

Agenda

Public Facilities Committee

December 10, 2018, 4:00 p.m., Room 331

Gerace Office Building, Mayville, NY

- A. Call to Order
- B. Approval of Minutes (11/13/18)
- C. Privilege of the Floor
 - 1. Proposed Resolution- Authorize Agreement for Purchase and Removal of Standing Timber From County Airport Property at the Chautauqua County Jamestown Airport
 - 2. Proposed Resolution- Authorizing Lease Agreement for Development of Renewable Natural Gas at Chautauqua County Landfill
 - 3. Other-

**CHAUTAUQUA COUNTY
RESOLUTION NO. _____**

BPB – 11/27/18
ABC – 11/28/18
SMA – 11/28/18
KMD 11/28/18
KLC 11/28/18
GMB 11/28/18

TITLE: Authorize Agreement for Purchase and Removal of Standing Timber
From County Airport Property at the Chautauqua County Jamestown Airport

BY: Public Facilities and Audit & Control Committees:

AT THE REQUEST OF: County Executive George M. Borrello:

WHEREAS, the County of Chautauqua is authorized by General Municipal Law §72-a and County Law §219 to maintain forest lands and sell trees and timber from such lands; and

WHEREAS, the County contracted with Forecon, Inc. to provide forest management services which include independent quantity surveys and estimates of standing timber value on County reforestation properties; and

WHEREAS, Forecon, Inc. completed a fair market value appraisal of the standing timber on 41 acres of the Chautauqua County Jamestown Airport located in the Town of Ellicott as Section 335.00 Block 3 Lot 12, Section 335.00 Block 2 Lot 13, Section 335.00 Block 3 Lot 14, and Section 335.00, Block 3 Lot 17.1 (“Parcel”), and estimated the value of the mature timber on said Parcel at \$40,000; and

WHEREAS, on December 6, 2018, the County issued an Invitation to Bid on the Parcel for the sale and removal of 90,126 board feet (MBF) hardwood saw timber, with a deadline for all sealed bids to be received by the County no later than January 3, 2019 at 2:00 p.m.; and

WHEREAS, price volatility in the hardwood saw timber market increases risks and limits competition, and the increase in elapsed time between the opening of bids and the awarding of the contract due to obtaining necessary Legislature approval discourages prospective bidders from submitting a bid; and

WHEREAS, the County issued an Invitation to Bid on the Parcel in July 2018 and received no bids due to the above-mentioned factors; and

WHEREAS, it is appropriate for the County to accept the highest offered price that exceeds the fair market value appraisal; and

WHEREAS, pursuant to the Federal Aviation Administration (FAA) Airport Improvement Program’s (AIP’s) Airport Sponsors Assurances, all proceeds derived from the sale of this Parcel must be expended by the County for the capital or operating costs of the Chautauqua County Jamestown Airport; and

WHEREAS, the County desires to enter into a timber sale contract with the bidder who submits the highest technically compliant bid that meets or exceeds the fair market value appraisal; now therefore be it

RESOLVED, That the County Executive is hereby authorized and empowered to execute a timber sale contract with the bidder who submits the highest technically compliant bid for the sale and removal of 90,126 MBF hardwood saw timber on the Parcel that meets or exceeds the fair market value appraisal of \$40,000, with proceeds placed in an account for the capital or operating costs of the Chautauqua County Jamestown Airport.

APPROVED

VETOES (VETO MESSAGE ATTACHED)

County Executive

Date

**CHAUTAUQUA COUNTY
RESOLUTION NO. _____**

SMA 11/6/18 KMD 11/7/18 KLC 11/29/19 GMB by sma 12/4/18
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TITLE: Authorizing Lease Agreement for Development of Renewable Natural Gas at Chautauqua County Landfill

BY: Public Facilities and Audit & Control Committees:

AT THE REQUEST OF: County Executive George M. Borrello:

WHEREAS, the County owns and operates a landfill gas-to-energy electric generating facility at the County Landfill that has provided substantial net revenues to the County since 2010; and

WHEREAS, the current depressed market conditions for sale of electricity generated by landfill gas have caused a significant reduction in the revenues received by the County, and it is now more advantageous to directly sell the landfill gas for processing as renewable natural gas (RNG); and

WHEREAS, the County issued a request for proposals for the development of an RNG facility at the County Landfill that should allow the County to continue to retire the outstanding debt on the existing electric generating facility and receive additional net revenues; now therefore be it

RESOLVED, That the County Executive is hereby authorized to execute all necessary agreements for a lease that grants landfill gas rights to a developer to enable the construction and operation of an RNG facility at the County Landfill on substantially the following terms and conditions:

1. Developer. Montauk Energy Holdings, LLC, or its designated affiliated entity, 680 Anderson Drive, Foster Plaza 10 5th Floor, Pittsburgh, PA 15220.
2. Term. Twenty (20) years from the commercial operation date of the RNG facility.
3. Premises. An approximately two (2) acre site at the County Landfill.
4. Payments to County.

Years one (1) through ten (10): Base payment of \$1,000,000 per year plus twelve percent (12%) of RNG sale revenues to include revenues from environmental credits or offsets, less the administrative costs associated with the monetizing of the available environmental credits or offsets.

Years eleven (11) through twenty (20): Twenty percent (20%) of RNG sale revenues including revenues from environmental credits or offsets, less the administrative costs associated with the monetizing of the available environmental credits or offsets.

5. Taxes. Developer responsible for all taxes, including real property taxes, associated with its use and ownership of the RNG facility.
6. Other. As negotiated by the County Executive.

APPROVED

VETOES (VETO MESSAGE ATTACHED)

County Executive

Date