

RESOLUTION NO. 2008-601

Adopted by the Sacramento City Council

August 26, 2008

APPROVAL OF PRINCIPLES OF AGREEMENT AND 90-DAY EXTENSION OF EXCLUSIVE RIGHT TO NEGOTIATE PERIOD WITH U. S. SCIENCE AND TECHNOLOGY CORPORATION TO DEVELOP A WASTE-TO-ENERGY FACILITY

BACKGROUND

- A. On February 26, 2008, the City Council adopted Resolution no. 2008-117 granting U.S. Science and Technology (USST) up to three months, an exclusive right to negotiate (ERN), through the City Manager's Office principles of agreement (POA) for development of a waste-to-energy (WTE) project
- B. On May 27, 2008, the City Council adopted Resolution no. 2008-339 extending the ERN with USST for an additional 90 days, until the end of August, 2008.
- C. The POA, included as Exhibit A, is now finalized and presented to the City Council for approval.
- D. City of Sacramento (City) staff sees a need for an extended exclusive right to negotiate period with USST to conduct further technical and financial due diligence in connection with the proposed WTE project and negotiate contractual terms under which the City and USST would proceed with the WTE project.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The POA presented at this meeting is approved and the City Manager is authorized to execute the POA on behalf of the City of Sacramento.
- Section 2. The 90-day ERN originally granted to USST on February 26, 2008, and extended on May 27, 2008 is hereby extended for an additional 90 days, until the end of November, 2008.
- Section 3. Staff is directed to negotiate contractual terms under which the City and USST will proceed with the WTE project and present the proposed contractual terms to the Council for consideration within the extended term of the ERN.

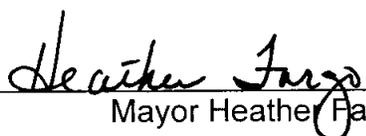
Adopted by the City of Sacramento City Council on August 26, 2008 by the following vote:

Ayes: Councilmembers Fong, Hammond, Pannell, Sheedy, Tretheway, Waters and Mayor Fargo

Noes: None.

Abstain: Councilmember Cohn (Recused).

Absent: Councilmember McCarty.



Mayor Heather Fargo

Attest:



Shirley Concolino, City Clerk