

Finding# 1 Human Resource Liability

<p>Recommendation 1</p> <p>The Town should establish and implement a schedule of annual mandatory training for all employees.</p>	<p>Accepted / Under Study/ Rejected</p>	<p>Responsible Dept.</p>	<p>Responsible Dept. Head</p>	<p>30-Jun-14</p>	<p>Comments</p> <p>Annual training has begun for employees. Next phase will be in-depth training for employees to be aware of signs of harassment in the workplace and ways to address it.</p>
<p>Recommendation 2</p> <p>The Town should consider separate training for supervisors.</p>	<p>Accepted / Under Study/ Rejected</p>	<p>Responsible Dept.</p>	<p>Responsible Dept. Head</p>	<p>30-Jun-14</p>	<p>Comments</p> <p>Training for supervisors is in the beginning stages of being implemented. A consultant has been targeted to provide training programs.</p>
<p>Recommendation 3</p> <p>The Town should amend its current policies and procedures regarding annual evaluations to provide better alignment with current practice.</p>	<p>Accepted / Under Study/ Rejected</p>	<p>Responsible Dept.</p>	<p>Responsible Dept. Head</p>	<p>30-Jun-14</p>	<p>Comments</p> <p>Submit Article to Town Meeting amending the Personnel By-law</p>
<p>Recommendation 4</p> <p>All employees should acknowledge in writing their receipt of personnel policies and procedures.</p>	<p>Accepted / Under Study/ Rejected</p>	<p>Responsible Dept.</p>	<p>Responsible Dept. Head</p>	<p>31-Dec-13</p>	<p>Comments</p> <p>Acknowledgment receipts from employees have been accomplished with policies and will be done on an annual basis moving forward.</p>
<p>Recommendation 5</p> <p>The Town should therefore intensify its efforts to appropriately orient and train the HR Administrator.</p>	<p>Accepted / Under Study/ Rejected</p>	<p>Responsible Dept.</p>	<p>Responsible Dept. Head</p>	<p>30-Jun-14</p>	<p>Comments</p> <p>The lack of access to data is not due to my lack of familiarity with existing systems. It is due to the fact that the town does not have an HRIS system which is needed in order to keep track and obtain basic human resource information. The payroll system is not an HRIS system and should not be used as such due to the sensitive nature that the system is live and has important payroll information on all employees. There is a liability at stake if a button in the system should be accidentally hit and ends up compromising the payroll system.</p>
<p>Recommendation 6</p> <p>We therefore encourage the Town to continue its effort to centralize the maintenance of personnel records and concurrently implement HIPPA requirements associated with the maintenance of employee health records.</p>	<p>Accepted / Under Study/ Rejected</p>	<p>Responsible Dept.</p>	<p>Responsible Dept. Head</p>	<p>30-Jun-14</p>	<p>Comments</p> <p>See comments for Recommendation 5</p>

Finding # 2 Hardware & Software Consolidation

<p>Recommendation 1</p> <p>The Town should immediately act to consolidate the School Department operating system with the Town's operating software.</p>	<p>Accepted / Under Study/ Rejected</p>	<p>Responsible Dept.</p>	<p>Responsible Dept. Head</p>	<p>Timetable</p>	<p>Comments</p> <p>See attached.</p>
<p>Recommendation 2</p> <p>The Town should continue its effort to virtualize its array of servers.</p>	<p>Accepted / Under Study/ Rejected</p>	<p>Responsible Dept.</p>	<p>Responsible Dept. Head</p>	<p>Timetable</p>	<p>Comments</p> <p>See attached.</p>
<p>Recommendation 3</p> <p>The Town should consider a regular evaluation of MUNIS software to determine to whether it continues to meet end-user needs.</p>	<p>Accepted / Under Study/ Rejected</p>	<p>Responsible Dept.</p>	<p>Responsible Dept. Head</p>	<p>Timetable</p>	<p>Comments</p> <p>Ongoing communication with other communities (further comments attached)</p>

Finding# 3 Fleet Maintenance

	Accepted / Under Study/ Rejected	Responsible Dept.	Responsible Dept. Head	Timetable	Comments
<p>Recommendation 1</p> <p>The Town should immediately implement an automated system for tracking fleet performance as well as maintenance, repairs, and operations.</p>	Accepted	DPW	DPW Director	6/30/2016 or Centralization of garage	Staff has already started to review systems
<p>Recommendation 2</p> <p>We recommend consolidation of fleet management into one division.</p>	Accepted / Under Study/ Rejected	Responsible Dept. DPW	Responsible Dept. Head DPW Director	Timetable 6/30/2016 Centralization of garage	Comments Fleet Management would be a division of the DPW.
<p>Recommendation 3</p> <p>The Town should consider financing the purchase of vehicle groups utilizing a lease purchasing plan provided through a financial institution.</p>	Accepted / Under Study/ Rejected	Responsible Dept. DPW & Finance	Responsible Dept. Head DPW Director & Treasurer	Timetable N/A	Comments The Town now has sufficient funds to cover the cost of vehicle replacement which is less costly than leasing. Age of fleet is due to Town's failure in the past to timely replace vehicles or having several special purpose vehicles which were originally military surplus.

Finding# 4 Alternative Fuels

Recommendation 1	Accepted / Under Study/ Rejected	Responsible Dept.	Responsible Dept. Head	Timetable	Comments
<p>The Town should act to identify fleet units as candidates for vegetable oil conversion. The Town should likewise evaluate the feasibility of implementing hybrid and flex fuel vehicles as part of its fleet replacement policy and practice.</p>	<p>Accepted, Under Study & Rejected</p>	<p>DPW, Police & Town Administrator</p>	<p>DPW Director, Police Chief & Town Administrator</p>	<p>On-going</p>	<p>The Town has already started to use alternative fuel vehicles where there is a reasonable return on the investment. In the DPW, the Director will study using vegetable oil and continue exploring other alternative fuels. For the Police Dept., the Police Chief rejects alternative fueled vehicles at this time for Police patrol.</p>

Finding# 5 Development Process Consolidation

	Accepted / Under Study/ Rejected	Responsible Dept.	Responsible Dept. Head	Timetable	Comments
Recommendation 1 The Town should physically consolidate development related services. Administration, following consolidation, should then assess staffing needs to test the feasibility of staff consolidation.					

	Accepted / Under Study/ Rejected	Responsible Dept.	Responsible Dept. Head	Timetable	Comments
Recommendation 2 The Town should acquire and implement a unified permit management system.	Accepted	Finance	Treasurer	30-Jun-14	Staff has viewed several systems and now must select one

Efficiency Study Matrix - Phase 1

Finding# 6 Performance Measures

<p>Recommendation 1</p> <p>The Town should engage citizens and stakeholder groups in a broad-based community strategic planning initiative; the product of which should be a five-year community strategic plan.</p>	<p>Accepted / Under Study/ Rejected</p>	<p>Responsible Dept.</p> <p>Select Board</p>	<p>Responsible Dept. Head</p> <p>Town Administrator</p>	<p>Timetable</p>	<p>Comments</p>
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<p>Recommendation 2</p> <p>The Town should utilize their new strategic plan as the basis for establishing performance outcomes in each Department, tying each outcome to community strategic directives. Administration should work with departments to ensure that work is being tracked.</p>	<p>Accepted / Under Study/ Rejected</p>	<p>Responsible Dept.</p> <p>Town Administrator</p>	<p>Responsible Dept. Head</p> <p>Town Administrator</p>	<p>Timetable</p>	<p>Comments</p>
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<p>Recommendation 3</p> <p>The Town should continue to expand the CitISTAT program throughout the Town.</p>	<p>Accepted / Under Study/ Rejected</p> <p>Accepted</p>	<p>Responsible Dept.</p> <p>Town Administrator</p>	<p>Responsible Dept. Head</p> <p>Town Administrator</p>	<p>Timetable</p> <p>On-going</p>	<p>Comments</p> <p>Exploring adding the Building Dept. in the next year</p>
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Efficiency Study Matrix - Phase 1

Additional Observations, Possible Findings and Ongoing Analysis

Observation/Finding	Accepted / Under Study/ Rejected	Responsible Dept.	Responsible Dept. Head	Timetable	Comments
IT Support Redundancy / Reduced Potential for Risk	Accepted	Finance	Treasurer	6/30/2014	RFP is going out

Observation/Finding	Accepted / Under Study/ Rejected	Responsible Dept.	Responsible Dept. Head	Timetable	Comments
Water Meter Inventory / Potential Cost Savings	Accepted	DPW	DPW Director		Automatic Meter Reading system upgrade in progress. Funded 6/2012.

Observation/Finding	Accepted / Under Study/ Rejected	Responsible Dept.	Responsible Dept. Head	Timetable	Comments
Cemetery Records Databasing & Geo-referencing / Improved Service Delivery & Reduced Risk	Rejected as not applicable	Parks	Parks & Rec. Superintendent		The cemeteries in question are historic in nature and do not have records to automate. Automation of the records for the main town cemetery is being done now and should be completed shortly

Observation/Finding	Accepted / Under Study/ Rejected	Responsible Dept.	Responsible Dept. Head	Timetable	Comments
Additional Planning & Development Personnel / Improved Application Process & Reduced Delays	Under Study				Do Permitting Software First

Observation/Finding	Accepted / Under Study/ Rejected	Responsible Dept.	Responsible Dept. Head	Timetable	Comments
Fleet Operations & Privatization / Potential Cost Savings		DPW	DPW Director		

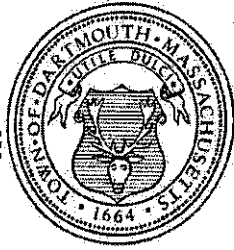
Observation/Finding	Accepted / Under Study/ Rejected	Responsible Dept.	Responsible Dept. Head	Timetable	Comments
Fire District Reimbursement for use of Town Resources / Potential recovery of \$60,000/year	Accepted	Finance	Treasurer	1-Jul-16	Select Board support is essential

Observation/Finding	Accepted / Under Study/ Rejected	Responsible Dept.	Responsible Dept. Head	Timetable	Comments
Meter Reading Accuracy: Semi-annually to Quarterly / Increases Collections Accuracy	Accepted	Finance	Treasurer	31-Dec-16	Only after new meter system is fully implemented

Observation/Finding	Accepted / Under Study/ Rejected	Responsible Dept.	Responsible Dept. Head	Timetable	Comments
Harbor Master Equipment: Use of Covered Boat for Increased Water-based Presence	Accepted	Waterways	Harbormaster	TBD	See attached.

Observation/Finding	Accepted / Under Study/ Rejected	Responsible Dept.	Responsible Dept. Head	Timetable	Comments
Privatization Alternatives: Outsourcing of Additional Services should be Studied	Under Study	Select Board	Town Administrator	30-Jun-15	

DARTMOUTH



MASSACHUSETTS

PERSONNEL DEPARTMENT
400 SLOCUM ROAD
DARTMOUTH, MA 02747

PERSONNEL ADMINISTRATOR
MELISSA MEDEIROS
TEL: 508-910-1854 * FAX: 508-910-1885

TO: David Cressman, Town Administrator
FROM: Melissa Medeiros, Personnel Administrator
SUBJECT: Efficiency Study
DATE: January 7, 2014

Per your request, below are my responses in regards to the efficiency study results for the Personnel Department.

Training

The Personnel Department's primary focus will be to conduct training on sexual harassment to all employees. Department heads and supervisors will receive in-depth training that will provide them with tools and knowledge needed to be aware of the signs of harassment in the workplace.

Professional development will be a focus for employees and department heads in areas of customer service skills, teamwork, employee morale, and leadership skills. Safety training for DPW, Police, and School will be provided for continued knowledge preventing injuries at work.

The Personnel Department has already taken steps by working with a consultant with training programs for employees. A schedule of monthly training sessions will be forthcoming.

Policies are currently being addressed with the distribution of the Conflict of Interest Law and Sexual Harassment Policies in which acknowledgement forms have been received.

Personnel Information

I agree with the study in regards to the danger of unsecured personnel files and information being decentralized. This has been one of my primary goals of pulling personnel files from all locations and centralizing to one secure location in the Personnel Department. It is an ongoing process with the hopes of completing it before the end of the fiscal year. In addition, new filing systems are being created to stay in compliance with federal and state laws. Such systems include personnel files, medical files, CORI files, I9 files, attendance files, DOT Regulations files,

and health insurance files. No filing systems exist prior to my position and it has been my top priority for the Personnel Department to accomplish.

I also agree with the liability of the health insurance information. It is a concern as the Personnel Department is not situated in a location where there is sufficient space to provide the benefits coordinator a private office to conduct health insurance matters with employees. Health insurance files are being created in a separate filing system in my office.

I agree that I should not be reporting to both Finance Director and Town Administrator. The Personnel Director should report directly to the Town Administrator as is the case in many other surrounding towns.

Response to Recommended Solutions

- Annual training has begun for employees. Next phase will be in-depth training for employees to be aware of signs of harassment in the workplace and ways to address it.
- Training for supervisors is in the beginning stages of being implemented. A consultant has been targeted to provide training programs.
- Acknowledgment receipts from employees have been accomplished with policies and will be done on an annual basis moving forward.
- The lack of access to data is not due to my lack of familiarity with existing systems. It is due to the fact that the town does not have an HRIS system which is needed in order to keep track and obtain basic human resource information. The payroll system is not an HRIS system and should not be used as such due to the sensitive nature that the system is live and has important payroll information on all employees. There is a liability at stake if a button in the system should be accidentally hit and ends up compromising the payroll system.

Conclusion

Please keep in mind that the deficiencies stated in the report are some reasons why a human resources department was implemented for the Town of Dartmouth. It will also take time to create an all-encompassing department as this department is being built from the ground up.

In addition to the inefficiencies stated above it was also agreed by both consultants and myself that the Personnel Department should be its own separate department consisting of its own entrance, waiting area for employees, visitors, filing area, private office for the benefits coordinator, and finally office for the Personnel Director. It is not efficient that the Personnel Department is situated within the Treasurer's department. There is not enough space to house both departments as they are two very important departments with space and privacy needed for those situated in there.

Also it is crucial to have the appropriate systems in place in order for the Personnel Department to have employee information readily accessible.

There is no sign located anywhere out in the hallway that will enable employees, visitors, applicants, to know where they can go for information.

The Personnel Department is vital and essential for the town. However, in order for it to be the central hub for employees and patrons, changes are needed in order to accomplish the goals of this department.

Efficiency Comments from Greg Barnes

Finding # 2 Hardware & Software Consolidation

Recommendation 1:

As this was one of my suggestions to the consultants during my meeting with them, I am obviously supportive of it as is the School Business Manager. We both agree that it is worthy goal to have one ERP package. The bigger issue is the timeframe. To make consolidation an immediate goal is not realistic. The Town should first focus on maximizing its use of MUNIS, which involves many different modules and covers multiple aspects of Town government. Areas where use of MUNIS should be upgraded include in particular payroll/personnel, purchase order/procurement, and cash station. Much effort has been expended by the Finance Department/MIS to do so but much effort remains, especially in the area of payroll. As one can see in the flawed rollout of Obamacare, it is very important to test and, whenever possible, scale up the implementation of new software. To add the Schools to the MUNIS mix when the Town itself is not ready to include them is a prescription for failure. I should stress that the efforts being undertaken in payroll upgrade already by necessity involve the Schools, as the Town already does payroll for the Town and Schools. So, getting the payroll upgrade out of the way will be a significant step in allowing full consolidation of the Town and Schools. Even once the Town is ready for the consolidation, it will probably take a few years to get every module under one umbrella. So, in terms of a timetable, I would put down June 30, 2017 as the date to complete full consolidation of ERP software between the Town and Schools. In the meantime, the focus of the Town and Schools should be to fully share the information with one another from the two ERPs system. We are in the process of doing this by working on giving each of us full read-only access to the other system, something not currently done.

Recommendation 2:

We are working on this and hope to be completed by the end of the fiscal year.

Recommendation 3:

There are a hand-full of ERP packages that the vast municipalities use in Massachusetts. Using one that has no experience in Massachusetts is fool hardy since Massachusetts has a number of financial practices and procedures unique to the State and out-of-State systems that have not been configured for Massachusetts would have to be altered to account for these procedures and practices, probably at great expense and with much trial and error. Within the limited pool of viable ERP packages for Massachusetts, MUNIS is the most prevalent and is particularly well used in communities with larger populations and bigger budgets. Hence, while I think it is good idea to periodically review the software, especially given the relatively high maintenance costs of the MUNIS system, I think this evaluation should occur simply by closely monitoring what other Massachusetts communities, particularly those of similar size and financials are doing, and not by expending much time putting out RFPs. This process is already on-going.

Finding# 3 Fleet Maintenance

I have nothing to add regarding this section, except I strongly support your rejection of Recommendation 3. Whenever possible, vehicles should be financed through cash. When not, borrowing is almost always cheaper than leasing.

Efficiency Comments from Greg Barnes

Finding# 4 Alternative Fuels

Without fully getting in the pros and cons of vegetable oil, it seems to me that the Town should pursue alternative fuel options with proven track records and which can be implemented without customization of vehicles. I think the track record and demonstrated savings of hybrids are far greater than that of vegetable oil, which is not a mainstream fuel option. I should further add that the projected \$24,525 in savings for vegetable oil is relatively small amount of savings given the size of the Town budget and does not factor in the cost of the additional labor effort that would have to be expended to use vegetable oil in our fleet. Once such labor effort cost is factored in, the savings could be very miniscule:

Finding# 5 Development Process Consolidation

While in graduate school, I wrote a paper or two on business process reengineering. The key enabler to this effort is technology. While I think physical and staff consolidation makes some sense, I think there are structural and physical barriers to fully doing this. Hence, I think our main focus at this time should be use of the technology as means of bringing together the various departments. Stressing that many communities are still struggling with achieving full maximization of permitting software, in part due to the limits and difficulty in using the software, experience from those communities that have made the most progress in overcoming those obstacles would seem to suggest that the software can significantly increase coordination and sharing of information between departments as well as greatly reduce the need for customers to come to Town Hall and other facilities for permit-related services. Hence, many of the problems resulting from Town structure and physical proximity can be significantly mitigated through use of good technology and related implementation. There are many stages involved in this implementation of this approach, both on the front-end (customer) and back-end (entering of data in the field by the inspectors). Much like we have been doing MUNIS, it is my opinion that implementation is best done in stages and going from one department to the other, as opposed to trying to do it all at once. Hence, while I think it is realistic to say we will be well into the implementation phase by June 30, to get to our ultimate objective of having all inspectors viewing and entering info in the field; having all permitting info viewed, shared, and monitored using a permitting package; and having the ability of customers to remotely view and enter their permitting info and make related payments involving all permitting departments will go well beyond June 30, 2014.

Finding# 6 Performance Measures

While community input to strategic planning is useful, I think the consultants are perhaps putting the cart before the horse. I think any near-term efforts on strategic planning should focus on internal stakeholders who to my knowledge have never engaged in such a process; only after this process is advanced, should any focused effort to gather broad-based community input be initiated.

Efficiency Comments from Greg Barnes

Additional Observations, Possible Findings and Ongoing Analysis

IT Support Redundancy: Such redundancy will be created using a combination of existing staff and outside contractors. An important step is to put out an RFP for support services, for which monies have already been budgeted.

Additional Planning & Development Personnel/Improved Application Process & Reduced Delays: I think the first step should be the permitting software which I believe will improve the application process and reduce delays without the need for additional staff.

Meter Reading: Both the Town Collector and myself are supportive of quarterly billing as it will improve cash flow and would give residents more timely data as to their usage; however, this should not occur until all meters have been converted over to drive-by and/or a fixed read system which will take a few years as such meters are currently being phased in. Given current schedule of meter replacement, I don't expect the new meters to be in place until the end of 2016.

Fire District Reimbursement for Use of Town Resources: Charging the Fire Districts for services performed by the Town on their behalf is from my perspective an issue of fairness and equity as all internal cost centers (enterprise funds and Social Day) are charged accordingly; in terms of a timeline, I would shoot for some time in FY 2015 as our first focus with the districts should be to accomplish the task of taking their members off our health care plans; ultimately, the decision as to whether to charge needs to be made by the Select Board.

Harbormaster's Efficiency Comments

David,

I have been reviewing the Commission meeting minutes and emails from several years back when a cabin/pilothouse boat was a Department consideration. We previously relied upon use of the Shellfish Parker (now Police boat) during the winter months when it was left at our dock. The Town (DPD and Fire District 2) also had a military surplus Whaler Frontier hull with cabin that eventually went from our PD to Mattapoisett after a period of non-use in Dartmouth. It was deemed too costly to rehab. for use in Dartmouth. An enclosed cabin would certainly diminish risk/liability to the Town, not just for employees, but more importantly to reduce further exposure to anyone rescued from the cold water. Cost for an effective new boat with enclosure could be in the range of \$175,000 (as reported for Harwich's recent purchase), or as little as \$20,000 for an appropriate, sound, used winter boat. Our Department always seeks to expend resources conservatively and responsibly for best response capability.

The Department has an engine and electronics replacement plan, but due to the longevity of our boat hulls (1982 was the last year we needed to purchase a new patrol boat - and it is still in use) we had lower concern for boat replacement.

I have forwarded the efficiency consultant's recommendation, and will work with the Waterways Commission for a capital acquisition plan relative to an appropriately sheltered vessel. We will earmark a substantial portion of our annual retained enterprise funds (\$5K-\$10K) dedicated toward the purchase of a suitably enclosed winter vessel, and commence identification of a target boat as well as supplemental sources of funding (homeland security grants?) or alternative means of acquisition (useful surplus or used). Once an appropriate vessel type, size and cost is agreed upon, a timeline will be evident.

I have long-sought an appropriate surplus Coast Guard vessel for winter use. Difficulties with the surplus program locally seem to have thwarted access to such opportunities, but I continue to explore all possibilities in that realm as well.

Thanks,
Steve

P.S. Quite unexpectedly, and before I could hit the send button on this message - I just returned from Westport where I responded by vehicle to assist the Westport Harbormaster (USCG, MSP and EPO's) with an overturned boat and three missing hunters at the mouth of the Westport River. If anything highlights the brutality of winter exposure, I saw it on Westport Harbor today.

TOWN OF

DARTMOUTH



MASSACHUSETTS

LOCAL GOVERNMENT EFFICIENCY AUDIT

ESSENTIAL FUNCTIONS

COST REDUCTION • EFFICIENCY ALTERNATIVES

EXPENDITURE RECOVERY • REVENUE GENERATION

FINAL REPORT: PHASE I

NOVEMBER 2013



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28 November 2013

David Cressman, Town Administrator
Town of Dartmouth, Massachusetts

RE: Efficiency Study Results & Final Report for Phase I

Mr. Cressman, Board of Selectmen & Staff,

Every Chief Executive and Elected Official face challenges in making internal changes that lead organizational efficiency and operational effectiveness. One reason is that inefficiencies are often difficult to ascertain from *within* the organization. Another reason is that corrections are even more difficult to implement - particularly in a challenging political environment. Your responsibilities are challenging enough without the greater burden of challenging local, regional and national economies, so we were looking forward to discovering areas which could contribute to greater efficiency, effectiveness and financially sustainable solutions. Having reviewed the affairs of specific functions and departments of the Town of Dartmouth as comprehensively as time and available information would allow, we are pleased to provide you with this Final Report.

Our scope of work allowed for a review focusing on the following departments and functions:

- *Human Resources*
- *Information Technology (IT),*
- *Building, Planning & Zoning,*
- *Facilities Management, and*
- *Equipment Management.*

We intended to provide you, your Board of Selectmen, and your staff with two important things:

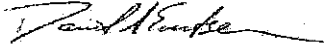
- 1) *new insight into opportunities for greater efficiency, and*
- 2) *recommendations for improved services at a lower burden on taxpayers.*

We discovered several areas where greater efficiency can be realized. We believe strongly that we have achieved both objectives and that our findings and recommendations will help your staff deliver more valuable services to the community.

Many of our findings report opportunities for cost savings. Some findings validate the potential for increased efficiency with financial impact presented, while other findings are less financially specific, but significant nonetheless. Many of our recommendations will impact purchasing, policy and personnel decisions. Change with enthusiasm can be difficult, but we are confident that you and your staff are capable of managing perpetual change and the changes we have recommended. We will be available to answer any questions and assist as your employees begin implementation.

We appreciated staff's willingness and trust as we identified and discussed areas that need improvement. We compliment your staff for embracing this study and our efforts on your behalf. We sincerely thank you and your staff for their assistance and congratulate you on the success and ongoing efforts of your entire organization.

Most sincerely,

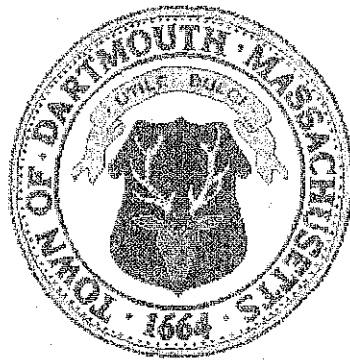


The Municipal Solutions Team

David Evertsen, Principal
Robert S. Hoffmann, Project Manager
Richard L. Davis, Senior Associate
Wolfgang Albrecht, Associate
Jennifer DeHaan, Consultant
Nicholas Romano, Analyst

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EXECUTIVE SUMMARY

Confirmations of Current and Best Practices

An examination of Town operations revealed considerable progress made by the administration in the last three years to enhance the fiscal sustainability of the community. The Town's administration and staff are progressive and highly professional. Various departments are currently engaged in implementing initiatives that are more characteristic of much larger organizations. For example, we compliment staff for its pursuit of IT virtualization, as well as fleet tracking automation. Notwithstanding, our examination was able to identify numerous opportunities for service enhancement.

Town Administration has made Significant and Measureable Progress

The Town Administrator and his staff are to be commended for the extraordinary progress that has been achieved over the past four (4) years. The systemic actions that have been taken will save the taxpayers of Dartmouth several hundred thousand dollars per year in costs. Of even greater significance is the cost avoidance that has been achieved going forward. The entrepreneurial spirit and demonstrated ability to think outside of the box if continued will make Dartmouth a Laboratory of Innovation for local government. The following are a few examples:

- ✓ The Town had budgeted and paid \$350,000 per year for Ambulance service. It now receives \$40,000 per year in revenue for that same service. This is a swing of \$390,000. It will now become a \$350,000 annual appropriation savings going forward.
- ✓ Dartmouth received an \$80,000 discount from the Commonwealth for paying its pension obligations up front and not in monthly or quarterly increments.
- ✓ In March of 2013 Dartmouth became the largest generator of Solar Power in the Commonwealth. The Town has the potential to become the only municipality in the Commonwealth of Massachusetts to generate all of its own power and at the same time reduce its utility costs. A few years ago Dartmouth was paying 14 cents per kilowatt hour (kwh). It now pays 8 cents per kwh. This is a savings of 6 cents per kwh or 42% on 1,800,000 kwh. This equates to an annual savings of \$108,000.
- ✓ Dartmouth has had a \$34,000,000 to \$58,000,000 exposure for unfunded liabilities. For the past two (2) years the Town has been able to fund and reduce this exposure.
- ✓ The annual budget for Capital Projects is now funded at a higher level (between \$6,000,000 and \$7,000,000) than in previous years.

Areas for Greater Efficiency and Improved Service Delivery

A few of the areas discussed in this report include:

- The potential exposure and liability of the Town's fledgling **Human Resource Program** (in its current condition) which will require several modifications in order to become completely functional.

- While the Town is pursuing/considering **hardware virtualization** of its server group and possible desktops, attention should be paid to eliminating **duplicative software systems**. Such improvements will greatly enhance the ability of current staff to appropriately maintain the existing system and provide redundancy, security and financial sustainability.
- The Town's **Public Works fleet is considerably aged**. This condition signals the probability that the Town is spending much more to maintain and operate this fleet than it should. The creation and implementation of a **fleet rotation methodology / policy** is necessary. In addition, the Town may need to consider less orthodox methodologies associated with replacing the current DPW fleet. The Town should investigate the possibility of implementing **alternative fuels** as a means of lowering costs.
- Our examination found that most departments **inadequately track and measure work inputs and program outcomes**. Such measurement is essential to identifying inefficiencies and opportunities for service elevation. We will likely recommend that Dartmouth engage in a communitywide strategic planning exercise, to identify citizen priorities and develop strategic directives designed to accomplish what citizens want most from Dartmouth's local government.

Additional findings in areas we recommend further examination:

Privatization Alternatives: Outsourcing of Additional Services should be Studied

- Our examination of Town operations and discussions with Department directors and staff reveal little in the way of **privatization effort** but it did provide us with enough evidence that possible privatization may lie within several areas.
- There exists **no redundancy for IT support services** in the Town. Dartmouth should prepare a plan to provide for these services if the IT Manager is called to active duty in the National Guard or is unable to carry out the responsibilities of the position. The examination of **privatization or outsourcing** options should be examined.
- Adding a **Planning & Development Assistant** could improve the permit application process, reduce delays, guide patrons through the Town's application process, save staff time, and provide a higher level of customer service.
- Enough information from our current review appears to justify the need for a **comprehensive evaluation of fleet operations and privatization alternatives** should be explored. The Town could consider commissioning a specific study of fleet privatization.
- The Town should seek **confirmation and reimbursement of \$60,000** of Town resources which are used by the three fire taxing districts.
- **Quarterly meter reading** and billing would help improve collections accuracy and allow for quicker identification of water leaks and improve conservation.

The following report will detail all findings, provide some indication of potential cost savings (where possible) and recommendations for implementation.

INTRODUCTION

Local governments, like the state and federal governments, continue to experience demands for services despite constraints. Citizen demands for the expansion of services that already exist and requests for new services place elected officials and administrators in a dilemma. It is important to note that increased citizen use of municipal services correlates strongly with economic distress. It is therefore incumbent upon municipal officials to prepare for this reality by addressing the efficiency of support functions to ensure that citizen services can meet demand.

Our Organizational, Financial and Process Assessment process is universal in its application within each organization. This this assessment process requires consultative familiarity with multiple facets of public service, as well as intimate knowledge of each municipal department's *functions*, understanding of how their *structures* are intended to addresses key functions, and whether their *personnel* and *physical resources* are being efficiently utilized to realize significant cost savings and service quality improvement.

Like many municipalities in this economic climate, the Town of Dartmouth desired to provide superior services to its citizens while maintaining fiscal responsibility. The purpose of this Organizational, Financial and Process Assessment Process is to empower Town management to maximize the citizen's return on investment.

Municipal Solutions was been retained to provide a review of the Town's operations and conduct a careful examination of Town operations in *Human Resources, Information Technology (IT), Building, Planning & Zoning, Facilities Management, and Equipment Management*. Two keys associated with achieving both goals are:

- 1) Closely examining departmental processes and
- 2) Creating new efficiencies wherever practical.

Our assessment and Final Report will give the Town of Dartmouth the information it needs to make clear decisions that affect its ability to deliver efficient services now and into the future.

STUDY OBJECTIVES

The study's objectives are as follows:

- ✓ Explore each department's needs, skills, processes, resources, and priorities to determine how refinement or improvement to operational efficiency (time), expenditures (costs), and revenue generation can be realize during the upcoming 2013/2014 budget year.
- ✓ Examine the department's functions; evaluate the form or structure of each department to determine whether it is optimal towards fulfillment of the department and town-wide goals, objectives, and priorities; and determine whether the current resources (personnel, technology, and physical assets) are being used efficiently.
- ✓ Determine optimization alternatives to the organization's functions, form/structure, & resources.

- ✓ Determine if, where, and why, internal stop – gaps are failing and how they can be remedied.
- ✓ Determine and quantify the most effective strategy for each department, to accomplish their organizational objectives.
- ✓ Determine the most effective means for reducing the cost of operations, while improving service delivery and service quality.
- ✓ Establish the basis for internal assessments, controls, monitoring, and reporting for perpetual organizational improvement to these ends.

METHODS

The methods used for our Phase I assessment and evaluation included:

- Interviews with management and key departmental staff,
- Interviews with key city staff,
- Examination of Town policies and procedures,
- Data collection, examination, and analysis,
- Examination of departmental records,
- Review of departmental generated reports,
- Examination of departmental infrastructure,

Our Phase II work will include:

- Interviews with and data collection from other communities,
- Interviews with private contractors and service providers, and
- Collection and review best practices from communities throughout the nation.

PURPOSE OF THE PHASE I FINAL REPORT

This Phase I Final Report is being provided at the completion of on-site work, off-site analysis and prior to Phase II: Development of an efficiency model for a comparative analysis of comparable public and private agencies against the Town of Dartmouth. Phase II will compare how Dartmouth's efficiency compares to other private and public sector agencies

This Final Report is important because it provides *both* a detailed description of the key areas within the scope of work, but it also provides a high level of other findings not immediately within the scope of work. This Final Report provides an exhaustive presentation of findings and recommended solutions based on available information. Many of the recommended actions are immediately actionable and will produce effectiveness (causing a desired outcome), efficiency, and sustainability. While our team focused it's attention and efforts on those subjects immediately within the scope of work, observations beyond the initial scope of work which might useful have also been provided.

This Final Report should allow Town administration and elected officials to discuss and /or participate in the implementation of these focus areas. Each of the recommendations provided offer a unique opportunity to generate additional efficiencies, minimize risk and increase / improve service delivery to residents and businesses. Momentum has already been generated by some of our findings and further improvements and greater efficiencies are expected in the months ahead to serve the current and long term needs of the community.

FINDING #1: Human Resource Liability**The Town could significantly improve the functionality of its Human Resource Program and congruently reduce its exposure to liability.**

The Town has begun implementing a human resource function, but has not established and appropriated the necessary processes and resources needed for complete functionality.

An examination of the Town's human resource program reveals several deficiencies which, if not addressed, leave the Town open to significant liability/risk. Specifically, our examination found that personnel policies and procedures are not widely had and/or acknowledged by Town employees. This condition could place the Town in legal crosshairs should it attempt to enforce Town policy.

Training

Our examination found that there exists no regular or constituted program for training in the Town. While some software training has been provided, requisite training associated with critical subject matter such as sexual harassment is not required or provided by the Town. The absence of such training, again, provides legal fodder to employees claiming such harassment. Legal precedence provides multiple examples of large judgments awarded to allegedly harassed employees whose employers failed to demonstrate their willingness or capacity to adequately prevent or even discourage harassing behavior. The absence of such training should be expected to take center stage in any future legal argument involving an employee alleging harassment. The Massachusetts Commission Against Discrimination states:

"While not a requirement, (Massachusetts General Law) chapter 151B encourages employers to conduct education and training programs on sexual harassment for all employees on a regular basis. Employers are further advised to conduct additional training for supervisory and managerial employees, which should address their specific responsibilities as well as the steps that such employees should take to ensure immediate and appropriate corrective action in addressing harassment complaints. This is significant because employers are vicariously liable for the conduct of those persons that they place in supervisory positions."

(MCAD Website, <http://www.mass.gov/mcad/shguide.html#IIIA>)

Again, an employer is liable for the sexual harassment of employees by anyone with real or even perceived supervisory authority, regardless of whether the Town knows of the conduct. Particularly, Massachusetts courts have determined that the Legislature has intended that an employer be liable for discrimination committed by those in authority; and because of this, the courts have adopted the theory of vicarious liability in harassment cases. An employer is liable for the actions and behavior of its managers and supervisors because they are provided with substantial authority over subordinates and are therefore considered agents of the employer. In some situations, an employer may be liable for the actions of a supervisor, even if that supervisor does not have direct supervisory authority over the employee. The Town should therefore take this assignment of vicarious liability seriously and preemptively demonstrate efforts to discourage harassing behavior.

Evaluations Policy Conflict

Next, the Town has not instituted a program of the annual performance evaluations. This practice contrasts with stated Town policy. Specifically, on page R-9 of the Town's personnel bylaws, rules, and regulations, under the subsection entitled "Performance Evaluation," it states:

"Performance evaluation should be the continuing responsibility of all supervisors, and supervisors should discuss performance informally with each employee, as often as necessary to ensure effective performance. Except where provided otherwise in collective bargaining agreements, each supervisor should make an appraisal in writing and discuss with each employee his/her overall work performance. At least twice each fiscal year the format and process of such appraisals should be established by the executive secretary after consultation with department heads. However, maximum flexibility should be permitted from one department to another. Written appraisals are to be filed with the Personnel Board, and each employee is to be supplied with a copy."

The Town Manager has clearly articulated the management rationale for not conducting annual performance evaluations. While our review and independent opinion associated with this decision may contrast with current practice, it cannot be argued that current practice aligns itself well with stated policy. This misalignment may create an expectation on the part of employees that will not be met via current practice. Such may provide disciplined or disgruntled employees legal fodder in the form of an unmet contractual obligation in the event of termination or discipline.

Inadequate, Unsecured, and Decentralized Personnel Information

Meanwhile, the maintenance of unsecured confidential personnel information has been decentralized throughout the Town organization and cannot be easily accessed by the Town's personnel manager. We found no indication that this information has been secured, so as to restrict access to employee files. The reality is that the personnel manager claims to be unable to provide our team with basic human resource information; including but not limited to, organizational charts, salary schedules, personnel listings, etc. Unsecured personnel files can expose the Town to significant liability should information find this way into the wrong hands. Of particular concern to our team is general unauthorized access to employee health information.

The Health Insurance Portability and Accountability Act ("HIPAA") was signed into law on August 21, 1996 and addresses a variety of issues relating to health insurance and the confidentiality of health information. HIPAA specifically sets forth "Administrative Simplification" provisions, which require the Department of Health and Human Services to issue regulations establishing national standards for electronic health care transactions and national identifiers for providers, health plans, and employers, while also providing for and protecting the security and privacy of employee health information. General personnel information should in fact be separated from employee medical files, and both should be secured in a central location.

Finally, beyond our preliminary determination that the Town's Personnel Administrator lacks basic access to information necessary for her to perform adequately in her position, the placement of this individual in the Town organization as a subordinate to both the Finance Director and Town Manager should also be reevaluated. Best practices suggest the appropriateness of establishing a line of authority exclusively between administration and human resources. While we have found many

instances wherein HR forms part of a broader administrative services department, finance or other department head supervision of personnel/human resources is not common. There is a logical and appropriate nexus that exists between human resource policymaking and the administrative function of the municipality.

Recommended Solutions

- The Town should establish and implement a schedule of annual mandatory training for all employees. Such training should include as a part of the curriculum orientation addressing sexual harassment. Sexual harassment training should not only communicate policy and discourage inappropriate and harassing behavior, but also orient employees with regard to identifying and reporting such.
- The Town should consider separate training for supervisors, which will enable them to take a more active and appropriate role in discouraging and identifying harassing behavior before it becomes or evolves into a claim.
- The Town should amend its current policies and procedures regarding annual evaluations to provide better alignment with current practice.
- All employees should acknowledge in writing their receipt of personnel policies and procedures. Our review found that employee acknowledgment of policies and procedures is not universal. Such an omission may provide disciplined employees with the policy basis for such discipline had not been provided to them.
- The Town Manager explains that the Human Resources Administrator's lack of access to personnel data is correctly attributed to that individual's lack of familiarity with the existing system and her associated lack of tenure with the Town. The Town should therefore intensify its efforts to appropriately orient and train the Administrator.
- The Town recognizes current deficiencies associated with personnel record maintenance and has communicated its intention to address this problem. We therefore encourage the Town to continue its effort to centralize the maintenance of personnel records and concurrently implement HIPPA requirements associated with the maintenance of employee health records.



FINDING #2: Hardware & Software Consolidation

Town IT staff should be complemented for their pursuit of desktop and server virtualization. Meanwhile, cost savings associated with the consolidation of School Department software with Town software can be realized.

IT is currently pursuing modernization alternatives to boost staff effectiveness, promote system efficiencies, and minimize the need for additional staff.

The School Department's maintenance of a separate software platform provides an opportunity for consolidation with the Town's system and a corresponding realization of cost savings.

The Town's IT administrator currently functions as the organization's singular employee assigned to technology management and maintenance. Not only does this situation fail to provide for appropriate redundancy, with 95 workstations and six servers, this individual likely lacks the capability of responding to all contingencies in a timely manner. While such may serve as an appropriate preamble of a recommendation for additional IT personnel, our team has focused its analysis on the possibilities of virtualization.

IT budgets in general, throughout the country in both the private and public sector, have been dropping about 10% per year. Savvy organizations have looked to new technology to augment the capabilities of remaining personnel. Of particular note worthiness is the subject of virtualization. Virtualization software simulates the behavior of many separate servers or desktop computers, but centralizes the actual computing workload on a much smaller number of servers. In the event of a hardware failure, these virtual servers and desktops can be quickly reconstituted on another machine, with all applications and operating systems settings intact. Virtualization, meanwhile, could significantly reduce the number of servers currently being maintained by the Town, thus maximizing the effectiveness of existing staff. On a desktop level, virtualization can significantly stave off the necessity of desktop replacement. We compliment IT for being proactive and seriously pursuing virtualization.

The Alcohol and Tobacco Tax and Trade Bureau (TTB), for example, decided to reduce the costs, time, and effort required to refresh desktop and laptop computers used for client computing needs. TTB had established a policy and practice of replacing desktop and laptop computers every 3 to 4 years, similarly to the Town of Dartmouth, with an associated cost of about \$2 million annually. In addition to the costs, the process of replacing computers was disruptive to operations. This organization determined that the best solution was to centralize all client computing power. The virtual desktop solution allowed the agency to avoid the expense of replacing hardware and to achieve a \$1.2 million annual savings.

The School Department, meanwhile, is unnecessarily replicating costs associated with its maintenance of a foundational software system known as Infinite Vision, a product of Tyler Corporation. All other departments of the Town utilize Munis as its software, also a product of Tyler. The School Department expends \$42,000 annually for the privilege of maintaining a separate system. Both school officials and the Town's IT manager concur that consolidation should occur. Also a general concurrence is the expectation that the School Departments annual maintenance fee would be reduced or even eliminated should that department consolidate under Munis. Our team finds no sustainable rationale for the existing redundancy of software.

Recommended Solutions

- The Town should immediately act to consolidate the School Department operating system with the Town's operating software. While such consolidation may increase the Town's annual software maintenance costs, such will most likely emerge significantly less than the expense associated with operating two separate systems.
- The Town should continue its effort to virtualize its array of servers. As resources permit, the Town should evaluate the appropriateness of virtualizing desktops.
- The Town has utilized Munis software since the 1990s. It should consider a regular and evaluation of this software and determination as to whether it continues to meet and user needs. Our evaluation revealed no evidence that end-users have been or currently are included in the evaluation of software adequacy. Further, the Town's commitment to an Enterprise Resource Planning project (ERP) and concurrent request for proposal process may reveal opportunities to reduce annual maintenance costs. Such a process may also allow a more adequate determination of the end-user needs and a more thorough examination of processes throughout the organization.

FINDING #3: Fleet Maintenance

The Town could benefit from a rational and definitive fleet rotation methodology and policy as well as an automated maintenance tracking system.

Our study has revealed no established policy or orthodox methodology associated with when and under what conditions fleet units are retired / replaced. This omission contributes to the reality that the Town maintains a seriously antiquated inventory of rolling stock, thus increasing operating and maintenance costs. We compliment Public Works for their stated determination to acquire a fleet maintenance tracking system, and we encourage the implementation of such as soon as is practicable.

As described to the team, present disposal decisions are the product of departmental and mechanic recommendations based on their estimation of a given unit's usefulness to the fleet. The lack of an objective and rational policy and procedure exposes the Town to possible fraud and guarantees that most units are not being rotated in a cost-efficient manner. In fact, the lack of such a policy and methodology could partly be responsible for the scarcity of rotation in the Town's fleet. Our review of Public Works' 2012 active vehicle inventory reveals an inventory of 100 vehicles with an average age of 13.15 years per vehicle and a median age of 14 years. The entire inventory totals a staggering 1,315 years. Average age by vehicle type is illustrated in the chart on the following page.

Because there exists no defined methodology related to fleet rotation that guarantees unit replacement at the point when cost efficiencies are at their absolutely highest, and because the Town has not automated vehicle maintenance tracking, the Town is exposed to the likelihood that resources are being unnecessarily expended maintaining antiquated stock. There are however practices and standards that can assist the Town in rationally determining when vehicles need to be moved out of the system. In an IQ Report, published by the International City and County Management Association (ICMA), the following is provided:

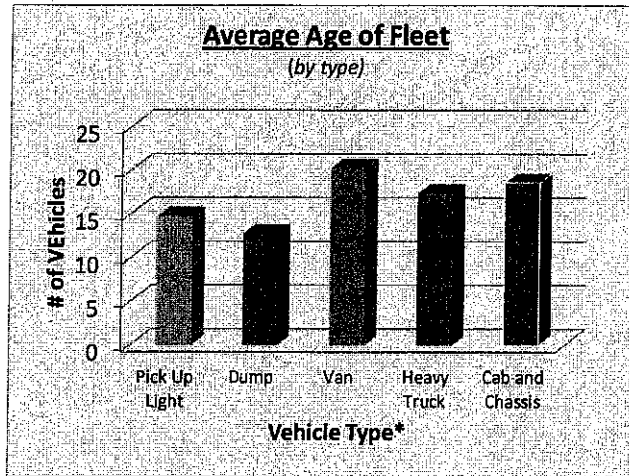
"The department should have a written replacement policy that is based, in part, on economic factors, with the goal of reducing overall equipment life cycle costs (procurement, maintenance, and disposal). The bottom line is that vehicles and equipment should be replaced when owning and operating them costs more than owning operating their replacements."

In short, when the annual maintenance costs of a fleet unit, combined with its trade-in or disposal value sums to a figure greater than the cost of purchasing a new unit, it is time to at least consider the disposal of the vehicle. The determination of the inputs associated with this simple calculation, however, is impossible without accurate, factual, and computerized data associated with the maintenance history of any given unit.

The Town should also consider financial factors such as the initial cost of the unit in question, its resale value, its fuel economy, and repair record. Other non-fiscal considerations include the overall condition of the vehicle's body, mechanical condition, its suitability for the job intended, the image that Dartmouth wishes to portray, employee morale, and the impact on the fleet staff's workload. Just when to begin the consideration or rotation of a fleet unit is a determination that varies among jurisdictions. Generally however orthodox methods include the assignment of a given number of years and/or miles

or hours to a fleet unit, depending on the type and use of the vehicle in question. An example of such a policy is provided as part of recommended solutions associated with this finding.

While many municipalities have established policies lengthening out the useful life of their vehicles, Dartmouth finds itself in a very different situation. It is more likely that the antiquated nature of the Town's fleet is, as stated previously, translating itself into the unnecessary expenditure of resources which could be better invested in new fleet vehicles. Because the Town possesses no usable history of vehicle maintenance, it is difficult to quantitatively and fiscally determine the magnitude of the current replacement methodology. Of course, any definitive measure would require extensive analysis of data, including the complete maintenance history of the existing fleet. Nevertheless, based on our experience with other municipalities as well as very conservative assumptions, we can conclude the necessity for the Town to begin to address its aged fleet and rotate vehicles out of its inventory which have reached their useful life. Such a move not only saves resources, but may also increase the safety of employees who are called upon to use these vehicles on a daily basis.



*Public Works vehicles only.

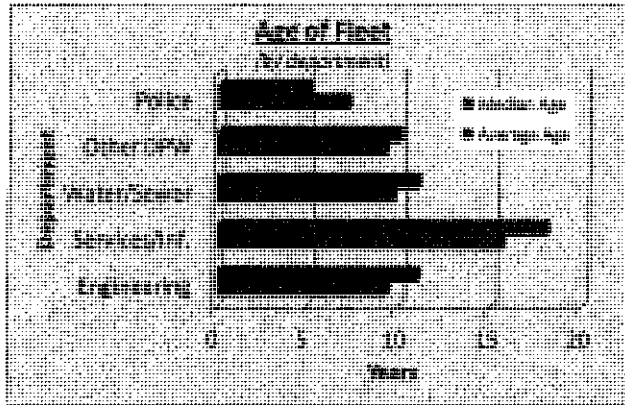
Meanwhile, a very different situation exists within the Police Department, where the 56 identified Police vehicles have an average age of 7.17 years. That may appear to indicate that Police also separate from an antiquated fleet, if not for the fact that the median age is five years. Ideally, we would like to see in any fleet analysis a median age, which is lower than the average age. It is recognized that most jurisdictions will maintain a number of older vehicles for specialized and infrequent work. Therefore, the median age tends to be more indicative of the fleet's true age. In Dartmouth's situation, the median age for vehicles in the Department of Public Works is greater than the average age. The opposite is true for the Police Department. The chart on the next page illustrates this situation.

Description	Age/Miles
Automobiles	
Sedan	8 years/90,000
Patrol	5 years/95,000
Vans	
Passenger	8 years/90,000
Cargo	10 years/95,000
Light-duty trucks	
Sport Utility	8 years/90,000
Pickup and 4X4	10 years/95,000
Medium and Heavy Duty Trucks	12 years/100,000
Buses	10 years/100,000
Misc. Equipment	By Condition

Sample timetable utilized by the City of Santa Clara, California.

To its credit, the Town has replaced approximately 15 Public Works vehicles between 2009 and 2012. At a replacement rate, however, of five vehicles per year, it would obviously take decades to rotate units back could warrant replacement. Therefore, the current replacement rate will do little to improve the quality of the Public Works fleet. The Town may therefore need to consider less orthodox methodologies to fleet replacement.

The cities of Gardena, California and Lake City, Florida bound themselves in similar circumstances as those now being encountered by Dartmouth. Both cities have been able to significantly accelerate their replacement of vehicles and lower operations and maintenance costs associated with their fleet by entering into fleet management agreements with vehicle leasing companies. Both cities experienced decreased funding scenarios which prevented them from replacing aging vehicles. In the case of Gardena, almost half of the administrative fleet had more than 75,000 miles and were 6 to 10 years old. That city was able to utilize a leasing agreement to better utilize their cash flow and replace more vehicles with less capital. Their 10 year vehicle replacement plan was transformed into a five-year plan. Lake City, meanwhile, was able to create a lower sustainable fleet costs scenario and shorten vehicle life cycles from 21 years to five years, thereby freeing up maintenance resources for critical service vehicles. They introduced a 10 year budget model, utilizing this leasing plan, which created an estimated \$1.1 million in annual savings. Both cities also reported significant fuel savings associated with maintaining a newer fleet.



Finding Three Recommended Solutions

- The Town should immediately implement an automated system for tracking fleet performance as well as maintenance, repairs, and operations. The Tennessee Research and Creative Exchange, in its University of Tennessee 2012 report suggests, "In order to properly track costs, fleet management software is a must. Software tied to make, model, class and department should track preventive and scheduled maintenance, fuel usage, repair time, etc., for each vehicle. Software should interface with fuel systems. Many good fleet management software systems are on the market. The main goals of any fleet management system are to provide information to improve efficiency, decrease downtime and in-service breakdowns, reduce inventory, lower ownership cost and avoid waste. The selected software should provide detailed vehicle information such as: downtime, percentage of downtime, total miles traveled and cost/mile. It should be able to provide information on mechanics' efficiency and productivity. It should track parts inventory and have the capability to track/analyze all direct and indirect labor costs. This information should be used in purchasing decisions."
- Given that there exist three separate fleet managements within the Town, we recommend consolidation of fleet management into one division. This move will consolidate ownership and maintenance of all Town vehicles and equipment. There are several benefits associated with fleet management, consolidation. First, such centralization will provide the Town with the ability to obtain the optimum usage of every vehicle and piece of equipment and thereby reduce the size of the Town's fleet. By having full ownership, the fleet division can decide the best time to surplus of vehicle or piece of equipment. Also, as the centralized owner, the fleet division would also be able to determine if a vehicle or piece of equipment could be used by another department versus been sent to surplus. A centralized fleet management operation will also provide the Town with the ability to standardize vehicle specifications.

This will result in the development of one set of specifications for sedans, one set of specification for trucks, etc. Such will ensure each set of specifications received the highest level of development expertise. Decisions regarding equipment acquisition can then be made on an objective analysis versus driver/operator preference. Standardizing specifications equates to maintenance and repairs, efficiencies. Finally, centralized management of fleet can provide the Town with a corresponding centralized focus on pride of ownership, thereby keeping it clean and in good operating order. Such also provides the Town with the ability to develop a city – wide fleet replacement fund. Our team will be more than pleased to assist the Town in moving forward with this consolidation should such be desired.

- The Town should establish a written fleet with placement policy and associated procedure. The American Public Works Association publishes a vehicle replacement guide based on a weighted point system which includes age, usage, type of service, maintenance and repair costs, and overall condition of the vehicle. We also recommend a vehicle replacement policy that is based on a point system. Specifically, any policy should be based on a 15 point system, which will allow the Town to evaluate each vehicle annually and assigned points to each vehicle based on age, mileage, and repair costs. Vehicles should ideally be replaced after reaching 15 points using established guidelines. This is not to suggest that points are capped at 15. Points continue to accrue as long as age, mileage, and maintenance costs are being accrued. The point system can be applied fairly to most vehicles, regardless of their expected lifecycle or mileage.

The point system is simply a tool that quantifies the measurable criteria (age, mileage, repairs), and assists staff in prioritizing replacements. For example, consider the following:

Age	1 point for each 1/5 of target age
Miles	1 point for each 1/5 of target miles or hours
Maintenance	1 point for each 1/5 of target maintenance costs

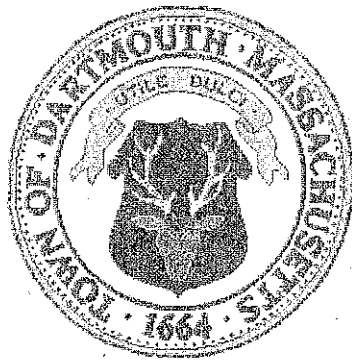
Sample targets for a few types of vehicles are provided below:

Vehicle Category	Target Age (years)	Target Miles or Hours	Target Maintenance: Percent of original purchase price
Sedan	7	100,000 Miles	50%
Police Motorcycle	3	25,000 Miles	50%
Police Sedan	6	75,000 Miles	50%
Pickup	7	100,000 Miles	50%
Public Works 10 Wheeler	8	100,000 Miles	50%
Public Works Heavy Equipment	8	100,000 Miles	50%
Public Works Sweeper	8	3,500 Hours	50%

These targets should not automatically trigger replacement. Targets are simply the expected age Miles when replacement should be considered, based on industry standards and actual experience. Vehicle downtime and frequency of visits to the repair shop should also be

considered in the decision-making process. Any effective fleet replacement policy should also provide replacement flexibility, depending on department needs, funding, or other circumstances. Meanwhile, fleet management should not only be centralized, but also include participation from a fleet management board. This board is usually composed of the fleet manager, a Selectman, a Finance representative, and representatives of major or primary fleet users, such as Public Works and Police. It is recommended that the Fleet Management Board make recommendations annually to the Town Manager regarding vehicles to be replaced.

- In determining the most effective methodology for financing fleet replacements, the Town should consider more than one option. Specifically, the Town should consider financing the purchase of vehicle groups utilizing a lease purchasing plan provided through financial institution. Such a method can provide the Town with the ability to replace several vehicles at one time, financing the costs associated with the purchase over a small number of years. Many banks and other financial institutions are able to provide this leverage. Another method which should be considered is the permanent leasing of vehicles through a commercial leasing company. In recent years, many of the major vehicle rental companies have established corporate leasing programs. As mentioned previously, the City of Gardena, California took advantage of such a program to address their aging fleet. Lake City, Florida implemented a similar methodology. In both cases, those municipalities report reducing costs related to maintenance and the number of personnel dedicated to vehicle repairs. Lake City actually reported the ability to reduce the size of its general-purpose fleet by 20%. In both cases, though cities reported saving between 10 and 20% of what was originally been spent for operations and maintenance.



FINDING #4: Alternative Fuels

Dartmouth should expand its investigation and use of alternative fuels and sources of energy; especially gas electric hybrid automobiles and bio fuels (recycled vegetable oil).

This is an exciting time for local governments and their efforts to evaluate alternate fuels for municipal use. Municipalities in Utah have been the leader in this national effort. In May of 2006, Ogden City became the first municipality in the United States to use hybrid vehicles on police patrol. Alternate fuels include but are not limited to:

- Gas electric hybrids,
- Propane,
- Natural gas,
- All electric,
- B20 Bio Fuel and
- Recycled vegetable oil
- Diesel electric hybrids.

Clearfield City, Utah has been using B20 for the past nine summers. Clearfield City has also purchased fuel-efficient vehicles and gas electric hybrids.

Gas Electric Hybrid Vehicles

Ogden City, Utah and Westwood, New Jersey were the first two communities in the United States to use gas electric hybrid vehicles on police patrol. The New York City Police Department (NYPD) in March of 2009 became the largest police department in the country to put hybrids on patrol. The NYPD purchased 40 Nissan Altima hybrids, outfitted the vehicles for police use and placed them in service. Based on the input of the officers driving the vehicles, the factory installed front seats were removed and retrofitted with a flatter, bench type of seat. This allows more room for the equipment on the officers' belt.

Attachment A is a comparison for the Borough of Westwood, New Jersey that outlines the cost and fuel consumption of a conventional Crown Victoria and five (5) hybrid models. The NYPD has reported that the Nissan Altima Hybrid on patrol is averaging 35 miles per gallon (mpg). To err on the side of caution the analysis uses 30 mpg.

The Crown Victoria averages seven (7) miles per gallon. It is driven 15,500 miles per year. The vehicle will consume 2,214 gallons of fuel. The average price of a gallon of gasoline during the period January 1st to August 31, 2009 for municipal purposes was \$1.83. It will cost \$4,051.62 for fuel for the Crown Victoria.

The Nissan Altima averages thirty (30) miles per gallon. It will be driven 15,500 miles per year. The vehicle will consume 517 gallons of gasoline. The average price of a gallon of gasoline during the period January 1st to August 31, 2009 for municipal purposes was \$1.83. It will cost \$945.50 for fuel for the Altima.

Using the Altima on patrol will save 1,697 (2,214 – 517) gallons of gasoline. This equates to a saving of 76.7% or \$3106.64 (1697 x \$1.83). The total cost of the Altima is \$26,491. The total cost of a Crown Victoria is \$21,829. The Altima costs \$4,662 or 21.3% more than the Crown Victoria. When the annual fuel savings is factored in, the Altima reaches net zero cost in 1.5 years (\$4,662 divided by \$3106.64). From month nineteen (19) on through the end of the useful life of the vehicle, it becomes more cost effective to purchase and operate an Altima on patrol.

Using the same methodology, from month sixty-one (61) on through the end of the useful life of the vehicle, it becomes more cost effective to purchase and operate a Toyota Highlander hybrid.

Recycled Vegetable Oil

During calendar year 2012, Dartmouth purchased 73,131.5 gallons of diesel fuel. If the Town was able to reclaim used vegetable oil from restaurants, recycle or filter it in house and then use 7,500 gallons (10.2% of the 2012 diesel fuel total) of the recycled vegetable oil as fuel in its diesel engine vehicles, the cost of diesel fuel would be reduced significantly. If the fleet average is 5.7 miles per gallon (mpg), this equates to 42,750 gallons of diesel fuel saved. At \$3.27 per gallon, this equals a savings of \$24,525. The Town would be able to reduce the purchase of diesel fuel by 10%. According to the EPA's web site, each gallon of diesel fuel that is used creates 20 pounds of particulate pollution. Therefore, the converse is true. Every gallon of diesel fuel that is not used prevents 20 pounds of particulate pollution from entering the environment. Based on 260 work days per year this equates to filtering and using 28.8 gallons of vegetable oil per day. If the calculation is based on 230 work days per year than 32.6 gallons of vegetable oil per day should be filtered and used.

Dartmouth has the in-house resources and the opportunity to reduce diesel fuel consumption, save the taxpayers' money and prevent 150,000 pounds (7,500 gallons x 20) of particulate pollution from entering the environment each year. This is the equivalent weight of 72 Ford Escorts. On September 30, 2013 the average cost of diesel fuel was \$3.86. The more efficient Dartmouth becomes, the more money it can save. If the cost of diesel fuel increases, Dartmouth will save more money. If a used Waste Oil Centrifuge can be obtained, 400 gallons of vegetable oil per hour can be filtered. The Final Report will contain an attachment which will demonstrate how Dartmouth's Fleet Management staff can produce recycled vegetable oil for use and significant cost savings in municipal vehicles for between \$0.97 to \$1.46 per gallon.

Recommended Solution

- The Town enjoys the opportunity to save thousands of dollars annually and at the same time demonstrate to its citizens both fiscal and environmental responsibility. It should therefore act to identify fleet units as candidates for vegetable oil conversion. The Town should likewise evaluate the feasibility of implementing hybrid and flex fuel vehicles as part of its fleet replacement policy and practice.

FINDING #5: Development Process Consolidation

The Town's Development Process can be improved via the consolidation of relevant divisions. Current fragmentation inhibits fluid cooperation and information sharing between staff and does little to lift the current level of customer service.

The current development process requires a patron to interface with as many as five different Town offices located in three separate locations and on three levels within Town Hall and the Department of Public Works. Not only does this fragmentation contribute little to customer service, such also requires relevant personnel to unnecessarily expend time associated with interfacing with their colleagues. Staff duplication is likely an additional result of this fragmentation.

When it comes to developing in the Town of Dartmouth, five offices are involved or could be engaged in some part of the process. These offices include Public Health, Environmental Affairs, Inspections, Planning, and Development. These offices are located in three separate locations within Town Hall and on three levels, as well as at the Department of Public Works. This separation complicates customer interactions with staff, as well as requires staff to unnecessarily expend time and energy interfacing with each other. In addition, the physical separation of these offices may also have an effect on information sharing, thus increasing the chances that critical mistakes and omissions could be made during any given development process. As the Town Manager notes, "In addition to physical separation which is a problem, there has been no implementation of a computerized unified permit management system. Thus, you can have people meet with one Department and file an application and have no knowledge of the project until a board has a meeting and the press writes a story."

We agree that the Assessor, Development Office, Public Health Department, Inspection Services, and Planning should all have access to the same computer and software programs. This will allow the decision makers to have up to date information on building and land values as well as construction progress on approved projects. It will also provide all departments with ways to verify that projects have been approved for development.

Finally, while our examination has not been completed at the time of this report, it is very likely that unnecessary fiscal resources are being expended to support duplicative staff. A physically consolidated community development office could allow the Town to reduce supporting clerical staff or assigned them to other critical areas. While we recognize the legislative difficulty associated with an organizational consolidation of these offices, the Town could pursue a physical consolidation and the establishment of a one-stop customer service desk or development.

Beyond enhanced customer service and accuracy, physical consolidation of development related staff could facilitate cross training opportunities. Such would allow for office coverage during critical customer service periods as well as provide additional resources during vacation or sick days.

Recommended Solutions

- The Town should physically consolidate development related services. Administration, following consolidation, should then assess staffing needs to test the feasibility of staff consolidation. If the need of one clerk could be eliminated, this would save the Town in excess of \$40,000 per year
- The Town should acquire and implement a unified permit management system.

FINDING #6: Performance Measures

Town departments could do more to strategically utilize performance measurements and track outcomes.

Our review showed very few instances of performance measurement utilization and work tracking. The use of outcome measures is essential for accountability and quality improvement.

Most departments of the Town show no activity in work tracking or outcome measurement. In fact, the Youth Advocate has some time ago ceased even logging or recording his interactions with program patrons. Such information is not only necessary from accountability perspective, but is also essential if the Town is to succeed in focusing resources on essential programs and lifting levels of service.

The old adage that "what is not measured cannot be improved" absolutely applies to municipal governments and the provision of citizen services. Outcome measures, meanwhile, should be applied or connected to a community strategic plan. Our final report will provide an example of such a plan and outcome measures.

It is, meanwhile, acknowledged that the Town, for the past year, has participated in the Citi STAT program sponsor by the Collins Center at UMass Boston; and the Town should be commended for being one of the leaders in Massachusetts regarding this participation. In fact, the Town Manager is recognized as a champion for this program. Nevertheless, he has admitted that the focus has to this point rested exclusively on Police and Public Works. He also states that the program is currently expanding to Finance.

While we compliment the School Department for its efforts to develop a departmental strategic plan, such an effort should be made by the community of Dartmouth as a whole. Such a plan will not only facilitate the measurement of performance and make relevant the tracking of work, but will also allow Administration to focus resources on programs and services that matter most to citizens. Other benefits of strategic planning include the provision of discipline and political will to press forward with or reject initiatives that do or do not align themselves with the tenets of the strategic plan.

Strategic planning is best inclusive of the third-party facilitator, utilizing citizen participation in its composition. The process includes the establishment of a strategic planning advisory committee, again, composed of volunteer committee members, and the assessment of community priorities. This process can take typically more than a year to complete. Most attention and effort, in such a process, is spent on surveying and engaging citizens and stakeholder groups. Near the end of the process, citizen and stakeholder feedback can then be articulated as community strategic directives, and the strategic planning committee can recommend more specific strategic initiatives associated with each directive. We will be pleased to advise Dartmouth regarding such a process if so desired.

Recommended Solutions

- The Town should engage citizens and stakeholder groups in a broad-based community strategic planning initiative; the product of which should be a five-year community strategic plan.

- The Town should utilize their new strategic plan as the basis for establishing performance outcomes in each Department, tying each outcome to community strategic directives. Meanwhile, Administration should work with departments to ensure that work tracking is occurring.
- The Town should be commended for their involvement in the Citi STAT Program, and should continue to expand this program throughout the Town.

Additional Observations, Possible Findings and Ongoing Analysis

During the course of our assessment and analysis, the team observed other issues to which we are continuing to analyze and issues we recommend Administration may need to pay special attention. Results of our analysis in these areas will be included in the Final Report.

IT Support Redundancy / Reduced Potential for Risk

- The current IT manager is a member of the National Guard. There exists no redundancy in the Town with regard to the support of IT services. Dartmouth should prepare a plan to provide for these services if the IT Manager is called to active duty or is unable to carry out the responsibilities of the position. The examination of privatization or outsourcing options may be appropriate here.

Water Meter Inventory / Potential Cost Savings

- The Town's inventory of water meters is antiquated and likely not measuring usage accurately. Water meters, our experience shows, decrease in accuracy after 10 years of usage, unless they are recalibrated. The Town is currently engaged in a replacement initiative, which we very much encourage. As replacement progresses, we encourage the implementation of technologies which will minimize the need for manual reading. Our understanding is that the Town intends to utilize a radio – read technology. While such is not representative of the latest technology, radio – read represents a significant improvement over wand or manual read methods. In the future, the Town may want to consider Wi-Fi applications as well.

Cemetery Records Databasing & Geo-referencing / Improved Service Delivery & Reduced Risk

- Until April of this year, Cemetery records were kept in a decentralized fashion by various Cemetery board or commission members. The Town has since begun to reorganize these records and automate Cemetery administration. Staff, meanwhile, has been able to only address the records of one Cemetery. It is likely, given staff limitations, that current personnel will be unable to adequately and in a timely manner address this critical need. The Town should monitor the situation and consider outsourcing the collection and automation of Cemetery records.

Additional Planning & Development Personnel / Improved Application Process & Reduced Delays

- Planning and Development staff has mentioned the potential benefit associated with assigning a specific employee to provide hands on assistance to development users (residents and contractors). Specifically they have suggested the establishment of a development assistance program ombudsman. Having an individual on-hand to guide patrons through the Town's application process could save staff time in the long run and provide a higher level of customer service. If patrons are better prepared, mistakes, redlines, and punch-list items could be reduced, thus saving staff and patron time. It would also reduce the length of time required to return unused escrow funds to the appropriate party. If the physical consolidation of the

development departments is achieved, staff would likely have the man hours required to implement this customer service initiative.

Fleet Operations & Privatization / Potential Cost Savings

- This review does not include as part of its scope the completion of an evaluation of fleet operations and privatization options. Such a study would require specific data and analysis that can be provided in the future. It is recommended that Dartmouth consider conducting an in house analysis of this topic. If current obligations preclude an in-house study, the Town could consider commissioning a specific study of fleet privatization. There is enough information from the current review to justify such an analysis.

Fire District Reimbursement for use of Town Resources / Potential recovery of \$60,000/year

- Three separate taxing fire districts currently provide service to the citizens of Dartmouth. Staff has reported, although such was not confirmed by our team, that the fire districts utilize \$60,000 annually in Town resources. These taxing entities, unless existing agreements preclude such, should reimburse the Town annually for the expenditure of these resources.

Meter Reading Accuracy: Semi-annually to Quarterly / Increases Collections Accuracy

- Are there plans to go from semi-annual meter reading to quarterly? Quarterly meter reading and billing helps even out the Town's projected income stream. It also allows for quicker identification of water leaks and over the long term improves conservation of this precious resource.

Harbor Master Equipment: Use of Covered Boat for Increased Water-based Presence

- The Harbor Master/Shell Fish Warden and Deputies are provided on the water on a 12 months per year basis. The use of a boat with a cabin during the fall and winter seasons, as well as in bad weather, represents a beneficial use for the Town.

Privatization Alternatives: Outsourcing of Additional Services should be Studied

- Our examination of Town operations and discussions with Department directors and staff reveal little in the way of privatization effort. While more focused and extensive examination of privatization options would be needed to precisely determine or identify opportunities, our study did provide us with enough evidence that possible privatization may lie within several areas. While the Town does contract for larger capital projects, it should continue to consider privatization options and expand its inventory of outsourced services. A blue print for privatization should include, meanwhile, a determination of whether the service is appropriate for privatization, the identification of underlying issues that privatization is intended to address, the articulation of goals to all affected public, the determination of private sector capacity to provide the service, the identification of possible impacts of privatization on citizens and employees, the determination of how contract performance will be monitored and measured, and the preparation of a plan to take over the service, if necessary, after the service has been outsourced.

Appendix

Alternative Fuels – Potential Savings

Clearfield City
 Recycled Vegetable Oil Cost Benefit Analysis
 As of October 23, 2009:

FY2010 Budget	Full Time Equivalents	Work Hours Per Yr.	Man Hours Per Yr.	FY 2010 Fuel Budget	% Of Budget	FY 2010 Salary & Expenses	Hourly Rate	Recycled Oil-To Be Filtered	Gallons Per Hour	Hours To Filter	Cost To Filter	Cost Per Gallon To Filter In House
\$883,538	3	2080	6240	\$183,950	0.21	\$699,588	\$58.20	7,500	40	187.50	\$10,912.50	\$1.46
\$883,538	3	2080	6240	\$183,950	0.21	\$699,588	\$58.20	7,500	45	166.67	\$9,700.00	\$1.29
\$883,538	3	2080	6240	\$183,950	0.21	\$699,588	\$58.20	7,500	50	150.00	\$8,730.00	\$1.16
\$883,538	3	2080	6240	\$183,950	0.21	\$699,588	\$58.20	7,500	55	136.36	\$7,936.36	\$1.06
\$883,538	3	2080	6240	\$183,950	0.21	\$699,588	\$58.20	7,500	60	125.00	\$7,275.00	\$0.97

As of October 5, 2009										COST		Gallons Pay Back		
MODEL	PURCHASE COST	FIT OUT COST	ESTIMATED		PRICE			GALLONS PER YEAR	WARRANTY	DIFFERENCE vs. CROWN VICTORIA	YEARLY FUEL COST	Yearly Fuel Savings	Yearly Saved Per Year	Period Fuel Savings
			TOTAL COST	MPG	PER GALLON	ANNUAL MILES	PER YEAR							
Crown Victoria	\$20,329	\$1,500	\$21,829	7	\$1.83	15,500	2,214	3 Yr / 35,000		\$4,052.14				
2010 Toyota Highlander Hybrid	\$31,144	\$2,561	\$33,705	17	\$1.83	15,500	912	Basic - 3 Yr / 36,000 Powertrain - 5 Yr / 60,000 Hybrid Component 8 Yr / 100,000	\$11,876	\$1,698.53	\$2,383.61	1,303	5.0	
2009 Toyota Highlander Hybrid	\$30,487	\$1,195	\$31,682	12.6	\$1.83	15,500	1,230	Basic - 3 Yr / 36,000 Powertrain - 5 Yr / 60,000 Hybrid Component 8 Yr / 100,000				984		
2010 Ford Escape Hybrid	\$28,497	\$1,945	\$30,342	29	\$1.83	15,500	534	Basic - 3 Yr / 36,000 Powertrain - 5 Yr / 60,000 Hybrid Component 8 Yr / 100,000	\$8,513	\$978.10	\$3,074.04	1,660	2.8	
2008 Ford Escape Hybrid	\$27,490	\$1,282	\$28,772	17.7	\$1.83	15,500	876	Basic - 3 Yr / 36,000 Powertrain - 5 Yr / 60,000 Hybrid Component 8 Yr / 100,000				1,339		
Nissan Altima Hybrid	\$25,391	\$1,100	\$26,491	30	\$1.83	15,500	517	Basic - 3 Yr / 36,000 Powertrain - 5 Yr / 60,000 Hybrid Component 8 Yr / 100,000	\$4,682	\$945.50	\$3,106.54	1,698	1.5	

NOTES: 1. Miles per Gallon for the Crown Victoria is based on a 2004 model tracked from the fuel monitoring reports from January through August 2009
 2. Miles per Gallon for the 2009 Toyota Highland Hybrid is an average based on the fuel monitoring reports from January through August 2009
 3. Miles per Gallon for the 2008 Ford Escape Hybrid is an average based on the fuel monitoring reports from January through August 2009
 4. Price per Gallon is an average based on the fuel monitoring reports from January through August 2009