



Request for City Council Committee Action From the Department of Public Works

Date: August 26, 2008

To: Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee

Subject: **Property Acquisition for a joint City/County Solid Waste Management Facility.**

Recommendation:

- a) Authorize the proper City Officials to acquire through negotiation the property located at 701 Industrial Boulevard.
- b) Negotiate, prepare, and execute appropriate development, operating, and maintenance management agreements with Hennepin County for the proposed project and site.

Previous Directives:

- August 22, 2008 Receive and File Report to Council describing the value to the City of a Joint City/County Solid Waste Management Facility.
- Approved and included in the 2007-2011 Five-Year Capital Improvement Program.
- May 12, 2006 Authorization to negotiate, prepare, and execute appropriate development, operating, and maintenance management agreements with Hennepin County for the proposed Joint City/County project and site.
- December 2, 2005 Receive and File, "Preliminary Facilities Options Analysis" for a joint City/County Solid Waste Management Facility.
- January 28, 2005 Receive and File, Opportunity for Household Hazardous Waste Collection Facility in Minneapolis.

Prepared by: Paul Miller, Sr. Project Manager Property Services (612) 673-3603.

Approved by:

Steven A. Kotke, P.E., City Engineer, Director of Public Works

Presenters: Paul Miller, Sr. Project Manager for Property Services

Reviews

Permanent Review Committee (PRC):	Approval	NA	Date
Civil Rights Affirmative Action Plan	Approval	NA	Date
Policy Review Group (PRG):	Approval	NA	Date

Financial Impact (Check those that apply)

- No financial impact - or - Action is within current department budget (If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Business Plan: Action is within the plan. Action requires a change to plan.
- Other financial impact (Explain):
- Request provided to department's Finance Dept. contact when provided to the Committee Coordinator

Community Impact

Neighborhood Notification: NA
City Goals: Convenient access for citizens to safe and proper waste management programs helps to achieve the goal of an enriched environment.
Comprehensive Plan: NA
Zoning Code: NA

Background/Supporting Information

Beginning in 2004, the City Council and Mayor directed Public Works staff to begin the sale process of the City's South Transfer Station located at 2850 20th Ave. S. for the purposes of a proposed combined heat and power biomass energy facility. At that time, Public Works was directed to evaluate options for the relocation of the services that the City's Solid Waste & Recycling Department provided at that location.

Potential Site

Recently, CPED has identified the site located at 701 Industrial Blvd as a suitable site for a joint City/County Solid Waste Management Facility. The entire site is approximately 32.0 acres in size; of which a 9.0 acre parcel is vacant and undeveloped. The 9.0 acre portion of the site was identified as a possibility for the following reasons: 1) The entire site is currently being marketed by the owner for re-development. 2) The site is in an industrial area (zoned I-2) with good access to roadways and truck routes. 3) The site size (9.0 acres) meets the feasibility criteria as identified in the "Preliminary Facilities Options Analysis. 4) Acquiring an undeveloped site will result in reduced site preparation, demolition, and construction costs.

Acquisition and Ownership:

- The City and County will develop a mutually agreed upon acquisition and ownership plan. Cost of acquisition will be shared and at the completion of construction, the site will be officially divided and Hennepin County will take ownership of the land associated with the County's portion of the facility. Any financial adjustment between both parties will be made at the time.
- CPED staff will be the lead agency in negotiations for the acquisition of the proposed site, community engagement, and general communications to neighborhood groups and businesses.
- The Project design and construction shall be based upon the current sustainable design requirements of the City and County. The City of Minneapolis has adopted LEED (Leadership in Engineering and Design) as its sustainable building guideline and requires that buildings of this size be designed and constructed to a LEED Silver level of quality.

- The City and County staff plan on cooperatively developing and eventually operating the site. As part of the programming and business analysis process, opportunities for partnering and joint services will be identified for efficiencies and/or improved service.

Recommendation

In the 2007-2011 Five-Year Capital Program, the City approved funding for a joint City/County facility (PSD08). A joint city/county Solid Waste and Household Hazardous Waste Management Facility would be a cost effective solution to meet the operational needs of the City and County. Convenient and needed services for citizens and small businesses will be accessed at one location. Therefore, for the purposes of a joint city/county Solid Waste and Household Hazardous Waste Management Facility, we are requesting authorization for the proper City Officials to

- a) Acquire through negotiation the property located at 701 Industrial Blvd. in Minneapolis.

And to;

- b) Negotiate, prepare, and execute appropriate ownership, development, operating, and maintenance management agreements with Hennepin County for the proposed project and site.

A final purchase agreement and sale closure will not be submitted for approval until all joint City/County ownership, development, operating, and maintenance management agreements are in place.