



Date: September 13, 2022

Honorable Mayor and Council Members:

Andrew Morris, Town Attorney

Title: Consideration of MOU with Nevada County Regarding Measure V Proceeds

Approved By: _____ Jen Callaway, Town Manager

Recommended Action: Authorize the Town Manager to execute the draft memorandum of understanding with Nevada County regarding allocation of funds generated by the County's Measure V.

Discussion: The Nevada County Board of Supervisors has placed a countywide tax measure on the November 8, 2022 general election ballot. The measure is known as Measure V and titled the "Nevada County Wildfire Prevention, Emergency Services and Disaster Readiness Sales and Use Tax". Measure V would increase the sales tax rate countywide by ½ cent for a period of 10 years, generating an estimated \$12 million annually.

The County has proposed Measure V as a general tax, meaning that the revenue generated by the tax can be used for any legal purpose. Ordinarily, the County would not be under any obligation to allocate any of the tax proceeds to the Town or to eastern Nevada County. However, Town staff and County staff have negotiated a draft memorandum of understanding (MOU), which is attached to this staff report. If approved by the Board of Supervisors and the Town Council, the MOU would allocate a portion of the Measure V revenue directly to the Town, and would require the County to spend an additional share of the revenue on projects directly benefiting the eastern portion of the County, defined as all areas east of the I-80/Hwy 20 junction. Key points of the MOU include:

- 8.33% of Measure V proceeds will go to the Town for projects and programs in Truckee or elsewhere within the Nevada County territory of the Truckee Fire Protection District.
- The Town will be required to use the funds for disaster "planning, preparedness, and prevention", "mitigation", "response", and/or "recovery" projects, consistent with local, regional, or County plans.
- The MOU would allow the Town to share Measure V revenue with the Truckee Fire Protection District, but does not require the Town to do so.
- 16.67% of Measure V proceeds (in addition to the 8.33% disbursed to the Town) will be spent on wildfire prevention, emergency services, and/or disaster-related programs and services in eastern Nevada County.
- The County will establish an eastern county "Technical Advisory Committee" (ETAC) to recommend funding priorities for the eastern county share of the Measure V funds. The Town Manager, Truckee fire chief, and at least two Truckee residents will be on the seven-member ETAC. Appointments to the ETAC seats (other than the Town Manager and fire chief) will be made jointly by the District 5 Supervisor, County OES Director, Town Manager, and Truckee fire chief.
- The Town can make recommendations or requests to the ETAC for expenditures.
- The Board of Supervisors will consider the ETAC recommendations in deciding how to allocate the 16.67% eastern county share of Measure V proceeds.

- The Board of Supervisors will appoint a “Citizens Oversight Committee” to report annually on how Measure V funds have been expended countywide.
- The MOU can be terminated only due to an uncured breach by either the County or the Town, or by a 4/5ths vote of the Board of Supervisors or the Town Council.

Priority:

<input type="checkbox"/>	Enhanced Communication	<input type="checkbox"/>	Climate and Greenhouse Gas Reduction	<input type="checkbox"/>	Housing
<input type="checkbox"/>	Infrastructure Investment	<input checked="" type="checkbox"/>	Emergency and Wildfire Preparedness	<input type="checkbox"/>	Core Service

Fiscal Impact:

Assuming that Measure V passes, this MOU is estimated to bring the Town \$1 million annually for 10 years to be spent for the purposes in the MOU.

Public Communication: Agenda posting.

Attachments: Attachment 1 - Draft MOU.