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City Council Regular Meeting**Meeting Date:** 11/21/2016**Recommended by:** Larry Rains**Prepared by:** Steven Turner, Management Analyst**Finance Director Review:** Celina Morris**City Attorney Review:** Brett Wallace**Approved by:** Larry Rains**Date Submitted:** 09/20/2016**Type of Action Requested:** Ordinance

SUBJECT:

An ordinance authorizing a Municipal Effluent Purchase Agreement between the City of Casa Grande and nFlux Energy Products LLC.

RECOMMENDATION:

Staff recommends the Mayor and City Council approve the Municipal Effluent Purchase Agreement between the City of Casa Grande and nFlux Energy Products LLC which would permit the City of Casa Grande to provide 300 acre feet per year of effluent water as described in the Municipal Effluent Purchase Agreement.

DISCUSSION:

nFlux Energy Products seeks to implement and operate Energy-Greenhouse facilities that will produce low cost clean energy, increase food crop yields by up to 40% and with 10% of the water usage. They plan to use a CO2 fertilization process and heat from a generator, along with water from the City's Waste Water Treatment Plan to produce vegetables. Some of the expected highlights of the final projects are listed below.

- Initial development will be on 40 acres near the nFlux Burris-Rodeo location.
- City of Casa Grande agrees to provide up to 300 acre feet (97,755,426 gallons per year) of class A+ effluent water per year from the City's Waste Water Treatment Plant.
- Minimum effluent quality standards will be better or equal to Class A+ reclaimed water quality as defined in ARS
- Term of the final agreement will be 20 years with the option to renew.
- Effluent water provided to nFlux is only available for use on their property
- nFlux will obtain Reclaimed Water Individual Permit from ADEQ prior to project
- nFlux will provide and accounting of the metered quantity of effluent delivered to the property on or before the 8th of each month

FISCAL IMPACT:

The City agrees to provide up to 300 acre feet per year (97,755,426 gallons per year) of effluent available to nFlux in consideration for electricity sold to the City from the greenhouse facility at a discounted rate of 5.25 cents per kWh.

ALTERNATIVES:

Do not approve the Municipal Effluent Purchase Agreement.

Direct staff to renegotiate terms of the Municipal Effluent Purchase Agreement.

Attachments

[CM O-Municipal Effluent Purchase Agreement with nFlux Energy Products, LLC](#)
[Municipal Effluent Agreement](#)

AgendaQuick©2005 - 2016 Destiny Software Inc., All Rights Reserved