



City of Columbia

701 East Broadway, Columbia, Missouri 65201

Department Source: City Utilities - Solid Waste

To: City Council

From: City Manager & Staff

Council Meeting Date: January 2, 2018

Re: Property Lease Agreement for Trash Compactor Service in the Downtown Community Improvement District

Executive Summary

Staff has prepared for Council Consideration a resolution authorizing the City Manager to sign a lease agreement for the placement and maintenance of a trash compactor on the Wabash Arms of Columbia LLC property. The lease will be for a period of 20 years with an option to renew for an additional 5 years. The lease payment amount for the first year will be \$5,700. Lease payments in subsequent years will be increased by 3% each year. The lease payments will be recovered through the fee structure of the Downtown Community Improvement District Solid Waste District.

Discussion

The Solid Waste Utility provides trash and recycling collection services within the Downtown Community Improvement District (CID) based upon the common use of trash containers, trash compactors and recycling containers rather than providing individual customer service. In the early 1990s, the Solid Waste Utility began installing trash compactors in lieu of trash dumpsters in the CID because the use of compactors is a more efficient method of refuse collection. A typical compactor has the same volume as approximately thirty (30) dumpsters.

The Solid Waste Utility has had a trash compactor located on this property since 1994 but has not had a formal lease agreement with the property owner. The trash compactor is located on the south side of the east-west alley that runs west of Ninth Street north of Walnut and South of Ash Street as shown on the attached site map. This lease will allow the Solid Waste Utility to continue using the compactor at this location for the next twenty years while providing the property owner annual compensation for the use of the property. The lease also requires the Solid Waste Utility to construct site improvements, including bollards and a concrete curb at an estimated cost of \$6,600, to protect the property owners building from damage. The lease requires the property owner to be reimbursed \$3,750 for the engineering expenses associated with the site improvements.

Refuse and recycling collection rates for the CID are based upon the total cost of providing solid waste services in the CID. All costs associated with this lease will be recovered through the solid waste fees of customers in the CID. The CID board has provided input on this lease as it was being negotiated with the property owner and supports the approval of the lease, see attached correspondence from the CID.



Fiscal Impact

Short-Term Impact: The costs associated with this lease over the next two years will be approximately \$21,921 which includes; annual lease payments of \$5,700 & \$5,871, engineering expense reimbursement of \$3,750 and site improvement cost of \$6,600.

Long-Term Impact: The cost impact beyond 2 years will be included in the operating budget annually and total \$141,590 over the 20 year period.

Strategic & Comprehensive Plan Impacts

[Strategic Plan Impacts:](#)

Primary Impact: Primary, Secondary Impact: Secondary, Tertiary Impact: Tertiary

[Comprehensive Plan Impacts:](#)

Primary Impact: Primary, Secondary Impact: Secondary, Tertiary Impact: Tertiary

Legislative History

Date	Action
None	None

Suggested Council Action

Approve the resolution authorizing the City Manager to execute the property lease agreement.