



Contract Savings and Operational Efficiencies

Augusta Environmental Services

2019 Budget Request

The Department
has two
operational funds:

- 541 – Waste Management Fund
- 542 – Garbage Collection



Waste Management Fund - 541

Revenues (\$14M):

- Landfill Fees – approx. \$12M
- Gas sales – approx. \$1.7M
- Recyclables – approx. \$10,000

Major Expenses:

- Landfill Operations & Maintenance – approx. 26% or \$3.7M
- Debt service/depreciation/volume discounts – approx. 25% or \$3.5M
- Closure/Post-Closure requirements (per state rules) – approx. 14% or \$2M
- Labor – approx. 14% or \$1.8M
- Contracted services/Engineering – approx. 10% or \$1.4M
- Franchise fees - approx. 6% or \$840,000

Garbage Collection Fund - 542

Revenues (\$21M)

- Collection Fees – approx. \$21M

Major Expenses:

- Contract Expenses – approx. 57% or \$12M
 - Haulers, Container Management, Downtown cans, Front-load services, Additional collection services
- Landfill fees – 14% or \$3M
- Labor – approx. 6% or \$1.3M
- Operations and Maintenance, depreciation – approx. 5% or \$1M
- Multiple Internal Programs – approx. 5% or \$1.1M
 - Demolition - \$490,000
 - Vacant Lot cutting/cleaning - \$320,000
 - Mosquito Control - \$225,000
 - Keep Augusta Beautiful - \$155,000
- Franchise Fees - 6% or \$1.24M

2019 Budget Request – 9 New Positions

Goals:

- Create positions that are essential to daily operations & permit compliance
- Increase internal operational efficiencies
- Reduce the reliance on contracted services
 - Greater accountability for those still in place
- Increase the use of internal services where it is most cost-effective
- Reduce the reliance on temporary labor

Positions Requested

<u>Fund</u>	<u>#</u>	<u>Title</u>	<u>SG</u>	<u>Salary</u>	<u>Benefits</u>	<u>Total</u>
541-04-4210	1	Administrative Assistant	10	\$ 29,798.00	\$ 12,947.25	\$ 42,745.25
541-04-4210	1	Operations Manager	19	\$ 45,738.00	\$ 15,176.46	\$ 60,914.46
541-04-4210	1	Deputy Director - ES Operations	28	\$ 75,789.00	\$ 19,379.09	\$ 95,168.09
541-04-4210	1	Heavy Equipment Technician	18	\$ 40,162.00	\$ 14,396.66	\$ 54,558.66
541-04-4210	1	Accounting Clerk	8	\$ 27,206.00	\$ 12,584.76	\$ 39,790.76
541-04-4550	1	Administrative Assistant (CNG)	10	\$ 29,798.00	\$ 12,947.25	\$ 42,745.25
						\$ 335,922.47
542-04-4110	1	Program Compliance Specialist	19	\$ 45,738.00	\$ 15,176.46	\$ 60,914.46
542-04-4110	1	Code Enforcement	16	\$ 37,571.00	\$ 14,034.30	\$ 51,605.30
542-04-7460	1	Compliance Analyst (Demolition)	8	\$ 27,206.00	\$ 12,584.76	\$ 39,790.76
						\$ 152,310.52
					TOTAL	\$ 488,232.99

Reduce Contracted/Outsourced Services

- Landfill Engineering
- Environmental Testing Services
- Supplemental collection services
 - Storm debris, over-limit yard and bulky waste, illegal dumps
- Cart Management and maintenance
- Equipment maintenance

Proposed Savings

<u>Contracted Service</u>	<u>Approx. Value</u>	<u>Proposed Savings</u>
		(year 1-2)
Landfill Engineering and Environmental Testing	\$ 1,200,000.00	\$ 350,000.00
Environmental Testing - Asbestos, Lead, Indoor Air	\$ 35,000.00	\$ 15,000.00
Supplemental trash collection services	\$ 130,000.00	\$ 60,000.00
Cart management and maintenance	\$ 210,000.00	\$ 25,000.00
Landfill equipment maintenance services	\$ 70,000.00	\$ 35,000.00
	\$ 1,645,000.00	\$ 485,000.00

Proposed Savings - Future

<u>Contracted Service</u>	<u>Approx. Value</u>	<u>Proposed Savings</u>	<u>Potential Future Savings</u>
		(year 1-2)	(year 3-5)
Landfill Engineering and Environmental Testing	\$ 1,200,000.00	\$ 350,000.00	\$ 250,000.00
Environmental Testing - Asbestos, Lead, Indoor Air	\$ 35,000.00	\$ 15,000.00	\$ 5,000.00
Supplemental trash collection services	\$ 130,000.00	\$ 60,000.00	\$ 20,000.00
Cart management and maintenance	\$ 210,000.00	\$ 25,000.00	\$ 5,000.00
Landfill equipment maintenance services	\$ 70,000.00	\$ 35,000.00	\$ 10,000.00
	\$ 1,645,000.00	\$ 485,000.00	\$ 290,000.00

Implementation – Operational Efficiencies

- Reduce out-sourced work to Engineering firm by 30%
- Reduce out-sourced work for environmental testing and equipment maintenance services
 - Invest in staff to handle tasks in-house; contract only the complex or warranty work
- Insure that data is managed appropriately
- Insure facility Operating Record is properly maintained (state requirement)
- Insure appropriate financial controls are maintained – inventory, cash handling, etc.
- Greater accountability for Contractors

Accomplishments

- Achieved and maintained a 95% score on EPD Landfill Compliance Inspections
- Reduced fleet size and implemented equipment replacement planning to address the aging equipment
- Approaching completion of approx. \$23M in construction projects
 - Landfill cell construction, leachate treatment system, site earthwork, gas system expansion
- Keep Augusta Beautiful programs to combat litter, recycling contamination, beautification initiatives are underway.

Departmental Challenges

Recycling program – high contamination, low yield

- Solution - KAB addressing with pilot program, increased education

Landfill customer base, high operational costs, competition

- Solution – marketing, more competitive rate structure, ordinance revision

Vacant lots and Demolition funding sources

- Under evaluation; researching other community programs;

Office space needs

- Currently being evaluated with the assistance of Central Services Dept

Future Planning

Replace funding used for landfill construction projects

- Improved long-term planning

Future capital projects:

- Gas collection system expansion - 2019
- Closure of Landfill 2C – design 2019, construction 2020/2021
- Landfill administration building construction - TBD

Strategic fleet replacement

Questions?

