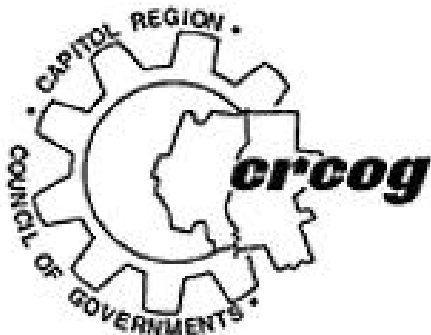


Facilities Maintenance Study Supplement

Prepared by the Capitol Region Council of Governments
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PART I: INTRODUCTION

Project Scope

In response to a recent technical assistance request made by the Town of Avon, the Capitol Region Council of Governments agreed to author a supplement to a comprehensive study it prepared eight years ago entitled *Combined Facilities Maintenance Initiatives: Municipal Trends and Industry Developments*. Specifically, the 1997 report studied four sample communities, including Granby, Madison, Portland and West Hartford, that were selected based upon their chosen methods for combining elements of their facilities maintenance operations across Town and Board lines—namely, grounds maintenance, building maintenance or both.

The focus of this current research effort is two-fold: (1) To revisit the same four communities and document what operational changes have been made since the 1997 study was released, reflect the success of the consolidation measures taken, and highlight lessons learned for others to consider if similar consolidation activities are pursued. Note that several of the case study communities were still piloting their “reorganizations” when originally interviewed, and therefore, were not yet in a position to evaluate results; and (2) To broadly characterize the facilities maintenance landscape in the region, in terms of the level of Town/Board cooperation in recent years as well as specific areas of joint pursuit, both in place and planned.

Methodology

On-site interviews were conducted with CEO’s, CAO’s, administrative, finance and/or maintenance personnel, as appropriate. Two sets of questions were presented to each municipal delegation: town-specific ones that helped establish where things were in 1997 in order to record changes that have occurred since that time; and basic experiential questions that applied to all of the participants, including:

1. What lessons have you learned as you have gone through the reorganization/modified your processes and procedures? Can you specifically identify barriers to success? Keys?
2. Would you do it again?
3. Would you do it differently, and if so, why and how?
4. Have you documented true operational efficiencies as a result of your cooperative efforts? Dollar savings? Measurable improvements in service? Can you share any in-house analyses?
5. Over the last eight years, would you say that the trend in your community has been towards more or less cooperation between town and board operations?

When available, officials provided copies of related reports, staffing counts, financials and maintenance timetables. Those documents have either been incorporated herein or are referenced accordingly.



PART II: CASE STUDY COMMUNITIES

WEST HARTFORD

Facilities Program Review:

In 1997, the Town of West Hartford entered into a six-year contractual arrangement with Facilities Resources Management (FRM)—which has since been acquired by ARAMARK—and charged that company with management authority over the Town and Board’s building maintenance operations, covering 2,143,863 square feet of municipal space. To lead these efforts, a four-person, on-sight management team was assigned to West Hartford to manage its maintenance, custodial and physical plant operations, and a “back office” complement of skilled technicians was made available to the community on an as-needed basis. It was initially envisioned that at the end of the six-year term, FRM would return the buildings maintenance responsibility to a cadre of in-house town and school employees—armed with enhanced training credentials and a new management paradigm.

Updates and Evaluations:

Nearly eight years later, ARAMARK’s work continues in West Hartford, thanks to a contract renewal that calls for their services through June 30, 2007. This extension was based largely on the company’s performance, having demonstrated significant improvements in the overall condition of all municipal buildings, and registered particular success in raising maintenance and cleaning standards in the schools, which were historically an area of concern.

Town officials openly admit that while it would have been cheaper to bring the management of the facilities maintenance function back in-house, direct cost was not the overriding factor in the decision to extend ARAMARK’s contract (which was made even before the initial contract period had ended). Instead, the Town focused on maximizing its return on a \$150 million capital investment in its buildings, and determined the best option was to continue with a proven outsourcing model.

In fact, a progress report released by ARAMARK just before the renewal period took effect highlights a broad range of specific achievements, including, but not limited to:

- ❑ The implementation of more than 30 training programs to enhance and improve the skill levels of the department’s employees;
- ❑ Vast improvements in custodial and maintenance employee attendance over a four-year time frame;
- ❑ A reduction in the number of workers compensation claims by 58%;
- ❑ A significant improvement in responses to a customer satisfaction survey, which measured quality of service, satisfaction levels and meeting expectations;
- ❑ A shift to new custodial products and the purchase of new equipment that helped custodians improve productivity levels and provide a higher level of cleanliness—without the addition of new staff;
- ❑ The installation of a web-based Service Response System, which allows employees to make and track services requests, and the development of related performance goals to reduce work order backlogs--reportedly down 73% for both the Town and the Schools;
- ❑ The successful negotiation of a Tuesday to Saturday shift, thereby allowing Saturdays to be counted as normal workdays and eliminating weekly overtime costs; and



- Absorbing significant growth in school square footage without adversely impacting the budget or cleanliness levels within the schools.¹

ARAMARK has also provided the Town with benchmark data to demonstrate operating efficiencies in the maintenance of the West Hartford Public School System (WHPS). For example, when compared to a dozen or more educational institutions, WHPS consistently ranked better than the average on key performance indicators like: Budget \$ Per Gross Square Feet (WHPS: \$5.76; AVG: \$6.23); Gross Square Feet Per Custodian (WHPS: 22,370; AVG: 19,960); and Gross Square Feet Per Worker—Total Maintenance (WHPS: 574,164; AVG: 305,066). See Exhibits II, III and IV.

Finally, the quality and breadth of ARAMARK's staffing resources only reinforced the desire for a continued alliance. For example, a recent need to do a skating rink maintenance analysis was addressed immediately, as ARAMARK made a specialist available to the Town who provided the requisite financials, budget analyses and benchmarking program information. Without ARAMARK, that kind of specialized skill set would not have been within the Town's easy grasp. The Director of Plant and Facilities Services' integration into the community is also credited with strengthening this public-private partnership, from moving to town after taking on the "assignment" to regularly attending community functions (concerts, graduations, etc.)

During ARAMARK's tenure, staffing levels have been assessed facilities-wide and a number of strategic positional changes/reallocations have been made, without markedly altering the bottom line FTE count. Specifically:

Management Services. ARAMARK's on-site management team was reduced from four to three professionals with the elimination of the custodial manager once the initial transition phase, including training and assessment activities, was completed.

Cleaning Services. Despite ARAMARK's coordinating role, two separate custodial groups perform cleaning services—one for the Town (members of SEIU) and one for the Board (members of AFSCME). Presently, four full-time and 12-15 part-time employees are charged with cleaning the Town buildings only. Over time, some six or seven Town custodians were shifted to fill public works slots, and their responsibilities were reassigned to newly hired, part-time staff members. On the Board side, there are still 77 full-time custodians (although staffing levels within four schools have changed slightly since 1996), and two full-time floaters have been added. Forty-five and a half part-time positions and two part-time floaters round out the Board's custodial workforce, up from a total of 35 part-time positions nine years ago. See Exhibit V. Similar part-time staffing adjustments have been made between schools.

Maintenance Services. All skilled tradesmen (plumbers, electricians) have been eliminated through attrition from the Town's staff, save one plumber, who is envisioned to stay through retirement. Maintenance positions now reside on the Board side and at ARAMARK's direction, take care of all town and school buildings. Trained HVAC technicians have since been hired (West Hartford previously contracted out for this service), bringing the total number of full-time maintenance personnel to 24 (up from 21 in 1996). See Exhibit V.

¹ Since our initial study was published in 1997, the town's building inventory has grown to include an additional 272,469 square feet—much of which can be attributed to the expansion/construction of eleven schools. See Exhibit I for a building improvements roster.



Expanding Collaborations:

In addition to basic facilities maintenance management, ARAMARK has committed to institute a utility procurement strategy on behalf of West Hartford. To date, the Town and Board jointly contract for fossil fuels, and similar opportunities are being explored within the electricity marketplace.

More coordination is expected in the near future, as the Town prepares to consolidate building space to make room for the Blue Back Square development. As part of this process, Board of Education employees will soon occupy a portion of the Town Hall. There is a general desire to do as much together as possible, and with ARAMARK making facility-based decisions, and not Town or Board ones, just that is likely to materialize.



Portland

Facilities Program Overview:

In the mid-1990s, Portland reorganized its grounds maintenance function and created a consolidated department on the Town side that was charged with a broad spectrum of activities, including all Town and Board mowing, landscaping, planting, snow removal, gardening, equipment maintenance and driveway and parking lot maintenance. Key to this new arrangement was harnessing the expertise of the Board's groundskeeper and making him responsible for all grounds maintenance operations in Portland. Though still a Board employee, Town maintainers would report directly to the "foreman," and the Town would pay an hourly stipend to compensate him for newly acquired duties.² At the time of CRCOG's study, the Town was already reporting efficiencies realized as a result of the reorganization.

Updates and Evaluations:

Today, Portland's consolidated Grounds Maintenance Department is alive and well, and its sphere of responsibility has grown appreciably. The Board's groundskeeper has retained his foremanship, and reports concurrently to the Superintendent of Schools, the Director of Maintenance for the Schools, and the First Selectwoman. A crew comprised of four full-time maintainers (including the groundskeeper/foreman) and two seasonal employees—working 14, forty-hour weeks each—are now charged with the following:

- ❑ Mowing approximately 119 acres of grass weekly (up from 97 acres in 1997);
- ❑ Preparing athletic fields for some 609 events in 2004 (up from 380 just a year before);
- ❑ Cleaning and maintaining the Main Street business district (including plantings);
- ❑ Generally maintaining 1½ acres of landscape beds (including edging, mulching, weeding, and pruning shrubs);
- ❑ Maintaining the sewer facility's grounds, as well as leased land from the YMCA; and
- ❑ Removing snow on 5½ miles of sidewalk and 11 acres of parking lots (previously, the schools had their own snow blowers).

Exhibit VI provides current weekly and annual time estimates for all grounds maintenance activities, as well as comparative data from 1997.

With only the addition of one full-time position since 1997 (and the loss of a seasonal slot), Portland has focused its efforts on upgrading its equipment and facilities, as well as on cooperative procurement opportunities, to promote operating efficiencies. For example, four years ago, the Town purchased a 16-foot mower with the goal of reducing mowing activities to only three days per week so the maintainers could focus more time on flowerbeds, the Main Street area and athletic field upkeep. And last year, a leaf vac was purchased, which allowed the Town to abandon its antiquated tarp-based system for leaf removal each fall. Also, the Town purchased a 14-foot box truck to serve as a rolling tool shed which facilitates transporting landscaping equipment, painting supplies and materials such as salt mixes, ice melts and spreaders.

Portland has also significantly upgraded the Department's operations base through a shared facilities arrangement. Previously, the Grounds Maintenance Department operated out of a small

² An hourly stipend of \$2.44 (base rate) is paid directly to the groundskeeper by the Town, which is increased per a four-step compensation schedule.



garage located behind the middle school. Today, the Department occupies several bays within the Public Works Garage, a move that provided much-needed additional space. Now, all related materials can be kept on-site—and the crew has access to town trucks (to borrow) and to mechanics when equipment repairs are necessary.

On the procurement front, Portland is capitalizing on volume-based discounts that are now offered to the community in response to more attractive, joint bidding opportunities. Basic supplies like mulch, seed, athletic field marking paint, and all landscaping and athletic materials are purchased together, as are specialty services such as the Town's pesticide control program. Specific examples of price breaks that have been realized include a 33% reduction in field marking paint costs. Separate purchase orders are still cut though, one each for the Town and Board, for cost accounting purposes.

Ultimately, centralizing control and accountability for all grounds maintenance activities within Portland has led to a higher and more professional standard of maintenance. The bottom line is that facilities look better, and athletic fields are safer for play.

Expanding Collaborations:

Many years ago, Portland established a joint Buildings and Grounds Operations Committee to provide direction to its reorganization efforts and to potentially foster additional cooperative initiatives between the Town and Board. Over time, the Board members discontinued their affiliation with the Committee, and eventually, the group was disbanded altogether. Nonetheless, staunch support for doing more together exists at the highest levels, with the First Selectwoman touting the achievements of the Grounds Maintenance model as part of her proposed budget message this year and calling for a similar building maintenance arrangement. Specifically, she has proposed that the Town's Maintenance Fund be used to "purchase" services from the Board to make much needed improvements to town-owned buildings. Action on the proposed budget is pending at this time.



Granby

Facilities Program Overview:

After several unsuccessful attempts to secure facilities maintenance leadership on the Board side (via both a privatization effort and an in-house recruitment), a six-month pilot program was conceived during which the Town's Buildings and Grounds Maintenance (BMG) Foreman was appointed as the District's Facilities Manager. This arrangement was renewed for an additional six-month period, and a shared laborer was hired to help backfill some of the foreman's routine duties (e.g. snow plowing and repair work) that he would no longer have time to perform in the wake of additional responsibilities. By 1997, the future of the reorganization pilot was awaiting formal review, and further cooperation was expected, based on to-date improvements in school grounds and an enhanced equipment sharing program.

Updates and Evaluations:

While the pilot arrangement went on to last for a total of two years, it was abandoned when the Board decided to hire its own Facilities Manager in part to address a heavy load of planned capital projects. The shared laborer position was ultimately ceded to the Board. Still, Town officials maintain that the integration was an efficient one, but unfortunately evaporated because of overriding control issues.

Expanding Collaborations:

Spurred on by annual public comments in support of doing more together, Granby has revisited the issue of combining its facilities maintenance operations several times over the last few years. In fact, a consultant was hired to examine potential efficiencies under two scenarios: if Town staff maintained the high school and middle school fields (Phase I) or if Granby consolidated its grounds maintenance function entirely (Phase II). Specific attention was paid to raising the level of service at all sites and realizing cost savings, and analyses were conducted to recommend commensurate staffing increases. In October of 2004, the Town Manager presented a detailed implementation outline for a complete consolidation, but to date, no action has been taken towards that goal.

At the very least, some basic coordination efforts still exist between the two entities, and may serve as the foundation for future consolidation attempts. For example, both the Town and Board have the same vendor for services like HVAC maintenance and repair, as well as alarm (fire and safety) maintenance, and believe they are reaping the benefits of volume discounts, though they officially have separate contracts. And on an as needed basis, materials like ice melt, sand and fertilizer are borrowed and then replaced by the using entity.



Madison

Facilities Program Review:

As part of a commitment to provide a higher level of service, the Town of Madison centralized accountability for all facilities maintenance, custodial work and grounds upkeep in 1996 vis-à-vis the creation of a joint Director of Facilities. As part of this administrative reconfiguration, a consolidated grounds crew (including 5 workers and 2 supervisors) on the Town side was born, drawing from staff previously assigned to the Beach and Recreation Department or reporting directly to Public Works. In terms of building maintenance, some 29 Board-employed custodians, including an electrician and a mechanic/carpenter, now reported to the Director and were charged with cleaning/maintaining 450,000 square feet of school space. The Town had a separate custodial contract valued at approximately \$35,000 to cover its needs.

When last interviewed, Madison: had proposed doing away with the custodial contract and using Board employees to perform the work on the Town-side for a negotiated fee; and was planning to rollout a centralized work order system—an idea framed by Facilities Maintenance Resources as part of a 1995 study.

Updates and Evaluations:

When the Director of Facilities position was originally added to Madison's management team, that individual reported directly to both the Superintendent of Schools and the First Selectmen, and received half of his pay from the Town and Board respectively. A year and a half later, an internal assessment of this shared position yielded unsatisfactory results, and it was decided to modify the current reporting structure.

The Director of Public Works on the Town side was given supervisory authority over the Director of Facilities, a relationship that continued until the Facilities Director left town service. To reflect this authority shift, the Director of Public Works' title was expanded to include the Facilities directorship, though a commensurate "downgrade" to his employee's title was not made at that time. It was only when the facilities position was later re-filled that the title was officially changed to Facilities Manager. Today, this same employee remains responsible for administering, planning, directing and coordinating facilities maintenance operations for Madison as a whole, reports to the Town Director of Public Works and Facilities and the School Superintendent, and is paid equally by the two parties.

Despite tinkering with the design of the management structure, many of the features of the original consolidation remain in place, including: a Town-side grounds crew that cares for 280 acres of Madison's public property and performs field maintenance, landscaping, routine gardening and mowing activities; a charge-back system through which the Board compensates the Town for grounds maintenance services performed on its behalf; a centralized purchase order system that facilitates joint procurement and contracting efforts for services like solid waste and pest control, though each entity pays separately; and a town-wide maintenance project prioritization process that is guided by a joint oversight committee (LOCAP), comprised of members of the Board of Selectmen, the Board of Education and the Board of Finance.

A few noteworthy changes/improvements have occurred over time, including:



- ❑ The grounds crew has since lost one supervisor;
- ❑ The Board-side custodial staff now includes four tradesmen—an electrician, a pump-piping specialist, an HVAC technician and a carpenter. Two of these individuals have been added since the 1997 report, one of which receives half of his pay from the Town;
- ❑ The custodial pool, which still stands at 29 staff members, is now charged with cleaning/maintaining approximately 650,000 square feet of school space (up from 450,000 with the addition of a new high school) and approximately 60,000 square feet of Town buildings (including the Town Hall, Memorial Hall and the Police Station, but excluding beach buildings). The Town reimburses the Board directly for the salary costs of 2 custodial and ½ maintenance positions, instead of contracting out the work, as was previously done;
- ❑ Responsibility for purchasing all custodial products for both the Town and Board alike has been centralized under the chief custodian; and
- ❑ A centralized work order system is now in place, but a formal service response center was never created.

Expanding Collaborations:

Madison's intra-town collaborations extend well beyond the facilities realm at this point, having merged the Town and Board's Human Resources, Finance and Information Technology operations to various extents. For example, the HR and IT Directors are both shared employees, deriving half of their salaries from the Town and Board respectively, and maintaining two separate titles to comply with prevailing classification systems within each entity. While different positions under their purview are considered either Board or Town employees (strictly from a payroll perspective), they support both operations from a work assignment standpoint. In terms of Finance, all Finance Department personnel (including the director) are technically Town employees, and the Town assesses the Board an annual charge for services provided.

Town officials believe that these shared arrangements are more efficient in nature--reducing staffing redundancies, saving real salary dollars via lower FTE counts--and simply challenging competent staff to do more with less. The efforts have also fostered better relations between the Boards of Selectmen, Finance and Education. While there are no immediate plans to pursue additional consolidation efforts in the facilities arena, the operating environment is certainly ripe for ongoing cooperation.



PART III: LESSONS LEARNED AND NEXT STEPS

Officials from the four case study towns were asked to comment on the lessons they have learned as a result of their work to combine some aspects of their facilities maintenance operations, with an eye towards aiding other communities that might also consider such a bold departure from the traditionally bifurcated town/gown model. Note that the three towns that still have a combined structure in place all indicated that they would do it again, and they would not change anything about the process.

What follows are a handful of themes that collectively characterize their remarks:

Secure high-level support. Several of the participants indicated the importance of having both legislative and executive support for the collaborative effort. Without it, they cautioned that towns might do a lot of preparatory work for nothing.

Empower a joint oversight committee. Ideally comprised of Town Council/Board of Selectmen, Finance Board and Board of Education members, this Committee would be tasked with prioritizing maintenance projects town-wide annually. A separate financial allocation would also be made available to fund selected projects. Accordingly, maintenance projects would be adjudged on their merits, without risk of being scrapped in order to finance additional teaching positions, for example.

Institutionalize major decisions early. In Madison's case, for example, making the decision at the outset to split salary and fringe costs of shared managers down the middle took finances out of the equation and allowed the parties to focus on work responsibilities.

Be mindful of the system's fragility and people-sensitivity. It was suggested that it takes a special type of person to successfully juggle the competing demands of two "bosses," let alone deal with backlash from non-supportive employees that do not readily embrace change. Having a leader on staff or securing one via a consulting arrangement that understands the prevailing political environment and has both the right mind and skill set to champion the collaborative, is critical for ensuring success.

Relinquish some control. Boards of Education in particular need to "surrender" some of their control in order allow for decisions to be made that are based on the needs of the community as a whole.

Don't focus on the bottom-line. While operating efficiencies have been referenced numerous times throughout this report, those interviewed admitted that little time has been spent quantifying the savings that have resulted from combining maintenance functions. The focus instead has been on improving the level of service provided, which has occurred universally.

Additional Considerations:

It is hoped that the updated information contained in the case study section of this report, along with the lessons learned delineated above, will provide direction to Avon as it considers the merits of alternative facilities maintenance arrangements. A suggested next step: the Town should consider convening a roundtable discussion with representatives from Portland and West Hartford to share their expertise on this issue and respond to specific implementation questions that the Committee might have. CRCOG staff would be happy to help convene this meeting, if desired, under the auspices of its Expertise Exchange Program. Note that representatives from Portland and West Hartford have already agreed to make themselves available for such a meeting.



PART IV: REGIONAL COOPERATION TRENDS

While the first part of this study focused on the evolution of facilities maintenance operations in four specific towns over a span of eight years, it was not designed to gauge the broader state of such cooperative efforts regionally. To that end, a short survey was emailed to all 29 Chief Administrative Officials within the Capitol Region, and as of this writing, fifteen responses were logged to the following questions:

1. In general terms: Over the last eight years, would you say cooperative efforts between your town and school have been on the rise, on the decline or fairly static, and why?
2. Please specifically identify new areas of collaboration that have emerged over the last eight years, and be sure to include joint activities in traditional work areas (e.g. athletic fields maintenance, HVAC contracting, custodial services, etc.), as well as newly emerging opportunities (e.g. joint electricity procurement, etc.).
3. Is your town currently exploring the merits of a new joint town/board arrangement that has yet to be implemented? If so, please explain the nature of the project and why it is being considered.

In the broadest of terms, the results suggest that cooperative efforts in the facilities maintenance arena are fairly static (per eleven of the fifteen respondents), with only a handful of communities making significant strides in challenging the long-standing “culture of separation”. Not surprisingly, for those with very distinct facilities operations in place, perceived barriers to progress include union opposition and Board of Education control issues. And for those that do report a baseline of collaboration that has prevailed over time, albeit at a static level, such joint ventures have typically revolved around more traditional activities like athletic field maintenance and fuel contracting.

Only four of the participating communities asserted that cooperative efforts between their town and schools are on the rise (Canton, East Granby, Manchester and Suffield), citing the following recent activities: the joint hire of a Director of Physical Plant (Canton); a joint contract for the management of facilities maintenance (East Granby); a staff-sharing arrangement for capital facility planning and administration for renovating/expanding school facilities and maintaining the high school’s grounds (Manchester); and giving the Public Works Director responsibility for \$15 million worth of school renovation projects (Suffield). Other examples of cooperation that have materialized across the region over the last eight years include: HVAC and electrical work, snow removal operations, building painting services and energy procurement.

But what is driving these joint ventures? Often, having a progressive first selectman, school business manager and/or superintendent to champion the “doing it better together” stance is the necessary first step. In addition, the respondents indicated that joint projects have strategically been undertaken to: share/reduce costs; standardize vendors; harness volume-based procurement discounts; maximize available staffing resource (i.e. sharing workers to address cyclical peak times like graduations or to cover absences during vacations); or to reallocate responsibility based on technical expertise and staff capacity, rather than preserve an historic division of labor.

As for new joint projects that are currently under review, only electricity procurement qualifies as an emerging field that has sparked the interest of a number of communities. Other plans to consider joint building maintenance, facilities management, custodial services, and fuel contracting only represent the gradual expansion of shared arrangements that have already been implemented elsewhere and are now taking root in more municipal jurisdictions.