

Business for Sale – Clean Channel Dredging

\$120,000

Business Summary

- *Business began September 2013*
- *Average annual revenues of \$375,000*
- *Gross Margin = 30%; Net Margin = 11.5%*
- *Offering intellectual property, sales collateral, startup consulting and key relationship introductions*



Financial Summary – In the past 4½ years Clean Channel Dredging had revenues that average \$350k to \$400k per year. The last 12 months totaled \$378k. It operates a gross margin of about 30%. EBITDA (net income) is 11.45%. In 4 years 370 projects were bid, and 90 of them were won for a 24% close rate. Many are repeat customers. The rivers and lakes of Central Texas provide for an ongoing market opportunity for hydraulic dredging stretching from the hill country to the Gulf Coast.

Business Equipment – There is a primary sediment removal system, a custom trailer with pipe racks, and a complement of 600' of hard casing, and 250' of floater and flex hose sections. The machine, trailer and related equipment were purchased new in 2014.

Other items include an accessory pulse pump to feed polymer into the discharge lines as needed, an inline mixing box, an adapter hose to match up our gheen connectors with a camlock connector to fit a Godwin pump (for example) when used as a booster for steep grades or long distance pumping.

- 2014 Dino Six w/ about 1,200 hrs
- 600 ft. of hard casing pipe
- 250 ft. of flex/floater pipe
- 2014 Custom tandem trailer, 12,000 lb. with pipe rack & winch
- 2014 3" Honda trash pump
- Assorted power and hand tools for grounds & maintenance, accessories for machine propulsion (cable & related hardware)

Intellectual Property & Consulting – Full instructions for bidding/estimating, obtaining permits, and all operations will be provided. There is a database of 390 projects that have been bid (including 15 new ones in progress) to date. Each project is catalogued by project number in its folder with the contact information, project dimensions, bid parameters, bid calculations and finished bid documents on a multi-page spreadsheet workbook for each. All customer communications are included in each project folder. Most projects include multiple homeowners with email addresses, cell phone numbers, physical addresses, etc.

Excellent relationships have been established with key individuals at LCRA, US Army Corps of Engineers, Texas Commission on Environmental Quality, Llano County Flood District, Village of Sunrise Beach Office of the Mayor, City of Granite Shoals, City of Horseshoe Bay, the Llano County Judge and all four of the Llano County Commissioners.

Also included is five days of direct consulting and operational instructions, and two months of telephone, email, or short personal visit consulting.

Sales & Marketing – Nearly all of our projects have been done on Lake LBJ. It's a market that will have continuous demand for a variety of reasons. We've done a couple of projects on Lake Austin, one on Inks Lake and one on the Guadalupe River. There is a pipeline of 15 projects awaiting bids including one on Lake Austin, one on Inks Lake and two on the Guadalupe River.

There currently is no other competition in this area for hydraulic dredging. There was another company using a machine like ours for about two years, but today that business and its assets are gone (moved out of area). Most of the sales leads we get today are by word of mouth. Nearly every area contractor (home builders, remodelers, dock builders, etc.) know about and recommend Clean Channel Dredging. All of the boat dealers also know us. Bay Marine in Horseshoe Bay refers all of their dredging inquiries to Clean Channel Dredging.

The website provides most of the other sales leads. Presentations have been made to local community groups on how to deal with nuisance aquatic vegetation. Advertisements have run continuously in the Highland Lakes Weekly the Picayune and billboards until December 2017.

There is a 10' exhibit booth and a free-standing banner with two-sided graphics. There is also a tri-fold brochure, a single page flyer, a small stock of floater key chains, a small stock of floater sunglass lanyards, and an outdoor tent with signage for outdoor events.

For more information, contact Ron Poole at 512-289-0115 or captainron.texas@gmail.com.



Trade Show Back Wall ▲



Vehicle Signs ▲



Trade Show Banner ▲



Trade Show Banner ▲