ORIGINAL

BrightSource/Hidden Hills

Solar Energy Project

Inyo County Staff Presentation

BrightSource Presentation

March 13, 2012

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SUPERVISOR FORTNEY: Okay. We will bring this meeting back to order, and we will take up Item No. 17, County Administrator, County Counsel, Planning, Water, Sheriff, Agricultural Commissioner, Health and Human Services, Assessor, Information Services, Solid Waste, Motor Pool.

The Board of Supervisors will conduct a workshop with county staff to, (A), review the regulatory framework in which renewable energy facilities are permitted in the state of California, (B), receive an update regarding the status of the Hidden Hills Solar Energy Generating System, HHSEGS project, proposed by BrightSource Energy in its Charleston View area, in the California Energy Commission's CEC permit process, and, (C), discuss statutes, ordinances, and regulations that are applicable to the HHSEGS project, including the County General Plan, zoning ordinance, and Title 21, Renewable Energy Development, and would be enforced by the County if not for the CEC's sole permitting authority and, (D), understand the preliminary cost estimates that county departments have identified regarding the construction impacts and

operation impacts that the HHSEGS will have on county programs and services based on the information disclosed by BrightSource Energy, and how those costs would change based on additional information or alternative scenarios.

The County administrator is on here first. I am going to throw it to him.

SUPERVISOR ARCULARIUS: You should have listed every department that's not here. It would have been shorter.

SUPERVISOR CASH: It would have been easier.

MR. CARUNCHIO: And actually some of them have indicated that they might desire to speak.

Mr. Chairman, members of the Board, and good afternoon. As I mentioned before lunch, I will try to catch up on the time a little bit with this next workshop. By way of introduction, I don't think it comes as any great shock that the economic zenus of Inyo County have always been tied to natural resource extraction.

And the Inyo County Board of Supervisors have long championed policies and practices to ensure that the county's natural resources are available that contribute to the county's economic prosperity. And this -- and this certainly has been evident --

SUPERVISOR FORTNEY: Kevin -- sorry to interrupt. Would you use either Pat's or Randy's mics? Nobody can hear you.

SUPERVISOR CASH: And you were projecting fine.

MR. CARUNCHIO: There you go. Check, check, check --

SUPERVISOR CASH: There you go.

MR. CARUNCHIO: Mr. Chairman, members of the board, good afternoon.

SUPERVISOR CASH: Now you have to say the same thing. You can't change.

MR. CARUNCHIO: I think we will just jump right in. What I was saying is, I think most people realize and recognize that Inyo County's economic zenus has always been tied to natural resource extraction. And the Inyo County Board of Supervisors has long been the champion of ensuring that natural resources are accessible for the economic prosperity of the county. And this commitment has certainly been evident relative to the emerging renewable energy field.

This is evidenced by the fact for the past couple years, your board has been vocal advocates for ensuring that both federal and state agencies include

1 appropriate portions of the county in renewable energy
2 zones being planned. At times those requests have
3 fallen on seemingly deaf ears and resulted in the
4 County actually attempting to create renewable energy
5 zones in its own General Plan.
6 This is also evidenced in the enactment of Title
7 21, the county's renewable energy facilities
8 ordinance, which seeks to support the renewable energy
9 industry while ensuring that the cost and service
10 impacts of these industries are fully mitigated, and
11 the community prospers from the presence of these
12 industries in our community.
13 All this is a way of saying that in the last two
14 years, the County and the Board of Supervisors have
15 been very involved in the renewable energy movement,
16 if you will. And that amidst this flurry of
17 regulatory and policy making, we also have the benefit
18 of actually having two projects being proposed in the
19 county, the first being the City of Los Angeles
20 Department of Water and Power solar ranch project,
21 which I think you heard two weeks ago after a brief
22 hiatus is starting to move forward again.
23 And I think it was just over a year ago that
24 representatives from BrightSource Energy made a
25 presentation to your board in Tecopa regarding its

1 plans for the Hidden Hills Solar Energy Generating
2 System project. And that project has been moving
3 forward at a very impressive clip. It's currently in
4 the CEC permitting process.
5 And staff thought it would be probably a very
6 appropriate time to review the regulatory framework in
7 which these projects get permitted, talk about some of
8 the local Inyo County considerations, and then tie
9 that in to where we are with the Hidden Hills project.
10 Scheduling the workshop for today seemed
11 particularly appropriate, since BrightSource had also
12 requested the opportunity to come and update your
13 board on the status of its projects. So I really
14 appreciate everyone being together.
15 What we are going to do is have Greg James work
16 through sort of a high level regulatory overview.
17 After Mr. Hart introduces the Hidden Hills project,
18 Dana Crom will then talk about the CEC permitting
19 process, where the Hidden Hills project is in it.
20 Mr. Hart and Mr. Keller will then talk about some
21 of the local Inyo County policies and ordinances that
22 are applicable to that project. Dr. Harrington will
23 talk a little bit about water. And then I will
24 introduce some of the department's efforts at
25 conducting a socioeconomic analysis.

In addition to the presence of representatives from BrightSource who were good enough to get here early to hear about the consolidated building effort, we are also very fortunate today to have staff from the California Energy Commission in attendance as well as some representatives from other local agencies in southeast Inyo County and local organizations.

You have already heard from Mr. Brian Brown at Amargosa Conservancy. With that, I turn it over to staff.

MR. HART: Thank you, Mr. Carunchio.

For the record, I am Josh Hart with the planning department. I am going to make a brief introduction regarding the project. Since BrightSource staff is here, I think they will give a more extensive overview later. But just for purposes of our discussion now, I wanted to just briefly talk about the project.

So the project is in Charleston View right next to the border with Nevada. It's about 3300 acres. It's a solar thermal power plant. It's on the north side of Old Spanish Trail. It is composed of many facilities. But the primary components are two 750-foot towers surrounded by about 85,000 heliostats.

And those are mirrors on a pylon which focus the sun's energy up onto the towers and then run

1 generators. And then there is quite a bit of other
2 infrastructure that's proposed on the site. And
3 BrightSource, I think, can talk more about that later.
4 The California Energy Commission, which we call
5 the CEC, is processing the project pursuant to the
6 Warren Alquist Act. And as Mr. Carunchio indicated,
7 they have exclusive permitting jurisdiction.
8 Transmission to the site is proposed through Nevada,
9 and that is being evaluated through a separate
10 environmental impact statement being prepared by the
11 Bureau of Land Management Southern Nevada Field
12 Office.
13 So this is just an overview of where the project
14 site is located in Charleston View. You can see Las
15 Vegas off to the east. If we move on to the next
16 slide, this is the project site. And Old Spanish
17 Trail runs along the southern boundary of the project
18 site. And there are a number of roads that run
19 through the project site. And this is just one
20 illustration of what the proposed towers will look
21 like.
22 So with that, I am going to turn it over to
23 Mr. James.
24 MR. JAMES: Good afternoon. For the record,
25 Greg James, attorney for the County. I got involved a

1 couple years ago at the County's request to kind of
2 provide a 30,000 foot overview of how solar projects
3 are regulated. And I will give you a brief 60,000
4 foot overview this afternoon.
5 As has been said, the CEC has the exclusive
6 permitting authority over solar projects that are 50
7 megawatts or greater. The CEC handles all of the CEQA
8 duties. They prepare a CEQA document that's
9 equivalent to an EIR. Any approvals by the County
10 that require CEQA will rely upon that CEQA document
11 prepared by the Energy Commission.
12 And the CEC is required to consider comments from
13 the County on the project concerning the impacts,
14 compliance with county rules, regulations, ordinances,
15 and whatnot.
16 The CEC has to look by law as to whether or not
17 the project complies with local ordinances, laws, and
18 regulations, which include the County's General Plan
19 and the County's renewable energy ordinance.
20 It's significant to note that if noncompliance
21 cannot be corrected, the CEC may override the county's
22 ordinances, laws, and regulations if they make a
23 finding that the facility is required for the public
24 convenience and necessity, and there are not more
25 prudent and feasible means of achieving public

1 convenience and necessity.

2 The Energy Commission is required by statute to
3 look at projects that are required to meet the demand
4 for energy. This is a renewable energy project. And,
5 as you are aware, there is a requirement that
6 utilities get 30 percent of their energy, 33 percent
7 of their energy, within the next few years. And so
8 the Energy Commission has to look at the project in
9 that light.

10 The County can request a fee for the County's
11 added cost of reviewing and commenting on a proposed
12 project. And the County can request reimbursement for
13 permit fees that the County would receive if the
14 County were issuing permits, rather than the CEC.

15 And once the CEC makes a decision significantly
16 different from what happens with the local County
17 approvals, the decision can only be appealed to the
18 California Supreme Court. So it bypasses the Superior
19 Court and Appellate Courts.

20 Briefly turning over to Owens Valley and projects
21 by the City of Los Angeles, the proposed photovoltaic
22 project that has been put on the table by L.A. does
23 not require CEC approval. A project constructed on
24 L.A.-owned lands by Los Angeles is exempt from the
25 county's zoning, building, and planning ordinances.

However, L.A. has to submit its plans for a project to the County planning commission for review for consistency with the General Plan and other ordinances. But a recent, relatively recent, court case said even if it's inconsistent, the project can go forward.

So with regard to the City of Los Angeles, the County doesn't have a lot of regulatory authority except to the extent that the County's renewable energy ordinance may be applicable.

Finally, in terms of taxation, the project in Hidden Hills may very well be largely exempt from county property taxation. Prop 7 and Revenue and Taxation Code 73 arguably give the project an exclusion from a large bulk of the property taxes.

There is a view that those laws apply to rooftop solar and solar installed on industrial areas, but not large-scale commercial. And that issue is yet to be firmly resolved. But suffice to say, the State at this point believes that the project is excluded from most taxation.

And, finally, with regard to a City of Los Angeles large-scale solar plant, the California Constitution provides that if the property was not taxable in 1966, it's not taxable now. So Los Angeles escapes property

1 taxation for its projects.

2 So I will turn it over to Dana, to get into the

3 details.

4 SUPERVISOR ARCULARIUS: So hopefully you are

5 the good news person.

6 MS. CROM: Oh, maybe I should sit down now.

7 Good afternoon. I am Dana Crom. I am a deputy

8 county counsel. And this is somewhat of the, kind of,

9 what have I done on winter break, along with the rest

10 of staff.

11 And the CEC process is essentially divided into

12 three different components on a project. The first is

13 this data adequacy review period. And that's when the

14 applicant files their application for certification.

15 And it goes through an initial review with the Energy

16 Commission staff to deem that it's data adequate. And

17 once it is deemed data adequate, then it starts the

18 twelve-month licensing period.

19 And that is when -- that's the period that we are

20 in right now. That's what we would call the discovery

21 and the analysis period. That's when data requests

22 are issued. That's when workshops are held, public

23 information meetings, review hearings. And that leads

24 us to the staff drafting their preliminary and their

25 final staff assessments.

1 Once the final staff assessment has been drafted,
2 then we get into committee hearings and the final
3 decision. So right now, we are in this discovery and
4 analysis period, which we have been in for a while.
5 And I will get to that.
6 Just so the board is aware, there is -- we call
7 them the Energy Commission and the Energy Commission
8 staff. And it's really divided up into two
9 components. We have the staff and then the commission
10 itself. And the staff is actually independent of the
11 commission. They are charged with making an
12 independent review of the application. They are to
13 prepare the preliminary and final staff assessments of
14 the project.
15 And they are actually a party to the proceeding.
16 Any discussions that they have with parties need to be
17 public. And so this is fairly unique to this process.
18 The County is actually not a party to the proceeding.
19 The County is a governmental agency, can work with
20 the Energy Commission staff. We can engage in
21 one-to-one discussions with them. But if any of the
22 other parties wish to have private discussions with
23 the staff, that is prohibited. They have to record
24 it. It gets posted on the website. So the purpose of
25 the proceedings is to be as public and open as

1 possible.

2 The Energy Commission, of course, is the

3 decision-making body. With respect to each

4 application, they appoint a presiding member and an

5 associate member of the commission, which makes up the

6 committee. It is that committee that conducts the

7 hearings, at least the preliminary hearings, on any of

8 the issues that occur during the permitting process or

9 the application process.

10 And the presiding member will actually issue a

11 proposed decision. And then the full commission will

12 make the final decision.

13 We have had some hearings, review hearings, in

14 front of the committee, the two commissioners who have

15 been appointed for this particular project. Our

16 participation, as Greg just indicated, we are working

17 with the commission to assure compliance with our

18 LORS, and then as Kevin indicated, the socioeconomic

19 impacts that we have.

20 The application for certification by BrightSource

21 was filed on August 5, 2011, and evaluated twenty-plus

22 areas. And that process ended on October 5th, when it

23 was deemed data adequate. And on October 5th is when

24 the one-year review period commenced. So that's when

25 the data adequacy or the -- I'm sorry -- the discovery

1 period commenced.

2 Some of you were present. We had an informational

3 meeting and a site visit on October 27th in Tecopa.

4 There had been a meeting a week prior to that also in

5 Tecopa. And that kind of kicked off the whole

6 schedule.

7 So where we are in the way of scheduling is, we

8 had the October 5th commencement of the discovery

9 period. We have had a variety of review hearings and

10 some review hearings coming up. These are in front of

11 the committee. On April 13th is when the preliminary

12 staff assessment is due by the CEC staff. And then it

13 had been proposed that on June 15th, the final staff

14 assessment would be issued, and then the evidentiary

15 hearings to the extent necessary would be scheduled at

16 a later date.

17 These are all fluid dates. And at the last review

18 hearing, on February 28th, the applicant actually

19 asked that the final staff assessment be pushed back

20 to August 1st, that the evidentiary hearings occur

21 approximately September 8th, and that the presiding

22 member's proposed decision come out in November, and

23 that final licensing would occur in December.

24 The committee has not revised its schedule.

25 Because, again, these dates are fluid. But that's

1 somewhat of the timeline we are looking at now is
2 proposed licensing by the end of the year.
3 So what have we done to today? I have 146 data
4 requests. And I'm sure the applicant will dispute me
5 on this. Because I think that there are some more
6 data requests that have gone out. But at the time
7 that I drafted this, there had been 146 data requests
8 or responses, which are essentially questions that
9 require the applicant to provide answers to the Energy
10 Commission staff on any of a number of areas of
11 concern.
12 There had been eight workshops. And the
13 commission has held two of those in Tecopa. And I
14 understand there may be another one coming up at the
15 end of the month. So we have been having those
16 workshops locally, which has been very nice.
17 There have been three review hearings or -- two
18 review hearings and one hearing before the committee,
19 the two commissioners who are assigned to this. At
20 this point, there are three intervenors, just like a
21 lawsuit in sorts. Individuals can become parties and
22 actively participate. And Mr. Zelhoffer, the Center
23 for Biological Diversity, and the Old Spanish Trail
24 Association have all intervened, and they are all
25 participating.

With respect to Inyo County, we have had a number of staff-to-staff meetings. We have attended meetings in Sacramento, Tecopa, Henderson, Nevada, and various other places, and a number of telephone conferences. And as the board is aware, we have submitted a number of letters to both the applicant and the Energy Commission outlining concerns that we have with respect to the project and areas of what we view to be issues that need to be addressed, such as in the land use arena.

And so where are we going? We will continue to work with the CEC staff prior to the issuance of their preliminary staff report, which is due in April. We will also continue to participate in future workshops and review hearings. And we will provide formal comments for the preliminary staff assessment, the final staff assessment, and then eventually, the presiding member's proposed decision.

So that's what staff has been doing since this process kicked off in October. And unless there are any questions, I will turn it over to Mr. Hart.

Question?

SUPERVISOR FORTNEY: Supervisor?

SUPERVISOR CASH: Is there a possibility at some point in the future that staff would be coming

forward and asking the board to decide whether or not to be intervenors in the process?

MS. CROM: Yes.

SUPERVISOR CASH: Thank you. I missed that on the slides.

MR. HART: I am going to speak briefly about several of the County's local ordinances, regulations, and standards that would apply if not for the Energy Commission's exclusive permitting jurisdiction. And, again, the acronym for that is LORS. And it's used quite often in the process.

The project is being processed, again, under the Warren Alquist Act. And it supplants the County's permitting authority for thermal power plants greater than 50 megawatts. Although the Energy Commission has exclusive permitting jurisdiction, it must consider LORS in its review.

The CEC cannot certify a project that fails to comply with LORS unless it finds that the project is needed for public convenience and necessity, and that there are no more prudent and feasible means of achieving such public convenience and necessity.

So in terms of our land use and planning, there are several relevant issues. The first is the General Plan. The project is consistent with the General Plan

land use designation for the site. There are two designations that apply to the site. Most of it is designated open space and recreation, or OSR. And there is a smaller portion on the eastern side of the site that is designated resort/recreational.

So the OSR designation is for parks, ball fields, green belts, and similar uses. And the REC designation is, as its name implies, for resort and recreational uses.

Staff has identified a number of alternatives for BrightSource to bring the project into conformance with the General Plan. And the most straightforward of those is to redesignate the site per the General Plan to industrial.

The project is also inconsistent with the site zoning. The existing zoning is open space with a 40-acre minimum lot size, which we refer to as OS-40. So open space zone is, as its name implies, for open space and includes the -- its purposes include protecting agriculture, fragile desert areas, and from intensive land use activities.

So staff has identified a number of alternatives for BrightSource to bring the project into conformance with the zoning. And the most straightforward of those is to rezone the site to general industrial and

1 extractive. And that is known as M-1.

2 The project is also inconsistent with a number of

3 zoning standards, specifically height and setbacks.

4 The height limit in the OS zone is two-and-a-half

5 stories or 30 feet. And the setback is 50 feet. And

6 obviously the 750-foot towers are going to exceed the

7 height limit. And there are a number of parcels

8 within the project area. And so compliance with the

9 setbacks is an issue.

10 If the zoning were to be changed to M-1, the

11 planning commission can approve in most cases

12 structures exceeding 40 feet with a CUP or conditional

13 use permit. Required minimum yards in the M-1 zone

14 are 25 feet for the front, 15 for the rear, and 10 for

15 the side. And a variance is required to exceed the

16 height limit or to encroach into the required yard.

17 So the CEC through its exclusive permitting

18 jurisdiction will be considering those issues through

19 its process.

20 I wanted to talk a little bit about the renewable

21 energy ordinance or Title 21. And this board did

22 adopt that new title to our code in 2010. And it is

23 to support, encourage, and regulate the development of

24 solar and wind resources to generate and transmit

25 clean renewable electric energy while protecting the

1 health, safety, and welfare of Inyo County citizens,
2 recover costs of increased services resulting from
3 such a development, and benefit the citizens of Inyo
4 County.
5 Given its exclusive permitting jurisdiction, the
6 CEC will be considering the ordinance through its
7 entitlement process. So there are a couple of things
8 that we wanted to point out about the ordinance. The
9 first is that the ordinance defines "environment" more
10 broadly than we typically think. And that is to
11 include the social, aesthetic, and economic
12 environment of the County, in addition to the physical
13 environment.
14 There are three entitlement passes that are
15 available through the ordinance. The first is a
16 renewable energy development agreement. The second is
17 a renewable energy permit. And the third is a
18 renewable energy impact determination. The ordinance
19 requires consistency with the General Plan, but does
20 allow waiving of zoning standards by Inyo County
21 through a development agreement or a permit.
22 And similar to mining, the ordinance requires a
23 reclamation plan to restore and re-vegetate the site
24 upon decommissioning and also requires that financial
25 assurances be provided to ensure the reclamation

occurs.

That concludes what I was going to say. I just wanted to point out again that the CEC does have exclusive permitting jurisdiction in this instance. However, it must consider local ordinances, regulations, and standards in its decision-making process.

And Mr. Keller had a couple comments he would like to make now.

MR. KELLER: Sir, I just threw this up to show decisions that the board would need to make regarding this project. The first two, I think, we have talked about, General Plan and then the zoning change. Both come to the board through the planning commission.

Those are two that have the potential of being overridden by the commission. And they could approve the project without the project being consistent with those, except they do need to make the finding that there is not a more prudent and feasible means of achieving the public convenience.

So we would take that to mean that as long as there is the possibility of getting those -- getting the project in compliance with the General Plan, that would be the first effort that should be made.

There is 170 lots out there roughly that this project will be built over. This whole area has been subdivided by the trust. So the project would actually be built over 170 lots, which is not something under a zoning ordinance. Most zoning ordinances in the state, that's allowed. So there are a means of finding that a reversion acreage would probably be the best vehicle, to just take those 170 lots and make them into one lot.

There is a couple different owners out there, which complicates things. But that would be another action for the board.

SUPERVISOR ARCULARIUS: And those are paper subdivisions. Those are not subdivisions that have ever had any approval processes of the County.

MR. KELLER: Well, the subdivisions have been approved. And they have -- the developer actually did. That goes to the fourth item, begin improving the lot. They actually got the map approved and put roads in as reflected on the map.

And those -- they are dirt roads. Those roads have been improved. And they are still there and still being used. So under California law -- the County never took those roads into the County road system. So they aren't County maintained roads. But

they are public roads, because they were offered up to the public by the developer back in the '70s. And the public has used them.

So by California law, that makes them public roads. And those are actually public property rights held by the public. So those roads actually can't be built on unless they are -- unless they are abandoned or that right-of-way is otherwise eliminated. And that is an action that only your Board of Supervisors can abandon a public road that's owned by the public.

So there were improvements out there, very few -- not much other than the roads. And a few buildings have been built.

Finally, although encroachment permits don't generally come to the board, at some part of this project, Old Spanish Trail at the -- "minimum-ly," in the area of the project, will need to be rebuilt. There is -- that road is just not possible for that road to support the kind of truck traffic that would be coming in and out. So we would anticipate having to come to the board for some kind of approval for the rebuilding of Old Spanish Trail.

And finally, of course, these are all discretionary decisions that the board is making. They are all subject to CEQA. But they are all part

of this CEC process for approving the project. And there is a -- there is not a formal CEQA process or -- formal in the way that we recognize it.

There is an alternative process that the CEC has developed, which is substantively the same as CEQA. So we can rely on their environmental analysis for our decision making. And you will have to adopt that as part of your decision making.

SUPERVISOR ARCULARIUS: I just had a quick question. Could you get the board the definitions of "public convenience" and "necessity" as they will be operating under? I would imagine there is a little difference in the two definitions. But that would be helpful for me. Thank you.

SUPERVISOR FORTNEY: Mr. Harrington?

DR. HARRINGTON: Thanks. Bob Harrington, County Water Department. Good afternoon.

As Dana mentioned, there has been a series of public meetings out in Tecopa, Sacramento, regarding this project. And one of the principle issues that's come up every time -- and also amongst meetings with Department of Interior, land managers, and folks like that -- has been concerns over impacts related to water.

The principle concerns are listed here that we

have identified: Effects on neighboring property owners' wells, the effects on groundwater-dependent vegetation near the project site, effects on down-gradient groundwater users such as China Ranch, effects on down-gradient habitat, such as the Amargosa Wild and Scenic River, overdraft in the Pahrump Valley Groundwater Basin. As you know, this basin is shared by Nevada and California.

Cumulative effects of other planned solar projects, cumulative with the effects of this project, and concerns over how we will meet the State-mandated groundwater monitoring requirements.

SUPERVISOR ARCULARIUS: That we are now responsible for them.

DR. HARRINGTON: That we may be responsible for.

This is a page from a report prepared last May by Cardinoentrics, a hydrologic consultant for the project proponent. What they were doing here was making a rough estimate --

(The cassette ended, and resumed on the other side:)

(Continuing) -- covered by the Nopar Range on the west, Spring Mountains on the east. This right here is the Blue Diamond Highway from Pahrump into

1 Vegas.

2 The red dots here are private wells that the

3 hydrologic consultant identified. And the blue

4 circles are contours of estimated drawdown that the

5 consultant came up with, in his analysis. So this is

6 one foot of drawdown at the furthest extent of cone of

7 depression, seven feet of drawdown here within the

8 project footprint, three to five feet out in the

9 vicinity of the private wells. This is modeling done

10 for the -- after 25 years of operation of the plant.

11 So the message here is that though the cone of

12 depression is limited here to the Pahrump Valley, the

13 private wells in the neighborhood are possibly

14 affected by the -- by the groundwater production for

15 the project.

16 Also, this sort of faint linear feature here is a

17 fault. Along that fault is groundwater-dependent

18 vegetation, where the groundwater comes up near the

19 surface along the fault. And it supports Mesquite

20 groves along here. And there is a BLM area of

21 critical environmental concern, an ACEC, called Stump

22 Springs, right about here. And that's also in the

23 area potentially affected by the project.

24 The methods used to generate these contours are

25 fairly conservative, in that they estimate perhaps the

maximal extent of this cone of depression, at least considering the methods used here.

Since this was developed last May, the same consultant has done an aquifer test on a couple of existing wells on the project site, located about here and here. They ran the wells for four-and-a-half days, looking at how much drawdown was occurring in some monitoring wells they installed.

And the cone of depression with that four-and-a-half days of pumping was on the order of a few hundred feet. So a reasonable rough estimate that you could make is that the cone of depression is somewhere in between what's estimated here and what they observed during that recent pump test.

Potential mitigations for affected domestic wells would be things like monitoring the static and pumping water levels in the wells. If the project resulted in water levels pulled down to the pumping levels of the domestic wells, they would need to be deepened or potentially land owners would need to be compensated for increased pump lift resulting from -- resulting from the project.

We got a letter yesterday from the BLM. It was not to us, but we received copies of it. It was to Mike Monosmith, the CEC project manager on this

project. And it was from the Nevada and California state directors of the BLM. And it principally is concerned with hydrologic effects of the project.

We will get you copies of this letter. We just received it yesterday afternoon.

But I want to highlight a few of the things the BLM said, because they concur with the think that we have had on this project.

The BLM has concerns that pumping from this source of water combined with cumulative impacts of other pumping, including potential pumping from other proposed renewable energy projects in this groundwater basin, may cause impacts to the Amargosa Wild and Scenic River and the Mesquite bosks in the Pahrump Valley.

They go on to discuss this Stump Springs ACEC out here. And then they move on to regional considerations.

SUPERVISOR CASH: Bob, before you move on to regional -- so on the map that shows the private wells, there are none on the Nevada side? Or this is just a California --

DR. HARRINGTON: This is just California. There are wells on the Nevada side here. And we have had some exchanges of data with Nye County staff.

Because they have been monitoring wells in this area for a number of years. They are just not indicated on this map.

SUPERVISOR CASH: Okay. And is there any part of the process -- Greg, you California water law expert, you, that the Nevada state engineer has to weigh in on, as far as utilizing an aquifer that splits the state line?

MR. JAMES: Not to my knowledge. As long as there is no pumping in Nevada, the state engineer does not have a role. He may comment to the CEC. But there is no permitting by a Nevada state engineer.

SUPERVISOR ARCULARIUS: Along those same lines, I know that Nye County is on record and has given a letter of support for the project. Have they brought up any of these concerns in their comments?

DR. HARRINGTON: I don't recollect exactly --

SUPERVISOR ARCULARIUS: Okay.

DR. HARRINGTON: I don't recall what was in that letter, other than they noted that the 140 acre feet per year was small compared to everything else going on in Pahrump Valley.

SUPERVISOR ARCULARIUS: Okay.

DR. HARRINGTON: This is a little more regional picture of the area, again, the project

Pahrump Valley, the Nevada line, Nopar Range, California Valley, an uninhabited groundwater basin, and the Middle Amargosa Valley, a groundwater basin, Tecopa, Shoshone. Also marked here are the larger regional springs, Resting Spring, springs in the Tecopa area, Willow Spring right above China Ranch. China Ranch is right about there.

And also indicated are the -- are areas of groundwater-dependent vegetation, principally wetlands in the Tecopa area, wetlands in Mesquite Woodland and the Resting Spring area, riparian along Willow Creek above China Ranch. Yes.

SUPERVISOR CERVANTES: Where is the location of the Saint Therese mission?

MR. HART: I don't know which button to push.

(Inaudible.)

SUPERVISOR CASH: The one that pops out Saint Therese.

MR. HART: It's right in there, if I say. It's just to the east of the project site and to the south of that yellow area on the eastern side. So it's along Old Spanish Trail, closer to the Nevada state line.

SUPERVISOR CERVANTES: It is in close

proximity to the wells that would be servicing the BrightSource project?

MR. HART: Yes.

DR. HARRINGTON: Half a mile? Is that about right?

SUPERVISOR CERVANTES: Are there any studies as to the amount of water that would be required by the Saint Therese project?

DR. HARRINGTON: I don't know that, the details of that project.

We are not sure.

So one of the issues -- and the BLM touches on this in their letter, as well. One of the issues here is that in this part of the country -- because these mountain ranges are partially composed of carbonate rocks -- that's limestone and dolomite -- groundwater may be transmitted through the mountain blocks.

That's in contrast to the situation we have here, say, in Owens Valley, where that big block of granite just west of us, for hydrologic purposes, it can be assumed to not transmit any groundwater. That is not the case out here in the southeastern part of the county.

This notion of inter-basin flow through the carbonate aquifer was a huge consideration in the

analysis and assessment of the Yucca Mountain Project. You may recall that the consideration for that project was flow through the Funeral Range, discharging in Death Valley at Furnace Creek.

There is similar considerations here: Large regional springs at the lower elevation valleys. Maybe the flow comes from the Spring Mountains up here through Pahrump Valley, California Valley, into the Amargosa/China Ranch area, maybe through the Nopar Range, maybe north through Stewart Valley, into Chicago Valley here.

The fact of the matter is, nobody really knows. I know you hear that a lot from hydrologists. But it's --

SUPERVISOR CASH: It's better than making something up.

DR. HARRINGTON: It's just the way it is. Well, we can do that in addition.

SUPERVISOR ARCULARIUS: At least you are not giving us models, right?

SUPERVISOR CASH: Not yet.

DR. HARRINGTON: Earlier, I did. But it was the Atkins (phonetic) model, not mine.

SUPERVISOR FORTNEY: The target model.

SUPERVISOR ARCULARIUS: It was the target

1 model, right?

2 DR. HARRINGTON: So the question arises here:

3 How does pumping in the Pahrump Valley affect these

4 resources down here? Like I said, the fact of the

5 matter is, is that no one knows.

6 Mr. Brown earlier alluded to a study being

7 conducted by the Amargosa Conservancy, USGS, and BLM

8 to try and get a handle on those sorts of questions.

9 Where does the water come from to these springs?

10 But those results are still a year or two off. At

11 any rate, there may be a linkage between these

12 resources, the project and other -- other pumping and

13 projects in Pahrump Valley. An additional

14 consideration is that the Pahrump Valley is in

15 overdraft, as declared by the Nevada state engineer.

16 Groundwater pumping in Nevada is subject to a

17 permitting and water rights process administered

18 through the state engineer's office, very different

19 than California.

20 And the state engineer has estimated that for

21 Pahrump Valley, the perennial yield, that is, the

22 amount of water that can be taken year in, year out

23 without harmful effects, to be about 12,000 acre feet.

24 In 1994, there were 75,000 acre feet of permanent

25 water rights in Pahrump Valley. And this resulted in

a state engineer declaring the basin in overdraft, and as part of that engineer's order, prohibiting issuance of more groundwater pumping permits unless they were associated with retirement of existing permits.

Currently, pumping in Pahrump Valley is about 19,000 acre feet, more than the engineer's estimate of the perennial yield, but actually down somewhat from what was being pumped in the 1970s.

And, again, this resulted in the BLM expressing some concern in their letter about cumulative impacts with this ongoing pumping in the Pahrump Valley.

Now, although this project isn't subject to the -- as explained earlier, it's subject solely to the CEC's permitting authority. Now, were it to be subject to the County groundwater ordinance, we would be looking for the sort of monitoring mitigation threshold type mechanism we have employed in Rose Valley for the Coso project.

We have expressed that strategy to the CEC. And we are gratified to see in this letter from the BLM yesterday that they also endorsed a similar mitigation option. In their words, mitigation -- through monitoring a series of monitoring wells radiating out from the project site, defined groundwater elevation triggers to local surface dependent resources in the

1 Amargosa Wild and Scenic River, the exceedence (sic)
2 of which would require the project to modify or stop
3 local groundwater pumping and secure water through
4 other means, this type of mitigation would be the most
5 effective in ensuring local vegetative resources. And
6 that's somewhat parallel to what we have implemented
7 in Rose Valley.
8 With regard to these groundwater basins, the faint
9 cross-hatching here are the state Department of Water
10 Resources Bulletin 118 groundwater basins. These are
11 the groundwater basins that the 2009 water bill
12 requires be monitored for groundwater elevation. This
13 program -- the California statewide groundwater
14 elevation monitoring program, or CASGEM, has the
15 responsibilities for implementing the program and
16 conducting the monitoring, principally with districts
17 and local governments.
18 So this is a big challenge for our county. We
19 have got all or parts of 38 of these groundwater
20 basins in the county. At present, only four basins
21 have monitoring entities that have stepped up and
22 identified themselves. And none of these basins have
23 monitoring entities identified.
24 As I mentioned to your board a couple of months
25 ago, we did succeed in working with RCRC and the

legislative staff to get some clean-up legislation adopted to modify the 2009 legislation where in basins where the land uses aren't affecting groundwater or the basin is entirely federally owned, alternative methods of monitoring could be used, rather than direct water level measurements in monitoring wells.

We may have been able to make an argument in these basins that that alternative monitoring was appropriate. However, with these projects coming on line, we won't be able to make that argument any more.

So there is going to have to be direct measurement of groundwater elevations in these basins. It's not clear how we are going to achieve that with our resources. However, I have been discussing the matter with DWR staff. And their suggestion was that if solar development is resulting in making these basins no longer eligible for the alternative monitoring, that the project proponents, the applicants, pay for the monitoring well construction and monitoring programs.

So that summarizes what we have seen concerning the water-related impacts of this project and others.

SUPERVISOR FORTNEY: Thank you, Mr. Harrington. Kevin?

MR. CARUNCHIO: All right-y. So similar to

1 any project over which your board might have land use
2 authority, the County has an obligation to ensure that
3 this development won't negatively impact Inyo County
4 taxpayers or the County's ability to deliver programs
5 and services.
6 Dr. Harrington has just spoke to how those impacts
7 might manifest on Water Department operations.
8 Obviously this obligation becomes a little more
9 pronounced when you consider the requirements of Title
10 21 that Mr. Hart referenced in the expanded definition
11 of "environment" contained therein.
12 So how has the County gone about approaching and
13 identifying these impacts? Because obviously an
14 involvement of this scale isn't something that you see
15 every day in Inyo County. Fortunately, we have had --
16 even Bob with assistance from old friends Gruen &
17 Gruen + Associates, who prepared estimates regarding
18 the project's scale of employment, traffic, and
19 related activities, and boiled that down into about a
20 three-page memo for county departments.
21 I just want to pause for a moment. Because I
22 believe Mr. Hart has a copy of the application and
23 certification there. Not the blue binder, that's the
24 County Code. But the Gruens were able to distill the
25 information down there to provide the County

departments with something accessible to start making assessments on.

Now, I am not sure about this. But I think that the AFC might actually be thicker than the whole Inyo County Code and all the gobs of regulations we put on it, unquote. So that's no small undertaking.

I also want to recognize BrightSource for providing Gruen & Gruen + Associates with access to one of their consultants, CH2MHill, who prepared a lot of that analysis. And they were able to place some supplemental information into the Gruen Gruen + Associates summary, which was relied upon by your county departments.

SUPERVISOR ARCULARIUS: I think we should be proud that that blue county code book shows how diligent we are in regulations, right?

MR. CARUNCHIO: And that's why I pointed it out.

I think I am going to get zapped.

SUPERVISOR ARCULARIUS: Just mentioning regulations is enough to make the mics buzz.

MR. CARUNCHIO: So in any case, the departments are asked to use this information to make an estimate of any increases in capital facilities or requirements they might need to perform the programs

1 and services and the estimates and additional
2 personnel powers or payroll costs, and also identify
3 any current excess capacity that might be diminished
4 as a result of dedicating equipment, facilities, or
5 resources to this project.
6 That was the task given to them. And, you know, I
7 need to say here that my experience -- no matter how
8 thorough an analysis that gets undertaken during this
9 type of development, you always end up leaving some
10 costs, some impacts, out from the final analysis. And
11 the goal is to try to capture as much as possible.
12 And I do recognize your departments and staff for
13 the effort they put into this. You know, guided by
14 the Gruens, I think we have come up with some
15 reasonable, certainly concern with cost estimates on
16 many programs and services.
17 But as I was just saying, this is nowhere near the
18 bees' knees of everything. For example, the County
19 clerk this morning was telling me that even though she
20 didn't participate in this process, that if the
21 construction were -- operation of the facility results
22 in over 250 new residents or voters coming into that
23 precinct, she will no longer have the voting to serve
24 that precinct by mail. It will now be a polling
25 place. That will have some costs.

Those are reflected in the information that we have here. What we have presented so far is summarized in this table.

What I'd like to do now is just invite the departments who have, you know, undertaken this analysis with both what the construction impacts of the project might be, followed by the 30-year operating horizon for this project, to kind of talk about what they looked at and what they based their analysis on, and share some of those impacts.

And if it's agreeable to everyone out there, I think we should just start at the top of the list and work down. And I would like to invite Ms. Turner from Health and Human Services up, and we will just work down the list, share some specific information with the board. (Inaudible.) There is my notes.

SUPERVISOR CASH: You lost your notes again?

Here comes a brave soul.

MS. TURNER: Good afternoon, members of the board, public. Jean Turner, Health and Human Services director for Inyo County. I'd like to reiterate what Mr. Carunchio just said. We took a very, very conservative look at this. And it was really a challenge to sort of estimate what we might expect.

1 I did participate in open meetings in October to
2 listen to the plans for both the construction phase
3 and the operational phase of the project. And since
4 Health and Human Services is in the business of sort
5 of responding to the human condition, if you will, we
6 were interested in how many new people would be
7 actually residing in our county, both during the
8 construction phase and the operational phase?
9 And it's certainly hard to predict that exactly.
10 What we do know currently, and for some time now, the
11 area of southeastern Inyo tends to attract people who
12 enjoy living in the outdoors. And sometimes people at
13 lower income scales arrive in their trucks with their
14 camper shells or their long, well-loved RVs, and stay
15 very inexpensively in the area, but show up at our
16 very modest site in Tecopa for some assistance with
17 cash aid or food or medical access.
18 And so I would say that one way we could reduce
19 costs -- I will offer to BrightSource the challenge of
20 making sure they only hire people who are physically
21 healthy, medically stable, sober, law-abiding citizens
22 who do not abuse their children while living in Inyo
23 County.
24 And then I won't have much else to say.
25 SUPERVISOR ARCULARIUS: And you will have --

1 you will have control over the social part of it?
2 MS. TURNER: Now, if BrightSource can't live
3 up to that challenge, as many employers find a
4 challenge to do, we may have some additional costs in
5 Health and Human Services based on the numbers of the
6 employees they hire who choose to live in our county.
7 So, again, we took a very conservative guess. We
8 currently are staffed with a very modest staff out
9 there of one site manager and one paraprofessional.
10 And they are truly the jewels of all trades.
11 And through our genius Brandon Shults and his
12 technology assistance over a lot of hard work to get
13 the technology infrastructure we needed out there --
14 we augment our services through video conferencing
15 back to Bishop and Lone Pine, where we access other
16 professional staff, such as our mental health
17 services, our drinking driver programs, and so forth.
18 Again, hopefully we won't need any of those
19 additional services out there. But having been in
20 this business for some time now, where there are
21 people, there will be some need for some additional
22 services.
23 We currently are providing some services through
24 our, for example, substance use treatment and
25 prevention services through video conferencing. Many

1 of our programs, such as that one, are licensed by the
2 State. They are highly regulated. We can only see so
3 many people at a time. So depending on the numbers of
4 people, we may have to add additional staff to the
5 actual Tecopa site.
6 I did not calculate that in my initial costs,
7 again, being very conservative, hoping we can stay
8 with the existing staffing structure, use our
9 teleconferencing equipment to augment services.
10 We know that for many of our services, one of the
11 first things we have to do is go verify a person's
12 residence, that they actually live here. We find that
13 in all of our communities that border the state of
14 Nevada, we do need to verify residences. Some people
15 have P.O. Boxes in Pahrump, but physical addresses in
16 our southeastern Inyo area.
17 So our staff in recent years has recorded an
18 increase in time just physically traveling to areas
19 like Charleston View or some of the other areas in
20 southeastern Inyo to locate people living in their
21 trucks to verify residences. So the distances there
22 can be a challenge and add to staff time.
23 We are hoping that we could meet the challenge at
24 a very conservative level, perhaps with just one other
25 paraprofessional who would help us accomplish some of

that. But then you get the related costs any time you add staff: A vehicle, office space, those kinds of things. We will need additional curriculum and participant materials for the teleconferencing programs and services we deliver.

And then again, much of this is very contingent on the technology. And I will defer to Mr. Shults on the technology, which can be -- the infrastructure in Inyo, as we know, can be fragile at times. And so the extent to which we can offer services is often directly related to: Is the equipment and the technology working today or not?

And we do not have cell phone access out there for our employees currently. So the issue of cell phones and communications as we increase our service needs certainly is very central to what we would want to have looked at as we move forward here.

So I have done a very conservative $188,000 estimate. We do have that broken down for you. We can project just some basic cost-of-living increases every year. But, again, until we know more about actual numbers living in our county, it's really hard to go beyond that.

Thank you.

SUPERVISOR FORTNEY: Questions?

1 SUPERVISOR CASH: With regards to the
2 drinking driver program, the first-time and the
3 multiple offenders, those costs of those programs are
4 mandated to be borne by the participants. So how does
5 that figure in?
6 Back when I worked in the program, we didn't have
7 teleconferencing. How does that -- do people have to
8 show up on site? So we had two places in which we had
9 those programs. So the costs are easy to calculate
10 out under the ordinance. But we probably need to
11 revisit. It's been a few years. How does that work
12 in an off-site location through teleconferencing, and
13 how could we recover those costs?
14 MS. TURNER: We would have to revisit the
15 ordinance if the cost -- if we have large numbers of
16 participants. In fact, we will be bringing that
17 ordinance to you again in a few months. We just
18 looked at fee increases. We try not to do fee
19 increases for the people more than -- more than we
20 have to. But it's been a few years since we brought
21 that before you.
22 So, again, we tend to sit on small increases and
23 expenditures and collect those over a period of, say,
24 three to five years before we bring those back for a
25 fee increase to you. But if we had a big push on the

cost, we would need to come back sooner on that.

SUPERVISOR CASH: And are we allowed in the ordinance to have different costs for different areas?

MS. TURNER: No.

SUPERVISOR CASH: Okay.

MS. TURNER: Not unless something has changed in the state law. We have to have one uniform fee for our county, our license program. And the license is site specific. So we are not licensed for Tecopa. We are licensed for Bishop. But you get into some of those other kinds of state regulatory issues.

SUPERVISOR CASH: So if the increase in cost --

MS. TURNER: Pardon me?

SUPERVISOR CASH: The increase in cost to serve people out in Tecopa would have to be borne by -- proportionally by people in Bishop. Not that I have a whole lot of sympathy for people who get DUIs and multiple DUIs, but --

MS. TURNER: That's probably true in the beginning.

SUPERVISOR CASH: That's probably something we are going to have to look at.

MS. TURNER: We will have to look at that and

see how the numbers play out.

SUPERVISOR CASH: Okay.

MS. TURNER: Any other questions?

SUPERVISOR FORTNEY: Anyone else have any questions?

SUPERVISOR CASH: Just one more. Are these costs -- so these costs don't include any possible increase in health costs related to incarceration?

MS. TURNER: No, they don't, which is a big area.

SUPERVISOR ARCULARIUS: Big area.

MS. TURNER: And we do have a small -- we are not really sure again what will happen with health care access for people living in that area. We have a small contract with the Death Valley Health Center currently in Shoshone. We do have some people in the area that go there.

There may be an impact just non-incarceration, people going there for additional services. Those are just some of the unknowns.

SUPERVISOR CERVANTES: There is a trauma center located in Pahrump.

MS. TURNER: An urgent care center, yes.

SUPERVISOR CERVANTES: Not a trauma center?

MS. TURNER: It's an urgent care center, I believe. Our friends from southeastern Inyo are probably more informed. I see we have Susie and Carl in the back row there, and Brian. They can probably help us with some of those Pahrump-based resources.

(Inaudible background voices.)

MS. TURNER: Right.

(Inaudible background voices.)

MS. TURNER: And we have challenges that we have tried to address administratively across state lines about health care access. So, again, it depends on which state people choose to live in. Not everybody in Nevada is willing to take California's MediCal. So there is some administrative issues like that.

But we'd have to -- what would it cost administratively to see if we could iron them out by visiting people in Pahrump and Las Vegas again.

SUPERVISOR FORTNEY: Any other questions? Thank you, Ms. Turner.

MS. TURNER: Thank you.

SUPERVISOR FORTNEY: The assessor, Mr. Lanshaw. You are up to bat there, sir.

MR. LANSHAW: Good afternoon. The assessor, Tom Lanshaw.

My estimate of costs is not the worst case scenario or the best case scenario. It's kind of really based on my experience with another electrical generation facility here in the county.

SUPERVISOR CASH: Which would that be?

MR. LANSHAW: And during construction, we will probably be doing a lot more trips out there to keep track of the contractors and the subcontractors and the equipment. And then after it gets constructed, I am going to need an expert witness or an expert appraiser that knows how to appraise, you know, electric generating facilities.

Whether or not I get to appraise only 1 percent of it or 50 percent or a hundred percent of it, I still have an appraisal unit I am going to have to come up with before I take that percentage down. So I am going to need an expert appraiser to help me value this project.

SUPERVISOR FORTNEY: Any questions for Mr. Lanshaw?

Thank you, sir.

Sheriff?

SHERIFF LUTZE: I was going to say good morning. But that was a while ago. So I will say good afternoon.

1 Bill Lutze, Sheriff. I kind of bring -- myself
2 and one of my sergeants kind of bring a unique
3 perspective to this -- I have resided out in that area
4 since 1969. I have a resident deputy for eight years
5 out there. And the sergeant I have here also is in
6 the same boat that I am.
7 So we have seen the many projects out there,
8 large-scale construction projects, a lot of large
9 mining projects. So we kind of bring a perspective of
10 knowing what history has provided us out there, as far
11 as impacts in the area and what it's done to us.
12 In looking at this project, I met with
13 BrightSource prior to the first Tecopa meeting we had.
14 And they kind of laid out the general plan of what the
15 project was going to be, and that type of thing. At
16 that time, I asked them if they had a security plan?
17 And they said, in essence, no, they hadn't developed
18 that yet.
19 So myself and my staff sat down, and we basically
20 took a hard look at this. Currently as it stands
21 right now, we have two deputy sheriffs that cover
22 about 3,200 square miles out there. All the support
23 services are brought from the Owens Valley out there:
24 Investigators, ID technicians, deputies that need to
25 cover if those two are off or sick or vacations,

1 things like that.

2 This particular site, the resident deputies, as

3 they are, are in Shoshone. And it's about 35 miles

4 out to this particular site from that substation. On

5 any given time, they could be upwards of four hours

6 away from that site, or longer.

7 And as you are aware, the staff that would support

8 them, the investigators, those that come out of the

9 Owens Valley, are looking at six to eight hours, give

10 or take, depending on what time of day or night it is.

11 So what we did is, we sat down and said, if we had

12 this facility, and we didn't have any security plan at

13 all, as far as what's going to be there -- and I will

14 get into -- what would be our requirements, or what do

15 we feel that we would need to sufficiently provide

16 public safety both to the people, the population that

17 may or may not be there? Whether it's one person or a

18 hundred persons, it's going to add services that are

19 required of our office.

20 And, basically, what we came up with is a 24-hour

21 patrol that we were going to need in that particular

22 area. Because not only do we have this project, this

23 large-scale project -- and I will go into some of the

24 things that have highlighted that project.

25 But we also service other areas of the county. We

cover Furnace Creek, Stove Pipe Wells, Sandy Valley -- which you are aware we have to go into Las Vegas to even get into Sandy Valley, into our portion. So we felt that we needed to provide a 24-hour patrol service.

Some of the potential impacts that we see is obviously an increase in theft. Precious metals right now -- you know, basically, anything that's not bolted down is going to be taken. They are even taking Tide off the shelves now and selling it. So not that you are going to have Tide. But, anyway, precious metals and things like that are a very high commodity right now.

This is a very isolated site, easily accessible from a 360-degree area either by off-road vehicle, walking, or driving directly into it. Equipment thefts are very high right now. Tractors, rotors, four-wheel drive vehicles, tools -- you know, other equipment that would potentially be at the site are very high value.

And construction materials -- during the height of construction, there is obviously going to be a lot of construction materials. They are hit very hard. I was just in Vegas last week. And on the news, construction sites are getting hit. You could listen

to it almost every day. This being an isolated area, it's a prime target for that type of thing.

I should have brought my glasses. There is going to be an increase in vandalism. Projects like this, as well as other projects that we have had out there -- and I have seen a definite increase in vandalism. It just attracts people.

I can tell you that recently -- well, within the last year and a half -- we have an isolated site out near Keeler, one 30 ought six round cost $150,000 to repair. So these sites potentially get people -- you know, this is going to be next to Old Spanish Trail Highway, which is -- certain times of the year, especially in the wintertime, is a very highly traveled roadway. It's a main thoroughfare from Las Vegas to Dumont Dunes, as well as visitors to the Death Valley and Tecopa/Shoshone area.

I can tell you, from being a resident deputy out there, there is not a road sign or anything else that doesn't have a bullet hole in it. And I can quite frankly see this being a prime target for that type of thing, as well as other vandalism. You don't know what -- what groups or organizations may -- may not like this. You know, we have had vandalism on the high tension power lines running to Los Angeles.

There is groups out there that do not like these type of facilities. So you don't know what that's going to generate. Although history has shown in Inyo County, we have had history of that type of vandalism.

There is obviously going to be an increase in traffic. You know, initially, you are going to get -- during the construction phase, obviously there is going to be a lot of traffic back and forth. But, also, even after the project is built, you are going to have the continued tourist traffic that goes through there. You are going to have looky-loos. You are going to have people driving out there to see what this looks like.

It's just going to be a matter of fact. That's going to generate -- it will probably generate some more off-highway vehicle traffic that's going to be out in the area, is what we see. And there is going to be a notable impact, although it's a very small population. But there is going to be a notable impact to the people that already reside out in that area by the increase in traffic.

This facility, as you well know -- I have been in charge of homeland security for probably -- well, since nine, ten years now. And so I have done all the assessments. My office has done all the assessments

for the homeland security, both state and federal, in our county.

This project would fit in with the state and federal homeland security threat assessment that's done. It is a power generation plant, a significant power generation plant, as well as our dams and our aqueducts and our power lines and everything else that's been identified by the state and the Feds as being a homeland security threat -- which gives my office more responsibility to track, maintain, and effectively secure those facilities.

There is obviously going to be an increase in calls for service. There is with every project that we have had, DUIs, assaults, and other misdemeanor-type related issues that go along with this. And I know that one of the arguments will probably be, well, they are going to live in Pahrump. It doesn't matter. We have -- we have a lot of calls for service on site that occur, on sites where people live off the site.

One construction site that I recall we were going down there all the time with assaults and under-the-influence-type situation, drugs, alcohol, being called in by the contractors to evaluate people that are working for them to do those types of things.

Now, additional information that might, you know,

that might help us adjust our looking at this a little bit would be a comprehensive security plan from BrightSource, which includes site security patrolled by a private vendor, lighting, fencing, security cameras, ingress and egress locations and type, alarm systems, and types of material that are going to be stored on site during and after the construction phase. And that's just a short example of some of the things that might be able to give us a different look at this particular thing.

And if that comprehensive security plan was provided and was held up by the CEC to be -- as part of the permit, then we may be able to adjust some of our figures. I outlined in a couple-page memo of what the requirements are and what the breakdown of that is. I won't go through each one of them. But there are -- you know, it's basically personnel costs.

We do provide housing to our resident deputies that live out there. So that would be a cost. And we would also need an adequate substation and evacuation center for emergencies and that type of thing, which could be mitigated on some levels.

You will notice that it's broke down into the initial start-up phase or the initial phase and then an ongoing yearly cost. Most of those initial

1 start-up, there is no mitigation that can be done,
2 because those are actual costs that are required.
3 I know in one document, it was brought up that,
4 well, you could bring a Nye County sheriff or NHP or
5 somebody over to, you know, to help us secure that
6 facility. That can't be done. It's -- they are
7 Nevada peace officers. We are California peace
8 officers. They have no authority, nor can I grant
9 them any authority, in Inyo County. This strictly
10 relies with the County of Inyo providing the service
11 for out there.
12 There is no mutual aid agreements, nor can we
13 enter into any of them for a law enforcement function.
14 We can for a disaster function, but not a law
15 enforcement or peace-keeping type function. So --
16 SUPERVISOR CASH: Because of the lack of a
17 POST certification?
18 SHERIFF LUTZE: Correct.
19 SUPERVISOR CASH: It's a challenge you have
20 with NPS and BLM.
21 SHERIFF LUTZE: Right. I did on the back put
22 in overhead -- administrative overhead costs. See,
23 none of these costs included booking prisoners in the
24 jail, the $186 a day that we would hold that would,
25 you know, would be in there. So this administrative

cost absorbs a lot of that. It absorbs some overtime costs that it's going to cost to respond personnel out there from the Owens Valley on major crimes.

We have already taken one $20,000 vandalism off this particular site. And we had detectives and ID techs go out there. So there is -- you know, there is a significant impact. And that's what the $125,000 hopefully will offset some of that cost. So if you have any questions -- that's pretty much my presentation.

SUPERVISOR CASH: The substation does not include a holding cell?

SHERIFF LUTZE: No. Out there, no.

SUPERVISOR CASH: Okay.

SHERIFF LUTZE: It's going to be transport.

SUPERVISOR ARCULARIUS: So are the transport costs built in?

SHERIFF LUTZE: They are in the mileage and the overtime costs that have been built into this. And I'd like to ask: Did I miss anything?

SUPERVISOR ARCULARIUS: I think part of the take-away is that the level of involvement of your office and your officers will be directly related to the opportunity for the kinds of offenses that you just laid out. So the least presence by members of

your department will only enhance the opportunity for those that would like to do damage or commit, you know, crime out there.

And the larger the presence of your office, I think it only protects the project that much more. So I see them as directly related.

SHERIFF LUTZE: And if you look at the -- and, Doug, correct me if I am wrong. But Pahrump, for instance, has had an extreme spike in thefts and vandalisms and that type of thing over the last five years because of the economic situation, quite frankly.

Doug recently worked out there. He is a resident deputy. And he lived in Pahrump. So he knows -- you know, he knows what's going on in that particular area. And I can tell you from experience that any time something that has any type of monetary value, such as this, that's going to be out in the middle of nowhere, if it's not protected, there is going to be a lot of costs associated with that.

SUPERVISOR ARCULARIUS: And if the word spreads that it's not protected, or that the ability of law enforcement is extremely limited --

SHERIFF LUTZE: Yeah. It just increases.

SUPERVISOR ARCULARIUS: Those that like to

take advantage of those opportunities will be there.

SHERIFF LUTZE: Path of least resistance. Okay, thank you.

SUPERVISOR FORTNEY: Mr. Wilson, Public Works, is up.

MR. WILSON: Good afternoon. Doug Wilson, in from public works director.

Something you have heard echoed a lot today, this is a conservative approach to the impact. If you will look -- if you look there, you will see the description is reconstruct Old Spanish Trial. That really isn't what we have put in our cost estimate. What we wrote -- I understand how that got there. Because we said the most appropriate solution is to reconstruct the road.

Recognizing many of the environmental issues as well as other issues, we looked at an alternative. One of the -- expressed first, that primarily what we are looking at is the impact of the truck traffic. We have assumed that much of the construction material will come from Nevada. So from everything we know at this time, we assumed that the mirrors would probably come from overseas through a port in the greater Los Angeles basin and then be transported to the site.

And so based upon that assumption, that's the

1 truck traffic we really looked at that is impacting
2 the Old Spanish Trail. Old Spanish Trail is clearly
3 not a road that is constructed to handle this type of
4 commercial traffic. The rules of thumb are that one
5 truck does the damage to a road of somewhere between
6 three and 7,000 cars.
7 And so it's that traffic that we are looking at
8 that will impact that structural section of this
9 roadway. And, again, if the way to really address
10 this would be to reconstruct the road where the trucks
11 are going to be traveling, that for this project may
12 not be an alternative. We are probably looking at a
13 quarter of magnitude. And only a quarter of magnitude
14 is probably -- to construct that 30 million -- 30
15 miles is probably an order of magnitude of a hundred
16 million.
17 And if we did that, then we would be in good
18 shape. We have suggested a --
19 SUPERVISOR ARCULARIUS: Umm, you can build a
20 train for that.
21 MR. WILSON: We have suggested an overlay.
22 In dealing with the overlay, one of the things that --
23 there are still a number of issues. The culverts that
24 exist there are typically pretty shallow, because they
25 also were not anticipating the heavy trucks. And so

many of the culverts that are in place would need to be replaced through either a higher strength culvert or burying it more deeply or some variation thereof.

This is part of it. And then we would suggest an overlay with the traffic and the (inaudible). Having done that, the issues with the alignment with the size of trucks that would pass still is something we need to look at very carefully. That right now, traffic is generally not very intense, and not big trucks.

So the traffic can manage those sharper curves, et cetera, and stay on their side of the road or close to it. Trucks will have difficulty with that. And we will need to look at that.

And we anticipate, even with an overlay, we will have trucks going off the pavement from time to time, which breaks down the edges and will require an ongoing maintenance activity, even with the overlay.

And so, you know, that's pretty much what we have looked at and how we are seeing the impacts to the road.

SUPERVISOR FORTNEY: Any questions? Thank you.

Thank you, sir.

Mr. Shults?

SUPERVISOR CASH: You are the genius.

MR. SHULTS: Brandon Shults, information services.

Right now, in the area, communications capabilities are sparce at best. And they are certainly not suitable for business needs. Folks --

SUPERVISOR ARCULARIUS: If you include telephone as business communications.

MR. SHULTS: Shoshone's Sheriff's office today at lunch was down. There are serviced by satellite. And apparently due to sun spots, the satellite is out, so they have no way to communicate. So if they have a report or something, they have to drive back there to deliver that.

My estimate was based on some -- we looked at the issue several times over the years, recent request, we looked at the costs to find better communications out there. And it was based on hard-line communications, street facility, Shoshone to Tecopa.

That's where the numbers came from. The Gruen Associates indicated that the project was proposing a cell tower at the project site to provide perhaps lower costs communications (inaudible). Inyo County, as you can see by this chart, the red line -- the green is where the cell tower can project. But because of the mountain ranges, it stops. So it can't

1 go through the mountain range.

2 I based my chart on a 200-foot tower. And if we

3 knew a firm elevation, we could do another assessment.

4 The other problem with that is, the 20-mile range, you

5 lose speed because of the way radio signals work. So,

6 again, depending on the technology that was employed,

7 it may or may not work.

8 The fact that a tower is built doesn't mean that a

9 carrier is going to choose to put service on that

10 tower. And then if they do put service, it has to be

11 service that's appropriate for the business needs.

12 And that's going to be a cost, as well. So I just

13 didn't want folks to believe that that would be a

14 panacea. We still need to put some hard-wire in my

15 opinion (inaudible).

16 SUPERVISOR FORTNEY: Mr. Shults, thank you,

17 sir.

18 Mr. Reed.

19 SUPERVISOR ARCULARIUS: And he is also

20 "Saint." So you are really...

21 MR. REED: Good afternoon. The term --

22 SUPERVISOR CASH: (Inaudible) that's what

23 George said.

24 MR. REED: The term deputy ag commissioner.

25 Just wanted to note that we are keeping our eye on a

1 few of the issues out there that don't impact the
2 department specifically, such as the water issues that
3 Dr. Harrington alluded to and the potential that that
4 might have to affect local ag production, China Ranch
5 and also Sandy Valley. We have 350, 375 acres of sod
6 and alfalfa out there.
7 But the most significant concern to the Ag
8 Department specifically is the potential for the
9 introduction of and establishment of non-native
10 invasive weed species. Weeds are not only a threat to
11 the local ag industry but also the native plant
12 communities and possibly threatening endangered
13 species that rely on those habitats.
14 Once the weeds have established, they have
15 potential management costs that would be a significant
16 burden on our department. The state rates weed
17 species A, B, and C, A being the worst. And A-rated
18 weed species require management by our department.
19 Some examples of that are halogeton camelthorn, or
20 in that area, just over the border, that we may have
21 to deal with. And as of now, this mandates sort of
22 essentially un-funded taking care of these A-graded
23 weed species. Because the State has removed both
24 baseline as well as competitive funding from the
25 budget.

1 And so the Nevada infestations nearby are
2 concerns, because movements likely, given the
3 vehicular traffic, movement of equipment and
4 construction materials, they are sort of inherent in a
5 project like this. It's a really good way for these
6 invasive species to move, the most common.
7 And because -- the reason for that is because you
8 are coupling this movement with soil disturbance
9 because of the construction. So those two together
10 have been shown to be conditions that are conducive to
11 weed colonization and also accelerate that
12 colonization, if the colonization occurs.
13 So in our letter, we outline some potential costs
14 to the department, which is primarily survey costs.
15 So it's a real conservative estimate. It's sort of,
16 you know, a little inference there that hopefully if
17 we find a problem, it won't be a large problem. We
18 will be able to take care of it rapidly.
19 But if we got, you know, a large problem, costs
20 could rise. And so this is sort of why the survey
21 work is so important, so that we catch these things
22 early. With invasive plants, it's sort of like an
23 ounce -- an ounce of prevention is worth gallons of
24 herbicide and years and years of work, which can turn
25 into a lot of, you know, significant costs over time.

And so the costs incurred, our estimate, you know, the price of it -- it stems primarily from the remoteness of the location, which is going to require a lot of travel, and the size of the construction and -- the size of the project, which I believe is 3,300 acres, which is a lot of area to keep an eye on.

And so that's basically what we came up with. The ongoing annual costs are also pretty conservative. Those sort of suppose that we don't have a large initial problem that requires a lot of resources later on to manage.

SUPERVISOR FORTNEY: Anybody have any questions?

Thank you.

Mr. Alstrum, are you taking care of motor pool?

MR. ALSTRUM: Yes.

Good afternoon. Jeff Alstrum, waste management, and also representing the motor pool element.

We have estimated $156,000, which represents waste collections for the three-year -- I realize it's 29 months. But we show -- currently, we are spending $52,000 a year in that area for waste collection. And that material is hauled in to Nevada from Pahrump Valley Disposal, provides service in that -- they are the permitted waste hauler in the southeast county

there. So we are looking at -- that's how that number was generated for during the construction period.

And then I would like to also add that we most likely during the life of the planned operation that we will have some additional ongoing waste costs that are not represented here in this -- in the table. But I would estimate that at approximately $18,000 per year to provide -- because I think at this time we have some assumptions on what the construction worker population will be in Inyo County.

But if things change, we'd like to be able to revisit that number, should it change as the project goes forth.

The other waste management concern is the waste reporting that we are going to have to provide to the State, State of California, Cal Recycle. Per Assembly Bill 939, we must report all the construction materials generated leaving the site and also get assurances of meeting our diversion requirements. And we'd like to get that on record that we -- we need to have those numbers reported to us. And then we will in turn report those to the State.

So that's what I have for the waste management.

SUPERVISOR CASH: Do you have to report those even though they are going to out-of-state

landfills?

MR. ALSTRUM: Correct, yeah. If that material is generated in California, we must report it. And we have to meet the diversion stipulation percentage --

SUPERVISOR CASH: For Nevada?

MR. ALSTRUM: Wherever it goes, we just need to have that information of where it went --

SUPERVISOR ARCULARIUS: The bad stuff.

MR. CARUNCHIO: The issue is not the solution. Obviously, our disposal (inaudible). Last time I looked, it was about $10,000 --

SUPERVISOR ARCULARIUS: I was going to say, should we talk about the fines associated with that?

And the firm has their own disposal issues. They are running out of capacity. So...

MR. ALSTRUM: And then going down to the motor pool, we have got an initial cost of $33,200. And that was calculated based upon additional staff using motor -- the motor pool fleet to get out to the project and back during the 29-month construction period.

And that -- we actually -- people have been saying conservative numbers. But that's the low side of our

estimate. And if more staff is required to head out there, those costs could double to $66,000 if another vehicle needs to go on a once-per-week basis.

SUPERVISOR FORTNEY: Anybody have any questions?

Thank you, sir.

MR. ALSTRUM: Sure.

SUPERVISOR ARCULARIUS: Thank you.

SUPERVISOR FORTNEY: Next up would be Dr. Harrington again.

DR. HARRINGTON: Bob Harrington, Water Department.

We are probably well into those motor pool numbers.

SUPERVISOR ARCULARIUS: Already?

DR. HARRINGTON: The figures here for the Water Department just relate to that California groundwater elevation program that I alluded to earlier.

Again, they are very approximate. The state DWR is still in the process of getting the projects done up. So we are not exactly sure what it's going to require of us. But that's just, you know, approximate, an approximation of what we think we might be required to implement that monitoring out

there. Thank you.

SUPERVISOR FORTNEY: Anybody have any questions for Dr. Harrington?

Thank you, sir.

Do you have something to add?

MALE VOICE: (Inaudible.)

SUPERVISOR ARCULARIUS: Sure.

MR. HART: I just wanted to thank all of the department staff for working really hard to identify these costs. They have been obviously shared with the Energy Commission. And Energy Commission staff is here today.

And I believe they are going to be meeting with the departments tomorrow to go over these in more detail and address these through their certification process.

So there are a couple of websites for information. The Energy Commission has a very good website, in general. But their siting website is excellent. And for this project, you can go there through the link that's shown there. And we have been posting all of our correspondence on our website. So you can see just the County's correspondence there.

SUPERVISOR CASH: I took the opportunity yesterday afternoon while I was in Sacramento to visit

with our assembly woman, Connie Conway, and give her this great information from all of our departments -- thank you very much -- encapsulated what our concerns are, and I passed that along to her.

And she asked to be kept updated. As a former Tulare County supervisor, she certainly understands the impacts of large projects on small counties. She would like to be kept in the loop.

SUPERVISOR FORTNEY: Anybody else have any other questions?

SUPERVISOR ARCULARIUS: Along the same lines, in Washington, when we were in D.C. last week, we had a conversation with the Nye County commissioner. And I made the commitment that we will forward this information to the Nye County Board of Commissioners, because they have not been as -- kept abreast on what the impacts to Inyo County would be. And they are very interested in knowing those. So that package should go out to them, also.

SUPERVISOR FORTNEY: At this time we will take a couple of comments on this item. Anybody from the --

SUPERVISOR CERVANTES: I have a statement that I would like to make. Just for the, you know, FYI for the public, this location is so far from the

(inaudible), that many times when we go out there, we end up staying overnight, because we don't have enough time to do our work out there.

So we end up in Pahrump, staying at the -- at a hotel.

SUPERVISOR ARCULARIUS: I don't.

SUPERVISOR CERVANTES: It's a long ways out there. And that adds to the costs of everything.

SUPERVISOR FORTNEY: Is that it?

SUPERVISOR CERVANTES: Yes.

SUPERVISOR FORTNEY: Thank you, sir.

Anybody from the public?

I have a list of order here. Southern Inyo Fire Protection District, do you have anything you want to comment on?

MALE VOICE: (Inaudible) --

SUPERVISOR FORTNEY: I need you to come up to the podium, please. State your name when you get here, please, and who you are representing.

MR. DENNIS: My name is Carl Dennis from the Southern Inyo Fire Protection District. I am the new administrative chief down there.

We have just -- the number of issues that we wanted to look at was the road traffic issue being No. 1. It was pointed out that a lot of the mirrors and

the apparatuses may be coming into the Long Beach area, transported by truck, coming into Vegas. An easier route for them is to take off at Baker, come across 127, take Old Spanish Trail up and over the hills.

We are a little bit concerned about that traffic through there. The -- I will leave it at that one right there. That's our major concern right now.

SUPERVISOR FORTNEY: Okay.

MR. DENNIS: Thank you.

SUPERVISOR FORTNEY: Thank you, Carl.

Mr. Brown?

MR. BROWN: I just want to -- yeah. Brian Brown with the Amargosa Conservancy. I just want to read a prepared statement.

I want to make it -- at the outset make it clear that the southern Inyo communities are not unanimous about this project. Many citizens are opposed to it. And others are waiting to see -- waiting for more information about the project before deciding.

Many of us in southern Inyo County have substantial concerns about the effects of this plant on the shared groundwater resources, the scenic, cultural, and ecological values of this region. These concerns have not been resolved by the California

Energy Commission or the BLM EIS proceedings, which are far from complete.

This plant appeared to be leading edge of a large increase in renewable energy generation facilities in this region. We are especially concerned about the cumulative effects of this plant and the dozen or more other proposed utility scale solar plants proposed for the Pahrump and Amargosa Valleys, all of which will use our scarce groundwater and radically change the character of the area.

Oversized transmission and natural gas lines that are proposed to serve this plant are the catalyst for the introduction of a number of other renewable plants in this area, perhaps as many as a dozen or more. The potential effects of all these plants needs to be considered together before any plant is approved.

Indeed, BrightSource itself has stated that they may have plans for two additional facilities in the Pahrump Valley. As you know, the groundwater resources in this bi-state region are shared. Our limited groundwater aquifers support human as well as natural communities in the Pahrump, Tecopa, and Shoshone areas.

The Amargosa River and its groundwater-fed stream and spring tributaries are all linked to a very large

1 but poorly understood regional flow system known as
2 the Death Valley Regional Flow System. Groundwater
3 pumping in the Amargosa Valley, Pahrump Valley, and
4 Charleston View are very likely to -- will draw down
5 this regional aquifer system and affect for the short
6 or the long term our ability to survive in this
7 desert. Solar generating plants, unlike agricultural
8 users, will steadily pump groundwater.
9 Moreover, once the site is dedicated to solar
10 energy, it will probably remain so and use groundwater
11 in perpetuity. Before we commit to the
12 industrialization of this region and to the new uses
13 of our scarce groundwater, the long-term consequences
14 of siting these plants should be thoroughly
15 considered.
16 Given the absence of information about the
17 groundwater hydrology in this region, we do not
18 believe that any of these plants should be approved
19 until a reasonable assurance can be given that adverse
20 effects of these new uses on our communities can be
21 averted.
22 And now given the property tax relief of these
23 projects and the effect that that may have on the
24 county budget, the Amargosa Conservancy hopes that the
25 Inyo County will withhold its approval of the Hidden

1 Hills project until all groundwater and socioeconomic
2 adverse impacts can be avoided or net benefits to all
3 resources in the county can be assured.
4 And we also support the recent BLM letter
5 regarding the monitoring and mitigation measure that
6 they propose for this plant should it go forward.
7 Thank you.
8 SUPERVISOR FORTNEY: Thank you, sir.
9 Richard?
10 SUPERVISOR CERVANTES: I was out there on
11 Sunday. And -- for a (inaudible). And an issue was
12 raised by the presenter at our gathering there for the
13 brunch about the -- he wanted to see a study on the
14 effects that the power tower, the heat of the power
15 tower, which is 3200 degrees in the immediate
16 proximity of the power tower, what that would have on
17 unsuspecting migratory birds.
18 The only way that you can determine that is, walk
19 around the bottom of the tower and count the bodies,
20 according to him. And they may pass on wounded, and
21 then the whole flock will drop dead somewhere else.
22 So that was the concern that he raised. And, of
23 course, we didn't have enough time to do --
24 MALE VOICE: Yeah. That's one of many
25 concerns, the effect on bird population. Thank you.

SUPERVISOR CERVANTES: Thank you, sir.

SUPERVISOR FORTNEY: Anybody else from the public wish to make a comment or ask a question?

Please come forward, Mr. Stroh.

SUPERVISOR ARCULARIUS: Why does solar have to be so big?

MR. STROH: It doesn't always have to be so big. Jim Stroh, Independence. After the pretty heavy remarks you have just heard, I have something really light.

One, Mr. Chairman and staff, I really appreciate your background image on the Power Point presentation, I just wanted to know what wave length it was taken.

SUPERVISOR FORTNEY: Anybody else?

Seeing none, we will close public comment. And that will conclude this agenda item. We will take a 10-minute break. We will come back with Item No. 18, presentation from BrightSource.

SUPERVISOR ARCULARIUS: Do you have any questions or comments?

SUPERVISOR FORTNEY: Things going again?

Okay, we will go ahead and call things back to order here. We will bring up Item No. 18, presentation of -- BrightSource Energy will make a presentation to the Board of Supervisors regarding its

1 proposed Hidden Hills Solar Energy Generating System,
2 HHSEGS, project in the Charleston View area.
3 Somebody close the door, please.
4 MR. DESMOND: Thank you. First off, let me
5 thank you, Commissioners, for allowing us this
6 opportunity today to present -- present you with an
7 update on our project. I think we have a very good
8 story to talk about. It's a good story from a number
9 of perspectives.
10 First off, as you will see when we go through some
11 of these figures, it does represent a project that is
12 a substantial increase in the property tax base. It's
13 about a 23 percent increase over 2010's Inyo County
14 property tax base.
15 Many of the concerns that you have heard today, we
16 share those concerns. We have a vested interest in
17 protecting our property as well as our workers on
18 site. And so we work closely with the California
19 Energy Commission. But those concerns will be
20 thoroughly addressed. And we will have an opportunity
21 to address some of those at the end of this
22 presentation.
23 I'd also point out with respect to the safety
24 issues on the projects, we have zero tolerance drug
25 and alcohol policies. So when we talked about hiring

1 people, we do go through all that process. And we
2 also have some good news -- which is, many of the
3 slides that I was planning to talk about have already
4 been covered today. So we are going to save some
5 time.
6 But, really, the bottom line here is, this is
7 about jobs. We think this is a great story. It's a
8 story about family wage jobs, a story about being able
9 to employ many people, not just during construction,
10 but over the life of the project.
11 So my name, for the record, is Joseph Desmond. I
12 serve as the senior vice president for government
13 affairs and communications at BrightSource Energy.
14 And with that, we will get going.
15 SUPERVISOR CASH: Before you get off --
16 MR. DESMOND: Sure.
17 SUPERVISOR CASH: -- your introduction, the
18 23 percent increase in property taxes that you are
19 speaking of, can you give me dollars?
20 MR. DESMOND: Yes, I can. Those dollars are
21 estimated at $3.9 million annually. And that
22 represents -- based on the assessment of the property
23 value. That excludes the solar field, which is exempt
24 under the tax code. I will go through those details
25 when we get there, and you can see all those figures.

SUPERVISOR ARCULARIUS: Thank you. Will you provide us a hard copy of your presentation?

MR. DESMOND: Of course. In fact, if you'd like -- it's easier to go through this. We might jump around a bit. But I will provide you with hard copies. If you'd like, we can hand them out right now.

SUPERVISOR ARCULARIUS: I would prefer it now. Keeps me from writing notes.

MR. DESMOND: Sure. Okay. So when people talk about solar, just by way of background here, many people think in terms of photovoltaic. What we are doing is, we are actually using the sun to concentrate that energy onto a central receiver, and we create high pressure, high temperature steam. In turn, that steam is used to turn a turbine to generate electricity.

So unlike photovoltaics, which converts sunlight to electricity, and then they have to use a converter, what we are doing is, we are using thermal energy from the sun to heat that water to produce steam. So very traditional power plant technologies, well understood, with a long operating history, and fairly easy to understand.

What we call mirrors are heliostats. I won't go

1 into too much detail, other than they are individually
2 controlled. And we use them and monitor that. And
3 then the question came up about the heat and what we
4 call -- that is in fact modeled through the CEC
5 process, where we try -- not try -- we do determine
6 and calculate what's called the thermal flux.
7 The actual concentration is only right near the
8 top of the boiler. If you walk in front of a mirror
9 with sun, you feel that heat. It's really the result
10 of the concentration that focuses that. And it is
11 limited to just a very small area.
12 So when we calculate these things, we actually go
13 through and determine the entire volume of air space.
14 And it turns out to be a very small fraction.
15 So the only area of concern is really near the
16 tower. There are ways of mitigating against that, and
17 likewise something called a thermal plume on top,
18 which is just the heat that radiates up into the air.
19 So all of that, again, is addressed in the CEC
20 process and the mitigation. So it's a great question.
21 We hear it oftentimes. But that's how it works.
22 The other thing that's probably -- I'm sorry. Go
23 back -- different about this project compared to
24 traditional power plants is that we use air cooling to
25 cool the water, to cool the steam back to water to

1 condense that back, which means that we use 95 percent
2 less water than traditional solar thermal.
3 In fact, we use on a per-kilowatt-hour basis about
4 5 percent or 95 percent less water than you would use
5 in the natural gas combined cycle turbine, if you do
6 the math.
7 To put it in perspective, if you have seen the
8 Ivanpah project that we are building, which is located
9 just outside of Primm in California, that uses --
10 it's, I think, 140 acre feet per year. And it's
11 located next to a golf course. Just to give you some
12 perspective, that project site sits on 3,600 acres.
13 It uses on an annual basis the same amount of water as
14 two holes of the golf course over the course of a
15 year, just to give you some perspective about
16 consumption on that. So, next slide.
17 The project is located, as you have heard today,
18 Inyo County, on 3,200 acres. It's actually less land.
19 We are accomplishing that through a higher tower
20 height and being able to mitigate against the acreage
21 there. The project is, the land is privately owned,
22 has previously been designated the Charleston View in
23 the solar zone, and also a prior residential master
24 planned community.
25 We are using what's called a power tower

technology. There are different types, like trough, focus, or dish engines. But we use the tower technology as a way of concentrating that heat. We are looking at two 250-megawatt towers, each with 85,000 heliostats or mirrors. And, again, it's a cylindrical tower.

You may have seen some lattice designs in the past if you have seen some of our earlier presentations. But that sort of describes in a nutshell what the project consists of.

The location, you have seen this map. You can see the two towers as they sit. Relative to Hidden Hills Ranch, the nearest city being where we can draw labor, many of the supplies from Pahrump, but Las Vegas. You can see the distance from Vegas here.

This is an aerial simulation of what the land would look like. We take great care to minimize impacts to the environment. Those heliostats are actually inserted into the ground. So we avoid grading. We avoid having to pour all the concrete pads to mount. And so we are able to insert them into the ground and maintain as much as the natural vegetation and contour and accommodate those designs.

Next slide.

SUPERVISOR CASH: You have to mow it

first.

MR. DESMOND: We have to trim down. We do trim down in certain areas, yes. But we also maintain the vegetation. The vegetation is allowed to grow back to a certain height beneath the mirrors themselves. We will get you some videos if you would like to see how that's looking actually at Ivanpah right now.

What I'd like to show you is oftentimes, you will say, well, what's this going to look like? If I were to drive by or I were to fly over, give me a sense of what I could expect to see. So this is a simulation using a combination of animation and actual photos.

Can you hit the Play button?

SUPERVISOR ARCULARIUS: If we turn the lights down, are we going to be able to see it better?

It looks like a dark desert night. I thought you were producing light here.

MR. DESMOND: You can't see anything in the simulation. It blends into the background at night.

SUPERVISOR ARCULARIUS: No visual impact.

MR. DESMOND: I am going to continue talking while we work through --

SUPERVISOR CASH: Here comes the genius. Don't hit the cord, genius.

1 (Background discussion.)
2 MR. DESMOND: Here we go. Okay.
3 You want to start at the beginning?
4 This is a very short video to show you the
5 location, and then a fly over.
6 So as I said, obviously, the Hidden Hills project,
7 we are going to zoom in here just to give you a sense
8 of the location. You have seen the topo maps, the
9 Charleston View, the Sandy Valley location. You get a
10 little closer into the site.
11 You see the rough positioning here of the tower as
12 well as the switch yard. The manufacturing buildings,
13 we actually assemble these heliostats on site. So we
14 have a mobile assembly. So we don't come in through
15 Long Beach. They are actually fabricated in Arizona.
16 Many of the glass -- and the glass are shipped on
17 containers.
18 They come into the space where they have been
19 assembled on site, in the case of the Ivanpah project.
20 And you can see, the heliostats will turn,
21 continuously tracking the sun on two axes across the
22 entire day. So if you were to come down, this is
23 showing you what you would see if you were in the car
24 driving southwest on Tecopa Road. And off in the
25 distance, you would see the two towers. And that's

exactly how they appear.

That modeling is also based on similar tower designs that have been used in Europe, to give you a sense of what the visual is.

We are going to raise the height and go to about a thousand feet and fly over, showing first, this is the photo simulation right from that spot on the road. This is as it exists.

And that's the existing side, just to give you a sense of what this I would expect to see.

SUPERVISOR CASH: And how far away are you?

MR. DESMOND: This is, I want to say, three miles, about three miles, on that road.

Then flying over, you will see here coming up just a sense of the layout. You are seeing this from the air. If you look in the lower right-hand corner, you will see us now getting very close to the property line.

And that reflects all of the facilities that are proposed to be located on site. We will swing around to the south, looking north, from the road, and then overlay the existing view. And this is where we will -- that's what's there today.

So I hope that helps to give you a sense of

1 perspective on these projects.

2 Just to go back to the slide presentation -- by

3 the way, we can make that available. It is on our

4 website but also on the Energy Commission's website as

5 part of that document. You heard earlier today many

6 of the issues that were raised. As I said, the

7 deposit news is, these will all be thoroughly vetted

8 through the CEC process.

9 And at the very end of this, I have asked Clay to

10 take a few moments and address some of the issues that

11 we heard today to give you a sense of how we are

12 addressing those, including issues of concern with

13 respect to safety, for example, and some of the

14 security issues.

15 But in all of those, you can see traffic,

16 transportation, waste management, alternatives, water,

17 land use, required on the CEQA. You have seen this

18 diagram already in a previous slide. But these are

19 some of the studies that have been completed to date

20 covering the drainage, the groundwater, the analysis,

21 socioeconomic analysis, missions modeling, observation

22 analysis, and all that contained within the

23 application for certification.

24 You have also heard that there is a separation

25 here. The actual transmission lines and gas lines

1 fall within the -- located on Bureau of -- BLM land in
2 Nevada, and then the power plant site is in
3 California. I will skip over this transmission slide.
4 But just from a coordination perspective, we have
5 the -- both the federal review under NEPA on the
6 linear facilities, and then of course the CEC
7 implementing the CEQA, the equivalent of that for
8 solar thermal plants greater than 50 megawatts.
9 So some of the key issues here on the biology with
10 respect to impacts, so far, there have been only two
11 desert tortoise found. We have -- more desert
12 tortoise were found at our Ivanpah site. But within
13 the project boundaries, so far, two. And no other
14 federal or state threatened or endangered species on
15 this property.
16 Birds and bats, I touched on ever so briefly at
17 the beginning when I talked about the modeling and the
18 impacts and the migration, that's all included. We
19 have completed the golden eagle surveys, the burrowing
20 owl phase one and two, coupled with the -- a new
21 Anabat monitoring, and we are collecting data as part
22 of the required mitigation to do that.
23 With respect to botany, no federal or state
24 threatened or endangered plant species. And we have
25 identified special status plants where we come across

them in the surveys. And then with respect to federal and state waters, the delineation has been verified. And that's a big process.

So coming back to the project economic benefits here, looking at the project, and that is modeled using the 25-year assumption, the direct employment at peak will exceed a thousand workers. And then there will be a permanent job somewhere between 100 and 120 workers permanently.

Total wages over the life of the project will total $160 million. Wages during operations will be 15.7. And if you take the 160 and the 15.7 times the number of years, you will see that over the 25 years, we are estimating total wages in this area of $390 million. Total state and local taxes that will be paid, 265 million.

And the next slide goes down into specific to Inyo County. The estimate here -- and this is using the CH2MHill models as part of the CEC process, is 8 million in the construction work force payrolls. We are estimating roughly 5 percent of the work force is already living here and is working on this project coming from there.

And then using the multipliers in the model of roughly 9.5 million in local construction spending on

goods and services. The employment -- this is again local employment --

SUPERVISOR ARCULARIUS: Sorry, from where?

MR. DESMOND: Local spending on construction services, food, hotel, lodging. There is a whole host of expenditures associated with new construction activity.

SUPERVISOR ARCULARIUS: In Inyo County?

SUPERVISOR CASH: So the Crow Bar is going to be really busy, and Brian is going to sell a lot of dates? I am not seeing where you would spend 5.9. But okay.

MR. DESMOND: What I would suggest is, we can come back and provide you with a detailed summary of what socioeconomic studies have been done.

SUPERVISOR ARCULARIUS: Are you including vendors and those types of things?

MR. DESMOND: Yes.

SUPERVISOR ARCULARIUS: What? Yes, I would really like to see that.

MR. DESMOND: Sure.

SUPERVISOR CASH: Is that -- is that in the socioeconomic study that's on the CEC website? I can find that. Thank you.

MR. DESMOND: Yes.

So just continuing, employment direct and in construction, locally 32, and then indirect and induced. So the Crow Bar, I guess, would be your good example of the indirect and induced workers there.

Annual local spending from the direct construction work force, and then the county property benefits, tax benefits -- back to your original question -- is estimated at $3.9 million actually, which would represent about a 23 percent increase from the 2010 total General Fund.

SUPERVISOR CASH: So on that number that you were estimating, we collect a hundred dollars in property taxes, the County keeps --

MR. DESMOND: A percentage of that, yes.

SUPERVISOR ARCULARIUS: Cents on the dollar. The rest goes to special districts. That 3.9 million is?

MR. DESMOND: That's the total.

SUPERVISOR ARCULARIUS: That's the total.

MR. DESMOND: To the General Fund. The County is going to receive a portion of that back.

SUPERVISOR ARCULARIUS: 29. So that's the total that you will be writing a check for, and that represents a 23 percent increase? Again, is that in the socioeconomic --

1 MR. DESMOND: Yes, it is.

2 SUPERVISOR CASH: I will look it up.

3 SUPERVISOR ARCULARIUS: No. But that's not

4 going to help the people that are listening to this.

5 Can you explain that, please?

6 MR. DESMOND: Sure.

7 Clay, you want to --

8 MR. JENSEN: Clay Jensen, BrightSource Energy

9 project manager.

10 So the 3.9 million is the total Inyo County tax

11 that would be further different -- separated, as you

12 described. So the smaller portion would be -- come to

13 your benefit without the special tax districts. The

14 23 percent is described in the AFC, was looking at the

15 total additional increment of the 3.9 million to that

16 total amount that is -- the total tax revenue to Inyo

17 County.

18 And that calculation is in the AFC documents.

19 SUPERVISOR CASH: So that under a million

20 that would be Inyo County specific represents a 23

21 percent increase over total property tax revenue that

22 stays with the county?

23 MR. JENSEN: The 3.9 million would be a 23

24 percent increase on the total calculation, not just

25 the portion that gets filtered through. So you are

comparing the higher of both numbers versus the lower of both numbers.

SUPERVISOR ARCULARIUS: And just listening to the presentation before, Inyo County's General Fund, the 29 percent that we will receive, that will be responsible for all of the impacts of this project. So when you say total general fund property revenues, that's a different number to all of the supervisors sitting here.

And I think that for the public perspective on this, and their right to know, that's a little misleading. But what we just went through is what it's going to cost an Inyo County taxpayer. And that's different than what it's going to cost -- because special districts are not going to be contributing to that cost.

MR. JENSEN: Yeah, you are correct. And the intent wasn't to mislead.

SUPERVISOR ARCULARIUS: I am not saying -- but I am saying the detail is very important. Because that -- somebody is going to grab on to that and say, whoa, this is great.

MR. JENSEN: Yes, let's be clear. The 29 percent -- and I will take your word for that number. Obviously you guys live and breathe that number. It

would be 29 percent of 3.9 million. That is absolutely correct, as a comparison to the individual socioeconomic concerns that were raised by staff earlier.

But I will go through some of those numbers and provide some of our thoughts on those individually.

SUPERVISOR ARCULARIUS: Because it's really important to compare dates to dates. We have a few apples down there. What we do have is a few dates. Let's compare dates to dates.

Thank you, Brian. You can pay me for that later. A few little plugs for the date farm.

You won't be able to address your date trees any better than they are addressed now.

MR. DESMOND: I think as Clay said, as we come back here at the very end, he is going to walk through. And those other issues and those costs and concerns that were just described will be addressed at the mitigation process and identified by the CEC.

So that's trying to separate what tax revenue is incremental tax revenue aside from what impacts, and then what impact will then also be required to mitigate.

SUPERVISOR CASH: I'm sorry. I missed one portion of what you said there.

1 MR. DESMOND: Sure.

2 SUPERVISOR CASH: About everything else will

3 be mitigated in the CEC process?

4 MR. DESMOND: To go back to the CEC process,

5 the CEC requires us to mitigate for significant

6 impacts. So where you have identified these

7 impacts -- and those impacts fall under land or water

8 or socioeconomic. That process is where the staff

9 will make recommendations and then impose conditions

10 on. So that's where those costs are addressed and

11 identified.

12 SUPERVISOR CASH: So would you be willing to

13 make the costs that have been identified by our

14 various departments that are costs that will be borne

15 by the 18,000 people who live here, who all pay their

16 property taxes, would you be willing to make those

17 costs a condition of your CEC --

18 MR. DESMOND: I think it's fair to say what

19 we would do is, we would be working with staff to go

20 through each of the cost areas that have been

21 identified, and then address what we have already done

22 to reduce that.

23 The first step is to mitigate. So, for example,

24 we will go into more detail on the security issues as

25 a way of showing -- another example is the

1 communications. And Clay will talk about this.
2 Part of that gas line will include a -- what is
3 the connection -- the communications connection, to
4 address that.
5 So the idea is, what we look for is to go through
6 step by step, address each of the concerns that have
7 been identified by the various departments through the
8 CEC process. And then the staff -- and we are going
9 to provide that information to allow them to arrive at
10 a set of recommendations and mitigations. That will
11 then take the form of a dollar amount.
12 SUPERVISOR CASH: Okay. And so what I was
13 asking, which you did not answer, is if our staff
14 identifies costs to the Inyo County taxpayer to
15 support this project, are you willing to make those
16 costs a condition of the CEC permit process, those
17 that are not mitigated?
18 MR. DESMOND: Well, we have to go through the
19 process -- let me come back at the very end, and then
20 answer the question after the presentation.
21 SUPERVISOR CASH: I won't forget it, I
22 promise.
23 MR. DESMOND: I am not putting it off,
24 Commissioner. I appreciate that. But we still have
25 to go through the process of identifying what costs

are. This is a first -- you know, this is the first time we have seen those costs. Not all. But some of them, the first time. We want to go through that and make sure we all understand and are using the same set of assumptions.

That's the first step.

Next slide. So I am not going to recount the meetings that we have had. This has already been addressed by staff. But since November of 2010, there has been approximately 11 in-person meetings so far.

And here is what we are proposing. I think this begins to get part to your question, which is a schedule that would incorporate the CEC decision and the Inyo County General Plan amendment, where we would be submitting for a General Plan amendment.

That General Plan amendment requires and allows for a process to identify and address these impacts. This is not the final schedule. As you have heard, it is still subject to the CEC adopting this. But the design was to allow for both the CEC process to occur and then to allow for the County, through the General Plan amendment, to look at the zoning impacts and the others as we go through some of the analysis.

So if we go to the next page, looking forward, we were given several options, I think, on Friday. We

1 received a letter recommending that we consider the
2 M-1 industrial zone. And that recommendation is just
3 under review by our legal team to determine if we have
4 any further questions or require additional
5 clarification.
6 But what we are proposing for consideration by
7 staff and by the commission is to utilize the CEC's
8 final staff assessment to help prepare the County
9 staff report and recommendation to the Inyo County
10 Planning Commission.
11 In turn, the County would conduct its planning
12 commission and Board of Supervisor hearings. The
13 County issues a decision on the General Plan amendment
14 and zoning. But that decision is conditioned on the
15 CEC's final decision and the County's participating in
16 that CEC process, which includes the mitigation of
17 those issues.
18 SUPERVISOR ARCULARIUS: So will the County be
19 aware of what issues have been mitigated and to what
20 extent?
21 MR. DESMOND: Yes. The idea was to allow
22 that to inform the process. This does not contemplate
23 requesting an override.
24 You will see those recommendations.
25 That's why I said, Commissioner, I can't commit

until I see where we are. Obviously, it's a final staff assessment. But the difference between the final staff and then the final CEC decision is you can -- there is an opportunity again to weigh in.

SUPERVISOR CASH: I think you can commit here in public that your project will not harm our taxpayers. I would hope you could make that commitment.

MR. DESMOND: I think that's a fair statement. It is designed to provide a benefit to the community. Those benefits take into consideration all the required mitigation, yes.

SUPERVISOR CASH: Required by?

MR. DESMOND: Required by the CEC and then identified and informed by the County staff and the County Commission.

So at this point, what I thought I would do to get to those specific issues is allow Clay Jensen to walk through some of his -- excuse me, some of his notes with respect to a number of the issues that were raised today.

MR. JENSEN: Thank you again. Clay Jensen, BrightSource Energy.

I want to provide a little bit more detail. I saw a little bit of confusion on how the County's concerns

will likely come into fold with the Energy Commission process. And I know that the Energy Commission has staff members here that may want to speak to this. But I will give you our interpretation.

You have provided some good detail, really good detail, to the Energy Commission for their evaluation. The process now is that the Energy Commission staff will meet with your team, with your departments, and get a better understanding of those concerns.

The Energy Commission has a tremendous amount of experience working with rural projects, with large-scale concentrating solar type projects, and other solar thermal projects. It puts them in a position where they have dealt with a lot of these concerns before. And they have developed, based on their experience, standard sets of conditions that they want to have an opportunity to present, in all likelihood -- I am speaking for them -- to your staff and go through how these issues have been dealt with previously.

And then from that point, if there is unique circumstances -- which there are in this case with Inyo County. There are certain circumstances -- and they have been described here today -- where you have got most of your county services are geographically

very distant from this particular area. All of that will be weighed in to their analysis.

So what will happen is, now that they have received some of the detail of your concerns, they are preparing, as previously described, a preliminary staff assessment, the PSA. The PSA is due to be issued on April 13th. And that will be routed for wide distribution and review and comments.

At that point, I think you will see a first glimpse of the direction the Energy Commission is heading for, addressing some of these concerns and many, many others that are -- that were not specific to Inyo County, but environmental concerns, biology concerns. It's another big thick document, unfortunately, that will come out for everybody's collective review.

You will have an opportunity -- Inyo County will have an opportunity to provide comments and input on that plan. And then, ultimately, that drives into the FSA, which is the final staff assessment. The final staff assessment is what we are proposing -- I will go back up a slide -- in this schedule to be the basis of the CEQA analysis to help guide your decision ultimately through the planning commission and through -- through the Board of Supervisors.

1 So you will -- your staff will have had the
2 opportunity to review the preliminary staff
3 assessment, weigh in with comments on that, the final
4 staff assessment.
5 There will be ample time to review and absorb that
6 document. And you will have opportunities to provide
7 feedback and facilitate feedback or continued concerns
8 that you may believe are not addressed in that final
9 staff assessment.
10 So I think -- this isn't going to be a process
11 where you won't have an opportunity to participate in
12 that. And having said that as the applicant, we are
13 also going to be working with -- directly with your
14 individual departments through Kevin's leadership to
15 provide the necessary data.
16 What you heard today -- and I will go through a
17 couple of these -- is that your departments are
18 lacking some information. So they have taken a
19 conservative approach to their analysis. And we
20 completely agree with that.
21 There is a tremendous amount of work done in
22 putting that information together. And I will hit
23 some of those real briefly, one at a time. Some of
24 the smaller ones, I won't hit, because we agree that
25 there are certain impacts that our project will have

that will need to be mitigated. And we will address specific issues of those at a later time.

I want to hit water first. You heard Dr. Harrington describe some of the water impacts of the project. He described where the AFC included a very conservative model that didn't have real live pump data associated with it. So it -- the concentric circle exhibit, you saw the target map that showed the one-foot contour going out miles, a distance from the site was what was in the AFC.

As part of the Energy Commission process, they said, you know, that's not good enough. We need to see a pump test. We need to see data collection on the ground.

And Inyo County was a part of that. Dr. Harrington and others weighed in on a protocol for a pump test program. So we put together a pump test program. We went out there. We drilled monitoring wells, did a very elaborate pump test program to help further refine that model.

The results of that are in. The pumps hit steady state in those four-and-a-half days of testing. And the results are actually -- we consider very good. They are great results that help further define the model parameters and results.

And Dr. Harrington did describe -- what that model shows, that the one-foot contour actually will not be beyond the project boundary. It all stays fully contained. It's actually 200 feet.

He made mention of the word "200 feet." I kind of winced a little bit, thinking that may have been 200 feet of drawdown. It's actually -- the one-foot contour won't go more than 200 feet beyond the well -- the wells that are drilled to support the project, which means that in no case will that one-foot contour exceed the property boundary over the pumping cycle of the process.

Now, I want to make sure that it's clear that that study only -- the preliminary results were just completed a couple weeks ago. So very preliminary results were provided to the Energy Commission and to Inyo County staff. But the full report has not come in. And it will be in the next couple of weeks. So your staff will have ample opportunity to review. So I don't want to say that's an approved document. You will have an ample opportunity to review that and question the results.

But I wanted to point out that for -- for water, we think that what was in the AFC was overly conservative. And the data we have now that would

be -- I think we get consensus from the hydrologists -- is a former accurate model. Whether the actual results are somewhere in between is referred to by Dr. Harrington. Perhaps there is truth to that. And that discussion will come out with the Energy Commission process working with Inyo County.

But there is some nuance there. But having said all of that, some of the mitigation proposals discuss -- we haven't had an opportunity to see the BLM letter yet. Honestly, I didn't know the BLM letter came out until I heard reference of it here today. So we can't weigh in on our response to that. But the dialogue that we have heard is that we do plan to mitigate water.

Localized monitoring, the Energy Commission has standard sets of conditions that they will be showing and providing that includes a pump program through the life of the project to monitor the groundwater levels associated with the project.

So this all sounds consistent. If there is an adverse impact on the adjacent property owners in Charleston View associated with the project, we are going to be mitigated to -- required to do monitoring of those wells. If something happens where there is an adverse impact on an adjacent neighbor's well, it's

1 going to be our responsibility to repair and fix that
2 or compensate the property owner.
3 So those are the types of things that will come
4 out of the mitigation program. And I am speaking a
5 little bit in advance. Because until the PSA and FSA
6 get developed, what actual mitigation is requested of
7 us with collective input, we will get through.
8 So Joe's response seems a little bit elusive.
9 It's not the intent. It's, the mitigation will all be
10 discussed in great detail. At the end of that, if
11 Inyo County feels that there is something that's not
12 being mitigated through the Energy Commission process,
13 then there is -- we are, as an applicant, there is
14 open dialogue.
15 And we are here to be good citizens. We want to
16 be neighbors. We want to be a party to the process.
17 So we are willing to talk about things if there is
18 gaps. But at this time, we are confident there won't
19 be gaps. But we are here to talk about that. I think
20 this process provides an opportunity to have that
21 dialogue.
22 So I think that covers the wells. I will -- or
23 the water program. I will say that because that zone
24 of influence likely doesn't exceed the property
25 boundaries, some of the concerns with the plant life

at the fault line, the Pahrump Valley fault line, is likely not to have an adverse impact because of that. But that will all come out in the discussion.

I want to get a little bit to the -- I won't go over the Health and Human Services, other than describe likely, this process -- this project will use -- will use an EPC contractor, an engineer-procured construct contractor, that would likely use a PLA, which is a labor agreement with the union. So it will likely be union wage jobs. So I think that a lot of what the unions bring to the table is a buffer of some of the concerns that were raised with -- they are family wage positions, family wage jobs.

So I think some of those impacts are going to be mitigated with the way we are likely going to move forward with the labor on the project.

SUPERVISOR FORTNEY: So you are saying union wage jobs are all good people, and no issues?

MR. JENSEN: No.

SUPERVISOR ARCULARIUS: Exempt from the --

MR. JENSEN: Slippery slope there.

SUPERVISOR FORTNEY: Yes, it is.

MR. JENSEN: I won't go down that. But that's not what I am saying.

SUPERVISOR FORTNEY: Thank you. Because you were insinuating that there is going to be no impact to our county by your statement that you just made.

MR. JENSEN: Let me clarify a little bit.

SUPERVISOR FORTNEY: Thank you.

MR. JENSEN: I think that by "family wage jobs" means that the positions that would be hired would have a higher wage than would a project not under union labor. And I think that's well documented. And in studies -- studies have shown that if your incomes are higher, people are less inclined to squat, to live on properties without permits, and that they would have the income to support commuting in and out of the project.

And I think the reference was made by Sheriff Lutze that the crime in Pahrump as a result of the unemployment rate -- that's what I was referring to. Did I dig myself out? No. I won't try any more.

SUPERVISOR CASH: You were trying to speak specifically to Health and Human Services. So I will wait until you talk about law enforcement. But --

MR. JENSEN: Exactly. I will move through quickly. The assessor's office, we will be working with the assessor's office to identify additional

costs.

SUPERVISOR CERVANTES: Are you saying it's essentially prevailing wage jobs?

MR. JENSEN: It's our anticipation that -- well, let me clarify a little bit. We have selected an EPC contractor. And it is the same EPC contractor that we are using at Ivanpah, Bechtel. Bechtel is a union contractor. We fully anticipate having a project labor agreement for this project. So, yes, the plan is to have a union.

SUPERVISOR CERVANTES: (Inaudible.)

MR. JENSEN: I think --

SUPERVISOR ARCULARIUS: We only got six workers, anyway.

SUPERVISOR CASH: And ten of them (inaudible).

MR. JENSEN: And I fret to get into this discussion. But the unions do provide training opportunities. And the goal will be to -- to get local labor involved in the unions. I won't go there.

SUPERVISOR CERVANTES: (Inaudible.)

SUPERVISOR FORTNEY: That's my experience, as well. So continue on, sir.

MR. JENSEN: And there will be -- well, anyway, I will move on.

SUPERVISOR CASH: Because the PLA that you have at Ivanpah is very different. Because Ivanpah is a different project. You can bring those workers in from the very same county that they are working, that they are living in now, albeit to a remote section. They stay all week across the state line. So that money is going to Nevada. And they work, and then they get on a bus, and they go back to their homes in urban San Bernardino.

We don't have that opportunity here. Not only do we not have a hotel in Charleston View, but really the commute -- if we had a PLA that insisted that a penny percentage came from California, let alone Charleston View or Inyo County, the project wouldn't work.

MR. JENSEN: I hear what you are saying. And this is not going to be an easy PLA process. And our EPC contractor, we have the utmost faith in their ability to put something together that addresses the location of labor compared to the state line and the impact --

SUPERVISOR CASH: But Ivanpah PLA is 85 percent California?

MR. DESMOND: I will speak to that.

I don't have the exact figures. But there is a requirement in the project labor agreement that they

1 draw from the local union halls. And so they pull
2 from south of Ivanpah, that area, all the way down to
3 San Bernardino. That's the first point where they
4 have to. And then they look for other locations.
5 As a company, we can't -- we are a technology
6 provider. So although we are doing this development
7 activity, we start the process, ultimately, it is a
8 project entity that the EPC contractor has to hire and
9 then maintain and enforce those requirements.
10 It is -- obviously, we look for other local hiring
11 opportunities as well as from a supply side. It is a
12 distance, though. And, you know, coming down, the EPC
13 contractor is going to have to work and make some
14 decisions about how they staff the project. But they
15 bear that responsibility.
16 So I am not discounting anything you say with
17 respect to the -- some of the challenges that any of
18 these projects would face of a remote location nature,
19 including having to think about some of those housing
20 and transportation issues during the construction
21 process. But that's about as much information as we
22 could probably provide today.
23 And I am sure as there are more questions, that we
24 could be more responsive to the CEC and to other
25 things you might submit.

SUPERVISOR CERVANTES: Are the workers that work on Ivanpah, are they part of the International Brotherhood of Electrical Workers?

MR. DESMOND: I don't have all of the unions. I do know there are some, yes, some IBEW. But you have pipe fitters. You have sheet metal workers. There is a whole different -- there is a number of different trades that are involved there.

SUPERVISOR ARCULARIUS: Lots of brotherhoods.

MR. DESMOND: Did I say IBEW? Yes, International Brotherhood of Electrical Workers.

SUPERVISOR CERVANTES: (Inaudible.) And I have talked to people down there. And there are a few people, younger people, that are really looking with anticipation of this project of being hired. So I would really like to see some sort of agreement between the County and BrightSource and the local union that they would take in so many people from Inyo County as a condition of doing the job.

Because my job is to try to get jobs for people. And that's what I...

MR. DESMOND: I think it's a -- I think it's a good request. The example I would give you at Ivanpah that Bechtel has implemented is a program called Helmets to Hard Hats. And the Helmets to Hard

Hats program actually takes returning Iraqi and Afghanistan veterans and puts them through an apprenticeship program. So they come in, and they are trained.

And over the course of time -- that's part of the apprenticeship program is working on these projects. So that's an opportunity as well to bring people in.

MR. JENSEN: So I just stated that the assessor's office concerns, we will continue to work on that. We understand those concerns. And we will be working with the Energy Commission and your staff to identify a solution for those.

The Sheriff's office concerns, I think that the presentation was great earlier that described the facts behind the concerns. And I think that we have a better understanding, having heard it discussed today. We saw the letter a couple weeks ago from staff. And we will be working with the Energy Commission on that one, as well.

A few things to point out, there was reference that we hadn't provided a security plan. That is true. That security plan is under development now. I described that we have selected an EPC contractor. The EPC contractor is ultimately responsible for the security of the site during construction.

And then the ownership team, which we are a part of, helps dictate the path for operations security. I can share with you, the plant at Ivanpah is very elaborate. I believe that Sheriff Lutze and part of the team has either been out or is planning to go out and meet with the San Bernardino County Sheriff's office as well to understand what sorts of tax or load on the local resources that project has had.

We can provide a detailed report that the response required from San Bernardino Sheriff's office has been minimal. There is very few incidents. Joe described a zero tolerance policy. It is a very -- it's a very elaborate project. It's got a lot of capital expense associated with it. You can imagine the insurance that was required to be pulled by the EPC contractor and the owner.

I can assure you that the security procedures and protocols and the response of the Sheriff's office is going to be key to our success, as well. And so, you know, with that, we need to take a look at the security plan, work with the Sheriff's office, identify what -- how the Energy Commission has handled scenarios like this in the past, and then find a mutually acceptable solution.

So we understand that this is an issue that

1 continues to be outstanding that we are planning to
2 address.
3 SUPERVISOR FORTNEY: Clay, you keep referring
4 back to what the Energy Commission requires. Both of
5 you have done that constantly throughout this thing.
6 What does your company require? I mean, do you -- are
7 you only going to do what the Energy Commission
8 requires of you?
9 MR. JENSEN: No, absolutely not.
10 SUPERVISOR FORTNEY: I mean, you just keep
11 referring to what the Energy Commission is going to
12 require you.
13 MR. JENSEN: Yeah.
14 SUPERVISOR FORTNEY: I want to hear what you
15 guys, as your company representatives, are going to do
16 to -- for this county if this project goes through?
17 The energy -- you can't -- we can't depend on you to
18 uphold what the Energy Commission is going to
19 recommend. We can't support or -- well, I shouldn't
20 say support. We have no idea what the Energy
21 Commission is going to recommend or if they even care
22 what happens to the taxpayers in Inyo County.
23 They are looking at getting that percentage of
24 renewable energy done in California. I want to hear
25 what your company is going to do.

MR. JENSEN: Sure. And --

SUPERVISOR FORTNEY: Supervisor Cash tried to ask you. And she got bounced. I am going to put it more clear to you.

SUPERVISOR CASH: Temporarily.

MR. JENSEN: I just described that we are going to be providing a security plan that meets the insurance company requirements as well as our own requirements to protect our capital investments. That includes our employees, the employees that -- the engineer-procured construct contractor.

And so as a company, we are going to have a very high standard as well that we are going to be sharing. That's part of the process. The Energy Commission -- we, the applicant, provides -- we provide data for the decision-making bodies to review that is our plan to protect our assets and our site and to make sure that we don't have an unfair burden on the infrastructure around us.

The Energy Commission staff prepares a similar analysis that ultimately gets discussed during the evidentiary hearings. So I think -- I hear your concerns. And it's -- and I sense the frustration. And I am convinced that through education and after you see the PSA and the FSA, if there continues to be

a gap, BrightSource will be here with you and your team, your staff, addressing those gaps.

And that's -- that's the time that that comes in. So we keep referring back to the Energy Commission. That creates -- you know, they will do an analysis. If that becomes a catch-all for all of the County's concerns, and your concerns are addressed in that process, then I don't think we have an issue. If it doesn't, then we have to discuss that.

SUPERVISOR FORTNEY: We don't have -- we not only need to discuss it, we --

(The cassette tape concluded at this point, and the next casette tape starts with:)

SUPERVISOR CASH: -- dollar project. Anybody else sitting in this room who owns property in the county of Inyo or the state of California, be it a house or business, is assessed at 1 percent.

We have 18,000 people in our county that we have to look at and say, please pay your property tax. Because if you don't, we can't support this for-profit business over here that is telling BOE that on a $2.7 billion project, they can't afford $27 million in taxes to support it.

That's a hard pill to swallow on top of a loss of our land use authority. And as much as I love this

great golden state, I don't trust political appointees at the state to protect our local taxpayer interests, not for a second.

So that's the frustration you are hearing. So as we are going through the costs, the hard costs that we have identified, that any other large-scale project would have to mitigate on top of the 1 percent, if we are getting a fight with the identified costs, and we already know we are not getting the 1 percent, you know, we are going to be asking some critical questions.

MR. JENSEN: I completely agree. And nor would we expect any different. That's not fair either way for that dialogue not to occur.

SUPERVISOR CASH: Well, it's not fair for me to look at the local mechanic and say, pay your property taxes. That's really hard.

MR. DESMOND: Supervisor --

SUPERVISOR CASH: Yes.

MR. DESMOND: -- I want to come back to your question and answer it directly, which is: What is our commitment as an organization? Obviously, first and foremost, is to a safe and healthy work environment and to be a good citizen in the community in which we develop and many of our employees will

1 live over time.

2 What I wanted to go back to here, though, is: We

3 try to identify a process by which you could reach

4 that agreement. Our commitment is to reach agreement

5 that these costs and these impacts are being

6 adequately mitigated. The referral back to the CEC is

7 not a referral to say, only if they tell us.

8 It's, I think, shorthand for, there is a process

9 by which we are trying to balance requests. In other

10 words, if somebody came in -- and we will use a

11 hypothetical -- and they said, I would like to open

12 four fire stations and position them all around the

13 property, because I don't know what might happen, and

14 we think four is too many, one might be reasonable,

15 what we are trying to say is, that's the process by

16 which we are looking to do that.

17 But in laying out and subjecting ourselves to the

18 General Plan amendment process -- if I were to take a

19 pointer here -- your decision is only after that CEC

20 has gone through and made those recommendations, which

21 is to say that those recommendations should reflect a

22 discussion and an agreement on what both of us agree

23 is reasonable and addresses the costs.

24 We are not looking to avoid impacts, but instead

25 to ensure that there is a reasonable process by which

1 we can reach mutual agreement to cover those costs. I
2 can't speak to the property tax exemption that exists
3 today. Because obviously that is something that's on
4 the books. But, in part, it's designed to attract
5 investment in renewable energy within the state of
6 California.
7 There are many other states, such as Arizona and
8 Nevada, that would like to build those projects there,
9 and then sell the power into California. There is a
10 number of things California has done to encourage
11 renewable development. That property tax exemption is
12 one part of that.
13 Another part is what counts towards the renewable
14 energy credits as a way of incentivizing the
15 developers to locate in California, which generally
16 has much higher mitigation costs, as a developer looks
17 at this.
18 So my commitment to you as an organization is to
19 work with you, the board, staff, to arrive at a
20 reasonable set of conditions that we think cover the
21 impacts that collectively we go and identify. It's
22 not to find a way not to address those. And I don't
23 know if I can say that any different way, other than
24 the CEC is a referral to a process. And the process
25 is a means to an end that satisfies both.

SUPERVISOR ARCULARIUS: Along those lines, I think that, you know, you have certainly clearly verbalized what it is that you need to do to fulfill your responsibility. What you heard in the presentation before is what Inyo County is obligated to do during this discovery phase and get what it is that we feel that we know that we have documented and that we have had talented staff and consultants look at. They are not numbers grabbed out of the sky. They are documented, and they are real.

And you started your comments by saying that this project is a jobs project. I kind of thought it was a solar energy project. But I understand that. And when you look at the benefits for the jobs, that's not the benefit that Inyo County will get. We are not going to get the job benefit. When you look at the benefit for renewable energy, our Inyo County residents are not going to get the benefit from that renewable energy. It's going to go to the State of California or other residents in other states.

And so when the state takes on the mantra of exempting taxes on behalf of the citizens of California, it was not in the venue of looking out for the citizens of Inyo County or any other county where these projects are sited. That's our job. That's why

we are taking it seriously and why we began this process a couple of years ago.

We were one of the first counties within the state of California, when it looked like many of these projects were going to be sited, to try and develop a process that would go through and look at where they would be most appropriate to be sited. We got shot down on that.

We were proactive, and rightly and appreciatively. So we have Title 21 in our local ordinances. That was because we knew what our responsibility level was to protect the citizens of Inyo County. So when you hear the kind of information -- I understand that this is a business model for you. It's a business model that already has a lot of tax-dollar dollars in it because of the kind of exemptions and the kind of subsidies that are involved with it.

And I am also hearing that even with all of those benefits that have been accrued to it by either the federal government or the state government, not by local government, those -- the kind of the bullet that we get at the end and the leftovers that we get at the end, then we are also put in the position of bearing -- and this is a new position, I have to admit, for me as a locally elected representative --

1 to have the burden of proof on us to show that this
2 will not impact our citizens negatively.
3 That's a burden that usually project proponents
4 have to make to us for approval. And so this is kind
5 of a reverse -- I am trying get my arms and my hands
6 around. And it's why, I think, you are seeing a
7 diligence and an apprehension and a caution. Because
8 this is a venue and a process that has been identified
9 that gives the state Energy Commission the ability to
10 override our local land use.
11 It's the only place where a locally elected
12 official gets to represent their constituents on
13 land-based issues. And now we are hearing and seeing
14 and knowing in this process that everybody outlined
15 from that table so well that that's something that can
16 be overridden if we have not done our job with the
17 burden of proof on this Board of Supervisors and its
18 talented staff and consultants.
19 If we don't make this case, we will forever feel
20 the impact. If we don't make the case in this
21 discovery phase to identify those costs and impacts
22 today that either will be mitigated by this project or
23 will be eliminated through this discussion, we will
24 forever be out of that game.
25 The bills will keep coming in. And our ability to

1 deliver services over the life of this project and
2 beyond will be affected on a daily and a yearly basis.
3 We will have no other bite at the date. It will be
4 gone. This is our only chance.
5 And then when I look at this schedule, and I look
6 at an arbitrary amount of time that somebody else has
7 decided that our county staff and our county personnel
8 and the kind of talented people that you saw in those
9 presentations will have this kind of time line to
10 respond to, with some kind of assumption that
11 everything is going to go smoothly, and that when
12 all -- when the public has the ability to come
13 forward, as they do in a General Plan and zoning
14 amendments, that there won't be issues brought up
15 there that we haven't even thought about, and that yet
16 the plan for this will already have been presented and
17 the mitigation proposed -- when usually the process is
18 that you go through a General Plan amendment and a
19 zoning amendment and have those issues identified
20 through the public process.
21 So this is a whole new venue for me. And I don't
22 know that I can make a commitment that county staff
23 has the ability to meet these kind of time lines that
24 you are talking about.
25 We have been requesting, since this project was

first scoped in October, for a General Plan amendment to be filed. And now we are being told that it will be, but only after CEC has provided the information upon which it will be based.

And I have a hard time getting my arms around that. Because in every other General Plan amendment that we do, those issues are identified by the public that we serve locally.

MR. DESMOND: May I respond to those concerns?

SUPERVISOR ARCULARIUS: Sure, I hope. I am not necessarily looking for huge answers.

MR. DESMOND: No, no, but I want to --

SUPERVISOR ARCULARIUS: I hear county counsel here. I don't know if he is going to contradict me or tell me go fly a kite or whatever. But I am just needing you to know that this burden of proof here is something that's different. And we will take every diligent measure we can.

Because what I heard from Dana and others, that we have a discovery phase here. If we don't identify them, discovery is going to be long gone.

MR. DESMOND: So --

MR. KELLER: May I interrupt?

MR. DESMOND: Yes.

MR. KELLER: I just wanted to say, looking at the schedule -- I mean, obviously the staff has not seen this. And (inaudible) to prior to the evidentiary hearing. So I think at the very least, we would be looking at switching the County process (inaudible) otherwise, I don't think (inaudible) just so we are up front about that. And we haven't discussed that --

MR. DESMOND: No. We haven't. You are correct.

MALE VOICE: You probably need to switch that into -- probably after the proposed member -- presiding member's proposed decision (inaudible).

MR. DESMOND: So there is a couple things. One is, I would have our counsel address the timing and the compliance requirement. But I want to go back and -- you know, I am sensitive. And, in fact, the thinking behind a schedule that would allow for the County to go through and identify, looking at the biological impacts, relying on the CEC process. But there is nothing that prevents staff and us from working, starting today, to go through these issues to make sure that by the time they are prepared, to come forth with a set of recommendations, we are reaching general agreement.

1 That it's not to wait and then start the process
2 and force a closed window. So that if it gives that,
3 I apologize for creating that impression. But that's
4 not the intention. The intention was really to come
5 in here and say, we have thought about your request.
6 We are submitting this, not seeking and not requesting
7 an override, but with the expectation that that means
8 we have to find a way of working with you, and the
9 goal being identifying a path that would say, if you
10 can get a decision subject to the final decision, you
11 are relying on the body of evidence, and you are also
12 relying on the assurances that will come out of this
13 review of the detailed information.
14 What we haven't had is an opportunity to go
15 through all that detail. And I think as Clay was
16 saying earlier, the purpose was, there is some
17 information that we heard. We know we are taking
18 steps to reduce those costs. That's not to say we
19 want to avoid them. But we want to reduce them and
20 ensure that we are all talking about the same -- I
21 wouldn't say apples to apples, is not the right
22 terminology.
23 But to get to the point where we are saying,
24 that's identified, we will mitigate that. And then
25 when the staff is coming forward, that's included, so

it's reflected in that General Plan amendment. So it's not to find a way of compressing time. It's not to tie the hands of staff. It's not to limit, but rather to start that process now.

I would also say two other things --

SUPERVISOR ARCULARIUS: Just one more question. In terms of mitigation, is the goal to mitigate this to having a zero effect on the County, or is the goal to mitigate it that the County can actually benefit from it? Because those are two different questions.

MR. DESMOND: I think that's a great question.

SUPERVISOR ARCULARIUS: If the goal is to just have us be fine and dandy and where we started, even though this project and other proposed projects have the potential of using 10 percent of our private land base, I am not interested in just being fine. I am interested in benefitting and offering a thriving economy and a thriving economic situation for the citizens we represent.

Because just being zeroed out as --

MR. DESMOND: Neutral.

SUPERVISOR ARCULARIUS: -- not being affected is something that is not going to be acceptable.

1 MR. DESMOND: I think that the answer to that
2 in large part lies in going through the detail, the
3 socioeconomic analysis, and the assumptions that are
4 contained within. So I think that's -- that's where I
5 would have to respond today.
6 But I do want to say two things, two additional
7 points, Supervisor. And that is that I think that
8 caution, as you have expressed here, and as all the
9 supervisors have, is prudent. Likewise, I think the
10 diligence is welcome. I mean, we are coming here
11 asking for an opportunity to sit and work with the
12 County to identify and find a plan that's acceptable
13 to both. And that's really what the intent of this
14 is. It is the intent of how we presented the time
15 line.
16 It was not to find a way of saying, well, the CEC
17 doesn't require us, so we don't have to. That's not
18 the goal.
19 SUPERVISOR CASH: Can I make a suggestion?
20 MR. DESMOND: Absolutely.
21 SUPERVISOR CASH: That we already have a way.
22 And it's in Title 21. And there is three different
23 pathways which you can choose. And at this point,
24 obviously, they are voluntary to you. The CEC can
25 choose to make you follow one of those or say those

three paths are not where we want to see. Because there is a greater benefit to the state of California.

But certainly you as a company can voluntarily choose to say, we are going to follow Title 21. It's -- we have staff that worked very hard on it. It's a model that's being looked at by other counties. And we are rather proud of it. And we invite you to take -- take one of those paths. And this might be smoother for us.

MR. DESMOND: Okay.

SUPERVISOR CASH: And as to your -- as to your comments of having a counsel advise us on the CEQA timing issue, we will probably follow our own counsel's advice on whether or not we are in compliance with the CEQA time line.

MR. DESMOND: No. By that, I meant not that we are looking to provide a legal opinion. That's different. But rather to truly understand what those issues are.

SUPERVISOR PUCCI: Let me make one comment. You guys are pros. You are very good at what you do. My grandkids are going to scream for that video on the flyover --

SUPERVISOR ARCULARIUS: It made me a little sick.

1 SUPERVISOR PUCCI: But one of the things that
2 I think -- and I haven't really talked to Kevin or any
3 of the (inaudible). I don't really see a really clear
4 communication between the company and staff.
5 In other words, some of these things that we are
6 talking about now, you know, they are guessing.
7 Because they don't have an idea about security or what
8 might or what you normally do. I know you can't
9 commit to everything. But certainly a discussion
10 between staff people who make the job appear a lot
11 easier, at least for me -- because I will know that
12 they understand what you are saying. And they will
13 either say this is crazy, it can't work, or this is a
14 really good idea, and it will help.
15 So these numbers that are thrown out now won't be
16 so scary either on your side or the side (inaudible).
17 But I think that's -- that's extremely important. And
18 I don't see a real good connection between the company
19 and the staff in developing this. Because this is
20 pretty short here. I mean, this is a real short time
21 period here. So --
22 MR. DESMOND: But it makes that assumption
23 that that dialogue is occurring in advance. There is
24 no question, that was built into this assumption.
25 It's not to compress the schedule to allow that.

Perhaps Clay could address the communication issue. But I think it's a -- it's a fair observation. And I think I could also say it's our commitment to work much more closely with staff going forward, as all the information is now getting to the point where the details are here. And they have to be -- we have to take the time to work with staff to go through those.

But I will reaffirm my commitment as an organization, we want to make sure that the County is satisfied, that it's not just being kept whole or neutral, but that there is a benefit that you recognize, that benefit, again going back to what -- those socioeconomic impacts, but also some of the others that would be included there.

SUPERVISOR CASH: Will you commit in not seeking an override from the CEC?

MR. DESMOND: This schedule does not contemplate a requirement --

SUPERVISOR CASH: Will you commit, right now, in public, to not override the CEC?

MR. DESMOND: Supervisor, I think that's a reasonable request. This proposal does not seek an override. If we -- and let me explain the process as to how --

1 SUPERVISOR CASH: Not to commit. I am just
2 asking you --
3 MR. DESMOND: Well, but we didn't think it
4 would be necessary that we would need to even request
5 the override. And here is the reason.
6 If you look at the decision that you would have on
7 the General Plan amendment subject to the final --
8 okay, so in other words, it doesn't become approved
9 unless you have satisfied yourself -- in that
10 situation, if you are satisfied to issue the plan
11 amendment and the zone, the zoning change, and we go
12 through, and you are relying on the CEC for the
13 mitigation of many of the CEQA analysis, then there is
14 no need to ever file for an override. Because we have
15 arrived at an agreement.
16 That was the thinking behind recommending a
17 conditional approval subject to the final, meaning we
18 have worked through those details, and there is no
19 need to go and actually ever seek an override. That
20 was the -- that was the thinking. We are trying to
21 find a path that preserves the County's interest at
22 the table through the process and doesn't duplicate
23 anything. And that's -- that's really how we try to
24 approach this issue.
25 Putting ourselves in your shoes, why would you

1 approve something and still not, you know, find
2 yourselves an opportunity -- the idea being we have
3 worked with you, that approval that would come on the
4 General Plan amendment that we voluntarily submit
5 ourselves for that review. We expect that that's the
6 time in which we work these issues through.
7 SUPERVISOR CASH: That's a really long way of
8 saying no.
9 MR. DESMOND: I --
10 SUPERVISOR CASH: It's fine. I just want
11 some clarity. You have a legal -- you have a legal
12 avenue open to you. But I think you have a moral
13 obligation to the people who live in this county. And
14 you also have the third leg of, you have shareholders.
15 I get it. If you can't commit to that, then it was a
16 long way of saying no. And I get it.
17 And I know -- hopefully we can, as we go through
18 this process, we can get to that agreement --
19 MR. DESMOND: Supervisor, I understand, and I
20 appreciate you recognizing the position I am in here.
21 I really want to convey, though, as we thought
22 about this strategy, it was to allow for that back and
23 forth to reach agreement prior to the final decision.
24 And if that's the case, and you are able to approve
25 that, subject to the final -- which means it all has

1 to be essentially lined up -- then there is no need
2 and no requirement to seek an override, because we
3 will have reached agreement.
4 SUPERVISOR CASH: That's not a yes.
5 MR. DESMOND: And that's not a no. I am
6 trying to give you the best I possibly can.
7 SUPERVISOR CASH: That's fine. You are being
8 honest. And I would prefer that to having you say no,
9 of course we won't, and then finding out later that
10 you will. That's fine.
11 MR. DESMOND: Other questions?
12 SUPERVISOR FORTNEY: Any other questions?
13 MR. CARUNCHIO: (Inaudible) but I don't think
14 there is anything (loud electronic vibration) at least
15 turn in the application (loud electronic vibration).
16 (Background discussion.)
17 MR. DESMOND: I think you are correct. If
18 you look at that schedule, we are talking about a
19 process. Here we are in March submitting a General
20 Plan amendment and then working through these details
21 such that it's not the timing here.
22 At the very end, it's from March all the way to
23 September that we have to arrive at.
24 That was the approach that we took to allow
25 sufficient time to work through these details.

SUPERVISOR FORTNEY: Well, these discussions need to take place, and not just on e-mails and what. They actually need to take place.

MR. DESMOND: Right.

SUPERVISOR FORTNEY: And I think everybody needs to look forward in a positive manner of finding an --

MR. DESMOND: Yeah.

SUPERVISOR FORTNEY: -- agreeable solution, and not just losing tempers and trying to control everything the way everybody wants to. There has to be some give and take if we are going to come to an agreement, an agreeable solution. And I haven't been hearing about this type of discussions going on in the recent past.

So going forward, I want your assurance that your company will do your best to participate in a give and take.

MR. DESMOND: Supervisor, you have my absolute commitment to that.

SUPERVISOR FORTNEY: Thank you.

MR. DESMOND: And my personal commitment, as well, and certainly the organization. So we will follow up with the county administrator and make sure we set a regular schedule of these discussions, so

that it only doesn't take place before the CEC --

SUPERVISOR FORTNEY: You also need to understand, this isn't our staff's only --

MR. DESMOND: I am sensitive to that.

SUPERVISOR FORTNEY: -- problem right now. We have a number of other things going on that the staff also needs to take care of. Your company is only taking care of what your company does.

Our staff takes care of the taxpayers' problems, which are quite vast. So your time line is short. Our time line might have some bumps in the road. So I hope that you are understandable to that.

MR. DESMOND: I understand that, yes.

SUPERVISOR CASH: So, you know, on a happier note, or a more educational note, you spoke about doing the assembly of the panels on site. And is that going to mean the same configuration --

MR. DESMOND: I am not a hundred percent sure. Because we are always looking at opportunities for improvement in our technology process and fabrication.

If you were to go on site -- although I don't have the video with me -- we have an automated heliostat assembly building which is designed essentially as a mobile facility, recognizing that there are several

1 projects that we are hoping to permit and then
2 construct here in California. And the ability to use
3 automation equipment at one, and relocate that same
4 automation equipment, helps to reduce costs.
5 And part of our objective obviously is, you know,
6 how can we continue to drive down the cost of
7 renewable energy approaching grid parity? That's just
8 a business driver.
9 So if it changes, we are required through the CEC
10 process to identify what that approach is going to be.
11 So that's -- I'm not sure I understand what you were
12 interested in. Is it where the panels are coming from
13 or --
14 SUPERVISOR CASH: No. If the idea is to do
15 the on-site panel construction, like what is done at
16 Ivanpah, that's a pretty big footprint. And that's
17 not -- not levelling the grade. I appreciated at
18 Ivanpah that the heliostat panels are placed without
19 having to do any grading. You only have to do mowing.
20 It's a fascinating process to watch the poles being
21 put in.
22 But the actual panel assembly done in those Butler
23 buildings, that's a lot of square footage of disturbed
24 land.
25 MR. DESMOND: It is. We would like -- and we

are required to return that land. But as we think about that, we are also trying to find ways of minimizing that footprint. I mean, as I said, as we think about pre-assembly, you know, what can we do so that it reduces the amount of space that we require on site? We have that -- we share that common goal, I guess, is what I am saying.

SUPERVISOR PUCCI: Let me -- let me make one more comment on -- you know, these are nitty-gritty things that generally wouldn't come up, I suppose, except that, you know, everybody is looking at this big picture. But I think the -- the basic question that I have is, you know: What's this going to do for Inyo County? And one of the things we have got into a little bit of nitty-gritty was -- and you don't have Bechtel here. But Bechtel is one of the best. They are one of the biggest. So they have ideas about the Helmets to Hard Hats concept.

Well, we have a problem in our area with, you know, getting jobs for our young people. So one of the ideas might be that Bechtel may have some good ideas about how they can do that. Obviously, we can't create a work force for you at that location. That's probably not going to happen.

On the other hand, jobs that might be created

1 through the -- you know, how Bechtel works, might be
2 very important. Even though they may not, you know,
3 create 10,000 new jobs, but the idea that that
4 company, your company, because you are using Bechtel,
5 is thinking about those kinds of things, is extremely
6 important to people like me.
7 That makes a lot of -- it makes a difference to
8 me. So, you know -- as opposed to moving a whole, you
9 know, population base to where you can get workers.
10 Programs that will entice our young people, our work
11 force people, into it might be very interesting to
12 see. And I know Bechtel has probably a hundred
13 ideas --
14 MR. DESMOND: I think your recommendation is
15 an excellent one. I'm sure that we could think
16 through and come up with, Bechtel and your input, a
17 number of ideas on training, you know, assistance. I
18 mean, there is many ideas that we have on the table.
19 To this point, though, I don't think we have had
20 this frank discussion. And so I -- as much as people
21 might seem, you know, you walk away from this meeting,
22 my take-away is very positive. Our commitment is to
23 work honestly, constructively, as a partner. We have
24 tried to reflect that in our approach to think about
25 the sequencing of events to give the County an

1 opportunity to protect its interests.

2 And we remain committed. And that was our

3 thinking. But I am sure we can come up with programs

4 that would help address that. And that's a very good

5 suggestion.

6 SUPERVISOR ARCULARIUS: Well, when you

7 mentioned take-aways, I think that's always a valuable

8 way to kind of summarize a long afternoon and a long

9 morning. And one of the good things about having

10 these kind of dialogs, five on one or eight on 20 or

11 whatever the number is, it's person to person. And

12 it's face to face. And I hope as a take-away, as you

13 as a company, and certainly it will be a take-away for

14 me as a decision maker in this, in what you have

15 committed to as a company.

16 But as you have listened to the kind of

17 discussions that we had -- and I don't know if you

18 were here this morning for the discussions about a

19 possible consolidated building. I think you can

20 also -- you can recognize the challenges that a county

21 this small -- large in geographic space but small in

22 population. But on any given Tuesday, the Board of

23 Supervisors is extremely proud of the staff that we

24 have that recognizes their obligations as public

25 servants to serve the public good.

1 And as a take-away for your company, I hope that
2 you heard the commitment level and the level of
3 expertise that -- if people think and look at this on
4 a grander schedule, it's a county, they have only got
5 18,000 people, you know, what kind of force are they
6 going to be in this decision, I think you will
7 recognize that we plan on -- have been and will
8 continue to be a force.
9 Because, you know, local government is where the
10 rubber meets the mat. And it's not just something
11 that we take lightly. This is -- these residents that
12 we represent, we see on any given day. The people
13 that Mr. Pucci is talking about, about our ability to
14 have opportunities for our kids that graduate here to
15 come home and be able to raise their families in this
16 environment that everybody raves about, but how do you
17 sustain in a population of 18,000 people and 2 percent
18 private land, and this having the chance of taking up
19 10 percent of that private land?
20 So, you know, the pride that we feel for the kind
21 of presentations we got today cannot be understated.
22 And you will see and hopefully know that the
23 commitment level that we as a Board of Supervisors and
24 the staff that serves our citizenry so well are
25 willing to inform themselves, to be articulated in a

very reasonable and supported manner. And if it requires that we go out and get outside help for this, we are willing to invest those kinds of dollars.

Because it's a county that we are proud of. And I think that as you listen to these presentations, you could have wanted to take any one of those staff members and maybe have them be a part of your team.

MR. DESMOND: The presentations were excellent.

SUPERVISOR ARCULARIUS: I hope the take-away is that we have got a lot to be proud of, we plan on being engaged, and our bar is not to be made okay, our bar is to benefit and thrive.

MR. DESMOND: Thank you.

SUPERVISOR ARCULARIUS: Thank you.

SUPERVISOR CASH: So when -- in the presentation, Clay, when you said that there were two tortoises found on site, how many burros were found? Because there is a difference.

MR. JENSEN: Yeah.

SUPERVISOR CASH: And it's a $259,000 difference for each one at your Ivanpah facility.

MR. JENSEN: Yeah. I don't have the exact figure for the number of burros. But it's in the AFC. But we can provide those numbers. I will say that --

you are familiar with the Ivanpah site.

I know that the wet year last spring, unusually wet year, was one of the best desert tortoise windows for survey results in many, many years. And some of those same techniques that at the Ivanpah project found more tortoise, same spring, same biologists were on the Hidden Hills site.

We feel pretty confident that the numbers are going to be really low, and that the number of burros are proportional to the number of tortoises that were found. So without giving you an exact answer -- because I don't know what that number is, it is significantly lower quality desert tortoise habitat.

SUPERVISOR FORTNEY: Anybody else have any questions? Comments? Okay.

MR. DESMOND: I would just like to thank you then for this time this afternoon to present information. Thank you.

SUPERVISOR FORTNEY: Okay. We have a few people from the public that want to -- please come up. State your name again for the record, please.

MR. BROWN: Yeah. Brian Brown. This time I am an Inyo County business owner and taxpayer.

One of the things I was hoping our --

SUPERVISOR CASH: One percent, huh?

MR. BROWN: -- county officials would keep an eye on. My understanding is that BrightSource, they are the developer. Bechtel is going to build it. The project is actually owned by a consortium of corporations who have invested and who each own a piece. And somebody else is actually going to operate this thing. BrightSource will not.

So I was just -- please, if this thing goes forward, make certain that what other commitments the developers are willing to make to you, that those get passed along to the eventual corporations who own and operate that thing. I think that -- that needs to really be, because it is a complex and confusing stair step of corporate ownership. And that can get hazy. So that's a concern of mine. Thank you.

MR. DESMOND: Thank you, sir.

SUPERVISOR CASH: Thank you, Brian. That's a good reminder. Because we have certainly seen that lesson in reclamation plans in other areas that the liability doesn't follow the ownership.

MR. SCOW: If I could make a brief statement. My name is Steven R. Scow. I am an attorney from Las Vegas. I am the attorney for the Mary Wiley Trust, which, together with other associated entities, is basically the landowner on behalf of which these folks

are doing all this work to -- we are under an option with them at this point. And at some point, if they are successful in this process, they would exercise the option and be leasing this property.

I thought it would be helpful just to make a couple of points, just to provide a little bit of -- maybe even a bridge comment. We -- the first time I actually met Kevin Carunchio was when he came to my office in Las Vegas several years ago to invite us to consider marketing our land for a solar project.

We were very pleased with that invitation. But we told him it wasn't just his idea, we were already working on it, as well. Because based on our information, it's really the highest and best use of this land at this time and in the foreseeable near future, meaning in the next 10, 15 years.

And so we were appreciative of that support. The solar overlay that you folks adopted before, the considerable efforts that -- because we have had discussions with some of the supervisors. We know you folks are interested in having a good solar project. At least that's what's been said. And I don't have any doubt about --

SUPERVISOR ARCULARIUS: Hasn't changed.

MR. SCOW: Right. I don't have any doubt

1 about the bona fides, the good faith of this board as
2 a group. Let me give you this background. Because I
3 think you will find it interesting.
4 Even though we entered into negotiations with
5 BrightSource, we were also in negotiations with
6 several other companies, one of which --
7 SUPERVISOR CASH: They were cheating on you
8 guys?
9 MR. SCOW: No, no. They knew. They knew. I
10 met with -- the first time I met with Clay -- the
11 first time I met with Clay, I had in my hand two
12 envelopes with -- that had rough drafts of proposed
13 contracts with other people. I wasn't showing him.
14 We weren't shopping him. That would be
15 unprofessional.
16 But we were very serious. We let them know. And
17 on the day that we signed the agreement with them,
18 with BrightSource, that is, we had on our table an
19 agreement in final form with someone else that would
20 have paid us more money. In fact, when we told the
21 other group we were probably going to go with
22 BrightSource and disregard their proposal, which was
23 already for more money, they upped the offer
24 considerably.
25 And we as a group -- I am talking about the

1 trustees and those that are the primary beneficiaries
2 of the trust, seriously considered the fact that we
3 had BrightSource versus another group that would be
4 more of a start-up group that was going to pay us
5 more. And there was really a serious, and really not
6 much of a hard decision to make.
7 We chose to go with BrightSource, because we knew
8 that they have some people in their organization that
9 have been doing these kinds of projects for 20 years,
10 long-term experience. We know -- and we knew and they
11 have shown that they are very serious about protecting
12 the environment.
13 I don't -- they have never told me. And I know
14 they probably won't tell your staff, either. But I
15 know it's millions of dollars they are spending along
16 the way to protect the environment. This is not, oh,
17 let's get some quick permission from the CEC, forget
18 everybody, and do something that doesn't take into
19 account the local economy and the local situation with
20 the environment. We were very pleased to have them
21 and make the deal that we did.
22 They have got a power purchase agreement already
23 in place. That was a significant factor for us.
24 Southern Cal Edison and Pacific Gas and Electric are
25 already waiting to buy their power from this project

1 and several others. They have many other options. I
2 wouldn't try to load them up too much. They could go
3 someplace else.
4 That wouldn't be good for us, and it wouldn't be
5 good for Inyo County. If I understood the number
6 correctly, the -- we pay about a quarter of a million
7 dollars a year in property taxes. That's a real
8 number that we pay almost every year in that range.
9 That's a pretty serious number.
10 As property tax payers, we think it's fair. And
11 we consider that you folks represent our views, even
12 if we don't live in this county.
13 But if I understood correctly, even if the
14 property tax exemption applies, so the property tax
15 isn't paid, there is going to be over a million
16 dollars a year paid that would replace that. And so
17 there is a net cash benefit right off the bat that I
18 think shouldn't be lost in this process. And with
19 other benefits, I think it actually could be higher.
20 And I am sure your staff will evaluate those things.
21 As property tax payers who have been paying
22 property taxes for almost 50 years between the family,
23 the Wiley family, and their grandfather, Roland, and
24 others, and I -- I haven't asked the assessor's -- tax
25 collector's office to figure it up. But I think it's

1 somewhere between five and $7 million that have been
2 paid over the past 50 years.
3 And I have heard a whole lot of comments made
4 about, maybe less than all of the services -- I mean,
5 we are getting services down there, too. But maybe
6 they are not really -- because there is less people
7 and less population -- we understand, we haven't had
8 maybe the same level of, you know, services.
9 We are not asking to have you do anything except
10 do what you folks have always done. And that is
11 represent -- recognize the private ownership interests
12 of the land owners, and when the land owner asks you
13 to allow them to use their land, according to the
14 wishes of the land owner -- which this is our wish --
15 you folks have a reputation for highly respecting
16 that.
17 Not to the detriment to the rest of the County.
18 And these, you know, are good points that -- but we
19 ask and earnestly urge that you urge your staff to, as
20 quickly and as reasonably possible, to help expedite
21 this process as much as, you know, to make it work
22 within the time lines that have been set. Because
23 this, in the long term, will produce a hundred jobs at
24 least, long-term jobs there. How many are there now?
25 SUPERVISOR CASH: Those won't be for Inyo

1 County residents though.

2 MR. SCOW: Why not? They are going to be

3 living -- the people are going to be working there.

4 You think -- we have got several hundred acres of land

5 we are getting ready to sell to the people who are

6 going to, we think, live across the street or around

7 the corner.

8 SUPERVISOR CASH: Well, that's different

9 information than we are getting. A 5 percent figure

10 from --

11 MR. SCOW: We have got two-and-a-half acre

12 lots, one after another, that we are looking forward

13 to selling and hoping to sell. We have sold land to

14 some people who are already -- one guy is getting

15 ready to build a convenience store. We have another

16 group that bought some land. They are getting ready.

17 The Saint Francis, what is it -- Saint Therese

18 Mission, we sold them some land. You know, we --

19 SUPERVISOR CASH: How?

20 MR. SCOW: Right next to them I think is a

21 five-acre parcel that's been bought so that they can

22 have an RV park for people to be able to come and

23 park, and people who might be coming to work or

24 others. I mean --

25 SUPERVISOR ARCULARIUS: You are not going to

1 have any of those people.

2 SUPERVISOR CASH: Well, this is all

3 information that our staff hasn't had to make those

4 determinations of impact. So thank you.

5 MR. SCOW: Yeah. So we appreciate, you know,

6 your concern. And we recognize the significant part

7 you play in this, even if you don't have the final

8 say.

9 SUPERVISOR CASH: We didn't know it was that

10 significant, though.

11 MR. SCOW: But we thank you for your

12 cooperation and attention and willingness to work to

13 make it possible, if it can happen. And we expect

14 that you will and that they will. So thank you very

15 much.

16 SUPERVISOR FORTNEY: Thank you.

17 SUPERVISOR ARCULARIUS: And I'd just like to

18 clarify that we are not loading on. This is a

19 discovery phase. And we are showing every, hopefully

20 every, effect that could be possible. And there will

21 be more added to the list. And that will not be

22 considered hopefully as adding on. And if there are

23 other groups willing to pay more, it only shows me

24 that there is room for negotiation. So --

25 SUPERVISOR FORTNEY: Anybody else from the

public wish to make a comment?

Come on up, Mr. Stroh.

MR. STROH: Jim Stroh, Independence. I will try to be brief. I must admit, this hearing has riled me up a bit. I will be honest about that. Now, the supervisors know that I am sort of a hyper-analytical person. But maybe the rest of you don't, especially folks from the California Energy Commission.

But I have been on their website reading dozens and dozens and dozens of the documents on Hidden Hills site. And I went back and started reading a bunch on Ivanpah's, as well. And I am a real fan of renewable energy. Some day I will tell them, your board, why that's so. Because often it doesn't make sense to me. I am kind of conflicted about it, for Inyo County.

I live here as a retiree. My wife wonders why I am doing all of this stuff, and isn't always too happy about it. And I guess that's why I am riled up this afternoon. I don't know why I am doing it, either.

But one thing I noticed today was that the County staff were looking at liabilities to the County, as they should. I have a little green book here. It's called, How to Read a Balance Sheet. And there is always assets, too. And you might want to actually recommend it to your staff, these very capable people,

1 actually start to look at some of the assets, as well,
2 whether they are real or imagined.
3 And the attorney for the Wiley Trust, I think,
4 brought one of those up. You know, there can be
5 people literally living across the street there paying
6 property taxes on land that is not generating much
7 revenue right now. So that's one thing to do.
8 The CEC staff -- I recognize Mike Monosmith back
9 here in the corner with others -- I think they are
10 doing a good job. It's incredible the amount of
11 detail that they are requesting. And at times, I
12 must admit, it makes me angry.
13 I think they are asking for way too much on things
14 that seem on the surface at least to me as being
15 unreasonable. But they are leaving no stone unturned.
16 So I am quite confident they will do a very good job,
17 including working with the County on that.
18 And of course they are working with the
19 BrightSource all of the time. And they seem to have
20 been quite hard on the applicant. I don't think they
21 have been very easy on BrightSource, is that correct?
22 Okay. As well.
23 So I think they are a pretty fair arbitrator.
24 Now, I recognize the Supervisor Arcularius. I think
25 you state this always so well: Your job is to protect

the citizens of Inyo County. And all of you supervisors do a very good job of that.

And I'm sure glad I am not on that side of the -- of whatever that thing is called, bullet proof or something.

SUPERVISOR ARCULARIUS: We have desk blotters for that.

MR. STROH: I appreciate that, as well. So I think, between the supervisors and the CEC and others, you know, the citizens of Inyo County will be well protected.

I am intrigued with this idea of maybe working Title 29 into the CEC process somehow, as well as a two-for-one deal. You know, I have read Title 21, too, although I don't get it, Mr. Keller, that well. I am not an attorney. I am a scientist.

Anyway, that's most of the points I wanted to make. Now, the Amargosa Conservancy gave you a challenge this afternoon. I must admit it's been on my mind from time to time, too. And that challenge is simply, maybe these big solar developments are not appropriate for Inyo County. We have a very small population base. We are a service industry county primarily. The scenery is sort of everything here, and other uses. But it is a sustainable use. It will

go on for years and years and years. It's quite different in that respect.

I am quite confident that -- you are going on, what, 30 years, 25? I think you will double that. We will see.

Okay. So to end my little diatribe here, the one thing, it's been a long session, and I really have to pee. Is that okay?

(Inaudible conversation.)

MR. STROH: I have a little book here that was handed out by Gina Bartlett, who is the facilitator of the Lake Plan. And I think -- it's called, "Getting BS, Subtitled, Negotiating Agreement Without Giving in." It's really good. I recommend it to everybody. And I think maybe after a day like today, we could all use it to model some stuff.

And then finally I have a suggestion for my buddies here at BrightSource and for those of you that -- I know the board knows and others do. I worked for them for a few months. I thought they were a great outfit, very professional. And maybe you could meet with them some days in Oakland, some days here, if you really get a dialogue going. And I hope you do that. I don't think there has been enough of that kind of getting the serious talk so far.

If this goes through, I would like to suggest that one of the towers, with a little bit of landscaping, be converted into the world's largest sundial. I think it could be done. I looked this up on the Internet.

The largest sundial right now is in India. And it's tiny in comparison to a 750-foot tower. That thing is going to cast some pretty nice shadows. And you put a little gravel out on the ground or even mow correctly, you could have a time line --

SUPERVISOR FORTNEY: Have mirrors out there.

MR. STROH: I think it could be quite a tourist attraction.

SUPERVISOR CASH: Have a thermometer, and we could beat Baker.

MR. STROH: And maybe an Eye of Mordor Center, or something like that.

And the other thing is, I noticed that the recreation was in the county plan. Josh, yes. Rec? Some of it's zoned as Rec, recreation?

SUPERVISOR CASH: Yes. Open --

SUPERVISOR FORTNEY: Open space.

MR. STROH: Anyway, a 750-foot tower, 700 feet up bungee jumps, you know, when you decommission. Okay. That might be --

SUPERVISOR CASH: I was thinking a zip line.

MR. STROH: Anyway, I wanted to end on a light note. Thank you very much.

SUPERVISOR FORTNEY: Thank you, Jim.

Anybody else from the public wishing to make a comment?

Okay. At this time we will take -- we will close the public comment period.

Did either of you gentlemen have any closing statements you would like to make?

MR. DESMOND: I will be brief. I know it's been a very long day. But I do sincerely hope this is the start of ongoing dialogue. I think the recommendation on getting to yes, we want to start with the goal in mind, which is to meet the requirements and the needs of the County, recognizing that we face also as a developer competitive business pressures.

But we want to do the right thing. And I think that's reflected in our entire approach to design, everything through the environmental, through the mitigation, that we have done at other projects. And that reflects really the character of the organization. So you have certainly my personal

commitment. But it's the company's commitment to work closely.

And I am sure we will have many more, and hopefully the next presentation, not so many hard discussions and hard questions. But this is a necessary part. We will come back with ideas. And we will come back with a little more detailed analysis on the economic benefits.

And we will have an opportunity to sit and say, we are making progress on these areas. And it's not going to be in August. It will be a lot sooner before we come back again. So thank you very much for the opportunity today.

SUPERVISOR ARCULARIUS: I will say, when I had the opportunity to tour Ivanpah, the staff there -- thank you, Clay, for arranging that -- were very, very professional. What a work site, from, you got to wear a hard hat, to, here is your boots for the day, and the walk around.

The vehicles, before you get in, every time you have to make sure there is not a desert tortoise snuggled up in the shade of your tire. It's a very well run job site.

MR. DESMOND: The rules are so strict. At one point, Secretary Salazar came out to tour. And if

1 you have seen the Secretary, he wears a cowboy hat.
2 And he didn't want to put the hard hat on. So they
3 didn't let him out of the car.
4 SUPERVISOR ARCULARIUS: Well, there are
5 cowboy hard hats.
6 MR. DESMOND: There are? Then we are going
7 to buy some and make them available. Because
8 honestly, that's why he remained in the vehicle,
9 because --
10 SUPERVISOR ARCULARIUS: No. There really
11 are.
12 MR. DESMOND: That's great. I was not aware.
13 SUPERVISOR ARCULARIUS: My husband won't wear
14 one. But they are available.
15 MR. DESMOND: That's great. Okay. Thank
16 you.
17 SUPERVISOR FORTNEY: Anybody else have any
18 other questions, more questions?
19 SUPERVISOR PUCCI: I just don't -- the video
20 of the pictures --
21 MR. DESMOND: Yes.
22 SUPERVISOR PUCCI: -- what I'd like to see
23 is, I would like to see an (inaudible) picture. I
24 want to see what it looks like when you are looking at
25 the -- whatever you call them, mirrors.

MR. DESMOND: The heliostats?

SUPERVISOR PUCCI: And not from three miles away or ten miles away or --

MR. DESMOND: Sure.

SUPERVISOR PUCCI: -- or 50 or wherever we were at. But I would like to see what that looks like as you are driving by.

MR. DESMOND: Absolutely.

SUPERVISOR PUCCI: That would be important, to see what it looks like from on the ground -- it's not going to look as pretty.

SUPERVISOR FORTNEY: The glare.

MR. DESMOND: You don't actually get the glare. If you were flying over the site, it's like a blue -- blue ocean. But we have plenty of photos. And I would be happy to put together a whole suite.

SUPERVISOR PUCCI: Flying doesn't really --

MR. DESMOND: But you are saying --

SUPERVISOR PUCCI: I wonder what -- because that's what people are going to be, is driving by.

MR. DESMOND: Absolutely.

SUPERVISOR PUCCI: I would just like to see what it looks like.

SUPERVISOR CASH: It's about the size of a garage door, a two-car garage door. And it is really,

1 really neat the way they are able to install those
2 poles, those posts, without disturbing anything other
3 than where they are putting the post.
4 And they are all computer aligned for height and
5 distance. And it's --
6 MR. DESMOND: It's a GPS device on every
7 heliostat communicating back to that tower, optimizing
8 for cloud cover. I mean, it's pretty amazing. It
9 sounds simple. But there is a lot of technology that
10 goes into it.
11 SUPERVISOR ARCULARIUS: It's been a long
12 afternoon. But I think we need to remember what
13 started the discussion -- was that this morning or
14 this afternoon we started that discussion -- when Mr.
15 Carunchio pointed out that the long history of Inyo
16 County has been use of its natural resources.
17 And there has been some comment here today about
18 the service industry and as valuable as that is. The
19 interests that Inyo County has paid in this from the
20 beginning has been that -- through its policies and
21 its General Plan, that we are supporters of our
22 resources. So please don't have a take-away be that
23 they are off limits. And we have fought that battle
24 very hard to have as many of our resources not be off
25 limits as possible.

MR. DESMOND: Thank you.

SUPERVISOR ARCULARIUS: But our discussion today is, you are doing a great job, we are doing our job, and that's all we are doing. There is no inference that what you are doing is not valuable or what we are doing is not valuable. But that started the discussion today.

And I think it's important to come full circle, that we recognize the value of natural resources. And if they can be used appropriately and beneficially, and that's shown in the environmental processes that we are all obligated to go through, I don't think you are dealing with a board that has a philosophy of natural resources being off limits.

MR. DESMOND: I appreciate that.

SUPERVISOR FORTNEY: Okay. Thank you, sir.

MR. DESMOND: Thank you. Thank you, supervisors.

SUPERVISOR FORTNEY: We still need to wrap up board reports before we are done for the day.

(The presentation portion of this meeting was concluded at this time.)

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CERTIFICATE

STATE OF CALIFORNIA)
)
COUNTY OF KERN)

I, DIANA S. ZISSOS, CSR #10030, a Court Reporter of the State of California, County of Kern, state that the proceedings were recorded by electronic recording means, and that the foregoing comprises a transcript of the electronic recording hereof.

DATED at Ridgecrest, California, on May 3, 2012.

Diana S Zissos

Diana S. Zissos, Court Reporter
CSR #10030