



**NAPA-VALLEJO WASTE
MANAGEMENT AUTHORITY**

Agenda Date: 7/11/2013

Agenda Placement: 7B

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: Designate Microturbines as Surplus Property

RECOMMENDATION

AUTHORITY SURPLUS PROPERTY

REQUESTED ACTION: Approval of the following actions:

1. Authorize Executive Director to enter into an agreement with the City of American Canyon to rescind Authority Agreement #03-03 relating to the microturbine power generating project; and
2. Declare the microturbines as surplus property of the Authority; and
3. Authorize the Executive Director to sell or otherwise dispose of said property pursuant to Government Code Sections 25504 et seq.

EXECUTIVE SUMMARY

The recent evaluation of the microturbine project at the American Canyon Sanitary Landfill by Shaw Environmental indicated that recommissioning the microturbine project would be both expensive and risky. An initial investment of about \$500,000 would be necessary to replace the compressor skid at the landfill. Evaluating the condition of the gas pipeline between the landfill and the City's wastewater plant and correcting any deficiencies would be an additional expense. Although the microturbines are in relatively good shape, they are no longer manufactured and parts are not readily available. Authority and City staff have reviewed the conclusions in the Shaw report and believe that it would be in the best interests of the two agencies to rescind the microturbine project M.O.U., terminate the project and declare the equipment as surplus property so it can be offered for sale. The gas pipeline and easement would be retained for possible future use.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: **Categorical Exemption Class 12:** It has been determined that this type of project does not have a significant effect on the environment and is exempt from the California Environmental Quality Act. [See Class 12 ("Surplus Government Property Sales") which may be found in the guidelines for the implementation of the California Environmental Quality Act at 14 CCR §15312.]

BACKGROUND AND DISCUSSION

The recent evaluation of the microturbine project at the American Canyon Sanitary Landfill by Shaw Environmental indicated that recommissioning the microturbine project would be both expensive and risky. An initial investment of about \$500,000 would be necessary just to replace the compressor skid at the landfill. Evaluating the condition of the gas pipeline between the landfill and the City's wastewater plant and correcting any deficiencies would be an additional expense. Although the microturbines are in relatively good shape, they are no longer manufactured and parts are not readily available. Authority and City staff have reviewed the conclusions in the Shaw report and believe that it would be in the best interests of the two agencies to rescind the microturbine project M.O.U., terminate the project and declare the equipment as surplus property so it can be offered for sale. The gas pipeline and easement would be retained for possible future use.

SUPPORTING DOCUMENTS

None

Executive Director: Approve

Reviewed By: Martha Burdick