

Organization Personnel, and Technology Committee

Item #6-b

Summary

Report on cost saving actions in the Administrative Services Section



Cost saving actions in the Administrative Services Section

Organization, Personnel and Technology
Committee

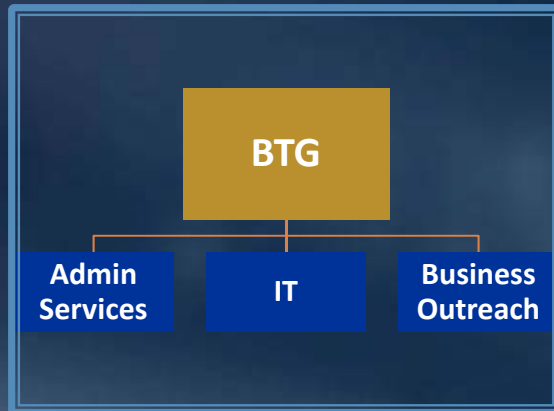
Item 6-b

February 11, 2013

Overview

- Administrative Services Section
 - Organization
 - Scope of Services
- Cost saving actions
 - Implementation
 - Results & Effectiveness

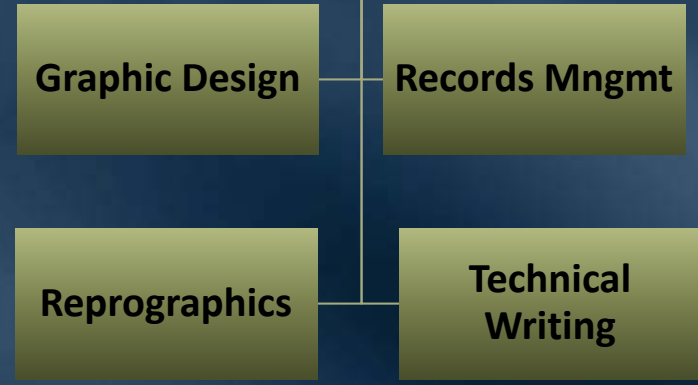
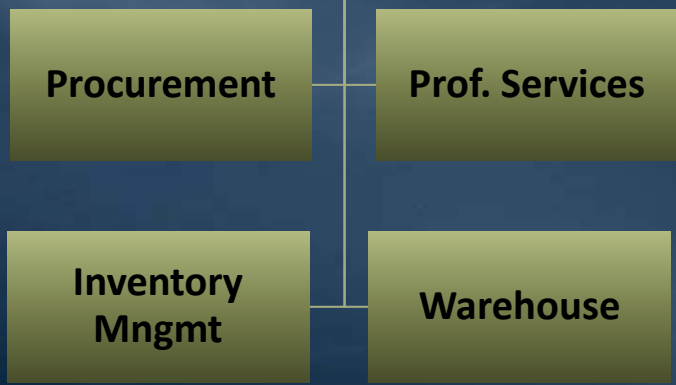
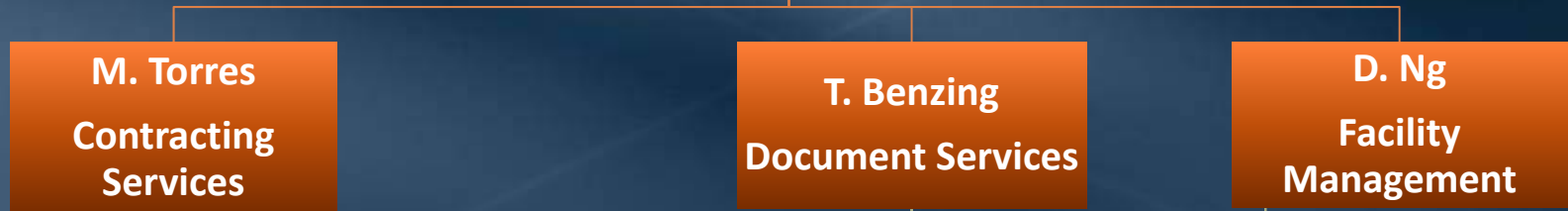
Administrative Services Section



Octavia Tucker
Section
Manager

Budget:
FTE 12/13 - 101
O&M - \$19.5 mil

Business Team



Cost Saving actions

1. Renegotiate pricing on existing contracts

- Example: Cost savings on fluoride contract
 - Original price - \$539 per ton
 - Renegotiated price - \$472 per ton
 - **Annual Savings** – \$350,000

Cost Saving actions

2. Implement results of Reprographics Assessment

- Result:
 - Staffing reduction and resized equipment
 - **Annual Cost Savings (staff/equipment):**
\$265,000

Reprographics Equipment

Existing Equipment



Reduced Capacity Equipment



Cost Saving actions

3. Energy savings at Union Station Facility by altering janitorial approach

- Result:
 - Reduction in energy usage
 - **Annual Savings: \$65,000**

Headquarters Facility

Lighting Before



Lighting After



Cost Saving actions

4. Conduct and implement results of Printers and Copiers Assessment

- Result: Reduction in # of print devices
 - Target: 30% - 50% reduction
 - **Estimated Annual Cost Savings: \$150,000**

Current to Proposed

- Fax, Printer, Copier, Scanner



- Multifunctional Device



Annual Cost Savings

Actions	Cost Savings
Renegotiate Contract Pricing	\$ 350,000
Reprographic Staff and Equipment	\$ 265,000
US Energy Savings	\$65,000
Reducing Print Devices	\$150,000
Other	\$45,000
Annual Cost Savings	\$875,000

Ongoing and Future Actions

- Additional energy reductions at Headquarters
 - Headquarters lighting assessment
- Competitive freight services
- Assess manufacturing of stock items
- Digitizing documents for storage and retrieval
- Assess telephone operator services