

## City Council – Action Request Form

**Date:** January 9, 2023

**To:** Mayor, Mayor Pro Tempore, and Members of the City Council

**From:** Johnnie Taylor, Director of Operations  
Travis Cockerham, Real Estate Administrator

**Council Action Requested:**

Resolution Authorizing a New Lease Agreement with KDM of Wilmington, LLC, or Assigns, Providing a Site for a Leaf Mulching Facility for the Sanitation Department (North Ward)

**Strategic Focus Area:** Healthy Environment

**Strategic Objective:** Develop Comprehensive Solid Waste Management Strategies

**Strategic Plan Action Item:** No

**Key Work Item:** No



**Summary of Information:**

On January 22, 2019, the City Council authorized a two-year extension to the lease of a lot at 3 W. Thirty-Second Street for a leaf mulching facility. This lot meets all requirements and specifications of the Sanitation Department and it has proven to be a significant financial benefit to the City to have a leaf mulching facility in this area of the city. The area is fenced and is covered in asphalt. It is approximately a three-acre eastern portion of Tax PIN 6836-29-0444. It is owned by KDM of Wilmington, LLC, or assigns, P.O. Box 69, Jamestown, NC 27282.

The current lease rate is \$3,378.48 per month and the two-year extension expires on February 28, 2023. The owner is now requesting a new two-year lease at \$3,773.76 per month, during the first year. This will amount to an additional \$395.28 per month over the first year lease period. It is proposed that the lease term be for two years running from March 1, 2023 through February 28, 2025. The rent amount of the second year will be increased by the Consumer Price Index (CPI) at that time, which is believed to be reasonable. Although the site is heavily used during leaf season, the Sanitation Department will continue to use the facility year-round for leaf storage, cart storage and vehicle staging.

**Committee Action:**

<b>Committee</b>	Finance 1/9/23	<b>Action</b>	Approved
<b>For</b>	Unanimous	<b>Against</b>	

**Remarks:**

The attached resolution authorizes the execution of a new two-year lease agreement as stated herein, and as approved by the City Attorney's Office.