

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

330A



FROM: TLMA - Transportation Department

SUBMITTAL DATE:
September 22, 2011

SUBJECT: Construction of Roundabout, Rancho California Road and Anza Road, Temecula Valley (Wine Country) area.

RECOMMENDED MOTION: That the Board of Supervisors:

1. Reject all bids received for the construction of a roundabout at the intersection of Rancho California Road and Anza Road in the Temecula Valley (Wine Country) area.
2. Approve the revised plans and specifications for the construction of a roundabout at the intersection of Rancho California Road and Anza Road in the Temecula Valley



Juan C. Perez
Director of Transportation

JCP:jrj:rr
(Continued On Attached Pages)

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 1,250,000	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2011/2012

SOURCE OF FUNDS: DIF Major Improvement Fund 30525 (70%), Measure A (30%) There are no General Funds used in this project.	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE
BY: 
Tina Grande

County Executive Office Signature

FORM APPROVED COUNTY COUNSEL
BY:  MARSHAL VICTOR
DATE: 9/27/11

Departmental Concurrence

Dep't Recomm.: Consent Policy

Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref. 6/28/11, Item 3.105 | District: 3 | Agenda Number:

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

3.25

The Honorable Board of Supervisors

RE: Construction of Roundabout, Rancho California Road and Anza Road, Temecula Valley (Wine Country) area.

September 22, 2011

Page 2 of 3

(Wine Country) area.

3. Authorize the Clerk to advertise for other bids to be received in the office of the Director of Transportation up to the hour of 2:00 pm, Wednesday, October 26, 2011, at which time bids will be opened.

BACKGROUND: By Minute Order dated June 28, 2011 (agenda item 3.105) the Board authorized the Clerk of the Board to advertise for the construction of a roundabout at the intersection of Rancho California Road and Anza Road in the Temecula area. Bids for the project were opened in the office of the Director of Transportation at 2:00 PM, Wednesday, July 26, 2011. Six bids were received, ranging from \$1,630,000 to \$2,745,937. The proposals received included bid prices for the base bid schedule of work and alternate bid schedules 1 through 3. The proposal received by Mamco, Inc. is responsive to the bid requirements, and the contractor is qualified.

After review of the submitted bids and with consideration of the current economic climate, it is the Transportation Department's opinion that the overall cost to the public for this project can be reduced without significant compromises to the end product. Design changes have therefore been made to reduce the scope of the project, including the removal of the multi-use trail, which will be graded but not improved, and reduction in the amount of irrigation, landscaping and hardscaping improvements.

Additionally, the construction staging for the project has been revised to allow for more efficient construction of the project. Based on these modifications, the Transportation Department anticipates lower overall bids.

The revised bid document includes two options of work, and the bidding contractors will be required to submit bids for both options:

Option 1

Contractor will be allowed sixty (60) calendar days to complete the work within the roadway footprint of the roundabout.

An additional twenty-one (21) calendar days will be allowed to complete all other work that does not impact traffic on Rancho California Road. Rancho California Road will remain open during construction of the project.

Option 2

Contractor will be allowed twelve (12) calendar days to completed work within the roadway footprint of the roundabout. The Contractor will be allowed to close Rancho California Road and southeast approach of Anza Road within the project limits for this stage of work. The Contractor shall maintain local access on the northwest leg of Anza Road at all times

An additional twenty-one (21) calendar days will be allowed to complete all other work does not impact traffic on Rancho California Road.

The Honorable Board of Supervisors

RE: Construction of Roundabout, Rancho California Road and Anza Road, Temecula Valley (Wine Country) area.

September 22, 2011

Page 3 of 3

Each Option of work has the following schedules of work:

Alternate A: Primary items of work.

Alternate B: Rancho California Water District; Relocation of facilities

Alternate C: Rancho California Water District; Box culvert lining

Alternate D: Rancho California Water District; Manhole and catch basin lining

Alternate E: Rancho California Water District; Box culvert outside lining

Alternate F: Construction of a separate equestrian crossing at Rancho California Road for the County Regional Parks District

Alternate G: Metropolitan Water District; Box culvert outside lining, manhole and catch basin lining, and HDPE pipe joints outside lining

The Transportation Department will select the contractor based upon the lowest responsive bid of the sum of all Options and Alternates. The Option awarded will be based upon the Option that best balances costs and construction impacts. The Transportation Department will closely coordinate with the Wineries and residents of the Wine Country to minimize impacts during construction.

If the Rancho California Water District, County Regional Parks District, and/or Metropolitan Water District concur with bid prices, as bid by the apparent low bidder, these alternative bid schedules will be included in the construction contract, and the costs for the work will be funded by the respective agency.

Construction of the roundabout at Rancho California Road and Anza Road is expected to start in early January 2012, when traffic visiting the wineries is typically at its lowest level.

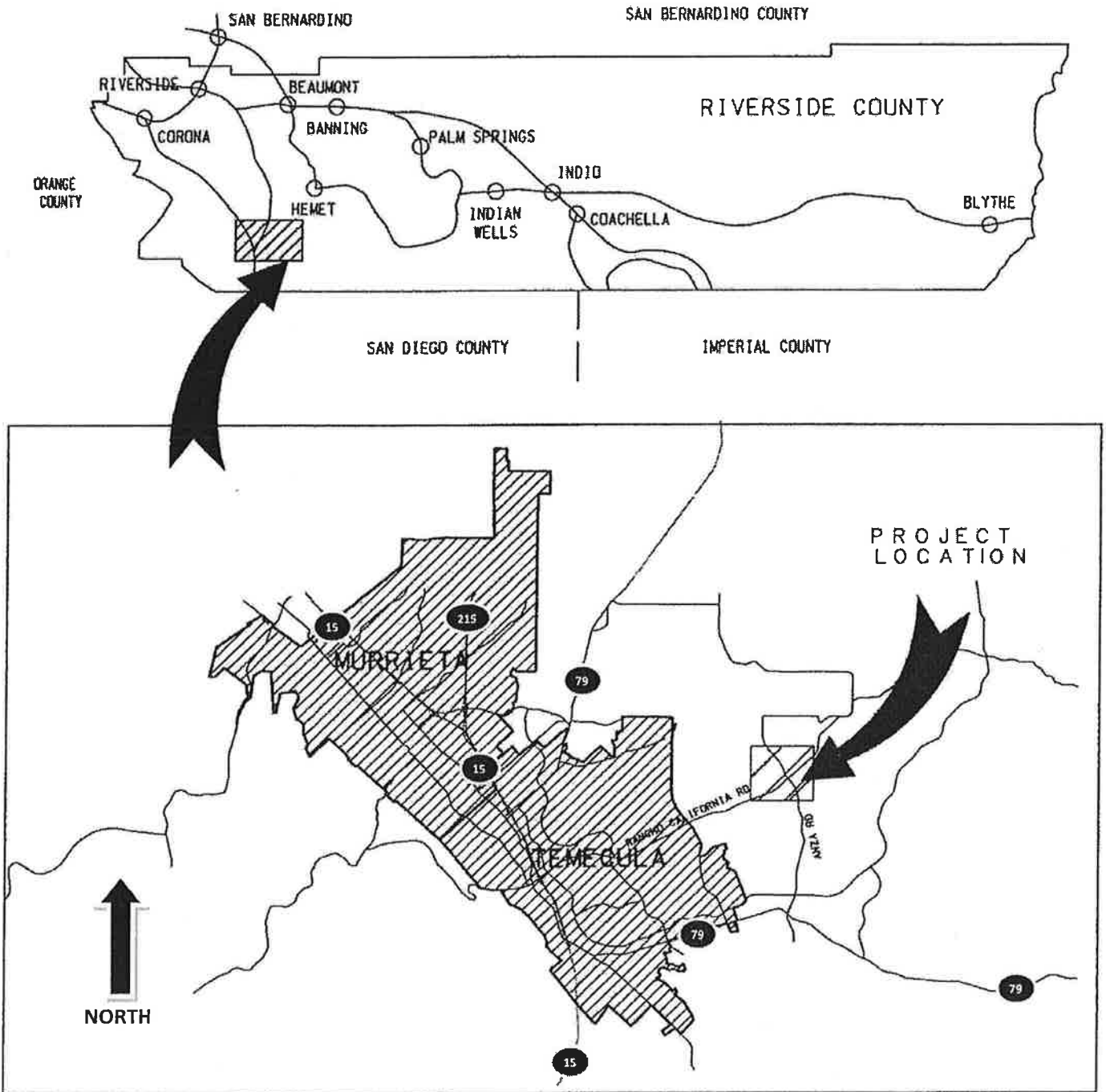
The submitted revised plans and specifications have been approved as to form by County Counsel.

Environmental clearance is complete.

Project No. B9-0957

COUNTY OF RIVERSIDE DEPARTMENT OF TRANSPORTATION

RANCHO CALIFORNIA ROAD AT ANZA ROAD ROUNDBABOUT



VICINITY MAP

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

236



FROM: Executive Office

SUBMITTAL DATE:

June 23, 2011

SUBJECT: Board Policy B-29 Pertaining to Solar Power Plants

RECOMMENDED MOTION: That the Board of Supervisors:

- (1) Approve Board Policy B-29 pertaining to solar power plants contained in Attachment A; and,
- (2) Find approval of the policy exempt from CEQA pursuant to CEQA Guidelines §15061(b)(3), in that it can be seen with certainty there is no possibility the policy may have a significant effect on the environment.

BACKGROUND: The County supports solar energy and acknowledges its benefits. The County also recognizes solar energy production can have adverse, unavoidable impacts on communities where it occurs, including impacts on visual, cultural, historic, agricultural, recreational, and biological resources, in addition to County facilities and services. These impacts will be experienced for decades, and perhaps indefinitely.

On February 8, 2011, (Item 3.29, Attachment B) the Board recognized the impact the sudden influx of renewable energy plants will have on Riverside County. Consequently, the Board unanimously amended the County's 2011 state legislative platform in support of legislative efforts to ensure the County does not disproportionately bear the burden of renewable energy production. The Board also directed staff to prepare a policy on revenue generating agreements pertaining to renewable energy projects. The proposed policy addresses the Board's directive specifically with respect to solar power plants.

(continued)

Denise C. Harden
Denise C. Harden, Principal Management Analyst

FORM APPROVED COUNTY COUNSEL
BY: *Kath A. Lind* 06/23/11
KATHERINE A. LIND DATE

FINANCIAL DATA	Current F.Y. Total Cost:	\$ NA	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ NA	Budget Adjustment:	No
	Annual Net County Cost:	\$ NA	For Fiscal Year:	

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

C.E.O. RECOMMENDATION: APPROVE
BY: *Bill Lind*
County Executive Office Signature

Consent
 Policy
 Consent
 Policy
 Dep't Recomm.:
 Per Exec. Ofc.:

Consistent with the County's long-standing practices, the policy compensates the County fairly for use of County assets, and for the unavoidable, adverse impacts of solar power plants. The policy also gives solar power plant developers certainty regarding the County's requirements. Combined estimates from two solar developers indicate they will pay \$9 million per year under the terms of this policy. From this, it is anticipated the potential revenue the County might receive from projects currently in process ranges from \$30-\$38 million per year.

The Bureau of Land Management identifies eastern Riverside County as the largest solar energy zone in California. This zone consists of 202,000 acres extending from Desert Center to the Colorado River. According to California Energy Commission records, more solar power plants of 100 megawatts or greater are being sited in Riverside County than in any other California county.

Already, 118,000 acres are slated for solar development, and many more projects are anticipated. 118,000 acres is equivalent to 185 square miles, an area nearly as large as Palm Springs, Cathedral City, Rancho Mirage, Palm Desert, and Indio combined. These unique solar resources, together with substantial federal and state incentives, such as loan guarantees and tax breaks to encourage renewable energy development, are generating a surge in proposals for utility scale solar power plants in Riverside County.

Riverside County and its residents must be compensated for the unavoidable adverse impacts of these massive solar developments within our borders. Miles of mirrors stretching from Desert Center to the Colorado River will alter the historic landscape for decades. Hundreds of thousands of acres in Riverside County will no longer be available for other uses important to our economy, such as recreation and agriculture. Biological diversity and historic and cultural resources also will be lost. In addition, County roads, bridges and flood control facilities will endure additional wear and tear as a direct result of building and maintaining these plants. These projects also will permanently increase demand on county services such as, emergency services, medical services, property assessment, and law enforcement.

Consistent with state law, the County has a long-standing practice of granting electricity franchises requiring payment of 2 percent of gross annual receipts arising from use of the franchise. All current grantees of electricity franchises in the County make such payments. These agreements, dating back nearly 100 years, include the electrical franchise originally granted to Southern California Edison in 1913. Other states, such as Colorado, require a payment of 3 percent of gross annual receipts.

The proposed policy applies to solar power the same standard the County has used with conventional power for nearly 100 years. Specifically, the proposed policy states that:

- No encroachment permit shall be issued for a solar power plant until the Board first grants an electricity franchise to the solar power plant developer. Such franchise shall include a term requiring the solar power plant developer to pay the County annually 2 percent of gross annual receipts arising from the use, operation, or possession of the franchise.
- No interest in the County's real property, or the real property of any special district governed by the County, shall be conveyed for a solar power plant until the Board first approves an agreement requiring the solar power plant developer to pay the County annually 2 percent of gross annual receipts arising from the use, operation, or possession of the real property interest.

- No land use approval required by either Ordinance Nos. 348 or 460 shall be given for a solar power plant until the Board first approves a development agreement for the solar power plant and the development agreement is effective. Such agreement shall include a term requiring the solar power plant developer to pay the County annually 2 percent of gross annual receipts arising from the use, operation or possession of the approval.
- A solar power plant operator shall deliver a letter of credit to the County in an amount equal to the County's estimate of sales and use taxes to ensure such taxes are correctly allocated to the County.

The requirement for a developer agreement is also consistent with state law, which expressly allows counties to enter into development agreements. The County of Inyo has adopted an ordinance creating a development agreement process for renewable energy projects. In addition, Riverside County recently entered into a lease agreement with a solar power plant operating on closed County landfills requiring payment of 5 percent of gross annual receipts.

Solar power plant developers claim their solar power plants will bring significant revenue to the County. However, photovoltaic plants are completely exempt from paying property taxes on all energy generation facilities and equipment. Solar thermal plants are 75 percent exempt on their dual use energy generation facilities and equipment. While they pay possessory interest taxes on Bureau of Land Management leases, the County only retains 13 cents on the dollar. The remainder goes to the state and other taxing entities.

Solar power plants may generate sales and use taxes for the County during construction. However, it is imperative the sales be both structured and reported correctly for the County to be allocated the revenue. If reported or paid incorrectly, this revenue will not be allocated to the County, and may not be recoverable.

Solar power plant developers also claim their solar power plants will bring a significant number of jobs to Riverside County. However, the majority of these are short-term construction jobs, and there is no requirement to employ local area residents. Once construction is completed, few long-term jobs will remain to maintain and operate these highly automated power plants.

Solar power plant developers are well-capitalized commercial energy companies – many of which are multi-national corporations – which are heavily subsidized by the state and federal governments with taxpayer dollars. While the state and federal governments may be in a position to offer such incentives, they will not bear the brunt of the impact of solar energy production. Riverside County and its residents will bear that burden.

Without franchises, real property interest agreements, or development agreements, these projects will reap the lucrative benefits of locating within Riverside County without compensating the community for the unavoidable, adverse impacts they create. Pursuant to the Board direction given on February 8, 2011, proposed Board Policy B-29 will ensure the County is fairly compensated for solar energy production in a manner consistent with the County's long-standing approach to conventional energy generation.

Policy

Subject:

SOLAR POWER PLANTS

Number

B-29

Page

1 of 2

Purpose:

The Board supports solar energy and acknowledges its benefits. The Board also recognizes that solar energy production creates adverse unavoidable impacts in the communities where it occurs, including impacts to visual, cultural, historic, agricultural, recreational, and biological resources, as well as impacts to County facilities and services. The purpose of this policy is to ensure that communities do not disproportionately bear the burden of solar energy production, and to give solar energy developers certainty as to the County's requirements.

Policy:

To secure public health, safety and welfare, a solar power plant shall be subject to the requirements of any applicable ordinance, state or federal law as well as the requirements of this policy.

No encroachment permit shall be issued for a solar power plant until the Board first grants an electricity franchise to the solar power plant developer. Such franchise shall include the County's standard term requiring the grantee to pay the County annually 2 percent of gross annual receipts arising from the use, operation, or possession of the franchise.

No interest in the County's real property, or the real property of any special district governed by the County, shall be conveyed for a solar power plant until the Board first approves an agreement requiring the solar power plant developer to pay the County annually 2 percent of gross annual receipts arising from the use, operation, or possession of the real property interest.

No approval required by Ordinance Nos. 348 or 460 shall be given for a solar power plant until the Board first approves a development agreement for the solar power plant and the development agreement is effective. Such agreement shall include a term requiring the solar power plant developer to pay the County annually 2 percent of gross annual receipts arising from the use, operation or possession of the approval. When a solar power plant requires both an encroachment permit and one of the above-referenced approvals, only an electricity franchise shall be required.

When a solar power plant developer requires any combination of the above-referenced agreements in conjunction with a particular solar power plant, only one agreement shall include the term requiring the solar power plant developer to pay the County annually 2 percent of gross annual receipts arising from the use, operation or possession of the franchise, real property interest, or approval required.

Every electricity franchise, real property interest agreement, and development agreement shall also include a term requiring delivery of a letter of credit to the County in an amount equal to the sales and use taxes the County estimates will be generated by construction of the solar power plant to ensure such taxes are allocated correctly to the County. The solar power plant developer shall provide the information needed by the County to make this estimate. The

Policy

Subject:

SOLAR POWER PLANTS

Number

B-29

Page

2 of 2

County shall release annually a portion of the letter of credit equal to the amount of taxes paid, as reported by the State Board of Equalization. If, upon completion of construction, the sales and use taxes paid are less than the County's estimate, the County shall call the remaining portion of the letter of credit.

As used in this policy, the following terms shall have the following meanings:

"Solar Power Plant." A facility used to generate, store, transmit or distribute electricity generated from solar energy where the power plant will be connected to the power grid and the electricity will be used primarily (i.e. more than 50 percent) at locations other than the site of the solar power plant. A solar power plant includes a power plant using either a solar thermal or photovoltaic system to convert solar energy to electricity. A solar power plant does not include a solar energy system, defined below.

"Solar Energy System." A system that is:

- (1) An accessory use to any residential, commercial, industrial, mining, agricultural or public use, used primarily (i.e. more than 50 percent) to reduce onsite utility usage; and,
- (2) Which is either of the following:
 - (a) Any solar collector or other solar energy device the primary purpose of which is to provide for the collection, storage and distribution of solar energy for electric generation, space heating, space cooling, or water heating; or,
 - (b) Any structural design feature of a building the primary purpose of which is to provide for the collection, storage and distribution of solar energy for electric generation, space heating, space cooling, or water heating.