of the designated communities.</p> <p>On October 19, 1993, pursuant to the California Energy Commission's decision approving the Cogeneration Project, the Board of Supervisors authorized the execution of a "Cooperation Agreement between the County of Contra Costa and Crockett Cogeneration" to confirm commitments made by the company and the County to the Crockett community.</p>
Method of Disbursement:	<p>A community advisory council was established to develop an annual budget for the Crockett-Rodeo Cogeneration revenue and advise the Board of Supervisors on its expenditures. The Tosco Return-to-Source Steering Committee provides recommendations to BOS on the Rodeo/Unocal/Conoco funds. The County Administrator's Office has administered the distribution of the revenue for both projects, in consultation with staff of the Assessor's Office and the Auditor-Controller. On an annual basis, the Assessor's Office provides CAO staff with information about the assessed value of the projects, which is derived from project cost information and to which is applied a depreciation schedule.</p>
Current Estimated Balance:	<p>\$ 120,000 (Rodeo/Unocal/Conoco Philips – 0004/1280)</p> <p>\$ 0 (Crockett-Rodeo Return to Source – 0004/1270)</p>
Annual Estimated Revenue:	<p>\$ 60,000 (Rodeo/Unocal/Conoco Philips – 0004/1280)</p> <p>\$ 496,014 (Crockett-Rodeo Return to Source – 0004/1270)</p>

Special Revenue: **Crockett-Rodeo Return-to-Source Cogeneration (Budget Unit 0004/1270) / Rodeo/Unocal/Conoco Philips (Budget Unit 0004/1280)**

Authority to Collect:

Cogeneration: On November 3, 1992 the Board of Supervisors passed Resolution No. 92/757 to establish a "Community Benefits Program" for Crockett in anticipation of the approval of a proposed Cogeneration plant.

Unocal: Board action on April 19, 2005, stipulated that approximately \$60,000 be allocated to this from the Ultra Low Sulfur Diesel Fuel Project in order to replace the declining revenue from the original Unocal "Reformulated Gasoline Project").

Source of Funds:

Cogeneration: Funded through property tax based on assessed value of projects. The program, among other things, established a policy to annually dedicate during the project's operation \$200,000 of property tax increment, subject to any discounted amounts resulting from State tax shifts, for a community benefits program. It also provided for a commitment of up to \$250,000 of new project property tax increment to enhance law enforcement in the greater Crockett area. The original allocation was 25.4% of the incremental allocation factor for Tax Rate Area #62001 of the County's share of the property tax (1%). On December 12, 1995, the Board decided to allocate 100% of the County's share of property tax from the Cogeneration Plant to the Crockett programs. Of this amount, 43% is allocated to the Crockett Community Foundation for community projects and 57% is allocated to the Sheriff's P-1 District.

Unocal Ultra Low Sulfur Diesel Fuel Project - was originally based on the calculation using the incremental allocation factor for Tax Rate Area #62045. The Board revised the revenue sharing formula for the Unocal "Reformulated Gasoline Project," doubling the share to the communities of Rodeo, Crockett, and Tormey from 21.5% to 43%. A formula for the distribution of the Unocal "Reformulated Gasoline Project" revenue was later established as 45% to Rodeo, 40% to Crockett, and 15% to Tormey, as agreed to by the Tosco Return-to-Source Committee

Purpose of Funds at Genesis:

Community projects and police services

**Level of Board
Discretion Over
Use of Funds:**

The Board has broad discretion over fund use within or for the benefit of the designated communities.

On October 19, 1993, pursuant to the California Energy Commission's decision approving the Cogeneration Project, the Board of Supervisors authorized the execution of a "Cooperation Agreement between the County of Contra Costa and Crockett Cogeneration" to confirm commitments made by the company and the County to the Crockett community.

**Method of
Disbursement:**

A community advisory council was established to develop an annual budget for the Cogeneration revenue and advise the Board of Supervisors on its expenditures. The Tosco Return-to-Source Steering Committee provides recommendations to BOS on the Unocal funds, but the funds are now completely allocated based on a specified formula. The County Administrator's Office has administered the distribution of the revenue for both projects, in consultation with staff of the Assessor's Office and the Auditor-Controller. On an annual basis, the Assessor's Office provides CAO staff with information about the assessed value of the projects, which is derived from project cost information and to which is applied a depreciation schedule.

**Current Estimated
Balance:**

\$ -

**Annual Estimated
Revenue:**

\$ 447,000

		2007-08 Actuals	2008-09 Budget	2008-09 Actuals (8 mos)	Balance (8 mos)
1270	CROCKETT COGENERATION				
E2000	Services and Supplies	184,582	224,710	192,227	32,483
E3000	Other Charges	244,678	222,330		222,330
GRSCST	GROSS EXPENDITURES	429,260	447,040	192,227	254,813
TOTEXP	TOTAL EXPENDITURES	429,260	447,040	192,227	254,813
NETCOST	NET COUNTY COST (NCC)	429,260	447,040	192,227	254,813 *
2310	Non Cnty Prof/Spclzd Svcs	184,582	167,000	192,227	(25,227)
2479	Other Special Departmental Exp		57,710		57,710
3611	Interfund Exp - Gov/Gov	244,678	222,330		222,330

**As of February - the finance system had not yet reflected the transfer of \$254,813 to the Sheriff's P-1 District.*

		2007-08	2008-09	2008-09	2008-09
		Actuals	Budget	Actuals	Balance
				(8 mos)	(8 mos)
1280	RODEO UNOCAL				
E2000	Services and Supplies		193,427		193,427
GRSCST	GROSS EXPENDITURES		193,427		193,427
TOTEXP	TOTAL EXPENDITURES		193,427		193,427
NETCOST	NET COUNTY COST (NCC)	0	193,427	0	193,427 *
2479	Other Special Departmental Exp		193,427		193,427

* An additional \$58,637 is held in the Public Works - Road Improvement Trust

100300	0004	CROCKETT-RODEO REVENUES	COUNTY OF CONTRA COSTA	201	FY 2008-09	PAGE NUMBER	1		
REPORT NO.	DG3854.1103	BUDGET STATEMENT	0004	PROCESS DATE	03/11/09				
FISCAL YEAR ELAPSED	67 PCT.	FEBRUARY 12, 2009 THRU MARCH 11, 2009		PERIOD	08				
ACCT	ORGN	DESCRIPTION	APPROPRIATION/ ALLOCATION	CURRENT MONTH	EXPENDITURES YEAR-TO-DATE	ENCUMBRANCES	UNENCUMBERED BALANCE	PERCENT EST ACT	VAR X
2000		SERVICES AND SUPPLIES							
2100		OFFICE EXPENSE							
1290		CONOCO PHILLIPS RTS							
2100		SUB-OBJECT TOTAL		*					
2310		NON CNTY PROF SPCLZD SVCS							
1270		CROCKETT COGENERATION	167,000	173,000	192,227		25,227-	66 115	49-*
2310		SUB-OBJECT TOTAL	167,000	173,000	192,227 *		25,227-	66 115	49-*
2479		OTHER SPECIAL DPMTAL EXP							
1270		CROCKETT COGENERATION	57,710				57,710	66	66
1280		RODEO UNOCAL	193,427				193,427	66	66
2479		SUB-OBJECT TOTAL	251,137	*			251,137	66	66
2000		OBJECT TOTAL	418,137	173,000	192,227 **		225,910	66 46	20
3000		OTHER CHARGES							
3611		INTERFUND EXP - GOV/GOV							
1270		CROCKETT COGENERATION	222,330				222,330	66	66
3611		SUB-OBJECT TOTAL	222,330	*			222,330	66	66
3000		OBJECT TOTAL	222,330	**			222,330	66	66
0004		ORGANIZATIONAL UNIT TOTAL	640,467	173,000	192,227 ***		448,240	66 30	36
-----RECAP BY ORGANIZATION UNIT-----									
1270		CROCKETT COGENERATION	447,040	173,000	192,227		254,813	66 43	23
1280		RODEO UNOCAL	193,427				193,427	66	66
1290		CONOCO PHILLIPS RTS							
0004		ORGANIZATIONAL UNIT TOTAL	640,467	173,000	192,227		448,240	66 30	36

TO: BOARD OF SUPERVISORS

FROM: Phil Batchelor, County Administrator

DATE: October 19, 1993

SUBJECT: Cooperation Agreement between County and Crockett Cogeneration



Contra
Costa
County

SPECIFIC REQUEST(S) OR RECOMMENDATION(S) & BACKGROUND AND JUSTIFICATION

RECOMMENDATION

Approve agreement and authorize County Administrator to sign.

BACKGROUND

Pursuant to the California Energy Commission's decision approving the Crockett Cogeneration Project, and defined in the Conditions of Certification, an agreement has been prepared between the County and Crockett Cogeneration to confirm and reaffirm certain commitments made by Crockett Cogeneration and the County to the Crockett community.

Crockett Cogeneration is to pay \$300,000 per year to the Crockett Community Foundation, a tax-exempt charity, to be formed to receive and disburse funds for the benefit of the Crockett community. Crockett Cogeneration will advance monies up to \$100,000 per year, if necessary, and shall pay additional fees not to exceed \$15,000 incurred by the Crockett Advisory Committee in negotiating a community benefit package and the formation of a Crockett Community Foundation.

The County reaffirms that its Resolution No. 92/757 adopted on November 3, 1992, will remain in force to annually dedicate during the project's operation \$200,000 of property tax increment subject to any discounted amounts that may result from tax losses due to adoptions of the State budget and related public funding; and in addition, the County will commit up to \$250,000 of new property tax increment to enhance law enforcement in the greater Crockett area subject to any discounted amount resulting from any tax losses due to adoptions of the State budget and related public funding.

CONTINUED ON ATTACHMENT: ☒ YES

SIGNATURE:

RECOMMENDATION OF COUNTY ADMINISTRATOR ☐ RECOMMENDATION OF BOARD COMMITTEE ☐

APPROVE ☐ OTHER ☐

SIGNATURE(S):

ACTION OF BOARD ON OCT 19 1993

APPROVED AS RECOMMENDED ☒ OTHER ☐

VOTE OF SUPERVISORS

UNANIMOUS (ABSENT ~)

AYES: _____ NOES: _____

ABSENT: _____ ABSTAIN: _____

Contact:
cc: County Administrator
County Counsel
Auditor

I HEREBY CERTIFY THAT THIS IS A TRUE
AND CORRECT COPY OF AN ACTION TAKEN
AND ENTERED ON THE MINUTES OF THE BOARD
OF SUPERVISORS ON THE DATE SHOWN.

ATTESTED OCT 19 1993

PHIL BATCHELOR, CLERK OF THE BOARD OF
SUPERVISORS AND COUNTY ADMINISTRATOR

BY , DEPUTY

The parties agree that upon its formation the Crockett Community Foundation is intended to be, and shall be recognized as, the third-party beneficiary of this agreement, and could also serve as the advisory council to the Board of Supervisors regarding County commitments of property tax increments. The terms of the agreement have been reviewed by the Crockett Advisory Committee and its attorney and they recommend it be approved.

FINANCIAL IMPACT

As part of the exchange for the commitments made by Crockett Cogeneration and the County for a community benefits program, as contained in the California Energy Commission Conditions of Certification, the project will be constructed and subsequent property tax revenues will accrue to the County.

Dept.: Scott Tandy (646-4087)

IN THE BOARD OF SUPERVISORS
OF
CONTRA COSTA COUNTY, STATE OF CALIFORNIA

In the Matter of Board of Supervisors)
Endorsement of Project and Approval of) RESOLUTION NO. 92/757
Community Benefits Program for Crockett)

THE CONTRA COSTA COUNTY BOARD OF SUPERVISORS RESOLVES THAT:

Having been notified that an application for certification to the California Energy Commission (CEC) had been made by Energy National, Inc. (ENI) for a cogeneration project and that a request had been made by members of the Crockett community to provide a mechanism for community input, the Board created the Crockett Advisory Committee (CAC) to involve the community in determining an acceptable community benefit and enhancement program. Since that time there have been many meetings and continuous discussion leading to recommendations from the CAC to the Board on November 3, 1992. After hearing testimony from CAC representatives, representatives of the Applicant ENI and the public, and engaging in additional discussion and negotiation with all members present, a consensus was reached regarding a proposed community benefit and enhancement program for the Crockett area to be incorporated into the CEC approval, conditioning and certification of the project.

The Board having received the Committee's report and all people present, including ENI and C&H Sugar, providing their input, hereby determines and resolves as follows:

- A. The Board of Supervisors, based upon the representations made by representatives of ENI and CAC, endorses the proposed project subject to the certification for operation of the project including all the conditions set forth below in this part A which were agreed to by representatives of ENI before the Board on this date and would be done with CEC project certification:
1. Pay \$300,000 per fiscal year to the Crockett Community Foundation, a tax-exempt charity to be formed to receive and disburse funds for the benefit of the Crockett community; payments shall commence in the fiscal year ending June 30, 1996, and shall continue for 30 years escalating at 3% per year; payments shall be made semi-annually on November 10 and May 10, beginning November 10, 1995.
 2. During construction of the project, ingress and egress of construction truck traffic to the project construction site shall be restricted to Pomona and Port Streets or such other routes as may be designated by the County.
 3. Within six (6) months after the commercial operation date of the project, ENI shall complete resurfacing and repair of Pomona and Port Streets, and such other streets designated for use during construction to the extent that such roadways have been affected by use during construction, as finally determined by County. Such resurfacing and repair shall be performed to the standards mandated by the County for roadways similarly impacted.
 4. ENI agrees to advance to the Foundation up to \$100,000 per year, beginning in 1993, for any purpose including payment of attorneys' fees in excess of the \$15,000 to be paid by Applicant; such advances to be credited against the first annual payment to be made by Applicant to the Foundation.

5. ENI agrees to pay for and complete an alternative roadway study including feasibility studies as may be required to the County's satisfaction. The study shall be conducted in cooperation with the Crockett community and the County.
 6. ENI agrees to pay attorneys' fees incurred by the Advisory Committee and in the formation of the Foundation, not to exceed \$15,000.
- B. Having appeared before the Board on this date, representatives of the Crockett Advisory Committee agreed that they would support the proposed conditions specified in part A and further that the Crockett Chamber of Commerce will support and approve the specified aforementioned ENI commitments regarding community benefits and enhancements as satisfactory. This support will be provided to the CEC by appearance of Ms. Salli Spoon and Ms. Pam Pagni in this regard.
- C. The CEC should be advised that in connection with the foregoing, the Board, on its own, indicates its commitment and intention to a community benefits program for Crockett and other commitments as follows:
1. To annually dedicate during the project's operation \$200,000 of project property tax increment subject to any discounted amounts that may result from tax losses due to adoptions of the State budget and related public funding.
 2. To commit up to \$250,000 of new project property tax increment to enhance law enforcement in the greater Crockett area subject to any discounted amount resulting from any tax losses due to adoptions of the State budget and related public funding.
 3. Establish a community advisory council which shall meet with designated County representatives to obtain input on priorities prior to developing an annual budget proposal and advise the Board of Supervisors on the expenditures from a Board controlled designated fund to serve the said Crockett area separate from any Community Foundation established by ENI and C&H Sugar. If local elections take place for Trustees to oversee a Community Fund, the Trustees could also serve a dual role as the advisory council to the Board of Supervisors.
 4. Agree to explore the feasibility of creating a road fee Area of Benefit with C&H Sugar and ENI to acquire funds to construct an alternate access road.
 5. The Board is the governing body of the Crockett-Valona Fire Protection District and will enter into an appropriate agreement with ENI for payment to provide adequate fire protection for the portion of the ENI project not in the district.
 6. The Board hereby waives any annual fees that may be otherwise required for any ENI project franchise facilities located in Crockett public streets exclusive of any fees required for permits and plan checks (which are to be paid).
 7. The Board directs its Growth Management and Economic Development Agency and component departments to give urgent priority to review, comment and approval of all aspects of the ENI project subject to County review.

D. C&H Sugar appeared before the Board of Supervisors and indicated its commitment of \$30,000 annually for a period of 15 years to be deposited with the Community Foundation for its use, and C&H Sugar's commitment to relocate its corporate offices from Concord to Crockett within its existing buildings or pay \$650,000 by December 31, 1997.

E. The County will cooperate with the CEC to assure that the conditions referred to above are implemented to assure their achievement.

Passed by unanimous vote of the Board members present on this 3rd day of November, 1992.

I hereby certify that the foregoing is a true and correct copy of a resolution entered on the minutes of said Board of Supervisors on the date aforesaid.

Witness my hand and the Seal
of the Board of Supervisors
affixed this 3rd day of
November, 1992.

PHIL BATCHELOR, County
Administrator and Clerk of
the Board of Supervisors

By J. D. Maglieri
Deputy Clerk

Jill. Ray -
3/

FAX TRANSMISSION

500 NE Multnomah Street, Suite 900
Portland, Oregon 97232-2039
(503) 236-3323 Telephone
(503) 236-3324 Facsimile

Total Number of Pages: ■ 14

Time Sent: 11:15

DATE: July 26, 1993

TO: Pam Pagne
~~510-603-4336~~ 510-646-1396

FROM: Carol Dahl
Energy National, Inc.

SUBJECT:

FOR INFORMATION, PLEASE CONTACT:

Lisa Lloyd
1807 - 13th Street
Sacramento, CA 95814
(TDD/TF) 1-800-735-2929
(916) 445-0772

SUMMARY

MEETING OF THE STATE LANDS COMMISSION

LEO T. MCCARTHY, LIEUTENANT GOVERNOR, CHAIRMAN
GRAY DAVIS, STATE CONTROLLER, COMMISSIONER
THOMAS W. HAYES, DIRECTOR OF FINANCE, COMMISSIONER

THURSDAY - JULY 29, 1993
STATE CAPITOL, ROOM 447
SACRAMENTO, CALIFORNIA 95814

ORDER OF BUSINESS

I. 1:00 P.M. - OPEN SESSION (PUBLIC MEETING).

CALENDAR ITEM REFERENCES TO AB 884 DENOTE THE PERMIT STREAMLINING ACT (CALIFORNIA GOVERNMENT CODE SECTION 65920 ET SEQ.)

A SIGN LANGUAGE INTERPRETER WILL BE PROVIDED UPON ADVANCE NOTIFICATION OF NEED BY A DEAF OR HEARING IMPAIRED PERSON. SUCH NOTIFICATION SHOULD BE MADE AS SOON AS POSSIBLE PRIOR TO DATE OF THE EVENT.

II. CONFIRMATION OF MINUTES FOR THE MEETING OF JULY 19, 1993.

ANYONE WISHING TO ADDRESS AN ITEM ON THE AGENDA MAY COME FORWARD AND STATE THEIR NAME FOR THE RECORD.

III. CONSENT CALENDAR C01 - C05. THE FOLLOWING ITEMS ARE CONSIDERED TO BE NON-CONTROVERSIAL.

- C01 STATE LANDS COMMISSION (PARTY): Adopt regulations pertaining to Oil Spill Prevention at Marine Oil and Gas Production Facilities. (Planck, Meier; W 9668.8, W 9668.9, W 9777.103)
- C02 EXXON COMPANY, U.S.A. (LESSEE): Consider lease amendment to accept and implement the Final Work Plan for Surfgrass Restoration, Exxon Company U.S.A., Santa Ynez Unit, nearshore pipeline and conduit rights-of way. (Sanders, Scott; PRC 7162) (A 35; S 18)
- C03 STATE LANDS COMMISSION (PARTY): Consider Ratification of 1993 Addendum Extending Memorandum of Agreement concerning gravel extraction operations on the Mad River in Humboldt County. (Kiley; W 24873) (A 2; S 2)
- C04 SANTA FE PACIFIC PIPELINE PARTNERS, L.P. (APPLICANT): Consider application for consent to encumber leases of sovereign and school lands. (Reese, Maricle, Pelkofer; PRC 5439, PRC 6868)
- C05 HARRY TEDSEN (APPLICANT): Consider application to remove gravel from Smith River at Woodruff Bar, Del Norte County. (J. Ludlow; W 24900) (A 1; S 2)

IV. REGULAR CALENDAR ITEMS 06 - 07

LAND MANAGEMENT

- 06 CALIFORNIA AND HAWAIIAN SUGAR COMPANY (LESSEE): Consider amendment to Lease PRC 7659, to amend land description on tide and submerged land in Carquinez Straits at Crockett, Contra Costa County, for reduction of lease area for cogeneration site and to retain conveyor and fire line easements. (Plummer, Stevenson; PRC 7659) (A 11; S 7)
- 07 CROCKETT COGENERATION (APPLICANT): Consider General Lease - Industrial Use, Consent to Encumbrancing of Lease, and Memorandum of Understanding for tide and submerged land at Carquinez Straits, Crockett, Contra Costa County, for construction and maintenance of electric cogeneration and auxiliary boilers along with demolition of existing improvements. (Plummer, Stevenson; W 23703) (A 11; S 7)

V. EXECUTIVE OFFICER'S REPORT

SETTLEMENT AGREEMENT

1. Parties. The parties are: the Crockett Power Plant Committee ("CPPC"), represented by Ms. Ruth Blakeney and Mr. Douglas Tubb, its co-chairpersons; the Glen Cove Homeowners Association ("GCHA"), represented by Mr. Robert Paedon, Vice-President, Board of Directors; Ruth Blakeney, in her individual capacity; Douglas Tubb, in his individual capacity; Energy National, Inc. ("ENI"), represented by its Vice-President, Mr. John Miller; and the California and Hawaiian Sugar Company (C and H), represented by its President, Mr. Harold R. Somerset.

2. Purpose and Scope of the Settlement Agreement. All parties agree that the purpose and intent of this Settlement Agreement requires CPPC and GCHA to refrain from filing any legal challenge to ENI's project and that CPPC and GCHA refrain from challenging any governmental permit or environmental review process ~~directly~~ required to implement the Project. Further, all parties agree that the Settlement Agreement only applies to the Crockett Cogeneration Project (the "Project") certified by the California Energy Commission (the "CEC") and that it does not preclude CPPC and/or GCHA from challenging any material changes to the currently approved project, in accordance with the provisions of the CEC's Compliance Monitoring Program. D
R
J
S
E
H

3. Background of the Settlement Agreement. On or about May 4, 1993, the State Energy Resources Conservation and Development Commission (CEC) approved ENI's Crockett Cogeneration Project (CEC Docket No. 92-AFC-1).

A. C and H.

On July 16, 1993, C & H proposed numerous commitments to CPPC to help eliminate the CPPC and GCHA's legal challenge to ENI's project (Exhibit One). C and H's proposed commitments are made so that ENI can provide C and H with the Project's benefits in approximately twenty-four (24) months. C and H's proposed commitments expand, but are still encompassed within, its undertaking to participate in a community effort to upgrade Loring Avenue; and are in addition to the several improvements included as CEC conditions to approval such as undergrounding utilities on Loring Avenue and C and H moving its corporate headquarters to Crockett.

B. ENI.

On or about May 4, 1993, the CEC issued final approval of ENI's Project. Thereafter, Mr. John Miller, participated in several direct discussions with CPPC and GCHA representatives for the purpose of determining whether a legal challenge could be avoided.

C. CPPC and GCHA.

For nine years, CPPC, and during the current proceeding joined by GCHA, has opposed a power plant in Crockett, California. After participating in the CEC licensing proceeding CPPC and GCHA prepared to challenge the CEC license by filing a petition to the California

Settlement Agreement
Between CPPC, GCHA, C and H, and Energy National, Inc.
July 21, 1993
Page 2 of 5

Agreement *KEP Ep JLL HM*
Supreme Court. Based on discussions with ENI and C and H, CPPC and GCHA have provided this offer in response to ENI's inquiry as to how to avoid a lawsuit. In addition to the conditions specified below, CPPC and GCHA acknowledge that ENI is currently negotiating additional mitigation measures with the State Lands Commission.

4. Mutual Covenants and Conditions. On the basis of mutual covenants and conditions stated herein, the parties agree as follows.

A. CPPC, GCHA, Ruth Blakeney and Douglas Tubb. CPPC, GCHA, Ruth Blakeney and Douglas Tubb each agree: (1) to refrain from filing any judicial challenge to the Project as certified by the CEC; (2) to refrain from opposing or subsequently challenging the issuance of any additional governmental permit or other authorization required for the Project; and (3) to refrain from otherwise opposing or obstructing the development of the Project.

B. ENI.

(1) ENI agrees to commit at signing Two-Hundred and Fifty Thousand (\$250,000.00) Dollars to the Crockett Improvement Association (the "CIA"); provided, that in the expenditure of any portion of such sum the CIA shall adhere to financial accounting procedures developed and implemented by the Crockett Development Fund. This sum shall be due in five installments each of Fifty Thousand (\$50,000.00) Dollars, with the first installment due ten (10) days after ENI's first drawing of funds under financing for construction of the Project and the subsequent four payments due at six month intervals thereafter; provided, that no part of such sum shall be payable prior to the establishment of the Crockett Development Fund; and further provided, that prior to the payment of any poart of such sum to the CIA, the CIA shall enter into a written agreement with ENI providing that no money paid by ENI to the CIA pursuant to this Settlement Agreement shall be spent for legal fees in connection with any future legal action against the Project, or against any Party to the Agreement.

(2) ENI agrees to commit an additional Ten Thousand (\$10,000.00) Dollars to the CPPC, payable to the CPPC not later than ten (10) days after ENI's first drawing of funds under financing for construction of the Project; provided, that this sum shall be used by the CPPC solely for reimbursement of organizational and legal expenses of the CPPC incurred after March 1, 1993; provided further, that the CPPC shall provide ENI with a certified statement of such expenses prior to ENI's payment.

(3) ENI agrees to commit to the Glen Cove Homeowners Association One-Hundred Thousand (\$100,000.00) Dollars, payable not later than ten (10) days after ENI's first drawing of funds under financing for construction of the Project. The parties acknowledge that the GCHA will spend this money at its sole and complete discretion, in accordance with its By-Laws; provided that no part of such money paid shall be spent for legal fees in connection with any future legal action against the Project. All parties recognized, however that GCHA

Settlement Agreement
Between CPPC, GCHA, C and H, and Energy National, Inc.
July 21, 1993
Page 3 of 5

may use these funds to take legal action against anyone other than a named Party to this Agreement, or its successor in interest, on matters related to the impact of this Project on GCHA or its members' property interests in Solano County. RB
STF

(4) ENI agrees to commit to the GCHA Three Thousand Five Hundred (\$3,500.00) Dollars, payable not later than ten (10) days after ENI's first drawing of funds under financing for construction of the Project; provided, that this sum shall be used by the GCHA solely for reimbursement of organizational and legal expenses of the GCHA incurred after March 1, 1993; provided further, that the GCHA shall provide ENI with a certified statement of such expenses prior to ENI's payment. STF

(5) Ernesto J. Perez, in consideration of payment to him of fees from funds provided by the CPPC and GCHA, as provided above, covenants and agrees not to represent or otherwise advise any other persons or parties with respect to any matter relating to the Project.

(6) ENI agrees that GCHA shall participate in the final design of its Project's water-side appearance, as described in CEC Docket No. 92-AFC-1, Commission Decision, pages 89-127. ENI's compliance with Commission Conditions VIS-2, VIS-4, and FDSE-6 shall, by virtue of this Agreement, include GCHA's direct participation in ENI's developing all mitigation plans required by the preceding conditions.

(7) ENI agrees to support CPPC's position that the Trust Board members be publicly elected rather than appointed.

C. C and H agrees to: STF RB

(1) Acquire Rithet Park and preserve it for park purposes. Upon acquisition, Rithet Park will be substantially improved, based on a plan oriented toward an active use facility. C and H will retain and bear the cost of a top-quality design firm, or individuals, to create a professional landscape and facilities design. Comments from the Crockett Community in general and the "Loring Avenue Group" in particular, as well as other interested organizations will be solicited to ensure that the C and H-funded work is substantial and not mere landscaping. However, to promote prompt action and realistic budgeting, C and H retains final design approval.

(2) C and H shall maintain Rithet Park at C and H's cost for the life of ENI's project; provided, however, C and H reserves the right in the future to work with the Crockett Community Trust to transfer maintenance responsibilities or ownership of the Park on mutually agreeable terms.

(3) Acquire the property adjacent to Rithet Park to ensure responsible development and uses consistent with and supporting an

Settlement Agreement
Between CPPC, GCHA, C and H, and Energy National, Inc.
July 21, 1993
Page 4 of 5

active and secure park facility for the community.

(4) In the event C and H cannot acquire Rithet Park and the adjacent property within one hundred and twenty (120) days of signing this Agreement, C and H, in consultation with interested community groups, will acquire property requiring an equivalent financial investment and which will provide similar community benefit and similar revitalization of Crockett.

(5) C and H will invest Two Hundred Thousand (\$200,000.00) Dollars to acquire control of 707 Loring Avenue and up to Fifty Thousand (\$50,000.00) Dollars in rehabilitation funds after acquisition of control, to be combined with, but not contingent on, Fifty Thousand (\$50,000.00) matching funds verbally committed by Contra Costa County. The investment will be designed to provide for a rehabilitation of the building into approximately 25 residential units consistent with a general upgrading of Loring Avenue.

(6) C and H will take steps to insure strong professional management of 707 Loring Avenue and to develop and implement strategies for successful, long-term commercial (or "non-profit") operation of the building.

(7) C and H will participate in a "Loring Avenue Development Trust" if created as described in Exhibit One, p. 3.

(8) C and H will support initiation of a "Mainstreet USA" rehabilitation program as described in Exhibit One, p. 3.

(9) C and H will work with the Crockett Community to obtain state funding and a facility for a Wildlife Center.

(10) C and H will support the idea that the Board of Directors of the Crockett Community Trust described in the CEC Decision's Socioeconomics Section be publicly elected rather than appointed.

D. Conditions Precedent. Each of the obligations of ENI^{and C&H} under this Settlement Agreement are conditioned upon first drawing of funds under financing for construction (which is currently expected on or about August 15, 1993) of the Project.

E. Miscellaneous.

(1) Representation of Authority. Each person signing this Settlement Agreement on behalf of any party hereto, hereby represents and warrants that such person has the authority to sign on behalf of such party and to bind such party under this Settlement Agreement.

(2) Binding on Successors. This Settlement Agreement shall be binding upon the parties hereto, and upon their heirs, personal

Settlement Agreement
Between CPPC, GCHA, C and H, and Energy National, Inc.
July 21, 1993
Page 5 of 5

representatives, assigns, and other successors in interest.

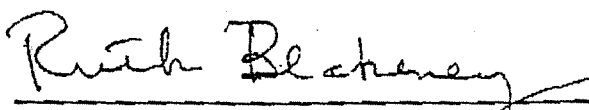
(3) Severability. If any term or provision in this Settlement Agreement is for any reason unenforceable, the remaining provisions shall continue to be given full force and effect.

(4) Attorney's Fees. If any party to this Settlement Agreement shall bring any action against any other party for enforcement of this Settlement Agreement or for any other relief, declaratory or otherwise, arising out of this Settlement Agreement, the losing party shall pay to the prevailing party a reasonable sum for attorney's fees and actual costs incurred in taking such action.

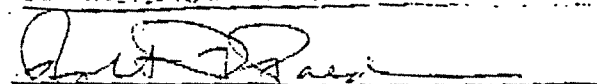
(5) Governing Law. This Settlement Agreement shall be construed and enforced in accordance with the laws of the State of California.

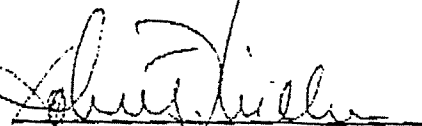
(6) Entire Agreement; Modification; Waiver. This Settlement Agreement (and the Exhibit attached hereto) constitutes the entire agreement between and among the parties hereto pertaining to the subject matter contained herein and supersedes all prior and contemporaneous agreements, representations, and understandings of the parties. No supplement, modification or amendment of this Settlement Agreement shall be binding unless executed in writing by all parties hereto. No waiver of any of the provisions of this Settlement Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar.


Signed by:

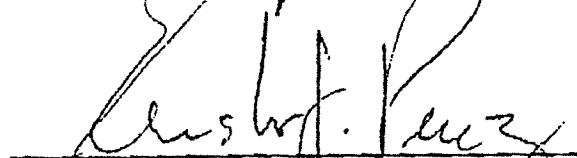

RUTH BLAKENEY
CROCKETT POWER PLANT COMMITTEE

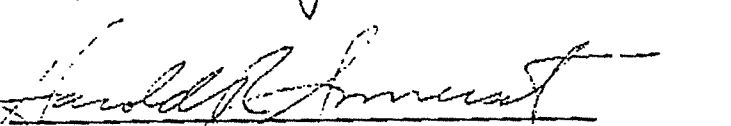
Steven J. Fickman
GLEN COVE BOARD OF DIRECTORS


ROBERT PAEDON, VICE-PRESIDENT,
GLEN COVE HOMEOWNERS ASSN.


JOHN MILLER for
ENERGY NATIONAL, INC.


DOUGLAS TUBB
CROCKETT POWER PLANT COMMITTEE


ERNESTO J. PEREZ, Attorney at
Law, For Himself


HAROLD R. SOMERSET
CALIFORNIA AND HAWAIIAN SUGAR COMPANY

Settlement Agreement
Between CPPC, GCHA, C and H, and Energy National, Inc.
July 21, 1993

EXHIBIT ONE

TO: BOARD OF SUPERVISORS
FROM: Phil Batchelor, County Administrator
DATE: October 19, 1993
SUBJECT: Cooperation Agreement between County and Crockett Cogeneration



Contra
Costa
County

SPECIFIC REQUEST(S) OR RECOMMENDATION(S) & BACKGROUND AND JUSTIFICATION

RECOMMENDATION

Approve agreement and authorize County Administrator to sign.

BACKGROUND

Pursuant to the California Energy Commission's decision approving the Crockett Cogeneration Project, and defined in the Conditions of Certification, an agreement has been prepared between the County and Crockett Cogeneration to confirm and reaffirm certain commitments made by Crockett Cogeneration and the County to the Crockett community.

Crockett Cogeneration is to pay \$300,000 per year to the Crockett Community Foundation, a tax-exempt charity, to be formed to receive and disburse funds for the benefit of the Crockett community. Crockett Cogeneration will advance monies up to \$100,000 per year, if necessary, and shall pay additional fees not to exceed \$15,000 incurred by the Crockett Advisory Committee in negotiating a community benefit package and the formation of a Crockett Community Foundation.

The County reaffirms that its Resolution No. 92/757 adopted on November 3, 1992, will remain in force to annually dedicate during the project's operation \$200,000 of property tax increment subject to any discounted amounts that may result from tax losses due to adoptions of the State budget and related public funding; and in addition, the County will commit up to \$250,000 of new property tax increment to enhance law enforcement in the greater Crockett area subject to any discounted amount resulting from any tax losses due to adoptions of the State budget and related public funding.

CONTINUED ON ATTACHMENT: ☒ YES

SIGNATURE:

RECOMMENDATION OF COUNTY ADMINISTRATOR RECOMMENDATION OF BOARD COMMITTEE
APPROVE OTHER

SIGNATURE(S):

ACTION OF BOARD ON OCT 19 1993

APPROVED AS RECOMMENDED ☒ OTHER

VOTE OF SUPERVISORS

UNANIMOUS (ABSENT ☒)

AYES: NOES:

ABSENT: ABSTAIN:

I HEREBY CERTIFY THAT THIS IS A TRUE
AND CORRECT COPY OF AN ACTION TAKEN
AND ENTERED ON THE MINUTES OF THE BOARD
OF SUPERVISORS ON THE DATE SHOWN.

ATTESTED OCT 19 1993

PHIL BATCHELOR, CLERK OF THE BOARD OF
SUPERVISORS AND COUNTY ADMINISTRATOR

Contact:
cc: County Administrator
County Counsel
Auditor

BY DEPUTY

The parties agree that upon its formation the Crockett Community Foundation is intended to be, and shall be recognized as, the third-party beneficiary of this agreement, and could also serve as the advisory council to the Board of Supervisors regarding County commitments of property tax increments. The terms of the agreement have been reviewed by the Crockett Advisory Committee and its attorney and they recommend it be approved.

FINANCIAL IMPACT

As part of the exchange for the commitments made by Crockett Cogeneration and the County for a community benefits program, as contained in the California Energy Commission Conditions of Certification, the project will be constructed and subsequent property tax revenues will accrue to the County.

Dept.: Scott Tandy (646-4087)

COOPERATION AGREEMENT BETWEEN THE COUNTY OF CONTRA COSTA AND CROCKETT COGENERATION

THIS COOPERATION AGREEMENT (the "Agreement") is made and entered into as of _____, 1993, by and between the COUNTY OF CONTRA COSTA ("County"), a political subdivision of the State of California, and CROCKETT COGENERATION ("CC"), A California Limited Partnership.

RECITALS

THIS AGREEMENT is made with respect to the following facts:

A. CC is developing the Crockett Cogeneration Project, a cogeneration plant to be located in Crockett, an unincorporated area of County (hereafter sometimes referred to as the "project").

B. On May 3, 1993, the Energy Resources and Development Commission of the State of California (hereafter the California Energy Commission or CEC) issued its Decision in Docket No. 92-AFC-1 certifying the Crockett Cogeneration Project, subject to certain Conditions of Certification.

C. Among the conditions is SOC-8, which requires CC to use due diligence and all good-faith efforts to execute a contract with the County incorporating conditions SOC-4, SOC-5 and SOC-6. The parties desire to enter into this Agreement in order to satisfy condition SOC-8.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Purpose of Agreement

The purpose of this Agreement is to satisfy condition SOC-8 of the Decision in Docket No. 92-AFC-1 of the California Energy Commission and to confirm and reaffirm certain commitments made by County to the Crockett community..

2. Crockett Community Foundation

2.1 CC shall pay \$300,000 per fiscal year to the Crockett Community Foundation, a tax exempt charity to be formed to receive and disburse funds for the benefit of the Crockett community. Payments shall commence in the fiscal year ending June 30, 1996, and shall continue for 30 years escalating at 3 percent per year. Payments shall be made semi-annually on November 10 and

May 10, beginning November 10, 1995. In the event the Crockett Community Foundation is not in existence at the time any payment pursuant to the Decision is due, such payment shall be made to an independent trustee for the benefit of the Crockett community.

2.2 Upon request, CC shall advance to the Crockett Community Foundation up to \$100,000 per year, beginning in the fiscal year ending June 30, 1993, for any purpose including payment of attorneys' fees in excess of the \$15,000 to be paid by CC pursuant to Condition SOC-6 and Section 3 below. Such advances shall be credited against the first annual payment to be made by the Applicant to the Crockett Community Foundation as required by Condition SOC-4 and section 2.1 above.

2.3 Payment of the amounts set forth in sections 2.1 and 2.2 is conditioned upon CC obtaining financing for the project and upon CC commencing construction of the project.

2.3 CC shall exercise its best efforts to encourage the formation of the Crockett Community Foundation.

3. Payment to Crockett Advisory Committee.

CC shall pay attorneys' fees not to exceed \$15,000 incurred by the Crockett Advisory Committee in negotiating the community benefits package and the formation of Crockett Community Foundation. Payment shall be made upon presentation of a statement of attorneys' fees signed by the Chairperson of the Crockett Advisory Committee (or other designee named by the County) or the Chairperson of the Crockett Community Foundation, as applicable. Payment shall be made within a reasonable time after presentation of the statement.

4. Commitment by County

County reaffirms that its Resolution 92/757, and its paragraphs c.1. and 2. remain in force as follows:

4.1 To annually dedicate during the project's operation \$200,000 of project property tax increment subject to any discounted amounts that may result from tax losses due to adoptions of the State budget and related public funding.

4.2 To commit up to \$250,000 of new project property tax increment to enhance law enforcement in the greater Crockett area subject to any discounted amount resulting from any tax losses due to adoptions of the State budget and related public funding.

5. Crockett Community Foundation as Third-Party Beneficiary.

The parties recognize and acknowledge that the purpose of this Agreement is to confer and secure certain benefits provided herein on and to the Crockett community. Accordingly, the parties agree that, upon its formation, the Crockett Community Foundation is intended to be, and shall be recognized as, the third-party beneficiary of this Agreement. Except as expressly stated in this paragraph, the parties agree and assert that no other person or entity is intended to be, nor shall any other person or entity be authorized to claim any rights as, a third-party beneficiary.

6. General Provisions.

6.1 Entire Agreement.

This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements and understandings, written and oral.

6.2 Validity of Agreement.

If any term, provision, or condition of this Agreement is determined by a court of competent jurisdiction to be invalid, void or unenforceable, then the remainder of this Agreement shall remain in full force and effect and shall in no way be affected, impaired, or invalidated by such determination.

6.3 Warranty of Authority.

By executing this Agreement, each of the undersigned covenants, warrants and represents that he or she has the power and authority to execute this Agreement on behalf of the corporation or the County for whom he or she is signing. Upon request, each party will provide to the other true and satisfactory evidence of the authority of the person executing this agreement on its behalf and of the party's authority and legal power to enter into and perform this Agreement.

6.4 Successors and Assigns.

This Agreement shall be binding in all respects upon any and all assignees and successors of the parties.

6.5 Joint Cooperation.

Throughout the process described in this Agreement, the parties shall work in good faith to effectuate the purposes of this Agreement. Such cooperation shall include, but shall not be limited to, such joint efforts as may be appropriate to resolve any potential claims by third parties that may arise as a result of, or in connection with, this Agreement.

6.6 Reservation of Lawful Authority.

Nothing in this Agreement shall be construed as limiting the lawful authority of the County to execute its police powers on behalf of the health, safety and welfare of its residents.

6.7 Execution of Further Papers; Evidence of Compliance.

(1) The parties hereto agree to execute, from time to time, all documents that may be necessary or desirable to carry out the terms of this Agreement, or to effect the purposes of this Agreement.

(2) CC may from time to time request from the County and the County shall provide a statement showing confirmation of its compliance with the obligations imposed under this Agreement.

6.8 Notice.

All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to be duly given on the date of service if delivered personally to the party to whom notice is to be given, or if mailed, on the date of receipt. Notices shall be directed to the parties as follows:

For County:

Phil Batchelor
County Administrator
County of Contra Costa
County Administration Bldg. 11th Floor
651 Pine Street
Martinez, CA 94553

With a copy to:

Victor Westman
County Counsel
County of Contra Costa
County Administration Bldg., 9th Floor
651 Pine Street
Martinez, CA 94553

For CC:

Crockett Cogeneration
500 NE Multnomah Street, Suite 900
Portland, OR 97232
Attention: Brian Holt, President

Counsel for CC:

David Lloyd, Esq.
Stoel Rives Boley Jones & Grey
900 SW 5th Avenue, Suite 2300
Portland, OR 97204-1268

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

COUNTY OF CONTRA COSTA

By: _____

Title: _____

CROCKETT COGENERATION,
A California Limited Partnership

By PACIFIC CROCKETT ENERGY, INC.,
Its General Partner

By: _____

Title: _____

TO: BOARD OF SUPERVISORS

Finance Committee

October 17, 1995



D.3
Contra
Costa
County

SUBJECT: PROPERTY TAX REVENUE SHARING FOR UNOCAL MODERNIZATION
AND CROCKETT CO-GENERATION FACILITY

SPECIFIC REQUEST(S) OR RECOMMENDATION(S) & BACKGROUND AND JUSTIFICATION

RECOMMENDATIONS:

1. APPROVE a revised revenue sharing formula which doubles the share of County General Fund property tax increment, resulting from the new co-generation facility, to the Crockett Community from 21.5% to 43%.
2. APPROVE a revised revenue sharing formula which doubles the share of County General Fund property tax increment, resulting from the UNOCAL Reformulated Gasoline Project, to the Crockett and Rodeo Community from 21.5% to 43%.

BACKGROUND:

On August 21, the Finance Committee met in Crockett to discuss economic development issues as well as ways and means of financing economic development in Crockett and Rodeo. One method, adopted by the Board in 1993, is to share increases in property taxes with the Community as a result of the construction of a new industrial plant. In that case, a new co-generation plant with a construction cost of nearly \$200 million was built in Crockett and the Board agreed to allocate 21.5% of the County's General Fund share of property tax increment to the Community in addition to using additional revenues to support enhanced law enforcement services.

On September 12, the Board approved the Finance Committee's proposal that the same formulation of 21.5% of general Fund property tax increment revenues, resulting from the UNOCAL Reformulated Gasoline Project, to be allocated to Rodeo and Crockett for the purpose of economic development activities. The UNOCAL modernization program is expected to cost nearly \$100 million. During the September 12 Board meeting, the Supervisors requested figures on the estimated revenue to be shared in the Crockett and Rodeo area.

CONTINUED ON ATTACHMENT: ☐ YES

SIGNATURE:

☐ RECOMMENDATION OF COUNTY ADMINISTRATOR ☐ RECOMMENDATION OF BOARD COMMITTEE

☐ APPROVE.

☐ OTHER

Tom Torlakson

Jeff Smith

SIGNATURE(S): Tom Torlakson

DATE OF BOARD ON: October 17, 1995

APPROVED AS RECOMMENDED ☒

OTHER ☐

NAME OF SUPERVISORS

UNANIMOUS (ABSENT ☐)

NOES: ☐

ABSTAIN: ☐

I HEREBY CERTIFY THAT THIS IS A TRUE
AND CORRECT COPY OF AN ACTION TAKEN
AND ENTERED ON THE MINUTES OF THE BOARD
OF SUPERVISORS ON THE DATE SHOWN.

ATTESTED: October 17, 1995

PHIL BATCHELOR, CLERK OF THE BOARD OF
SUPERVISORS AND COUNTY ADMINISTRATOR

Phil Batchelor

CONTACT:

Community Development-Jim Kennedy
Crockett Chamber of Commerce
Crockett Foundation

On September 18, the Finance Committee reviewed the property tax revenue estimates and took testimony from the President of the Crockett Chamber of Commerce. The Committee requested additional information for its next meeting. On October 2, the Committee was provided with the information presented below.

1. Construction Cost Estimates and Actual Assessed Value Increases

In 1992, Energy National Inc. estimated that the cost to construct their co-generation facility would be \$200 million. All parties negotiating tax sharing agreements used this estimate and assumed that property tax assessments would closely approximate construction costs.

However, the Assessor's Office reports that the latest estimates from the company suggest an estimated completion cost of slightly over \$180 million. Of that amount, the company and the Assessor are reviewing the extent to which some construction costs would not result in increased tax assessments. Typically, the type of construction costs not subject to property taxes are:

1. Costs incurred by the company not on the construction site;
2. administrative and public relations costs;
3. rework and redesign costs;
4. abnormal or unforeseen costs resulting from floods, fire, etc; and
5. construction reserves.

Additionally, the Assessor's staff has indicated that since a substantial amount of the valuation is predicated on depreciating assets, the assessed value of the co-generation facility will decline each year. This means that property tax revenues will decline in subsequent years.

2. Police Services Share of Property Tax Revenue

Attachment A includes the police services and community portions of property tax revenue from the co-generation facility.

3. UNOCAL Reformulated Gasoline Project

Staff calculated revenue sharing figures based on the September 12 Board action, which appear in Attachment B. No actual values have been enrolled by the Assessor to date so these figures are estimates only. As of this writing, the amount of revenue available this year is not known.

4. Planning and Zoning Issues

Community Development staff is currently compiling a "cookbook" on downtown revitalization programs, and a list of financial resources available for economic development. This will be made available to the Crockett Foundation and Chamber of Commerce. Also, Community Development staff is following up on the small lot and height ordinances.

On October 2, the Finance Committee determined that the actual revenue to be allocated to Crockett Community would be less than half originally estimated because:

1. The state shifted property tax revenue to the schools in 1992, 1993, and 1994 resulting in the County General Fund share of property taxes shrinking from 46.5% to 25.5%; and
2. the \$200 million estimated increase in assessed value would be closer to \$105 million in 1995-96 and \$168 million in 1996-97.

Therefore, the Committee determined to recommend a doubling of the share of revenue going to the Crockett Community from the County General Fund from 21.5% to 43%. This revision will result in an additional \$59,409 in revenues to the Crockett Community for a total of \$118,818 in 1995-96, and a corresponding loss to the County General Fund.

Additionally, the Committee recommended the same doubling of the share of revenue resulting from the UNOCAL project, which is estimated to provide an additional \$44,600 and a total of \$89,200 to the Community of Crockett, Rodeo and Tormey, and a corresponding loss to the County General Fund. The first full year of revenue sharing for the UNOCAL project will be 1996-97.

The recommendations would result in an estimated loss to the General Fund as presented below.

	<u>Crockett Co-Generation</u>	<u>Unocal</u>	<u>Total</u>
1995-96	\$59,409	unknown	\$ 59,409
1996-97	\$95,000	\$44,600	\$139,600

SD.5

TO: BOARD OF SUPERVISORS

FROM: Finance Committee, Tom Torlakson
Jeff Smith

DATE: December 12, 1995

SUBJECT: PROPERTY TAX SHARING FOR CROCKETT CO-GENERATION FACILITY
AND UNOCAL MODERNIZATIONContra
Costa
County

SPECIFIC REQUEST(S) OR RECOMMENDATION(S) & BACKGROUND AND JUSTIFICATION

RECOMMENDATIONS:

1. APPROVE a revised revenue sharing formula which increases the share of County General Fund property tax increment, resulting from the new co-generation facility, for police services from 26.9% to 57%.
2. ESTABLISH a community meeting in the Crockett-Rodeo area to discuss property tax revenue sharing, resulting from the UNOCAL Reformulated Gasoline Project, between Crockett, Rodeo and Tormey.

BACKGROUND:

On December 4, 1995, the Finance Committee met with Crockett and Rodeo Community leaders to discuss property tax revenues resulting from the Crockett Co-Generation facility and the UNOCAL Reformulated Gasoline Project. Testimony focused on the need for more police services and the reduction in revenues for police services from original projections.

The Committee recommended that the revenue sharing formula be changed from 70% - 30% - Crockett programs and County General Fund - to 100% Crockett programs. The amounts of revenue resulting from this new proposal are presented below.

CONTINUED ON ATTACHMENT: ☐ YES

SIGNATURE:

Tommy Enee

RECOMMENDATION OF COUNTY ADMINISTRATOR: ☐ RECOMMENDATION OF BOARD COMMITTEE

APPROVE

OTHER:

Tom Torlakson

Jeff Smith

SIGNATURE(S): Tom Torlakson

Jeff Smith

ACTION OF BOARD ON December 12, 1995

APPROVED AS RECOMMENDED ☒ OTHER ☐

	1995			1996	
	Original Plan	October Revision	December Proposal	December Proposal	Change from October
Total Revenues to General Fund	\$276,318	\$276,318	\$276,318	\$441,800	0
Revenue to Crockett	59,409	118,818	118,818	191,800	0
Revenue for Police Services in Crockett Area	74,330	74,330	157,500 ✓	250,000	131,000
TOTAL to Crockett	\$133,739 (48%)	\$193,148 (70%)	\$276,318 (100%)	\$441,800 (100%)	\$131,000

The Committee also agreed to establish a community meeting in the future in the Crockett-Rodeo area for the purpose of establishing a revenue sharing agreement between Crockett, Rodeo and Tormey resulting from the additional property tax revenues generated by the UNOCAL project. Supervisor Smith and his staff agreed to plan, coordinate and conduct the meeting. Committee staff cautioned that revenue estimates from the UNOCAL project are tentative and subject to change as the project has not been assessed by the county.

Property Tax Revenue Calculation Crockett Co-Generation Plant

	1992	1995	1996
Estimated Increase Assessed Value	\$200,000,000	\$105,193,930	\$168,193,930
Estimated Tax Revenue (1%)	2,000,000	1,083,603	1,732,397
Assumed County General Fund Share	46.5%	25.5%	25.5%
Estimated Percent of Revenue to Crockett	21.5%	21.5%	21.5%
Estimated Amount of Revenue to Crockett	200,000	59,409	94,979
Estimated Percent of Revenue for Police Services in Crockett area	26.9%	26.9%	26.9%
Estimated Amount of Revenue for Police Services	250,000	74,330	118,834

Note: Tax and assessed valuation figures gleaned from Assessor's records. County General Fund share gleaned from Auditor's records for tax rate area 62001.

95	25.40	9596
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Property Tax Revenue Calculation
UNOCAL Reformulated Gasoline Project

	<u>Original</u>	<u>Revised¹</u>
Estimated Increase in Assessed Value	\$100,000,000	\$84,000,000
Estimated Revenue - 1%	1,000,000	840,000
County ² General Fund Share	24.7%	24.7%
Percent Share of Revenue to Crockett, Rodeo and Tormey	21.5%	21.5%
Estimated Amount of Revenue to Crockett, Rodeo and Tormey	53,100	44,600

$\times 2$
\$ 89,200

43%

TO: BOARD OF SUPERVISORS
FROM: Phil Batchelor, County Administrator
DATE: January 19, 1999



C.122
CONTRA(1)
COSTA
COUNTY

SUBJECT: TRANSFER OF CROCKETT CO-GENERATION PLANT PROPERTY TAXES TO
VARIOUS CROCKETT COMMUNITY GROUPS

SPECIFIC REQUEST(S) OR RECOMMENDATION(S) & BACKGROUND AND JUSTIFICATION

RECOMMENDATION:

APPROVE and AUTHORIZE the transfer of \$239,395 from the Crockett Co-Generation Property Tax Allocation for five projects as recommended by the Crockett Community Foundation; APPROVE and AUTHORIZE corresponding appropriation adjustments; and APPROVE and AUTHORIZE release by the Auditor-Controller of \$24,395 to the Crockett Community Foundation for community recreational services support activities. (See related appropriation adjustment item)

BACKGROUND:

In September 1995, the Board of Supervisors appointed the Crockett Community Foundation as the advisory council to the Board regarding expenditures from the Community Benefits Program funded from property tax assessments on the Crockett Co-Generation Plant.

On December 3, 1998, by the attached Resolution 98-2, the Crockett Community Foundation recommended \$239,395 in property taxes obtained from Crockett Co-Generation Plant be allocated to:

1. County Service Area P-1/R-1 total, of \$29,000 for maintenance projects at the Crockett Community Center;
2. Crockett Library, a total of \$20,000 to allow the continuing six (6) additional hours of operation;
3. Crockett-Valona Sanitary District, a total of \$89,000 for improvement to a wastewater collection and treatment station;
4. Crockett Community Foundation, a total of \$24,395 for recreational services support to the Crockett Recreation Association; and
5. Crockett-Carquinez Fire District, a total of \$77,000 for capital facility upgrades.

This request for the release of funds was forwarded to the County Administrator's Office for approval and processing.

CONTINUED ON ATTACHMENT: ☐ YES

SIGNATURE: John Dwyer

☒ RECOMMENDATION OF COUNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

☒ APPROVE ☐ OTHER

SIGNATURE(S): Claude L. Van Smaaden

ACTION OF BOARD ON January 19, 1999

APPROVED AS RECOMMENDED ☐ OTHER ☐

VOTE OF SUPERVISORS

TO: BOARD OF SUPERVISORS

FROM: FINANCE COMMITTEE,
Supervisor John Gioia, Chair
Supervisor Mary N. Piepho



**Contra
Costa
County**

DATE: April 19, 2005

SUBJECT: **PROPERTY TAX REVENUE SHARING FROM CONOCOPHILLIPS
REFINERY MODERNIZATION PROJECT**

SPECIFIC REQUEST(S) OR RECOMMENDATION(S) & BACKGROUND AND JUSTIFICATION

RECOMMENDATION:

APPROVE and AUTHORIZE the sharing of 50% of the County General Fund property tax increment revenue resulting from the construction of the ConocoPhillips "Ultra Low Sulfur Diesel Fuel" project with the unincorporated communities of Rodeo, Crockett, Port Costa and Tormey.

DIRECT the County Administrator to administer the property tax sharing proposal for the ConocoPhillips "Ultra Low Sulfur Diesel Fuel Project" so that revenues derived from the property tax sharing agreement arising from the original Unocal "Reformulated Gasoline Project" are gradually replaced by the revenues from the "Ultra Low Sulfur Diesel Fuel Project" and there is no duplication of revenue.

FISCAL IMPACT:

The "Reformulated Gasoline Project" yielded \$60,886 in property tax revenue for the communities to share in FY 2004-05. The expected revenue from the property tax increment generated from the new project, approximately \$58,000, would replace the revenue derived from the first "Reformulated Gasoline Project."

BACKGROUND:

On September 12, 1995, the Board of Supervisors authorized sharing 21.5% of the property tax increment resulting from the Unocal "Reformulated Gasoline Project" with the communities of Crockett and Rodeo. On October 17, 1995, the Board approved an increase in the percent from 21.5% to 43%. This formula has provided, on average, \$79,513 to the communities for economic development projects. The funding, however, has been declining due to depreciation of the assets and obsolescence of the equipment.

CONTINUED ON ATTACHMENT: YES

SIGNATURE:

____ RECOMMENDATION OF COUNTY ADMINISTRATOR ____ RECOMMENDATION OF BOARD COMMITTEE
____ APPROVE ____ OTHER

SIGNATURE(S):

JOHN GIOIA, Chair

MARY N. PIEPHO

ACTION OF BOARD ON _____ APPROVE AS RECOMMENDED _____ OTHER _____

VOTE OF SUPERVISORS

____ UNANIMOUS (ABSENT _____)

AYES: _____ NOES: _____
ABSENT: _____ ABSTAIN: _____

I HEREBY CERTIFY THAT THIS IS A TRUE
AND CORRECT COPY OF AN ACTION TAKEN
AND ENTERED ON THE MINUTES OF THE
BOARD OF SUPERVISORS ON THE DATE
SHOWN.

ATTESTED: APRIL 19, 2005

JOHN SWEETEN, CLERK OF THE BOARD
OF SUPERVISORS AND COUNTY ADMINISTRATOR

CC: FINANCE COMMITTEE STAFF
BOARD OF SUPERVISORS
COUNTY ADMINISTRATOR'S OFFICE

BY _____, DEPUTY

ConocoPhillips estimates that it will spend \$180 million in the construction of the "Ultra Low Sulfur Diesel Fuel Project" and that the facility will be operational in the Spring of 2005. Of that amount, the company and the Assessor are reviewing the extent to which some construction costs would not result in increased tax assessments. Typically, the type of construction costs not subject to property taxes are:

1. Costs incurred by the company not on the construction site;
2. Administrative and public relations costs;
3. Rework and redesign costs;
4. Abnormal or unforeseen costs resulting from floods, fire, etc.; and
5. Construction reserves

The County Assessor's staff is estimating that the new construction will result in an increased valuation of \$61 million. One percent of that amount, \$610,000, would constitute the total increase in property taxes for the company. The County General Fund share of that amount would be approximately 19%, or \$116,000. This proposal to share 50% with the communities would generate approximately \$58,000 annually for replacement of the diminishing revenue from the Reformulated Gasoline Project, which is being phased out because of MTBE discontinuance.

As a substantial amount of the valuation is predicated on depreciating assets, the assessed value of the new construction will decline each year, resulting in a decline of property tax revenues in subsequent years.

Funding would be designated for economic development and policing needs in the impacted unincorporated communities of Rodeo, Crockett, Port Costa, and Tormey. The funding allocations would be approved by the Board of Supervisors, upon recommendation by the District II supervisor.

The Finance Committee reviewed this matter at its March 7, 2005 meeting and recommended that the administration of the property tax sharing proposal by the County Administrator's Office be accomplished in a manner that prevents duplication of payments for the two projects at the refinery.

Office of Assessor

2530 Arnold Drive, Suite 400
Martinez, California 94553-4359
FAX: (925) 313-7660
Telephone: (925) 313-7500

Gus S. Kramer
Assessor

Lori Koch
Assistant Assessor
Administration

July 1, 2008

Lara DeLaney
Management Analyst, CAO
County Administration Building
651 Pine St. 10th Floor
Martinez, CA 94553-1229

Ref: Return to Source Agreements, Unocal RFG Project, Crockett Co-Gen

Dear Laura

Listed below are the updated historical net assessments for the following projects.

Project	2005 Roll	2006 Roll	2007 Roll	2008 Roll
Crockett Co-Gen	\$200,000,000	\$194,000,000	\$169,000,000	\$176,000,000
Unocal RFG	\$75,273,366	\$72,819,411	\$71,360,547	\$68,947,909
Conoco (ULSDF)	\$163,115,305	\$165,818,287	\$162,381,880	\$157,359,760

There are no outstanding appeals on the Crockett Co-Generation property. Our current and future assessments must recognize declines in value due to physical condition, functional obsolescence, economic conditions, etc.

If you should have any questions, please give me a call at (925) 313-7627.

Very Truly Yours,

Al Wise
Principal Appraiser

FOR GUS KRAMER
CONTRA COSTA COUNTY ASSESSOR

CONTRA COSTA COUNTY
RECEIVED

JUN 27 2008

OFFICE OF
COUNTY ADMINISTRATOR

Value added by project