Columbus Consolidated Government Council Meeting Agenda Item

TO:	Mayor and Councilors
AGENDA SUBJECT:	Environmental Services Agreement
AGENDA SUMMARY:	Approval is requested to enter into a Third Amendment to an existing Environmental Services Agreement with Columbus Power Producers, LLC to allow for the design, installation, and operation of a landfill gas collection system at the Pine Grove Landfill, which is owned by the Columbus Consolidated Government.
INITIATED BY:	Department of Public Works

<u>Recommendation</u>: Approval is requested to enter into a Third Amendment to an Environmental Services Agreement with Columbus Power Producers, LLC (CPP).

Background: It is advantageous for the continued operation of the Pine Grove Landfill to have the landfill gas extracted and used for the purpose of generating electricity for consumer use.

<u>Analysis:</u> Extensive analysis has been done by the Public Works Department and Atlantic Coast Consulting to determine the feasibility of this landfill gas project. The Department of Public Works will ensure all work is done to Georgia EPD and CCG standards. CPP, LLC shall, at its sole expense, purchase, design, modify, install, permit, construct, expand, operate and maintain the Collection System at the Landfill pursuant to the terms of the Environmental Services Agreement. The Third Amendment is being entered into to establish new Project Milestones as identified in the Third Amendment, Section 2. Amendment to Section 11.4 Project Milestones which is attached hereto.

Financial Considerations: The Landfill Gas that is sold to a third party for use as a fuel, used by the Power Plant, or used to produce Renewable Natural Gas, CPP, LLC shall pay to the CCG (Landfill Owner) the amount of Fifty Cents (\$0.50) for each MMBTU of Landfill Gas increasing five cents (\$0.05)/ MMBTU every fifth anniversary of commercial operations.

Legal Considerations: The Columbus Consolidated Government is eligible to receive the payments for the RNG produced by the Landfill.

<u>Recommendation/Action</u>: Approval is requested to enter into this Third Amendment to the Environmental Service Agreement with Columbus Power Producers, LLC.

A RESOLUTION NO.____

A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A THIRD AMENDMENT TO THE CONTRACT WITH COLUMBUS POWER PRODUCERS TO DEVELOP BENEFICIAL USES FOR LANDFILL GAS AT PINE GROVE AND SCHATULGA ROAD MUNICIPAL SOLID WASTE (MSW) LANDFILLS.

WHEREAS, The Columbus Consolidated Government (CCG) desires to use the landfill gas produced by Schatulga Road and Pine Grove Municipal Solid Waste Landfills in a beneficial way which would both be environmentally friendly as well as generate revenue for the Integrated Waste Fund;

WHEREAS, landfill gas is a greenhouse gas which is regulated by the Georgia Environmental Protection Division and as a regulated must be either used or destroyed to prevent or limit harm to the environment;

WHEREAS, effective June 30, 2017 CCG entered into an Environmental Services Agreement with Columbus Power Producers (CPP) to create a beneficial use for landfill gas as a fuel CPP agreed to develop this beneficial use at no cost to the Columbus Consolidated Government (CCG) within certain specified time deadlines;

WHEREAS, in June of 2020, CCG and CPP entered into a First Amendment to the Environmental Services Agreement which extended the certain time deadlines specified in the Agreement and proposed that CPP would obtain an agreement with a third party purchaser for the landfill gas which had the potential to increase the revenue shared with CCG from such beneficial use;

WHEREAS, on July 15, 2021, CCG entered into a Second Amendment identifying the third party purchaser and agreeing on a new schedule for price escalation during the term of the Agreement; and

WHEREAS, CCP has now identified a specific third party purchaser of the landfill gas and received project permitting for the construction of the gas collection system and wishes to update specific time milestones for gas sales and construction of a power plant under the Agreement;

WHEREAS, it is to the CCG's advantage to continue with the Agreement to develop a landfill gas extraction system and seek a market for the beneficial use of the gas.

NOW, THEREFORE, THE COUNCIL OF COLUMBUS, GEORGIA, HEREBY RESOLVES AS FOLLOWS:

The City Manager is authorized to execute the attached Third Amendment to Environmental Services Agreement, with Columbus Power Producers, LLC for the development of a landfill gas extraction system and beneficial use of said landfill gas. Introduced at a regular meeting of the Council of Columbus, Georgia, held the ______ day of ______ 2023, and adopted at said meeting by the affirmative vote of ______ members of Council.

Councilor Allen voting	·
Councilor Barnes voting	·
Councilor Cogle voting	·
Councilor Crabb voting	·
Councilor Davis voting	·
Councilor Garrett voting	·
Councilor House voting	·
Councilor Huff voting	·
Councilor Thomas voting	·
Councilor Tucker voting	·

Sandra T. Davis, Clerk of Council

B. H. "Skip" Henderson III, Mayor