



CHARLOTTESM

Solid Waste Services FY12 Strategic Operating Plan



Solid Waste Services FY12 Strategic Operating Plan

TABLE OF CONTENTS

EXECUTIVE SUMMARY.....Pages 2-4

Introduction
Vision and Mission
Key Issues and Challenges
Organizational Structure

STRATEGY AND KBU PLANNING.....Pages 4-8

Recent Accomplishments
Links to Corporate Strategy
Strategic Initiatives

SERVICE DELIVERY.....Pages 9-10

Core Service Areas
Selected Key Business Trends

BSC AND PERFORMANCE MANAGEMENT.....Pages 11-15

CONCLUSION.....Page 15

I. EXECUTIVE SUMMARY

Introduction

The City of Charlotte Solid Waste Services Key Business (SWS) makes every effort to excel in quality solid waste management. In July 2010, SWS reorganized its business model to be able to deliver more comprehensive service with the elimination of invisible service boundaries. Artificial service boundaries were required by the old managed competition business model and the expectation now is for more cost effective comprehensive service. The change will allow SWS to allocate its resources more efficiently. The change includes SWS being the service provider for garbage, yard waste and bulky item collections and Inland Service Corporation being the service provider for recyclable collection. SWS has established performance benchmarks for the new business model and plans to meet its projected budgetary and efficiency goals.

Also in July 2010, SWS implemented a citywide residential single-stream recycling program that had the expected outcome of increased residential recycling participation and recycling tonnage. Single-stream recycling supported the Council's Strategic Focus Area Plan for the Environment that includes a target to increase residential recycling tonnage by 20%. In FY11, residential recycling tonnage increased by over 30%. The positive effects generated by single-stream recycling program are expected to continue. Single-stream recycling also supports the collaborative Mecklenburg County 10-Year Solid Waste Management Plan to reduce per capita waste disposal.

In addition to weekly collection of garbage, SWS provides the weekly collection yard waste and bulky items. SWS crews also collect dead animals, tires and sweeps and remove litter from streets and right-of-way areas. In addition, SWS participates in neighborhood cleanups and other specialized cleaning programs that include continual maintenance of the Central Business District. In a collaborative effort with the Charlotte Transit Authority (CATS), SWS provides maintenance of the trolley corridor and bus stops.

To support the core business, SWS Public Service Division handles public education and awareness of available solid waste services through public programs, education initiatives and media-related services. The Contract Services Division monitors daily contract field operations to ensure contract compliance and customer satisfaction. Administration provides fiscal and budgetary support and manages the rollout container purchase and maintenance contracts and the multi-family and public facilities collection contract for complexes having 30 or more residential units and designated public properties. Technology performs routing for collection activities and systems support.

Solid Waste Services Vision Statement

We will be a leader in the solid waste industry and the service provider of choice for the City of Charlotte.

Solid Waste Services Mission Statement

We will partner with the community to deliver competitive and quality solid waste services that promote an attractive and healthy environment.

Some Key Issues and Challenges

Having the use of only **one available landfill** will continue to challenge productivity due to the problem it presents of extended travel time during peak traffic periods. Having an additional landfill or transfer station in a more central location would help solve this problem.

Fleet issues that include the age and condition of collection vehicles resulted in vehicle breakdowns during field operations. FY11 was particularly problematic for street sweepers. The sweeper fleet consists of 12 sweepers and on some occasions 8 sweepers were in the shop awaiting repairs. Plans are in progress to provide resolution to the equipment downtime problem that results in operational inefficiencies leading to customer dissatisfaction.

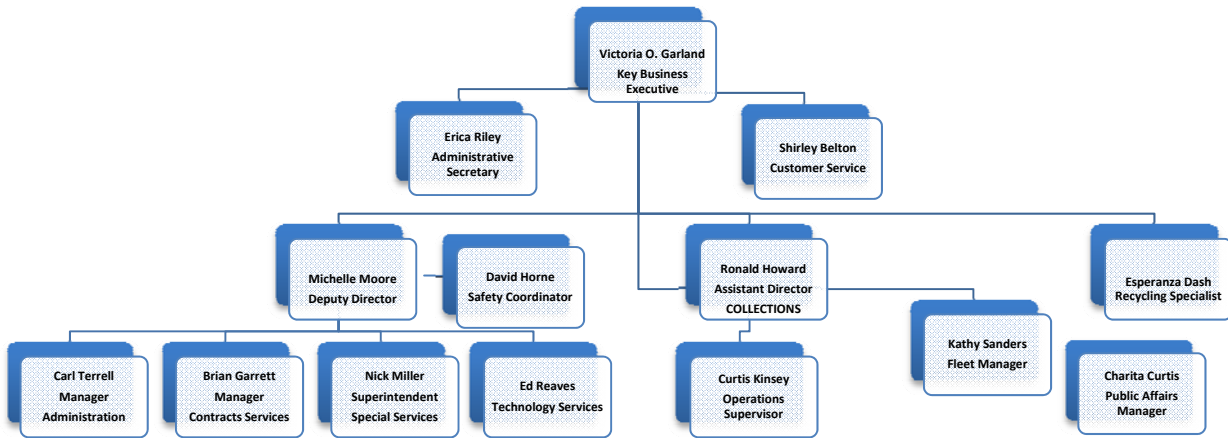
Volatile motor oils and fuels prices could be a challenge to budget resources depending upon their rates of increase. SWS uses approximately one million gallons of motor fuel annually. Each one cent increase in motor fuel prices will increase this annual expense by \$10 thousand dollars.

Employee morale has been affected by the national economic downturn that resulted in limited pay increases for City employees. Overall, morale has not adversely affected operations. Employees adjusted well to changes in the SWS business model which reflected positively in overall KBU performance. Efforts were made to keep employees well informed about organizational changes and work activities through regular briefings. Extra emphasis was placed on employee appreciation, team building and employee safety.

A challenge exists in the public **education and awareness of a diverse population** about how to access and properly use available solid waste services. Comprehensive strategies are underway to solve specific problems that should lead to improved customer service, more cost savings, and increased protection to the environment.

Organizational Structure

Solid Waste Services Key Business places its greatest emphasis on delivering exemplary service to its customers that enhances the City of Charlotte aesthetically as well as protects public health and the environment in a safe and cost effective manner. The SWS mission is administered under the leadership of the SWS Key Business Executive (KBE) and a SWS Leadership Team that includes a SWS Deputy Director, SWS Assistant Director, Administration Manager, Special Services Superintendent, Contract Services Manager, Technology Services Manager, and Public Service Manager and other key staff that manage the activities of dedicated employees. The organizational chart below lists the SWS functional structure with a summary of Key Business services and activities.



ADMINISTRATION

- Strategic Operating Plan Budget; Mgmt. Reports
- Rollout Container Lease Agreement
- Procurement/Landfill Account
- Multifamily Collection Contracts
- Performance Reporting

COLLECTIONS

- Residential Collections
- Neighborhood Services

CONTRACTS SERVICES

- Field Contract Monitoring
- Recycling Collection Outsourced Contract

SPECIAL PROJECTS

- Public Information
- Public Education
- Call and Send Program

SPECIAL SERVICES

- Central Business District
- Business Garbage Collection
- Street & ROW Cleaning
- Specialized Collections
- Special Events Support
- Neighborhood Support

TECHNOLOGY SERVICES

- Strategic Technology Plan
- Route Mapping
- Business Systems Support

II. STRATEGY AND KBU PLANNING

Recent Accomplishments

Solid Waste Services has been successful in many quality solid waste service initiatives that contribute to a healthy and more attractive environment for the City of Charlotte and its residents. The list below highlights some of Solid Waste Services recent accomplishments.

- SWS reorganized its business model from a managed competition format that had required SWS to service three collection zones as three independent companies to a more efficient model where SWS can service the City without collection zones. This allowed SWS to allocate its operational resources in a more comprehensive manner. The reorganization is projected to save the City \$4.68 million over 10 years. A benchmark budget was established for FY11. The FY11 audited year-to-date results through the 3rd quarter showed savings of \$860,022 or 6% of revenues. This nearly doubled the annual projected savings and future cost avoidance projections. The reorganization of all collection services made possible greater concentration of staff and resources within the same geographic area. This enabled better monitoring of service routes and faster responses to any service issues.
- SWS implemented a new single stream recycling collection program that increased recycling tonnage by over 30%. An option for citizens to purchase an additional recycling cart was added. The success of the project required extensive collaboration and support from other city departments, Mecklenburg County Solid Waste, other external business partnerships such as the one with Inland Service Corporation, the contract service provider for residential recyclable collection. Program preparation also included contracting with Otto Container Management for the purchase and distribution of over 190,000 new rollout recycling carts in time to the launch the program on July 1, 2010.
- SWS collection and right-of-way cleaning programs helped achieve excellent scores on the annual Keep America Beautiful Litter Index Rating. The overall score was 1.76 on a scale of 1 to 4 (lower scores represent a higher level of cleanliness). This rating exceeded our target of 2.00. Individual council district ratings ranged from 1.40 to 2.00. The overall litter assessment score has exceeded the SWS Strategic Operating Plan Balanced Scorecard goal for 5 consecutive years.
- SWS expanded our Uptown special event recycling program to cover more events. Our FY11 goal to recycle at least 43.5 tons of trash from special events with 64.25 actual tons collected had an achievement success rate of 148%.

- The on-street recycling program was expanded from 15 containers to 35 containers and a new electric micro truck was used for collection. This program was made possible by the Energy Efficiency Conservation Block Grant received from the Federal Government. “Power 2 Recycle” decals were placed on all Tryon Street Mall vehicles to promote the on-street recycling program. A total of 5.98 tons has been recycled from these containers since the program begun in late August, 2010.
- For the tenth consecutive year, the Institute of Government Benchmark Report showed that SWS outperformed other North Carolina municipalities with lower collection costs in major performance categories.
- In partnership with Mecklenburg County, SWS implemented a plan to facilitate recycling for all local government facilities using the Multifamily and Public Facilities Collection Contract with Allied Waste Services.
- SWS served on a City/County Team that implemented and promoted the new ReThink Recycling Campaign aimed at increasing City and County employees recycling participation.
- SWS has an on-going partnership with Neighborhood and Business Services to improve neighborhoods that includes co-sponsorship of the annual Neighborhood Symposium. SWS also worked with Neighborhood and Business Services, CMPD, and the Sheriff Department to cleanup neighborhoods and illegal dump sites. SWS worked with residents along targeted collection routes to reduce item preparation issues that lead to citations.
- SWS completed a one-year service agreement with Charlotte Transit to provide expanded trash collection services at high-use bus stops. This collaborative relationship has complemented SWS’s right-of-way cleaning goals and has allowed CATS to improve cleanliness at problematic bus stop locations. Due to the success of the one-year program, CATS and SWS agreed to extend the MOU agreement for an additional 2 years.
- For the third quarter of FY11 as compared to the same time periods during the previous fiscal years, Workers’ Comp claims decreased from 60 in 2008 to 40 in 2011, a 33% improvement. Vehicle claims, OSHA recordable cases, and liability and property loss claims were also reduced significantly. Improvements in these reported numbers resulted from the revamping of the Safety Coordinator position in 2008, as well as regular support and increased focus on safety initiatives. The addition of five (5) new Safety Team Leaders whose major focus will be safety initiatives will help ensure continued safety-related improvements.

Serve the Customer.

Currently, SWS provides residential service to over 200,000 single-family households, over 100,000 multi-family households and approximately 4,000 businesses within the City of Charlotte. Services include the weekly collection and disposal of garbage, bulky-item collection, yard waste and the delivery and repair of rollout containers. Collection service for residential recycling is provided to residents on a bi-weekly basis and the service is provided by a private contractor. In addition, SWS provides street-sweeping services, special event clean ups, downtown business district maintenance and various other programs and services that serve our citizens.

Run The Business.

SWS recognizes the need for its customers to reap the benefits of sound, effective business practices, as it develops new and ongoing programs and services. SWS anticipates that it will fulfill its service commitments as well as provide a quality level of service to its customers. Through the development of collaborative initiatives, cooperation with internal and external partners, utilization of technology tools and resources, and the streamlining of processes, SWS will be successful in providing the highest level of overall service delivery.

Manage Resources.

As a leader in managed competition, SWS' goal is to deliver the best service at the lowest possible cost to its customers. SWS continues to be the most active KBU participating in the managed competition process. Managed competition has required SWS to reengineer its business processes. As a result, the SWS business model is unique to the public sector and has contributed to the creation of a better business model for the entire organization. SWS will also strive to adhere to the policy objectives of the Small Business Development Program that supports and encourages local business growth.

Develop Employees.

SWS is keenly aware that its overall success hinges upon its ability to provide employees with the tools necessary to deliver optimum service. Therefore, SWS seeks opportunities to groom, develop and promote employees from within the organization through a myriad of training and development programs. SWS also considers its employees overall wellness as a critical part of its ability to perform services. Therefore SWS has incorporated a wellness program to ensure that employees are informed about the rigors of the job and how overall health decisions impact daily operational roles and responsibilities.



Strategic Initiatives

Corporate Objective	KBU Initiative	Measure
Strengthen Neighborhoods	Improve neighborhood appearance and raise public awareness about solid waste services.	Conduct educational initiatives for 25% of 16 garbage routes identified as requiring intervention to improve collection efficiency.
Develop Collaborative Solutions	Develop effective alliances with internal and external partners.	Achieve citywide litter index rating of 2.0 or less on the Keep America Beautiful annual assessment.
Optimize Business Processes	Improve operational efficiencies.	Maintain an average garbage cart collection rate of 120 carts per hour for residential garbage routes.
Wellness	Promote wellness in worksite environment.	Provide annual training on specific health related issues to no less than 95% of all SWS employees.



III. SERVICE DELIVERY

Core Service Areas

Solid Waste Services Key Business provides weekly collection service to over 200,000 single-family households, over 100,000 multi-family households and approximately 4,000 businesses. SWS' mission is to deliver competitive service that promotes an attractive and healthy environment.



ACTIVITY	SERVICE
ADMINISTRATION	Supports Key Business activities through coordinated business planning and strategic management of budgetary, fiscal control, competition, contracts, landfill and human resource activities. Administers the outsourced Rollout Container Lease Agreement and Multi-family Collection Contract for complexes having 30 or more residential units.
COLLECTIONS	Provides weekly collection service to residential single-family units and multi-family complexes of less than 30 units. Collection service includes pickup of residential garbage, recyclables, yard waste and bulky trash items. Uses special unit to provide neighborhood services such as unscheduled bulky-item collection.
SPECIAL SERVICES	Cleans city-maintained streets and right-of-ways, supports special events, manages the infrastructure and the cleanliness of the Central Business District, collects small business refuse, dead animals and provides public trash receptacles. Provides maintenance for bus stops and trolley corridor.
PUBLIC SERVICE	Supports Key Business activities through the development and implementation of public affairs programs, public education initiatives and media-related services.
CONTRACT SERVICES	Manages the outsourced recyclables collection contract. Monitors daily contract field operations to ensure contract compliance and customer satisfaction. Included is support for the rollout container contract and the multi-family collection contract.
TECHNOLOGY SERVICES	Supports Key Business activities by the management, coordination and implementation of information technology based operations.
SAFETY AND TRAINING	Coordinates internal safety and training activities and facilitates the activities for the Accident Prevention Team.
CUSTOMER SERVICE LIAISON	Handles complex solid waste service requests related to bulky-item collection, missed service, new service, cart maintenance forwarded from the consolidated 311 Customer Service Call Center.
HUMAN RESOURCES	Processes payroll and provides employee support for human resource activities.



1. Deliver Competitive Citizen-Focused Service

During FY11, SWS delivered competitive service city-wide for garbage, yard waste and bulky item collection. These services were performed under a Benchmark scenario. Audited costs through the 3rd quarter were 6% less than the established benchmark. The continued success in the reduction in operating expenses resulted from targeted performance efforts such as routing adjustments and increases in individual performance results. The installation of GPS tracking devices on collection vehicles continued to provide better performance data that increased management decision-making capacity which significantly contributed to lower operating costs as validated by performance audit results. Also, SWS collection costs continued to be lower than those experienced by other North Carolina municipalities that participate in the Institute of Government Performance Benchmark Report.

2. Improve Customer Satisfaction

In FY11, citizen satisfaction with the SWS new service model and single-stream recycling collection were high. Recycling tonnage increased by over 30% and citizens requested and received the ability to purchase a second recycling cart. The second cart option became effective July 1, 2011.

3. Develop Effective Alliances with Internal and External Partners

Update: The successful SWS reorganization and implementation of a new residential single stream program required collaboration between SWS, County Solid Waste and private partners Inland Service Corporation and Otto Container Management. SWS was recognized for its efforts and leadership in delivery of seamless Comprehensive Citizen Service by being named the recipient of the City Manager's Strategy Award. This was the second consecutive year which SWS won the award.

IV. BALANCED SCORECARD AND PERFORMANCE MANAGEMENT

SERVE THE CUSTOMER

KBU INITIATIVE 1

Improve neighborhood appearance and raise public awareness about solid waste services.

Measure 1.

Conduct educational initiatives for 25% of 16 garbage routes identified as needing intervention to improve collection proficiency.

Solid Waste Services will implement educational initiatives for routes on which customers are in poor compliance with SWS item preparation procedures. Four (4) routes will be selected each fiscal year from among the 16 most challenged garbage collection routes that SWS serves. The goal of these comprehensive, educational initiatives is to improve customer adherence to SWS procedures. This will result in improved efficiency and service delivery along these routes.

CSC Linkage: Strengthen Neighborhoods

Measure 2.

Collect solid waste from the City's right-of-ways in excess of the previous 5-year average of tons of waste collected.

SWS will measure its performance in right-of-way collection to gauge the effectiveness of its resource allocation for right-of-way cleaning programs and to use the benchmark as a measurement tool to track month-to-month and year-to-year success. The areas to be measured will include; illegal dump cleanups (including dumped yard waste), right-of-way litter collection, street sweeping and special event cleanups.

CSC Linkage: Strengthen Neighborhoods

KBU INITIATIVE 2

Promote recycling participation.

Measure 1.

Increase the number of complexes on the Multifamily and Public Facilities Collection Contract that recycle by 5 each quarter.

SWS continues to establish partnerships with multi-family properties to increase recycling participation within these communities. The work of the partnership follows a comprehensive effort that has included presentations, written materials, and other tools to encourage residents to increase their recycling participation. An increase in recycling will reduce the amount of waste disposed of in landfills.

CSC Linkage: Safeguard the Environment

Measure 2.

Collect recyclable waste during City-supported special events held in the Center City in excess of the prior 2-year average of tons of recyclables collected in FY10 and FY11.

SWS successfully implemented a pilot recycling program during a Center City event in FY08. SWS has expanded the program to all special events in order to reduce disposable waste.

CSC Linkage: Safeguard the Environment

Measure 3.

Increase residential recycling tonnage by 5% over FY11 total.

This target supports achievement of a Council Area Focus goal to increase residential recycling and the Solid Waste Management Ten-Year Plan goal to reduce per capita waste disposal. An increase in recycling will reduce the amount of waste disposed of in landfills.

CSC Linkage: Safeguard the Environment

RUN THE BUSINESS

KBU INITIATIVE 3

Develop effective alliances with internal and external partners.

Measure 1.

Achieve citywide litter index rating of 2.0 or less on the Keep America Beautiful annual assessment.

One of the most obvious signs of neglect and deterioration in any given area is the presence of widespread litter. Along with detracting from aesthetic beauty, neighborhood litter contributes to diminished vitality, lower property values and the perception of higher crime. The support of Keep America Beautiful initiatives through enhanced right-of-way cleaning, street sweeping, neighborhood initiatives in collaboration with the Neighborhood Development Key Business and neighborhood organizations, and public education will enable SWS to achieve a citywide index rating of 2.0 or less.

CSC Linkage: Develop Collaborative Solutions

Measure 2.

Conduct educational sessions for 50% of 20 neighborhoods participating in the Call and Send Program.

A pilot public education initiative called, "The Call and Send Program" was developed from a partnership with the Windsor Park Neighborhood in FY04. This program enables neighborhood leaders to report unscheduled bulky items for collection while following up by letter with customers who are not scheduling requests for service. SWS will work with neighborhood associations in targeted communities to increase bulky-item scheduling.

CSC Linkage: Develop Collaborative Solutions

KBU INITIATIVE 4

Improve customer satisfaction with service delivery.

Measure 1.

Maintain an average number of garbage collection complaints per every 1,000 units serviced less than or equal to the FY11 rate of 17.66.

SWS will use the monthly competition report to monitor types of service complaints and share with operating staff in an effort to improve service delivery and enhance customer satisfaction.

CSC Linkage: Enhance Customer Service

Measure 2.

Maintain an average number of yard waste collection complaints per every 10,000 units serviced less than or equal to the FY11 rate of 72.74.

SWS will use the monthly competition report to monitor types of service complaints and share with operating staff in an effort to improve service delivery and enhance customer satisfaction.

CSC Linkage: Enhance Customer Service

KBU INITIATIVE 5

Improve operational efficiencies.

Measure 1.

Maintain an average garbage cart collection rate of 120 carts per hour for residential garbage routes.

SWS staff will monitor performance to ensure maximum efficiency with consideration of variables that impact service delivery. The number of residential units serviced by each employee per hour will determine the rate of achievement to ensure maximum efficiency.

CSC Linkage: Optimize business Processes

Measure 2.

Reduce vehicle claim frequency by 7% compared to FY11.

SWS staff will look for ways to reduce vehicle claims and reduce associated costs.

CSC Linkage: Optimize business Processes

Measure 3.

Reduce claims per 200,000 hours worked by 5% compared to FY11.

SWS staff will look for ways to reduce claims and reduce associated costs.

CSC Linkage: Optimize business Processes

MANAGE RESOURCES

KBU INITIATIVE 6

Reduce or maintain operating costs.

Measure 1.

Maintain a collection cost per ton for refuse and recyclables that is less than the statewide averages.

Based on a report conducted annually by The University of North Carolina at Chapel Hill Institute of Government that analyzes performance and cost data for city services, SWS will maintain a cost-per-ton collected for refuse and recyclables that is less than the statewide average for municipalities in the State of North Carolina.

CSC Linkage: Deliver Competitive Services

Measure 2.

Maintain a landfill ticket submission rate of not less than 98%.

In order to establish data collection performance standards, SWS will complete and verify landfill data to assist in utilization analysis and improved management of landfill resources.

CSC Linkage: Deliver Competitive Services

DEVELOP EMPLOYEES

KBU INITIATIVE 7

Train workforce and develop employees.

Measure 1.

Provide an average of 8 hours of safety-based training monthly in an effort to reduce preventable vehicular accidents and personal injuries.

SWS will provide safety-based training to its field operation employees to aid in the reduction of injury and risk to SWS employees as well as citizens. This will also assist in the reduction of insurance and liability claims. Training will be implemented through a departmental Driver Training Program and other techniques and strategies. Supervisory staff will continue to conduct monthly tailgate sessions and quarterly safety meetings to increase the focus on safety awareness and prevention.

CSC Linkage: Promote Learning and Growth

KBU INITIATIVE 8

Create a positive and productive work environment.

Measure 1.

Recognize one employee each quarter, selected from departmental employee nominations, who most clearly exhibited the City's Guiding Principles during the previous quarter.

SWS will recognize one (1) employee each quarter who most closely demonstrates the City's guiding principles, including: teamwork, openness, accountability, productivity, employee development, courteousness, responsiveness, accessibility and seamless quality service. Employees will be nominated by co-workers and one employee will be selected by an interdepartmental selection committee.

CSC Linkage: Achieve Positive Employee Climate

KBU INITIATIVE 9

Promote wellness in worksite environment.

Measure 1.

Maintain designated Wellness Works information centers each quarter in high traffic areas in the SWS facility to update employees on various health and wellness topics.

Aligned with the goals and objectives outlined within the City's Wellness Management Plan, SWS will continue to support an annual wellness fair and quarterly wellness education seminars for high blood pressure and other life threatening illnesses. SWS encourages participants to review available literature about ways to improve overall health. Absenteeism and worker's compensation claims will be analyzed at the end of the fiscal year and compared with data from previous years to help assess the effectiveness of the wellness efforts.

CSC Linkage: Achieve Positive Employee Climate

Measure 2.

Provide annual training on specific health-related issues to no less than 95% of SWS employees.

This measure is also aligned with the goals and objectives outlined within the City's Wellness Management Plan, SWS will continue to support an annual wellness fair and quarterly wellness education seminars for high blood pressure and other life threatening illnesses. SWS encourages participants to review available literature about ways to improve overall health. Absenteeism and worker's compensation claims will be analyzed at the end of the fiscal year and compared with data from previous years to help assess the effectiveness of the wellness efforts.

CSC Linkage: Achieve Positive Employee Climate

VI. CONCLUSION

The Solid Waste Services FY12 Strategic Operating Plan builds upon successes and lessons learned during previous years. The Plan looks to the future and links Key Business strategic operating initiatives to City Council Focus Areas. The Plan includes special initiatives that promote Strengthening Neighborhoods, Optimizing Business Processes and Wellness. Solid Waste Services is committed to merging proven processes with innovative strategies to enhance service delivery capabilities in a manner that is efficient and economically competitive. Solid Waste Services is confident that the initiatives detailed in this plan can be accomplished. The achievement of these initiatives will enhance public health and lead to a safer and more attractive City of Charlotte.