

INFORMATION ON SNOW DUMP/VACTOR TRUCK FACILITY FUNDING

At its Land Trade Task Force Meeting #3, some members asked about the restrictions on fund sources for expanding and upgrading the snow dump and construction of a new vactor truck facility at the Kloep Street Maintenance Facility. Here are some details.

Based on capital project history and bond fund management practices, it has been the legal opinion and policy of the MOA Finance Dept. and Areawide Roads and Drainage Service Area (ARDSA) bond counsel that ARDSA bond money can only be spent on capital projects that are located within the public right of way or on property that the Municipality owns outright by title. In the case of the Kloep Station projects, the PME contract staff specifically asked the Finance Dept. and bond counsel what criteria would apply to a project located on land that the MOA did not own but had a long term lease, e.g. 20 years. They advised that that might be approvable, but it was outside of regular practices and policy. If the long term lease was longer than the design life of the project, it might be possible with additional legal review and considerations. This has likely not been done previously. In their January 14, 2011 letter to the MOA, the Airport stated that a term of 5 years was the maximum they could offer. The terms they offered were beyond MOA expenses. And this or any other lease agreement had to be consistent with FAA grant assurances and regulations. The MOA ceased further lease discussions.

Typical design life for these types of projects, snow disposal sites, sediment basins, etc. is 20 - 25 years. The existing snow disposal site at Kloep requires an upgrade. It is out of compliance with the MOA MS4 permit because it has not been upgraded.

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