



Memo

To: Board of Directors
From: Tucker Omohundro, Board Member to Public Services Committee
Date: February 17, 2021
Re: Motion – New Solid Waste Management Program

Motion

I move to authorize the GM to lease six (6) new solid waste trucks and purchase 9,200 trash carts and purchase an assembly and delivery service through River City Hydraulics utilizing Sourcewell Cooperative Purchasing per the following:

1. 9,200 trash carts (64 gal. and 96 gal.) with USbancorp for 84 months at 1.99% interest rate (not to exceed \$6,537.06 per month, \$512,187.17 total cost). Final annual cost could vary - 4% depending on the final number of 64 gal. and 96 gal. trash carts.
2. 4 New Side Loading Trash Trucks, 1 New Mini Rear Loader At-House Trash Truck, 1 New Grapple Truck with USbancorp for 25 months at 1.90% interest rate (approximately \$22,139.53 per month, \$1,209,208.64 total cost).
3. Trash cart assembly and delivery services at \$52,861.73.

Background

The existing collection of solid waste with the use of three (3) rear loading sanitation trucks and (1) backup needs expanding by adding an additional sanitation truck and 3-man crew due to the current work overload and future growth. The expansion of the proposed new solid waste management program will add capacity, use less staff, improve safety, and have less operating cost than the rear loading method in comparison. The new program includes replacing three (3) existing rear loading trucks with four (4) leased automated side loading trash trucks (new trucks every 2-years), providing 9,200 new trash carts (64 & 96 gallon), reusing 1,000 HSV existing 64 gal. carts, adding one (1) mini rear loading trash truck for at house pickups, and adding one (1) multi-purpose grapple truck for tree debris, leaves, rocks, illegal dumps, and special pickups for an overall improved solid waste collection service for HSV residences.

Savings on Investment Method

Adding another rear loading sanitation truck and (3) man crew will add \$249,776.44 to the current annual cost of operations. Replacing our existing rear loading sanitation truck fleet with the new side loading solid waste program will add only \$160,557.80 for less annual cost and an annual savings of \$89,218.64 in comparative annual operating costs.

Recommendation

The 2021 approved budget includes funding the new Solid Waste Management Program at a proposed annual financed cost of \$333,303 (principal and interest). The final annual cost will not exceed **\$344,119.08** depending on the final selected combination of 64 gal. and 96 gal. trash carts financed.



Side Loader

\$233,708.59 each x 4

\$934,834.36 Total

-5,625.72 Sourcewell Discount



Grapple Truck

\$150,000 (purchase price)



Mini Rear Loader

At- House Pickup Truck

\$130,000 (purchase price)

