

Shared Trash Collection Saves Millions



By Bernard A. Platt
Mayor, Cherry Hill

There has been a great deal of talk out of Trenton and in town halls around New Jersey in recent months about the “new normal.”

It’s the universal story in New Jersey these days.

Elected officials and administrators—including those of us here in Cherry Hill—are still grappling to balance our budgets in the face of an economy that still has not fully rebounded and local and state revenue streams that have run dry.

Our residents are struggling to balance their own budgets and pay property tax bills that might have gotten larger while their household income has remained stagnant.

These unprecedented times are pushing Mayors and Councils in nearly every municipality to institute real, meaningful changes to the way business is done in town hall.

Throughout my tenure as Mayor of Cherry Hill, I’ve often spoken about the need to tighten our municipal belt; to streamline the services we deliver and the way we deliver them. This “new normal” is something I’ve embraced; and in many ways, I believe Cherry Hill has set the standard in our region.

In the last year, Cherry Hill has begun to revolutionize the way we operate—most notably, through our aggressive approach to shared services. Our efforts really began to gain speed last fall, when my administration launched the first phase of a two-step plan to reduce our costs for trash collection and disposal.

Those two services—which fall under the purview of two separate agreements—account for roughly \$7.3 million of our total operating budget. Trash collection alone accounts for roughly \$6 million a year. It is a tremendous expense, but one that funds a critical municipal service and a core component of the special quality of life our taxpayers expect.

OUR SEVEN MUNICIPALITIES ACCOUNT FOR ABOUT ONE-HALF OF THE TOTAL POPULATION OF SINGLE-FAMILY HOMES WITHIN CAMDEN COUNTY.

With that in mind, I stood beside elected officials from Gloucester Township and Merchantville in October 2010 to announce a landmark collaborative effort that our municipalities hoped would shave millions of dollars off the cost of doing business.

Our three communities, along with the Cherry Hill Fire Department and School District, formed what was, at the time, the largest joint-purchasing effort in our region—taking our collective business out onto the open market to seek a new contract for trash collection.

Our three municipalities collect trash from more than 40,000 single-family homes each week. In Cherry Hill alone, we serve 22,422 homes, as well as handling trash collection for the school district and fire department—the result of a separate shared-services pact. And in 2009 alone, our three towns collected a total of 56,779 tons of residential solid waste.

The premise of this deal was simple: to harness our collective purchasing power to obtain a lower cost for our taxpayers. In the end, our experiment turned out to be a huge success, yielding about \$2 million in savings for Cherry Hill alone through the end of 2015.

Based upon that success, this March saw the launch of phase two of our plan. This time, we’ve added Voorhees, Winslow, Haddon Township and Collingswood into the mix to go out into the market for new trash-disposal services.



Cherry Hill joined forces with seven other towns to contract for trash collection and disposal.

With the addition of those four towns, our alliance has grown. Together, our seven municipalities account for about one-half of the total population of single-family homes within Camden County.

Our towns span more than 121 square miles; we serve 240,000 residents, and more than 85,000 households.

That is a lot of business. Our towns are sending a clear message to vendors: If you want that business, you'd better bring down our costs.

end of a five-year contract, that savings should prove to be much greater.

It's the township's latest effort to streamline municipal services while saving significant taxpayer money. I expected to begin realizing that savings this summer.

Of course, the professionals in town hall continue looking toward the future—and we've timed both our collection and disposal contracts so that in 2015 we will have the option of further consolidation.

I've worked closely with our Board of Education, as well as neighboring municipalities, to secure savings on everything from Public Works projects to professional contracts.

In that regard, I'm thankful to all our past and current partners—including Mayor David Mayer in Gloucester Township, Mayor Michael Mignogna in Voorhees, Mayor Jim Maley in Collingswood, Mayor Randy Teague in Haddon Township, Mayor SueAnn Metzner in Winslow and Mayor Frank North in Merchantville, for their continued willingness to work toward progress.

I hope to work with other communities to standardize purchasing across the board and achieve even greater savings. Ultimately, I hope to put tools in place for future administrations to continue the progress Cherry Hill has made since 2002.

It's been said many times: Government simply cannot continue operating under the old way of doing business, and I believe in leading by example. Cherry Hill and its partners in this effort have done just that, by working together to get real results for our taxpayers. ▲

OUR TOWNS ARE SENDING A CLEAR MESSAGE TO VENDORS: IF YOU WANT THE BUSINESS, YOU'D BETTER BRING DOWN OUR COSTS.

Under the current pricing structure, Cherry Hill pays about \$1.3 million in incinerator fees each year to dispose of approximately 23,000 tons of solid waste. I believe this deal could reduce that dollar amount by up to \$250,000 a year.

And if one accounts for annual rate increases of about \$1 per ton, by the

Time and again over the last several years, I've shared with the people of Cherry Hill my administration's efforts toward sharing services and combining resources. This dual-phase trash plan is the biggest such effort we have ever undertaken, but it is far from the only shared-service opportunity we've explored.

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