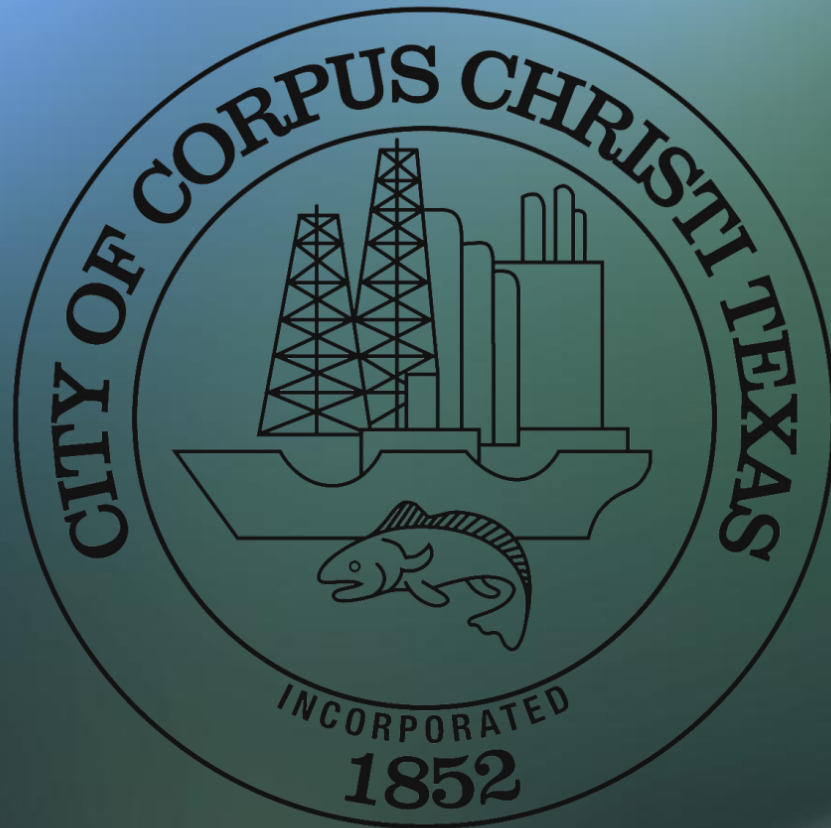


# ***Competitive Assessment of Solid Waste Services***



# ***Managed Competition Process***

## **Our Goals**

- Provide services competitive in quality & price (“**best value**”)
- Adopt best practices
- Stress continuous improvement
- Focus on better, cheaper, faster & friendlier approach
- Build successful employee-owners
- Outsource, if necessary, to provide competitive services to customers

# ***Our Approach***

- Pick departments or services, annually
- Do Competitive Assessments
  - Identify gaps
  - Benchmark against private sector
- Department develops & implements *Action Plan* to close gap
- Department is reassessed after year for accountability

# ***Our Approach*** *(continued)*

- If competitive, service level agreement written between department & city manager
- If not competitive, RFP is issued to privatize
  - Department may or may not compete
- If department wins, contract is written
- Contract monitoring in place

# *Current Progress*

- Competitive Assessment: complete for MIS & Fleet Services
  - Resulted in numerous benchmarks & recommendations:
    - MIS: \$700k savings & 448% ROI
    - Fleet: \$2.3 m savings over 5 years
  - Departments implementing *Action Plans*
- Integrating *Action Plans* in Annual Business Plans
- Re-establishing service levels & benchmarks thru *City Performance Report* <sup>5</sup>

# Next Competitive Assessment: Solid Waste Services

- Award of contract to SAIC for \$93,600

TASK	SCHEDULE
1) Project initiation & management	July 1 – July 31, 2012
2) Competitive Assessment	July 31 – August 31, 2012
3) Options Appraisal	August 15 – September 1, 2012
4) Strategic Fit	September 1 – September 30, 2012
5) Commercial Aspects	September 1 – September 30, 2012
6) Affordability – Financial Case	September 1 – September 30, 2012
7) Achievability: The Project Case	October 1 – October 31, 2012
8) Report Preparation & Presentation	Draft report Nov 2012 Final report Dec 2012

# ***SAIC Focuses on Solid Waste Competitive Assessments***

- SAIC acquired R. W. Beck in 2009
- R. W. Beck founded in 1942 to advise municipal clients on utility issues
- Solid waste section focuses on financial & operational issues
- Exclusive focus on public sector clients ensures no conflict of interest
- Texas solid waste clients: Corpus Christi, Houston, Dallas, Austin, San Antonio, El Paso, Fort Worth, Irving, Victoria

# Competitive Assessments When SAIC Retained by Senior Management

<b>City of El Paso, Texas</b>	Mayor requested privatization study	<ul style="list-style-type: none"> <li>• City saved \$10 million annually based on SAIC recommendations</li> <li>• Exited the commercial collection business and discontinued use of transfer station</li> </ul>
<b>City of Garland, Texas</b>	Senior management requested privatization study, due to other Metroplex cities privatizing operations	<ul style="list-style-type: none"> <li>• City continued operating, with recommendations for improvements</li> </ul>
<b>North Texas Municipal Water District</b>	Five member cities requested competitive assessment of landfill and three transfer stations	<ul style="list-style-type: none"> <li>• On-going analysis, as SAIC is in the process of finalizing the report</li> </ul>
<b>City of Glendale, Arizona</b>	Private solid waste company offered to purchase City's landfill	<ul style="list-style-type: none"> <li>• City continued operating, with recommendations for improvements</li> <li>• Landfill value to City far exceeded offer from private company</li> </ul>
<b>City of Little Rock, Arkansas</b>	Private solid waste company offered to purchase City's landfill	<ul style="list-style-type: none"> <li>• SAIC recommended City continue operating with recommendations for improvements</li> <li>• SAIC conducted procurement based on request from Mayor</li> <li>• Procurement resulted in City continuing to own and operate</li> </ul>



# Questions?

