




OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

Isiah Leggett
County Executive

June 19, 2009

To: Phil Andrews, President
Montgomery County Council

From: Isiah Leggett, County Executive 

Subject: Solar Panels on Montgomery County's Transfer Station and Recycling Center

I invite the County Council to join me in approving a "win-win" project that was initiated and negotiated by our Department of Environmental Protection (DEP). This project would place electricity producing solar panels on the roofs of our solid waste facilities and further two objectives: (1) utilizing clean renewable energy to power county facilities; and (2) reducing the expenses paid by Solid Waste ratepayers.

DEP, in partnership with the Northeast Maryland Waste Disposal Authority (NMWDA), developed a project to procure, design, install, operate and maintain solar panels on the roofs of our Solid Waste facilities with no capital outlay to the County. Based on a competitive procurement, managed by NMWDA, Sun Edison, LLC of Beltsville, MD was deemed the apparent winner from the four bids received. Negotiations with Sun Edison to retrofit the roofs of the Transfer Station and Recycling Center in Derwood are nearing completion. As required by Section 48-44 of the County Code, I am attaching a copy of the final draft task orders number 2 (Recycling Center) and number 3 (Transfer Station) between NMWDA and the County. After these task orders are executed by both parties, NMWDA will enter an agreement with Sun Edison.

The following is a summary of the main terms and requirements of Sun Edison's proposal:

1. To maintain proposed pricing (which is dependent on assumptions regarding tax credits and depreciation) the panels must be in service by December 31, 2009.
2. Notice to proceed must occur by July 1, 2009 to ensure an in-service date of December 31, 2009.
3. All electricity produced by the panels will be purchased by the County via NMWDA for the next 20 years at predetermined rates estimated to remain below market rates.

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4. Based on comparing Sun Edison's firm pricing to today's electricity rates (escalated at 3 percent annually) the solid waste rates payers stand to save over \$450,000 over the next 20 years.
5. The aggregate energy produced is expected to be 945,000 kilowatts per year.
6. There is no capital outlay cost to the County.
7. Percent of facility needs provided by project: Transfer Station 26 percent and Recycling Center 21 percent.

Attached to this memorandum please find the current Intergovernmental Agreement entered into with NMWDA on June 18, 2007, and the Amendment #1 to the Intergovernmental Agreement (IGA) amended June 16, 2009, which I present with these task orders number 2 and 3. Also attached for your review and approval is a resolution that will enable the execution of the Sun Edison task orders. For your convenience, I am also attaching NMWDA's Notice of Intent to undertake this project. We request timely approval by the Council in order to allow adequate time to complete the design and installation of the solar panel system prior to the expiration of the tax credits at the end of this calendar year. Please have your staff contact Dan Locke, Chief, DEP/Division of Solid Waste Services at 240-777-6402 with any questions. Thank you.

IL:dl

Attachments