

RIVERSIDE, IA CITY COUNCIL WORK SESSION AGENDA

DATE: THURSDAY, AUGUST 31, 2017

LOCATION: COUNCIL CHAMBERS, CITY HALL (60 N GREENE STREET)

MEETING TIME: 6:30 PM

1. Presentation of plans to build a truck wash facility near Highway 22 and Highway 218. (Michael Vaughn)
2. Discussion of solar power purchase agreement (PPA) proposals for water and wastewater treatment facilities.



Allen Schneider, Mayor

Our total investment will near \$800,000. We are asking for a business creating employment incentive grant.

This is something Ankeny is doing for new businesses.

"Businesses creating employment in Ankeny's targeted industries are eligible for the Targeted Industry Incentive Grant. The grant will award between \$750 and \$1,500 per new job created based on a combination of the wage level and the business' capital investment in Ankeny."

<http://www.ankenyiowa.gov/departments/economic-development/incentives/city-of-ankeny-financial-incentives>

We will be employing around 25 people with-in the first three months of being open.

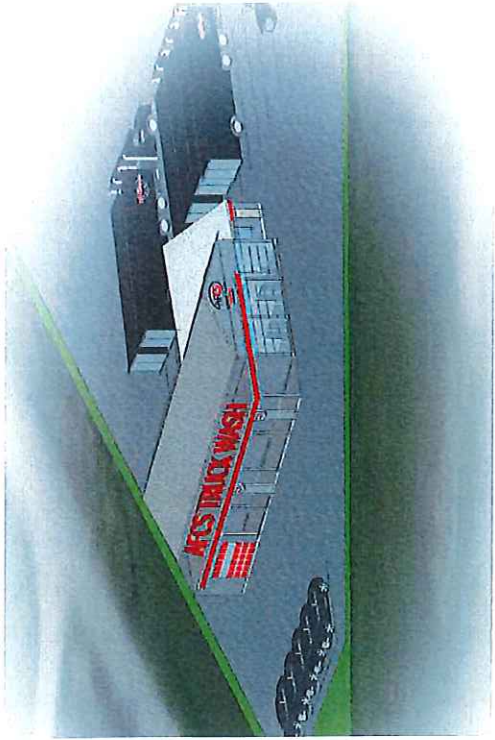
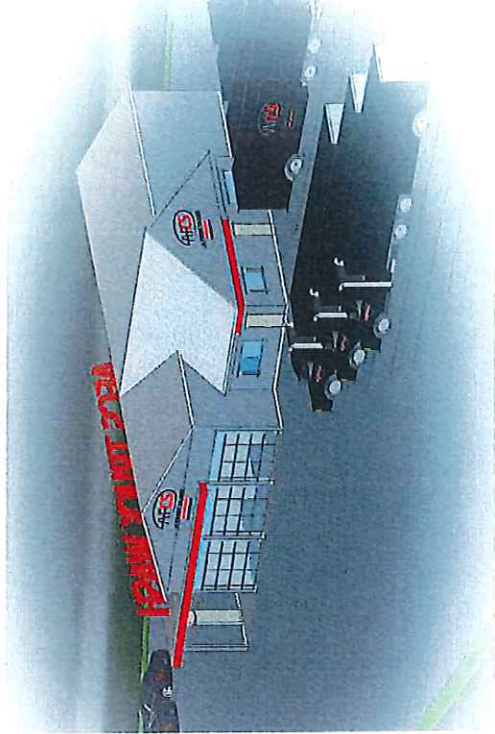
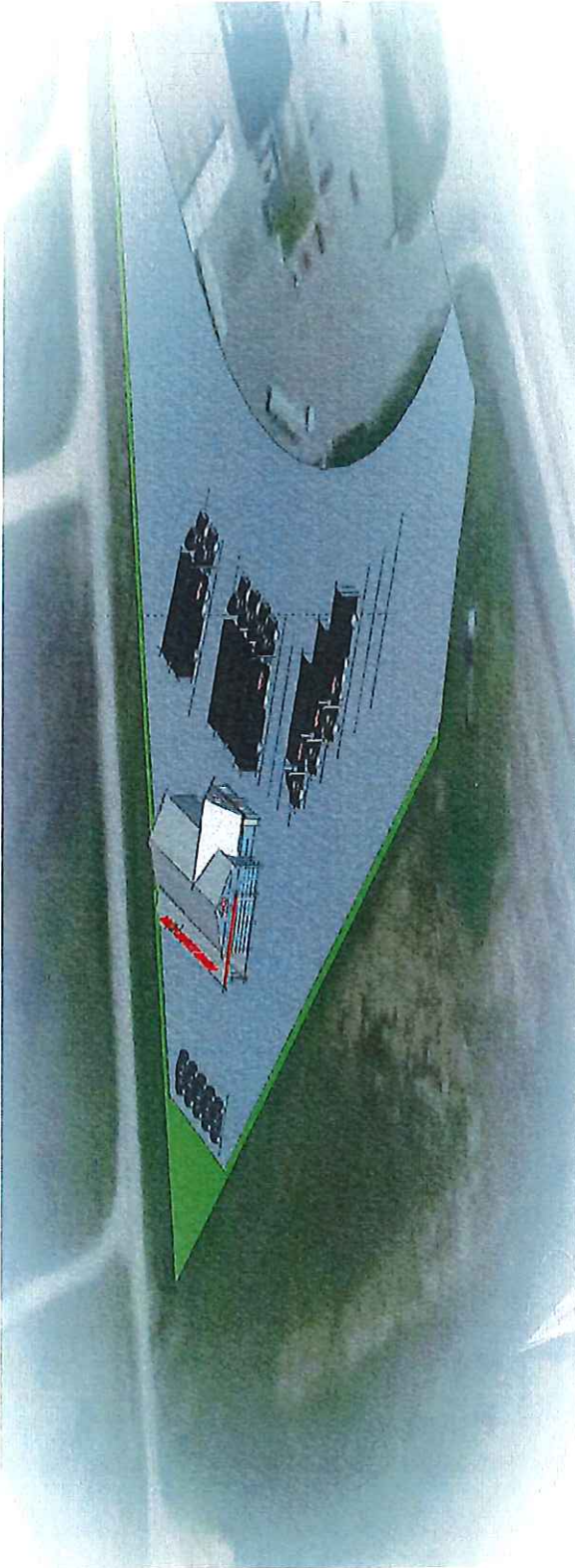
We are also asking for 10 Year Business Tax Exemption at 100% of taxable value.



OWNER: Jim Vaughn
 ADDRESS: 14 35302
 DESIGNER: [unreadable]
 LEGAL DESCRIPTION: [unreadable]

ISSUE	DESCRIPTION
1	CONCEPT
2	PRELIMINARY
3	FINAL
4	AS BUILT

AFCS First Class Solution Truck Wash
 DRAWN BY: [unreadable]
 SHEET DESCRIPTION: [unreadable]



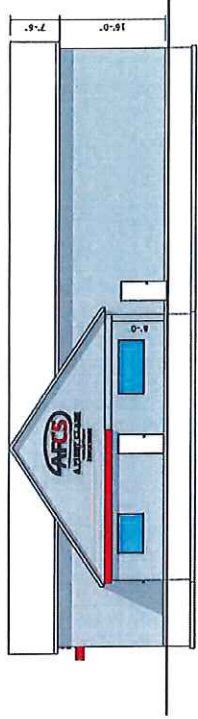


OWNER: JDA Vynish
 MID: Michon, IA, 52122
 DESIGNER:

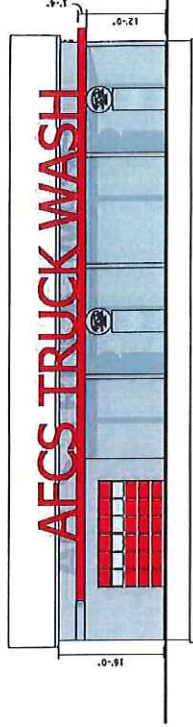
LEGAL DESCRIPTION:
 English in Addition

ISSUE
 2-15-2017
 DESCRIPTION

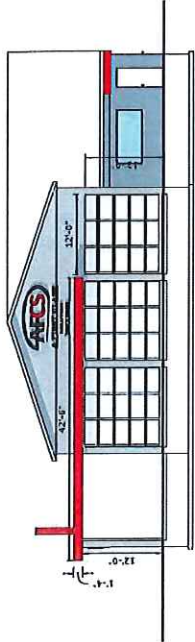
AFC'S First Class Solution Truck Wash
 DRAWN BY:
 SHEET DESCRIPTION:
 ELEVATIONS



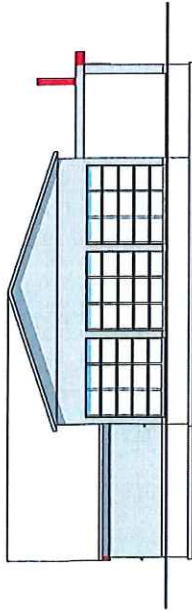
Right Elevation



Left Elevation



Front Elevation



Rear Elevation



DESIGNER:
MID
Morton, VA 22022

OWNER:
MID
319-270-0875

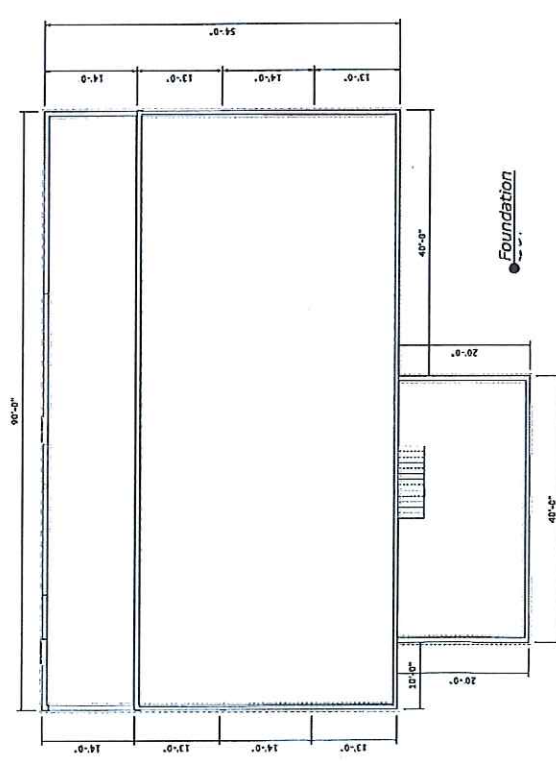
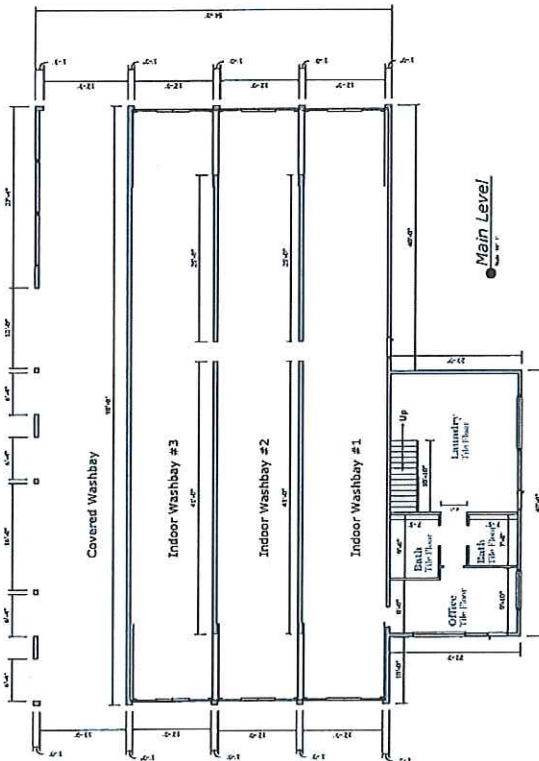
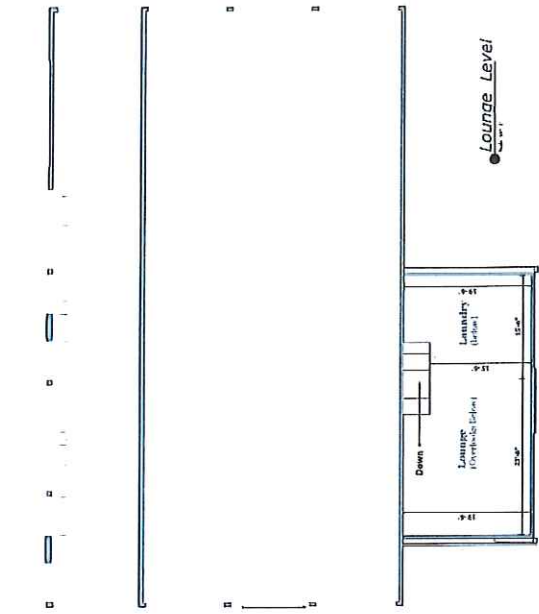
LEGAL DESCRIPTION:
Tracts in Address

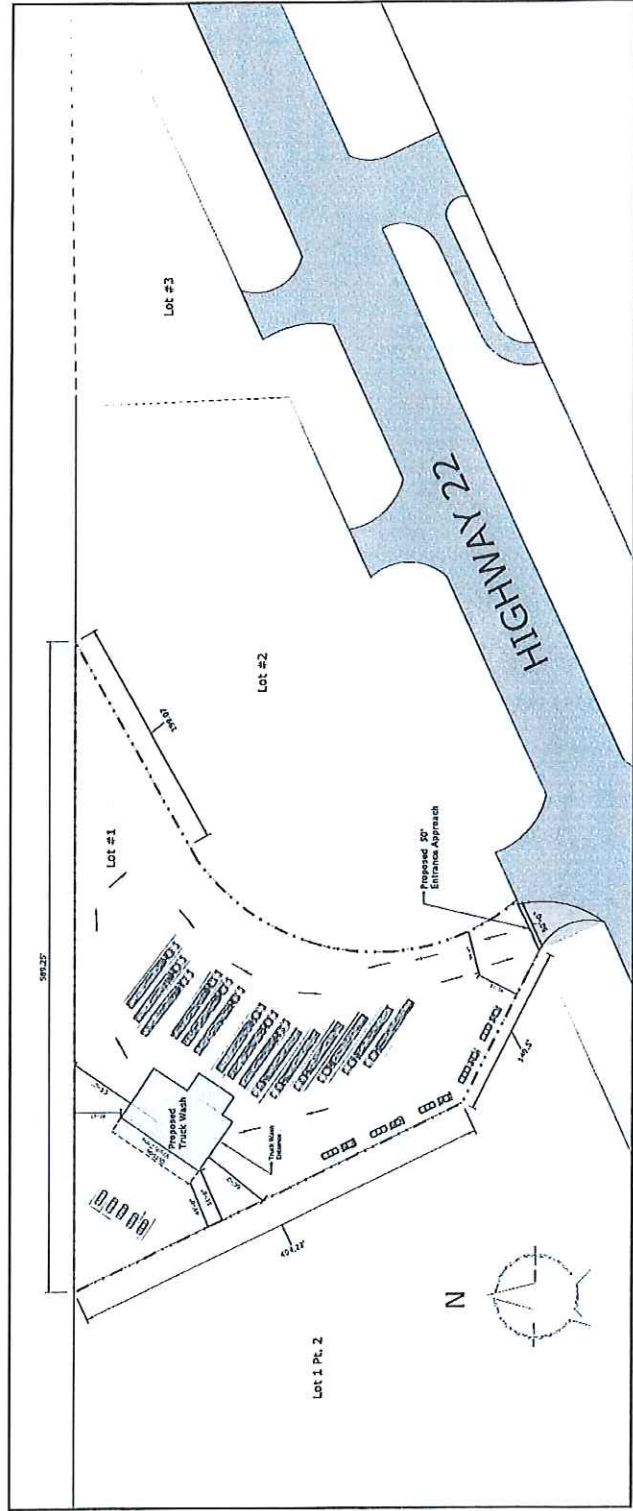
DATE: 11/11/11

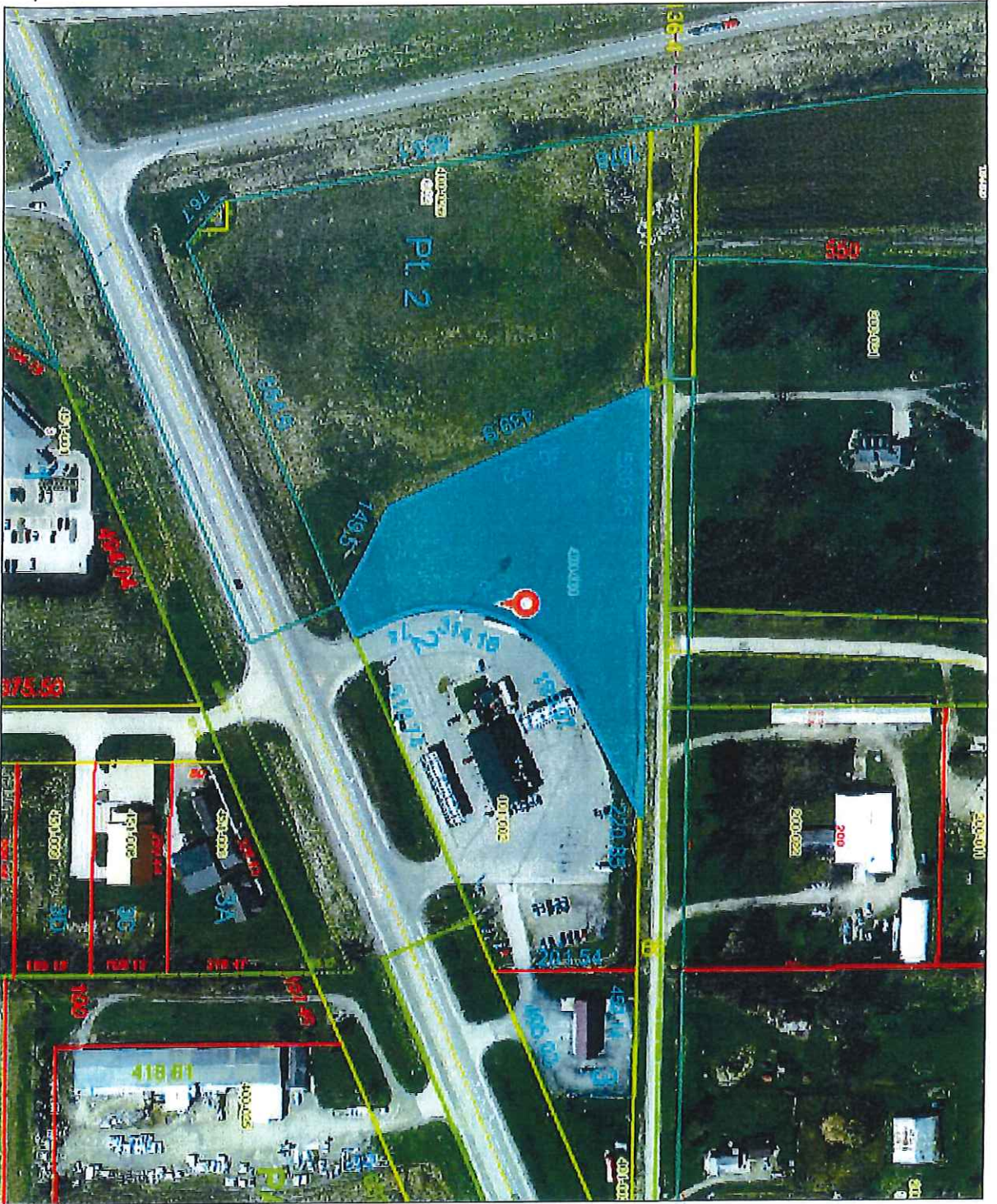
PROJECT:
AFC's First Class Solution Truck Wash



SHEET NUMBER:
A3







Legend

- Cartography**
- Condo Name Carto 100
 - Corp Name Carto 100
 - Lot Dim Carto 100
 - Lot Dim Carto 400
 - Misc Dim Carto 100
 - Misc Dim Carto 400
 - Misc Text Carto 100
 - Misc Text Carto 400
 - Mon Carto
 - Parcel Dim Carto 100
 - Parcel Dim Carto 400
 - Parcel Owner Hook 100
 - Parcel Owner Hook 400
 - Railroad Dim Carto 100
 - Railroad Dim Carto 400
 - Road Dim Carto 100
 - Road Dim Carto 400
 - Road Name Carto 100
 - Road Name Carto 400
 - Sub Ref' Letter Carto 100
 - Sub Ref' Letter Carto 400
 - Unknown Carto
- Coincident Boundaries**
- Corp Line
 - County Line
 - Geo Twp Line
 - Lot Line
 - Misc Line
 - Mon Linear
 - Page Watch Line
 - Parcel Line
 - Poi Twp Line
 - Railroad Centerline
 - Railroad ROW

Map Title
Web Print 08/30/2017



This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.

Riverside Water Plant Solar PPA Proposal Summary

Item	Alwood Electric	Eagle Point Solar	Precision Energy Services
1 Solar array size (AC)	174 kW	98 kW	88 kW
2 Solar array size (DC)	120 kW		108 kW
3 Anticipated Year 1 energy	235,878	114,268	146,872
4 PPA Initial Rate	\$ 0.0775	\$ 0.0850	\$ 0.0900
5 Current Rate (estimate)	\$ 0.10	\$ 0.10	\$ 0.10
6 Discount (H4-H5)	\$ 0.0225	\$ 0.0150	\$ 0.0100
7 PPA Term	20 years	20 years	20 years
8 Annual Escalator	2.50%	2.50%	2.50%
9 Year 1 expense (H3 x H4)	\$ 18,280.55	\$ 9,712.78	\$ 13,218.48
10 Year 1 savings (H6 x H3)	\$ 5,307.26	\$ 1,714.02	\$ 1,468.72
11 Savings once owned (H3 x H5)	\$ 23,587.80	\$ 11,426.80	\$ 14,687.20
12 Year 8 buyout	\$ 218,300.00	\$ 124,149.00	\$ 159,300.00
13 Price per kWh	\$ 0.93	\$ 1.09	\$ 1.08
14 Year 10 buyout	\$ 143,098.00	\$ 112,304.00	\$ 149,100.00
15 Price per kWh	\$ 0.61	\$ 0.98	\$ 0.97
16 Year 15 buyout	\$ 80,998.00	\$ 72,476.00	\$ 81,000.00
17 Price per kWh	\$ 0.34	\$ 0.63	\$ 0.55
18 Year 20 buyout	\$ 45,898.00	\$ 14,317.00	\$ 45,900.00
19 Price per kWh	\$ 0.19	\$ 0.13	\$ 0.31
20 20 Year savings with Year 8 buyout	\$ 125,492.19	\$ 36,397.54	\$ 41,914.64
Comments	Probably oversized. Same size as the wastewater plant.		

Riverside Wastewater Plant Solar PPA Proposal Summary

Precision Energy Services		Eagle Point Solar		Atwood Electric	
1	Solar array size (AC)	174 kW	355 kW	120 kW	182 kW
2	Solar array size (DC)				
3	Anticipated year 1 energy	235,878	489,349	489,158	
4	PPA Initial Rate	\$ 0.0775	\$ 0.0850	\$ 0.0875	
5	Current Rate (estimate)	\$ 0.10	\$ 0.10	\$ 0.10	
6	Discount (#4-#5)	\$ 0.0225	\$ 0.0150	\$ 0.0125	
7	PPA Term	20 years	20 years	20 years	
8	Annual Escalator	2.50%	2.50%	2.50%	
9	Year 1 expense (#3 x #4)	\$ 18,280.55	\$ 41,594.67	\$ 21,801.33	
10	Year 1 savings (#6 x #3)	\$ 5,307.26	\$ 7,340.24	\$ 3,114.48	
11	Savings once owned (#3 x #5)	\$ 23,587.80	\$ 48,934.90	\$ 24,915.80	
12	Year 8 buyout	\$ 218,300.00	\$ 449,799.00	\$ 265,500.00	
13	Price per kWh	\$ 0.93	\$ 0.92	\$ 1.07	
14	Year 10 buyout	\$ 196,100.00	\$ 406,902.00	\$ 238,500.00	
15	Price per kWh	\$ 0.83	\$ 0.83	\$ 0.96	
16	Year 15 buyout	\$ 111,000.00	\$ 262,595.00	\$ 135,000.00	
17	Price per kWh	\$ 0.47	\$ 0.54	\$ 0.54	
18	Year 20 buyout	\$ 62,900.00	\$ 51,873.00	\$ 76,500.00	
19	Price per kWh	\$ 0.27	\$ 0.11	\$ 0.31	
20	20-year savings with Year 8 buyout	\$ 125,492.19	\$ 237,736.35	\$ 80,206.73	
Sized for 100% offset					
Comments					

Atwood Electric



****CONFIDENTIAL****

Power Purchase Agreement (PPA) Term Sheet

Project: City of Riverside
Location: Riverside, IA
Option: Water Treatment Facility
Solar array size (DC): 174 kW-dc
Solar array size (AC): 120 kW-ac
Anticipated year 1 energy: 235,878 kWh
Initial Rate: \$ 0.0775 cents/kWh
PPA Term: 20 years
Annual escalator: 2.50% escalator for all years on PPA rate
Other: Installation by Atwood Electric
Offer Date: 08/13/17
Offer Valid Until: 09/12/17

Year	Electricity Rate	Buyout Price	Year	Electricity Rate	Buyout Price
1	\$0.0775	\$ 378,565	11	\$0.0992	\$ 181,300
2	\$0.0794	\$ 378,565	12	\$0.1017	\$ 162,800
3	\$0.0814	\$ 378,565	13	\$0.1042	\$ 148,000
4	\$0.0835	\$ 378,565	14	\$0.1068	\$ 125,800
5	\$0.0855	\$ 378,565	15	\$0.1095	\$ 111,000
6	\$0.0877	\$ 240,500	16	\$0.1122	\$ 99,900
7	\$0.0899	\$ 236,800	17	\$0.1150	\$ 88,800
8	\$0.0921	\$ 218,300	18	\$0.1179	\$ 77,700
9	\$0.0944	\$ 207,200	19	\$0.1209	\$ 70,300
10	\$0.0968	\$ 196,100	20	\$0.1239	\$ 62,900

Rate & Buyout Schedule

*PPA contracting through Red Lion Renewables, LLC or its affiliates.
 Early termination is subject to additional costs if removal is required.
 **Purchase price subject to fair market value assessment per IRS.
 Subject to investor and credit approval.
 SRECs owned by Red Lion Renewables, LLC or its affiliates.

Agreed by:

City of Riverside
 By: _____
 Name: _____
 Title: _____
 Date: _____
Red Lion Renewables, LLC
 By: _____
 Name: _____
 Title: _____
 Date: _____

This term sheet is not, and neither party intends this term sheet to be, a legally binding agreement, and neither party shall have any obligation of any kind to consummate any of the transactions described in this term sheet unless and until the parties have executed and delivered a mutually acceptable definitive power purchase agreement which includes the terms of this term sheet. This term sheet does provide Red Lion Renewables, LLC exclusively to develop and finance the project while the parties work in good faith toward finalizing such power purchase agreement.



****CONFIDENTIAL****

Power Purchase Agreement (PPA) Term Sheet

Project: City of Riverside
Location: Riverside, IA
Option: Waste Treatment Facility
Solar array size (DC): 174 kW-dc
Solar array size (AC): 120 kW-ac
Anticipated year 1 energy: 235,878 kWh
Initial Rate: \$ 0.0775 cents/kWh
PPA Term: 20 years
Annual escalator: 2.50% escalator for all years on PPA rate
Other: Installation by Atwood Electric

Offer Date: 08/13/17
Offer Valid Until: 09/12/17

Year	Electricity Rate	Buyout Price	Year	Electricity Rate	Buyout Price
1	\$0.0775	\$ 378,565	11	\$0.0992	\$ 181,300
2	\$0.0794	\$ 378,565	12	\$0.1017	\$ 162,800
3	\$0.0814	\$ 378,565	13	\$0.1042	\$ 148,000
4	\$0.0835	\$ 378,565	14	\$0.1068	\$ 125,800
5	\$0.0855	\$ 378,565	15	\$0.1095	\$ 111,000
6	\$0.0877	\$ 240,500	16	\$0.1122	\$ 99,900
7	\$0.0899	\$ 236,800	17	\$0.1150	\$ 88,800
8	\$0.0921	\$ 218,300	18	\$0.1179	\$ 77,700
9	\$0.0944	\$ 207,200	19	\$0.1209	\$ 70,300
10	\$0.0968	\$ 196,100	20	\$0.1239	\$ 62,900

Rate & Buyout Schedule

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 SRSCs owned by Red Lion Renewables, LLC or its affiliates.

Agreed by:

City of Riverside
 By: _____
 Name: _____
 Title: _____
 Date: _____
Red Lion Renewables, LLC
 By: _____
 Name: _____
 Title: _____
 Date: _____

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Eagle Point

City of Riverside Terms Sheet

Project: Riverside Water Treatment Plant & Sewer Plant
Location: Riverside, IA
Solar Array Size (DC): 453kW-dc
Anticipated Year 1 Energy (kWh) 617000
Initial Rate/kWh: \$0.0775
PPA Term (years): 20
Annual Escalator (%): 2.50%

Year	Electricity Rate	Buyout
1	\$0.0775	N/A
2	\$0.0794	N/A
3	\$0.0814	N/A
4	\$0.0835	N/A
5	\$0.0855	N/A
6	\$0.0877	N/A
7	\$0.0899	N/A
8	\$0.0921	\$573,969
9	\$0.0944	\$547,787
10	\$0.0968	\$519,206
11	\$0.0992	\$488,083
12	\$0.1017	\$454,269
13	\$0.1042	\$417,607
14	\$0.1068	\$377,933
15	\$0.1095	\$335,071
16	\$0.1122	\$288,838
17	\$0.1150	\$239,043
18	\$0.1179	\$185,480
19	\$0.1209	\$127,937
20	\$0.1239	\$66,190

4

Precision Energy Services



****CONFIDENTIAL****

Power Purchase Agreement (PPA) Term Sheet

Project: City of Riverside
 Location: Riverside, IA
 Option: Water Treatment Plant
 Solar array size (AC): 88 kW-ac
 Solar array size (DC): 108 kW-dc
 Anticipated year 1 energy: 146,872 kWh
 Initial Rate: \$ 0.0900 cents/kWh
 PPA Term: 20 years
 Battery storage (kWh) -
 Battery capacity charge: \$ -
 Annual battery storage payment -
 Annual escalator: 2.50% escalator for all years on PPA rate and capacity.
 Other: Offer Date: 07/27/17
 Offer Valid Until: 08/26/17

Rate & Buyout Schedule

Year	Electricity Rate	Buyout Price	Year	Electricity Rate	Buyout Price
1	\$0.0900	\$ 276,060	11	\$0.1152	\$ 132,300
2	\$0.0923	\$ 276,060	12	\$0.1181	\$ 118,800
3	\$0.0946	\$ 276,060	13	\$0.1210	\$ 108,000
4	\$0.0969	\$ 276,060	14	\$0.1241	\$ 91,800
5	\$0.0993	\$ 276,060	15	\$0.1272	\$ 81,000
6	\$0.1018	\$ 175,500	16	\$0.1303	\$ 72,900
7	\$0.1044	\$ 172,800	17	\$0.1336	\$ 64,800
8	\$0.1070	\$ 159,300	18	\$0.1369	\$ 56,700
9	\$0.1097	\$ 151,200	19	\$0.1404	\$ 51,300
10	\$0.1124	\$ 143,100	20	\$0.1439	\$ 45,900

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 Subject to investor and credit approval.
 SRFCs owned by Red Lion Renewables, LLC or its affiliates.

Agreed by:

City of Riverside
 By: _____
 Name: _____
 Title: _____
 Date: _____

Red Lion Renewables, LLC
 By: _____
 Name: _____
 Title: _____
 Date: _____

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****CONFIDENTIAL****

Power Purchase Agreement (PPA) Term Sheet

Project: City of Riverside
 Location: Riverside, IA
 Option: Wastewater Treatment Plant
 Solar array size (AC): 150 kW-ac
 Solar array size (DC): 182 kW-dc
 Anticipated year 1 energy: 249,158 kWh
 Initial Rate: \$ 0.0875 cents/kWh
 PPA Term: 20 years
 Battery storage (kWh) -
 Battery capacity charge: \$ - annual battery storage payment
 Annual escalator: 2.50% escalator for all years on PPA rate and capacity.
 Other: Offer Date: 07/27/17
 Offer Valid Until: 08/26/17

Year	Electricity Rate	Buyout Price	Year	Electricity Rate	Buyout Price
1	\$0.0875	\$ 460,140	11	\$0.1120	\$ 220,500
2	\$0.0897	\$ 460,140	12	\$0.1148	\$ 198,000
3	\$0.0919	\$ 460,140	13	\$0.1177	\$ 180,000
4	\$0.0942	\$ 460,140	14	\$0.1206	\$ 153,000
5	\$0.0966	\$ 460,140	15	\$0.1236	\$ 135,000
6	\$0.0990	\$ 292,500	16	\$0.1267	\$ 121,500
7	\$0.1015	\$ 288,000	17	\$0.1299	\$ 108,000
8	\$0.1040	\$ 265,500	18	\$0.1331	\$ 94,500
9	\$0.1066	\$ 252,000	19	\$0.1365	\$ 85,500
10	\$0.1093	\$ 238,500	20	\$0.1399	\$ 76,500

Rate & Buyout Schedule

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 SRCS owned by Red Lion Renewables, LLC or its affiliates.

Agreed by:

City of Riverside
 By: _____
 Name: _____
 Title: _____
 Date: _____

Red Lion Renewables, LLC
 By: _____
 Name: _____
 Title: _____
 Date: _____

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