

## Landfill Solar Project

On Monday, January 8 proposals were opened in Council Chambers at Salem City Hall for the installation of solar panels at the Salem Landfill.

Two proposals were received prior to the 2 p.m. deadline. An additional submittal was received after 5 pm and was not considered in the process.

### A.C. Power – Corey Hindin

Corey visited with us in December and explained at that time the concept of their proposal to place solar panels on the closed sections of the landfill. The State of Illinois has a cap on the size of system that can be installed, 7.50-megawatt system would cover approximately 25 acres. If upon inspection the full system will fit with the land available permits will be requested for the full amount.

AC Power is offering a 2-year Option to Lease Agreement to allow for an adequate negotiation period. If it appears that the project will not be viable for AC Power or for the City of Salem the project will be halted. During this 2-year lease option AC Power will secure an interconnection agreement with Ameren. During this first phase of the project no lease payment will be made. After six months and each quarter thereafter for two years, AC Power will pay the City of Salem a lease payment of \$1,500 quarterly or \$6,000.00 annually.

Once the system is operational and a Long-Term Lease Agreement has been signed, based on the size of the area (up to 7.50 megawatts), the full lease payments will be initiated. Currently, it is estimated that year 1 of the Long-Term Lease payment will be \$185,888. This will remain in affect for the 25–35-year lease agreement.

In the initial 6 months A.C. Power proposes to engage with the City on a non-binding project development agreement. This will allow the team to begin the work necessary to study interconnection capacity with Ameren and determine the optimal footprint for the solar equipment across all areas of interest at the landfill site. AC Power would like to initiate this non-binding agreement so that immediate preliminary development can begin and to maximize the City's chances of securing earlier capacity in Illinois' competitive Adjustable Block Program.

### Greenwood Sustainable Infrastructure – Dan Crumrine

Greenwood is offering a similar Option to Lease for the first 3 years of the project at \$3,000.00 per year with the possibility of extending the option 2 additional years.

During the operating term of the 20 year agreement the rent will be \$100,000.00. Greenwood is proposing a 5-megawatt system that is very similar to the AC Power system.

After review of the City's comprehensive plan Greenwood is offering a \$10,000.00 donation upon notice to proceed with the project. An additional \$10,000.00 will be donated at the start of construction and a final \$10,000.00 donation made at the time of interconnect. This money is to used towards a large park or recreation program as outline in the City's plan.

The late submittal was received from Summit Ridge Energy

Summit Ridge Energy is offering \$300 per acre used for the initial period and \$2,600 per acre once the system is installed.

Based on the information received I would recommend that we move forward with the agreement from AC Power. The initial non-binding agreement allows the preliminary work to begin.