



HISTORIC
FRANKLIN
TENNESSEE

ITEM #6
FINANCE
10-24-12

MEMORANDUM

October 24, 2012

TO: Board of Mayor and Aldermen

FROM: Eric S. Stuckey, City Administrator
Russ Truell, ACA Finance & Administration
Becky Caldwell, Solid Waste Director

SUBJECT: Bi-County Solid Waste hauling update

Purpose

The purpose of this memorandum is to update the Board of Mayor and Aldermen (BOMA) regarding the status of the agreement with Bi-County Solid Waste for hauling and landfilling of municipal solid waste from the City of Franklin transfer station.

Background

Beginning July 1, 2012, the City of Franklin Solid Waste Department entered into an inter-local agreement with Bi-County Solid Waste, an entity of Montgomery and Stewart Counties, in Tennessee. The primary goal of this agreement was to secure a long-term solution for disposal of waste processed through our City-owned transfer station. The secondary goal of this agreement involved extensive savings over our operating costs prior to July 1, 2012.

During the first week of the agreement, we assisted with hauling 11 of the 55 loads hauled, disposing of nine (9) loads at the Bi-County Landfill and two (2) at the Williamson County Landfill. This was due to a delay in the receipt by Bi-County of needed equipment. Since this time, Bi-County Solid Waste has proven their ability to effectively manage the volume of waste processed through our City transfer station. They have handled all loads since the first week of operation.

Financial Impact

Initially the projected savings, from entering into an agreement for landfill and hauling services, with Bi-County Solid Waste indicated a decrease in the overall Solid Waste Disposal budget of \$551,986.

As shown in the attached spreadsheet, the savings at the end of the first two (2) months of this agreement total \$150,683. We should continue to recognize similar savings in the future, based on the reduction in spending for personnel and other operating expenses.

Options

Not applicable

Recommendation

Continue depending on Bi-County Solid Waste for hauling and landfilling refuse processed through our City-owned transfer station. No action is required. This is a report of our initial two months of operation under the new arrangement.

CITY OF FRANKLIN
PRO FORMA PRESENTATION (COMPARABLE DATA IN EACH YEAR)
SOLID WASTE DISPOSAL COSTS

Description	2012	2013	Inc (Dec)	Periods Included
Regular Pay	\$ 102,319	\$ 51,254	\$ (51,066)	6 payrolls
Overtime Pay	18,961	4,622	(14,339)	6 payrolls
FICA (Employer's Share)	9,003	4,124	(4,879)	6 payrolls
Medical Premiums	19,979	9,290	(10,689)	2 months
Group Insurance Premiums	1,592	769	(823)	2 months
Employee Insurance Contributions	(4,101)	(1,637)	2,464	6 payrolls
Retirement Contributions	17,790	13,746	(4,044)	1 quarter
Mailing & Outbound Shipping	39	64	25	1 month
Uniform Rental & Services	126	368	242	1 month
Landfill & Biosolids Management	120,661	130,443	9,782	1 month
Cellular Telephone Service	331	231	(100)	1 month
Vehicle & Equipment Parts & Maintenance	30,691	1,337	(29,354)	1 month
Building Maintenance	202	1,926	1,724	1 month
Operating Supplies	422	1,079	657	1 month
Fuel	52,934	4,254	(48,681)	2 months
Property & Liability Insurance	21,842	20,240	(1,602)	Annual
State Fees	1,650	1,650	-	2 months
	<u>\$ 394,442</u>	<u>\$ 243,759</u>	<u>\$ (150,683)</u>	

This presentation includes comparable data for each year based on the periods indicated.