



Legislation Details (With Text)

**File #:** ID 15-0794    **Version:** 1    **Name:**  
**Type:** Resolution    **Status:** Agenda Ready  
**File created:** 9/3/2015    **In control:** City Council  
**On agenda:** 10/20/2015    **Final action:** 10/5/2015  
**Title:** Resolution Authorizing a Lease Agreement with the Sustainable Energy Community Development Corporation for the T. Z. Osborne Water Reclamation Plant Solar Project

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. 15-0794 RESOLUTION AUTHORIZING A LEASE AGREEMENT WITH THE SUSTAINABLE ENERGY COMMUNITY DEVELOPMENT CORPORATION FOR THE T.pdf

Date	Ver.	Action By	Action	Result
9/9/2015	1	Infrastructure Committee	withdraw	Pass

Resolution Authorizing a Lease Agreement with the Sustainable Energy Community Development Corporation for the T. Z. Osborne Water Reclamation Plant Solar Project

Department: Engineering & Inspections and Water Resources  
Council District: 2

Public Hearing: N/A  
Advertising Date/By: N/A

Contact 1 and Phone: Kenney McDowell 373-4578  
Contact 2 and Phone: Steve Drew 373-7893

**PURPOSE:**

The Engineering & Inspections and Water Resources Departments are working with the Sustainable Energy Community Development Corporation and the Melink Corporation to develop a 1 MW ground-mount solar generating project at the Osborne site. City Council approval is requested to authorize the City Manager’s Office to negotiate and approve a lease agreement for the project.

**BACKGROUND:**

The City of Greensboro issued an RFQ for a solar developer and selected Sustainable Energy Community Development Corporation (SECDC) in 2011. Since that time SECDC and their partners have been working diligently with the city staff to identify and develop viable solar electric projects for the city.

A ground-mounted project at the TZ Osborne plant has been selected as the most viable project. There is already an interconnect agreement with Duke which will allow its connection with the electric grid. This project is similar to the solar project being attempted currently at the landfill site. It is a largely tax financed project which will be owned by a third party for the initial seven years under a lease agreement with the city. After

seven years the city will have the option to buy the system at a significantly reduced cost with over 80% of its useful life remaining.

For the entire life of the system the city will own the renewable energy credits (RECs) and will therefore be able to claim all the environmental benefits associated with the solar generation.

The timing on this project is tight and critical because North Carolina's state renewable energy tax credit is set to expire at the end of the calendar year.

**BUDGET IMPACT:**

There is no budget impact at this time. The City will have the opportunity to purchase the system at a significantly discounted rate in seven years after the tax credits have been fully utilized.

**RECOMMENDATION / ACTION REQUESTED:**

The Engineering & Inspections and Water Resources Departments recommend City Council authorize the City Manager to negotiate and approve a lease agreement for this project.