



Department Source: City Utilities - Water and Light

To: City Council

From: City Manager & Staff

Council Meeting Date: February 20, 2017

Re: Appropriating \$50,000 to cover Railroad small dollar contracts for the remainder of the year.

## Executive Summary

Staff has prepared for Council consideration an ordinance appropriating \$50,000 from the Railroad's retained earnings to a Railroad small dollar contract account to cover expenses for the remainder of the year.

## Discussion

In late 2016 a revenue opportunity presented itself for the COLT Railroad in the form of car storage along its unused sidings. The revenue from car storage is estimated to be \$100,000 annually. This opportunity also comes with an unbudgeted expense in the form of broker fees and other expenses related to the handling of the stored railcars. It is estimated that an additional \$50,000 is necessary to cover these expenses for the remainder of the year.

Staff recommends that Council adopt an ordinance appropriating \$50,000 from the Railroad's retained earnings to railroad small dollar contracts account to cover expenses for the remainder of the year.

## Fiscal Impact

Short-Term Impact: Revenue from car storage is estimated to be \$100,000 with an associated expense of \$50,000 netting \$50,000 in revenue to the railroad.

Long-Term Impact: None

## Vision & Strategic Plan Impact

### Vision Impacts:

Primary Impact: Not Applicable, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

### Strategic Plan Impacts:

Primary Impact: Operational Excellence, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

### Comprehensive Plan Impacts:

Primary Impact: Not Applicable, Secondary Impact: Not applicable, Tertiary Impact: Not Applicable



# City of Columbia

701 East Broadway, Columbia, Missouri 65201

## Legislative History

Date	Action
None	None

## Suggested Council Action

Staff recommends that Council adopt an ordinance appropriating \$50,000 from the Railroad's retained earnings to railroad small dollar contracts account to cover expenses for the remainder of the year.