



MADISON
Indiana

2024 TSO Modernization Plan

February 14, 2024

Schedules

**CITY OF MADISON
TRANSFER STATION OPERATIONS
TSO MODERNIZATION PLAN**

Equipment Summary

Useful Life	Acquistion	Age	
15 Yrs	1989	35	20 YD Leaf Vac
15 Yrs	1994	30	20 YD Leaf Vac
15 Yrs	1994	30	20 YD Leaf Vac
15 Yrs	1997	27	Scales with some later modifications
10 Yrs	1998	26	John Deere Wheel Loader
10 Yrs	2001	23	Kenworth Compactor Truck (Backup Truck)
10 Yrs	2004	20	Peterbuilt Lighthning Loader
10 Yrs	2012	12	Freightliner Compactor Truck
10 Yrs	2014	10	Freightliner Compactor Truck (Bed Leaks)
9 Yrs	2016	8	Kabuta Mini-Ex
10 Yrs	2018	6	Freightliner Compactor Truck
10 Yrs	2019	5	Hino Lightning Loader

Cap Ex Needs	2024	2025	2026	2027	2028	Totals
Compactor Trucks w/rear Tipper (1)	\$ 225,000					\$ 225,000
Compactor Bed w/Tipper & Other Equipment	\$ 135,000		\$ 100,000	\$ 100,000	\$ 50,000	\$ 385,000
Truck for Recycling		\$ 100,000				\$ 100,000
Loader		\$ 100,000				\$ 100,000
Leaf Vac			\$ 100,000	\$ 100,000		
Lightning Loader					\$ 150,000	\$ 150,000
HH Containers	\$ 325,000					\$ 325,000
Building Improvements	\$ 500,000					\$ 500,000
Legal Costs	\$ 15,000					
Capital Repayments to City and Utilities	\$ 475,000					\$ 475,000
Total	\$ 1,675,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 2,260,000

* **If the city does not replace equipment on a routine schedule, its replacement will be forced at prices higher than expected. Had the city funded the annual capex projected in 2013, a total of \$1 million would have been reserved for reinvestment.**

Recommendations

- 1 Moved three TSO employee salaries and benefits (Washer, Perkins, and Boswell) to MVH to align more closely with responsibilities. (completed)
- 2 July 2023 increased per ton rate from \$62 to \$79/ton. Cumulative inflation was approxiately 31% since last rate change in 2013. The per ton rate increased 29.2% between 2008 and 2013.
- 3 Eliminate three trash swingers from trucks saving an estimated \$150,000 per year in wages and benefits.
- 4 Expand hours on Saturday to 4pm to accommodate more TSO usage.
- 5 Include mandatory evaluation of rate structure every five years.
- 6 Projections assume 10yr note, 6.50%, \$1,675,000 principal, and fully amortizing.
- 7 Phasing-in rate increases over two years. 2024 rate equals \$20.00 increasing to \$23/mo in 2025 to fund annual CapEx.

**CITY OF MADISON
TSO MODERNIZATION PLAN TIMELINE**

2/6/2024	Introduce Ordinance 2024-2 to Propose New Trash/Recycling/Compost Rates
2/20/2024	Conduct Public Meeting regarding proposed rates.
3/5/2024	Third Reading of Proposed Rate Structure
3/11/2024	Begin preparing financing plan
4/1/2024	New Rates go into effect
4/30/2024	Launch new technology platform at TSO
5/8/2024	Introduce Ordinance to Authorize Borrowing for TSO Modernization Plan
5/21/2024	Second reading of Financing Authorization Plan
6/4/2024	Third Reading of Financing Authorization Plan
6/28/2024	Repay temporary transfer from water utility
Thereafter	Prepare scope of work at TSO, Order new equipment, and proceed with improvements