

## **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 comprises four divisions and a section. The Grounds Maintenance Division maintains all City-owned grounds, parks, right of way, vacant lots and the urban forest. The Fleet Management Division procures, maintains and makes available appropriate vehicles for General Fund operations. The Facilities Management Division performs space planning, building operations and maintenance, engineering work, and lease or sales of City-owned facilities. The Administration Division 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 GSD Director, provides on-site and remote monitoring as well as incident response and investigative services.

The Grounds Maintenance Division cuts grass and removes litter at major city parks, manages snow and ice removal at municipal facilities, and operates 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, repairing and maintaining 3,100 municipal vehicles, supporting 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.

The Administration 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 eight storerooms supporting police officer and prisoner care, 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 2012-13:**

GSD has managed major change in its six-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;
- Renegotiating of major contracts for new terms or cost savings;
- Realizing operational savings by reducing service levels, creating roving crews, and staffing for increased flexibility; and
- 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 reduced leases. GSD is also developing total cost of ownership standards to right-size the City's 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

ensure better planning of work, more coverage for relevant departmental activities, and funding and date authority.

The FY2014 Budget Request reflects years of major contract renegotiations, including Wackenhut Security (\$770,000 savings per year) and Limbach (\$880,000 per year) who service the 36<sup>th</sup> District Court and LaGarda security services to other City sites (\$500,000 saved per year). GSD is working closely with the City Purchasing Division 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 FY2014 budget request includes responsibility for the CAYMC chillers, transferred from Information Technology Services in 2011. It also reflects third-party insurance premiums that were formerly budgeted in the Risk Management Fund. GSD has also assumed complete responsibility for 36<sup>th</sup> District Court security, allowing Police Officers to be redeployed from there, and the FY2014 budget reflects this cost increase.

The Energy Efficiency Community Block Program made possible the installation of new heating systems at multiple City facilities during the winter of 2010-11. These energy-efficient systems reduce

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energy usage and maintenance costs.

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. They also 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 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 FY2012 cut plan eliminated virtually all building attendants; the FY2014 budget partially remedies this through position reallocations within GSD and its customer departments, leaving coverage for Health, Police and Recreation sites. This budget request also reallocates a supervisory security position to a service guard, but the

City still relies primarily on Closed Circuit TV monitoring at selected facilities, augmented by manned contractual security.

Since GSD was formed in 2006, full-time grounds maintenance staffing has been cut by 73%. The FY2012 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 the Fleet Division, GSD has closed the Livernois Garage, three out of 14 fuelling sites, two of six grounds maintenance worksites, and downsized the midnight shift at the Southfield garage. Security cameras installed at fuel sites have reduced theft under CCTV monitoring. GSD worked with the City Purchasing Division 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 fleet strains mechanical productivity with increasing down time. The 2013-14 budget reallocates auto repair foremen to auto repair subforemen in order to increase the number of staff able to turn a wrench on 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 improve cash position but may result in a decrease in auction revenue in FY2014.

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### **PLANNING FOR THE FUTURE FOR FY 2013-14, FY 2014-15 and BEYOND**

GSD is trying to stabilize all funding streams and isolate the costs of collisions, vandalism and acts of God to propose a system for reimbursement by the city's Risk Management Fund. With the introduction of standardized preventive maintenance schedules, this will improve regular maintenance operations.

With over 100 vendors, GSD 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 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 FY2014 budget eliminates positions and reorganizes all functions. In addition, building maintenance staff have been organized into shops to focus their expertise: electrical, HVAC/mechanical, plumbing, and structural. 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 FY2014, 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 overhead expenditures. The plan established tracking in AIM for such items as square footage, year built, type of heating and cooling systems, location, number and size of rooms and tenant space available. The final plan will reduce lease holdings by nearly 1,000,000 square feet, saving the city \$9.0 million in annual occupancy costs. Consolidating tenants in the Coleman A. Young Municipal Center is the first priority and shall be completed in December 2013.

GSD has completed an assessment of its eight stores sites and is planning to consolidate sites. 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. Due to budget cuts the final action will be to consolidate stores operations into Police and GSD facilities. With the creation of Institute of Population Health a major stores function leaves the City control.

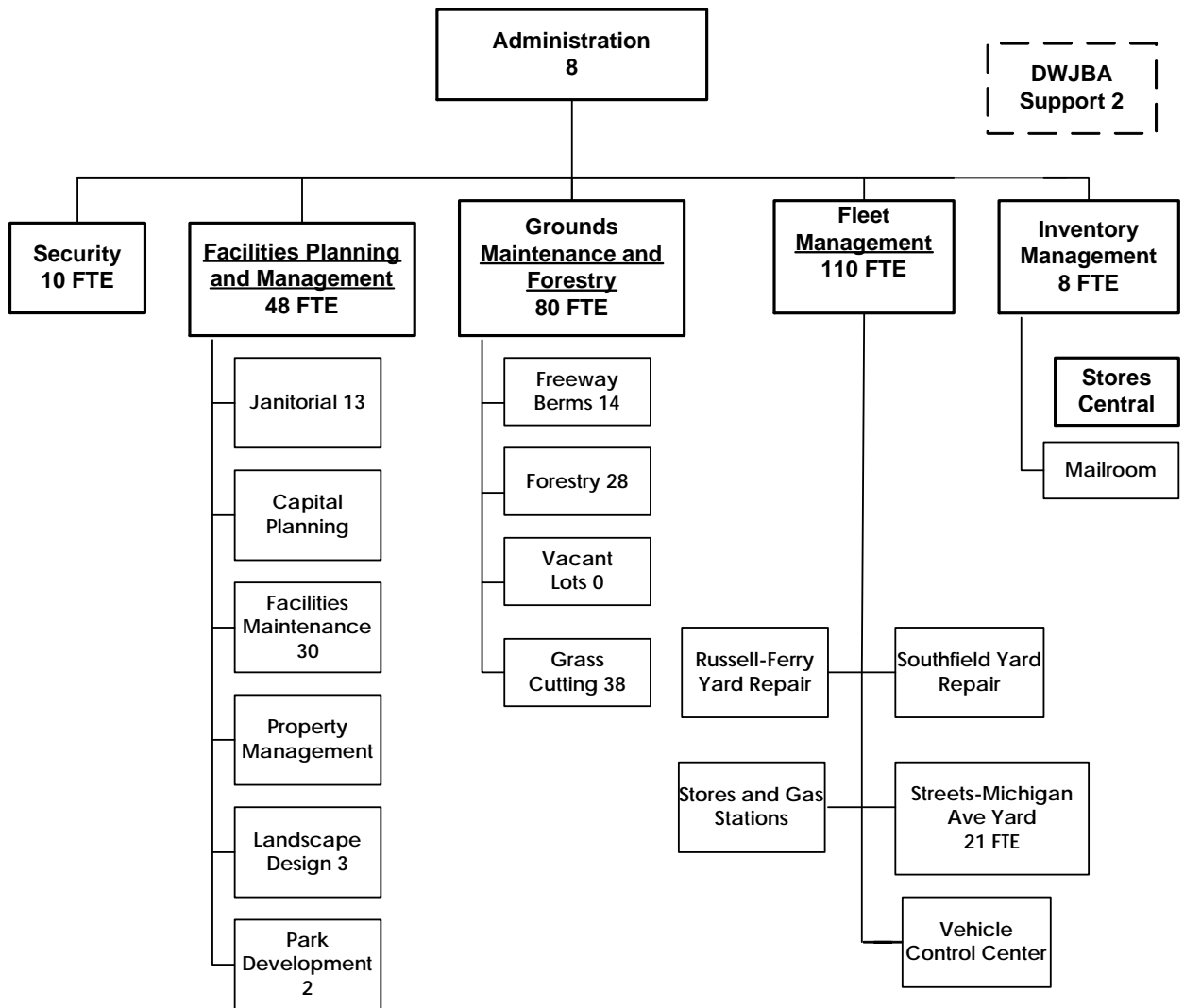
By entering supplies ordering and usage into AIM, we will plan inventory for efficiency

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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 items such as gloves, brushes, papers and tools.

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<b>Type of Performance Measure:</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>
List of Measures	<b>Actual</b>	<b>Projection</b>	<b>Target</b>
<b>Inputs: Resources Allocated or Service Demands Made</b>			
Number of municipal facilities serviced	300	300	295
Number of vacant lots and properties	80,000	100,000	100,000
# of forestry storm calls	2,000	2,000	3,000
# of heavy-duty vehicles serviced	15,750	17,164	16,446
# of light-duty vehicles serviced	18,500	16,650	14,087
Number of fleet accidents	900	200	459
<b>Outputs: Units of Activity directed toward Goals</b>			
Trees planted	2,800	5,000	5,500
# of special events supported	20	20	20
# of customer agency supply disbursements	200	200	200
Garage maintenance reports (repair orders)	13,290	18,500	12,029
Percent vehicles covered under preventive maintenance schedule	90%	85%	80%
<b>Outcomes: Results or Impacts of Program Activities</b>			
Average percent of Police scout fleet available	82%	83%	86%
Average percent of DPW courville trucks available	67%	79%	86%
<b>Efficiency: Program Costs related to Units of Activity</b>			
Number of vendor invoices processed	6,000	6,000	5,500
Percent of repairs completed within established repair time	75%	75%	75%

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**EXPENDITURES**

	2011-12 Actual Expense	2012-13 Redbook	2013-14 Mayor's Budget Rec	Variance	Variance Percent
Salary & Wages	\$ 14,088,876	\$ 12,076,886	\$ 12,870,873	\$ 793,987	7%
Employee Benefits	15,802,356	10,951,467	14,100,332	3,148,865	29%
Professional/Contracts	9,572,848	4,050,071	10,424,483	6,374,412	157%
Operating Supplies	12,704,535	9,022,018	11,496,112	2,474,094	27%
Operating Services	2,597,134	2,407,268	3,026,972	619,704	26%
Capital Equipment	5,100	-	-	-	0%
Other Expenses	3,941	591,804	310,437	(281,367)	-48%
<b>TOTAL</b>	<b>\$ 54,774,790</b>	<b>\$ 39,099,514</b>	<b>\$ 52,229,209</b>	<b>\$ 13,129,695</b>	<b>34%</b>
<b>POSITIONS</b>	<b>-</b>	<b>272</b>	<b>264</b>	<b>(8)</b>	<b>-3%</b>

\*includes summer seasonal positions

**REVENUES**

	2011-12 Actual Revenue	2012-13 Redbook	2013-14 Mayor's Budget Rec	Variance	Variance Percent
Revenues	\$ 1,323,937	\$ 804,886	\$ 27,133	\$ (777,753)	-97%
Sales & Charges	6,063,967	8,491,192	7,384,702	(1,106,490)	-13%
Sales of Assets	990,037	100,000	4,376,000	4,276,000	4276%
Contributions/Transfers	116,998	-	-	-	0%
Miscellaneous	4,628,990	2,500,000	4,195,000	-	0%
<b>TOTAL</b>	<b>\$ 13,123,929</b>	<b>\$ 11,896,078</b>	<b>\$ 15,982,835</b>	<b>\$ 2,391,757</b>	<b>20%</b>