

Memorandum

TO: Mayor, Mayor Pro-Tem & City Council

FROM: Grayson Path, City Manager
Rob Vine, Assistant City Manager
Michael Smith, Public Works Director
Edwayne Samis, Solid Waste Superintendent

SUBJECT: **CITY SOLID WASTE COLLECTION
ADJUSTMENT TO OPERATION
AMENDMENT TO ORDINANCE**

DATE: May 23, 2022

BACKGROUND:

The City of Paris continues to face increasing challenges recruiting and retaining adequate staff levels for the Solid Waste Department. Because of these challenges, beginning in the summer of 2021, it became necessary to reassign staff daily from the Parks, Streets, CIP, Water, Sewer, and Traffic Control Departments to staff the trash trucks.

Moving staff from one department to cover another department creates significant workflow issues, such as mowing of parks and ROW, road maintenance, cleaning drainage ditches, installing new water and sewer lines, repairing water and sewer line leaks, and completing other preventative maintenance on water and sewer lines. Each day, a department has needed to send 5-7 crew members to Solid Waste to operate multiple trucks. This means work in the other department is not taking place that day (at best, a few hours if they get done early with Solid Waste). These issues are particularly felt during the busy summer months. The rate at which employees fill in vacant solid waste positions leads to employee frustration, in some cases employee turnover, and frustrated citizens when their non-solid waste needs are not met on a timely basis.

Employee recruitment and retention continues to be very difficult with the current economic environment, specifically when it comes to positions like solid waste workers. In the last 12 months, Public Works has had 59 employees come through our third party staffing agency. Out of the 59 hired, 56 of these employees have left the employ of the city. In the beginning of May 2022, in an attempt to avoid a need to make significant changes to solid waste this upcoming summer, the City and our third party staffing agency hosted a job fair specifically advertising City of Paris jobs in Public Works; this yielded only three applicants, one of which was hired and worked a day and a half before resigning. This issue is city, state and even nationwide – it is very

challenging to find and retain help right now. Nevertheless, solid waste cannot just shut down simply because staffing is an issue.

The City of Paris recently completed a pay study in order to become more comparable to our peer communities. However, given these significant staffing issues, management is now considering – in regards to solid waste – performing another pay study to compare to local private competition conducting the same type of work.

The following table shows the budgeted staffing for each department in Public Works (left column) and the current staffing levels for full-time employees in each department (right column):

These numbers include supervisors and office staff

Department	Budgeted	Current
Administration	3	3
Parks	10	8
Streets	13	7
CIP	5	5
Traffic and Lighting	1	1
Shop / Garage	6	4
Water / Sewer	14	10
Solid Waste	6	4
Total	58	42

The City of Paris Public Works Department is down 28% of our FT staffing (none are supervisor or office staff positions). While we try to backfill this with temporary employees, as was discussed before, we struggle to keep them. In addition, these numbers show how understaffed we are in individual departments, which greatly impacts our ability to serve the public in these categories, particularly on days when they must all assist in Solid Waste. It should also be noted that the number of budgeted positions has decreased in the last two years – given we have struggled to keep full staffing, it became apparent that we needed to adjust pay, but to do so required additional funding that was realized by zeroing out a few unfilled positions in Parks, Streets, Water and Sewer given historically we have been unable to fill these positions and the outlook of filling them in the future was slim. The goal is, with an improved pay structure, we can in time work our way back to filling a greater number of budgeted positions. So please be aware that the Public Works Department budgeted figures above are still below what the City believes is optimum effectiveness for staffing numbers in each department.

For Solid Waste, in order to run three employees per truck, for four routes a day (one truck per route), we would need 12 employees. Given our historical struggles in keeping FT staff in Solid Waste, we have shifted the budget from 12 employees to 6 employees and made the difference up in the temporary employee pay line. Should we manage to hire employees beyond 6, we would net the difference between savings in the temporary employee line and the cost to the salary line.

But for transparency, due to historical trends, we have shown where the expenses typically end up in our budget – that being the temporary employee line and not the salary line.

The need for 12 employees is because we need four trucks running a day to run four routes. To help the routes get done faster, we try to include a fifth truck as much as possible. The City has eight routes in total. In order to run every route twice in a week, we have to run four routes a day, thus four trucks, thus 12 employees (15 if we run five trucks). The number of employees is also impacted by safety considerations which dictate that in addition to a driver, there be two workers on the back of each truck. Management is not willing to compromise on worker safety.

A question has come up as to whether we can shift to a mechanical arm truck, thus cut the number of employees per truck down from 3 to 1 (a driver). This is certainly a possibility, but our trucks cannot be retrofitted with this feature, thus we would need to buy a new fleet of trucks (approximately \$250k each) as well as purchase specifically suited trash containers for every residence. There is a significant upfront expense, plus a significant time delay in getting this done. It would also require some logistics to be worked out given the amount of trash many of our customers are accustomed to throwing out on a regular basis (one trash container would not be enough). We started exploring this option earlier this year, but unfortunately we are not ready to take any action on it; instead, we are in an immediate situation that requires different action now.

Research

CITY COMPARISONS: The following table contains information from comparable cities detailing trash collection within their jurisdictions. The City of Paris has been included in light blue for comparison.

Jurisdiction	Private or City Run	Company Used	# of weekly pickups	Polycart or bags	Monthly Charge	Bulk and Brush
Denison	CITY		1	POLYCART	\$ 27.42	YES
Nacogdoches	CITY		1	POLYCART	\$ 22.47	NO
Jacksonville	PRIVATE	REPUBLIC SERVICES	2	BAGS	\$ 20.33	YES-FEE
Mineral Wells	PRIVATE	FRONTIER WASTE SOLUTIONS	2	POLYCART	\$ 20.00	YES
Greenville	PRIVATE	IESI	2	POLYCART	\$ 18.20	0
Marshall	PRIVATE	REPUBLIC SERVICES	1	POLYCART	\$ 16.15	YES
Paris	CITY		2	BAGS	\$ 15.89	YES
Mount Pleasant	PRIVATE	REPUBLIC SERVICES	2	POLYCART	\$ 15.10	YES
Palestine	PRIVATE	WASTE CONNECTIONS	1	POLYCART	\$ 14.85	NO
Sulphur Springs	PRIVATE	SANITATION SOLUTIONS	2	BAGS	\$ 14.14	
Reno	PRIVATE	SANITATION SOLUTIONS	1	POLYCART	\$ 14.07	NO
Corcicana	PRIVATE	REPUBLIC SERVICES	1	POLYCART	\$ 13.70	YES
Waxahachie	CITY		1	POLYCART	\$ 13.08	YES
				AVERAGE:	\$ 17.34	

As can be seen above, of these 13 comparable communities, 4 provide city-solid waste. Of those four, only the City of Paris provides solid waste collection twice a week, yet it is the second lowest in monthly charge. Of the 9 private services, 5 are twice a week. Overall, the City is below average in monthly charge. While fuel, salary, and mechanical are likely comparable, what is likely not comparable is the landfill situation. The City of Paris currently travels to Blossom multiple times a day to dump its solid waste. Some communities may have a local transfer station and/or the service owns the landfill which impacts the price.

STATUS OF EQUIPMENT: The city mechanic shop has recently evaluated the solid waste collection trucks and the following table details their conditions:

Unit #	Year/Model	Mileage	Condition
1343	2020	49,014	Good
1298	2018	92,552	Good
1266	2015	132,047	Fair
393	2013	150,128	Fair
259	2010	188,410	Poor
129	2006	146,130	Poor

HISTORICAL EXPENSE AND REVENUE: The following table shows the City's Solid Waste historical expense and revenue for the previous six years.

	FY15/16	FY16/17	FY17/18	FY18/19	FY19/20	FY20/21
Salary/Benefits	\$ 333,542.03	\$ 392,182.60	\$ 403,179.72	\$ 342,604.95	\$ 302,152.66	\$ 317,959.33
Fuel, Tires, Maintenance	\$ 49,574.86	\$ 60,994.35	\$ 67,228.50	\$ 83,468.83	\$ 82,206.75	\$ 68,611.27
Landfill, insurance, Temp. Employee	\$ 445,904.54	\$ 495,579.23	\$ 437,605.17	\$ 543,527.70	\$ 592,417.61	\$ 466,660.46
City Landfill - TCEQ	\$ 78,082.91	\$ 28,743.83	\$ 61,880.46	\$ 64,767.32	\$ 75,133.19	\$ 60,943.19
Equipment	\$ 82,864.90	\$ 80,504.27	\$ 61,671.46	\$ 69,731.25	\$ 231,185.66	\$ 74,172.16
Misc.	\$ 1,458.00	\$ 1,695.00	\$ 700.00	\$ 644.00	\$ 657.00	\$ 925.00
Transfer to General Fund	\$ 414,644.82	\$ 413,465.21	\$ 347,661.95	\$ 331,838.75	\$ 294,029.01	\$ 292,611.77
Total Expense	\$ 1,406,072.06	\$ 1,473,164.49	\$ 1,379,927.26	\$ 1,436,582.80	\$ 1,577,781.88	\$ 1,281,883.18
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue	\$ 1,462,647.04	\$ 1,468,745.57	\$ 1,460,160.04	\$ 1,456,589.23	\$ 1,463,414.15	\$ 1,470,663.29
Difference	\$ 56,574.98	\$ (4,418.92)	\$ 80,232.78	\$ 20,006.43	\$ (114,367.73)	\$ 188,780.11

It is important to note that the last time the City made any adjustment to the solid waste rates was 12 years ago via Ordinance 2010-025. Therefore, the City has not raised rates in over a decade. The City historically has maintained long-term contracts for its landfill expenses, below comparable employee salaries (which City Council changed last year to make those salaries comparable), and overall has fought to keep other expenses as low and slow growth as possible. However, with the overall price increase in this 12 year time frame, the main impact is that to the General Fund. The solid waste rate is not only designed to cover its expenses, but it applies some revenue to the General Fund to help the City with street maintenance and care. The number one heavy truck to utilize every road in town on a weekly basis is the trash truck. It is only appropriate that in lieu of raising more property tax, the solid waste department help assist with some of this

maintenance and repair expense. You will take note above that this contribution has steadily decreased each of the past six years in order to keep the rates the same but adjust for rising costs in the department. At the bottom of the table, you can see the net difference between total revenue and total expense (including the general fund transfer). It should be noted that in FY20/21, we removed \$100,000.00 from the Solid Waste Budget that was there for housing demolition and mowing and placed that under the General Fund via Code Enforcement which is the appropriate location for this (thus was paid for by property tax). In addition, beginning last summer as noted, we have subsidized our solid waste workforce (to the tune of about 5-7 employees per day) with other Public Works Department employees, the expense of which is reflected in their budgets and not here in this budget. Had both of those items remained, the solid waste budget would likely have seen a tighter difference between expense and revenue in FY21/22. The primary point being – there is not a lot of room between revenue and expense in the solid waste department unless we further cut the property tax subsidy for roadway maintenance (transfer to the General Fund). It looks like the City’s rate increase 12 years ago was sizable enough to last the City many years in to the future, but that too could come to an end in the near future.

STATUS OF ISSUE:

With two more employees leaving the Solid Waste Department in early May, the situation has deteriorated even further. We now only have enough employees to staff two trucks whereas before we could staff three. To compensate for these additional vacancies, additional staff from the other departments in Public Works must now step in and run routes and throw trash. As discussed above, every department is currently sending 5-7 employees, but now we are looking at 7-9 employees each day. Referring back to the tables above, given we are heading in to the hottest part of the year, and given employees in all departments are slowly finding other career opportunities, we are reaching an extremely critical point of not only jeopardizing service in Solid Waste, but also the Parks, Streets, CIP, Water, Sewer and Traffic Departments. We cannot continue to lose people nor can we continue to push off duties in these other public works departments every week.

The City Manager, Assistant City Manager, Public Works Director, Finance Director, Solid Waste Superintendent, and the Superintendents of all other Public Works Departments met on Monday, May 16, 2022 to discuss the immediate crisis. Staff has discussed and carefully reviewed different options available to address this issue.

1. Continue to operate as we have been for the past 12 months, substituting staff from other departments within Public Works to fill vacant positions in Solid Waste to facilitate the twice per week collection schedule.
2. Amend the collection schedule to one time per week to require less staff and allow other departments to complete their individual departmental duties.
3. Privatize the service.

4. Pursue mechanical arm equipment for the trash service, thus reducing the number of employees needed on a daily basis per route.

After careful review of the options, the only reasonable option available at this time is #2. Option #1 cannot continue, option #3 requires research and an extensive City Council conversation that will take time, and option #4 is nowhere near ready for the city to implement. We explored some other options of adjusting the rotation of public works staff through solid waste each week, but none of those adequately addressed the above stated issues with recruitment, retention, summer heat, department work responsibilities, discontent among the staff, etc.

The City Staff strongly recommend that City Council support shifting from the existing Monday/Thursday / Tuesday/Friday twice a week service where four routes are run daily, to a Monday through Thursday once a week service where two routes are run daily. In other words, each route in town would move from twice a week pickup to once a week pickup.

Pursuant to City Code Section 12.04.007, the City Manager is given authority to make some adjustments like this; however 1) because Section 12.04.006(d) references a second day of pickup, it would need to be amended; and 2) due to the impact of this change, the City Manager is seeking City Council support before implementation. City Staff believes that citizens will understand given the factors involved, but it will nevertheless be a dramatic shift as well as draw frustration from some. Sections 12.04.006(d) and 12.04.007 currently read:

Section 12.04.006(d) – Not more than a total of six (6) trash bags or bundles of brush will be collected per residential unit by the city sanitation department on each day of collection, with the exception that on the second collection day of the week an additional six (6) bags or bundles of brush may be set out in lieu of a bulky item. The weight limit for bags or brush bundles should not exceed fifty (50) pounds per bag or bundle.

Section 12.04.007 - The city manager, or designee, is authorized to establish rules and regulations for the collection of residential waste, including, but not limited to, designation of collection routes, collection days, holidays, bulk collection days, or other similar rules.

While the community would lose twice a week pickup, the City is still picking up the same amount of trash each week, collection just happening at one time a week instead of spread out over two.

City Staff will examine the existing eight routes, make some minor adjustments to even them all out, and would run two routes per day using two trucks, and when solid waste staffing increases enough, three trucks to help speed the work up each day. We have historically been able to maintain enough workers in Solid Waste for two or three trucks, so this would eliminate the need for a fourth and fifth truck which have over the past twelve months been manned by other department staff.

We would also shift our typical bulk pickup from Wednesday and/or the second pickup day to Friday or by appointment made with the Public Works Department (Sec. 12.04.008). The added benefit here is, given staff may have some longer days now that they are picking up a full weeks' worth of trash each route, they may be given an opportunity to leave early on a Friday for a long weekend to rest, something that would be a great benefit during the summer. It would also give us more options to give our Solid Waste staff a holiday when those occur (right now, we work through most City holidays). In addition, under our current arrangement with 4-5 trucks operating each day and running Monday, Tuesday, Thursday and Friday, we perform maintenance on Wednesday; but this new schedule of Monday through Thursday will allow fewer trucks to undergo maintenance on Friday and prevent staff from having to come in on Saturday to get trucks ready for Monday which is currently having to be done.

In summary, the benefits of shifting from twice a week to once a week are:

1. Current Solid Waste staff can typically (barring further staff shortages) handle the daily routes, allowing other Public Works Departments to go back to their normal duties.
2. The change will alleviate growing frustration and discontent among the existing Public Works employees, particularly going into the summer months.
3. It will reduce the mileage trucks must travel each week, going from traveling the same routes twice a week to once a week. This should reduce some of the wear and tear given the fair and poor condition of some of the trucks.
4. A shift to Monday through Thursday will provide a greater opportunity to give staff a greater rest period over the weekend, which might help with some job satisfaction.

To accomplish the requested change, we recommend amending Section 12.04.006(d) as follows:

“(d) Not more than a total of ~~six (6)~~ twelve (12) trash bags or bundles of brush will be collected per residential unit by the city sanitation department on each day of collection; ~~with the exception that on the second collection day of the week an additional six (6) bags or bundles of brush may be set out in lieu of a bulky item.~~ The weight limit for bags or brush bundles should not exceed fifty (50) pounds per bag or bundle.”

BUDGET:

Many financial considerations have already been touched on in the Background and Status sections. With a reduction from traveling each route twice a week to once a week, there should be less expense tied to wear and tear, both for the equipment and the roadways. Overall, this too should produce some savings in fuel, but as there will be more trash to pick up each day for the route, this is challenging to foresee. The primary savings is time and work given back to the Parks, CIP, Streets, Water, Sewer and Traffic Departments as well as hopefully preventing the loss of more employees due to dissatisfaction having to throw trash vs. their standard duties. They are

currently spending salary performing Solid Waste duties, which equates to less work done in their fields of responsibility for the community.

The primary concern we see citizens having is the idea that if there is a “reduction in service,” there should be a reduction in monthly rate. Addressing this requires a shift in what people think of as the “service.” The service is, in fact, collecting the solid waste that people generate each week, and it is related to the volume of waste collected, not its frequency of collection. Going back to the Background section above, given the last rate increase was 12 years ago, given our costs are going up, given we are still taking away the same amount of trash each week (just all at once instead of spread out twice a week), and given we have consistently been cutting in to the property tax subsidy for street maintenance, we would recommend not adjusting the rates at this time. If any reduction were to occur, it would strictly come from a reduction in staff given most all other expenses are fixed and/or unaffected by this change. Therefore, we would be looking at reducing it by perhaps 3 positions (FT and Temporary) which would equate to roughly \$100k - \$140k. With approximately 7,700 trash accounts, this might give residents a \$1/month reduction at best. However, as was also stated earlier in the memo, if we are going to get competitive on pay to keep employees, we may need to adjust our offered pay to match local private competition. And with the rising costs of service, we may have to ask that this reduction in rate be reversed in the near future anyway. If we do happen to produce any savings, given this is being run as a stand-alone department, it might allow us to build up a reserve for large ticket issues and expenses. Again, the primary point of Section 12.04 of the City Code is not that trash will be taken twice a week, but simply that trash will be taken.

If the City council would like to request that we find a way to reduce the rate, we can certainly explore this as part of the budget process.

OPTIONS:

1. Approve an ordinance amending Section 12.04.006(d) as above stated, thus authorizing the City Manager to proceed under Section 12.04.007 with reducing the route collection from twice a week to once a week.
2. Keep the service as is and advise staff as how to address the existing issues.
3. Request additional edits and/or information.

RECOMMENDATION:

1. Approve an ordinance amending Section 12.04.006(d) as above stated, thus authorizing the City Manager to proceed under Section 12.04.007 with reducing the route collection from twice a week to once a week.