



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: December 11, 2024

SUBJECT: Approval of a facilities easement agreement to Cascade Natural Gas

RECOMMENDED MOTION:

Move approval of Document No. 2024-932 to grant a facilities easement agreement to Cascade Natural Gas.

BACKGROUND AND POLICY IMPLICATIONS:

In November of 2021, the Solid Waste Department issued a Request for Proposals soliciting for the beneficial use of methane gas generated at Knott Landfill. A proposal review and selection committee consisting of staff from the Solid Waste, Road and Finance departments, Commissioner Chang and a technical consultant reviewed the proposals and elected to move forward with negotiation of a landfill gas sales agreement with Cascade Natural Gas Corporation (CNGC).

The Gas Sales Agreement (Agreement) between Deschutes County and Cascade Natural Gas was executed on April 15, 2023. As part of the Agreement, CNGC will construct a Renewable Natural Gas Production Facility (Facility) consisting of +/- 1.78-acres on a portion of property at Knott Landfill located at 61050 SE 27th Street, Bend for the conditioning and extraction of methane from the landfill gas. CNGC will also construct a transmission pipeline (Pipeline) consisting of +/- 23,280 square feet through Knott Landfill to a connection point in their local natural gas distribution network for consumption by CNGC's local customers.

A Facilities Easement Agreement (Easement) for the Facility and the Pipeline will need to be granted by the County to CNGC prior to installation. The Agreement also provides for cooperative operation and expansion of the landfill gas collection (LFG) system at Knott Landfill, as well as regulatory permitting and reporting under the Solid Waste Department's Title V Air Quality Permit.

BUDGET IMPACTS:

This project is expected to generate revenue starting in FY2026.

ATTENDANCE:

Tim Brownell, Solid Waste Director

Jeff Merwin, Solid Waste Compliance & Infrastructure Manager

Stephanie Marshall, Senior Assistant Legal Counsel

Kristie Bollinger, Property Manager