

United States Department of the Interior



BUREAU OF LAND MANAGEMENT
Yuma Field Office
2555 East Gila Ridge Road
Yuma, AZ 85365
www.blm.gov/az/

In Reply Refer To:
AZA 2891503 (C020)
2800

November 20, 2015

CERTIFIED MAIL – RETURN RECEIPT REQUESTED, 7015 0640 0007 2170 6093

NOTICE OF TRESPASS

Mr. Michael Johnson
Spear Point Energy
1505 Bridgeway, Suite 207
Sausalito, California 94965



Dear Mr. Johnson:

The United States of America, through the Bureau of Land Management (BLM), has instituted trespass proceedings against Spear Point Energy, LLC (Spear Point) for the unauthorized use of public lands pursuant to Title 43 CFR 2808 under the authority of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701, et seq.).

On November 18, 2014, by email, BLM notified Spear Point and the City of San Luis (City) that the solar facilities located within the City's R&PP leased and patented lands were unauthorized and that a trespass case had been initiated.

On October 29, 2015, a meeting was held with representatives of the BLM, Spear Point, and City regarding the unauthorized solar facilities. During the meeting, Spear Point was informed that trespass fees would be required.

In accordance with regulations found at 43 CFR 2808.11(a), anyone determined to be in trespass shall be notified in writing of such trespass and shall be liable to the United States for:

1. Reimbursing the United States for all costs incurred in investigating and terminating the trespass;
2. Paying the rental for the lands, as provided for in subpart 2806 of this part, for the current and past years of trespass;
3. Rehabilitating and restoring any damaged lands or resources.

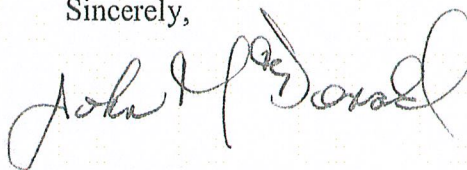
We have calculated a cost estimate of \$5,488.45 (see enclosed) for the expenses involved in compliance with BLM regulations found at Title 43 CFR 2808.11 and the actions relating to the investigation of the unauthorized solar facilities.

In accordance with regulations found at 43 CFR 2806, the rental amount for the period beginning June 2014 through December 2015 for the unauthorized use located on public land within the City of San Luis, Arizona, is \$3,515.07 (see enclosed).

After trespass fees are received, BLM would be able to proceed with processing the right-of-way application submitted for the unauthorized facilities located within the R&PP Lease AZA 28915. We are requesting payment of \$9,003.52 within 30 days of receipt of this notice. Once the requested monies are submitted and facilities are authorized, trespass case file AZA 2891503 will be resolved.

If you have any questions regarding this matter, please contact Realty Specialist Vanessa Briceño at 928-317-3290.

Sincerely,

A handwritten signature in black ink, appearing to read "John MacDonald". The signature is fluid and cursive, with the first name "John" and last name "MacDonald" clearly distinguishable.

John MacDonald
Field Manager

Enclosures

cc: John Starkey
City of San Luis
P.O. Box 3750
San Luis, Arizona 85349
(w/enclosures)

Administrative Costs for AZA 2891503

Personnel Needed for Project

	<i>Hourly Rate</i>	<i>Projected Hours</i>	<i>Total Expenses</i>
Administration	\$ 33.92	1	\$ 33.92
Asst. Field Manager	\$ 57.82	5	\$ 289.10
Field Manager	\$ 75.89	1	\$ 75.89
Realty Specialist	\$ 53.06	57	\$ 3,024.42
Land Law Examiner	\$ 48.42	20	\$ 968.40
<i>Total</i>		84	\$ 4,391.73

Total hrs. 84
 Hrs./Wk.
 Month 174
 Wk. Months 0.48

Other

Travel:	Trips	2	@	\$ 10.40	per trip	\$ 20.80
Vehicle Mileage:	104	\$ 0.25			per mile	\$ 26.00
Misc. Supplies						\$ 20.00
<i>Total</i>						<u>\$ 66.80</u>

Calculation

Total Labor Costs	\$	4,391.73	
Total Other Costs	\$	66.80	
Total (Labor and Other) Costs	\$	4,458.53	
Total Costs	\$	4,458.53	
Indirect Cost Rate	23.1%	FY16	
Grand Total	\$	5,488.45	

Note: This is an estimate, and if BLM determines that additional hours are needed to satisfy your trespass claim, we will notify you in writing what those additional hours are and bill you for the additional costs.

Rental Costs For AZA 2891503

Base Rent

Fire Station	7,389	sq.ft.	
Police Station	11,893	sq.ft.	
City Hall	17,079	sq.ft.	
	36,360	sq.ft.	
		0.83 acre	
	\$ 338.44		CY 2014 Yuma County Per Acre Rent - Zone 7
	\$ 282.50		1 Year Base Rental Calculation
		0.5833	Times Part Year Factor
	\$ 164.78		Total for Part Year (June - December)
		0.83 acre	
	\$ 344.86		CY 2015 Yuma County Per Acre Rent - Zone 7
	\$ 287.86		1 Year Base Rental Calculation
	\$ 452.64		Total Base Rent for CYs 2014 & 2015

Megawatt Capacity

Fire Station	95	kW DC	
Police Station	126	kW DC	
City Hall	147	kW DC	
		368 kW DC	
		0.37 MW	
	\$ 5,256		Times PV MW Capacity Fee Per Year
	\$ 1,934.21		1 Year MW Capacity Fee
		0.5833	Times Part Year Factor
	\$ 1,128.22		Total for CY 2014 Part Year (June - December)
	\$ 3,062.43		Total MW Capacity Fee For CYs 2014 & 2015

Base Rent	\$ 452.64
MW Capacity	\$ 3,062.43
TOTAL	\$ 3,515.07

Part year factors are:

12 months	1.0000	8 months	0.6667	4 months	0.3333
11 months	0.9167	7 months	0.5833	3 months	0.2500
10 months	0.8333	6 months	0.5000	2 months	0.1667
9 months	0.7500	5 months	0.4167	1 month	0.0833

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Bill for Collection'

Bill Number: 2016007605

Date: 11/20/2015

Make Remittance Payable To DOI/BLM and Mail To:

YUMA FIELD OFFICE
2555 E GILA RIDGE RD
YUMA, AZ 85365-2240
(928)317-3200

Please include bill
number on all
remittances.

Payor: SPEAR POINT ENERGY
1505 BRIDGEWAY STE 207
SAUSALITO, CA 94965-1968 US

DATE	DESCRIPTION	AMOUNT
	ADMIN FEES FOR RESOLUTION OF UNAUTHORIZED USE OF FEDERAL LANDS. REF NO: AZA 02891503	\$5,488.45
	DETERMINED RENTAL FOR UNAUTHORIZED USE FROM JUNE 2015 TO DECEMBER 2015. REF NO: AZA 02891503	\$3,515.07
	BLM CONTACT: VANESSA BRICENO, (928)317-3290	
AMOUNT DUE THIS BILL:		\$9,003.52

DATE DUE: 12/20/2015

- BLM Tax ID #84-0437540
- Payment is due within 30 days of date of receipt (certified receipt documentation).
- **Payment is due immediately upon receipt of this bill; however, payment must be received no later than the due date shown above.**
- **Please return a copy of this Bill for Collection with payment or include the Bill Number on your remittance.**
- Payment can be made by cash, check, money order or credit card (VISA, MasterCard, Discover, and American Express) or by Electronic Fund Transfer (EFT) via automated clearing house (ACH) or wire transfer. Make checks or money orders payable to DOI/BLM. To pay by credit card, complete the credit card payment form (attached) and return to the billing office or call the office listed above to pay by phone. You may use debit cards with the VISA or MasterCard logo. To make an electronic payment, see attached document.
- Effective June 1, 2015 - credit card payments can only be accepted for amounts of \$24,999.99 or less.
- See attached Notice of Actions in Event of Delinquency.
- Interest will be assessed at the rate of 1% per year if full payment is not made.
- If the above name and address is incorrect, please contact the BLM office listed above.

This Bill was generated by the automated BLM Collections and Billings System and is a paper representation of a portion of the official electronic record contained therein.

NOTICE OF ACTIONS IN EVENT OF DELINQUENCY

Revised 10/01/2007

If payment is not received by the due date, the Bureau of Land Management (BLM) will pursue collection by all appropriate methods, and when appropriate will assess late fees, civil penalties, interest, administrative charges, and penalties on past due amounts.

1. Interest will be assessed when the bill is 31 days delinquent. Interest charges accrue from the Date of the bill or the Due Date, as specified by program authorities
2. Administrative charges of \$15 per demand letter will be assessed.
3. A penalty of 6% per year is assessed on any portion of the debt more than 90 days past due.
4. **Late fees will be assessed as stated on the bill and as authorized in program authorities.**
5. **Incidents of Noncompliance(INC) bills only:**
 - a. Failure to pay will result in additional enforcement action, including civil penalties, lease shut-in and/or attachment of bond.
 - b. Failure to pay and subsequent attachment of bond may also put federal lease in jeopardy of cancellation.
6. Delinquent accounts will be sent to the Department of the Treasury for referral to collection agencies and credit reporting bureaus. Treasury will assess administrative costs incurred in collecting the debt. Collection may be pursued from salary or administrative offsets from any Federal and State payments, including payments for goods or services, lump sum leave payments, travel reimbursements, federal and state tax refunds, and retirement payments. Debts may also be sent to the Internal Revenue Service for inclusion as income to the debtor on form 1099C, Cancellation of Debt.
7. You may request a full explanation of the bill and you have the right to inspect and copy government records relating to your debt other than investigative, security or privacy act files. You may dispute information in BLM records and have the right to administrative appeal or review of the claim, in accordance with 43 CFR Part IV and applicable legislation.
8. You may enter into a written repayment agreement with the Bureau of Land Management, if such an agreement is acceptable to the BLM. Your request must be submitted to the BLM office at the address shown on the bill.

Authority: Federal Claims Collection Act of 1966, as amended by the Debt Collection Act of 1982.

Authority: The Debt Collection Improvement Act of 1996(P.L. 104-134)

Regulatory: 31 CFR §285, Debt Collection Authorities under the Debt Collection Act of 1996

Information required when paying the BLM WITH CREDIT CARD

Cardholder Name																				
Amount Paid <small>(Effective 6/1/2015 amount cannot exceed \$24,999.99)</small>	\$																			
Bill for Collection Number																				
Credit Card Type	VISA	MC	DISCOVER	AMERICAN EXPRESS																
Credit Card Number																				
Credit Card Expiration Date	MONTH		YEAR																	
Phone Number (Required)	()	-																		
Signature (Required)																				

Information collected from this form may be subject to the requirements of the Privacy Act (5 U.S.C. 552a). This form is used solely as a method of payment for goods and or services provided to federal agencies, businesses and private individuals by the Bureau of Land Management. The information collected will be stored in a secure location with access limited to designated employees. Any information collected may be subject to disclosure, but will be handled in accordance with the Privacy Act and Freedom of Information Act (FOIA) requirements to ensure protection of personal privacy in the face of required disclosure. Information will not be shared with outside parties except as required by law.

It is a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statement or representations as to any matter within its jurisdiction. (Title 18 U.S.C. Section 1001)

(Cut here and return to BLM)

BLM Information your bank requires when paying the BLM ELECTRONICALLY (ACH)

FIELD NAME	REQUIRED INFORMATION
BLM s ACH Account Number	312051
ACH ABA Number	051036706
Company/Individual Name	BLM s Office Name (Example - Wyoming State Office) and BLM POC
Identification Number	BLM Bill Number
BLM s ACH Bank Address Phone 301-887-6600	CASH LINK-ACH RECEIVER 5700 Rivertech Court Riverdale MD 20737
BLM s Address	Bureau of Land Management Building 50, Denver Federal Center, PO Box 25047 Denver, CO 80225-0047
BLM Contact Information	CBS Customer Service Desk at 303-236-6795

You are responsible for any fees your financial institution may charge you for the actual transfer of funds. Please verify additional fees charged by your financial institution are not deducted from payment.

BLM Information your bank requires when paying the BLM ELECTRONICALLY(WIRE TRANSFER)

FIELD NAME	REQUIRED INFORMATION
Receiver DI Number/ Financial Institution	021030004 / Treasury NYC
Beneficiary Identifier/Account Number	14110008
Beneficiary Name	Bureau of Land Management (BLM)
Originator to Beneficiary Information	BLM Bill Number /BLM s Office Name (Example Wyoming State Office)
BLM Contact Information	CBS Customer Service Desk at 303-236-6795
Financial Institution Address	TREASURY NYC 401 14 th Street SW Washington, DC 20327
BLM s Tax ID#	84-0437540

You are responsible for any fees your financial institution may charge you for the actual transfer of funds. Please verify additional fees charged by your financial institution are not deducted from payment.