PARTNERSHIP FOR THE OPERATION OF THE NEW CITY OF SANDY SPRINGS (OPERATION & MANAGEMENT/MAINTENANCE CONTRACTS)
2007 NCPPP Innovation Award Winner
Project Location: Sandy Springs, Georgia
Public Sector Partner: City of Sandy Springs
Private Sector Partner: CH2M HILL
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Project Summary: In June 2005, after struggling for more than three decades to become a city, 94 percent of the voters in the unincorporated area of Sandy Springs approved a referendum in favor of cityhood. On December 1, 2005, this community of nearly 90,000 residents north of the adjacent to Atlanta became Georgia’s seventh largest city and Georgia’s first new city in more than 50 years.

Striving to create the most efficient, responsive, and cost-effective city possible, the Governor’s Commission for the City of Sandy Springs opted to outsource all city services except police, fire and 911. The Commission issued requests for proposals for two distinct areas: an administrative side to handle duties such as customer service, human resources, accounting, and information technology; and a hands-on side to provide public services such as public works, transportation, parks and recreation, and planning and zoning. Through an intensive proposal and interview process, CH2M HILL was selected unanimously for both in September 2005.

When the new city of Sandy Springs opened its doors December 1, one of its first orders of business was to approve the contract with CH2M HILL. The company had been tasked with starting a new city in less than 90 days and had to invest its own resources to establish office space, recruit and train staff, lease equipment, and put in place all of the systems, processes and tools necessary to run a complete city.

The landmark contract between the new city of Sandy Springs and CH2M HILL is the nation’s most comprehensive and innovative public-private partnership for the delivery of municipal services.

CH2M HILL’s scope of services includes all major functions needed to run a city:

- Administration
- Finance
- Tax and revenue collections
- Personnel and human resources, including benefits and payroll for company and city staff
- Community development, including planning, zoning, and permitting
- Municipal court support services
- Computer systems, information technology, and telecommunications
- Public information and community relations, including newsletter and Web site (www.sandyspringsga.org)
- Business licensing and permitting
- Purchasing
- Parks and recreation
- Civil engineering
- Traffic engineering; streets, roads, and right-of-way maintenance
- Customer service, including citizen call center management
- Contract management for water supply, sewage collection and disposal, and garbage collection
- Police and fire support

CH2M HILL’s strategy to deliver services is based upon combing the extensive resources and experience within the company, complemented with using the experience and capabilities of industry-leading companies that deliver services as subcontractors. This approach minimized the need for investment in specialty staff and capital outlay for vehicles and equipment.

The services provided by CH2M HILL have resulted in a total savings of $20 million per year as compared to traditional municipal management. As a result, citizens of Sandy Springs have been rewarded with dramatically lower operating costs, a significantly higher level of customer service, and a focus on quality and responsiveness to their needs.

Originality: There has never been anything in the U.S. quite like the public-private partnership between the City of Sandy Springs and CH2M HILL. When voters overwhelmingly approved a referendum for cityhood, the Governor’s Commission on Sandy Springs decided on a bold approach: run the city as a business, not like the bureaucracy of which residents had grown tired. And what better way to run the city like a business than to retain a business to run a city. In this groundbreaking partnership, the City of Sandy Springs has only a handful of its own staff and contracts all of major services except police, fire and emergency 911 to CH2M HILL. From filling potholes to managing information technology to performing administrative services for the...
municipal court - and just about everything in between - all public works, parks and recreation, community development, and administrative functions are CH2M HILL's responsibility. The new city opened for business in December 2005 and since then has attracted the attention of the New York Times, FOX News, CNBC, USA Today, American City & County and GOVERNING. Today it's serving as a model for the neighboring communities of Johns Creek and Milton, which were set to open their doors December 2006.

Quality: Simply put, city founders were not receiving the level of service they expected from the county. Improving quality of service was the key driver for incorporation and the decision to contract to the private sector, so naturally it remains the focus of the partnership. A key measure of quality is citizen feedback. Citizen response center staff personally answer up to 400 calls a day; even after-hours calls don't go to voicemail. Each call is tracked and followed through until the work order is closed out. Whether it's how a citizen's call is handled or how revenue is collected, each process is thoroughly documented. Project performance is measured and processes modified as needed to ensure continuous improvement.

A prime example of a measurable result is the reduction in the average plan review time from eight weeks to three weeks by having a slightly different process for home remodels than for major retail developments. The partnership is now beginning to implement third-party benchmarking.

Implementation: CH2M HILL successfully mobilized this project in under three months so the city was ready to begin serving customers just eight hours after it officially incorporated. Since Sandy Spring's is Georgia's first new city in 50 years, it was uncharted waters for everyone. The team had to leverage or develop strong relationships at the County, State and Federal level to ensure records were transferred smoothly, ongoing capital improvement projects continued, and the City captured all of the revenue to which it is entitled. The process included a daunting punch list of items that had to be accomplished, with zero room for schedule slippage. With no city hall from which to work, CH2M HILL set up a temporary operations center adjacent to the company's Atlanta office, where much of the City's business was conducted until the city hall was complete. Because it's not a traditional government, it's not a traditional city hall; the city makes its home in an industrial park where the city council chamber doubles as a municipal court.

Notable accomplishments include: processing a backlog of over 900 permit applications left over from the County; identifying new revenue streams and devising a collection system for taxes; synchronizing traffic control signals on one of Metro Atlanta's most congested roads approximately ahead of schedule; and bringing the City's Web site online in just three weeks.

Economics: A truly unique element of this partnership is that while CH2M HILL was selected in September 2005, the partners could not enter into a contract until after the City was officially incorporated and the City Council was seated. The company invested its own funds to secure office space, recruit and train staff, lease equipment, and put in place all of the systems, processes, and tools necessary to serve the public in 90 days - all on essentially a handshake. Valued at $29.7 million in the first year, the contract saved the City $20 million per year as compared with traditional municipal management, according to estimates by the University of Georgia's Carl Vinson Institute of Government.

Longevity: CH2M HILL and Sandy Springs began working together in September 2005, and a one-year contract was signed in December 2005. The contract is annually renewable for five more years.