



Colchester Selectboard
March 28, 2023

ACTION SHEET

Solar Project Permitting – Fort Ethan Allen

RECOMMENDED ACTION: The Colchester Selectboard moves to authorize the Town Manager to enter in to a contract for up to \$41,000 with AEGIS Renewable Energy, Inc to permit a solar power generating facility on an 8.4-acre town owned site off of Rt. 15 which also includes Fort Ethan Allen Cemetery.



MEMO From the Office of the Town Manager

To: Colchester Selectboard
From: Aaron Frank, Town Manager and Renae Marshall, Deputy Town Manager
Date: March 24, 2023
Re: Solar Project Permitting – Fort Ethan Allen

A. The Issue: The issue is whether or not the Selectboard will authorize the Town Manager to enter in to a contract for up to \$41,000 with AEGIS Renewable Energy, Inc to permit a solar power generating facility off of Rt. 15 on town-owned land shared with the Fort Ethan Allen Cemetery?

B. Policy & Perspective: A Fort Ethan Allen Drive solar farm would be the third of three solar farms built, owned and operated by the town with the goal of producing electrical energy equal to that which the town consumes in the provision of municipal services. This goal accomplishes three important elements: 1) reduced costs of municipal service provision; 2) locally produced sustainable energy which supports local jobs; 3) provides an example for residents and private sector businesses that renewables can be done in a cost-effective manner.

The [Heritage Project](#), on page 14, Goals related to governance, “Create and implement structural, operational, and regional options to optimize the transparency, accountability, effectiveness, and cost of Colchester’s government and public services.

The [Town Plan](#), on page 71 states, that the “Town should site another solar photo voltaic generation facility on Town land, so as to approach a goal of producing electrical energy close to the total amount consumed by the Town directly.”

In 2019, the Selectboard named the Planning Commission the [town Energy Committee](#) and directed town staff to serve as the primary agents to implement energy efficiency improvements and local energy production and to recommend projects and project funding.

The town reports on energy issues annually to the community as noted on page 33 of the [Annual Town Report](#)

C. Prior Background: In May 2014, the town Energy Committee suggested that the town enter into a long-term power purchase agreement with a solar energy producer. At that time, agreements were being offered for about 20 years with a 5% discount on electric rates. In the fall of 2015, the town conducted due diligence with fifteen solar developers including, but not limited to, the firms that the town Energy Committee suggested. Most of the solar developers offered savings on electricity of less than 10%. We suspended our effort when an attractive option appeared with the Vermont School Boards Association. In late fall 2015, the Vermont School Boards Association (VSBA) courted additional partners to buy electricity from solar projects at schools. The VSBA's then-consultant, and later, broker, Competitive Energy Services (CES), offered an 18% discount on electricity rates through their partner Sun Edison. Their contract appeared one-sided according to our Town Manager and Town Attorney. The town did not vet CES, but piggybacked on the VSBA's efforts. CES and Sun Edison were not willing to consider any contract changes or clarifications. We concluded our efforts with CES and revisited the list of firms we had developed. We found that Aegis had a project needing off-takers at rates similar to CES but with more flexible contracts. We called references for Aegis and found them to be a reputable firm.

AEGIS has been willing to work with the town in a manner that allows the town to keep the economic benefit from our projects, with the town owning the projects. The Selectboard concurred with this approach in [August 2017](#), and we have successfully developed two 150kW solar farms with AEGIS providing permitting and general contracting services to the town. The attorneys and auditors who look at our business documents tell me they have never heard of a government saving 40% of electricity costs through a solar project as we have. AEGIS has also been a reliable partner helping us evaluate scores of sites, configurations, and financial options. In addition to this proposed project, AEGIS is working with us on a solar component to the future Colchester Recreation Center.



The Pumpkin Patch, off Malletts Bay Avenue was authorized by the Selectboard in [April 2018](#) and [September 2018](#). A construction status update was provided in [October 2018](#), and completed in December 2018.

Roosevelt, was approved by the Selectboard in [August 2017](#) which approved financing in [October 2018](#) and was completed in December 2018.



Both projects have been featured on the Vermont [Community Energy Dashboard](#) as models. Former Colchester Deputy Manager Geoff Urbanik oversaw the construction and implementation of the projects and was a key speaker at a conference of Vermont committees.

D. Recent Background: The Town Manager's office, and solar contractor AEGIS Renewable Energy, spent significant time and effort trying to locate a third solar farm. This is becoming challenging given the significant permitting constraints, a lack of available town owned land, and our financing model which requires town owned land to provide the maximum financial benefit and avoid use of Colchester taxpayer funding.

1. Sunny Hollow: We submitted a permit application for a third 150-kilowatt solar farm that would have been adjacent to an industrial park on Hercules Drive but ultimately, we were informed by staff at Vermont Agency of Natural Resources (ANR) that the application would be denied due to the planned removal of trees that they determined would have an "undue adverse impact" on a "rare, irreplaceable, natural area". As a result of the permit input from ANR, staff have refocused our solar siting efforts on areas of town owned land adjacent to residential areas or farms, despite a conscious effort to avoid those areas previously. More information about this effort is available [here](#).

2. Mercier Drive We developed and submitted a permit application for a third 150-kilowatt solar farm that would be in an unused 2.75 acre town-owned parcel, as authorized by the Selectboard in [February 2022](#). We knew this site would be

challenging based on a 2017 screening. The Agency of Natural resources was willing to consider the Town's siting process and consider the site but ultimately, they felt the soil was too wet. They advised us that it would be better to impact woodlands than wetlands.

F. Proposed Fort Ethan Allen This site, on a town owned property of 8.4 acres, was part of the initial town-wide site evaluations conducted over a few years and shared with the Selectboard in August 2017. Following the exhaustion of sites closer to industrial and wooded areas, the town revisited prior sites and found this site could offer good solar exposure with minimal impact to neighbors with this institutional use of the area, and the firm division from the actual Fort Ethan Allen cemetery, by a tall row of trees separating the cemetery from the largely open area where the solar farm will be located. There would still be significant area for expansion of the cemetery in the open area. We will need to remove some trees but we don't find that they have any special status.

AEGIS has agreed to complete the permitting for \$41,000. This is more than Mercier, \$32,000; Roosevelt \$35,000; and Pumpkin Patch at \$31,661, but the engineering and expert consultant costs of permitting have gone up considerably in the last few years.

The estimated construction for the 150 kW system cost is currently \$595,500, pending completion of design and verification of landscaping costs. The landscaping costs account for most of the difference between Fort Ethan Allen and Mercier which was estimated at \$555,954.

Recommended Motion: The Colchester Selectboard moves to authorize the Town Manager to enter into a contract for up to \$41,000 with AEGIS Renewable Energy, Inc to permit a solar power generating facility off of Rt. 15, on town-owned land shared with the Fort Ethan Allen Cemetery.

