



Agenda Item: Agreement - Lease

Title: Consideration of a Lease Agreement and associated Memorandum of Understanding between the City of Laramie, Wyoming and Boulevard Associates, LLC, Delaware for the development of a Solar Energy Center on the Monolith Ranch.

Recommended Council MOTION:

I move that City Council approve the Lease Agreement and associated Memorandum of Understanding between the City of Laramie, Wyoming and Boulevard Associates, LLC, Delaware for development of a Solar Energy Center on the Monolith Ranch and authorize the Mayor and City Clerk to sign.

Administrative or Policy Goal:

This project supports Resolution 2020-08 and Annual Goal B, Environmental Stewardship, Milestone #3 “Continue Renewable Energy Installations and/or Efficiencies at City Facilities and Properties,” and Resolution 2020-14 “establishing the intent of the Governing Body to immediately reduce carbon emissions from municipal government facilities and pursue a net zero, carbon neutral future for the City of Laramie, WY.”

Background:

Staff has been approached by Boulevard Associates, LLC – Next Era Energy for the development of a Solar Energy project. This project includes solar powered electrical generation (160MW), battery storage and transmission.

Boulevard Associates, LLC – Next Era Energy is working on a power purchase proposal with Rocky Mountain Power that is due on August 10, 2020. In order to submit a proposal Boulevard Associates, LLC – Next Era Energy must be able to prove site control. This lease is intended to provide site control for the submittal.

The agreement includes an up to six years (4-year term/potential 2-year extension) option term to Boulevard Associates, LLC – Next Era Energy for approximately 2,400 acres. During this time Boulevard Associates, LLC – Next Era Energy would pay the City of Laramie \$2.50/acre/year to allow for the installation of no more than two weather instruments, access for surveys and permitting process and exclusive right for use of the identified acres. The second part of the agreement is a lease where Boulevard Associates, LLC – Next Era Energy would have the right to implement a Solar Energy project for up to 50 years (30-year term/two potential 10-year extensions) on approximately 1,150 acres. Boulevard Associates, LLC – Next Era Energy would pay the City of Laramie \$200/acre/year (1.5% annual escalation) to allow for the construction, operation and maintenance of the project.

City staff has worked with Baer Livestock in relation to the existing grazing lessee to mitigate the impacts that this project may have on their operation and has vetted this project with the Monolith Ranch Advisory Committee.

This renewable energy project has been designed to have a capacity of 160 MW with an associated 80 MW battery storage component. Battery storage will allow for sufficient power to be delivered during times that generation does not meet demand. All electricity will be purchased by Rocky Mountain Power and be delivered directly to Laramie without being put out on the grid. The total power demand of Laramie

fluctuates between 120 – 150 MW, so this solar project could potentially meet the total electrical load demand for all of our citizens. As an additional side benefit, this would allow the City to meet its municipal emissions reduction targets and achieve overall carbon net neutrality. Preliminary emissions modeling indicates that by converting the City’s entire power supply to renewable energy these goals will almost entirely be met for all municipal operations, perhaps exclusive of the landfill.

Legal/Statutory Authority: N/A

Budget/Fiscal Information:

Estimated Revenue:

	Acres	\$/Acre	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total Estimated
Option	2400	\$2.50	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000					Over 10 Years
Lease	1150	\$200.00			\$230,000	\$233,450	\$236,952	\$240,506	\$244,114	\$247,775	\$251,492	\$255,264	\$1,951,552.99

Responsible Staff:

Todd Feezer, Assistant City Manager, 307.721.5304, tfeezer@cityoflaramie.org
 Darren Parkin, Natural Resource Manager, 307.721.5213, dparkin@cityoflaramie.org

Attachments:

- city of laramie solar lease - wyoming solar - 7-30-2020
- city of laramie solar lease memo - wyoming solar
- MRAC Supporting Reso 6-18-19
- Sailors Solar - Laramie City Council Presentation - 8.4.20
- Baer Livestock Lease.Monolith.Expires 6.30.23
- HMA WGF.Monolith.Expires 6.30.22