



HISTORIC  
FRANKLIN  
TENNESSEE

Item #4  
Finance  
12/16/10

## MEMORANDUM

December 10, 2010

**TO:** Budget & Finance Committee

**FROM:** Eric S. Stuckey, City Administrator  
Russell Truell, Assistant City Administrator / CFO  
Mark Hilty, Water Management Director  
Brian Wilcox, Purchasing Manager

**SUBJECT:** Consider authorizing an extension for up to three (3) more months effective January 1, 2011, with no penalty for early termination at the request of the City but not until after at least seven (7) calendar days' written notice, to the term of service for sanitary landfill tipping services provided by Waste Management, Inc. of Tennessee for the disposal of biosolid waste-activated and/or digested sludge, pursuant to City of Franklin Procurement Solicitation No. 2008-027

### Purpose

The purpose of this procurement is to provide for the disposal of biosolid waste-activated and/or digested sludge produced at the City of Franklin Water Reclamation Facility beginning January 1, 2011.

### Background

The Water Management Department Water Reclamation Division budget for fiscal year 2011 allocates \$262,500.00 out of the Sewer Fund for the purchase of sanitary landfill tipping services for the disposal of biosolid waste-activated and/or digested sludge produced at the City of Franklin Water Reclamation Facility. These services are currently provided by Waste Management, Inc. of Tennessee, pursuant to City of Franklin Procurement Solicitation No. 2008-027. The current arrangement with Waste Management is due to expire December 31, 2010.

Waste Management has expressed willingness to extend the term of service for the disposal of biosolid waste-activated and/or digested sludge produced at the City of Franklin Water Reclamation Facility beginning January 1, 2011. The fee for services for the extended term of service would be adjusted for the rate of inflation pursuant to the terms of Solicitation No. 2008-027.

During the extended term of service, staff plans to solicit and present to the Board of Mayor and Aldermen bids for sanitary landfill tipping services for the disposal of biosolid sludge produced at the City of Franklin Water Reclamation Facility for a new term of service. Staff also proposes to solicit and present to the Board of Mayor and Aldermen bids for transporting the sludge to the landfill awarded the disposal. The bids for transportation services would be an option to the City continuing to transport the sludge to the landfill with its own labor and equipment.

### Financial Impact

As the disposal of sludge would continue to be disposed of as it has been pursuant to City of Franklin Procurement Solicitation No. 2008-027, staff is not aware of any financial impact of extending the term of service of that arrangement beginning January 1, 2011.



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### **Options**

In addition to extending the term of service of the current arrangement with Waste Management, staff has considered asking sanitary landfills to compete for the City's business during this interim period by means of an informal request for price quotes.

### **Recommendation**

Staff recommends that the City seek to extend for up to three (3) more months effective January 1, 2011, with no penalty for early termination at the request of the City but not until after at least seven (7) calendar days' written notice, the term of service for sanitary landfill tipping services provided by Waste Management, Inc. of Tennessee for the disposal of biosolid waste-activated and/or digested sludge, pursuant to City of Franklin Procurement Solicitation No. 2008-027.