

November 10, 2008

**WHEREAS**, a by-product of the anaerobic digestion process at the Southside Wastewater Treatment Plant is methane (biogas); and,

**WHEREAS**, Ameresco Dallas, LLC responded to a City of Dallas Request for Proposals and submitted a proposal for the development of an energy recovery facility at the Southside Wastewater Treatment Plant that will convert the biogas into electricity, which will then be sold back to the Plant at a reduced rate; and,

**WHEREAS**, the City will pay Ameresco a predetermined and fixed dollar amount per kilowatt-hour (kWh) per year, ranging from \$0.06495/kWh in the first year to \$0.08095/kWh in the twentieth year as detailed in Exhibit C of the lease agreement; and,

**WHEREAS**, the energy recovery facility project will be a twenty-year lease agreement with a five-year renewal option, in which Ameresco Dallas, LLC finances, designs, constructs, and operates the energy recovery facility; and,

**WHEREAS**, the City is responsible for providing the pad site, providing supporting utilities for the energy recovery facility, and providing a guaranteed quantity and quality of biogas; and,

**WHEREAS**, this project will reduce the City's grid derived electrical demand by approximately 30,000,000 kWh per year resulting in an average annual cost savings of approximately \$1,600,000 per year; **Now, Therefore**,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:**

**Section 1.** That, upon approval as to form by the City Attorney, the City Manager is authorized to enter into an agreement with Ameresco Dallas, LLC for a twenty-year lease agreement with a five-year renewal option, for the lease of 108,000 square feet of unimproved land and the development of an energy recovery facility at the Southside Wastewater Treatment Plant for the purpose of utilizing City-provided biogas for the production and sale of electricity back to the City.

**Section 2.** That the City Controller or designee is hereby authorized to deposit all revenues received under the lease agreement into Fund 0100, Department DWU, Unit 7005, Revenue Source 8428.

**Section 3.** That the City Controller or designee is hereby authorized to disburse funds for monthly payments to Ameresco Dallas, LLC, for the term of the lease agreement, for the electricity produced and delivered by the energy recovery facility from Water Utilities Current Funds, Department DWU, Fund 0100, Unit 7450, Object 2140, Activity Code DW04, Vendor 517033 in an estimated amount of \$44,000,000.00 (subject to annual appropriations).

COUNCIL CHAMBER

083087

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**Section 4.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas and it is accordingly so resolved.

DISTRIBUTION: Water-Administration, 4AN, Cheryl Glenn  
Water-Contracts, 2121 Main Street, Suite 400, Karen Harbin  
Water-Accounting, 5AN, Esther Darden  
Office of Financial Services, 4FN, Jeanne Chipperfield

APPROVED BY  
CITY COUNCIL

NOV 10 2008

  
City Secretary