

BOARD OF SUPERVISORS
Agenda Item

Meeting Date:	June 4, 2013
Title:	Consider a Lease at the Regional Landfill for a Waste-to-Energy Facility
Department:	County Administration
Staff Contact:	Keith C. Dayton
Board Committee/ Other BACC:	R-Board
Staff Recommendation:	Approval
Budget Impact:	See Background Report
Time Sensitivity:	N/A

ATTACHMENTS:

1.	Background Report	3.	Draft Exhibit of Lease Area
2.	Graphic of Proposed Leased Site	4.	Proposed Resolution R13-159

Consent Agenda		Other Business		Unfinished Business
Discussion		Presentation		Work Session
New Business	X	Public Hearing		Add-On

REVIEW:

X	County Administrator	<i>Keith C. Dayton for AJR</i>
X	County Attorney	<i>Alan F. Sahn for Charles L. Shumate</i>

DISTRICT:	Aquia
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BACKGROUND REPORT

The Rappahannock Regional Solid Waste Management Board (R-Board) issued a Request for Proposals (RFP) soliciting proposals from firms interested in constructing an alternative energy project, utilizing the municipal solid waste (MSW) collected by the Rappahannock Regional Landfill (Landfill). The R-Board received 3 responses to the RFP.

Following an evaluation of the competing proposals, the R-Board determined that the proposal submitted by Energy Extraction Partners, LLC (EEP), would be most advantageous to the R-Board. EEP proposes to construct and operate a \$73 million waste-to-energy facility at the Landfill to receive and process the MSW collected by the Landfill and convert it to electric power for purchase by Dominion Virginia Power (Dominion). EEP has a contract with Dominion to provide 15 megawatts per day of electrical power for a 20-year term. The facility will receive, sort, process, and burn the MSW as fuel to power an electrical generator. The power produced would be delivered to the Dominion electrical transmission lines that traverse R-Board property. EEP would be responsible for financing, constructing, and operating the facility.

The R-Board executed an Agreement allowing EEP to proceed with this endeavor, subject to execution of a lease on approximately 11 acres of R-Board property by Stafford County and the City of Fredericksburg. R-Board property is jointly owned by Stafford County and the City of Fredericksburg and requires Board and Council action following their respective public hearings prior to executing a lease.

Under this Agreement, the R-Board would continue to collect all the fees for waste brought to the Landfill, and also to accept non-combustible materials separate from the waste-to-energy process. The Agreement stipulates that EEP will demonstrate the financial capability to fund the \$73 million venture, and provide an advance payment in the amount of \$1 million, to the R-Board by June 6, 2013. The Agreement also provides for annual lease payments from EEP in the amount of \$100,000 per year to the R-Board.

The waste-to-energy facility has the potential to allow the R-Board to continue receiving virtually all current Landfill revenues, while significantly reducing operating costs. Furthermore, the life of the Landfill will be extended indefinitely.

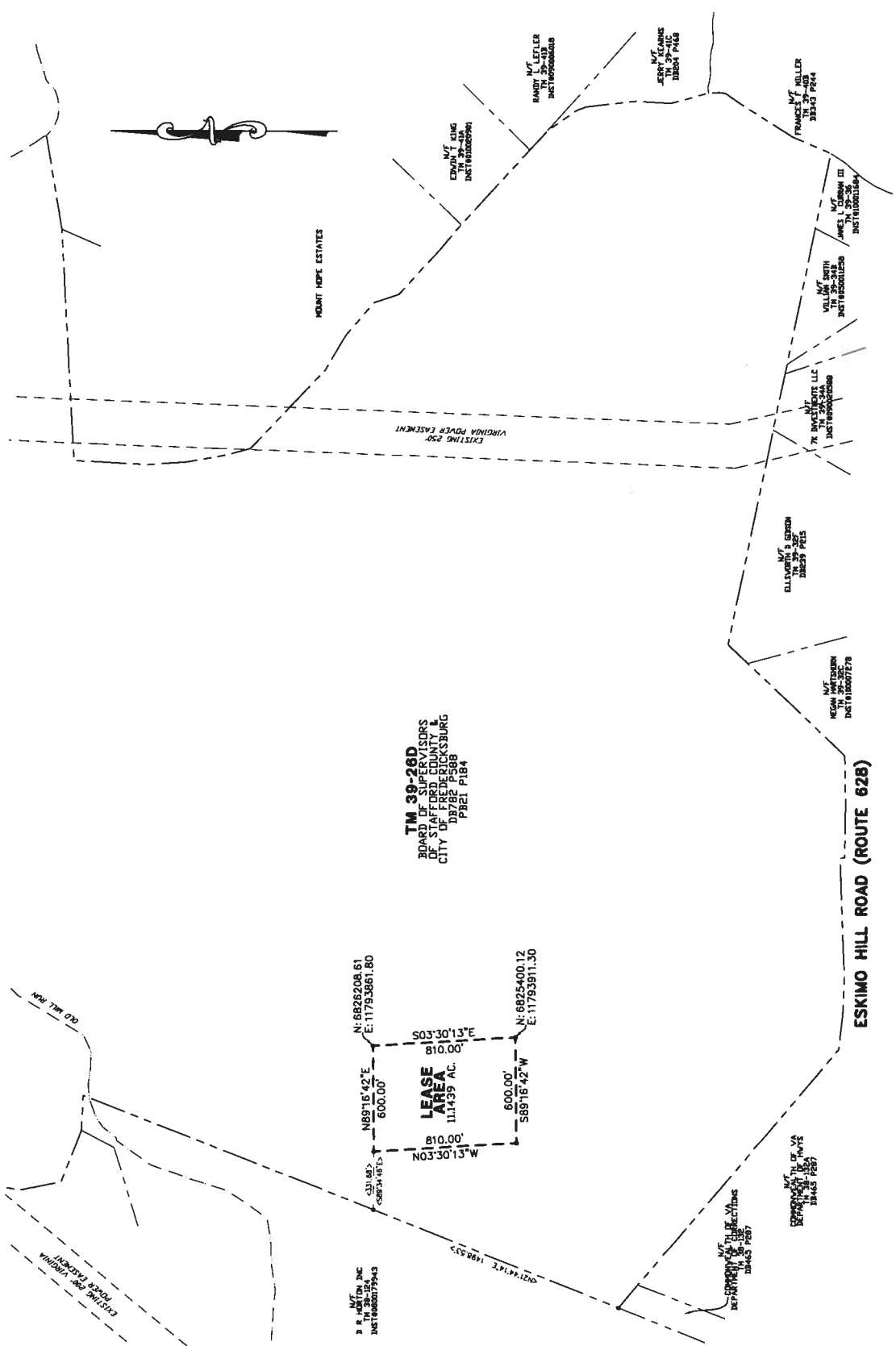
EEP requires approximately 11 acres to construct the necessary receiving, processing, and energy production facilities for this operation. The R-Board identified an area (Attachment 2), where this facility could be constructed without impacting Landfill operations. The site is currently used for the temporary stockpiling of recyclable materials, and can be provided to EEP for the proposed facility.

On May 7, 2013, the Board authorized a public hearing, whereupon, in accordance with legal requirements, staff advertised for the public hearing to be held on June 4, 2013.

Staff recommends approval of proposed Resolution R13-159, authorizing the County Administrator to execute a lease of approximately 11 acres of property owned jointly by the County and the City of Fredericksburg at the Regional Landfill to EEP to construct and operate a waste-to-energy facility.



Proposed Lease Area



TM 39-26D
 BOARD OF SUPERVISORS
 OF STAFFORD COUNTY
 CITY OF FREDERICKSBURG
 DB782 P5888
 PLOT P184

LEASE AREA EXHIBIT	
DATE:	MAY 17, 2013
SCALE:	1"=400'
DESIGNED BY:	CLW
DRAWN BY:	CLW
CHECKED BY:	CLW
SHEET NO.	1
OF	1
STAFFORD LANDFILL TAX MAP 39-26D ENERGY EXTRACTION PARTNERS, LLC AQUIA DISTRICT STAFFORD CO., VA. WEBB AND ASSOCIATES 11903 BOWMAN DRIVE, SUITE 106 FREDERICKSBURG, VA. 22408 (540)371-1209 • FAX (540)371-4650	



- NOTES:**
1. NO TITLE REPORT FURNISHED
 2. EASEMENTS NOT SHOWN MAY EXIST
 3. UNDERGROUND UTILITIES AND SUB-SURFACE FACILITIES NOT LOCATED
 4. THIS SURVEY DOES NOT ADDRESS TOXIC OR CONTAMINATED WASTE, OR WETLANDS, SOIL CONDITIONS, AND RPA, NOR HAVE ANY REPORTS, STUDIES, ETC., BEEN FURNISHED TO THIS SURVEYOR OTHER THAN THOSE NOTED.
 5. COORDINATES SHOWN ARE BASED ON NAD83 ORIGINAL GRID NORTH
 6. BOUNDARY INFORMATION TAKEN FROM PLATS OF RECORD.

PROPOSED

BOARD OF SUPERVISORS
COUNTY OF STAFFORD
STAFFORD, VIRGINIA

RESOLUTION

At a regular meeting of the Stafford County Board of Supervisors (the Board) held in the Board Chambers, Stafford County Administration Center, Stafford, Virginia, on the 4th day of June, 2013:

MEMBERS:

Susan B. Stimpson, Chairman
Robert "Bob" Thomas, Jr., Vice Chairman
Jack R. Cavalier
Paul V. Milde III
Ty A. Schieber
Gary F. Snellings
Cord A. Sterling

VOTE:

On motion of , seconded by , which carried by a vote of , the following was adopted:

A RESOLUTION TO EXECUTE A LEASE ON PROPERTY OWNED BY THE STAFFORD COUNTY BOARD OF SUPERVISORS AND THE CITY OF FREDERICKSBURG AT THE SITE OF THE RAPPAHANNOCK REGIONAL LANDFILL TO ENERGY EXTRACTION PARTNERS, LLC, FOR THE CONSTRUCTION AND OPERATION OF A WASTE-TO-ENERGY PRODUCTION AND DISTRIBUTION FACILITY

WHEREAS, the Rappahannock Regional Solid Waste Management Board (R-Board) entered into an Agreement with Energy Extraction Partners, LLC, for the construction and operation of a waste-to-energy facility to be sited on approximately eleven (11) acres of R-Board property identified as Tax Map Parcel 39-26D; and

WHEREAS, this project, when completed and operational, would provide substantial financial benefits to the residents of the County and the City of Fredericksburg; and

WHEREAS, R-Board property is jointly owned by the County and the City of Fredericksburg; and

WHEREAS, the Board desires to enter into a lease of 11 acres on Tax Map Parcel 39-26D with Energy Extraction Partners, LLC; and

WHEREAS, the Board conducted a public hearing, and carefully considered the recommendations of staff and the R-Board, and the testimony, if any, provided during the public hearing; and

WHEREAS, the Board finds that granting this lease promotes the health, safety, and welfare of the County and its citizens;

NOW, THEREFORE, BE IT RESOLVED by the Stafford County Board of Supervisors on this the 4th day of June, 2013, that the Board be and it hereby does authorize the County Administrator or his designee to the execute a lease of 11 acres on Tax Map Parcel 39-26D, with Energy Extraction Partners, LLC, for the purpose of constructing a waste-to-energy facility; and

NOW, THEREFORE, BE IT FURTHER RESOLVED that the County Administrator or his designee is authorized to execute any additional documents that are necessary or appropriate to this Lease.

AJR:KCD:kd