

ORDINANCE NO. 2010 - 08

WHEREAS, the City Charter, Article VIII, provides for adoption of an annual budget for departments of the City of Franklin, and

WHEREAS, an annual budget process appropriating funds to the various departments and divisions of the City government for the fiscal year beginning July 1, 2009 has been completed in accordance with state law and local ordinances,

NOW, THEREFORE BE IT ORDAINED, by the Board of Mayor and Aldermen of the City of Franklin, Tennessee:

SECTION I: That the annual budget for the City of Franklin for the Fiscal Year 2009-2010 shall be amended and does allocate and appropriate additional funding as follows:

GENERAL FUND

Revenues

Fund Balance Allocation: \$60,000

Additional Appropriations

New Compost Screener-Street Maintenance \$60,000
(approved as intent to amend by BOMA on 12/8/09, Item # 30)

SECTION II: That each department of the City shall limit its expenditures to the amount appropriated; that any changes or amendments to the appropriations set forth in the budget shall be made in accordance with the City Charter, Article VIII.

SECTION III: That this Ordinance shall take effect on July 1, 2009, from and after the passage on Third and Final Reading; the health, safety and welfare of the citizens of the City of Franklin requiring it.

ATTEST:

CITY OF FRANKLIN, TENNESSEE

By: _____
ERIC S. STUCKEY
City Administrator

By: _____
JOHN C. SCHROER
Mayor

PASSED FIRST READING: _____

PUBLIC HEARING: _____

PASSED SECOND READING: _____

PASSED THIRD READING: _____

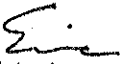


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MEMORANDUM

November 17, 2009

TO: Board of Mayor and Aldermen

FROM: Eric S. Stuckey, City Administrator 
Verron Gerth, Assistant City Administrator
Russell Truell, Assistant City Administrator / CFO
Joe York, Streets Director
Brian Wilcox, Purchasing Manager

SUBJECT: Consider Declaring An Intent-To-Amend The Streets Department General Fund Budget For The Current Fiscal Year To Provide Funding For Purchase Of A Compost Screener

Purpose

The purpose of this procurement would be to purchase a compost screener for the City of Franklin's compost facility located at 1116 Incinerator Rd. (off of Old Carters Creek Pike, near Lula Lane). This equipment would be used to break up large clumps of compost, and to remove trash, rocks, and any other debris not suitable for compost. Prior to the screening process, the compost is not a product of much use to the City and/or gardeners and landscapers.

Background

The Streets Department Maintenance Division has been operating the City's compost facility since 2007 when the City began composting leaves collected at curb-side by the Streets Department as well as bagged yard-waste collected by the Solid Waste Department. Prior to this time, the City did not have a program in place for diverting yard waste from the waste stream, so all yard waste was taken to the landfill. Today, the compost facility processes approximately 8 to 10,000 cubic yards of material each year. The finished compost is used by the City for its own projects (e.g., at City parks, and in City rights of way and easements), and is also made available at no cost to area residents and contractors. Of course, the yard-waste program also financially benefits the City's Solid Waste Fund as it reduces the quantity of solid waste hauled to the landfill. Since inception of the City's yard waste program, the City has been renting screening equipment on a per-running-hour basis. Until recently, the City rented a top-soil screener from a local contractor at a cost of \$40.00 per running hour. Currently, the City is renting a dirt screener from another local contractor for \$30.00 per running hour. Neither the top-soil screener nor the dirt screener is designed for use as a compost screener and, as such, they do not produce a finished product that is quite as good as would be produced by a compost screener.

Financial Impact

Staff estimates that the rented screening equipment is used on average about 25-30 hours per month, depending upon weather conditions among other factors. At this rate, staff anticipates the City would spend about \$5,400 for the last half of the current fiscal year (\$10,800 over twelve months). Staff has obtained an estimate for a new trommel-style compost screener of a size and capacity that would meet the needs of the City for the foreseeable future. With a conveyor system, which is an important and necessary component, this piece of equipment would cost about \$60,000. If the service life of the compost screener is at least ten years, then the annualized depreciation would be \$6,000. Staff had planned to include purchase of a new compost screener in the Streets Department budget in the City's General Fund for the current fiscal year, and continues to view



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the purchase of this equipment to be a more cost-effective option as compared to rental, but, as part of the effort to present a balanced budget, this item was deleted from the budget before the budget was presented to the Board of Mayor and Aldermen. A portion of the cost of a new compost screener could be offset by other capital purchases of the Street Department Maintenance Division coming in under budget already this year. For example, the leaf vacuum purchased earlier this fiscal year came in at \$16,121 under budget.

Options

1. Declare an intent-to-amend the Streets Department General Fund budget for the current fiscal year to provide funding for purchase of a compost screener, and authorize staff to prepare bid documents and put out for bid the purchase of a new compost screener. The annual depreciation for this option would be about \$6,000.
2. Same as option 1 above but solicit pricing for a used screener. Staff estimates that the cost of a used screener would be in the range of \$28,000 to \$59,000. Of course, the condition and remaining service life would be uncertain, and the warranty may be expired. The annual depreciation for this option would depend upon the purchase price.
3. Continue to rent a dirt screener for the balance of the current fiscal year, and plan to budget for the purchase of a new compost screener in FY2011. On an annualized basis, this option would cost an estimated \$10,800 to \$14,400 per year, depending on the hourly rate and the amount of usage.
4. Rent a trommel compost screener for the balance of the current fiscal year, and plan to budget for the purchase of a new trommel compost screener in FY2011. The Streets Department estimates that the rental cost of a trommel screener as described above is \$4,500.00 per month.
5. Staff has considered whether a demo compost screener might be for sale. After checking with vendors who carry this type of equipment, staff has concluded that this is not a viable option.

Recommendation

Staff recommends option 1 above if funding is available. If not, then staff recommends option 3 above.