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

766



FROM: TLMA - Planning Department

SUBMITTAL DATE: June 5, 2014

SUBJECT: Desert Harvest Solar Project: Adoption of Resolution 2014-146 Certifying the Final Environmental Impact Statement for the Desert Harvest Solar Project as a CEQA equivalent Environmental Impact Report, Adopting Environmental Findings Pursuant to CEQA, Approving a Water Supply Assessment, Adopting a Mitigation Monitoring and Reporting Plan, and Adopting a Statement of Overriding Considerations; Approval of Public Use Permit No. 914, and Adoption of Ordinance No. 922 Granting to Desert Harvest, 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 – Fast Track Authorization 2013-04 – Applicant: Desert Harvest, LLC – Engineer/Representative: Section Thirty Seven Consultants, LLC – Chuckwalla Zoning Area – Desert Center Area Plan – Location: Northerly of Interstate 10, westerly of Desert Center Rice Road (State Highway 177) within portions of Kaiser Road rights-of-way, 4th/4th District. [\$0]

**RECOMMENDED MOTION:** That the Board of Supervisors open the public hearing and at the close of the public hearing:

1. <u>CONSIDER</u> the environmental effects of the Project as shown in the "Desert Harvest Solar Farm Project Final Environmental Impact Statement and California Desert Conservation Plan Amendment" prepared and approved by the Bureau of Land Management (BLM) in the Record of Decision; and,

(continued on page 2)

Juan C. Perez, TLMA Director/ Interim Planning Director

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ N/A	\$ N/A	\$ N/A	\$ N/A	Consent D Policy
NET COUNTY COST	\$ N/A	\$ N/A	\$ N/A	\$ N/A	Consent - Policy
SOURCE OF FUNDS: N/A Budget Adjustment: N/A					ment: N/A
				For Fiscal Year	: N/A
C.E.O. RECOMME	NDATION:	APPROX	TA S	/	
		BY:	mis C. Nau	da	

**County Executive Office Signature** 

MINUTES OF THE BOARD OF SUPERVISORS

Denise C. Harden

BY.	
Positions Added	Change Order
□ A-30	□ 4/5 Vote

Prev. Agn. Ref.: 3-21 of 4/29/14

25 THE O PH H: 59

District: 4/4

Agenda Number:

16 - 1

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- 2. <u>ADOPT</u> RESOLUTION NO. 2014-146 Certifying the Final Environmental Impact Statement for the Desert Harvest Solar Project as a CEQA equivalent Environmental Impact Report, Approving a Water Supply Assessment, Adopting Environmental Findings Pursuant to CEQA, Adopting a Mitigation Monitoring and Reporting Plan, and Adopting a Statement of Overriding Considerations; and
- 3. <u>APPROVE</u> PUBLIC USE PERMIT NO. 914, subject to the attached conditions of approval and based upon the findings and conclusions incorporated in the attached staff report and in Resolution No. 2014-146; and
- 4. <u>INTRODUCE and ADOPT</u> on successive weeks ORDINANCE NO. 922, Granting to Desert Harvest, LLC, A Delaware Limited Liability Company, and its Lawful Successors and Assigns, in whole or in part, 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, subject to the attached conditions of approval, and based upon the findings and conclusions incorporated in the attached staff report and in Resolution No. 2014-146; and
- 5. **DIRECT** the Clerk of the Board to file the Notice of Determination with the County Clerk within five (5) days of approval of the project.

#### **BACKGROUND:**

The applicant, Desert Harvest, LLC, ("Desert Harvest") proposes to construct and operate a 150 megawatt (MW) photovoltaic (PV) solar power plant known as the Desert Harvest Solar Project ("Project"). The overall Project involves two main components: (1) a solar array field and (2) a 220 kilovolt ("kV") transmission line ("Gen-Tie Line"). The majority of the Project, including the solar array field, where the power would be generated, consists of 1,208 acres of BLM-administered public lands located immediately adjacent to the site of the Desert Sunlight Solar Farm project. The solar array field would consist of a generation area including fifteen-foot tall PV arrays, a switchyard, inverters, overhead lines, and access roads; an operations and maintenance facility; an on-site substation and switchgear; and site security, fencing and lighting. The solar array field is not within the County's land use jurisdiction. A Record of Decision approving the Project was issued by the U.S. Department of the Interior in March 2013.

The Gen-Tie Line will connect the electrical output of solar power plant to Southern California Edison's Red Bluff Substation where the power would feed into SCE's existing Devers Palo Verde No. 1 500-kV interconnection line. The Gen-Tie Line is proposed to exit the northwest portion of the Project site, run south along the west side of Kaiser Road, turn east just north of Desert Center, and then run south across Interstate 10 to the Red Bluff Substation. The entire Gen-Tie Line would be 12.1 miles long. A portion of the Gen-Tie Line will run under, along, across or upon the County of Riverside's Kaiser Road rights-of-way (a total distance of approximately 5.8 miles) requiring an encroachment permit and a franchise agreement with the County for use of road rights-of-way for placement of the transmission poles and lines. Two (2) portions of the Gen Tie Line are proposed to cross private land under the jurisdiction of the County, which requires the Applicant to also obtain a Public Use Permit (PUP) pursuant to Riverside County Ordinance No. 348, Section 18.29. These two (2) PUP portions are adjacent to Assessor's Parcel Numbers 807-171-005 and 808-161-001 and comprise a total area of 1.1 miles and approximately 22 acres under County land use jurisdiction. The Gen-Tie Line will either share steel monopoles with the approved Desert Sunlight Solar Farm project gen-tie line presently under construction or construct a separate, stand-alone Gen-Tie Line running parallel with the Desert Sunlight gen-tie line.

Desert Harvest applied for a Public Use Permit (PUP 914) pursuant to Ordinance No. 348 and an encroachment permit pursuant to Ordinance No. 499 for the portions of the Project within the County's land use jurisdiction. PUP 914 is a fast track case. The Transportation Department is considering the

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encroachment permit application. Board of Supervisors Policy No. B-29 states, "No encroachment permit shall be issued for a solar power plant unless the Board first grants a franchise to the solar power plant owner." 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 agreement is adopted by ordinance. Here, the franchise agreement (Ordinance No. 922) would allow Desert Harvest to construct and use the Gen-Tie Line under, along, across or upon the Kaiser Road rights-of-way and would compensate the County for such construction and use. In 2011, the Board granted a similar franchise for the Desert Sunlight Solar Farm Project in Ordinance No. 909.

Desert Harvest and County staff have reached an agreement on the terms of the franchise agreement which shall be for 30 years. As set forth in proposed Ordinance No. 922 and consistent with Board Policy No. B-29, Desert Harvest will submit annual payments of \$150 per acre, increased annually by 2% from and after 2013 (currently \$153 per acre in 2014), based on the solar power plant net acreage amount of 1,208 acres at full build out. The total "net acreage", agreed upon by Desert Harvest, was calculated using the definition in Board Policy No. B-29. The Project is scheduled to be built in phases and the annual payments will based on the net acreage included in each phase until complete build out. As currently contemplated by Desert Harvest, the first phase will include a net acreage of 10 acres. The first phase consists of pre-construction surveys, desert tortoise exclusion fencing, and other preconstruction activities. The second phase will include a net acreage of 1,043 acres. The third phase will include a net acreage of 155 acres. The Gen-Tie Line is planned for construction during the second phase. Desert Harvest will also take agreed upon actions to ensure that local sales and use taxes are directly allocated to the County to the maximum extent possible under the law. Further, the franchise agreement also requires Desert Harvest to defend, indemnify and hold harmless the County and requires insurance coverage.

Approval and use of Public Use Permit No. 914 is conditioned upon the franchise agreement being entered into and effective.

## Impact on Citizens and Businesses

An Environmental Impact Statement ("EIS") prepared by the BLM studied the overall Desert Harvest Solar Project and its impacts. Public Resources Code section 21083.7 and CEQA Guidelines Section 15221 state that when an EIS has been prepared, all or parts of the EIS may be submitted instead of an Environmental Impact Report ("EIR"), if the EIS complies with the requirements of CEQA and the CEQA Guidelines. As explained in Resolution No. 2014-146 and in the Planning Department Staff Report, both attached hereto, the County intends to rely upon the EIS to satisfy CEQA for this Project. The EIS identified the following significant and unavoidable impacts of the Project: Air Resources, Biological Resources, Cultural Resources, Noise and Vibration, Recreation, and Visual Resources. Resolution No. 2014-146, contains findings required by CEQA including mitigation measures for the Project, as well as a statement of overriding considerations. In addition, the EIS includes a Water Supply Assessment prepared in accordance with Water Code Section 10910 et seq. Since the Project area is not served by a Public Water System, the Board of Supervisors must make findings regarding the adequacy of the water supply which are contained in Resolution No. 2014-146 and find the water supply will be sufficient to satisfy the demands of the Project, as well as other existing and planned uses.

The Project will aid in the transmission of renewable energy to the power grid. The Project will also increase local short-term and long-term employment opportunities, as well as boost local business activity during construction. The maximum number of onsite personnel during construction at any one time is 250 workers. An average workforce of 100 is anticipated. Over a 12-month construction period, the transmission line workforce would average 30 employees and no more than 65 employees at any one point. Therefore, the total peak workforce on the Project would be 315 construction workers. The Project would employ 8 fulltime staff during operations.

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#### SUPPLEMENTAL:

### **Additional Fiscal Information**

As stated above, the applicant and County staff have reached an agreement on the provisions of franchise agreement. Under Ordinance No. 922, the applicant will submit annual public benefit payments of \$150 per acre, increased annually by 2% from and after 2013, based on the solar power plant net acre amount of 1,208 acres at full build out. The project is scheduled to be built in phases and the initial annual public benefit payments will based on the solar power plant net acreage included in each phase until complete build out. The applicant will also take agreed upon actions to ensure that local sales and use taxes are directly allocated to the County to the maximum extent possible under the law.

Staff labor and expenses to process the Project have been paid directly through Desert Harvest's deposit based fees.

# Contract History and Price Reasonableness N/A

#### Attachments:

- 1. Planning Department Staff Report
- Resolution No. 2014-146 Certifying the Final Environmental Impact Statement for the Desert Harvest Solar Project as a CEQA equivalent Environmental Impact Report, Approving a Water Supply Assessment, Adopting Environmental Findings Pursuant to CEQA, Adopting a Mitigation Monitoring and Reporting Plan, and Adopting a Statement of Overriding Considerations
- 3. Ordinance No. 922 An Ordinance of the County of Riverside Granting to Desert Harvest, LLC, A Delaware Limited Liability Company, and its Lawful Successors and Assigns, in whole or in part, 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
- 4. Conditions of Approval for PUP 914
- 5. Notice of Determination