



Newnan Special Called Work Session

FEBRUARY 22, 2022

Newnan City Hall
Richard A. Bolin Council Chambers
25 LaGrange Street
5:00 PM

CALL TO ORDER

INVOCATION

UNFINISHED BUSINESS

- [A.](#) Discussion on Sanitation Waste Program

ADJOURNMENT

The Future of Sanitation Services in Newnan

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1. For which collection services should the City hire a contractor (vs providing service with City trucks and equipment)? NOTE: Currently a contractor collects garbage and recyclables while Newnan Public Works collects yard waste and bulk items.

- Residential Garbage
- Residential Recyclables
- Residential Yard Waste
- Residential Bulky Items
- None of the Above
- Other:

2. Should the City enforce requirement currently in ordinance that all garbage set out by resident (excluding yard waste and bulky items) must fit inside cart? NOTE: If the City enforced this requirement, it could offer residents a second cart or collect out-of-cart set-outs for an additional fee (see Question 10).

- Yes
- No



3. How often should recyclables be collected from residents? NOTE: Recyclables are currently collected weekly as part of basic sanitation services. Weekly collection typically results in higher diversion rates while every other week collection costs less.

- Weekly
- Every other week
- Other:

4. How often should yard waste be collected from residents? NOTE: Yard waste is currently collected weekly as part of basic sanitation services.

- Weekly
- Every other week
- My subscription only
- Other:

5. Should the City establish and enforce limits for the amount of yard waste it collects? NOTE: Currently, Newnan has no limit but other cities limit the number of bags or containers, the weight of each bag/container, the size of branches/stumps, etc. If the Newnan set limits, it could offer residents pick-up of excess yard waste for an additional fee (see Question 10).

- Yes
- No



6. How often should bulky items (furniture, appliances, etc.) be collected from residents? NOTE: Currently, the City collects an unlimited number of bulky items weekly.

- Weekly
- Every other week
- 1-2 times per year
- Other:

7. Should residents be required to request bulk item collection to receive service? NOTE: Currently residents are not required to call for bulky item pick up.

- Yes
- No

8. Should the City establish limits for the amount of bulk items collected from a residence? NOTE: Currently, Newnan has no limit but other cities limit the amount of number of bulky items collected. If the City sets limits, it could offer residents collection of additional items for an additional fee (see Question 10).

- Yes
- No

9. Should residents pay the full cost of collection and disposal services they receive even if this results in a rate increase to residents?

- Yes
- No



10. For which "extra" level of sanitation services should residents be charged an additional fee? NOTE: Newnan does not currently charge an additional fee for extra services, in part because the City does not bill residents for sanitation service. Charging a fee for extra services likely would result in a lower fee for the basic level of service.

- Garbage that does not fit into cart
- Yard waste beyond established limit
- Bulky items (e.g., furniture, appliances)
- None of the above
- Other:

11. Should the City assume the responsibility for billing residents for sanitation services? NOTE: Currently the contractor bills residents and remits payments to the City for the services it provides, a unique arrangement when compared to other cities.

- Yes
- No

12. If the City bills residents for sanitation service, what is the preferred billing mechanism? NOTE: Including the fee for sanitation on a utility bill or an annual assessment typically has a higher payment rate than a separate sanitation bill

- Utility bill
- Annual assessment
- Separate (monthly or quarterly) sanitation bill
- Other:



Submit

Clear form

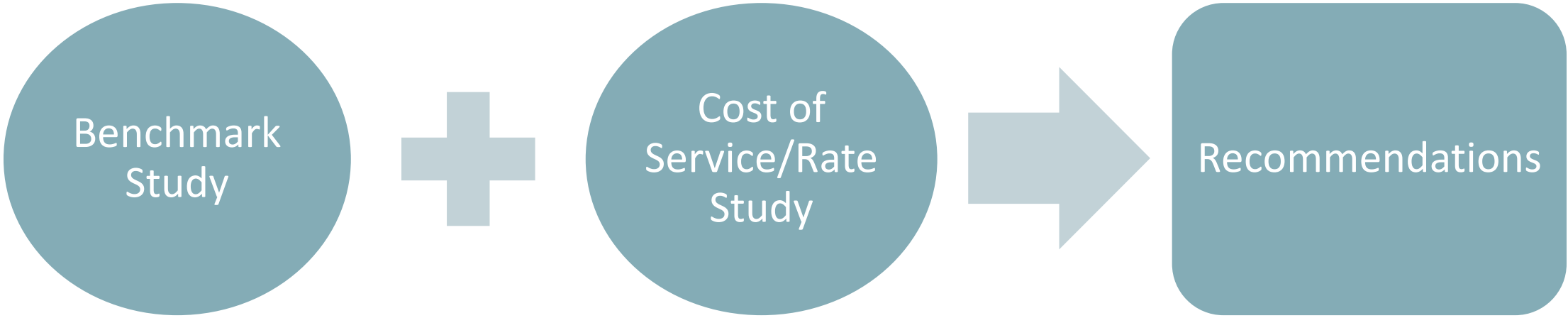
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CITY OF NEWMAN
PUBLIC WORKS
57 BOONE

City of Newnan
Sanitation Study

Presentation to City Council
January 11, 2022

Approach



Benchmark Study



Level of Service in Benchmark Cities

- Gainesville and Marietta provide more frequent garbage collection service
- Marietta provides backdoor garbage collection (though moving new customers toward weekly, curbside)
- Fayetteville, Kennesaw and McDonough provide less frequent recyclable collection (every other week)
- LaGrange does not offer curbside collection of recyclables

City	Population	Garbage	Recyclables
Newnan	45,087	Weekly	Weekly
Carrollton	28,869	Weekly	Weekly
Douglasville	34,918	Weekly	Weekly
Fayetteville	18,427	Weekly	Every other week
Gainesville	46,996	Twice weekly	Weekly
Kennesaw	34,015	Weekly	Every other week
LaGrange	41,487	Weekly	Drop off only
Marietta	61,307	Twice weekly, backdoor	Weekly
McDonough	28,808	Weekly	Every other week
Peachtree Corners	44,701	Weekly	Weekly
Smyrna	56,974	Weekly	Weekly

Level of Service in Benchmark Cities (cont')

- Half the other cities provide weekly yard waste collection in base level of service
 - Carrollton and LaGrange collect every other week
 - Marietta and Peachtree Corners offer by subscription
 - Fayetteville offers drop-off only
- Most cities require residents to request bulk item collection, often charging a fee
 - Carrollton and LaGrange collect every other week
 - Fayetteville has drop-off only

City	Yard Waste	Bulk Items
Newnan	Weekly	On-call
Carrollton	Every other week	Every other week
Douglasville	Weekly	On-call Semi-annually
Fayetteville	Drop off only	Drop off only
Gainesville	Weekly in bags Vacuumed 2x/month seasonally	On-call
Kennesaw	Weekly	On-call
LaGrange	Every other week	Every other week
Marietta	Weekly by subscription	On-call
McDonough	Weekly	On-call
Peachtree Corners	Weekly	On-call
Smyrna	Weekly	On-call

Who Collects?

- All other cities provide all services either through the City or Contractor
- Although other cities (Macon, Austell, Roswell) do split services between City and Contractor like Newnan

	City	Contractor
Newnan	Yard Waste and Bulk Items	Garbage and Recyclables
Carrollton	X	
Douglasville	X	
Fayetteville		X
Gainesville	X	
Kennesaw		X
LaGrange	X	
Marietta	X	
McDonough		X
Peachtree Corners		X
Smyrna	X	

Residential Fees

- The three cities with lower monthly fees have lower level of service
 - Carrollton has every other week yard waste and bulk collection
 - Fayetteville has every other week recycling and no yard waste collection
 - Peachtree Corners charges additional fee for yard waste
- Three cities have volume-based rates

City	Monthly Fee
Newnan	\$16.71
Carrollton	\$14.50
Douglasville	65-gallon: \$19.50 90-gallon: \$22.50
Fayetteville	\$11.95
Gainesville	\$32.10
Kennesaw	\$22
LaGrange	68 gallons: \$14.00 96 gallons: \$17.00
Marietta	68 gallons: \$20.50 ¹ 95 gallons: \$22.75 ¹
McDonough	\$17.08
Peachtree Corners	\$16.26
Smyrna	\$21.50

Billing Mechanism

- All cities have billing mechanisms that allow for tracking of and penalties for non-payment
 - Eight cities charge on utility bill
 - Marietta requires pre-paid stickers affixed to container for collection
 - Peachtree Corners bills in advance on property tax

City	Billing Mechanism
Newnan	By Contractor, quarterly
Carrollton	Utility Bill
Douglasville	Utility Bill
Fayetteville	Utility Bill
Gainesville	Utility Bill
Kennesaw	Utility Bill
LaGrange	Utility Bill
Marietta	Purchase stickers for containers
McDonough	Utility Bill
Peachtree Corners	County property tax bill
Smyrna	Utility Bill

Limits and Fees for Bulk Items or Excess Yard Waste

City	Limits and Fees
Newnan	
Carrollton	\$10 per item for more than one appliance/piece of furniture every two weeks, \$15 per refrigerated appliance \$5-\$25 per tire depending on size \$150 per hour labor plus \$50 per ton for large amounts of material requiring heavy machinery
Douglasville	\$25 minimum per bulk item (except during spring and fall clean-up weeks)
Fayetteville	Not collected at curb
Gainesville	Fee for white goods based on type Items requiring dump truck, flatbed truck or boom arm loader picked up on a special fee basis only
Kennesaw	Pre-paid fee for bulk material or unscheduled pick-up. Fee based on item, size, weight, and collection time

Limits and Fees for Bulk Items or Excessive Yard Waste

City	Limits and Fees
LaGrange	Special assessment for excess charged on next utility bill Amount of assessment “determined by City but at least equal to the labor, overhead and disposal cost associated with the collection and disposal of the excess load.”
Marietta	\$100 per load of excess yard waste (more than 200 cubic feet or 4 ft x 4 ft x12 ft or up to 48 bags) Collection of trash items subject to an additional service charge included on the resident's utility bill. \$5 to \$20 per bulk item based on type
McDonough	No fees specified but no more than three bulk items per week and on-call only Maximum of 30 minutes will be allotted per stop
Peachtree Corners	\$25 per bulk item, in advance
Smyrna	\$25 per bulk item \$75.00 for removal of abandoned household items

Central Business District Collection

City	Collection Arrangements
Newnan	<p>Properties must use City service, approximately 215 properties served</p> <p>City collects daily from <i>shared carts</i></p> <p>City charges from \$14.96 to \$251.67/month based on type and size of business</p>
Athens-Clarke County	<p>County collects designated bags (purchased from County) from sidewalk. 360 commercial and 55 residential customers served.</p> <p>County charges \$1.50 per bags when purchased plus monthly fee ranging from \$32.50/month (for 3x/week) to \$161.60/month (for twice daily collection)</p> <p>Beginning to move toward some centralized locations (eco-stations)</p>
Marietta	<p>Businesses bring waste to one of 9 centralized locations from which City contractor collects</p> <p>Most locations have one 8 cy container emptied daily, 5x per week but some have more dumpsters and/or carts. About half of centralized locations also have container for cardboard recycling.</p> <p>City charges businesses to use central locations</p>
Roswell	<p>Exclusive hauler for all commercial properties in City</p> <p>Downtown business can have collection at their business or choose to use one of two central sites</p>

Arrangements with Transfer/Disposal

City	Arrangement
Newnan	Contractor delivers to transfer/disposal facility of its choice City delivers to two transfer stations, one within City limits with no contract or reduced fee
Carrollton	Delivers to Carroll County transfer station with no contract or reduced fee \$45/ton MSW, \$50/ton yard debris
Douglasville	Delivers to private transfer station in City limits with no contract. Pays \$39 per ton (quoted gate rate \$69/ton)
Fayetteville	Contractor delivers to transfer/disposal facility of its choice
Gainesville	Delivers to Hall County landfill and pays the same rate as other haulers
Kennesaw	Contractor delivers to transfer/disposal facility of its choice
LaGrange	Delivers to its own landfill
Marietta	Delivers to private transfer station located in city limits under multi-year contract Pays about \$33 per ton
McDonough	Contractor delivers to transfer/disposal facility of its choice
Peachtree Corners	Contractor delivers to transfer/disposal facility of its choice
Smyrna	Delivers to private transfer station located in city limits



Conclusions from Benchmark Study

- What works well
 - Requiring all residential and commercial properties to have collection at least weekly collection and to have containers
 - Contractor/City split on residential collection seems to offer high level of service at competitive costs
 - Central Business District collection keeps downtown clean

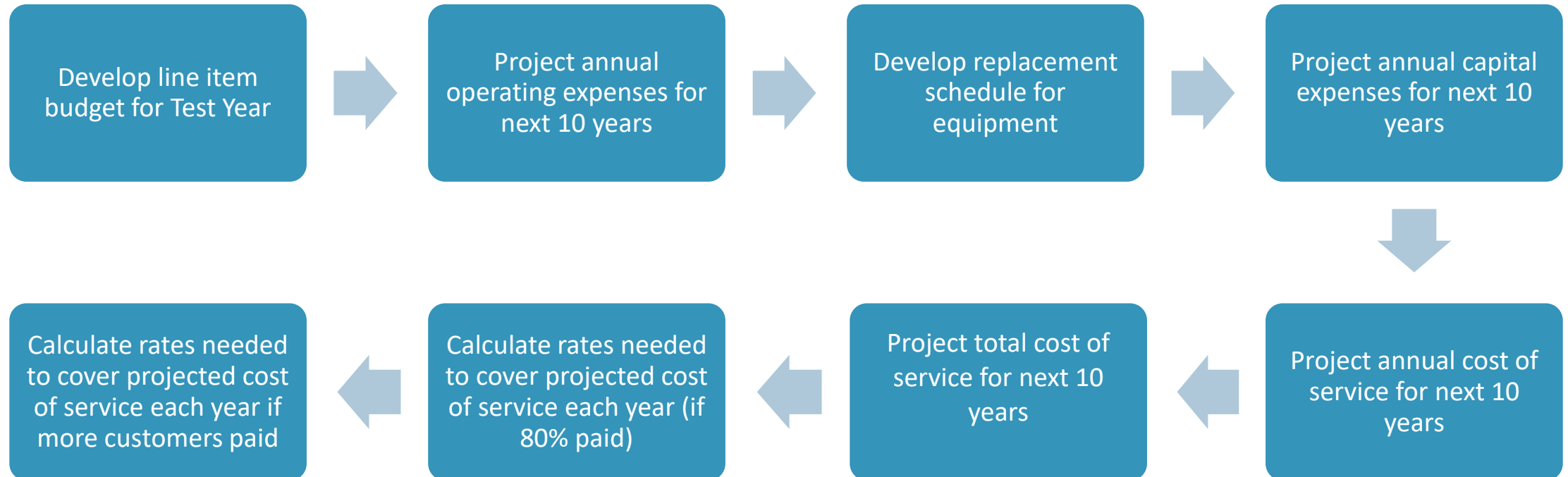


More Conclusions from Benchmark Study

- Newnan's approach to having its Contractor bill residential customers and pay City for services is unique and results in high percentage of delinquencies
- Newnan has minimal set-outs limits compared to other cities
- Most other cities only pick up bulky items and excess waste on call and for a fee
- Newnan provides a high level of service in the Central Business District compared to other cities and downtown properties cover less than half the cost
- Like most of the benchmark cities, Newnan has no formal arrangement with the transfer stations accepting its waste, even the one located within the city limits. Cities that do may get a better per ton fee or other benefits

Cost of Service and Rate Study

Approach to Cost of Service/Rate Study



Test Year Expenses

- Salaries and benefits adjusted based on employee roster and % of time spent in each service
- Allocated 1.5% of some line items to residential refuse and recycling to oversee contractor
- Remove depreciation cost and account for full capital cost of purchasing equipment in year incurred

Expense	Amount
Brush and Bulk	
Salaries and Benefits	\$360,211
Operating	\$344,171
Total - Brush and Bulk	\$704,382
Sanitation Refuse (Downtown Collection)	
Salaries and Benefits	\$158,973
Operating	\$52,750
Total - Downtown Collection	\$211,723
Residential Refuse/Recycling	
Salaries and Benefits	\$95,283
Operating	\$973
Total – Residential Refuse/Recycling	\$96,256

Projected Annual Operating Expenses

	Test Year	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31
Brush & Bulk	\$704,382	\$737,249	\$772,114	\$878,255	\$921,449	\$967,491	\$1,015,479	\$1,066,315	\$1,120,206	\$1,177,377	\$1,238,071
Sanitation Refuse (Downtown Collection)	\$211,723	\$222,914	\$234,928	\$247,847	\$261,758	\$276,761	\$292,205	\$308,705	\$326,346	\$345,222	\$365,435
Residential Refuse/ Recycling	\$96,256	\$101,375	\$106,884	\$112,820	\$119,226	\$126,152	\$133,370	\$141,093	\$149,365	\$158,230	\$167,739

Assumed Equipment Replacement Schedule

Truck #	Replacing	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33
SA-101		\$(11,045)											
SA-102		\$(11,045)											
SA-103			\$(1,752)										
SA-104			\$(11,487)										
SA-105				\$(11,946)									
SA-106						\$(12,921)							
SA-107						\$(3,431)							
SA-108								\$(11,922)					
SA-109									\$(2,217)				
SA-110										\$(12,895)			
SA-111	SA-101	SPLOST									\$(15,720)		
SA-112	SA-102	SPLOST										\$(16,349)	
SA-113	SA-103		\$29,203										\$(2,594)
SA-114	SA-104		\$191,443										\$(17,003)
SA-115	SA-105			\$199,101									
SA-116	Add Route			\$ 199,101									
SA-117	SA-106					\$215,348							
SA-118	SA-107					\$57,183							
SA-119	SA-108							\$198,706					
SA-120	SA-109								\$36,951				
SA-121	SA-110									\$214,920			
SA-122	SA-111										\$262,003		
SA-123	SA-112											\$272,483	
SA-124	SA-113												\$41,565
SA-125	SA-114												\$283,383

Projected Annual Capital Expenses

FY22	FY23	FY24	FY25	FY26
\$(22,090)	\$207,408	\$386,256	\$0	\$256,178

FY27	FY28	FY29	FY30	FY31
\$0	\$186,783	\$34,734	\$ 202,025	\$246,283

Projected Annual Cost to Provide Service

	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31
Brush and Bulk										
Operating	\$737,249	\$772,114	\$878,255	\$921,449	\$967,491	\$1,015,479	\$1,066,315	\$1,120,206	\$1,177,377	\$1,238,071
Capital	-\$22,090	\$193,682	\$386,256	\$0	\$202,427	\$0	\$0	\$6,947	\$0	\$246,283
TOTAL	\$715,159	\$965,796	\$1,264,511	\$921,449	\$1,169,918	\$1,015,479	\$1,066,315	\$1,127,153	\$1,177,377	\$1,484,354
Downtown Collection										
Operating	\$222,914	\$234,928	\$247,847	\$261,758	\$276,761	\$292,205	\$308,705	\$326,346	\$345,222	\$365,435
Capital	\$0	\$13,726	\$0	\$0	\$53,752	\$0	\$186,783	\$3,473	\$202,025	\$0
TOTAL	\$222,914	\$248,654	\$247,847	\$261,758	\$330,513	\$292,205	\$495,489	\$329,820	\$547,247	\$365,435
Residential Refuse										
Operating	\$101,375	\$106,884	\$112,820	\$119,226	\$126,152	\$133,370	\$141,093	\$149,365	\$158,230	\$167,739
Capital	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24,314	\$0	\$0
TOTAL	\$101,375	\$106,884	\$112,820	\$119,226	\$126,152	\$133,370	\$141,093	\$173,679	\$158,230	\$167,739
All Services										
Operating	\$1,061,538	\$1,113,925	\$1,238,922	\$1,302,433	\$1,370,404	\$1,441,054	\$1,516,114	\$1,595,917	\$1,680,829	\$1,771,245
Capital	-\$22,090	\$207,408	\$386,256	\$0	\$256,178	\$0	\$186,783	\$34,734	\$202,025	\$246,283
TOTAL	\$1,039,448	\$1,321,333	\$1,625,177	\$1,302,433	\$1,626,582	\$1,441,054	\$1,702,897	\$1,630,652	\$1,882,854	\$2,017,528

Monthly Fees for Brush and Bulk

- Current fee of \$5.81/month nearly covers FY22 cost, even at current payment rate
- Monthly fees required to cover cost of service higher in years in which new equipment is anticipated
- Fees could be significantly less if 90-100 percent of customers paid

% of Customers Paying	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31
Current	\$5.94	\$8.00	\$10.45	\$7.59	\$9.61	\$8.32	\$8.70	\$9.18	\$9.55	\$12.00
90%	\$5.30	\$7.14	\$9.33	\$6.78	\$8.58	\$7.43	\$7.78	\$8.20	\$8.53	\$10.71
100%	\$4.77	\$6.43	\$8.39	\$6.10	\$7.72	\$6.69	\$7.00	\$7.37	\$7.68	\$9.64

Monthly Fees for Administering Residential Collection

- No fee collected today
- Could remain close to \$1 per month throughout planning period if all customers paid

Payment Rate	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31
Current	\$0.85	\$0.89	\$0.94	\$0.99	\$1.04	\$1.10	\$1.16	\$1.42	\$1.29	\$1.36
90%	\$0.76	\$0.79	\$0.84	\$0.88	\$0.93	\$0.98	\$1.03	\$1.27	\$1.15	\$1.21
100%	\$0.68	\$0.72	\$0.75	\$0.79	\$0.84	\$0.88	\$0.93	\$1.14	\$1.04	\$1.09

Monthly Fees to Cover Downtown Collection

Customer Type	Current	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31
OFC1	\$14.96	\$39.79	\$48.95	\$65.10	\$51.95	\$54.44	\$57.06	\$59.79	\$62.72	\$65.86	\$69.28
OFC2	\$27.42	\$72.94	\$89.71	\$119.32	\$95.22	\$99.79	\$104.58	\$109.60	\$114.97	\$120.71	\$126.99
RES	\$14.96	\$39.79	\$48.95	\$65.10	\$51.95	\$54.44	\$57.06	\$59.79	\$62.72	\$65.86	\$69.28
REST1	\$64.79	\$172.34	\$211.98	\$281.93	\$224.98	\$235.78	\$247.10	\$258.96	\$271.65	\$285.23	\$300.06
REST2	\$127.08	\$338.03	\$415.78	\$552.99	\$441.28	\$462.47	\$484.66	\$507.93	\$532.82	\$559.46	\$588.55
REST3	\$189.38	\$503.75	\$619.61	\$824.09	\$657.62	\$689.19	\$722.27	\$756.94	\$794.03	\$833.73	\$877.08
REST4	\$251.67	\$669.44	\$823.41	\$1,095.14	\$873.92	\$915.87	\$959.83	\$1,005.90	\$1,055.19	\$1,107.95	\$1,165.57
RET1	\$27.42	\$72.94	\$89.71	\$119.32	\$95.22	\$99.79	\$104.58	\$109.60	\$114.97	\$120.71	\$126.99
RET2	\$39.88	\$106.08	\$130.48	\$173.54	\$138.48	\$145.13	\$152.10	\$159.40	\$167.21	\$175.57	\$184.70
RET3	\$77.25	\$205.49	\$252.75	\$336.15	\$268.25	\$281.13	\$294.62	\$308.76	\$323.89	\$340.09	\$357.77

Conclusions from Cost of Service and Rate Study

- Newnan incurs costs for three sanitation services provided to citizens
 - Collection of brush and bulky items from residents (revenue paid by contractor for about 80% of customers)
 - Collection of garbage from downtown properties (revenue directly from property owner)
 - Administering contractor-provided garbage and recyclable collection from residents (no revenue)
- The projected net cost to provide these services in FY22 is \$1,039,448 (increasing to over \$2 million in FY31)
 - 70 percent for brush and bulk item collection
 - 21 percent for downtown collection
 - 9 percent to administer garbage and recyclable collection
- The City could dampen fluctuations with annual deposits into equipment replacement fund

Conclusions from Cost of Service and Rate Study (cont')

- If more residents paid for sanitation services they receive, the monthly fee per household would be significantly less
- The City incurs a cost to administer the residential garbage and recycling contract that could be covered by a monthly fee to each resident of \$0.85 in FY22
 - \$0.68 per month if 100 percent of residents paid
- If property owners in the Central Business District paid the full cost of providing the current level of sanitation service they receive, monthly rates would increase by 2.5 times to cover net costs in FY22 and 4 times current rates to cover projected net costs in FY24

Recommendations

Recommendation: Collection Contract

- Continue collection contract through current term, December 2022
- Require contractor to submit reports stipulated in contract
 - Tons of solid waste and recyclables collected (calculated for City based on total)
 - Customer service reports
 - Will help in evaluating performance
 - Useful information for upcoming procurement
- Issue RfP for residential collection of solid waste and recyclables
 - Issue RfP: March 2022
 - Finalize contract: June 2022
 - Begin new service: January 2023

Recommendation: Billing for Residential Service

- Bill residents starting with new contract in January 2023
 - Estimated cost: \$100,000 per year (based on benchmark information)
 - Currently contractor indicates cost is \$68,694 per year to provide billing service
 - Estimated additional revenue: \$144,619 per year if delinquency declined from 20 to 5 percent (an industry benchmark)
- To prepare for City billing residents directly
 - Establish a billing mechanism (preferably through utilities)
 - Identify and budget for cost
 - Update City code, as needed
 - Educate residents about the upcoming changes in billing in addition to other collection changes under new contract

Recommendation: Set-Out Limits for Garbage

- Work with Contractor to enforce requirement that all garbage fit in the cart provided
 - Educate, educate, educate – leave notes for those that exceed
 - Encourage those with excess on a regular basis to pay for second cart
 - Consider selling stickers/bags for occasional overflows
 - Much easier to implement when City does the billing



Recommendation: Set-Out Limits for Yard Debris

- Establish and enforce set out limits for yard waste and debris
 - Limit size and/or weight of each bag/container (e.g., no more than 32 gallons and 50 pounds each)
 - Limit number of bags or containers of yard waste (e.g., up to 12 bags per week)
 - Limit size of individual limbs, stumps, logs, etc. (e.g., no more than 4 inches in diameter and 4 feet in length)
 - Limit size of total setout (e.g., up to 2 cubic yards of debris or pile no larger than 10 feet long by 6 feet wide by 4 feet tall).
- Require residents to request collection of excess in advance



Recommendation: Set-Out Limits for Bulk Items

- Collect bulk items on request only
- Charge for all bulk items
 - Option to pick up a certain number at no charge
 - Option to offer an annual curbside or drop-off event at no cost to resident

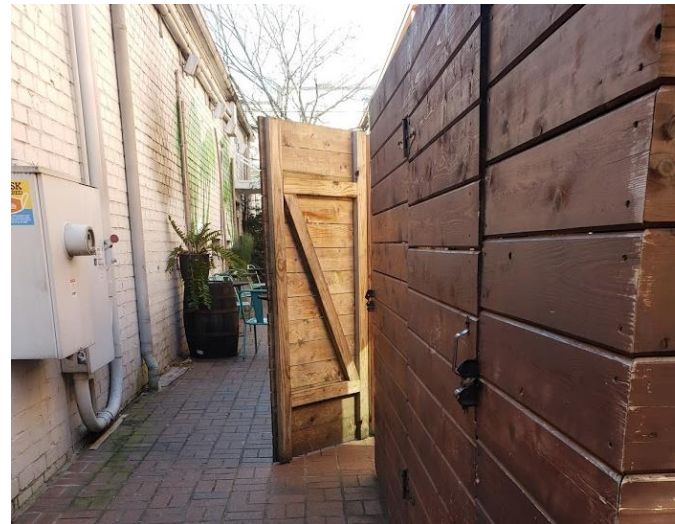


Regarding Set-Out Limits

- The purpose of all recommended setout limits is to
 - Reduce time and cost involved in collecting oversized loads
 - Be more equitable (those that use excess service pay for it)
 - Minimize the risk of injury to collectors
 - Discourage unsightly setouts
- Ensure residents always have a legal alternative
 - Deliver to the transfer station/landfill
 - Option for amnesty days
- Educate residents about requirements and fees in advance and continuously
- Modify ordinance, as needed
- More feasible if City is responsible for billing

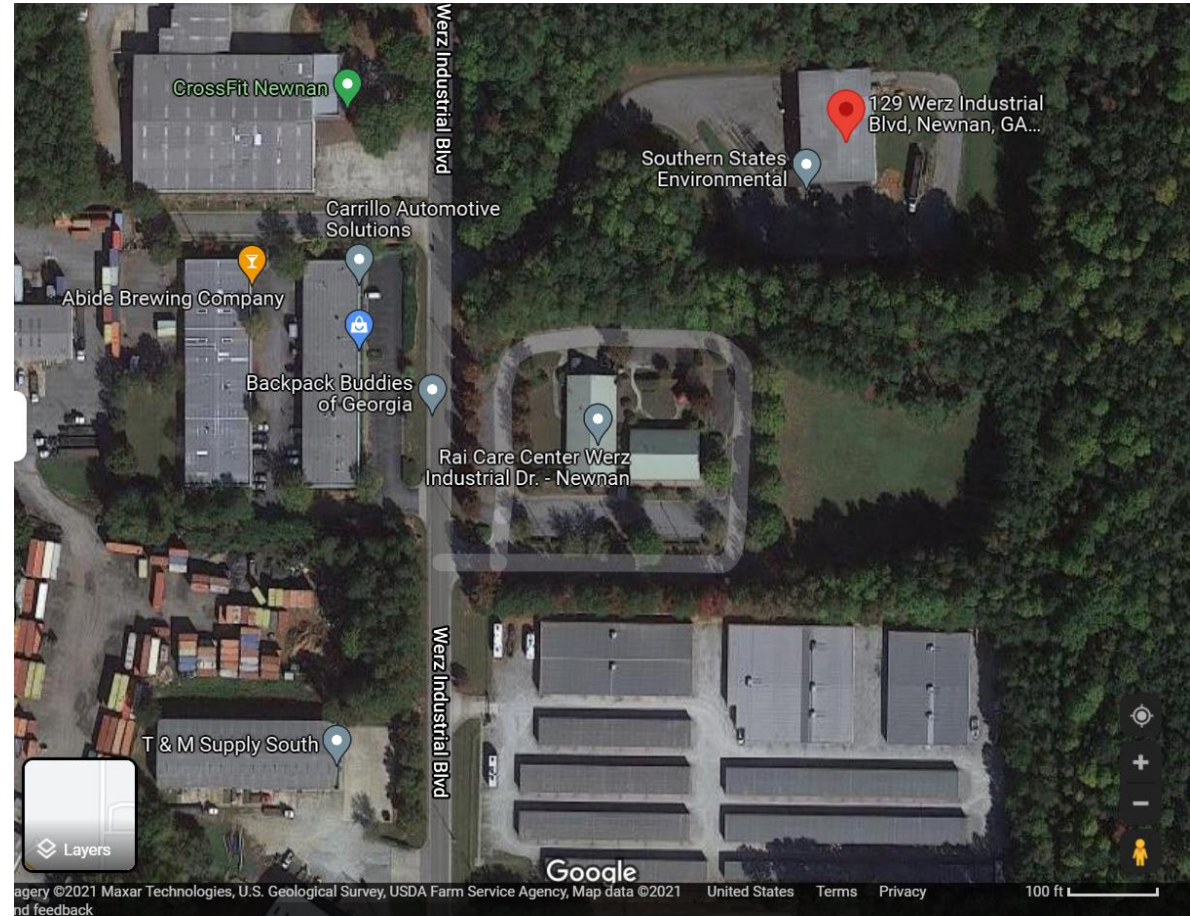
Recommendation: Central Business District

- Consider ways to reduce subsidy from general fund for Central Business District collection
 - Reduce level of service and associated cost, for example by offering centralized dumpsters/compactors
 - Increase fees for collection in the Central Business Districts to cover more of the cost to provide service
 - Explore funding through assessment of those receiving service, for example through Community Improvement District



Recommendation: Transfer Station Arrangements

- Determine how much solid waste managed at the Newnan transfer station originates from outside the City
- Consider a host community agreement with the Newnan transfer station
 - Benefits can include reduced tipping fees, a host fee (usually a per ton payment for waste received) for road and other infrastructure improvements



Questions?

Abby Goldsmith

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Thank you!

