



**NAPA-VALLEJO WASTE
MANAGEMENT AUTHORITY**

Agenda Date: 4/7/2011

Agenda Placement: 7A

Napa-Vallejo Waste Management Authority Board Agenda Letter

TO: Board of Directors
FROM: Luthy, Richard - Executive Director
Napa-Vallejo Waste Management Authority
REPORT BY: Richard Luthy, Executive Director, Napa-Vallejo Waste Management - 707-299-1314
SUBJECT: PUBLIC HEARING/Solar Project and Lease Agreement

RECOMMENDATION

9:00 A.M. PUBLIC HEARING - Continued from December 16, 2010, February 3, 2011 and March 3, 2011

SOLAR PROJECT AGREEMENT AND GROUND LEASE

REQUESTED ACTION: Approval and authorization for the Chair to sign Solar Project and Ground Lease Agreement No. 2011-02 with Green Tech Power Group, LLC, leasing a portion of APN Nos. 058-020-011, 058-020-012 and 058-050-042 at the American Canyon Sanitary Landfill site, for a solar energy production project and which term shall expire twenty (20) years following the Commercial Operation Date, unless terminated or extended as provided for in the Agreement.

EXECUTIVE SUMMARY

The proposed agreement would lease a portion of the Authority's American Canyon Landfill to Green Tech Power Group, LLC for the purpose of installing and operating a solar power generating station.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	The Authority's FY 2011 Budget anticipates Revenues of \$150,000 from a solar power generation project lease.

Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	Approval of a project and ground lease agreement would provide the Authority with additional revenues over the life of the agreement.
Is the general fund affected?	No
Future fiscal impact:	Potential long-term revenues to support Authority operations.
Consequences if not approved:	The Authority will not realize income budgeted for FY 2011 and will not receive future lease revenues to support Authority operations.
Additional Information:	

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: A Negative Declaration was previously adopted for the proposed project and project site in conjunction with the approval of Conditional Use Permit #P10-00139-UP on July 21, 2010. The proposed project is in substantial conformance with the project analyzed in the previously adopted Negative Declaration. No new potential environmental effects have been identified that were not previously addressed in the adopted Negative Declaration, and therefore, no further environmental documentation is necessary pursuant to State CEQA Guidelines Section 15162.

BACKGROUND AND DISCUSSION

In July 2009, the Authority entered into an Exclusive Right to Negotiate agreement with Green Tech Power Group, LLC (Green Tech) to negotiate a Project Agreement and Ground Lease for a solar power generation system to be constructed at the closed American Canyon Sanitary Landfill (ACLF). Green Tech completed CEQA review and received a Conditional Use Permit for the project from the Napa County Planning Commission on July 21, 2010. The parties have been actively negotiating on terms and conditions to be presented for Board approval.

Addition of third parties to the lease negotiations has raised additional issues that need to be addressed, including but not limited to requiring a license to the substation and absolute assignment right, before an agreement is ready for Board action.

PROCEDURAL REQUIREMENTS

1. Continue Public Hearing
2. Staff report
3. Close Public Hearing
4. Motion, second, discussion and vote on continuation of the agreement

SUPPORTING DOCUMENTS

None

Executive Director: Approve
Reviewed By: Martha Burdick