

DEPARTMENTAL BUDGET INFORMATION GENERAL SERVICES (47)

MISSION

The General Services Department (GSD) supports General Fund operating departments by operating municipal facilities and managing municipal leases, grounds, urban forestry and fleet, and the inventory of major field operations.

DESCRIPTION

The GSD has four divisions and a section: Grounds Maintenance Division, which maintains all city-owned grounds, parks, right of ways, vacant lots and the urban forest; Fleet Management Division which procures, maintains and makes available appropriate vehicles for General Fund operations; Facilities Management Division, which performs space planning, building operations and maintenance, engineering work, and lease or sales of city-owned facilities; and Administration, which performs the business functions of the department and receives, organizes, stores, secures and tracks usage of materials for major city field operations. The Security Section, which reports to the Director, provides on-site and remote monitoring as well as incident response and investigative services.

The Grounds Maintenance Division cut grass and remove litter at major city parks, manage snow and ice removal at municipal facilities, and operate the Belle Isle Conservatory and flower beds. It oversees Street Fund Forestry staff who manage the urban forest, and maintain grass on freeway berms and medians for the public right-of-ways.

The Facilities Management Division provides architectural, engineering and property management services, as well as building maintenance in plumbing,

HVAC, electrical and structural shops. It houses expenses for Hart Plaza utilities. The Building Services Unit is responsible for trash removal vacuuming, sweeping, carpet cleaning, floor maintenance, pest control, dusting, interior window and wall washing at city-owned facilities.

The Fleet Management Division responsibilities include: chairing the city's Vehicle Steering Committee, approving vehicle specifications, receiving and disposing of vehicles, repair and maintenance of 3100 municipal vehicles, support for the city's employee local driving policies, and administering the loaner pool and stipend program. They operate out of the Russell-Ferry, Southfield and Davison yards, with a body shop for simple bump repairs and a 24-hour road crew.

Administration and Inventory Division analyzes the service requirements of General Fund agencies; executes Service Agreements with customer departments for billbacks; develops and monitors the department budget; and oversees contracting and bill payment processes. It oversees inventory management staff who operate 8 storerooms supporting Police office and prisoner care, most public health programs, grounds maintenance, service yards, GSD Headquarters and Mayor's initiatives. They make available the right goods at optimum prices. They also operate fuel pumps located throughout the city.

GSD also operates a Security Services Unit, which manages human and technological resources associated with security of city operations and facilities, including armed, bonded and unarmed manpower. These include contractual resources as well as city employees.

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MAJOR INITIATIVES FOR FY 2011-12:

GSD has managed major change in its 6-year existence, absorbing new responsibilities each year even as resources have been cut by 50-75%. GSD has used five tools for restructuring:

- Establishing tracking systems in every service area so that resources can be prioritized and productivity improved
- Introducing new technology, such as energy efficiency upgrades, CCTV installation, and fuel dispenser control installation, to conserve resources
- Renegotiation of major contracts for new terms or cost savings
- Operational economies such as reducing service levels, creating roving crews, and staffing for increased flexibility
- Flattening the organization chart to save the cost of middle managers and maximize productivity

These tracking systems are in the areas of fleet (REVS), building maintenance (AIM), facilities planning and inventory (AIM) and vendor management (Access database). The 2012 citywide space plan assessed building systems life spans and city agency space requirements to produce a plan for space use. This citywide space plan set economical space standards for city offices, and reduces leases. In the area of fleet, GSE is developing total cost of ownership standards to right-size the fleet.

The Central Processing Unit (CPU) is streamlining payment processes through invoice tracking so that bill payment is more timely. This project has been complicated by chronic budget shortfalls. CPU is also introducing contract planning tools that will assure better planning of work, more coverage for relevant departmental

activities, and funding and date authority.

The 2012-13 Budget Request reflects years of major contract renegotiations: Wackenhut Security (\$770,000 savings per year) and Limbach (\$880,000 per year) who service the 36th District Court; LaGarda security services to other city sites (\$500,000 saved per year). GSD is working closely with Purchasing's effort to achieve 10% concessions on all contracts as well. Costs for the Genuine Parts Company vehicle parts contract have been contained even as parts usage has increased due to aging of the fleet.

All other inventory will now be managed through AIM. With the baseline property and equipment characteristics and parts and supplies stores entered into AIM, GSD will plan ordering schedules for its customers, for just in time inventory, and more efficient payment processing.

In the area of facilities management, the 2012-13 executive budget includes responsibility for the CAYMC chillers, transferred from ITS in the Fall of 2011. It also reflects third party insurance premiums that were formerly budgeted in the Risk Management Fund. In the Fall 2011, GSD also assumed complete responsibility for 36th District Court security, allowing Police Officers to be redeployed from there, and the 2012-13 budget reflects this cost increase.

The Energy Efficiency Community Block Program (EECBG) made possible the installation of new heating systems at multiple city facilities during the winter of 2010-11. These energy efficient systems reduce energy usage, and maintenance costs.

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The rollout of the AIM system for building management was modified in response to budget cuts. We were still able to inventory and assess city properties and to implement centralized intake and approval processes for maintenance service requests. The city's first Master Space Plan was drafted early in 2012 and consolidations are in process, leading to \$2.8 million in annual operating cost savings citywide. As we reduce our lease space holdings, we continue to build an inventory of all the systems that are part of city properties and have begun entering work orders to gain a better picture of the cost of maintaining city properties.

In 2011-12, the Landscape Design Unit completed or substantially completed work on renovations at 11 sites, including some funded by Wayne County. Also they provided project management for the demolition of three Detroit Public Schools and project support for the Lear Corporation's major renovation to the Williams Playfield. Due to the loss of bond funding, GSD created a Park Development Unit in 2011-12 to renovate park spaces, by transferring positions from grass-cutting operations. With ongoing improvements under the casino enhancement program, the need for maintenance is important for the foreseeable future, and it has been integrated under the Landscape Design Unit for better coordination.

The 2011-12 cut plan eliminated virtually all building attendants; the 2012-13 budget partially remedies this through position reallocations within GSD and its customer departments, leaving coverage for Health, Police and Recreation sites. The 2012-13 budget reallocates a supervisory security position to a service guard, but the city's overall approach still relies primarily on Closed Circuit TV monitoring at selected

facilities, augmented by manned contractual security.

Since GSD was formed in 2006-07, full-time grounds maintenance staffing has been cut by 73%. The 2011-12 budget eliminated two foremen positions and phased out Construction Equipment Operators from grounds operations. Off-peak, full-time grounds maintenance staff provide snow removal and equipment maintenance, but less support for subsidizing private special events with bleacher, stage and table setups.

In 2012, GSD working with PDD rolled out a new process for securing vacant lots adjacent to homeowners with white picket fences. The 2012-13 budget assumes a revenue from PDD for those lots that are city-owned; it assumes no cutting of lots outside of the city-owned.

In the Fleet Division, Fire Apparatus personnel moved back to the Fire Department because the titles inherited could not be integrated under GSD Superintendent, and GSD only kept responsibility for light duty Fire vehicles. GSD has closed the Livernois Garage, 3 out of 14 fuelling sites, 2 of 6 grounds maintenance worksites, and downsized the midnight shift at the Southfield garage. Security cameras installed at fuel sites have impacted theft, under CCTV monitoring. GSD worked with Purchasing to renegotiate the fuel contract so that lower unit prices could be realized.

Due to the city's inability to sell bonds that fund the Internal Service Fund, the aging of the fleet strains mechanic productivity with increasing down time. The 2012-13 budget reallocates Auto Repair Foremen to Auto Repair Subforemen in order to increase the number of staff able to turn a wrench on

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work orders. An Office Assistant position has been added so that documentation will be timely and accurate in support of monthly billbacks for services that begin July 2012.

In 2012, GSD is looking at an innovative on-line auction to broaden the market and increase revenue. A current year sales push helped 2011-12 cash position, but result in a decrease in auction revenue in 2012-13.

PLANNING FOR THE FUTURE FOR FY 2012-13, FY 2013-14 and BEYOND

GSD is trying to stabilize all GSD funding streams, and is isolating the costs of collisions, vandalism and acts of God to propose a system for reimbursement by the city's Risk Management (insurance) Fund. With the introduction of standardized preventive maintenance schedules, this will improve regular maintenance operations. GSD with over 100 vendors anticipates major efforts related to citywide purchasing reforms underway, such as partnering on state contracts or with other jurisdictions in shared service arrangements. Our task is to fully plan out the units of services so that unit costs can be most effectively managed. A new vendor management database tracks contract authority and invoice status.

GSD continues to flatten the department organization chart by reducing layers of management. The 2012-13 budget eliminates Park Maintenance Supervisor I positions and reorganizes all functions under Assistant Superintendent positions in forestry, floriculture, and park maintenance. In addition, building maintenance staff have been organized into shops to focus their expertise: electrical, HVAC/mechanical, plumbing, and structural. In 2012-13, work hours, materials costs, and contractual service costs will also be associated with

work orders to identify the full costs of different shop work. The bill back concept assumes that special events services will be reimbursed and programmatic expenditures such as chemicals for show fountains and pool operations will no longer be subsidized.

In 2012-13, preventive maintenance rotations will be utilized for the first time, so that routine repairs can be anticipated before becoming major corrective expenses. This will ultimately save money in corrective repair expenses, as problems will be addressed before ballooning. Without a capital budget for major renovations, the ability for facilities maintenance staff to control major expenditures is limited.

The Facilities Planning group has drafted a citywide Master Plan for municipal space use. This project assessed every city-owned and city occupied space, leading to moves and consolidations of existing city department locations in accordance with space allocation and design standards that minimize city overhead expenditures. It established tracking in AIM for such items as square footage, year built, type of heating and cooling systems, location, number and size of rooms, tenant space available. The plan will reduce lease holdings by 249,608 sq feet, saving the city \$2.8 million in annual occupancy costs starting in 2013. Consolidating tenants in the CAYMC building is a first priority, and starts in the summer of 2012.

The budget continues to overlook the city's dangerous tree backlog, estimated at about 5000 trees citywide. We estimate that at least \$1 million per year is required to cut down these trees which are a threat to health and property on city streets everywhere. The budget has no funds for tree planting, which

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has only been achieved sporadically in partnership with the Greening of Detroit in recent years.

GSD has completed an assessment of its 8 stores sites and is planning to consolidate sites. In 2012, GSD is selling surplus inventory, mostly building maintenance materials and equipment, before it loses value. This division has also worked with Purchasing to arrange scrap metal, recycled paper, and oil recycling contracts to maximize revenues.

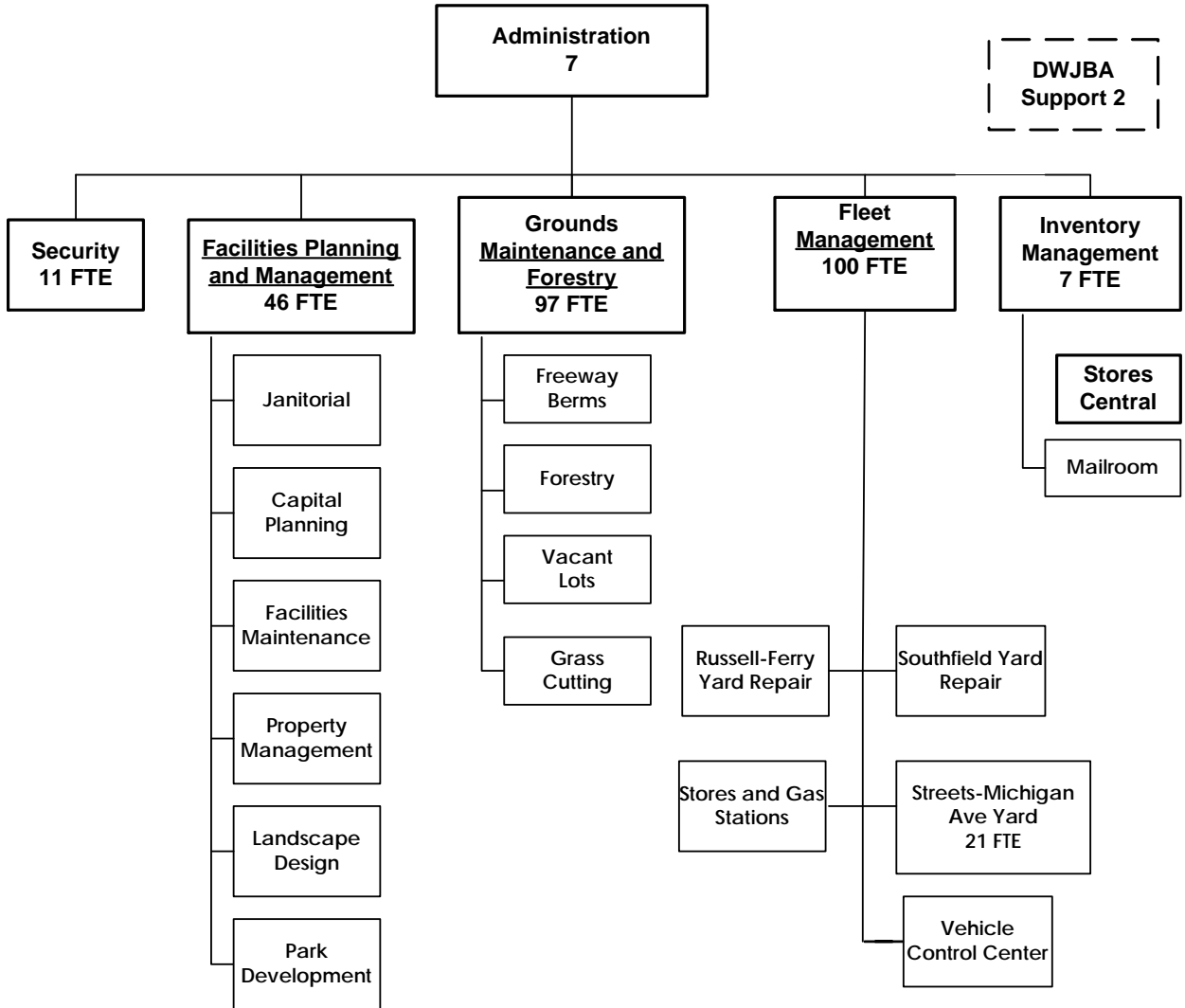
By entering supplies ordering and usage into AIM, we will begin to plan inventory for efficiency and cost effectiveness. Then, the requirements of all city agencies could be analyzed for whether or not to ultimately broaden GSD's responsibility. Citywide office supplies might be a candidate. GSD is working with the Purchasing Division to develop a strategy for consolidated maintenance and repair organization (MRO) items, such as gloves, brushes, papers and

tools.

The city's McKinsey study (2010) noted that GSD has a higher ratio of vehicles to mechanics than other municipalities have: about 45 per mechanic, including heavy duty vehicles. We will continue to rely on REVS to help set work standards, automate preventive

In partnership with Next Energy, the city will be piloting systems for reducing idling in police vehicles. A grant application has been made for 100 auxiliary power units (APUs) to outfit patrol vehicles with power for the computer and heating systems once the engine is cut off. This will save substantial fuel and repair costs, as well as reducing emissions, and can hopefully make sense for roll out to the entire fleet. Also, the city is moving to a contract for reconditioned tires that is cheaper as well as environmentally responsible.

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**PERFORMANCE MEASURES AND
TARGETS**

Type of Performance Measure: List of Measures	2010-11 Actual	2011-12 Projection	2012-13 Target
Inputs: Resources Allocated or Service Demands Made			
Number of municipal facilities serviced	310	300	300
Number of vacant lots and properties	60,000	80,000	100,000
# of forestry storm calls	2,200	2,000	2,000
# of heavy-duty vehicles serviced	17,500	15,750	17,164
# of light-duty vehicles serviced	16,200	18,500	16,650
Number of fleet accidents	1,000	900	200
Outputs: Units of Activity directed toward Goals			
Trees planted	2,800	2,800	2,800
# of special events supported	25	20	20
# of customer agency supply disbursements	200	200	200
Garage maintenance reports (repair orders)	17,500	13,290	18,500
Percent vehicles covered under preventive maintenance schedule	87%	90%	85%
Outcomes: Results or Impacts of Program Activities			
Average percent of Police scout fleet available	85%	82%	83%
Average percent of DPW courville trucks available	77%	67%	79%
Efficiency: Program Costs related to Units of Activity			
Number of vendor invoices processed	7,000	6,000	6,000
Percent of repairs completed within established repair time	78%	75%	75%

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EXPENDITURES

	2010-11		2012-13		Variance	Variance Percent
	Actual Expense	2011-12 Redbook	Mayor's Budget Rec			
Salary & Wages	\$ 18,803,088	\$ 15,451,948	\$ 12,076,886	\$ (3,375,062)	-22%	
Employee Benefits	15,661,135	14,366,617	10,951,467	(3,415,150)	-24%	
Professional/Contracts	11,640,348	5,851,175	4,050,071	(1,801,104)	-31%	
Operating Supplies	12,320,189	7,862,631	9,022,018	1,159,387	15%	
Operating Services	3,618,284	3,196,280	2,407,268	(789,012)	-25%	
Capital Equipment	23,171	500000	0	(500,000)	0%	
Capital Outlays	6,414,208	0	0	0	0%	
Other Expenses	111,675	453,777	591,804	138,027	30%	
TOTAL	\$ 68,592,098	\$ 47,682,428	\$ 39,099,514	\$ (8,582,914)	-18%	
POSITIONS	0	370	272	0	0%	

*includes summer seasonal positions

REVENUES

	2010-11		2012-13		Variance	Variance Percent
	Actual Revenue	2011-12 Redbook	Mayor's Budget Rec			
Revenues	978,563	952,261	804,886	(147,375)	-15%	
Grants Shared	4,873,767	0	0	0	0%	
Sales & Charges	3,273,583	7,012,832	8,491,192	1,478,360	21%	
Sales of Assets	721,757	320,000	100,000	(220,000)	-69%	
Contributions/Transfers	1,560,564	0	0	0	0%	
Miscellaneous	3,960,528	3,743,642	2,500,000	(1,243,642)	0%	
TOTAL	\$ 15,368,762	\$ 12,028,735	\$ 11,896,078	\$ (132,657)	-1%	