



**MEMORANDUM
PUBLIC WORKS
ENVIRONMENTAL ENGINEERING DIVISION**
County of Placer

TO: Honorable Board of Supervisors **DATE:** March 8, 2022
FROM: Ken Grehm, Director of Public Works
BY: Jared Deck, Program Manager
SUBJECT: Authorization to Restart Feasibility Evaluation of the Cabin Creek Biomass Facility at Eastern Regional Landfill and Apply for Grant Programs

ACTIONS REQUESTED

Authorize staff to restart the Cabin Creek Biomass facility project evaluation at Eastern Regional Landfill for the feasibility of construction and operation along with potential partnerships.

Adopt a Resolution approving the submittal of a grant application to California Department of Forestry and Fire Protection (Calfire) for \$2,000,000, authorizing the submittal of applications for all grant programs pertaining to Biomass for which Placer County is eligible, and appointing the County Executive Officer, Director of Public Works, or their designees, to execute grant program agreements pursuant to the terms contained in the Resolution.

Approve two dollar to one dollar match funding from the Environmental Engineering Solid Waste fund totaling \$4,000,000 if awarded the \$2,000,000 Calfire grant.

BACKGROUND

In 2013, the Cabin Creek Biomass Facility (Cabin Creek), proposed on the solid waste processing site Eastern Regional Landfill (ERL) in north Lake Tahoe, was approved at the Placer County Board of Supervisors (Board) for certification of the Final Environmental Impact Report and approval of the Conditional Use Permit, but was later put on hold due to uncertainty around the long-term economic feasibility of operating the facility. This project had the goal of reducing woody biomass material (fuel) from the region by constructing a two-megawatt (MW) electric power generation facility utilizing gasification technology to convert fuel into a synthesis gas, which would then power an internal combustion engine/generator and produce electricity. By reducing excessive fuel from our region, this facility would help protect residents, communities, forests, and valuable forest resources from the threat of wildfire, along with efficiently managing and using biomass to provide a beneficial cost-effective renewable energy source for Placer County. The threat of wildfire has been identified as the highest priority hazard in the Board approved 2021 Placer County Hazard Mitigation Plan and has the greatest potential for catastrophic loss of property and life within Placer County.

Since the major catastrophic wildfires of 2018 and extending through the River Fire impacting Placer County in 2021, there has been a surplus of biomass material from forest fire cleanup, forest management projects, and residential defensible space requirements. During this same period outlets for this material have significantly reduced, including the closure of local facilities, and created bottlenecks at the remaining facilities. This surplus of fuel has driven down its value, placing a burden on Placer residents and surrounding communities to transport their material further or find more expensive alternative methods of disposal, both of which have in turn increased tipping fees for green waste disposal.

Honorable Board of Supervisors

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By restarting the feasibility evaluation at Cabin Creek, Placer County may be able to provide a long-term solution and control for its residents and other entities in the region. This would increase the local biomass capacity by 18,000 bone dry tons per year and provide renewable energy to local county facilities. Additional potential benefits span from offsetting rising electricity costs with green energy, powering the County's public transportation vehicles as they transition to zero emission electric buses, reducing the overall SB 1383 Calrecycle procurement requirements, and providing resiliency and an additional 24/7 energy input into the local power grid allowing for adaptability during power outages.

In order to fund the proposed Cabin Creek project staff has been researching grant opportunities. Most grant applications require a resolution from the jurisdiction's governing body, authorizing staff to sign and submit the funding applications. The first application due is for the California Department of Forestry and Fire Protection (Calfire) grant closing on March 31, 2022. Grant programs for forest management are forthcoming and the resolution would authorize representatives outlined below to execute all documents involved in applying for and implementing future grants programs related to biomass facilities.

Staff recommends your Board authorize staff to restart the Cabin Creek Biomass facility project evaluation at Eastern Regional Landfill for the feasibility of construction and operation along with potential partnerships. Staff also recommends your Board adopt a Resolution to approve the submission of one grant application to Calfire for \$2,000,000 and authorize the submittal of applications for other grant programs pertaining to biomass facilities for which Placer County is eligible, and appoint the County Executive Officer, Director of Public Works, or their designees, to execute grant program agreements pursuant to the terms contained in the Resolution. Should the other grants require a local match staff would return to your board to identify and seek approval for the applicable local funding. Staff also recommends your Board approve two dollar to one dollar match funding from the Environmental Engineering Solid Waste fund totaling \$4,000,000 if awarded the \$2,000,000 Calfire grant.

ENVIRONMENTAL IMPACT

On May 7, 2013, your Board certified the Final Environmental Impact Report and addendum (FEIR) for the Cabin Creek Biomass Facility Project. In addition, the actions requested are not a project as defined by the California Environmental Quality Act (CEQA) and is therefore exempt under CEQA Guidelines section 15061(b)(3).

FISCAL IMPACT

If the Calfire grant is awarded there is a 2:1 match requirement. If the \$2,000,000 Calfire grant is awarded, the County would be required to pay \$4,000,000 toward the project. This funding can be made available through Environmental Engineering Solid Waste fund.

ATTACHMENTS

Resolution

Before the Board of Supervisors County of Placer, State of California

In the matter of:

A Resolution approving the submittal of a grant application to California Department of Forestry and Fire Protection for \$2,000,000, authorizing the submittal of applications for all grant programs pertaining to Biomass for which Placer County is eligible, and appointing the County Executive Officer, Director of Public Works, or their designees, to execute grant program agreements.

Resolution No.: _____

The following Resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held March 8, 2022, by the following vote:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chair, Board of Supervisors

Attest:

Clerk of said Board

WHEREAS, the Governor of the State of California in cooperation with the California State Legislature has enacted State of California General Funding which provides funds to the State of California and its political subdivisions for Wood Products Grants; and

WHEREAS, the State Department of Forestry and Fire Protection (Calfire) has been delegated the responsibility for the administration of the program within the State, setting up necessary procedures governing application by local agencies and non-profit organizations under the program; and

WHEREAS, said procedures established by the State Department of Forestry and Fire Protection require the applicant to certify by resolution the approval of application before submission of said application to the State; and

WHEREAS, the applicant will enter into an agreement with the State of California to carry out a Wood Products grant project.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Placer, State of California, that the Board hereby:

1. Approves the filing of an application to Calfire for \$2,000,000 for Wood Products grant funds; and
2. Certifies that said applicant has or will have sufficient funds to operate and maintain the project; and
3. Certifies that funds under the jurisdiction of Placer County Board of Supervisors are available to begin the project; and
4. Certifies that said applicant will expend grant funds prior to March 30, 2026; and
5. Appoints the County Executive Officer, Director of Public Works, or their designees, as agent of the Placer County Board of Supervisors to conduct all negotiations, execute and submit all documents including, but not limited to applications, agreements, amendments, payment requests and so on, which may be necessary for the completion of the aforementioned project.

BE IT FURTHER RESOLVED, that the Board authorizes the submittal of applications for all grants programs pertaining to biomass facilities for which Placer County is eligible, and appoints the County Executive Officer, Director of Public Works, or their designees, to execute grant program agreements, subject to County Counsel and Risk Management concurrence, to execute all documents, including, but not limited to, applications, agreements, amendments, and requests for payment, necessary to secure funds and implement the approved grants programs which do not require matching funds.

BE IT FURTHER RESOLVED that this Resolution is effective from the date of adoption through March 8, 2027.