



AGENDA MEMORANDUM

Action Item for the City Council Meeting August 18, 2020

DATE: July 22, 2020

TO: Peter Zanoni, City Manager

THRU: Keith Selman, Assistant City Manager
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(361) 826-3082

FROM: David Lehfeldt, Director, Solid Waste Services
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Real Estate Purchase Contract for 92.241 acres of farmland, located on State Highway 286, abutting and south of the JC Elliott Transfer Station

CAPTION:

Motion authorizing the purchase of approximately 92.241 acres of farmland located on State Highway 286 south of and abutting the J.C. Elliott Transfer Station for \$3,000,000 funded through reserve balances in the Solid Waste Certificates of Obligation issued in 2008, 2015, 2017, and 2018; and authorizing the execution of all documents necessary for the purchase.

SUMMARY:

The Solid Waste Services department seeks approval to purchase 92.241 acres adjacent to the existing JC Elliott Transfer Station which is considered an ideal location to relocate administrative offices, operate a composting program, construct and operate a larger enclosed transfer station, and consolidate hauling operations. Funding is currently available from the reserve balances in the Solid Waste Certificates of Obligation issued in 2008, 2015, 2017, and 2018.

BACKGROUND AND FINDINGS:

The Solid Waste Services department has the opportunity to purchase property immediately adjacent to the JC Elliott Transfer Station that will provide an ideal location to consolidate Solid Waste Department operations in a centralized location. In the near future, the department's plans include the addition of a composting program and facility, a larger and enclosed transfer station, new administrative offices, and consolidated fueling and parking for the transfer and collection fleets. The natural buffer area provided by the Oso Creek is an ideal location to centralize Solid Waste operations while the City continues to expand southward with recent annexations and residential development.

Corpus Christi is lagging behind other major cities in the amount of solid waste materials diverted from landfilling. A composting program, utilizing the available wastewater sludge and ground brush, would

divert 80,000 to 100,000 tons of materials per year, conserving valuable landfill space. After opening for operations in 2007, the existing transfer station has already reached its operational capacity.

A new, larger, enclosed transfer facility is needed to meet the growing demand and utilization by residents, commercial haulers, and the City's refuse collection fleet. The existing transfer station would be repurposed and utilized for tire shredding, freon recovery, and glass crushing operations.

Solid Waste Services currently shares a 47 year-old building at 2525 Hygeia St., with the Public Works Department. In addition to the inadequate office and meeting facilities, the building has foundation, roofing, and HVAC issues. Previous plans to construct new administrative facilities at the JC Elliott Transfer Station have been placed on hold with the prospect of combining departmental operations under one roof. By consolidating personnel and equipment at one location, the department would reduce the overall footprint and gain operational efficiencies.

ALTERNATIVES:

1. Authorize purchase of the subject property. (Recommended)
2. Do not authorize purchase of the subject property. (Not Recommended)

FINANCIAL IMPACT:

Certificates of obligation reserves identified from 2008, 2015, 2017, and 2018 totaling \$3,000,000 will be utilized to fund the land purchase.

FUNDING DETAIL:

Fund: 3365 - Sanitation/Land 2008 Fund
Organization/Activity: 20281-3365-EXP
Mission Element: 033
Project # (CIP Only): 20281 - Solid Waste Land Purchase
Account: 550701- Land and Right of Way

Fund: 3367 - Landfill 2015CO Fund
Organization/Activity: 20281-3367-EXP
Mission Element: 033
Project # (CIP Only): 20281 - Solid Waste Land Purchase
Account: 550701- Land and Right of Way

Fund: 3368 - Landfill 2017CO Fund
Organization/Activity: 20281-3368-EXP
Mission Element: 033
Project # (CIP Only): 20281 - Solid Waste Land Purchase
Account: 550701- Land and Right of Way

Fund: 3369 - Landfill 2018CO Fund
Organization/Activity: 20281-3369-EXP
Mission Element: 033
Project # (CIP Only): 20281 - Solid Waste Land Purchase
Account: 550701- Land and Right of Way

RECOMMENDATION:

The recommendation is to approve this item as presented.

LIST OF SUPPORTING DOCUMENTS:

Location Map
Presentation
Real Estate Contract