

AGENDA

JOINT MEETING OF THE COMMITTEE ON ADMINISTRATION/INFORMATION SYSTEMS AND THE COMMITTEE ON HUMAN RESOURCES/INSURANCE

January 18, 2012

**Aldermen Greazzo, O'Neil,
Shea, Ouellette, Katsiantonis,
Ludwig, Greazzo, Roy, Levasseur**

5:30 p.m.

**Aldermanic Chambers
City Hall (3rd Floor)**

1. Chairman Greazzo calls the meeting to order.
2. The Clerk calls the roll.
3. Discussion regarding the Central Fleet Management Feasibility Study.
(Note: A copy of the fleet management report provided by the Human Resources Department and presentation material submitted by Matrix Consulting Group on January 3, 2012 are attached. A copy of the feasibility study performed by Matrix Consulting Group was previously distributed to the Board of Mayor and Aldermen on January 3, 2012 and is available at the Office of the City Clerk for viewing.)
4. If there is no further business, a motion is in order to adjourn.

January 3, 2012
Sp. BAA
Handout

Central Fleet Management Feasibility Study

City of Manchester, New Hampshire

matrix 
consulting group
January 3, 2012

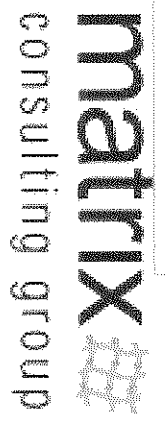
Introduction to the Matrix Consulting Group

- ◆ Members of the firm have worked together to provide consulting services to local government for more than 30 years.
- ◆ We have worked with hundreds of local governments in New England as well as elsewhere in the Northeast and around the country.
- ◆ Our approach to consulting is 'fact-based' leading to high levels of implementation and includes the following elements:
 - Detailed data collection and analysis.
 - Extensive input and interaction from our clients.
 - Detailed implementation planning.
- ◆ We are a national firm with a regional office in the Worcester area.

Fleet Management Experience

- ◆ Conducted hundreds of fleet maintenance and management studies. Representative national sample includes the following.

Aurora, CO	Nashville, TN
Chatham County, GA	Onondaga County, NY
Chelsea, MA	Ponce, PR
Fairfield, CT	Shelby County, TN
Gainesville, GA	Tampa, FL
Grand Forks, ND	Thornton, CO
Jackson, MS	Ventura County, CA
Milwaukee, WI	Winston-Salem, NC



Project Scope of Work

- ◆ Determine the feasibility of consolidating four of the five departments' fleet maintenance functions into a single location and organization.
- ◆ Determine impacts on staffing levels, labor agreements, customer service and overall cost.
- ◆ Determine the business model to be used.
- ◆ Determine management and supervisory requirements, as well as reporting relationships of staff.
- ◆ Determine staff certification and training requirements.

Current Operations

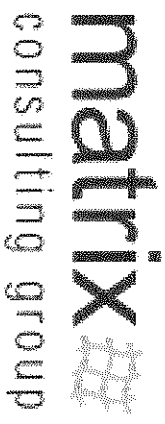
- ◆ The DPW, Parks, Fire and Police Departments currently have a combined number of 28 employees, as shown in the table below.

Classification	Fire	Highway	Parks & Rec	Police	Current Total
Equipment Maint Super II	1	1	-	-	2
Equipment Maint Super I	-	-	-	1	1
Shop Supervisor	-	1	-	-	1
Equipment Mechanic II	1	11	1	-	13
Equipment Mechanic I	-	1	1	3	5
Equipment Service Tech II	-	1	-	-	1
Equipment Service Tech I	-	3	-	-	3
Inventory Specialist II	-	2	-	-	2
Total	2	20	2	4	28

Current Operations

- ◆ These departments maintain a total of 461 vehicles and pieces of equipment, or about 1,169 VEUs.
- ◆ A VEU is a “Vehicle Equivalent Unit”, which accounts for the varying levels of maintenance intensity required for different pieces of equipment.

Department	No. of Vehicles/Equipment	VEU
Public Works	203	659.0
Fire	56	191.7
Parks	74	110.7
Police	89	163.9
Other City Departments	39	43.3
Total	461	1,168.6



Current Operations

- ◆ Based on 1,169 VEU in the fleet, there are about 65 VEU per Mechanic.
- ◆ Typically, there are between 90 and 110 VEU per mechanic, suggesting that there is excess capacity in the four separate shops compared to a consolidated operation.
- ◆ The 1,169 VEU indicates that the “optimum” number of mechanics needed is 13, as compared to the current 18.
- ◆ For several reasons, it is not recommended that the City get to this “optimum” number immediately.

Significant Findings

- ◆ Marked differences in orientation toward documenting work activities among the departments.
 - Public Works uses HTE to document labor, parts usage.
 - Police, Fire, Parks and Cemeteries use manual record-keeping.
 - Manual records inhibit the analysis of work activities to determine, e.g., mechanic productivity, PM compliance, downtime, etc.
- ◆ Varying certifications of mechanics in the various shops.
- ◆ Varying methods of tool provision in the various shops.

Recommendations

- ◆ Consolidate the four separate shops both physically and organizationally into a Central Fleet Maintenance Department (CFMD).
- ◆ Hire a Central Fleet Manager to manage the CFMD. Begin to recruit immediately.
- ◆ Establish the CFMD as an internal service fund (as opposed to funding through the General Fund), with hourly rates set to “break even” on a cost basis.
- ◆ Provide maintenance operations on two shifts.

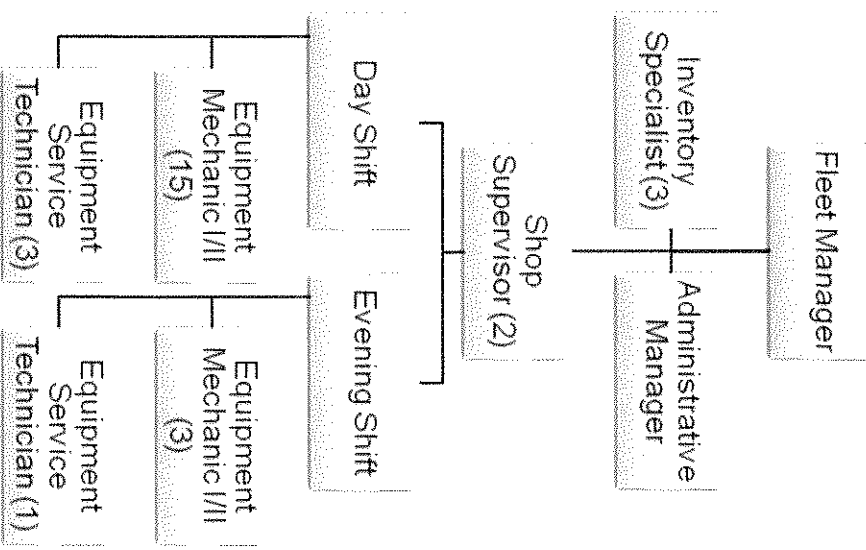
Recommendations (Cont.)

- ◆ Begin operations at the new facility with 28 staff members. Exclude Water Works, Cemetery and Golf shops at this time. (See suggested organization at move-in on separate slide).
- ◆ Do not require specialization or any specific certification as minimum job requirement. Rather, emphasize flexibility of mechanics to repair and maintain all fleet types.
- ◆ Provide a standard tool allowance for mechanics.

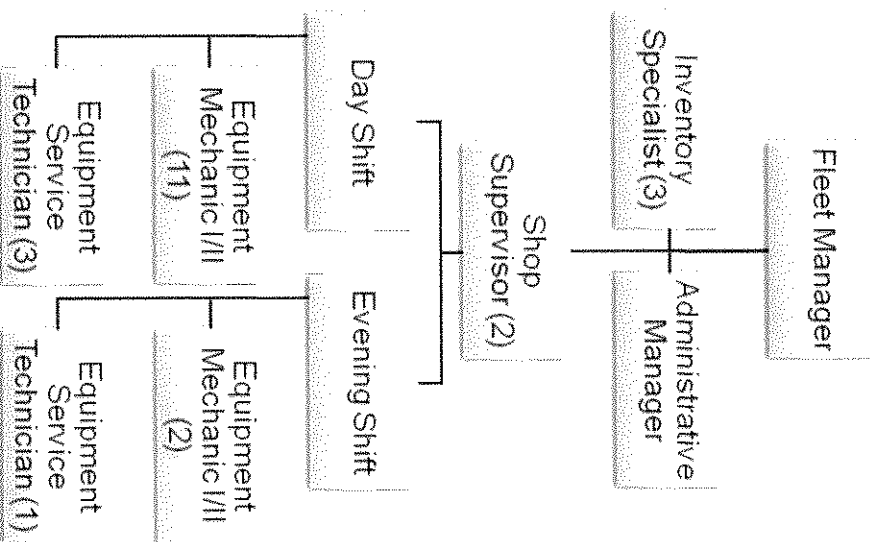
Recommendations (Cont.)

- ◆ The CFMD should develop and operate under a Customer Service Level Agreement.
- ◆ Begin the search for a new Fleet Management Information System (FMIS) that manages all work activities, parts and supplies, contact work, etc., for the CFMD.

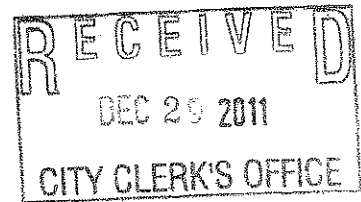
Suggested Organization at Move-In



Recommended “Optimum” Staffing and Organization



matrix consulting group



Summary of Changes – Central Fleet Management

Classification	Fire	Highway	Parks & Rec	Police	Current Total	Total @ Move-in
Director of Fleet Management	-	-	-	-	-	1
Equipment Main Super II	1	1	-	-	2	0
Equipment Main Super I	-	-	-	1	1	0
Shop Supervisor	-	1	-	-	1	2
Equipment Mechanic II	1	11	2	-	14	14
Equipment Mechanic I	-	1	-	3	4	4
Equipment Service Tech II	-	1	-	-	1	1
Equipment Service Tech I	-	3	-	-	3	3
Inventory Specialist II	-	2	-	-	2	3
Admin. Svcs. Manager	-	-	-	-	-	1
Total	2	20	2	4	28	29

Matrix Report Recommendation at Move-in (page 23)

ADD:

- (1) Director of Fleet Management Services, Gr. 25
- (1) Inventory Specialist, Gr. 16
- (1) Administrative Services Manager, Gr. 16
- (1) Shop Supervisor, Gr. 19

COMBINE:

- (14) Equipment Mechanic II, Gr. 17 (Y-D), Gr. 18 (Fire)
- (4) Equipment Mechanic I, Gr. 16
- *Recommend Equipment Mechanic II

ELIMINATE:

- (2) Equipment Maintenance Superintendent II, Gr.21 (Y-D), Gr.22 (Fire)
- (1) Equipment Maintenance Superintendent I, Gr. 20 (Y-D), Gr. 21 (Police)

Summary of Changes – Central Fleet Management – with complement of 18

Classification	Fire	Highway	Parks & Rec	Police	Current Total	Total @ Move-in
Director of Fleet Management	-	-	-	-	-	1
Equipment Main Super II	1	1	-	-	2	0
Equipment Main Super I	-	-	-	1	1	0
Shop Supervisor	-	1	-	-	1	1
Equipment Mechanic II	1	11	2	-	14	11
Equipment Mechanic I	-	1	-	3	4	0
Equipment Service Tech II	-	1	-	-	1	1
Equipment Service Tech I	-	3	-	-	3	2
Inventory Specialist II	-	2	-	-	2	1
Admin. Svcs. Manager	-	-	-	-	-	1
Total	2	20	2	4	28	18

Matrix Report Recommendation at Move-in with 18 positions

ADD:

- (1) Director of Fleet Management Services, Gr. 25
- (1) Administrative Services Manager, Gr. 16

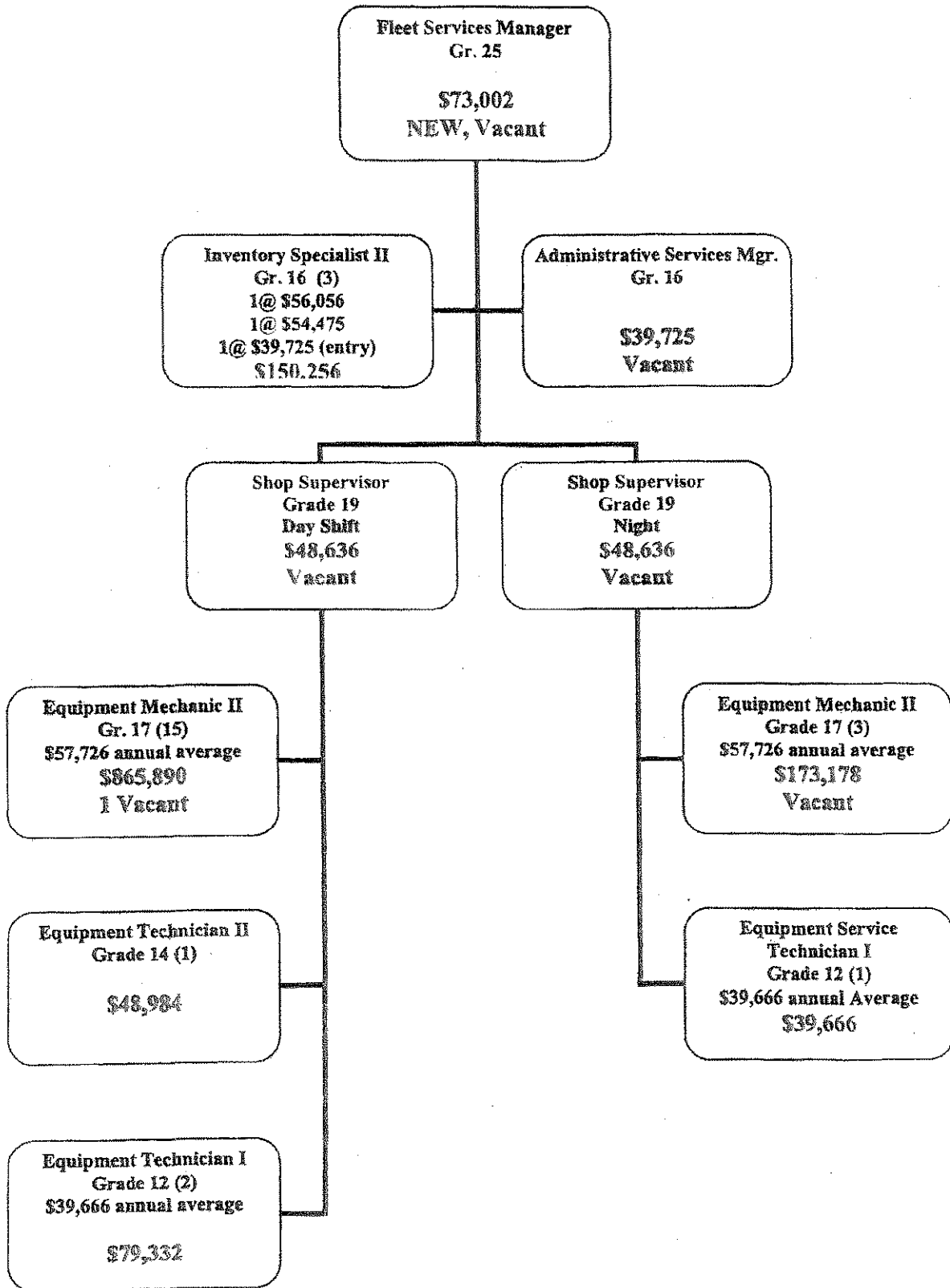
COMBINE:

- (14) Equipment Mechanic II, Gr. 17 (Y-D), Gr. 18 (Fire)
- (4) Equipment Mechanic I, Gr. 16
- *Recommend Equipment Mechanic II

ELIMINATE:

- (2) Equipment Maintenance Superintendent II, Gr.21 (Y-D), Gr.22 (Fire)
- (1) Equipment Maintenance Superintendent I, Gr. 20 (Y-D), Gr. 21 (Police)
- (7) Mechanics
- (1) Equipment Service Tech I
- (1) Inventory Specialist II

**Central Fleet Management Department
Organizational Chart at Move-in
29 positions with current salaries**



Based on current wages, or in the case of Mechanic II and Equipment Tech Is, average base wages. Vacant positions are figured on entry level with 6 month step increase. **TOTAL: \$1,567,305**

Fleet Garage Move-In July 2

29 Positions

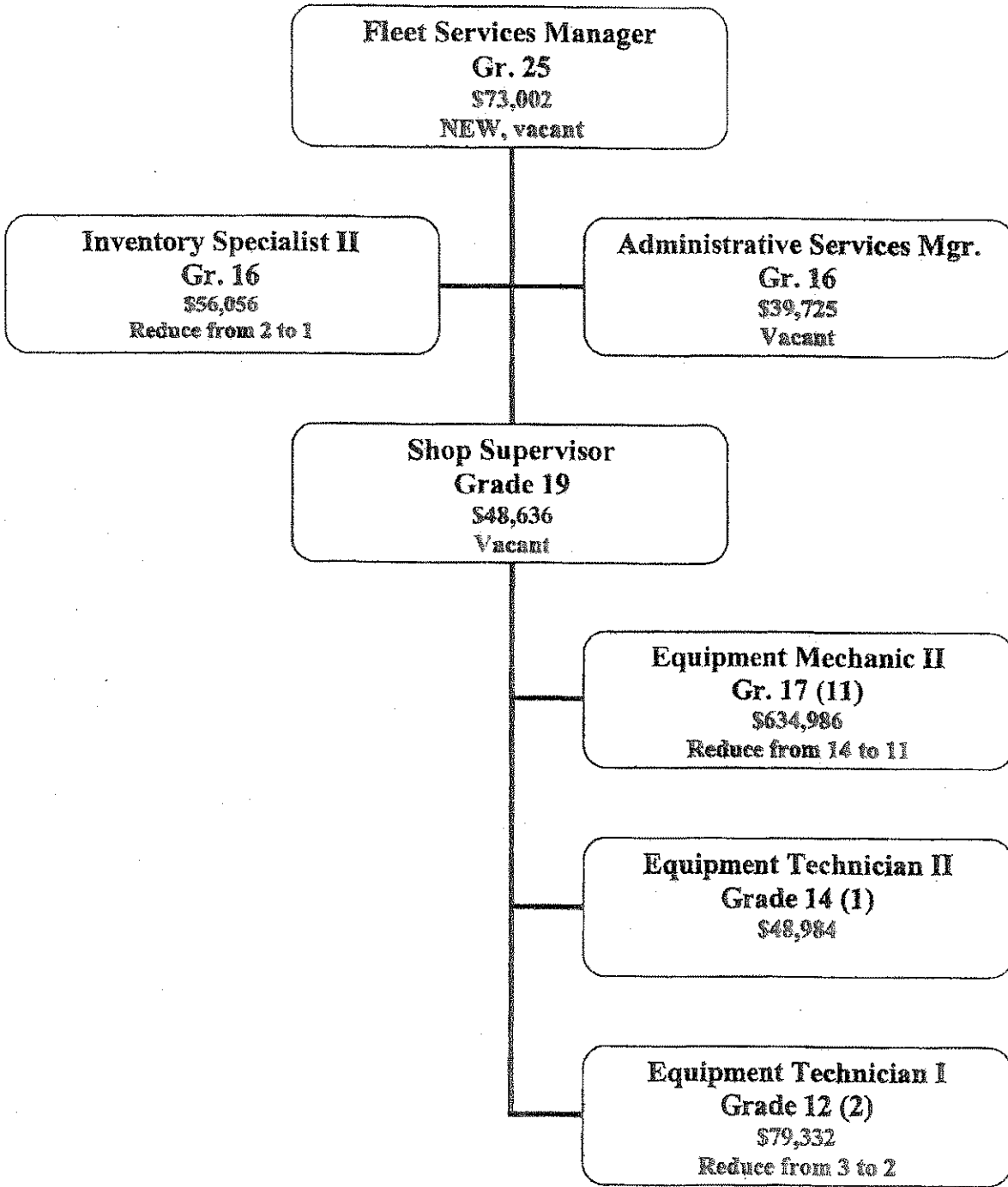
Fleet Services Director, grade 25, entry plus 6 mos step	\$	73,002
Inventory Specialist II, grade 16		
One @	\$56,056	
One @	\$54,475	
(1) Entry	\$39,725	150, 256
Administrative Services Manager, grade 16, entry plus 6 mos step		39,725
Shop Supervisor, grade 19		
(1) Entry	\$48,636	
(1) Entry	\$48,636	97,272
Equipment Mechanic II, grade 17*		
\$57,726 average salary of 14 Mechanics II		
(15) @ \$57,726		865,890
(3) @ \$57,726		173,178
Equipment Tech II, grade 14		48,984
Equipment Tech I, grade 12		
\$39,666 average salary of 3 Equip Tech I		
(1) @ \$39,666		39,666
(2) @ \$39,666		79,332
Total:**		\$1,567,305

*14 Equipment Mechanic II -- should Equipment Mechanic I be hired, average annual salary is similar -- used to estimate only

**COLA @ 2.5% (July 1, 2012) \$1,606,488

**Central Fleet Management Department
Organizational Chart at Move-in**

18 Positions @ Current and/or Average Pay/Position



Vacant based on entry level plus 6 mo. step (Fleet Director, Administrative Services Manager, Shop Supervisor); Mechanics and Techs @ average salary; Inventory Specialist II based on top wage earner.
Total: \$980,721

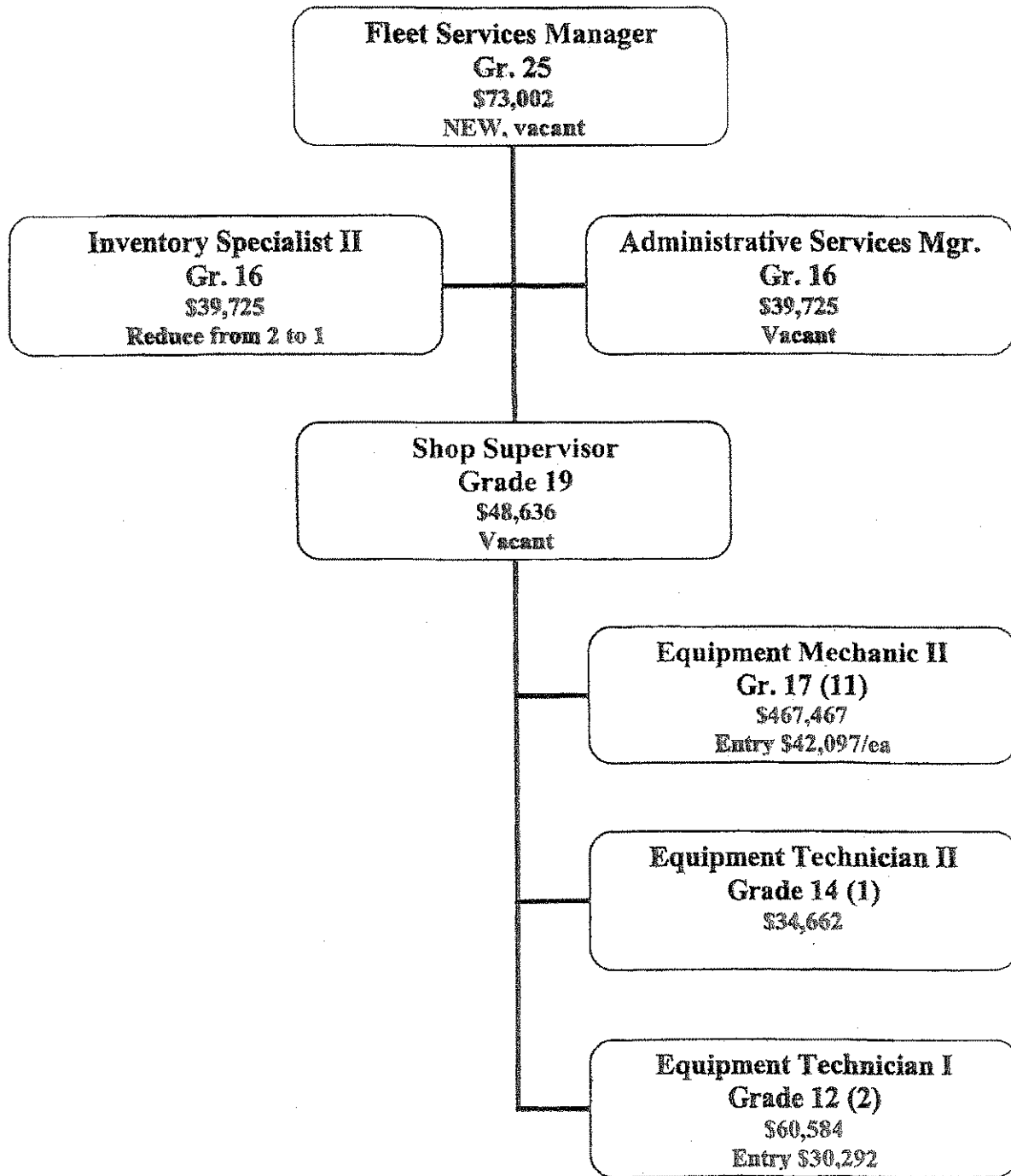
Fleet Garage Move-In July 2

18 Positions

Fleet Services Director, grade 25, entry plus 6 mos step	\$ 73,002
Vacant	
Inventory Specialist II, grade 16	56,056
One @ \$56,056 (highest paid)	
Administrative Services Manager, grade 16, entry plus 6 mos step	39,725
Vacant	
Shop Supervisor, grade 19	
(1) Entry \$48,636	48,636
Vacant	
Equipment Mechanic II, grade 17	
\$57,726 average salary of 14 Mechanics II	
(11) @ \$57,726	634,986
Equipment Tech II, grade 14	48,984
One @ \$48,984 (highest paid)	
Equipment Tech I, grade 12	
\$39,666 average salary of 3 Equip Tech I	
(2) @ \$39,666	79,332
Total: *	\$980,721
* COLA 2.5% (July 1, 2012)	\$1,005,239

Central Fleet Management Department
Organizational Chart at Move-in

18 Positions @ Entry Level Salary



All positions based on entry level – Step 1 plus 6 mo. step.

Total: \$763,801

Fleet Garage Move-In July 2

18 Positions @ Entry Level

Fleet Services Director, grade 25, entry plus 6 mos step	\$	73,002
Inventory Specialist II, grade 16, entry plus 6 mos step		39,725
Administrative Services Manager, grade 16, entry plus 6 mos step		39,725
Shop Supervisor, grade 19, entry plus 6 mos step		48,636
Equipment Mechanic II, grade 17, entry plus 6 mos step (11) @ \$42,497		467,467
Equipment Tech II, grade 14, entry plus 6 mos step		34,662
Equipment Tech I, grade 12, entry plus 6 mos step 2 @ \$30,292		60,584
Total: *		\$763,801
* COLA @ 2.5% (July 1, 2012)		\$782,896