



COUNTY OF HUMBOLDT

For the meeting of: 3/19/2019

File #: 19-374

To: Board of Supervisors

From: Public Works

Agenda Section: Consent

SUBJECT:

Memorandum of Understanding for Redwood Coast Airport Renewable Energy Microgrid Project

RECOMMENDATION(S):

That the Board of Supervisors:

1. Authorize the Director of Aviation to sign the attached Memorandum of Understanding with Redwood Coast Energy Authority, Humboldt State University Sponsored Programs Foundation, and the Schatz Energy Research Center to develop, design, install and operate a renewal energy microgrid facility at the California Redwood Coast - Humboldt County Airport.

SOURCE OF FUNDING:

Aviation Fund (3530 381)

DISCUSSION:

Humboldt County, Redwood Coast Energy Authority (RCEA), the Schatz Energy Research Center at Humboldt State University (SERC), and Pacific Gas & Electric (PG&E) are collaborating to construct a 2.3-megawatt solar microgrid facility on approximately 9 acres at the California Redwood Coast-Humboldt County Airport (ACV). The facility will include solar panels, an energy storage system, electric vehicle chargers and associated equipment. The facility will provide power to the airport and Coast Guard Air Station and export wholesale power into PG&E's electricity grid through RCEA's community choice aggregation program. The facility will be designed and constructed by SERC and owned and operated by RCEA. The total project cost is expected to be approximately \$11 million. To support the project, SERC received a \$5 million grant from the California Energy Commission (CEC) and RCEA is securing a \$6 million loan. Final design and permitting will continue through 2019 and construction is expected to begin in early 2020.

On Oct. 10, 2017, the Board of Supervisors agreed to allow construction and operation of the microgrid facility at ACV and to serve as the lead agency for environmental review under the California Environmental Quality Act (CEQA). The Board of Supervisors adopted the CEQA environmental document on May 8, 2018. The Aviation and Public Works Departments are coordinating with the Federal Aviation Administration (FAA) regarding glare analysis, environmental

review under the National Environmental Policy Act, approval of the proposed project site for nonaeronautical use, and approval of the updated Airport Layout Plan. The Aviation Department is funding the preparation of an Environmental Assessment which FAA is expected to adopt within the next few months.

Attachment 1 contains the proposed Memorandum of Understanding (MOU) between Humboldt County, RCEA, the Humboldt State University Sponsored Programs Foundation, and SERC to confirm the roles, responsibilities, and relationships of the parties in implementing the project.

Attachment 2 contains a memorandum prepared by SERC providing a brief description of the project and summarizing the project benefits.

Attachment 3 contains a memorandum prepared by RCEA describing the minimum energy performance assurance that is incorporated into the MOU.

One of the immediate next steps is to develop a draft lease agreement which will require FAA approval and then will be brought forward for approval from the RCEA Board and the Board of Supervisors, likely later this year.

FINANCIAL IMPACT:

The proposed action does not incur any new commitments for expenditures and does not impact the General Fund. The cost for preparing the Environmental Assessment (approximately \$60,000) is being funded by the Aviation Fund under the adopted Fiscal Year 2018-19 budget. Upon completion, the project is expected to offset the airport's electricity costs by approximately \$50,000 per year. The project will also significantly benefit the airport's resilience for continued operation during an emergency.

STRATEGIC FRAMEWORK:

This action supports your Board's Strategic Framework by providing for and maintaining infrastructure and building interjurisdictional and regional cooperation.

OTHER AGENCY INVOLVEMENT:

RCEA, CEC, FAA

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board of Supervisors could choose not to authorize execution of the attached MOU. This alternative is not recommended because the Board has already expressed commitment to support the project.

ATTACHMENTS:

Redwood Coast Airport Renewable Energy Microgrid Memorandum of Understanding (February 21, 2019)

Memorandum from SERC Regarding Redwood Coast Airport Renewable Energy Microgrid Memorandum of Understanding (January 24, 2019)

File #: 19-374

Memorandum from RCEA Regarding Proposal for ACV Microgrid PV Energy Performance Assurance
(December 12, 2018)

PREVIOUS ACTION/REFERRAL:

Board Order No.: I-2; C-24

Meeting of: October 10, 2017; May 8, 2018

File No.: N/A