



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: April 2, 2018

Re: Acquisition of 912 East Walnut for a Solid Waste Collection Site and Appropriating Funds

Executive Summary

Staff has prepared for Council consideration an ordinance authorizing a contract for sale of real estate to allow the City to acquire the property at 912 East Walnut Street to be used by the Solid Waste Division for a collection site for refuse, cardboard and container recycling in the Downtown CID. The acquisition is anticipated to cost approximately \$675,000. An additional \$15,000 is requested to be appropriated to cover closing costs and site improvements necessary to install the refuse and recycling collection facilities. Funding will be from Solid Waste Enterprise Revenue.

Discussion

The purchase of the property at 912 East Walnut, will allow the Solid Waste Utility to develop a solid waste collection site for properties in the CID, particularly for use by the properties in the 800 and 900 blocks between Walnut and Broadway. This collection site is anticipated to include a compactor for trash, a compactor for cardboard recycling and two dumpsters for the collection of plastic, glass and metal containers intended to be recycled.

From approximately August 2004 until August 2017, solid waste services for the 800 and 900 blocks between Walnut and Broadway was provided by a trash compactor located behind 913 East Broadway, see EXHIBIT A. This compactor was located on private property via a property lease. At the request of the property owner, the property lease was terminated in August 2017 and the compactor was removed. Since that time, solid waste services for this portion of the CID have been provided with 2 yard dumpsters located in the public alley. There have been numerous complaints from businesses and property owners associated with the placement and usage of the dumpsters. The purchase of 912 East Walnut will provide a permanent solution for solid waste services for this area of the CID in a more efficient manner that encourages recycling and is more acceptable to the customers in the area.

The property at 912 East Walnut is shown on EXHIBIT B. The property currently has an existing structure on the north half and the south half is used for parking. The solid waste collection site can be located entirely on the south half of the property. The northern portion of the property could be leased or sold for use by a private owner. Upon approval to purchase this property and the development of the solid waste collection site, the potential to subdivide the property and sell the portion with the existing structure will be evaluated to reduce the financial impact of this acquisition to the Solid Waste Utility.



This proposed purchase was presented to the CID Board on March 13, 2018 for their consideration and input. The CID Board has provided a letter supporting this acquisition as a solution to the current use of dumpsters in the area, a copy of the letter of support is attached. The CID Board is concerned about rate adjustments to cover the cost of acquisition of the property. The maximum rate increase to customers in the CID to support this acquisition is 4.8% using a 30 year schedule. The request to only consider the cost of the portion of the property needed for the collection facilities is reasonable. Therefore, it is proposed that no rate adjustment be imposed until a cost of service study is completed in 2020. The study will include the cost of acquisition of the portion of the property used for the collection site and any offset from the future sale of the northern portion of the property. Once the study is complete, appropriate rate adjustments based on the cost to provide service will be presented for consideration.

The total cost for acquisition of the property and site improvements is \$690,000 and will be paid with Solid Waste Enterprise Revenue funds.

Fiscal Impact

Short-Term Impact: \$690,000 will need to be appropriated from the Solid Waste Utility to fund this acquisition and site improvements.

Long-Term Impact: It is estimated that the annual maintenance cost of the solid waste collection site that is planned for this property will be \$3,000 per year.

Strategic & Comprehensive Plan Impact

Strategic Plan Impacts:

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

Comprehensive Plan Impacts:

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

Legislative History

Date	Action
None	None

Suggested Council Action

Authorize the City Manager to execute the contract to purchase 912 East Walnut and authorize the appropriation of funds.