

Introduced by _____ Council Bill No. R 277-07

A RESOLUTION

authorizing a Contract of Obligation with the Missouri Department of Natural Resources for financial assurance for proper closure and post-closure activities at Columbia's landfill.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF COLUMBIA, MISSOURI, AS FOLLOWS:

SECTION 1. The City Manager is hereby authorized to execute a Contract of Obligation with the Missouri Department of Natural Resources for financial assurance for proper closure and post-closure activities at Columbia's landfill. The form and content of the Obligation shall be substantially as set forth in "Exhibit A" attached hereto and made a part hereof as fully as if set forth herein verbatim. Exhibit A is identical to the wording specified in 10 CSR 80-2.030(4)(D)7.

ADOPTED this _____ day of _____, 2007.

ATTEST:

City Clerk

Mayor and Presiding Officer

APPROVED AS TO FORM:

City Counselor

CONTRACT OF OBLIGATION

THIS AGREEMENT is made and entered into by and between Columbia, Missouri and the Missouri Department of Natural Resources hereinafter referred to as the MoDNR.

WHEREAS Columbia, Missouri has submitted a permit application for the construction, operation and maintenance of a solid waste disposal area to MoDNR pursuant to the requirements of sections 260.200 to 260.345, RSMo, the Missouri Solid Waste Management Law (hereinafter "Law") and the rules promulgated there under; and

WHEREAS, pursuant to the Missouri Solid Waste Management Rules, 10 CSR 80-2.030 (4) (D) 7., a municipality or county may execute a "contract of obligation" to satisfy the requirements for a financial assurance instrument in applying for a permit to operate a solid waste disposal area.

NOW THEREFORE, in consideration of the issuance of Permit Number 101908 by MoDNR to Columbia, Missouri for the operation of a solid waste disposal area and in consideration of the mutual covenants contained herein, MoDNR and Columbia, Missouri hereby agree as follows:

1. Columbia, Missouri is hereby bound unto MoDNR in the sum of SIX MILLION, NINE HUNDRED SIXTEEN THOUSAND TWO HUNDRED NINETY TWO US Dollars (\$6,916,292.98) and hereby authorizes the Director of the MoDNR, or designee, to collect said sum from any funds being disbursed or to be disbursed by the state of Missouri to Columbia, Missouri upon failure of Columbia, Missouri to close and provide post-closure care for the solid waste disposal area in accordance with the requirements of the Law, the regulations duly promulgated there under and the approved closure and post-closure plans.
2. Should MoDNR find that Columbia, Missouri has failed to properly close or provide post-closure care for the solid waste disposal area, MoDNR shall notify Columbia, Missouri of such finding and pursuant to 260.235, RSMo shall afford the opportunity for administrative and judicial review of such finding.
3. Columbia, Missouri hereby authorizes the Director of the Department of Revenue and the State Treasurer to withhold from any funds being disbursed or to be disbursed by the state of Missouri to Columbia, Missouri the sum of SIX MILLION, NINE HUNDRED SIXTEEN THOUSAND TWO HUNDRED NINETY TWO US Dollars (\$6,916,292.98) upon receiving notice from the Director of MoDNR of Columbia, Missouri's failure to properly close or provide post-closure care upon receiving notice from the Director of MoDNR of Columbia, Missouri's failure to properly close or provide post-closure care for the solid waste disposal area.
4. This contract shall terminate upon written notice from MoDNR that Columbia, Missouri is released from the requirements for a financial assurance instrument for closure or post-closure care as required by the Law and the rules promulgated there under.
5. If Columbia, Missouri desires to terminate this contract prior to completing proper closure and post-closure care for the solid waste disposal area it must:
 - (a) send a notice of termination in writing addressed and delivered to the MoDNR 120 days before that termination will occur; and

Source

John Glascock

TO: CITY COUNCIL

FROM: City Manager and Staff 

DATE: November 20, 2007

SUBJECT: Sanitary Landfill Closure and Post-Closure Financial Assistance Instrument (FAI)

John Glascock

Fiscal Impact

- Yes
- No

Other Info.

Executive Summary

Staff has prepared for Council consideration a resolution authorizing the City Manager to execute a Contract of Obligation in the amount of \$6,916,292.98 with the Missouri Department of Natural Resources for the purpose of providing financial assurance for proper closure and post-closure activities of the City of Columbia Sanitary Landfill. This is a reduction from last year's amount of \$7,260,232.00.

Discussion

Missouri Solid Waste Management law has required annual Financial Assurance Instruments (FAI) of operators of sanitary landfills since 1988. This agreement provides that in the event the City should fail to perform required closure and post-closure activities at the landfill, the Missouri Department of Natural Resources shall collect the required amount from any state funds which are normally disbursed to the City in the amount determined to be necessary to complete the City's obligation.

The amounts are based on estimates in current dollars for a third party to conduct and complete closure and post-closure activities. These estimates must equal a maximum closure cost at any time during the life of the facility and include estimates for each closure activity. The Contract of Obligation must be updated annually.

SUGGESTED COUNCIL ACTION

Approval of the resolution.