COUNCIL COMMUNICATION				
CITY OF DES MOINES OFFICE OF THE CITY MANAGER	Number:	20-233	Meeting:	June 8, 2020
	Agenda Item:	25	Roll Call:	20-0906
	Submitted by:	Jonathan A. Gano, P.E., Public Works Director		

AGENDA HEADING:

Approval of the Amendment to Ground Lease and Operation Maintenance Agreement for Metropolitan Salt Storage Facility on Metro Waste Authority (MWA) property and approval of the Bill of Sale for the Des Moines Building at the Metropolitan Salt Storage Area.

SYNOPSIS:

MWA terminated the City of Des Moines' ground lease agreement effective July 24, 2020. This Amendment replaces the termination and ends the lease in a mutually agreeable manner on October 1, 2020. MWA requested the City leave the building for their future use. Public Works made plans to construct a similar facility in the Public Works supply yard. The expected completion date is September 1, 2020.

FISCAL IMPACT: NONE

ADDITIONAL INFORMATION:

- The City of Des Moines will replace the building on MWA's property with a similar-sized building at the Public Works supply yard located at 903 SE 22nd Street. This new location will result in:
 - > Cost savings related to no longer hauling salt from Grimes to Des Moines.
 - Cost savings due to early pre-season salt delivery (a savings of \$8.58 per ton in Fiscal Year {FY} 2021).
 - ➤ All salt will be housed in Des Moines.
 - > The new building is expected to be completed by September 1, 2020.
 - The City of Des Moines will continue to store 3,700 tons at the building on MWA property until September 1, 2020.
 - The agreement will be modified by MWA, the City and the cities of West Des Moines, Urbandale, Johnston, Clive, Windsor Heights, Waukee, Grimes, and Pleasant Hill.

PREVIOUS COUNCIL ACTION(S):

Date: May 19, 2014

Roll Call Number: 14-0757

<u>Action</u>: <u>Acceptance</u> of Bill of Sale for 10,000 ton capacity Salt Storage Facility building and approval of Ground Lease and Operation and Maintenance Agreement for Metropolitan Salt Storage Facility. (<u>Council Communication No. 14-241</u>) Moved by Hensley to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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