

723

SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



SUBMITTAL DATE:
August 10, 2011

FROM: Transportation and Land Management Agency

SUBJECT: Ordinance No. 909, an Urgency Ordinance, Granting to Desert Sunlight 250, LLC, and Desert Sunlight 300, LLC, a Franchise to Construct and Use an Electrical Transmission Line Under, Along, Across, or Upon the Kaiser Road Rights-Of-Way in Eastern Riverside County

RECOMMENDED MOTION: That the Board of Supervisors:

Adopt Ordinance No. 909, an urgency ordinance granting to Desert Sunlight 250, LLC, a Delaware Limited Liability Company, and Desert Sunlight 300, LLC, a Delaware Limited Liability Company and Their Lawful Successors And Assigns, a franchise to construct and use an electrical transmission line under, along, across, or upon the Kaiser Road rights-of-way in eastern Riverside County.

(Continued on Page 2)

George A. Johnson, Director
Transportation and Land Management Agency

FINANCIAL DATA	Current F.Y. Total Cost:	\$ N/A	In Current Year Budget:	N/A
	Current F.Y. Net County Cost:	\$ N/A	Budget Adjustment:	N/A
	Annual Net County Cost:	\$ (600,000)	For Fiscal Year:	N/A

SOURCE OF FUNDS:	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	X

C.E.O. RECOMMENDATION:

APPROVE

BY: Denise C. Harden

County Executive Office Signature

FORM APPROVED COUNTY COUNSEL
BY: TIFFANY N. NORTH
DATE: 8/15/11

Departmental Concurrence

Dep't Recomm.: icky

Per Exec. Ofc.: icky

Consent

Consent

Prev. Agn. Ref.: 7/12/11, 3.54 | District: 4th | Agenda Number: 16.6b

RE: Ordinance No. 909, an Urgency Ordinance Granting To Desert Sunlight 250, LLC and Desert Sunlight 300, LLC, a Franchise to Construct and Use an Electrical Transmission Line, Under, Along, Across, or Upon the Kaiser Road Rights-Of-Way in Eastern Riverside County

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BACKGROUND:

On July 12, 2011, the Board adopted Resolution No. 2011-147, "Declaration of Intention to Grant an Electric Franchise to Desert Sunlight 250, LLC, a Delaware Limited Liability Company, and Desert Sunlight 300, LLC, a Delaware Limited Liability Company, and Their Lawful Successors and Assigns" and, directed the Clerk of the Board to publish notice for the public hearing on the franchise to be held at 1:30 p.m. on August 16, 2011.

The franchise would allow Desert Sunlight 250, LLC, and Desert Sunlight 300, LLC, ("Desert Sunlight") to construct and use an electrical transmission line under, along, across, or upon the Kaiser Road rights-of-way in eastern Riverside County. The electrical transmission line would interconnect Desert Sunlight's 550-megawatt solar photovoltaic energy generating project, known as the Desert Sunlight Solar Farm ("Project"), with Southern California Edison's proposed Red Bluff substation.

The County is authorized to grant a franchise pursuant to Article 11, Section 7, of the California Constitution and Government Code Section 26001. A franchise is to be granted by ordinance adopted in the manner prescribed by law for the enactment of ordinances.

The franchise proposed in Ordinance No. 909 has a 30-year term, requires annual payments of a franchise fee of \$600,000 adjusted for inflation, and requires the posting of a letter of credit equal to \$10,755,000.00 which is the County's estimate of the Bradley-Burns Uniform Local Sales and Use Tax attributable to construction of the Desert Sunlight Solar Farm Project projected to be allocated to the unincorporated area of Riverside County (including construction of the electrical transmission line, all solar power electrical generation facilities, and the Red Bluff Substation). The proposed franchise also requires Desert Sunlight to defend, indemnify and hold harmless the County and requires extensive insurance coverage.

Desert Sunlight applied for a Public Use Permit (PUP 909) pursuant to Ordinance No. 348, and an encroachment permit pursuant to Ordinance No. 499 for the parts of the Project within the County's jurisdiction. PUP 909 is a fast track case scheduled to be heard on August 16, 2011 with this agenda item. The Transportation Department is presently considering the encroachment permit application. Ordinance No. 499 provides that an encroachment permit may be issued if the applicant holds a current County franchise.

Ordinance No. 909 is an urgency ordinance and will become effective immediately upon adoption, provided that, on the date of adoption, Desert Sunlight files a written acceptance of the franchise. Such written acceptance shall require Desert Sunlight to agree to abide by the terms and conditions of the franchise set forth in Ordinance No. 909. In the event such written acceptance is not filed on the date of adoption, the ordinance shall not take effect.