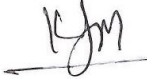





Conor Baldwin
Chief Financial Officer

MEMORANDUM

TO: Kevin J. Murphy, City Manager 
FROM: Conor Baldwin, Chief Financial Officer 
CC: Rodney Conley, Deputy CFO
DATE: November 29, 2017
SUBJECT: MOTION REQUEST - UPDATE:

11.6. 5/16/17 C. Leary - City Council request the City Manager provide an update regarding the feasibility for combining the Public Works and Lowell Public Schools Custodian departments into a Maintenance Department.

The finance department has been working internally with the law department, HR, and public works, to investigate the feasibility and potential financial and operational efficiencies that could be achieved by combining the school custodial department with the lands and buildings division of DPW. To assist in the investigation and develop a plan for implementation, the city has engaged the professional services of the Collins Center for Public Management at UMass Boston, who has assembled a team of experienced staff who will, over the course of the next three months, study the City's facilities management operations, focusing on determining the most efficient structural options for providing services to both the City and Schools. The team will analyze the provision of facilities management across the various departments of the City, and propose structures and other changes that may eliminate redundancy, decrease long-term costs, and/or improve service delivery.

Enclosed with this memorandum is the proposed scope of services from the professional services agreement with UMass Boston which further details the work and the timeline. A final report is expected to be delivered in February and will contain recommendations for modernizing the DPW & School facility maintenance operations. We anticipate that the study will also highlight opportunities for savings that could be reinvested in the facilities themselves.

To date, a number of meetings have been held with senior staff from DPW and the Collins Center team has begun to analyze the city and school department's budget, table of organization, performance metrics, union contracts, work schedules, and other relevant documents. Beginning next week, interviews with the Superintendent and school administration, as well as the City Manager's Office and finance department will commence. Once a final report is completed the finding and recommendations will be presented to the City Council for consideration.

Please let me know if you have any questions.

Exhibit A: Scope of Services

1. Overview

The purpose of this project will be to study the City's facilities management operations, focusing on determining the most efficient structural options for providing services to both the City and Schools, to analyze the provision of facilities management across the various departments of the City, and to propose structures and other changes that may eliminate redundancy, decrease long-term costs, and/or improve service delivery.

2. Work Plan and Deliverables

This scope of work includes the following deliverables:

1. *A staffing analysis based on best practices for maintenance of the inventory of the City's facilities; and*
2. *A final report that details recommended organizational structures for facilities maintenance and operations for the City.*

In order to complete the noted deliverables, the project team proposes the following workplan:

Task 1: Overview meeting with relevant staff involved in facilities management activities

The project team will meet with identified facilities staff to review the goals of the project and develop an understanding of key issues impacting the management of facilities maintenance.

Task 2: Follow-up interviews with department staff, as needed

The project team will conduct interviews with key City and School officials and support staff (finance, procurement, HR, etc.) as needed to further explore operating issues, data collection and availability, resource constraints, and potential growth impact.

Task 3: Tour and assessment of facilities

The project team will collaborate with staff to tour the facilities to understand the condition and ability to maintain the inventory at the current staffing levels.

Task 4: Creation of a facilities inventory and staffing analysis

The project team will provide an analysis of the current staffing levels, based on the inventory of facilities and current best practices. This inventory will include an evaluation of the current square footage, operating hours, and levels of responsiveness/cleanliness to determine if a different staffing structure would improve service response levels with the associated costs. This is not intended to be an evaluation of the condition or repairs necessary, but is limited in scope to the ongoing workload needs once a deficiency is reported.

Task 5: Assessment of systems used to support facilities management operations

The project team will review the use of and data from any CMMS currently in use, organizational business processes, policies and procedures, and any other available reporting systems for performance and customer satisfaction.

Task 6: Analysis of budget

The project team will review financial reporting and budgeting systems to identify redundancies and opportunities to streamline cost centers and accounting practices.

Task 7: Evaluation of organizational structure options

This will take into consideration: governance; staffing; management and supervision; and operating costs.

Task 8: Draft report review

The project team will review a draft report of its findings and recommendations with relevant City and Schools staff and discuss feedback.

Task 9: Final report

The project team will deliver a final report detailing its findings and recommendations.

3. Timeline

The Collins Center will work with the City of Lowell to provide the deliverables within a six month timeframe from the execution of the contract.

Task	Oct	Nov	Dec	Jan	Feb
Overview Meeting	XXXXX				
Follow-up Interviews	XXXXX	XXXXX			
Tour of Facilities	XXXXX				
Inventory & Staffing Analysis	XXXXX	XXXXX			
Systems Assessment		XXXXX	XXXXX		
Budget Analysis		XXXXX	XXXXX		
Organizational Structures Evaluation			XXXXX	XXXXX	
Draft Report Review				XXXXX	XXXXX
Final Report					XXXXX

4. Fee for Services

The all-inclusive fee for this work is \$25,000. This includes all staff time, as well as travel and other incidental expenses.

The City will be invoiced \$10,000 upon the delivery of the facilities inventory. The remaining balance shall be invoiced upon completion of the project.