City of Fayetteville Staff Review Form

City Council Agenda Items and Contracts, Leases or Agreements

A. 7 Solid Waste Hauling and Disposal Fees Page 1 of 4

9/4/2012

City Council Meeting Date Agenda Items Only

lohn Nelson	Solid V	Vaste & Recycling	Transportation Services				
Submitted By		Division	Department				
		Action Required:					
pproval of a budget adjustment ir ees.	the amount		for solid waste hauling and disposal				
238,403.00		1,250,274.00	Services and Charges				
65,195.00	\$	409,604.00	Services and Charges				
Cost of this request	-	Category / Project Budget	Program Category / Project Name				
5500.xxx.5316.00		694,282.00	Various				
5500.5040.5315.00	\$	217,281.00	Transfer Station				
Account Number		Funds Used to Date	Program / Project Category Name				
N/A	\$	748,315.00	Solid Waste				
Project Number		Remaining Balance	Fund Name				
Department Director		6.70	ntract Date:ntract Number:				
ity Herrical Services Director	<u>de</u>	Date 20/12 Received Clerk's C	Office // //				
hief of Staff Junifl Junifl	dans	Nate Receive Mayor's					
Comments:							



CITY COUNCIL AGENDA MEMO

TO:

Mayor Jordan and City Council

THRU:

Don Marr, Chief of Staff

Terry Gulley, Transportation Services Director 729

FROM:

John Nelson, Management Accounting Coordinator

DATE:

August 16, 2012

SUBJECT:

Solid Waste Hauling and Disposal Fees

PROPOSAL:

The Solid Waste & Recycling Division assumed operating the transfer station floor in October 2009. A contract was awarded to Waste Management of Arkansas for hauling and disposing of municipal solid waste with a provision allowing rate adjustments by using the difference in the United States Department of Labor Index For Goods and Services annually each December which is currently near 2%.

Since the last quarter of 2009, continued steady growth in tonnage processed by the transfer station has occurred. There was 5,320 tons of waste processed in 2010 which compared to the 7,701 tons processed in 2011 equates to a 45% increase. When comparing the 2,932 tons processed the first six months of 2011 to the 5,709 tons handled the first six months of 2012, the increase is even larger at 95%.

The overall percentage of increased materials handling since Solid Waste resumed operations of the transfer station is 115%. This has resulted in a large increase in the hauling and disposal fees for the division.

RECOMMENDATION:

Staff recommends approval of a budget adjustment in the amount of \$303,598 to provide funding for solid waste hauling and disposal fees for the remainder of 2012.

These funds will be offset by the increased revenue collected for disposal fees from outside customers that deliver directly to the transfer station.

BUDGET IMPACT:

The increase in expenditures will be directly offset by revenues.

RESOL	TII.	MOL	NO.	

A RESOLUTION APPROVING A BUDGET ADJUSTMENT IN THE AMOUNT OF \$303,598.00 TO PROVIDE FUNDING FOR SOLID WASTE HAULING AND DISPOSAL FEES

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby approves a budget adjustment, a copy of which is attached as Exhibit "A", in the amount of \$303,598.00 to provide funding for solid waste hauling and disposal fees.

PASSED and **APPROVED** this 4th day of September, 2012.

APPROVED:	ATTEST:				
By:	By:				
LIONELD JORDAN, Mayor	SONDRA E. SMITH City Clerk/T	reasurer			

City of Fayetteville, Arkansas Budget Adjustment Form

A. 7

V12.0724

Budget Year
Division: Solid Waste & Recycling
Department: Transportation Services

Padjustment Number

8 Oolid Waste Hauling and Dieposal Fees
Padjustment Number

9/4/2012

BUDGET ADJUSTMENT DESCRIPTION / JUSTIFICATION

\$303,598 is requested in the solid waste disposal and contract services accounts.

Due to increased volumes of solid waste handled at the transfer station, additional funding is needed for hauling and disposal. The contracted rates for hauling and disposal will be offset by increased revenue collected.

Try & Gully	8-17-12	Prepare	ed By	y: John Nel	son			
Division Head	Date	, ropart		9. 00			~~~~	inelson
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1/2	_ 3-27-R'							
Budget Director	Date			Budget & Re	sear	ch Use On	ıly	
Jan 2. July	8-17-12	Туре:	,	А В	С	D	E	Р
Department Director	Date							
Marka Hertwede	8/20/12	Genera	l Lec	lger Date				
Finance Director	Date							
Don Man	8/21/12	Posted	to G	eneral Ledger				
Chief of Staff	<i>ι</i> bate					Initial		Date
Swell July	8/22/12	Checke	d/V	erified				-
Mayor	Date					Initial		Date
· To	OTAL BUDGET ADJU	JSTMENT	·	303,598		303,598		
			-	Increase / (I	Decr	ease)	Pr	oject.Sub
Account Name	Account Nu	mber	-	Expense	R	evenue		Number
Solid waste disposal	5500.5010.5	316.00	ΞΣ	20,842	•	-		
Solid waste disposal	5500.5020.5	316.00	ΞΣ	11,550				
Solid waste disposal	5500.5030.5	316.00	3>	42,394				
Solid waste disposal	5500.5040.5	316.00	33	163,617				_
Contract services	5500.5040.5	315.00	∃≯	65,195	******			
Use of fund balance	5500.0950.49	999.99	RI	•		303,598		

