



CAPITAL REGION.

WATER

Street Sweeping Services

May 25, 2016

COST CONTAINMENT/REDUCTION EFFORT

- Efforts are underway to analyze major expense areas in order to contain or reduce expense levels.
- Major Expense areas:
 - Labor – Collective Bargaining Agreement Expires Dec. 31, 2016
 - Electricity – New 2 year Contract – Fall 2015
 - Insurance Expense – New Broker
 - Vehicle Equipment
 - Operational Expense - Street Sweeping



CAPITAL REGION. | **WATER**

SHARED SERVICES AGREEMENT

10/30/2013

SHARED SERVICES AGREEMENT

This Shared Services Agreement (this "Agreement") is entered into on November 12, 2013, and made effective as of November 4, 2013 (the "Effective Date"), between the CITY OF HARRISBURG, a political subdivision of the Commonwealth of Pennsylvania, and a third class city under the Third Class City Code, 53 P.S. 35151 *et seq.*, having an office located at 10 N. Second Street, Harrisburg, PA 17101 (the "City"), and THE HARRISBURG AUTHORITY, a Pennsylvania municipal authority, duly formed and organized under the Municipality Authorities Act, 56 P.S. 5601 *et seq.*, having an office located at 212 Locust Street, Suite 302, Harrisburg, PA, 17101 (the "Authority" and, together with the City, each a "Party").

WITNESSETH:

WHEREAS, the City and the Authority entered into a Transfer Agreement for the City of Harrisburg Sewer Collection System (the "Transfer Agreement") and a Water, Wastewater and Stormwater Systems Transition Agreement (collectively, the "Transition Agreement"), each dated of even date herewith (together, the "Related Agreements");

WHEREAS, the City employs skilled individuals involved in the provision of services associated with the Related Agreements, including public works services and management, vehicle maintenance and repair, information technology, emergency and catastrophic planning and response, human resources, financial services, and other services;

WHEREAS, the City has agreed to perform certain services for the Authority with respect to and for the benefit of the Water System and Combined Sewer System (as defined in the Related Agreements);

WHEREAS, the Authority has agreed to perform certain services for the City with respect to and for the benefit of the City Sanitation Fund, Green Infrastructure Projects, and other initiatives;

WHEREAS, the Authority recognizes the value to be derived through a cooperative agreement pursuant to which the City will make available certain of its employees and facilities to provide services to the Authority, all upon the terms and subject to the conditions set forth herein; and

WHEREAS, the City recognizes the value to be derived through a cooperative agreement pursuant to which the Authority will provide certain services and make available certain of its employees to provide services to the City, all upon the terms and subject to the conditions set forth herein.



CURRENT SHARED SERVICES

- The City and Capital Region Water ("CRW", "the Authority") each have regulatory requirements related to the removal of litter and debris from the City's streets. The City has a responsibility for the maintenance, safety, and aesthetic of the streets and roadways and are required (under Act 101 of 1988, "Act 101") to separately collect and dispose of leaf waste.
- The current allocation of expenses is 70%/30% CRW/City per the Shared Service amendment in operation since January 1, 2015.



CURRENT SCOPE OF SERVICES

- 300 curb miles (approx.)
- Sweeping Schedule
 - City is split into 10 management areas
 - According to the schedule each area is swept twice a month, 12-months a year, weather permitting.
- 550 tonnage of debris documented (2015)



EVALUATING SERVICES

- Prior to agreeing to increasing costs for 2017 or a long term contract, CRW must complete an alternative evaluation to determine the most cost-effective way of meeting our regulatory requirements.



REGULATORY REQUIREMENTS

- Evaluating Street Sweeping Program under Partial Consent Decree and Long Term Control Plan
- CRW is required (under its Clean Water permits) to reduce dry weather overflow events, control solid and floatable discharges in combined sewer overflows, and prevent pollution. Proper Street Sweeping programs can be a “best practice” under CRWs Nine Minimum Controls and MS4 Minimum Control Measures.



PRELIMINARY ANALYSIS

- Current Cost for Street Sweeping 2015
 - \$635,200 which Capital Region Water pays 70% (\$444,640)
- Based on preliminary analysis, it has been determined that there may be potential savings in looking into alternative options to perform street sweeping services.



NEXT STEPS - JUNE 2016

- Finalize analysis of City documentation of Street Sweeping Services
- Evaluate detailed requirements for Regulatory Compliance
- Evaluate a need to put Street Sweeping Services out for Request for Proposal

Questions/Comments

