



October 8, 2024

McCordsville Town Council  
Town of McCordsville  
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McCordsville, IN 46055

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Re: McCordsville (Indiana) Trash Fee Study

Dear Members of the Council:

The attached schedules (listed below) present unaudited and limited information for the purpose of discussion and consideration of the proposed trash fee implementation by the appropriate officers, officials and advisors of the Town of McCordsville. The use of these schedules should be restricted to this purpose, for internal use only, as the information is subject to future revision and final report.

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| 4 | Schedule of Present and Proposed Rates                                 |

We would appreciate your questions or comments on this information and would provide additional information upon request.

Very truly yours,

BAKER TILLY ADVISORY GROUP, LP

*Ross T. Hagen*

Ross T. Hagen, Director

**TOWN OF McCORDSVILLE, INDIANA**

**CALCULATION OF ESTIMATED MONTHLY TRASH FEE - SINGLE RATE ADJUSTMENT**

(Amount rounded to the nearest \$100)

	<u>No Administrative Costs</u>	<u>Administrative Costs</u>
Estimated salaries and wages (1)		\$17,000
Estimated employee benefits(1)		7,900
Postage (2)		7,100
Allowance for 2 additional dumpster pick ups (per Town)		1,000
Start-up costs (3)		1,100
Sub-totals		34,100
Divided by annual customers (4)		50,544
Estimated monthly administrative cost per customer		0.67
Plus base bid contract cost per household (5)	\$13.90	13.90
<b>Total monthly fee - base bid only</b>	<b>\$13.90</b>	<b>\$14.57</b>
Total monthly fee - base bid only	\$13.90	\$14.57
Plus alternative #2 bi-weekly curbside recycling (6)	3.34	3.34
<b>Total monthly fee - base bid plus bi-weekly curbside recycling</b>	<b>\$17.24</b>	<b>\$17.91</b>
Total monthly fee - base bid plus bi-weekly curbside recycling	\$17.24	\$17.91
Plus alternative #3 spring and fall yard waste pick up (7)	0.57	0.57
<b>Total monthly fee - base bid plus bi-weekly curbside recycling and spring and fall yard waste pick up</b>	<b>\$17.81</b>	<b>\$18.48</b>

- (1) Represents an annual portion of employee salaries and benefits allocated to trash, per Town officials, with assumed inflationary increases to the mid point of the proposed contract.
- (2) Represents the estimated annual cost to mail monthly bills allocable to trash, per Town officials, with assumed inflationary increases to the mid point of the proposed contract.

(3) Calculated as follows:

CUBIC billing software tokens	\$3,900
Rate study	5,000
Sub-total	8,900
Divided by 8 years	8

Estimated annualized start-up costs	<u>\$1,100</u>
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- (4) Based on the current trash customer count of 4,212, per Town officials, annualized.
- (5) Based on the average base bid cost for years 1 through 8 of the Priority Waste bid.
- (6) Based on the average curbside recycling cost for years 1 through 8 for alternative #2 of the Priority Waste bid.
- (7) Based on the average spring and fall yard waste pick up cost for years 1 through 8 for alternative #3 of the Priority Waste bid.

(Subject to the attached letter dated October 8, 2024)  
(Preliminary - Subject to Change)  
(Internal Use Only)

**TOWN OF McCORDSVILLE, INDIANA**

**CALCULATION OF ESTIMATED MONTHLY TRASH FEE - TWO PHASE RATE ADJUSTMENT**

	Phase I (1)		Phase II (2)	
	No Administrative Costs	Administrative Costs	No Administrative Costs	Administrative Costs
Estimated salaries and wages (3)		\$16,000		\$18,100
Estimated employee benefits(3)		7,500		8,400
Postage (4)		6,700		7,600
Allowance for 2 additional dumpster pick ups (per Town)		1,000		1,000
Start-up costs (5)		1,100		1,100
Sub-totals		32,300		36,200
Divided by annual customers (6)		50,544		50,544
Estimated monthly administrative cost per customer		0.64		0.72
Plus base bid contract cost per household	\$13.08 (7)	13.08 (7)	\$14.73 (8)	14.73 (8)
Total monthly fee - base bid only	\$13.08	\$13.72	\$14.73	\$15.45
Total monthly fee - base bid only	\$13.08	\$13.72	\$14.73	\$15.45
Plus alternative #2 bi-weekly curbside recycling	3.14 (9)	3.14 (9)	3.53 (10)	3.53 (10)
Total monthly fee - base bid plus bi-weekly curbside recycling	\$16.22	\$16.86	\$18.26	\$18.98
Total monthly fee - base bid plus bi-weekly curbside recycling	\$16.22	\$16.86	\$18.26	\$18.98
Plus alternative #3 spring and fall yard waste pick up	0.53 (11)	0.53 (11)	0.61 (12)	0.61 (12)
Total monthly fee - base bid plus bi-weekly curbside recycling and spring and fall yard waste pick up	\$16.75	\$17.39	\$18.87	\$19.59
(1) Assumes Phase I is effective for years 1 - 4 of contract with Priority Waste.				
(2) Assumes Phase II is effective for years 5 - 8 of contract with Priority Waste.				
(3) Represents an annual portion of employee salaries and benefits allocated to trash, per Town officials, with assumed inflationary increases to the mid point of each Phase's effective rates dates.				
(4) Represents the estimated annual cost to mail monthly bills allocable to trash, per Town officials , with assumed inflationary increases to the mid point of each Phase's effective rates dates.				
(5) Calculated as follows:				
CUBIC billing software tokens			\$3,900	
Rate study			5,000	
Sub-total			8,900	
Divided by 8 years			8	
Estimated annualized start-up costs				\$1,100

- (6) Based on the current trash customer count of 4,212, per Town officials, annualized.
- (7) Based on the average base bid cost for years 1 through 4 of the Priority Waste bid.
- (8) Based on the average base bid cost for years 5 through 8 of the Priority Waste bid.
- (9) Based on the average curbside recycling cost for years 1 through 4 for alternative #2 of the Priority Waste bid.
- (10) Based on the average curbside recycling cost for years 5 through 8 for alternative #2 of the Priority Waste bid.
- (11) Based on the average spring and fall yard waste pick up cost for years 1 through 4 for alternative #3 of the Priority Waste bid.
- (12) Based on the average spring and fall yard waste pick up cost for years 5 through 8 for alternative #3 of the Priority Waste bid.

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# TOWN OF McCORDSVILLE, INDIANA

## SCHEDULE OF PRESENT AND PROPOSED RATES

	Per Month		
	Present	Proposed	
		No Administrative Costs	Administrative Costs
<b>Single rate adjustment: (page 2)</b>			
Option 1 - base bid only	\$13.98	\$13.90	\$14.57
Option 2 - base bid plus bi-weekly curbside recycling	\$13.98	\$17.24	\$17.91
Option 3 - base bid plus bi-weekly curbside recycling and spring and fall yard waste pickup	\$13.98	\$17.81	\$18.48
<b>Two phase rate adjustment: (page 3)</b>			
Option 1 - base bid only	\$13.98		
Phase I		\$13.08	\$13.72
Phase II		14.73	15.45
Option 2 - base bid plus bi-weekly curbside recycling	\$13.98		
Phase I		\$16.22	\$16.86
Phase II		18.26	18.98
Option 3 - base bid plus bi-weekly curbside recycling and spring and fall yard waste pickup	\$13.98		
Phase I		\$16.75	\$17.39
Phase II		18.87	19.59

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