

## **RESOLUTION NO. 2008-220**

Adopted by the Sacramento City Council

April 15, 2008

### **RESOLUTION DESIGNATING STAFF TO ATTEND A SITE VISIT TO UTASHINAI, JAPAN.**

#### **BACKGROUND**

- A. On February 26, 2008, City Council approved an Exclusive Right to Negotiate (ERN) for up to three months a Principles of Agreement (POA) with U. S. Science & Technology (USST). USST was selected as a result of being the sole responder to the City's RFQ that proposed the plasma arc gasification technology. Plasma arc gasification was selected as it best meets the five identified WTE project goals and the City's goals for sustainability.
- B. In an attempt to assist the City in completing its due diligence during the three month ERN negotiating period, USST has invited (see letter in Attachment 2) the City of Sacramento to conduct a site visit to Utashinai, Japan using the Westinghouse plasma arc gasification technology. At the time this report was written, the preliminary date for the visit was May 9, 2008 to May 14, 2008 however this date may be subject to change to accommodate elected and staff schedules. The purpose of the site visit is to observe the Westinghouse Plasma Corporation's plasma arc gasification technology operate at a commercial scale using Municipal Solid Waste (MSW) as feedstock.
- C. Due to the magnitude and scale of this project City staff working on this project range from elected officials, executive level and management staff and would therefore be most appropriate for them to attend the site visit to Utashinai, Japan.
- D. Staff is seeking authorization to invoice USST an amount not to exceed \$50,000 for expenses related to professional consulting services required to evaluate the efficacy of the USST proposal (including travel costs for third party physicists to evaluate the technology and for third party financial analysts to evaluate the financing, risks and potential liabilities associated with the proposal; it can also be used to recover costs associated with City staff travel within the United States, required testing, etc. on associated WTE and/or Arc Plasma Gasification work).

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

- Section 1. The City accepts U. S. Science and Technology's (USST) offer to reimburse the City for costs associated with up to eight City officials and staff conducting an information-gathering site visit to the Westinghouse Plasma Corporation's plasma arc gasification waste to energy plant in Utashinai, Japan.

Section 2 The following City officials and staff are designated to represent the City of Sacramento on the site visit to Utashinai, Japan preliminarily scheduled for May 9, 2008 to May 14, 2008.

- Council Member, Lauren Hammond
- Council Member, Robbie Waters
- City Attorney
- Assistant City Manager
- Economic Development Manager
- Senior Development Manager
- Integrated Waste General Manager

Section 3 The City Manager or his designee is authorized to seek and receive on behalf of the City up to \$50,000 from USST to the City for City costs incurred in evaluating the USST proposal. This remuneration is to be used for expenses over and above staff salaries, benefits and ordinary operations and maintenance and can be used to compensate third party consultants in the evaluation of the proposal.

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Exhibit A

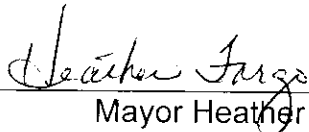
Adopted by the City of Sacramento City Council on April 15, 2008 by the following vote:

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

Noes: None.

Abstain: None.

Absent: None.

  
\_\_\_\_\_  
Mayor Heather Fargo

Attest:

  
\_\_\_\_\_  
Shirley Concolino, City Clerk



U.S. SCIENCE & TECHNOLOGY, INC.

March 20, 2008

Mr. Ray Kerridge  
City Manager  
City of Sacramento  
City Hall, Fifth Floor  
915 I Street  
Sacramento, California 95814-2604

Dear Ray:

The Principles of Agreement negotiations between the City of Sacramento and U.S. Science & Technology, Inc. are proceeding as planned and we are planning to organize a trip to Japan to visit one of the Plasma Arc Gasification operating facilities. USST views this visit as an opportunity for key City officials to view the operation, witness the technology, and open a dialogue with long term users of the process (six years).

The trip is currently being planned for May 9<sup>th</sup> thru May 14<sup>th</sup> (tentative). We have arranged for up to eight slots for the City officials.

We are pleased to offer this opportunity to the City and its staff with all associated expenses paid by U.S. Science & Technology, Inc.

Thank you for your favorable consideration of this invitation. We look forward to making the final arrangements.

Sincerely Yours,

William J. Ludwig  
Chief Executive Officer

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