



Site Management Program

Situation Multiple Wood Treatment Facilities

Location South Central United States

A wood treatment company began to evaluate the costs incurred with its current operations and maintenance (O&M), management and vendor relationships at several routine remediation sites. Realizing that these institutionalized costs were too high, but with limited staff resources available to address the problems, the company retained the services of PREMO Group Inc. PREMO eagerly accepted the goal of identifying and implementing savings in management, reporting and O&M costs while maintaining continued compliance and optimizing the long-term effectiveness of remedial systems at two active and four closed wood preserving facilities. Complicating matters, five of the six sites had antiquated groundwater remediation systems dating back to the 1980s.

PREMO designed a Site Management Program (SMP) tailored specifically to meet the needs of this client. Our unique approach meant that PREMO assumed responsibility for maintaining compliance. Because PREMO developed an incentive-based contract tied directly to results, the client realized savings while PREMO effectively reduced the overall costs at each site. In the program's inaugural year, O&M costs and procedures were cataloged and evaluated, establishing a cost baseline that served as a valuable measure of future savings. In order to identify optimal cost savings and effective remedial system alternatives, PREMO performed an extensive evaluation of technological and procedural options, including the status quo methods. Substantial challenges to successful implementation of the SMP included an aging remediation system infrastructure, outdated technologies, and permitting requirements that needed modification. O&M personnel and regulators entrenched in "business as usual" operations also needed to be convinced of the merits of the proposed changes.

Results

To date, the PREMO SMP at these six sites has designed and instituted a number of short- and long-term cost savings, some of which required successful negotiations with regulatory agencies and all of which were eagerly embraced by our client. PREMO's SMP has:

- Identified and implemented reductions in sampling and analytical requirements by reviewing existing permits and regulations while maintaining compliance;
- Replaced outdated, expensive and labor-intensive treatment systems with technologically superior, cost-effective, efficient systems;
- Negotiated regulations to reduce or completely eliminate active groundwater extraction systems that can be replaced by monitored natural attenuation;
- Aggressively addressed soil and groundwater contamination issues with phytoremediation, often achieving regulatory approval for phytoremediation as a final remedy;
- Reduced labor costs and travel time at remote sites by using automated sampling and monitoring equipment;
- Realized significant labor cost reductions by employing experienced and specialized flex-staff across multiple sites;
- Reduced vendor and supplier costs by uncovering volume discount opportunities; and,
- Introduced standardized reporting and cost accounting systems that significantly reduce the burden on our client.

Within the first four to twelve months, enormous cost saving opportunities were identified at each site. The savings established in this initial period were indicative of future savings which were realized as treatment systems became modernized, data collection activities were automated and vendor/supplier costs were streamlined. Costs continued to be reduced from the initial first year baseline for four consecutive years.