

Privatizing City of Jonesboro Residential Service

➤ **Privatizing Residential Sanitation Services Provides Advantages to City**

- Budget Stabilization – Known outlay in preparation of each annual budget.
- Eliminates City Officials time in management of this department – Time can be diverted to other areas of the city government.
- Controls Costs – Guaranteed contract amount with only given adjustment factors.
- Benefits from economy of scale by Contractor – Tuck into existing operations of Contractor.
- Insures public receives “Quality Service” through requirements provided in contract with definitive damages for failure to meet requirements.
- Contractor will maintain fleet of trucks that will be clean and in good operating condition.
- Contractor is interested in securing a long term lease on City property located on Strawfloor Road.

➤ **Services to be provided shall include the following:**

- Provide residential garbage service to all residential units.
- Provide service to all City owned facilities.
- Provide services for City approved festivals, functions, and special events.
- Provide special collection services requested by City at negotiated rates – such as demolition waste hauling, storm clean-up hauling.

➤ **Protections provided to City by Contractor**

- Contractor will provide all necessary insurance along with \$2 Million in pollution and general liability coverage.
- City to be named additional insured on Contractor’s policy.
- Contractor will designate the City to be “held harmless” for any acts involving the Contractor.
- Contractor shall provide an assuery bond in order to secure the performance of the contract.

➤ **Privatizing will provide savings (\$) to the City**

- The estimated savings on an annual basis is expected to be approximately \$750,000.
- The annual contract will include the payment of \$400,000 per year to cover the City’s remaining payments owed to Legacy Landfill.
- Contractor will offer positions to City’s sanitation employees for all positions to be used in Contractor’s operation.
- Contractor is prepared to purchase the City truck fleet and containers at agreed upon appraised value.