



Clerk of the Circuit Court

Marion County

Internal Audit Division

David R. Ellspermann

Clerk of the Circuit Court

Wallace K. Watford

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MEMORANDUM

TO: Janet Y. Tutt, Assistant County Administrator

FROM: David R. Ellspermann, Clerk of the Circuit Court

DATE: December 19, 2001

RE: SUPERIOR WASTE SERVICES OF FLORIDA, INC. ACCOUNT DISPUTE RESOLUTION

Pursuant to your request to me, the Internal Auditor has completed activities to review and recommend an equitable settlement resolution to the dispute between Marion County Solid Waste Department (Solid Waste) and Superior Waste Services of Florida, Inc. (Superior), a County franchise hauler. We have conducted our review with appropriate independence since the Clerk of the Circuit Court is a constitutional officer who is statutorily and organizationally separate from the Marion County Board of County Commissioners (County) and who is not related to Superior in any manner.

This dispute principally consisted of two allegations: 1) significant residential and commercial waste had not been delivered to the County's landfill as required by the franchise agreement; and 2) certificates of residential units had been inaccurately prepared and excessive account credits had been obtained. This dispute was limited to the billing months of March through September 2001.

As part of his activities, the Internal Auditor: 1) met with the Solid Waste Director and department representatives to discuss issues; 2) examined the financial information contained in Solid Waste records and documents; 3) met with and held telephone conversations with the designated Superior representative to discuss issues; 4) evaluated information provided by Superior; 5) developed financial spreadsheets to compute potential outcomes based upon various assertions and conditions; and 6) acted as intermediary between Solid Waste and Superior to present the positions of both parties. The review also included the Internal Auditor's attendance at meetings of the Assistant County Administrator, Solid Waste Director, County Attorney and Superior's legal counsel.

Based upon his activities, the Internal Auditor has determined that County management and Superior have arrived at a fair and reasonable settlement which was obtained through good faith mediation. We therefore agree that the financial settlement should be completed. The parties have agreed that the total additional charges to Superior for March through September 2001 are **\$119,781.65**. After applying the previous payment in September from Superior in the amount of \$91,679.75, there is the resulting balance due from Superior in the amount of \$28,101.90.

SUPERIOR WASTE SERVICES OF FLORIDA, INC. ACCOUNT DISPUTE RESOLUTION

Solid Waste representatives exercised due diligence in their determination of the dispute issues and resulting amount due. We wish to commend the Solid Waste Director and his staff for their thorough and professional work throughout the settlement process. We further express our appreciation to Superior's representative, Mr. Fred Redmer, for his professionalism and cooperation in the preliminary determination of the amount due.

Should you require additional assistance, please let me know.

c: Board of County Commissioners, individually
Gordon B. Johnston, County Attorney
Allen F. Ellison, Solid Waste Director