

# Kenai Peninsula Borough – Alaska Electric and Energy Cooperative Landfill Gas Partnership

## MEMORANDUM OF AGREEMENT

This Memorandum of Agreement (“MOA”) is made effective as of the date signed by the following: the Kenai Peninsula Borough (“KPB”) and Alaska Electric and Energy Cooperative, Inc. (“AEEC”) (collectively the “Parties”, and singularly a “Party”).

### Recitals

- A. The Parties wish to jointly investigate and possibly develop a project to recover landfill gas from the KPB’s Central Peninsula Landfill (CPL) for use by AEEC (the “Project”).
- B. At present, landfill gas is being generated from the closed unlined landfill and from Cell 1 of the lined active landfill. KPB intends to collect gas from Cells 2 – 5 and future cells after each cell is filled with waste. At present, it is believed that there is not enough gas being generated by the closed unlined landfill to run an internal combustion generator. However, it is expected the overall volume of gas generated at the CPL could increase over time. In the meantime, one or more generators could be operated with a combination of landfill gas and supplemental natural gas.
- C. KPB currently concentrates approximately 1,500,000 gallons of leachate per year, using natural gas fuel. In lieu of using natural gas, waste heat from the combustion generator(s) could provide a similar amount of energy to operate the leachate concentrator.

### Agreement

- I. Subject to funding limitations defined in section II and subject to KPB appropriation and availability of funds, the parties agree in furtherance of the Project to develop or fund the development of the following:
  - i. Conceptual Design
  - ii. Cost Estimate
  - iii. Financial Feasibility Analysis
  - iv. Project Schedule
  - v. Draft Gas Sales & Waste Heat Exchange and / or Purchase Agreement
  - vi. Draft Contract between KPB & AEEC outlining the terms for the design & construction of the proposed facilities
  - vii. Draft Operations and Maintenance Agreement
- II. KPB and AEEC agree to share cost on the items outlined in section I on a 50% / 50% basis to a maximum total value of \$200,000 (\$100,000 each) subject to KPB appropriation and availability of funds. This value may be increased by mutual and written agreement by both parties.

- III. In addition to the funding indicated in Section II, the Parties agree to contribute internal resources to facilitate the development of the items in Section I at no cost to the other Party.
- IV. The Parties agree to work together to identify and apply for grants or other available funding sources to assist in the funding of the development of the Project. The parties agree to co-develop an application including, but not limited to the scope of work, letters of support listing delegation of actions and budget narrative prior to submitting grant application(s). Grants for final design and construction of the Project will be addressed at a later time.

**Third Party Beneficiaries.**

Nothing in this MOA, express or implied, is intended to confer upon any other person any rights, remedies, obligations or liabilities of any nature whatsoever.

**Relationship of Parties.**

Notwithstanding anything else set out in this MOA to the contrary, the relationship of the Parties is that of independent entities, and nothing in this MOA will be construed to create a partnership or joint venture among the Parties.

**No Other Agreement.**

This MOA is not and will not be construed to create any obligation other than as specifically provided herein. No Party may rely on this MOA or the consultations among the Parties as a commitment to enter into any binding definitive agreements other than as is provided herein. The approval and execution of any agreement with respect to any future transaction must be in writing and signed by all parties to this MOA.

**Withdrawal**

Any Party may withdraw from this MOA at any time for any reason and upon a Party's withdrawal, the Party's rights to work product created for the Project shall be limited to product created up to date of withdraw. A Party that has withdrawn is subject only to payment of its percentage share of the costs associated with work scopes approved by that Party incurred or committed up to the date of withdrawal. If both Parties fund the Project to the limit set forth in Section II, above, each Party's obligations under this agreement shall terminate, unless the Parties agree in writing to further development of the Project.

Kenai Peninsula Borough

By: Mike Navarre

Name: Mike Navarre

Title: Mayor

Date: 8/2/2017

Alaska Electric & Energy Cooperative, Inc.

By: Mikel Salzetti

Name: Mikel Salzetti

Title: Manager of Fuel Supply & Renewable Energy Development

Date: May 22, 2017