



Community Meeting – Axton Solar

August 4, 2022

01. Progress Report

02. Project Design

03. Property Tax Analysis

04. Next Steps

05. Decommissioning

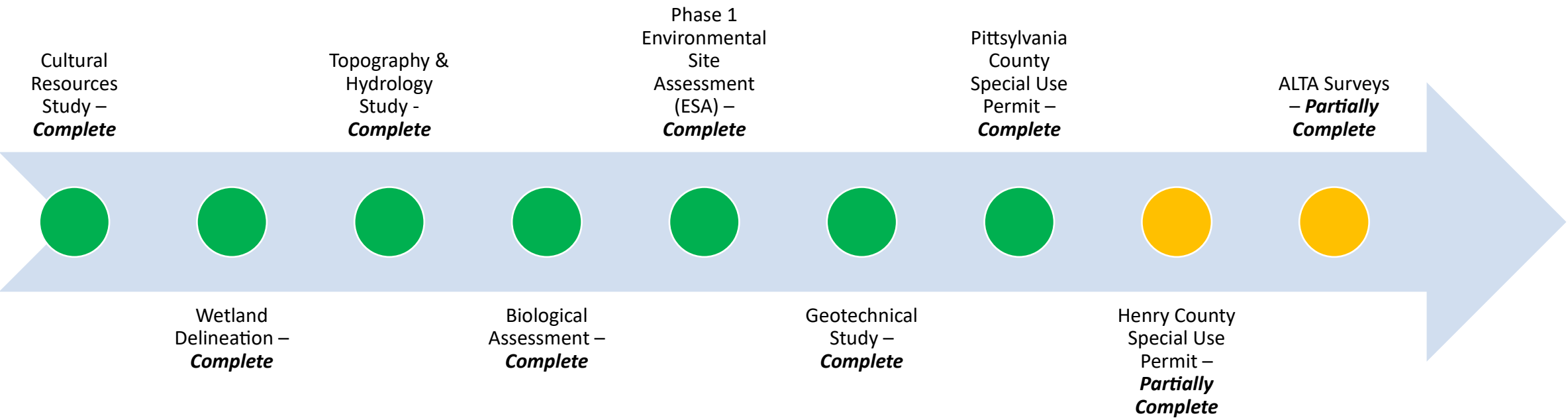




Progress Report



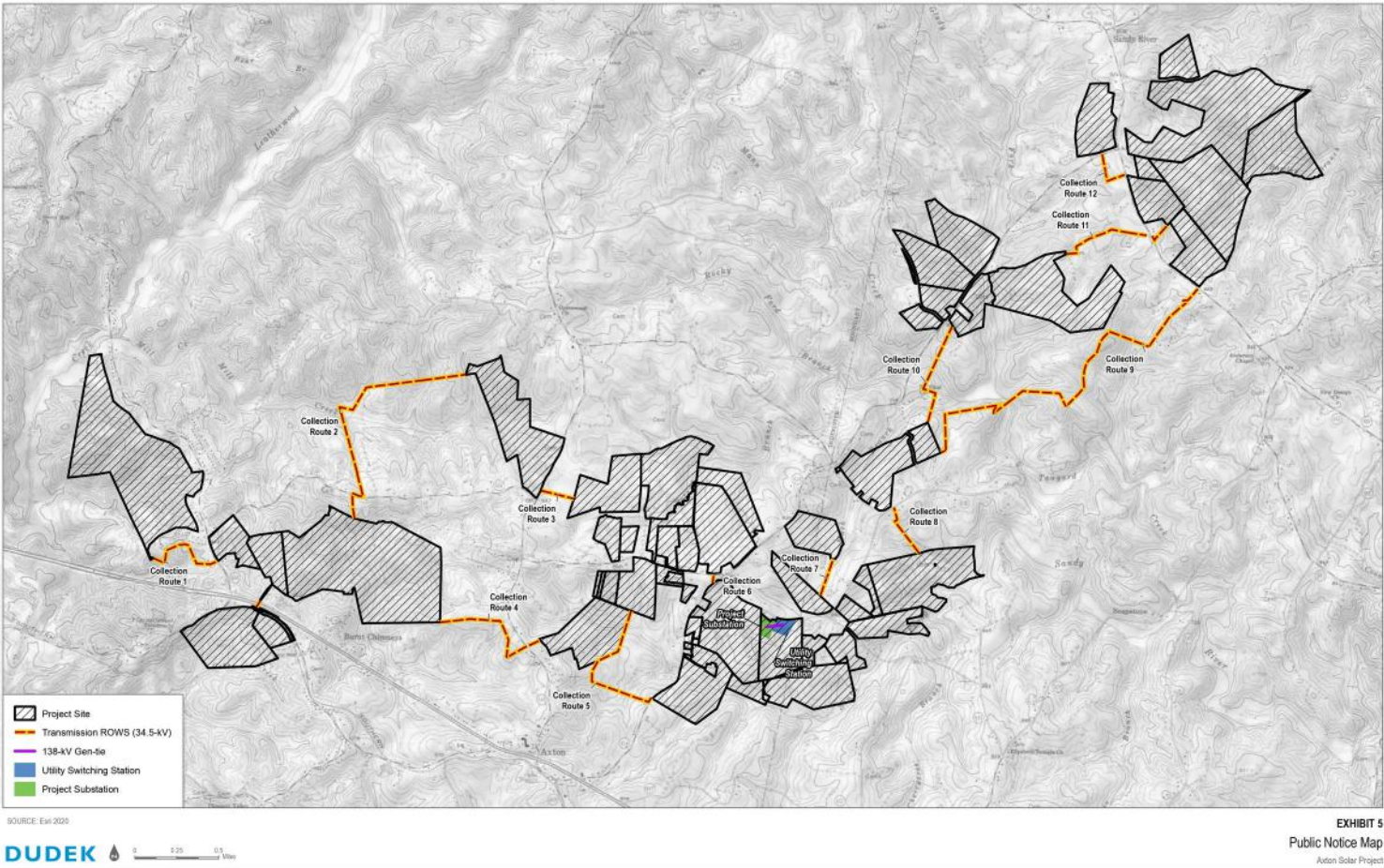
Progress to Date



Project Design



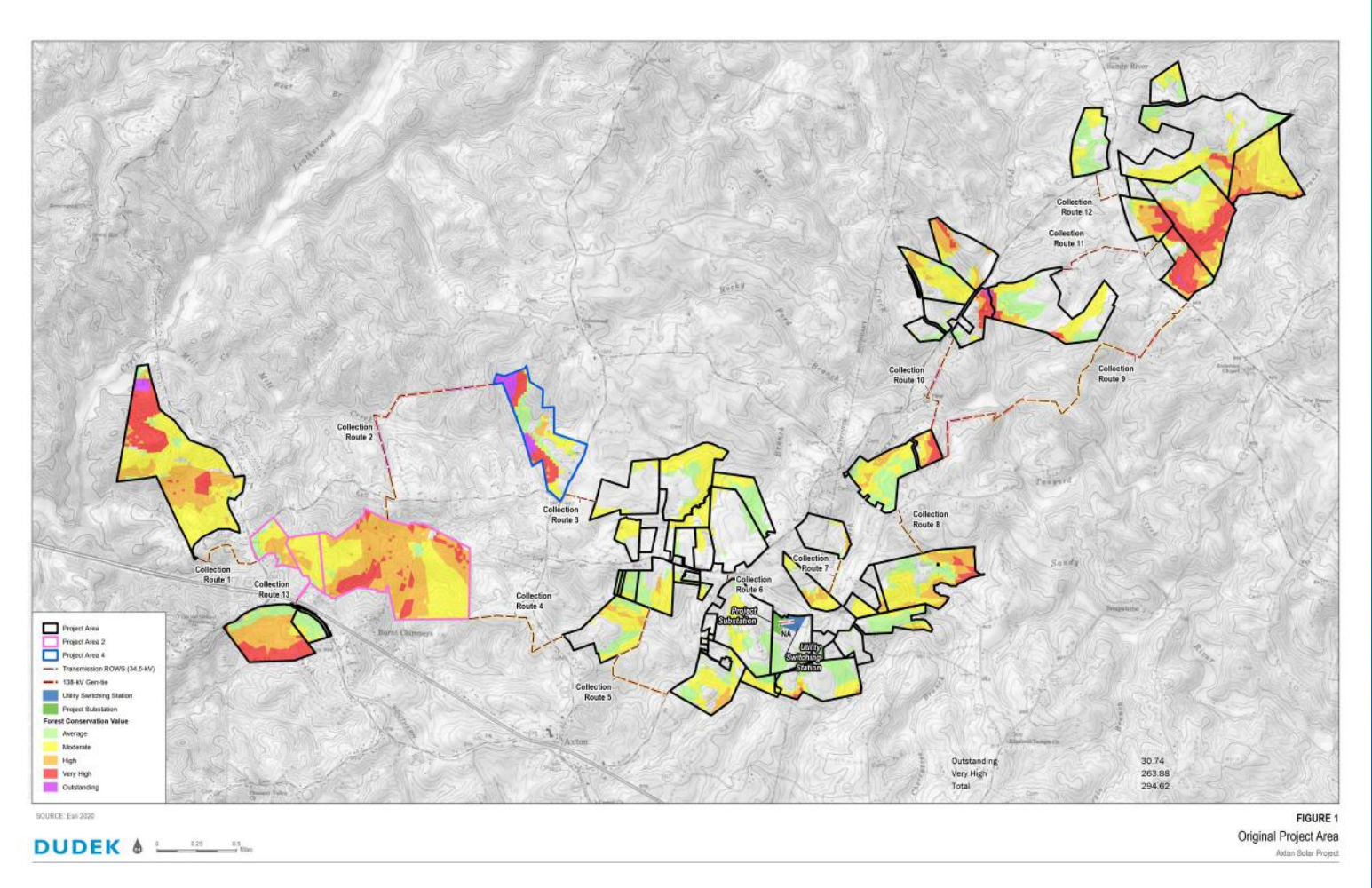
Public Notice Map



Initial Public Notice Map – March 31, 2022

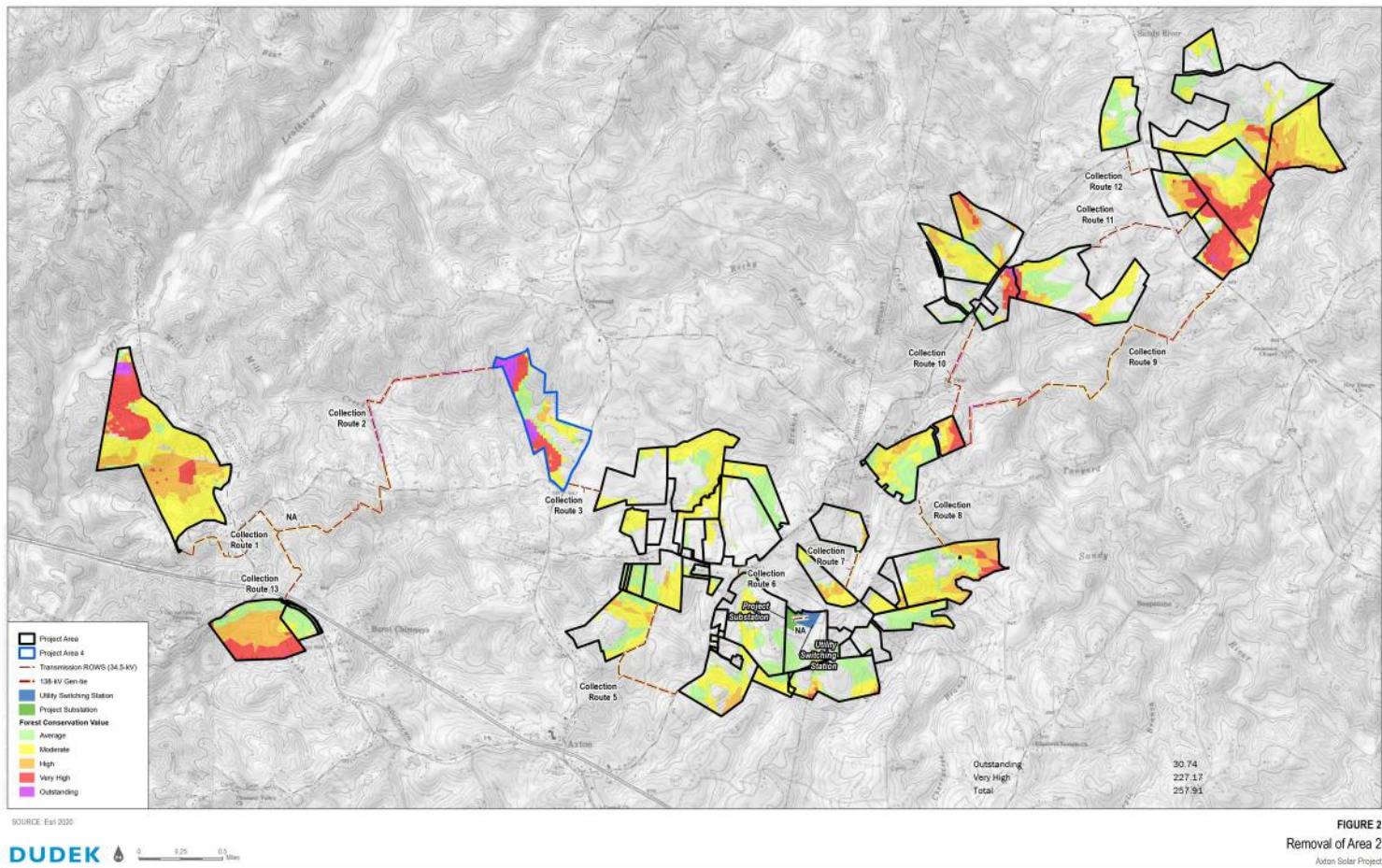
Forest Conservation Value (FCV)

Forest Conservation Value	Acreage
Outstanding	30.74
Very High	263.88
Total	294.62



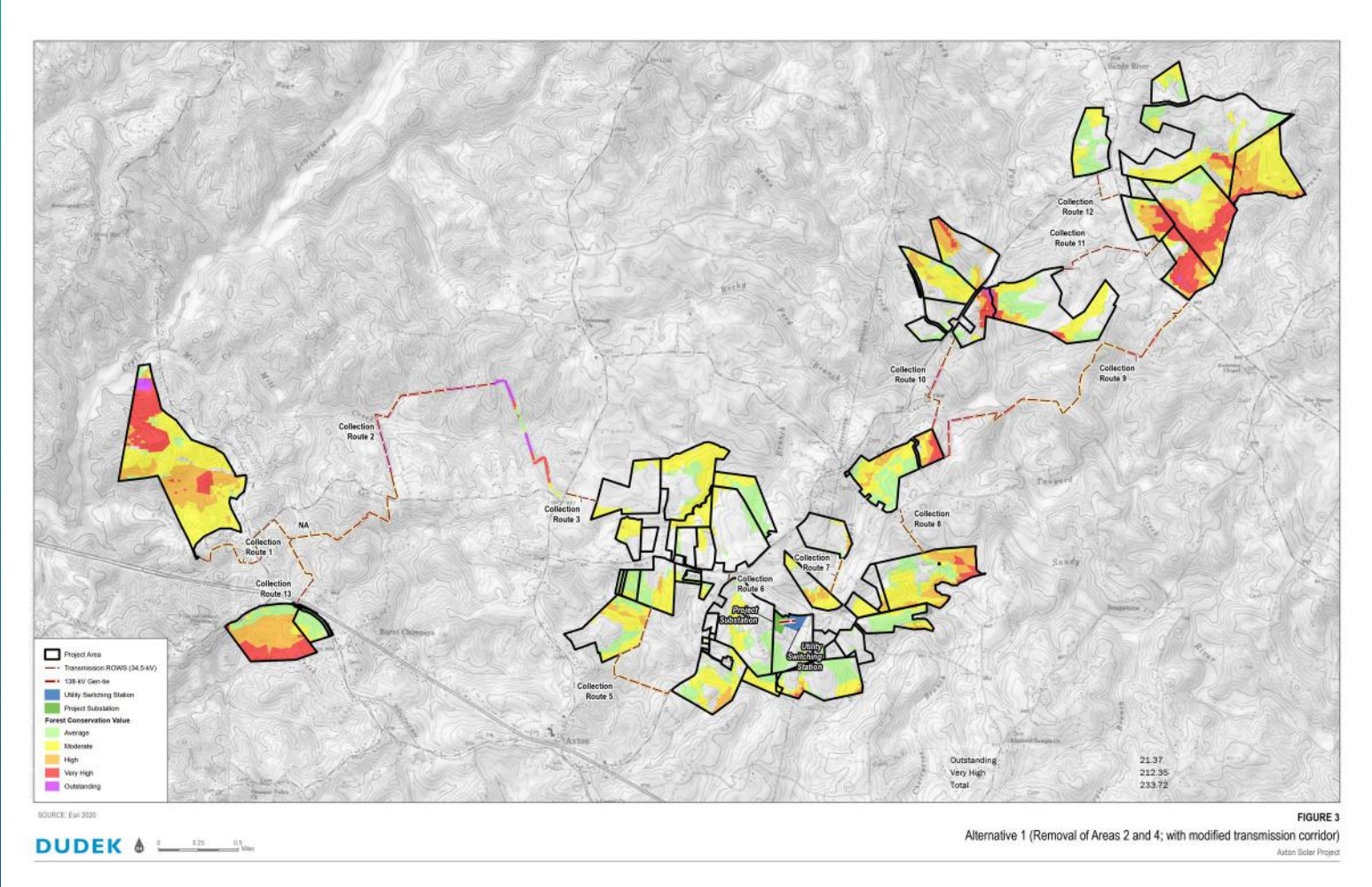
Forest Conservation Value, Area 2

Forest Conservation Value	Acreage
Outstanding	0.0
Very High	36.71
Total	36.71



Forest Conservation Value, Area 4

Forest Conservation Value	Acreage
Outstanding	13.48
Very High	19.79
Total	33.27





DUDEK

223 EAST CITY HALL AVENUE, SUITE 321
NORFOLK, VIRGINIA 23510
T 757.530.8500

Trey Lopez
Vesper Energy
125 E. John Carpenter Fwy
Suite 125
Irving, Texas 75062

July 11, 2022

Dear Mr. Lopez,

Dudek has calculated impacts to forest resources at the Axton Solar Project site based on recent changes to the site design. Please see calculations below which outline the timber resources avoided by removing project areas two and four.

Table 1. Original Project Area

Forest Conservation Value	Acreage
Outstanding	30.74
Very High	263.88
Total	294.62

Table 2. Area 2

Forest Conservation Value	Acreage
Outstanding	0
Very High	36.71
Total	36.71

Table 3. Area 4

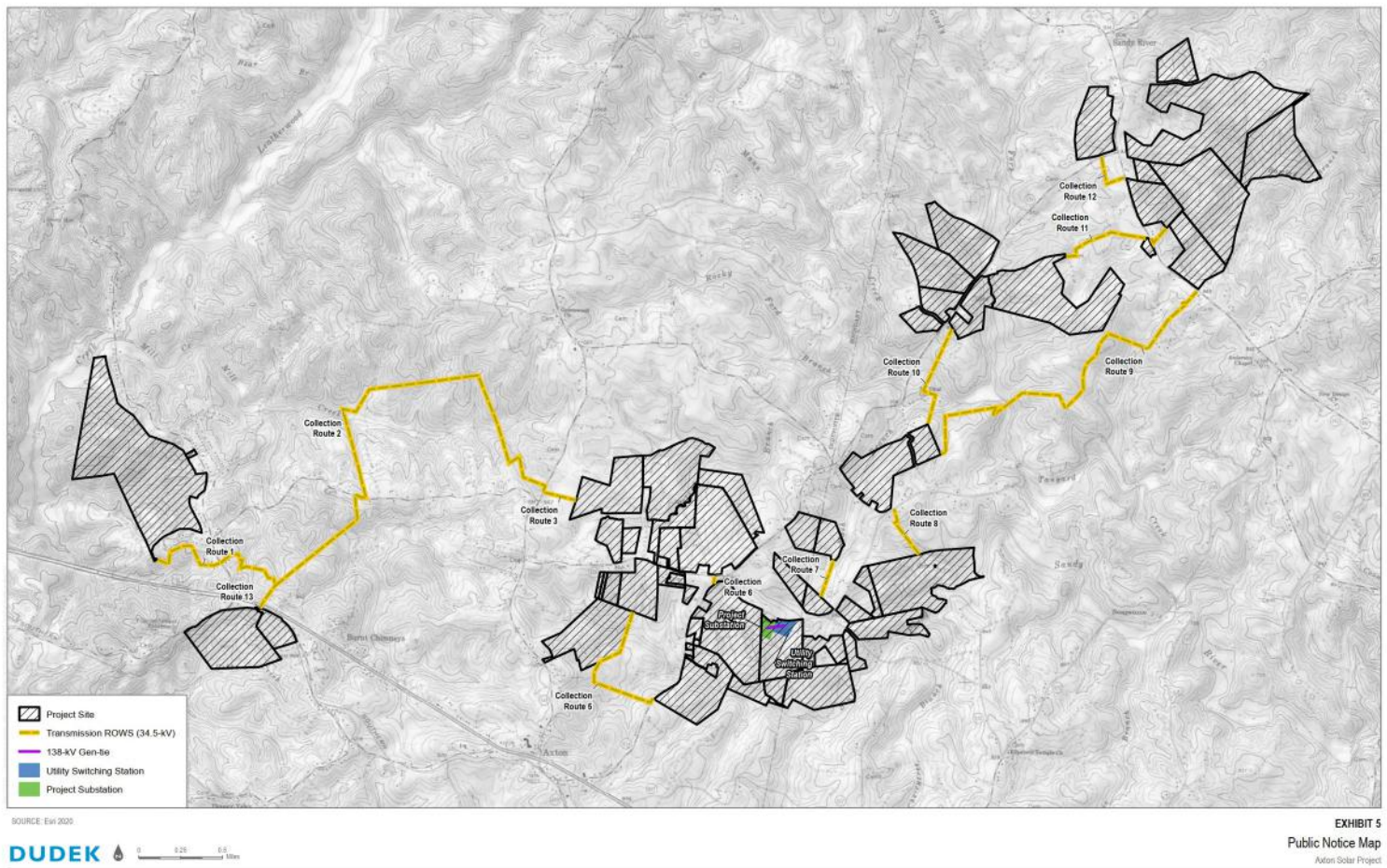
Forest Conservation Value	Acreage
Outstanding	13.48
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Total	33.27

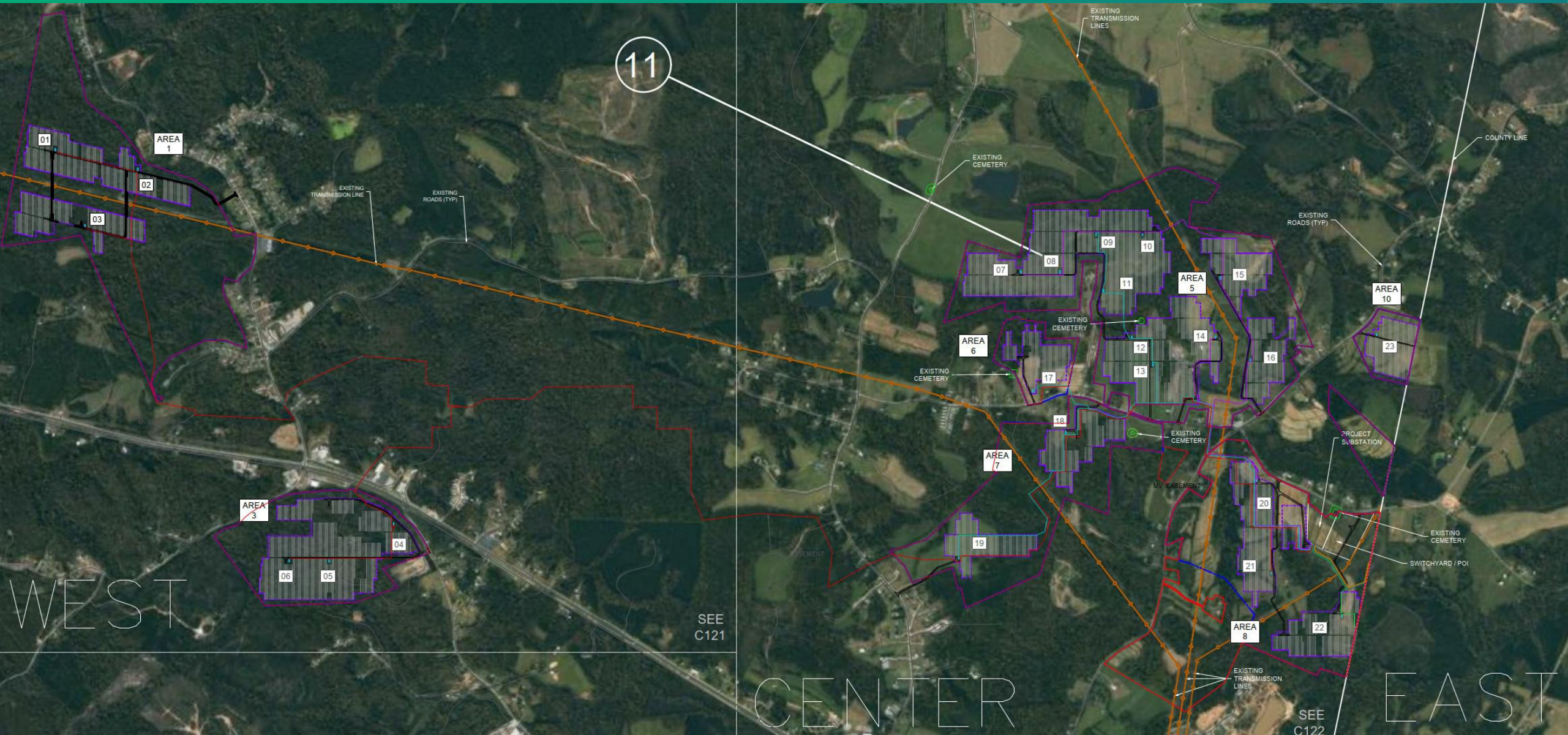
A total of **69.98 acres** of impacts to Very High or Outstanding conservation value land would be avoided with the removal of Areas 2 and 4.

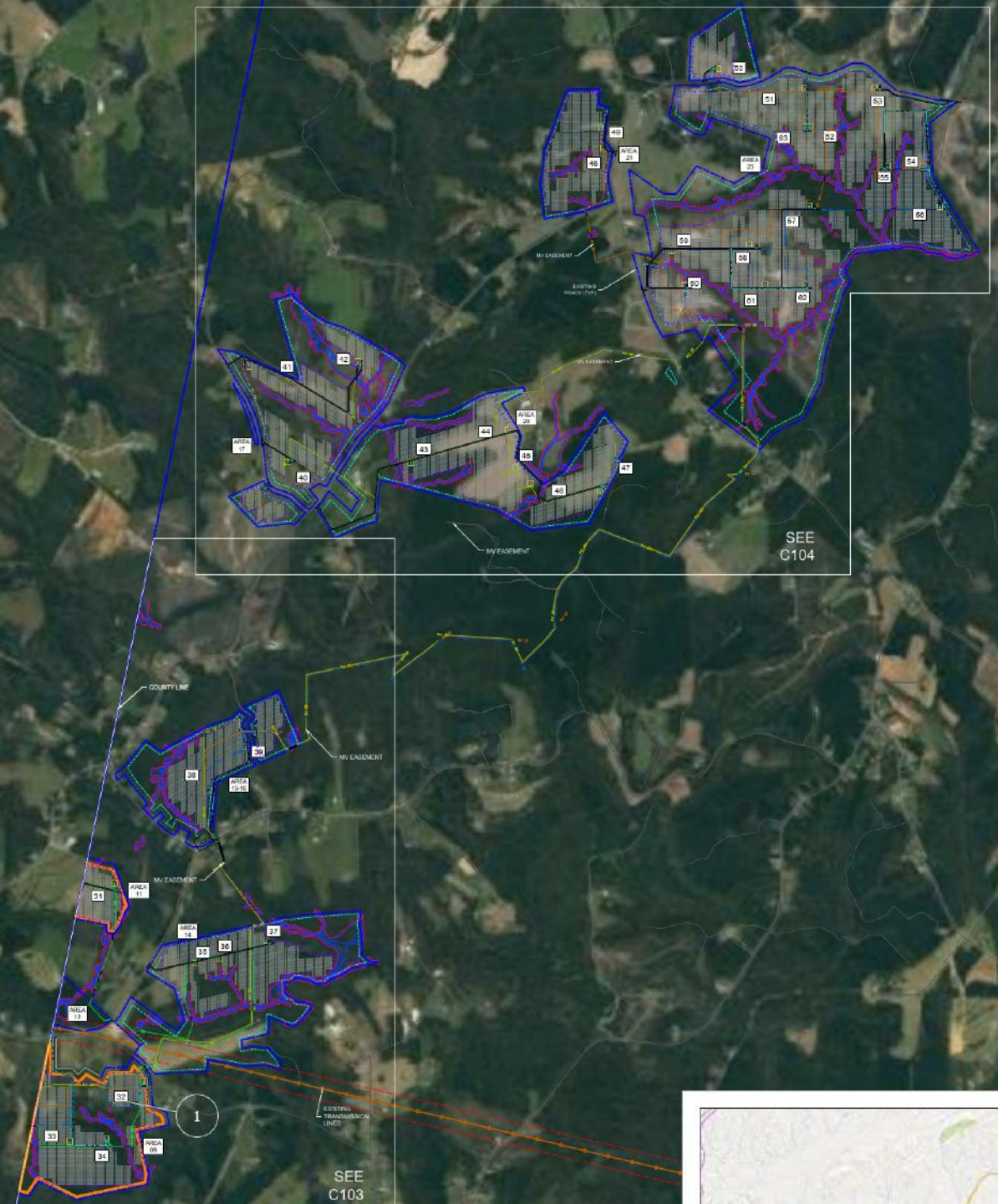
With the 'Alternative 1' project design, there are **198.66 acres** of impacts to Very High or Outstanding Conservation Value land within the project area, and **35.06 acres** of impacts within the modified transmission corridors, for a total of **233.72 acres** of impact.

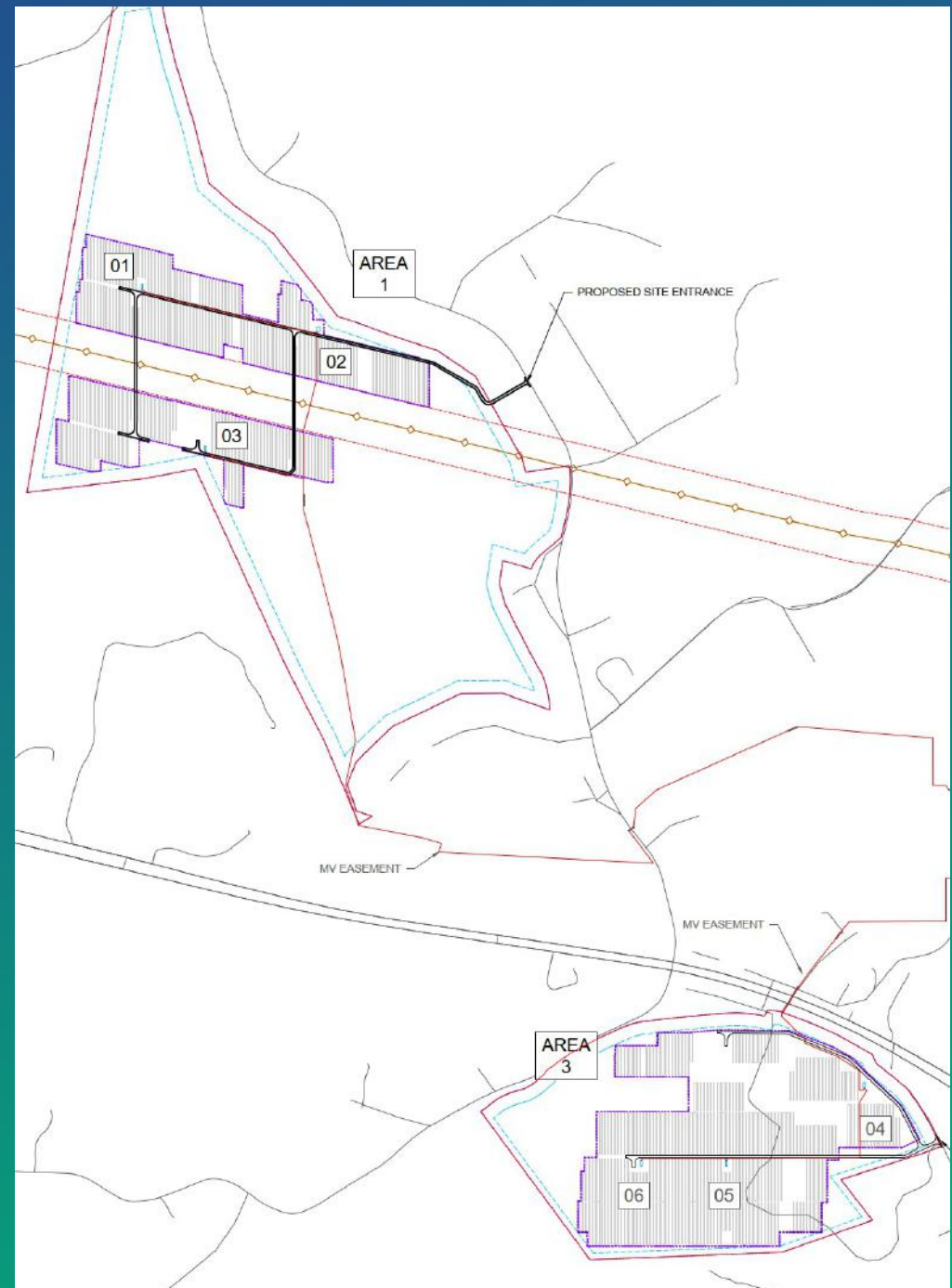
Should you have any questions about these calculations, please contact me at 916.833.7258 or eworthington@dudek.com.

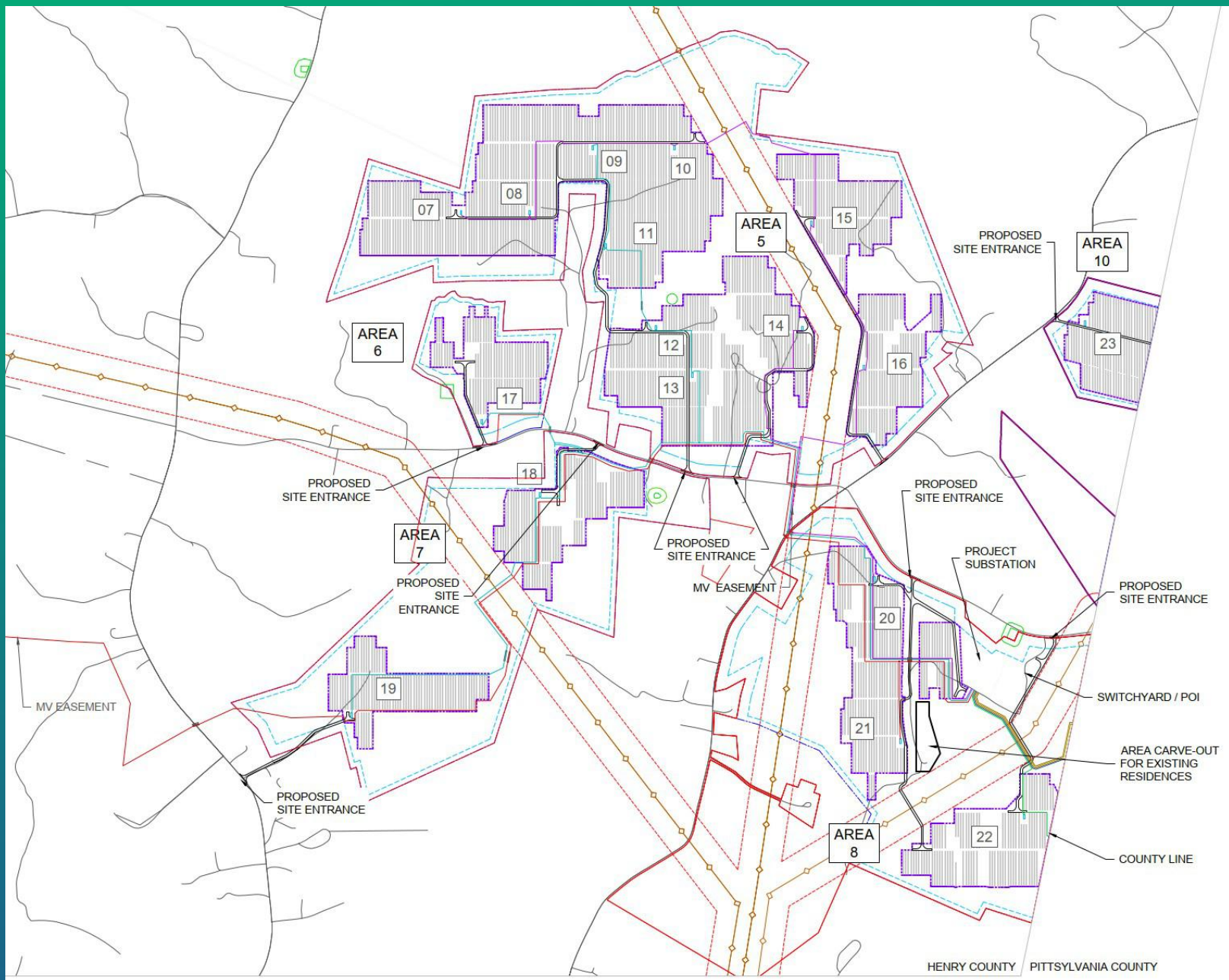
Public Notice Map – Revised

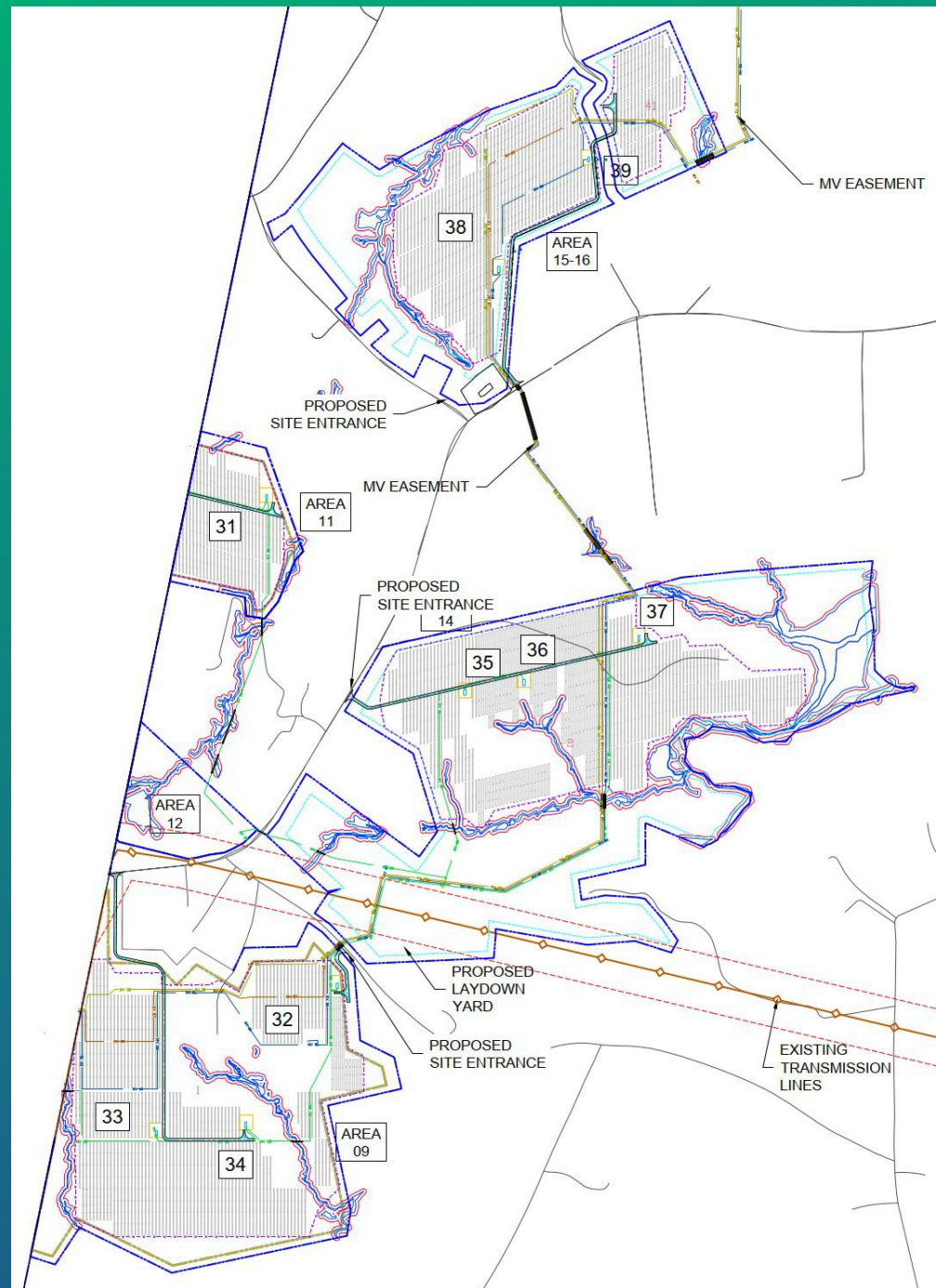


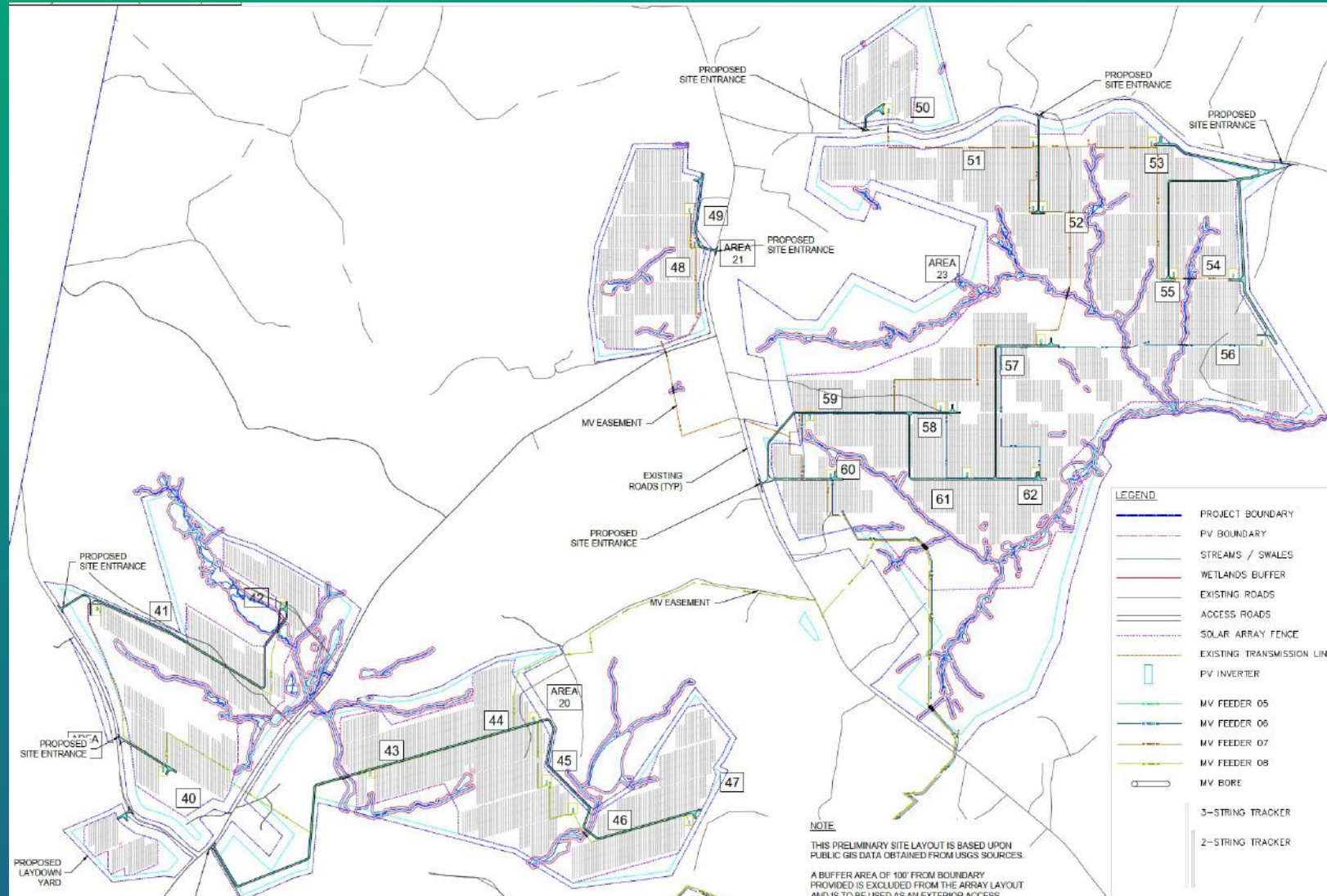




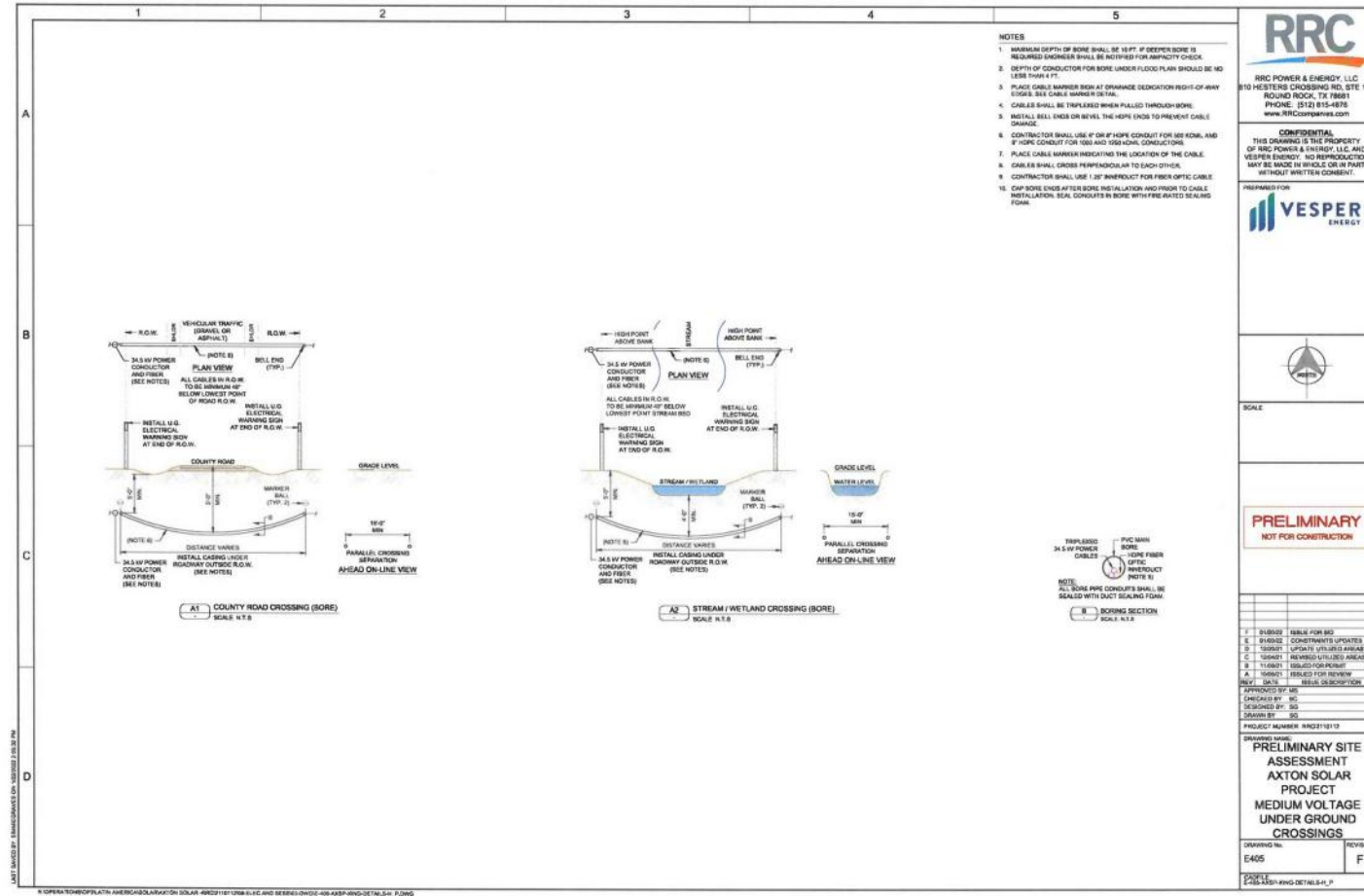








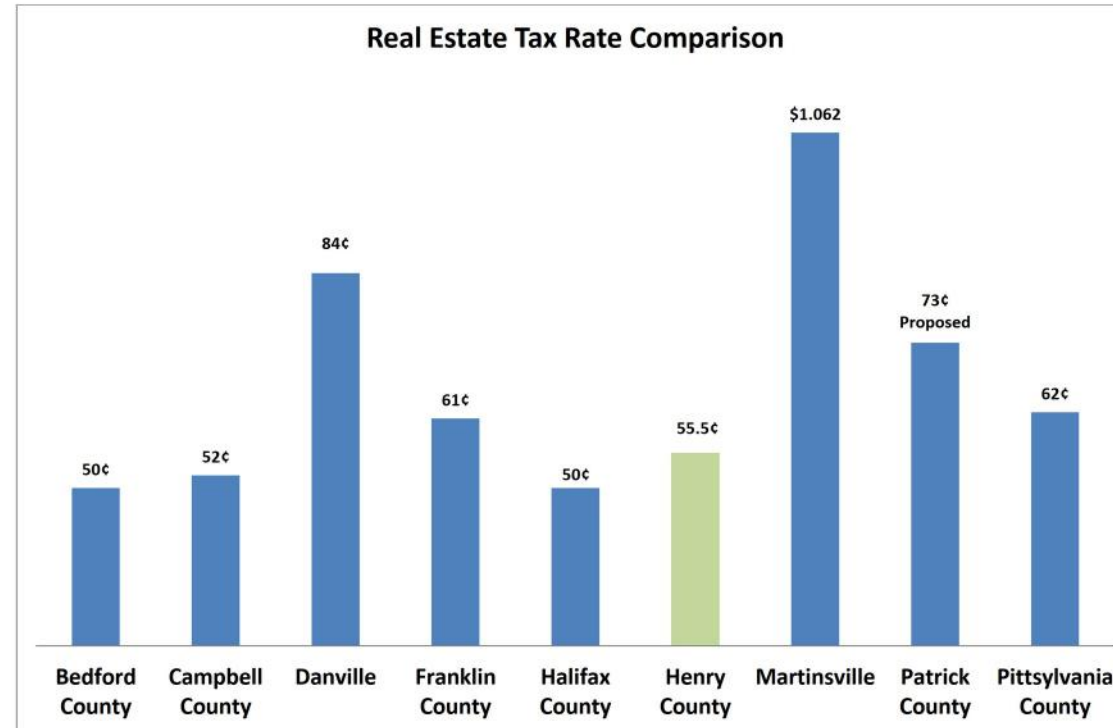
Wetland Crossing Example



Property Tax Analysis



Tax Rate Comparison



Henry County Board of Supervisors. (2022, May 24). County of Henry, VA Budget FY 2022-23.
http://www.henrycountyva.gov/content/uploads/PDF/fy23_county_adopted_budget_final_pdf.pdf

Henry County – General Budget FY2022-2023

COUNTY OF HENRY, VIRGINIA GENERAL FUND BUDGET SUMMARY PROPOSED FOR FISCAL YEAR 2022-2023

	Actual Per Annual Audit			Original Budget FY 2022	Proposed FY 2023	Change INCR (DECR)	% CHANGE
	FY 2019	FY 2020	FY 2021				
REVENUES							
GENERAL PROPERTY TAXES	28,230,794	27,893,373	29,167,772	29,006,699	30,113,162	1,106,463	3.8%
OTHER LOCAL TAXES	13,397,099	13,826,354	15,742,493	18,847,000	21,147,000	2,300,000	12.2%
PERMITS, FEES & LICENSES	77,110	49,950	108,497	55,800	58,000	2,200	3.9%
FINES & FORFEITURES	165,674	140,504	133,296	136,000	129,000	(7,000)	-5.1%
REVENUE FROM USE OF PROPERTY	2,195,215	2,376,686	1,188,099	1,086,400	1,201,153	114,753	10.6%
CHARGES FOR SERVICES	310,343	283,675	300,753	286,354	267,154	(19,200)	-6.7%
MISCELLANEOUS REVENUE	91,646	68,720	86,830	60,000	100,000	40,000	66.7%
RECOVERED COSTS	3,112,693	3,327,637	3,406,774	2,991,506	3,980,763	989,257	33.1%
INTERGOVERNMENTAL							
COMMONWEALTH	10,369,837	10,900,545	10,672,013	11,583,052	14,856,413	3,273,361	28.3%
FEDERAL	281,283	3,131,335	6,890,997	218,459	219,785	1,326	0.6%
NON-REVENUE RECEIPTS	35,572	26,332	56,422	25,000	25,000	-	0.0%
RESERVE FUNDS	-	-	-	1,396,223	-	(1,396,223)	-100.0%
TOTAL REVENUES	58,267,266	62,025,111	67,753,946	65,692,493	72,097,430	6,404,937	9.7%
EXPENDITURES							
GENERAL GOVERNMENT ADMINISTRATION	3,303,587	3,398,733	3,872,355	3,689,585	4,080,093	390,508	10.6%
JUDICIAL ADMINISTRATION	2,920,429	3,021,026	3,200,383	3,501,864	3,605,419	103,555	3.0%
PUBLIC SAFETY	14,926,930	15,976,468	17,872,155	19,644,175	15,259,896	(4,384,279)	-22.3%
PUBLIC SAFETY - JAIL CONSTRUCTION	3,000,945	19,845,491	35,536,334	-	-	-	0.0%
PUBLIC WORKS	3,385,138	3,572,282	3,923,244	4,283,894	4,681,026	397,132	9.3%
HEALTH & WELFARE	896,885	920,316	1,076,409	902,876	847,528	(55,348)	-6.1%
EDUCATION	59,442	59,442	138,070	59,442	62,414	2,972	5.0%
PARKS, RECREATION & CULTURAL	1,950,922	1,933,218	1,979,981	2,087,864	2,218,240	130,376	6.2%
COMMUNITY DEVELOPMENT	2,081,218	2,210,790	2,351,511	2,316,113	2,398,026	81,913	3.5%
NONDEPARTMENTAL	83,998	60,252	61,022	238,844	381,417	142,573	59.7%
CAPITAL PROJECTS	967,121	1,256,309	897,467	-	8,145,105	8,145,105	100.0%
SCHOOL CAPITAL - 1% SALES TAX	-	-	-	2,594,440	4,740,000	2,145,560	82.7%
DEBT SERVICE:							
PRINCIPAL RETIREMENT	2,715,476	-	-	100,000	105,000	5,000	5.0%
INTEREST & OTHER FISCAL CHARGES	2,438,080	2,504,708	3,077,081	1,996,973	1,992,873	(4,100)	-0.2%
TOTAL EXPENDITURES	38,730,171	54,759,035	73,986,012	41,416,070	48,517,037	7,100,967	17.1%
EXCESS REVENUE OVER EXPENSES	19,537,095	7,266,076	(6,232,066)	24,276,423	23,580,393	(696,030)	-2.9%
OTHER FINANCING RESOURCES							
PROCEEDS FROM INDEBTEDNESS	62,336,352	25,300,000	0	0	0	0	0.0%
OPERATING TRANSFERS IN	0	0	0	0	0	0	0.0%
OPERATING TRANSFERS OUT	(20,142,286)	(21,444,661)	(22,076,180)	(24,276,423)	(23,580,393)	696,030	-2.9%
TOTAL OTHER FINANCING RESOURCES	42,194,066	3,855,339	(22,076,180)	(24,276,423)	(23,580,393)	696,030	-2.9%
RESERVES APPLIED TO ECONOMIC DEVELOPMENT, CAPITAL PROJECTS, & ENCUMBRANCES	61,731,161	11,121,415	(28,308,246)	-	-	-	0.0%

Henry County Board of Supervisors. (2022, May 24). County of Henry, VA Budget FY 2022-23.
http://www.henrycountyva.gov/content/uploads/PDF/fy23_county_adopated_budget_final.pdf.pdf

Property Tax Allocation - Revenue

Year 1 - \$666,025

Per Annum - \$536,675

Project Life - ~\$18.78m

Henry County - Revenue Budget (2022-2023)						
General Fund			y/y	Axton Solar Property Tax		
General Property Taxes	\$ 30,113,162.00	41.8%	3.8%	\$ 278,180.94	0.4%	
Other Local Taxes	\$ 21,147,000.00	29.3%	12.2%	\$ 195,352.86	0.3%	
Permits, Fees & Licenses	\$ 58,000.00	0.1%	3.9%	\$ 535.80	0.0%	
Fines & Forfeitures	\$ 129,000.00	0.2%	-5.1%	\$ 1,191.68	0.0%	
Revenue From Use of Property	\$ 1,201,153.00	1.7%	10.6%	\$ 11,096.07	0.0%	
Charges for Services	\$ 267,154.00	0.4%	-6.7%	\$ 2,467.93	0.0%	
Miscellaneous Revenue	\$ 100,000.00	0.1%	66.7%	\$ 923.79	0.0%	
Recovered Cost	\$ 3,980,763.00	5.5%	33.1%	\$ 36,773.70	0.1%	
Non-Categorical Aid State	\$ 3,630,828.00	5.0%	-1.9%	\$ 33,541.05	0.0%	
Shared Expenses (Categorical)	\$ 11,129,114.00	15.4%	42.8%	\$ 102,809.11	0.1%	
Categorical Aid State	\$ 96,471.00	0.1%	9.2%	\$ 891.18	0.0%	
FED Payments in Lieu of Taxes	\$ 3,500.00	0.0%	0.0%	\$ 32.33	0.0%	
Categorical Aid Federal	\$ 216,285.00	0.3%	0.6%	\$ 1,998.01	0.0%	
Non-Revenue Receipts	\$ 25,000.00	0.0%	0.0%	\$ 230.95	0.0%	
Reserve Funds	\$ -	0.0%	-100.0%	\$ -	0.0%	
Total General Fund	\$72,097,430.00		9.7%	\$ 666,025.40	0.9%	

Property Tax Allocation - Expense

Year 1 - \$666,025

Per Annum - \$536,675

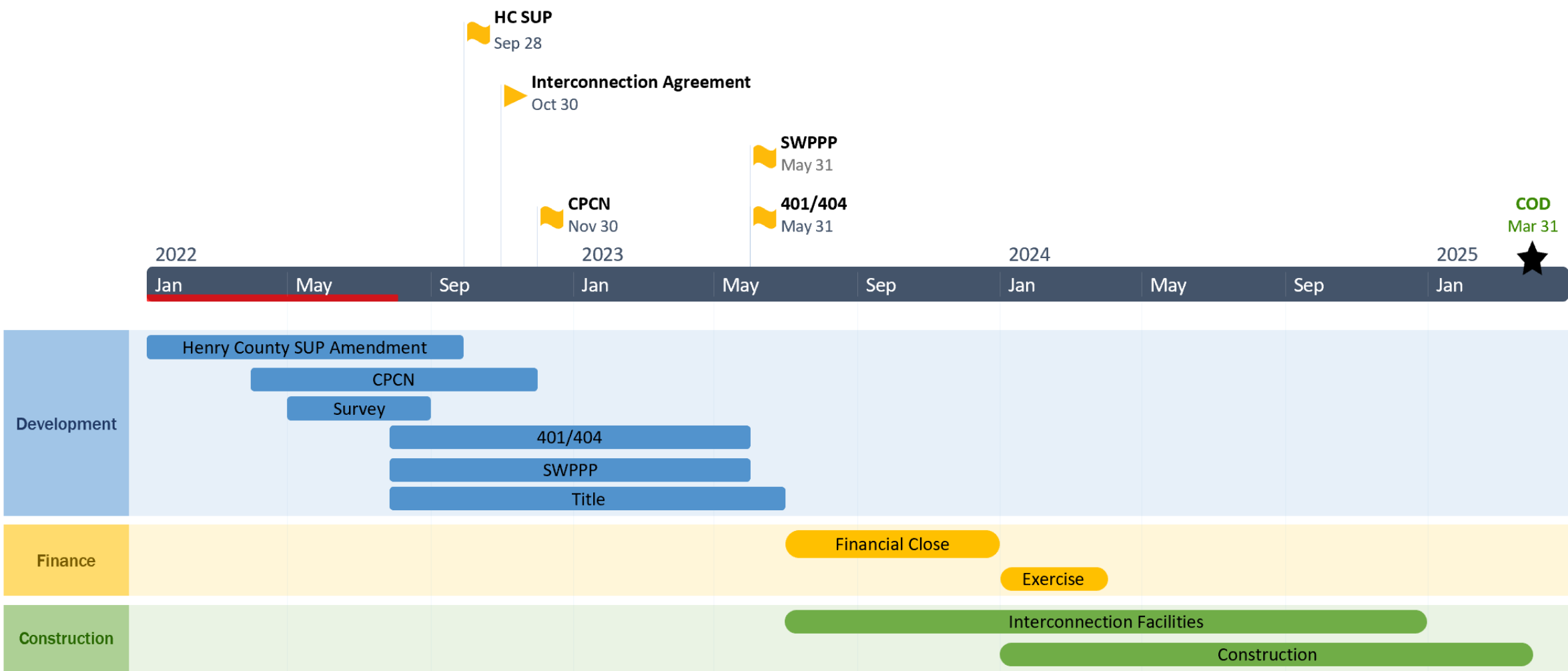
Project Life - ~\$18.78m

Henry County - Expense Budget (2022-2023)					
				Axton Solar Property Tax	
General Fund			y/y		
General Government Administration	\$ 4,080,093.00	8.4%	10.6%	\$ 56,010.13	0.1%
Judicial Administration	\$ 3,605,419.00	7.4%	3.0%	\$ 49,493.97	0.1%
Public Safety	\$15,259,896.00	31.5%	-22.3%	\$ 209,482.67	0.4%
Public Safety - Jail Construction	\$ -	0.0%	0.0%	\$ -	0.0%
Public Works	\$ 4,681,026.00	9.6%	9.3%	\$ 64,259.53	0.1%
Health & Welfare	\$ 847,528.00	1.7%	-6.1%	\$ 11,634.58	0.0%
Education	\$ 62,414.00	0.1%	5.0%	\$ 856.80	0.0%
Parks, Recreation, & Cultural	\$ 2,218,240.00	4.6%	6.2%	\$ 30,451.24	0.1%
Community Development	\$ 2,398,026.00	4.9%	3.5%	\$ 32,919.29	0.1%
Nondepartmental	\$ 381,417.00	0.8%	33.3%	\$ 5,235.96	0.0%
Capital Projects	\$ 8,145,105.00	16.8%	100.0%	\$ 111,813.23	0.2%
School Capital - 1% Sales Tax	\$ 4,740,000.00	9.8%	82.7%	\$ 65,069.11	0.1%
Debt Service	\$ 2,097,873.00	4.3%	0.0%	\$ 28,798.89	0.1%
Total General Fund	\$48,517,037.00			\$ 666,025.40	1.4%

Next Steps



Development Timeline



Decommissioning



- ❑ Henry County – Ordinance of 03-24-2020. Chapter 21, ARTICLE II. - SOLAR ENERGY FACILITIES Ordinance (Sec. 21-223 - Applications and procedures for large scale solar energy facilities. (d) (1)

“The applicant shall provide a detailed decommissioning plan that provides procedures and requirements for removal of all parts of the solar energy generation facility and its various structures at the end of the useful life of the facility or if it is deemed abandoned pursuant to section 21-225.”

https://library.municode.com/va/henry_county/ordinances/code_of_ordinances?nodeId=1012274

❑ Pittsylvania County – PITTSYLVANIA COUNTY CODE CHAPTER 35 ZONING. Sec. 35-141 (E) Decommissioning Requirements for Large and Utility Scale Solar Energy Facilities

"The owner or operator of a large or utility scale solar energy facility shall completely decommission a facility within 12 months if the facility ceases to generate electricity for a continuous period of 12 months This period may be extended by the Board of Zoning Appeals if the owner or operator provides evidence that the failure to generate electricity is due to circumstances beyond their control and the facility has not been abandoned. Decommissioning shall include the removal of all solar collectors, cabling, electrical components, fencing and any other associated equipment, facilities, and structures to a depth of at least 36 inches and stabilization of the site, returning the property to a condition that is conducive to its prior use. A decommissioning plan shall be submitted, which shall include the following: (1) the anticipated life of the project; (2) the estimated decommissioning cost in current dollars, not including a salvage or recyclable material value used to offset the decommissioning cost, provided in an itemized format by a Virginia Licensed Professional Engineer (PE); (3) how said estimate was determined; and (4) the manner in which the project will be decommissioned. As allowed by Section 35-714 of the Pittsylvania County Zoning Ordinance, the Board of Zoning Appeals shall require a bond with surety or other approved security to ensure compliance with conditions imposed in a Special Use Permit. The plan shall acknowledge that if at any time the project is declared to be an unsafe structure by the Pittsylvania County Building Code Official, the terms of the "unsafe structure" code shall apply."

- ❑ Code of Virginia – Title 15.2. Counties, Cities and Towns Subtitle II. Powers of Local Government Chapter 22. Planning, Subdivision of Land and Zoning Article 6. Land Subdivision and Development § 15.2-2241.2. Bonding provisions for decommissioning of solar energy equipment, facilities, or devices

"Decommission" means the removal and proper disposal of solar energy equipment, facilities, or devices on real property that has been determined by the locality to be subject to § 15.2-2232 and therefore subject to this section.

"Decommission" includes the reasonable restoration of the real property upon which such solar equipment, facilities, or devices are located, including (i) soil stabilization and (ii) revegetation of the ground cover of the real property disturbed by the installation of such equipment, facilities, or devices. "Solar energy equipment, facilities, or devices" means any personal property designed and used primarily for the purpose of collecting, generating, or transferring electric energy from sunlight. B. As part of the local legislative approval process or as a condition of approval of a site plan, a locality shall require an owner, lessee, or developer of real property subject to this section to enter into a written agreement to decommission solar energy equipment, facilities, or devices upon the following terms and conditions: (i) if the party that enters into such written agreement with the locality defaults in the obligation to decommission such equipment, facilities, or devices in the timeframe set out in such agreement, the locality has the right to enter the real property of the record title owner of such property without further consent of such owner and to engage in decommissioning, and (ii) such owner, lessee, or developer provides financial assurance of such performance to the locality in the form of certified funds, cash escrow, bond, letter of credit, or parent guarantee, based upon an estimate of a professional engineer licensed in the Commonwealth, who is engaged by the applicant, with experience in preparing decommissioning estimates and approved by the locality; such estimate shall not exceed the total of the projected cost of decommissioning, which may include the net salvage value of such equipment, facilities, or devices, plus a reasonable allowance for estimated administrative costs related to a default of the owner, lessee, or developer, and an annual inflation factor."

Q&A

