

Worksession

MEMORANDUM

March 3, 2011

TO: Government Operations and Fiscal Policy Committee
FROM: Dr. Costis Toregas, Council IT Adviser
SUBJECT: Status Report - Cross Agency Resource Sharing Initiative (CARS)

Expected to attend:

Fariba Kassiri, Assistant CAO

Other participants will be available to comment on project status as appropriate.

Summary of staff recommendations to the GO Committee:

1. Receive briefing and consider ways the Committee and full Council can assist the implementation effort of this important endeavor.

Overview

The Cross Agency Resource Sharing (CARS) initiative involves all County agencies to explore ways that service delivery costs can go down through resource sharing. It is a purely volunteer effort, driven by an Executive Committee of top leaders and with subcommittees in nine basic government functions:

- Information Technology
- Utilities
- Facilities planning, design, construction and maintenance
- Procurement
- Space utilization
- Fleet
- Mailing, printing, and document management
- Employees and retirees benefit plans
- Administrative functions (payroll, budget, finance, training, etc.)

©1-3 is an early document detailing the scope, organization, and participants of the CARS effort. ©4 gives the basic premise visually; through sharing of resources, the overall cost of providing governmental services across agencies can be reduced, while permitting individual actions to be undertaken by each organization according to their desires, budgets, and vision. However, the major participation incentive is self-interest and desire to share across agencies; thus, the CARS initiative falls short of an ability to compel an agency to do something together with another - something which is often desired in order to make major changes and streamline government operations across agencies.

Status

On December 8, 2010, the CARS project selection process was completed, and the description, parameters, and timelines for each are contained in a complex chart provided on ©5-20. A summary of expected cost savings is shown on ©21, which makes it easier to appreciate the bottom line impact of the efforts. It should be understood that benefits other than fiscal savings accrue through collaboration, such as improved knowledge of County operations throughout all agencies, faster and more satisfactory citizen experience, and many others. However, the fiscal impact is also extremely helpful in a time of economic stress. Ms. Kassiri will provide a more current status report as of March 2011.

Questions for the Committee to explore

1. Is the volunteer nature of CARS impeding progress on the cost-saving front? Are there actions the Committee or Council can take to encourage further collaboration and participation?
2. The timeframes for each project vary. Given the fiscal situation all agencies are confronting, are there ways to accelerate the implementation of projects?
3. How does the work of CARS relate to the recommendations of the OLO group on structural budget deficits and the recommendations of the Organizational Reform Commission?
4. How can the Committee's budget authority assist the successful implementation of the projects and overall initiative goals?

Cross-Agency Resource-Sharing (CARS) Committee

May 2010

Background: In preparing the FY11 Operating Budget, we have gathered cost-saving suggestions through several methods and sources, resulting in a variety of ideas and solutions. By reaching out to our partners in MCPS, Montgomery College, M-NCPPC, HOC and WSSC, we have started a collaborative process that will enable the County to more effectively address future budget challenges in FY12 and beyond.

On February 3, 2010, the heads of the six County agencies (MCG, MCPS, Montgomery College, MNCPPC, HOC and WSSC) and the Council staff director held the first Cross-Agency Resource-Sharing (CARS) Committee meeting. The main objective of CARS is to work together and reach an unprecedented level of cross-agency collaboration and partnership towards improving the County's long-term budget challenges and sustainability of services. It is essential that we also create a framework that delivers results in a transparent and timely manner. Over the past several weeks, the agency heads established the following guidelines for the "Cross-Agency Resource Sharing" work groups.

Overall Purpose: The purpose of the CARS Committee is to provide a forum for coordination among Montgomery County agencies that seeks to share ideas/best practices, develop resource-sharing strategies to achieve operational efficiencies, reduce costs and improve the quality of services offered to our residents and businesses. The CARS Committee will be an ongoing forum focused on cross-agency efficiency solutions that seek to build the long-term sustainability of the services provided to our residents. The CARS will pay special attention to existing barriers and move forward the interests of the single "customer"- the Montgomery County taxpayer.

Organizational Framework: The key objective of the CARS Committee is to encourage cooperation and collaboration among employees involved in this process, while also leveraging the expertise of our organizations in a manner that generates new and creative ideas and fosters strong working relationships. We will have a two-tier organizational framework that contains an Executive Committee, accountable for achieving results in a timely and transparent fashion, and a number of workgroups that will apply their expertise to sharing ideas, seeking input from a variety of sources and generating solutions to pressing issues faced by all County agencies. The relationship of CARS to the Montgomery County Organizational Reform Commission and the Office of Legislative Oversight's Structural Budget Deficit project will be carefully delineated as their respective programs are defined.

Executive Committee: The Executive Committee is composed of the following members with the authority to convene meetings on a quarterly (or as needed) basis, provide direction and act on the recommendations of each of the workgroups, and render decisions on future action items. The CARS Executive Committee has appointed representatives from their agency to serve on each of the workgroups and will

also oversee, guide, and implement the ideas/plans/strategies developed by each of the workgroups. The Executive Committee members are:

- Timothy Firestine, Chief Administrative Officer, Mon'tgomery County Government
- Dr. Jerry Weast, Superintendent, Montgomery County Public Schools
- Dr. Hercules Pinkney, Interim President, and effective August 2, Dr. DeRionne Pollard, President, Montgomery College
- Dr. Royce Hanson, Chairman, and effective early July, François Carrier, new Chairman, Montgomery County Planning Board
- Jerry Johnson, General Manager, Washington Suburban Sanitary Commission
- Annie Alston, Executive Director, Housing Opportunities Commission
- Steve Farber, Staff Director, Office of the County Council

Workgroups: The workgroups are composed of a representative from each agency. Each workgroup will elect a member to serve as the Workgroup Chair. The chair will guide overall efforts and have the responsibility of reporting progress to the Executive Committee. Each workgroup will establish clear goals and action plans for what they hope to accomplish quarterly over the next two years. In addition to preparing goals and action plans, each workgroup should create a specific mission statement to guide their efforts. These mission statements may change over time as the workgroups prioritize different aspects of their specific topic areas. However, at minimum, it must address the following three factors:

1. Cost containment or reduction
2. Innovation reflective of best practices in other comparable jurisdictions and long-term sustainability
3. Adequate level of service defined by explicit and agreed-upon metrics

The workgroups will meet independently on an as-needed basis, to complete action items and foster the creation of new ideas. All goals, action plans, and mission statements initially developed by workgroups will be presented to the Executive Committee at its first quarterly update meeting. Refining goals and action plans will follow as workgroups continue to meet.

Workgroups' Focus Areas in FY11: As agreed by the Executive Committee, the initial cross-agency resources-sharing efforts will focus on the following areas:

1. Information Technology – *utilize ITPCC*
2. Utilities – *utilize ICEUM*
3. Facilities Planning, Design, Construction and Maintenance
4. Procurement – *utilize IPACC*
5. Space Utilization
6. Fleet
7. Mailing, Printing and Document Management
8. Employees and Retirees Benefit Plans (health, retirement, etc.)
9. Administrative Functions (payroll, budget, finance, training, etc.)

Next Steps:

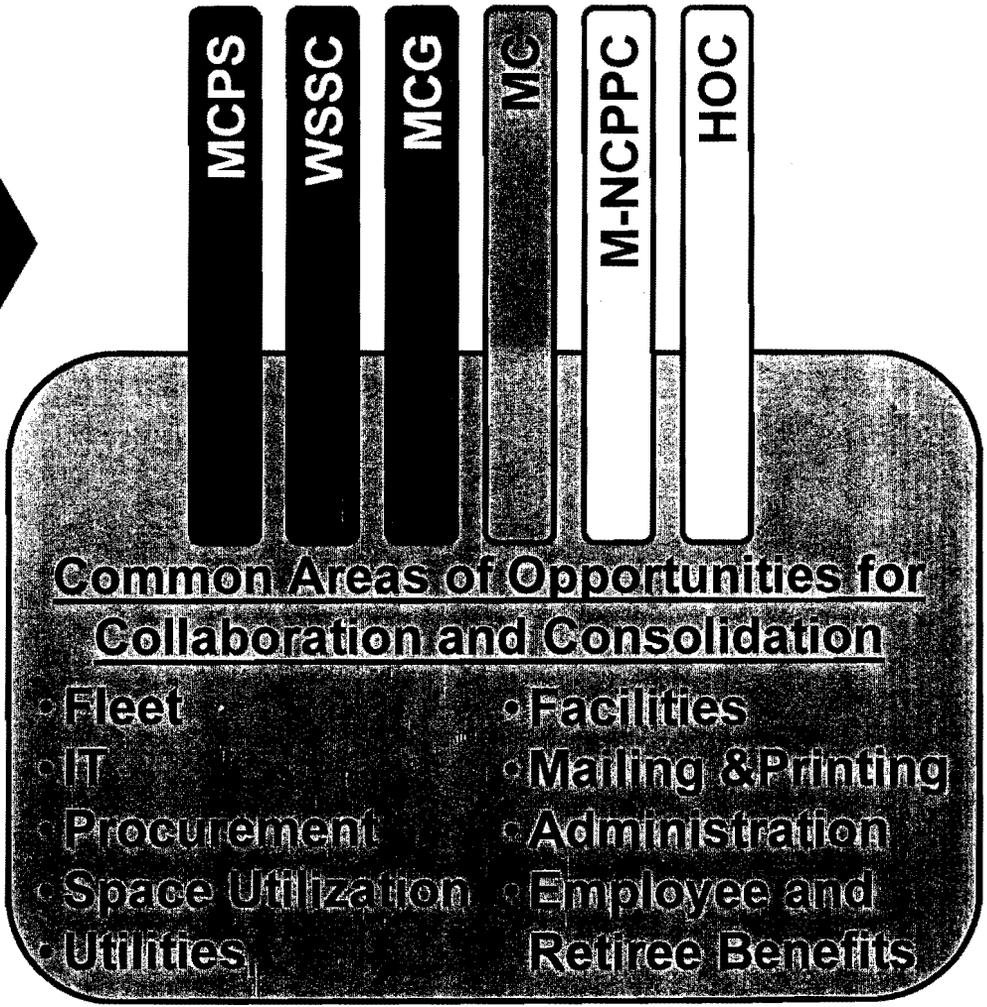
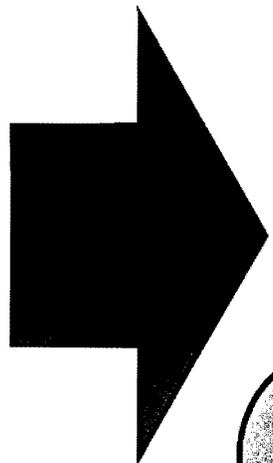
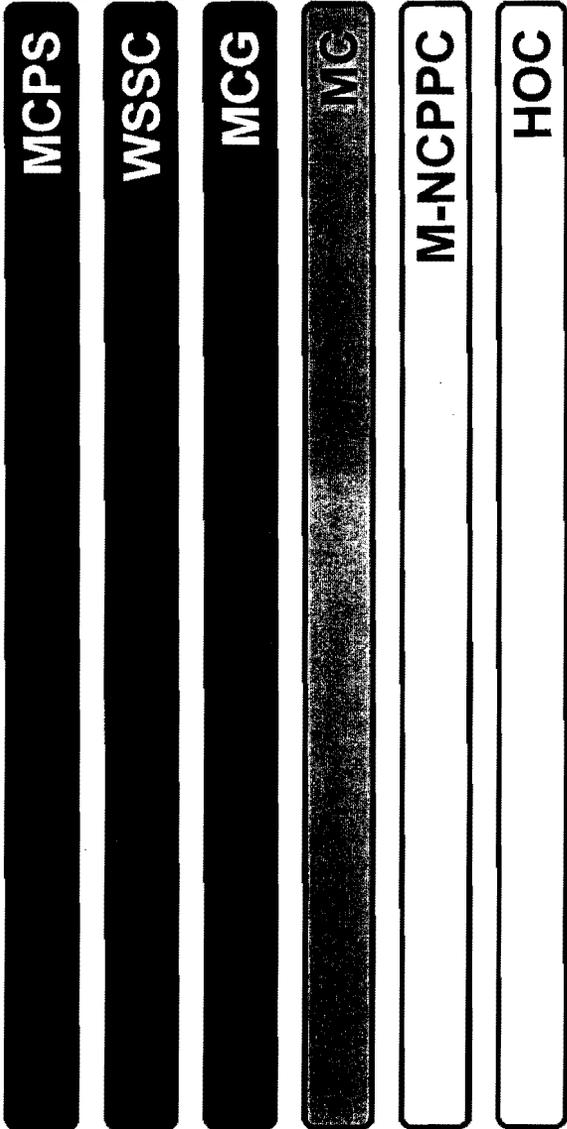
- On June 30, 2010, the CARS Executive Committee will convene the first Cross-Agency Resource-Sharing Executive Committee kick-off meeting to discuss the overall purpose, process and timelines for this effort and provide direction for the Workgroups by establishing explicit target priorities for FY11.
- The work program will make explicit those efforts that are expected to produce results in time for the FY12 budget, and those with a longer time horizon.
- On a quarterly basis (or sooner as needed), the Executive Committee will meet to receive updates, provide directions and discuss progress made by each workgroup. Implementation strategies to include pilot projects and demonstrations will be authorized and responsibility for execution will be assigned to lead agencies.
- The CARS Executive Committee will make every effort to reach out to the community at large (business, residential, non-profit) to seek input and provide guidance to the workgroups. The Executive Committee may also seek advice and input from experts unaffiliated with any member agency for selected focus areas or related options for shared services.
- The relationship of cross-agency strategies to the various legislative committees of the Council responsible for authorizing and appropriating funds for each agency will be properly defined and supported. Funding for chosen implementation efforts will be explored including pooling existing resources across agencies as well as through shared models such as the Interagency Technology Fund (ITF).

Cross-Agency Resource-Sharing Committee (CARS)

Current Practice

100% of resources

CARS Model



County Agency Representatives Steering Committee (CAVRC)

Subcommittee Final Report - December 8, 2010

Subcommittee	Recommendation	Response	Implement Date	Subcommittee Suggested Implementation Date & Projected Cost Savings	Discussion of Challenges/Obstacles	Next Steps
Utilities	1. Establish an Interagency Energy Technical Service Organization	Recommend moving forward by enhancing existing Interagency Committee on Energy and Utilities Management. It is recommended that each agency provide energy management staff and access to finance, budget and procurement staff as needed to advance initiatives.	Immediately	Immediately, in-kind resources only for FY12. No direct savings, this recommendation is necessary to support the implementation of R2, R4, R5 and R6 and future efforts.	Identifying key resources within each agency, and having access to them as needed to advance high priority energy and cost savings may be a difficulty. Currently as proposed, all activities can be accomplished under ICEUM's existing statute, however future activities may require statutory adjustments, none are recommended at this time.	1. Revise ICEUM mission (January, 2010), 2. Identify agency lead representatives/management contacts and resource needs (January, 2011), 3. Develop interagency framework (February 2011), 4. Issue call for resources and commitments from agencies (February, 2011), 5. Establish subgroups (March, 2011), 6. Develop framework for information exchange (March 2011) 5. Begin work (March, 2011), 6. Conduct Quarter meetings (ongoing).
Executive Summary of Recommendations	2. Multi-Agency Energy Service Contract Agreement for Energy-Efficiency and Renewable Energy Retrofits	Recommend that agencies move forward with developing a performance contracting procurement vehicle and financial options to advance a large package of building retrofits. As soon as practical County Department of General Services, Department of Environmental Protection, Office of Management and Budget, Finance and Agency representatives will convene to address the following items - 1.) Develop a common RFP for agencies, in which all agencies can opt into as participants, 2.) Identify the best funding option(s) including energy service company performance contracting and County bond options, 3.) Measurement and Verification needs, and 4.) Resource needs including staff. By December 31, 2011, the County and participating agencies should have a clear funding plan and RFP ready for issuance.	Mid Year FY 12	Recommended that an RFP be issued by March, 2011 soliciting ESCO services and that the first project be awarded in July of 2011 with a completion target of January 2012. The County's terms to proceed on a project would require that the agencies or County be guaranteed a savings equal to at least 5% of the total facility annual utility budget after all debt service and project management costs by the ESCO. For a full year of operations, for \$11,000,000 of ESCO financed retrofits this would conservatively equal \$550,000 annually of net savings to the County and participating agencies. Savings persist for 15 years, though may decline slightly over time due to a variety of factors. Most costs are included in the ESCO contracts or the project management costs that are factored into the savings estimate. The committee recommends that sufficient funds be reserved to provide for one new FTE (or equivalent contractual support) to oversee coordination of the ESCO contract, these costs would be considered part of the project management costs.	As the largest scale recommendation there are a number of substantial challenges that need to be overcome. Specifically 1. Developing a procurement mechanism beneficial to participating agencies and compliant with agency legal requirements, 2. Developing a mechanism to allow ESCO financing or other funding sources to be carried on County and agency budgets, 3. Identifying staff or consultants to oversee implementation and verify performance, 4. Determining measurement and verification process (e.g., ESCO or independent).	1. Refine DGS developed contracting instrument for review by agencies, 2. Obtain agency sign-off to co-bid, 3. Develop agreement instrument for ESCO services, 4. Implementing finance and budget plan to allow ESCO financing to be carried on County and Agency budgets, 5. Bid and award ESCO contract(s) and independent M&V if needed, 6. Identify projects, 7. Begin construction.
Detailed Recommendations Report	3. Consolidate Utility Billing	- Each agency would appoint a leading representative.	Post FY12	To be evaluated in 2011.	TBD	TBD

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Subcommittee Title	Recommendation	Response	Implement. Date	Subcommittee Suggested Implementation Date & Projected Cost Savings	Discussion of Challenges/Obstacles	Next Steps
Utilities (Continued)	4. Interagency Energy Conservation Campaign	The utility workgroup should bring back, by December 9th, a more detailed description of the campaign including target audiences, how existing campaigns within agencies would be coordinated and resource needs.	Mid Year FY11			
	5. T8 32W to 25/28W Fluorescent Retrofit	Agencies should begin piloting in at least one facility each, comprehensive replacement of 32W T8 lamps with 25/28W replacements. Agencies are encouraged to share contracts as necessary, or build into performance contracts under item (2). Consider using the Jane E. Lawton fund as a source of capital, based on MCPS's example, to fund the retrofit to ensure that budgetary savings are realized in year one. Coordinate on common application and discussions with MEA regarding funding needs.	FY12	As soon as practical for buildings not included under R2. Projected cost savings depend on the square footage of building retrofitted however savings of \$4,000, annually per 50,000 sq. ft. of building space retrofitted are reasonable before subtracting debt service.	1. As with any energy conservation retrofit that does not pay for itself in less than a year, financing options are needed to spread the savings and ensure positive cash-flow in year one. The committee recommends reviewing the Jane E. Lawton fund for modest low interest loans to facilitate relamping. 2. Some level of technical assessment is needed to determine ballast compatibility, this level of assessment can be done by existing maintenance staff or relatively entry level low/cost sources of labor. 3. Staffing is needed to oversee the retrofit process and monitor performance.	1. Review existing lighting contracts to ensure that quality replacement lamps are available, procure or amend contracts as needed. 2. Identify buildings for retrofit, 3. Spot-check ballast compatibility and illumination levels, 4. Identify source of labor and financing, 5. Execute project and establish ongoing group relamping schedule.
	6. Building Operator Certification (BOC) Training	County Government should continue to build training infrastructure that can be delivered in the County using ARRA funds, and make best efforts to make subsidized training seats available to Agencies. Once training program is in place, agencies should evaluate opportunities to send appropriate staff.	FY12	January 2011, or concurrent with the implementation of the BOC program under the County ARRA Grant. Project costs savings depend on the number of individuals trained, their responsibilities and other factors. However, experiences from other programs indicate that savings of \$12,000 per individual are reasonable. If each of the six agencies trained one staff member total savings of \$72,000 annually are reasonable. Project costs, assuming the County's ARRA grant covers implementation, are restricted to tuition. Tuition rate needs to be established but is expected to be approximately \$1,500 per individual, of which \$1,000 can be covered by a utility rebate for a net cost of \$500 per individual per agency.	No significant challenges are anticipated, as program is slated for implementation under the County's American Recovery and Reinvestment Act (ARRA).	1. Monitor County implementation of BOC or equivalent program under ARRA grant. 2. Identify staff within agency to be trained. 3. Send staff to training. 4. Develop and implement process to track savings and benefits.

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Subcommittee	Recommendation	Response	Implement. Date	Subcommittee Suggested Implementation Dates & Projected Cost Savings	Discussion of Challenges/Obstacles	Next Steps
Utilities (Continued)	7. Expand/Enhance Cooperative Purchasing of Utilities	Additional research needed by ICEUM committee	Post FY12	To be evaluated in 2011.	TBD	TBD
	8. Establish a Energy-Efficiency/Renewable Energy Finance Fund to Reinvest a Portion of Savings from Retrofits	Additional research needed, consider consolidating as part of Multi-Agency Energy Service Contract Agreement for Energy-Efficiency and Renewable Energy Retrofits strategy.	Post FY12	To be evaluated in 2011.	TBD	TBD
	9. Participate in PJM Load Management Programs	Additional research needed by ICEUM committee	Post FY12	To be evaluated in 2011.	TBD	TBD
	10. Develop Multi-Agency Facility Sharing Plan to plan future facility use and combine efforts	It is recommended that the Facilities and ICEUM/Utilities committee coordinate to discuss opportunities for FY2013.	Post FY12	To be evaluated in 2011.	TBD	TBD
	11. Adopt Thin-Client or Similar IT architecture to reduce desk-top energy consumption	Additional opportunities may be available in coordination with consolidating IT resources amongst agencies. Recommend that Utilities/ICEUM committee coordinate with IT committee for post FY2013 and beyond.	Post FY12	To be evaluated in 2011.	TBD	TBD

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Subcommittee	Recommendation	Response	Implement. Date	Subcommittee Suggested Implementation Dates & Projected Cost Savings	Discussion of Challenges/Obstacles	Next Steps
Fleet	1. Fueling/ Fuel Management System and Infrastructure Consolidation	Expand to include all departments within all agencies with the goal of strategically locating joint use fueling facilities and reducing the number of facilities currently in use. The subcommittee's next report (due Dec. 1st) for this action item should include potential savings and a detailed implementation plan.	FY12	The suggested implementation date is early FY12. The estimated average annual operating cost per fuel site is \$42,285. This cost takes into consideration the costs of repair, utilities, environmental compliance, and site management. The subcommittee's recommendation is to reduce the number of existing fuel sites from 63 to 43; a reduction of 33%. The estimated cost savings is \$845,692. Refer to Attachment A and Attachment B - Fleet Subcommittee (http://www.montgomerycountymd.gov/mcgmpl.asp?url=/content/exec/acaos/cars/index.asp)	The acquisition of funds to install fuel management technology to fuel sites and vehicles not already covered under CIP#451104, Fuel Management. Establish a process for billing transactions across agencies. Discuss the benefits/disadvantages of consolidating fuel site management, operation and maintenance under one agency.	Conduct a survey of each fuel site to identify specific fueling activities that can be combined and fuel sites to be eliminated. Prepare an amendment to CIP#451104, Fuel Management to add a standardized fuel management system to sites that are not already covered under the existing CIP as well as omit sites from the existing Fuel management CIP that would be targeted as part of the fuel site reductions. Evaluate existing CIPs to examine potential consolidation opportunities.
Executive Summary of Recommendations	2. Share Specialized Equipment Use/Towing	Expand this action item to include other equipment. Create list of equipment that can be shared by agencies and a process by which that equipment can be identified, reserved, maintained and replaced on a shared basis. The Subcommittee's next report (due Dec. 1st) for this action item should include potential savings and a detailed implementation plan.	FY12	Towing - No savings have been identified. The subcommittee is recommending that we drop the suggestion. Specialized Equipment - the recommendation is to look at renting equipment as needed.	After looking at the capability of each office we have found that the County does not have the capability to assist each other with the towing of buses due to weight constraints. One of the possible solutions would be to implement a heavy towing capability, but the yearly cost of this initiative is more expensive than the total amount spent in contract services across county agencies (see attached). The need to use specialized equipment by different agencies was discussed (Montgomery College using the vac-truck). Review legal issues about liability and cost. MCG, Division of Fleet Management Services is in the final stages of bridging the North Carolina contract. According to MCG, DFMS the prices are very competitive. Refer to Attachment C - Fleet Subcommittee (http://www.montgomerycountymd.gov/mcgmpl.asp?url=/content/exec/acaos/cars/index.asp)	Towards the future look at the possibility of combining the different fleets into one bid to get better rates in towing services. Look at developing our own countywide request for the leasing /rent of specialized equipment
Detailed Recommendations Report	3. Training Consolidation	Move forward with implementation of this action item.	FY12	Implementation date July 2012. Projected savings has not been determined.	Consideration needs to be given to streamlining existing provisions; locations/facilities/trainers; delivery models; cost-budget considerations; balancing provisions to needs; accreditation of prior learning APL/Credit transfer; certification/awarding bodies.	The next steps for the Training Recommendation as follows: 1) Internal Agency training meetings/Analysis of training needs; 2) Agency Training Officer group meetings; 3) Formulate plan/implement initial pilot training program and review; 4) Roll out provision.
	4. Shared purchasing - combine bids for new vehicles equipment	Refer to General Note 1 in Procurement section. Advance implementation of this action item to FY12. Compile a cross-agency list of all related contracts and work with the Procurement Subcommittee to implement this action item.	FY12	This will be determined in conjunction with the Procurement Subcommittee.		

Subcommittee	Recommendation	Response	Implement. Date	Subcommittee's Suggested Implementation Dates & Projected Cost Savings	Duration of Challenges/Obstacles	Next Steps
Fleet (Continued)	5. Grants vehicles/equipment	Start cost/benefit analysis and preliminary implementation plan.	Post FY12	While the Fleet Subcommittee has discussed this Recommendation, we have had no discussions to date.		
	10. CNG -- Fast Fill	Unclear as to how this is a cross agency benefit. Is this intended to address expansion of CNG fueling operators? If so, isn't it a component of item #1?		Subcommittee agrees with Executive Committee's comments that it is not a cross agency benefit. Recommended removing from list.		
	7. Shared maintenance space	Expand this action item to include shared use of fleet personnel and also advance implementation to FY12. Pursue shared use of space and personnel to support work overflow and down periods, if any, when equipment maintenance backlogs can be addressed. Work with OMB and County Attorney on MOU and personnel chargeback between agencies. The Subcommittee's next report (due Dec. 1st) for this action item should include potential savings and a detailed implementation plan.	FY12	Suggested implementation date is early FY12 if analysis determines significant savings	Discussions have been held with the County Attorney's Office and the Office of Management & Budget staff. There are a number of challenges/obstacles that will need to be resolved before implementation can be addressed. Those challenges/obstacles include: Collective Bargaining Agreements, liability responsibilities, funding for personnel chargebacks (Internal Service Fund vs. General Fund) and tools.	Subcommittee members are meeting with legal counsel for all Agencies. Once challenges/obstacles are resolved, writing the MOU.
	8. Emergency Communications	Start assessment to develop cost/benefit analysis and preliminary implementation plan.	Post FY12	While the Fleet Subcommittee has discussed this Recommendation, we have had no discussions to date.		
	9. Parts Solicitation	Refer to General Note 1 in Procurement section. Advance implementation of this action item to FY12. Compile a cross-agency list of all related contracts and work with the Procurement Subcommittee to implement this action item.	FY12	This will be determined in conjunction with the Procurement Subcommittee.		
	11. Grants Applications	Start cost/benefit analysis and preliminary implementation plan.	Post FY12	While the Fleet Subcommittee has discussed this Recommendation, we have had no discussions to date.		

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Subcommittee	Recommendation	Response	Implement. Date	Subcommittee Suggested Implementation Dates & Projected Cost Savings	Discussion of Challenges/Obstacles	Next Steps
Administrative	1. Training Function and Service Consolidation	Continue with refinements to implementation plan and estimate of potential cost savings. Need to articulate a strong case for how cross agency consolidation of this function could be achieved without impairing existing training functions specific to each agency.	FY12	FY12 Estimated savings of \$5,000 - \$99,000.	The Subcommittee concluded that for a limited number of common training needs (e.g. word, supervision, leadership, diversity, etc.) there are some cross agency consolidations that can be achieved. Savings is limited due to already limited budgets. More savings long term may be available from on-line offerings.	Implementation steps: Interagency Training Group to identify opportunities to consolidate a limited number of common training classes that can be offered on a consolidated basis in FY12. Also to identify opportunities to create/share online training tools that provide tracking and certification requirements across agencies.
<u>Executive Summary of Recommendations</u>	2. Centralized P-Card vendor	Continue with implementation with a goal to have it completed across participating agencies before the end of FY11. Need to provide an estimate of additional rebate revenues that will be achieved through JP Morgan Chase contract.	FY11	FY11 Estimated additional revenue of over \$100,000	MCPS and MC currently have long term contracts that prevent their participation. Expenditure and revenue estimates are being refined, but vary depending on volume. HOC is exploring variations (single use vendor payments) that do not include individual cardholders but will still result in rebate savings. MCG also plans to use this feature.	MCG has signed its contract with JP Morgan Chase. M-NCPPC is preparing to execute contract documents with JP Morgan Chase later this fiscal year. HOC is continuing to explore this opportunity.
<u>Detailed Recommendations Report</u>	3. Specialized Banking Services	Continue with refinements to implementation plan and estimate of potential cost savings. The December 1 reports should address the concerns raised by MNCPPC with sharing of these services.	FY12	Post FY12 Additional Savings of less than \$100,000 estimated	MC is already riding the County's contract with Elabon (merchant processor). The MCG banking contract is "bridgeable". Elabon has made one presentation to the Committee and PNC will be scheduled as well. Vendor contracts can be amended if needed for expanded services (stored value cards, merchant services)	Additional analysis is needed to identify savings (e.g. position reductions) or efficiencies that could be realized.
	4. Centralize Employee Background Investigations	Continue with refinements to implementation plan and estimate of potential cost savings. The greatest potential for savings would come from either agency wide adoption of the MCPS approach (applicant fee) &/or from outsourcing public safety background investigations. The December 1 report should address the pros/cons, cost/benefits of these alternative approaches.	FY12	FY12 Estimated savings of less than \$100,000	Outsourcing explored, consolidation of public safety b/g investigations by Police discussed, with use of temporary employees with law enforcement background. Savings dependent on redeployment of officers to field, and assumption of existing police officer vacancies, and are derived from substituting uniformed staff with non-uniform staff. MCPS currently charges for b/g check. This practice should be considered at MCG, MC, and M-NCPPC.	Determine: 1) level of fee for b/g check (MCPS=\$54); & 2) if there is an adverse impact to recruitment for charging non public safety applicants. Assess changes needed to personnel regulations, County Code, other policies to permit use of retirees and temporary employees for seasonal spikes in b/g investigations.
	5. Consolidate Agency Security Patrol	Continue with refinements to implementation plan and estimate of potential cost savings. The December 1 report should address the pros/cons, cost/benefits of consolidating this service within one agency and the related human resource issue of moving personnel into a new agency.	FY12	N/A	Mig with Police and MCPS Security concluded that patrolling approaches are unique (mobile patrols vs. fixed posts) so no savings potential.	No further action.

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Subcommittee	Recommendation	Response	Implement Date	Subcommittee Suggested Implementation Date & Projected Cost Savings	Discussion of Challenges/Obstacles	Next Steps
Administrative (Continued)	6. Centralize administration of specific functions: e.g. Payroll; Benefits; W2 Notification; banking services, Payments, etc.	Additional research is needed to determine the feasibility or potential for savings in consolidating these complex and critical activities. The December 1 report should include the Subcommittee's suggested alternative approaches for some or all of these important functions.	Post FY12	FY12 Estimated savings of less than \$100,000	Greatest savings opportunities arise out of common software use (e.g. MCPS and MCG) and will be explored post MCG implementation efforts. M-NCPPC raises concerns regarding participation due to bi-county issues. Future opportunities to be explored include actuarial valuations, external audit, benefits administration (refer to benefits team).	Post MCG implementation and stabilization the agencies will revisit. From discussion, A/P is identified as first area for further exploration. Planning may be initiated as early as the second half of FY12, after MCG ERP implementation is stabilized.
	7. Have reciprocal agreements with Montgomery County agencies to allow easier transfer and recruitment of employees (e.g. existing arrangement between MCG and the MC Circuit Court).	The Subcommittee should expedite this proposal for implementation in FY12. If employees can be transferred between agencies without disturbing participation in existing benefit plans or changing current salary levels, it would significantly facilitate other cross agency consolidations and resource sharing proposals.	FY12	N/A	The Admin subcommittee is unable to identify meaningful savings from this initiative as interagency transfers usually result in cost shifts rather than cost savings unless one of the positions in the transaction is abolished permanently. Protocols for sharing staff already exist (e.g. MCPS and MCG Community Use of Public Facilities)	N/A
	8. Centralize &/or explore contracting opportunities for alcohol and drug testing programs	The Subcommittee should consider expediting this proposal for implementation in FY12. The December 1 proposal should address why this proposal could not be implemented in FY12	FY12	Post FY12 Estimated savings of less than \$100,000	MCG current lab contract (Medtox) is only one month into a 3-year contract. M-NCPPC has an existing contract with Secure Medical Care as well. Montgomery College does minimal testing and does not have a lab contract. Efforts are underway to gather data from other agencies.	Review data and identify opportunities for cost savings, e.g. contract expansion if a lower per unit cost could be achieved. HOC has already piggy-backed on MCG contract.
	This item was moved here from IT Subcommittee 9. Cross Agency Language Translation Services Cooperative - Moved here from IT Subcommittee for implementation	While the translation process depends heavily on sophisticated translation management software called WorldServe, from a partnership point of view, this action item can be handled by the Administrative Subcommittee in the following phases: Phase I: develop a partnership process for MCPS' Language Assistance Services Unit to handle County Government's language translation needs. Phase II: Assess the effectiveness of the partnership and determine the feasibility of expanding the partnership to other public agency. If recommended by the assessment, develop a partnership agreement/process to expand to include other county agencies. Work with IT Subcommittee to ensure smooth implementation of Phase I and appropriate planning for phase II.	Phase I: FY12 Phase II: FY13	Post FY12 Estimated savings of less than \$100,000	Admin. Subcommittee believes implementation will improve service through improved program access, but but only minimal saving are expected.	A joint MCPS/MCG Committee has been working on this issue and has already drafted an MOU.
	New item added by Exec. Committee 10. Implement a cross-agency cost-cutting strategy for Paper/Print/Mail use	The Administrative Subcommittee should develop a proposal for implementing a cross agency strategy for reducing paper usage, printing/duplicating costs, and mail costs as has been accomplished in the County Government. The Subcommittee's next report (due Dec. 1st) for this action item should include potential savings and a detailed implementation plan.	FY12	FY11 Additional MCG Savings of \$955,000 projected	Most agencies have already implemented reduction strategies, e.g. automatic duplexing, web publishing of newsletters, reduced copies of remaining printed materials, etc.. MCPS Publications Review has resulted in \$300,000 in printing savings, and savings in copy plus (central duplication) of \$900,000. MCG Paper Reduction Program has been shared with all agencies (FY10 savings = \$2.1 M.). M-NCPPC savings are approx. \$106,000 per year.	Identify any further opportunities for cost savings as part of FY12 Budget.

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Subcommittees	Recommendation	Response	Implement. Date	Subcommittee Suggested Implementation Dates & Projected Cost Savings	Discussion of Challenges/Obstacles	Next Steps
Procurement	1. County Government Management of All Vehicle Purchasing	Expand this action item to include all contracts. GENERAL NOTE 1: County agencies should consolidate contracts across all functions. Agencies should compile a list of all contracts, identifying identical as well as similar contracts with the aim of consolidating duplicate contracts into single multi-agency cooperative contracts administered by one agency on behalf of all agencies. The Subcommittee's next report (due Dec. 1st) should identify opportunities/options and include potential savings and implementation plan.	FY12	(1) FY13 (Vehicles) (2) Multi-Year for reviewing and establishing consortium buying for duplicate contracts across multiple categories	(1) Different agency contracts expire at varying fiscal years, which requires coordination. (2) agencies have to prepare detailed vehicle requirements and terms for discussion in single solicitation (3) Potential savings will depend on the number of vehicles as well as vehicle types; this is also dependent on completing a requirements analysis for each agency (4) With regards to duplicate contract listing across multiple categories, we have done an initial analysis of agency contracts that are currently bridged or done cooperatively, which we will be reviewing	(1) Each agency will be assessing its vehicle purchase needs and requirements, current contract terms, and industry changes (2) With regards to duplicate contracts across multiple categories, we will review the initial listing of contracts to identify further opportunities and which agencies will lead on behalf of all the agencies for a particular category.
Executive Summary of Recommendations	2. Public School Management of Paper Purchasing	Refer to General Note 1 The Subcommittee's next report (due Dec. 1st) for this action item should include potential savings and a detailed implementation plan.	FY12	First Quarter FY12	(1) Paper Industry pricing is volatile and dependent on market conditions, which could impact potential savings (2) Most agency requirements have been gathered but not all, as some may not be participating.	(1) MCPS as the lead will combine agency requirements into single solicitation document (2) Issuing solicitation and awarding contracts
Detailed Recommendations Report	3. Coordinated Purchasing of Environmentally Preferable Products	GENERAL NOTE 2: Prepare matrix identifying all environmental policies across county agencies to highlight similar policies that aid collaboration and differing policies that hinder it. The Subcommittee's next report (due Dec. 1st) should identify opportunities/options for cross-agency cost-savings and resources sharing.	FY12	Two Stages: (1) First Quarter FY12 (see Paper note) (2) Fourth Quarter FY12	(1) Determine which contract exist and expiration dates (2) Which EPP products to target (3) Developing specifications including certain legal requirements for schools, etc. (4) Determining cost savings, based on EPP market maturity for products selected	(1) The First EPP Product will be included in the paper solicitation to include a minimum of 30% unbleached post consumer waste (2) Identify opportunities for other EPP product solicitation consolidation and develop a priority listing.
	4. Explore consortium purchasing of other potential goods and services such as courier and delivery services, alcohol drug testing, employee background investigations, cell phones and any other goods or services recommended by CARS committees	Refer to General Note 1 The Subcommittee's next report (due Dec. 1st), should identify opportunities/options and include potential savings and implementation plan.	FY12	N/A	The CARS subcommittees have notified us they have determined there would be no realized savings on these identified items.	However, we will be discussing other recommended purchasing consortium items as a result of the CARS committee final approved recommendations such as leases, banking, office supplies, copiers, and others and will continue to seek opportunities for other consortium purchases.
	New Item added by Exec. Committee_5. Cross-Training for Procurement Personnel	Implement cross-training program for procurement personnel between agencies so that staff can be exchanged to fill resource shortfalls, better facilitate cooperative contracts, and improve processes.	FY12	Two Stages: (1) FY11 (2) Second Quarter FY12	(1) Developing a training plan with prioritized topics (2) Coordination of time between offices. Completed the "green" procurement seminar in November 2010.	(1) For FY11, completed a cross-agency training on Green Purchasing including EPP (2) In Fourth Quarter FY11 coordinating another cross-training program in recognition of Purchasing Month in March (3) Second Quarter FY12 Develop long term plan for additional cross-training.

Subcommittee	Recommendation	Response	Implement. Date	Subcommittee Suggested Implementation Date & Projected Cost Savings	Discussion of Challenges/Obstacles	Next Steps
Employees & Retirees Benefit Plans	1. Consolidate the Employee Benefit Plan Offerings	Since the five county agencies just jointly bid their medical, dental, vision and life insurance programs with new contracts taking effect January 1, 2011, rebidding these programs ahead of schedule is not a good idea. We recommend deferring the implementation of this action to FY13. The Subcommittee's next report (due Dec. 1st) for this action item should include potential savings and preliminary implementation plan.	FY13	It is estimated that consolidating the benefit offerings of county agencies under fewer vendors could save anywhere from \$2 to \$4 million depending on how much consolidation takes place.	There are collective bargaining implications to consolidation as some agencies name vendors in union contracts. This effort will require a competitive bid.	This is a FY13 initiative that will require some longer term planning and study. The Benefits Workgroup will begin meet regularly to jointly address this and other cost savings and resources sharing opportunities
	<u>Executive Summary Recommendations</u> 2. Combine COBRA and Flexible Spending Plan Administration	Currently, all County agencies are working on a joint contract for COBRA and Flex plan administration that will be bid with a new contract effective January 1, 2012. However, more competitive pricing will result from all agencies placing the business with common vendors. The Subcommittee's next report (due Dec. 1st) should include potential savings and draft RFP language changes regarding "common vendors" requirement.	FY12	Target for implementation is January 1, 2012. An RFP is being drafted and will be issued late spring of 2011. Final vendor selection due late summer 2011. Overall savings estimated to be \$75,000 to \$100,000 annually	Agencies agree on consolidation.	Complete and issue the RFP. Evaluate responses and jointly agree on contract award.
<u>Detailed Recommendations Report</u>	3. Consolidate and Bring Payment of Retiree Benefits In House	The County government is planning to bring payment of retiree benefits in house in the April/May 2011 timeframe. MCPS (and possibly Montgomery College) would achieve savings by outsourcing this function to the County. The Subcommittee's December 1st report for this action item should include cost/benefit analysis, potential savings and a detailed implementation plan. It appears that, for now, it would be either complicated or cost prohibitive for MNCPPC, WSSC and HOC to outsource this function to the County, but can be revisited in the future.	FY12	This option is at least partially dependent upon the success of County plans to bring benefit payments in-house. On November 30, the County decided to delay bringing payments in house until at least July 1, 2011. The earliest MCPS could be included would be January 1, 2012. The County estimates it will save \$250,000 to \$350,000 annually by bringing benefit payments in house. Potential MCPS savings are estimated to be in the same range.	The biggest challenge will be timing of a successful implementation for Montgomery County. Logistics of staffing and resource allocation are being discussed.	The County needs to finalize its plan for bringing payments in-house. The County and MCPS will meet regularly over the next several months to jointly review staffing and resource needs and to develop the more detailed cost/savings analysis and logistical framework for this option.
	4. Consolidate defined benefit retirement programs of county agencies under one program.	Consolidation of the defined benefit retirement plans is a significant undertaking and would take a great deal of study before can be consolidated. Significant legal and logistic challenges would need to be addressed. The Subcommittee should continue additional research and further study.	TBD			The Benefits Workgroup will continue to discuss and evaluate this opportunity.
	5. Consolidate the Employee Benefit Plan Offerings (medical, dental, vision, prescription, life insurance, Flexible Spending Administration, COBRA administration, etc.) of County Agencies under one Administrative Unit that supports all county agencies.	This is a longer term initiative that should be studied in detail before pursuing. The Subcommittee should continue additional research and further study.	Post FY12			This is a post- FY12 initiative and the Benefits Workgroup will continue to discuss and evaluate this opportunity.

Subcommittee	Recommendation	Response	Implement. Date	Subcommittee Suggested Implementation Dates & Projected Cost Savings	Discussion of Challenges/Obstacles	Next Steps
Employees & Retirees Benefit Plans (Continued)	6. Jointly develop Wellness and Disease Management strategies.	The recent medical plan bid asked vendors to assist the agencies in leveraging opportunities for wellness and disease management programs. The Subcommittee should work with health plan vendors to jointly develop strategies and target opportunities. The Subcommittee's next report (due Dec. 1st) for this action item should include potential savings and a detailed implementation plan.	FY12	New vendor contracts for 2011 include wellness credits to agencies to assist them in developing and deploying programs. Savings will not be immediate and will occur over time. Savings will depend on whether wellness initiatives are mandatory or voluntary, and whether there are financial incentives to participate. Studies indicate that savings (lower claims cost) range from \$100 to \$200 per participating employee per year.	Certain initiatives will require union agreement and to the extent possible should be included in labor negotiations.	Major health vendors are working on an analysis of claims to identify the best opportunities for intervention. Vendors have been asked to prepare information on risk assessment capabilities and the Benefits Workgroup will begin meeting with vendors after the first of the year to collaborate on developing targeted wellness strategies. Items to be considered include - conducting Health Risk Assessments to develop benchmark data, workplace wellness seminars and webinars, Health Advising and Virtual Health coaching, On-site wellness campaigns, etc.
	7. Jointly approach light duty and return to work strategies, and consider expanding the County Occupational Medical program as a resource for all County agencies.	This is a longer term initiative that should be studied in detail before pursuing. The Subcommittee should continue additional research and further study.	Post FY12			Post FY 12 initiative, the benefits workgroup will continue to discuss and evaluate this opportunity
	8. Currently benefits among county agencies are "comparable" but not the same. Consider a uniform plan design across agency lines whether or not the plans are consolidated.	This is a longer term initiative that should be discussed in connection with item #5 above. The Subcommittee should continue additional research and further study.	Post FY12			Post FY 12 initiative, the benefits workgroup will continue to discuss and evaluate this opportunity
	9. Consider combining drug and alcohol testing across agency lines, and explore the possibility of leveraging the contracts with health insurance vendors.	Further evaluation of this option should be pursued in 2011.	Post FY12	Evaluation in progress. Savings have not yet been quantified.		Montgomery County is currently developing an RFP for lab testing service, and the RFP will be shared with the Benefit Workgroup in early 2011 to identify drug and alcohol testing needs that could be met through the County arrangement.
	10. Consolidate the County and MCPS (and perhaps other agency) processes to evaluate applications for disability retirement.	The benefits staff with MCPS and the County should work together to evaluate this opportunity in greater detail. The subcommittee's next report (due Dec. 1st) for this action item should include an initial analysis and potential savings.	FY13			FY13 initiative. No action to date.

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Subcommittee	Recommendation	Response	Implement. Date	Subcommittee's Suggested Implementation Dates & Projected Cost Savings	Discussion of Challenges/Obstacles	Next Steps
Printing/Mail/ Documents	1. Records Management: Sharing New Knowledge and Best Practices	Incorporate other county agencies into standard practice currently employed by MCG and MCPS.	FY12	Post 12. Implementation may take 2 years and savings will be in out years. FY 12 and FY13 costs will increase due to the significant staff time required to implement. FY14 and beyond, savings will be in administrative time and production efficiencies. Potential savings mid hundreds.	Challenges: Various Business Processes Standards need to be set; MCG and Park and Planning have a Centralized Records Management Program; MCPS and MC is decentralized; Lack of consistency and commonality; Updated Records Inventory and Retention Schedule	Form a Records Management oversight committee consisting of one member from each group
<u>Executive Summary of Recommendations</u>	2. Share Scanning and Conversion Policy	Refer to General Note 2 in Procurement section.	FY12	Post 12. Implementation may take 2 years and savings will be in out years. FY 12 and FY13 costs will increase due to the significant staff time required to implement. FY14 and beyond, savings will be in administrative time.	Challenges: Various Business Processes; Standards need to be set for scanning; MCG and Park and Planning has a Centralized Records Management Program; MCPS and MC is decentralized; Lack of consistency and commonality in scanning	Form a Records Management oversight committee consisting of one member from each group
<u>Detailed Recommendations Report</u>	3. Share Presorting Services/List Management	GENERAL NOTE 1: County agencies should consolidate contracts across all functions. Agencies should compile a list of all contracts, identifying identical as well as similar contracts with the aim of consolidating duplicate contracts into single multi-agency cooperative contracts administered by one agency on behalf of all agencies.	FY12	Implement FY12. Administrative costs will increase in FY 12 due to staff time required to implement. Potential for \$.05 presort discount and other USPS discounts. Savings estimate is \$20,000 per year based on current volume and if mail qualifies for discount.	Potential for \$.05 presort discount	Write contract- estimate time 6 months
	4. Improve Training and Awareness Concerning Mail Shop Standards	Incorporate other county agencies into standard practice currently employed by MCG and MCPS.		Implement FY12. Administrative costs will increase in FY 12 due to staff time required to implement. Potential for \$.05 presort discount and other USPS discounts. Savings estimate is \$20,000 per year based on current volume and if mail qualifies for discount.	Challenges: Current Practices; Time Limitations; Types of Services; Cost for training material; Staff Time	Write contract- estimate time 6 months
	5. Enterprise Purchasing of Equipment Supplies	GENERAL NOTE 1: County agencies should consolidate contracts across all functions. Agencies should compile a list of all contracts, identifying identical as well as similar contracts with the aim of consolidating duplicate contracts into single multi-agency cooperative contracts administered by one agency on behalf of all agencies.	FY12	Implement FY12. Administrative costs will increase in FY 12 due to staff time required to implement. FY12 Potential cost savings is based on economy of scale	Challenges: Contract preparation and Administrative Time	Write contract- estimate time 6 months
	6. Sharing New Knowledge and Best Practices	Incorporate other county agencies into standard practice currently employed by MCG and MCPS.	FY12	Post 12 Implementation may take 1 year. Savings will be in out years. Administrative savings is limited by substantial increased workload.	Challenges: Develop a multi-agency committee to coordinate sharing of new knowledge and best practices, Critical incident reviews, Job rotation/worker exchange, Knowledge (process) mapping, Training/seminars/workshops	Form a oversight committee consisting of one member from each group
	7. Pooling Printing Contracts	GENERAL NOTE 1: County agencies should consolidate contracts across all functions. Agencies should compile a list of all contracts, identifying identical as well as similar contracts with the aim of consolidating duplicate contracts into single multi-agency cooperative contracts administered by one agency on behalf of all agencies.	FY12	Implement FY12. Amount of savings depends on total number of printing request. Internal cost on average is 20% to 40% cheaper than commercial printing cost.	Challenges: Contract preparation and Administrative Time	Write contract or print inhouse

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Subcommittee	Recommendation	Response	Implement Date	Subcommittee Suggested Implementation Dates & Projected Cost Savings	Discussion of Challenges/Obstacles	Next Steps
Printing/Mail/ Documents (Continued)	8. Reduce Administrative Barriers	Provide more detail.		Post FY12 Savings will be in out years. Administrative savings only	Challenges: Less suspicious about territoriality. • Reduce number of spending guidelines/restrictions, Standardize promptness in generating a response to a request, Encourage for-profit mentality in regard to value/cost, Standardize accounting systems, • Review all data gathering and policies/regulations/rules.	Form an Records Management oversight committee consisting of one member from each group
	9. Reduce Redundant Rerecords	Provide more detail.		FY12 Administrative savings only	By duplicate record we mean that every field in one record is identical to every field in a different record, i.e. a duplicate is where there is no way of telling two or more records apart. All records must have a standard for cataloging after which the imaging software can screen for exact replications	Form a Records Management oversight committee consisting of one member from each group
	New Item added by Exec. Committee 10. Central Printing Office	Review possibility of a central printing office to serve all county agencies.	Post FY12		Post 12	
	New Item added by Exec. Committee 11. Central Printing Office	Review possibility of a central multi-agency document storage/archive center.	Post FY12		Post 12	

Subcommittee	Recommendation	Response	Implement. Date	Subcommittee Suggested Implementation Dates & Projected Cost Savings	Discussion of Challenges/Obstacles	Next Steps
Information Technology	1. Mobile Data/Voice Contract Consolidation	In order to avoid the high up-front cost, we recommend implementing this in three phases. Phase I: Examine and pursue cross-agency "contracts" consolidation to a single contract for each provider. Phase II: Examine, validate and pursue cross-agency "accounts" consolidation. Phase III: Examine, validate and pursue cross-agency consolidation of warehousing, distribution, maintenance services of mobile data/voice devices.	Phase I: FY12 Phase II: mid-year FY12 Phase III: FY13	Phase I: FY12; Phase II: mid-year FY12; Phase III: FY13	Contract vehicles and schedules differ widely among agencies, some with strict federal estate regulations which affect scope and schedule. These challenges will be explored by the project team. Phase II and Phase III implementation dates may change depending on Phase I outcomes.	Project team members have been identified. Project sponsor is Sherwin Collette (CTO -- MCPS); project manager is Cary Kuhar (Director of Infrastructure & Ops -- MCPS). Project kickoff meeting has been scheduled to define the project charter, scope, schedule and deliverables. First in-scope activity will be to perform an interagency survey on mobile data/voice needs, usage, costs, and contract vehicles.
Executive Summary of Recommendations	2. IT Help Desk Services Consolidation	In order to avoid the high up-front cost, we recommend implementing this in two phases. Phase I: Examine the current IT Help Desk Service contracts of the six county agencies and conduct delineation of "service types" and "service levels" for each agency. Evaluate the information and develop an acceptable cross-agency standard for "type and level of services". Phase II: Examine the information and pursue cross-agency consolidation of IT Help Desk Services.	Phase I: FY12 Phase II: mid-year FY12	Implementation dates for each phase will be defined in the project plan. The plan will be developed by the end of January 2011.	length of contracts, bidding may require separate board/agency approvals, different systems requiring different expertise, the population served will include students not just agency employees,	The project working group is scheduled to meet in mid-December to define project charter, scope, deliverables and timelines. The subcommittee's proposed implementation dates may change once the project plan has been developed.
Detailed Recommendations Report	3. Cross Agency Language Translation Services Cooperative	Great suggestion. While the translation process depends heavily on sophisticated translation management software called WorldServe, from a partnership point of view, this action item can be handled by the Administrative Subcommittee. IT Subcommittee should continue to provide support, as needed, to Administrative Subcommittee for successful implementation of this project.	See Administrative Subcommittee	See Administrative Subcommittee	See Administrative Subcommittee	See Administrative Subcommittee
	4. Interagency GIS Strategic Plan 2010 Implementation Phase	Approved, but we recommend the following two phase approach. Phase I: Proceed with finalizing the Interagency GIS Strategic Plan and establish an inter-agency GIS Policy/Governance Committee. The first task of the GIS Policy/Governance Committee should be to delineate the types of data/information and their collection and storage methods by each agency. In addition, the new GIS Committee should review the current GIS information layers that are scheduled to be purchased by each agency, and coordinate expenditures on the data. The committee needs to immediately curtail the environment that allows a single agency to independently purchase expensive layers (or software) that are explicitly intended for multi-agency use. Phase II: Examine and develop a strategy to reduce cost and also maximize the "use and accessibility" of data/information for/by all agencies. In addition, the GIS committee should identify and prioritize the GIS analysis projects that offer the County the greatest potential benefit, and to assign a lead agency to each project. The final suggested strategy by the GIS committee should incl	Phase I: FY12 Phase II: mid-year FY12	Phase I: mid-FY12, Phase II: mid-FY13	None.	1. December 8, 2010, comment draft of GIS Governance structure recommendations to CIO Subcommittee; (2) December 17, 2010, comment draft of completed GIS Strategic Plan to CIO Subcommittee for review and approval; (3) January 2011, IT PCC review and approval of GIS Strategic Plan; (4) implementation begins.

Subcommittee	Recommendation	Response	Implement. Date	Subcommittee Suggested Implementation Dates & Projected Cost Savings	Discussion of Challenges/Obstacles	Next Steps
Information Technology (Continued)	5. Mobile and Wired Voice/Data Communications	Continue the initial work with the goal of implementing in FY13.	Post FY12	mid-Post FY13	Implementation and schedule will be subject to adequate and available resources and determination of project scope and deliverables.	To be determined.
	6. Contractual and Procurement Cooperative/Consolidations	Move implementation of this effort to FY12. Refer to General Note 1 in Procurement section. It is understood that cooperative purchasing currently available to MCPS and Montgomery College for purchase of selected equipment/goods may result in greater savings. But all options must be evaluated.	FY12	mid-FY12-FY13	See General Note 1 in Procurement section. Procurement subcommittee will need to initiate and lead this effort. Implementation and schedule will be subject to adequate and available resources and determination of project scope and deliverables.	Procurement offices will need to generate IT related listings of services and providers, consolidate listing, identify overlap and duplications, determine potential for cost savings.
	7. Joint Use and Data Center Consolidations	Move implementation of some aspects of this effort to FY12. We suggest a four phase approach: Phase I: The Executive Branch conduct a comprehensive Business Impact Analysis (BIA) of their current data centers. Phase II: All other agencies, in an effort to develop a joint alignment for identification of current needs/resources, use the Executive Branch BIA study model and develop a similar BIA analysis. Phase III: Use the collected data (BIAs) and develop cross-agency data center optimization or, if possible, consolidation opportunities/options. Phase IV: Select an option and define the short-term capital investment that yield the maximum long-term operational savings and develop the implementation plan.	Phase I: FY12 Phase II: mid-year FY12 Phase III: FY13 Phase IV: mid-year FY13	Alternative Timeframe • Phase I: FY12 • Phase II: FY13 • Phase III: FY14 • Phase IV: mid-year FY14 Savings Estimates • Savings to be determined • Savings opportunities will depend on alignments between agencies from BIA assessments • Savings will also depend on optimized resource locations and facility costs (expansion / modifications / environment changes) • Potentially adding cost for distant location selection for local area disaster avoidance	• MCG BIA process is not complete. Assumptions include repeating the process defined by MCG for other agencies • Costs for MCG BIA still uncertain. Repeating BIA for infrastructure alignment assumes agency funding capability • Joint data center requirements may exceed current available footprint • Funding for transition planning has been unavailable; funding for actual implementation will be required before any savings can be realized • Savings for any optimization effort will be based on continued green technology acquisitions, portability/failover of current systems and identifying resource replications • Remote data center model options for regional disaster recovery has not been included in cost equation	• Complete MCG BIA and portfolio assessment • Issue MCG BIA to MCCATS and LCATS vendors • Evaluate responses and cost proposals • Execute detailed BIA for MCG assessment • Evaluate BIA data collection and portfolio with business system priorities • Identify lessons learned from MCG BIA and identify changes to support multi-agency use • Identify correlation processes with each agency to determine synergies and data center optimization options
	8. Miscellaneous Other	Continue your cross-agency collaborative efforts with the goal of implementing new cost saving ideas in FY13 and beyond.	Post FY12	Post FY 13	Implementation and schedule will be subject to adequate and available resources and determination of project scope and deliverables.	To be determined.

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Subcommittee	Recommendation	Response	Implement Date	Subcommittee Suggested Implementation Dates & Projected Cost Savings	Discussion of Challenges/Obstacles	Next Steps
Facilities	1. Sharing Existing Resources	Greater detail is necessary identifying what resources are being considered. In addition, refer to General Note 2 in Procurement section. Specific opportunities should be identified to cross train and share staff resources as well as joint contracting for common services such as grounds maintenance and IDIQ consulting services.	FY12	FY 12 Savings Are Low	Requires interface with Procurement Responsibility must be assigned No Obstacle Identify services Get buy in	Meet with Procurement Establish a composite listing of bridgeable contracts Convene a group to identify and establish management of such services
	2. Implementing Best Management Practices for Real Property Assets	To what end? How is this a benefit related to collaboration? Shouldn't this already be taking place?		FY 12 Savings Are Low	Requires Cooperation	Establish a Maintenance and Operations Working Group for all Agencies
<u>Executive Summary of Recommendations</u>	3. Evaluate building new facilities versus renovating existing facilities	Include analysis of sharing existing facilities in lieu new projects and leases.	FY12	FY 12 Will represent significant savings over time	Represents a significant paradigm shift. Requires buy-in by all Agencies	Establish a Committee
<u>Detailed Recommendations Report</u>	4. Streamlining Project Approval Process	This is an issue that Subcommittee members want to jointly pursue with permitting and planning authorities to improve the process but is not necessarily related to consolidation or resource sharing. This effort is encouraged but may not be germane to the CARS initiative.		Future There would be savings	Very difficult to effect this culture change	Look to Senior Managers for guidance
	New Item added by Exec. Committee 5. Expanded design and construction of Shared infrastructure support facilities	Pursue expanded design and construction of shared infrastructure support facilities (warehouses, maintenance shops, office buildings) similar to that being implemented at the Multi-Agency Service Park (Webb Tract). The Subcommittee's next report (due Dec. 1st) for this new action item should include a preliminary implementation plan and potential savings.	Post FY12	Post FY12 Significant savings over time Reduction in both project & site (land) cost	Represents a significant paradigm shift. Requires buy-in by all Agencies	As Above, Establish Committee Identify Candidate Projects

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Subcommittee	Recommendation	Response	Implement. Date	Subcommittee Suggested Implementation Dates & Projected Cost Savings	Discussion of Challenges/Obstacles	Next Steps
Space Utilization	1. Establish Quarterly Space Utilization Meetings	Start Implementation.	Immediately	Immediately. Quarterly Meetings Scheduled Investigating a web based forum for sharing info, docs, calendars, etc. Cost Savings in FY12 = \$0 Cost Savings in outyears depends upon whether opportunities to collaborate on projects are identified and implemented	Fire walls keep us from sharing on our own computers. Security may be an issue on a commercial site.	Have call in to DTS requesting help
Executive Summary of Recommendations	2- Combined RFP for General Real Estate Services	Refer to General Note 1 in Procurement section. The Subcommittee's next report (due Dec. 1st), should identify opportunities/options and include potential savings and implementation plan.	FY12	Third Quarter of FY12. Estimate 8 - 10 month process. FY12 cost will increase due to the significant staff time required to implement and slippage in other work assignments. In FY13 and beyond, savings will be in admin time required to engage real estate services. Savings are dependent on how much real estate activity each group engages in and how many times they use the consultant.	Identifying lead agency.	Determine lead agency. Review examples from other jurisdictions. Talk to brokers who have participated in similar RFPs. Identify each agency's requirements. Identify and weight selection criteria. Draft RFP, review, finalize. Get legal review from all agencies. Transmit to PRO
Detailed Recommendations Report	3. Uniform Licensing Policies and Rates for Cell Phone and Fiber Tenants	Start implementation.	Immediately	Lease rates will be standardized/maximized as leases come up for renewal. Cost savings in FY12 = \$0 Increased revenue depends on how many tenants agree to pay new rent.	We discovered that there is a range in rental rates from \$24k to \$36k per year. When we all demand \$36k, some cell providers will balk, then pay, some will terminate, some will want to negotiate interim steps. We need technical advice on the desirability of our locations and how that affects rates. Also need technical briefing on 4G technology and implications for tower leases. If the group decides to cooperatively hire a consultant to handle towers, an RFP will have to be done, which would be complete in FY13.	Consulting with DTS Tower Committee for technical advice. Decide whether to use a contractor for leasing and/or management of tower sites or handle in-house. If consultant is chosen, issue cooperative RFP.
	New Item added by Exec. Committee 4.Consolidate Leasing	Identify opportunities that exist in the current inventory of leased space to consolidate requirements under combined multi-agency space utilization. Institute a process under which future lease requirements are shared among agencies to (1) maximize current leased space, and (2) consolidate requirements. The Subcommittee's next report (due Dec. 1st) for this action item should include potential savings and a detailed implementation plan.	Mid Year/FY12	There are currently no near-term opportunities to consolidate leases between agencies. Cost savings in FY12 = \$0 Cost savings in FY13 and beyond depends on whether any requirements arise that can be combined.	Agencies recently renegotiated lease rates downward in exchange for longer terms. The County is getting back the Grey Courthouse and will be consolidating several leases into that space. Refer to Attachment D - Space Utilization Subcommittee (http://www.montgomerycountymd.gov/hcgtmpl.asp?url=/content/exec/cao/cas/index.asp)	Look for longer term lease consolidation possibilities.

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CARS Projected Savings - 12/8/2010

Subcommittee	Proposal #	FY11	FY12	FY13 & beyond	Total (Each Listed Proposal)	Total (For Each Subcommittee)
Utilities	#2		\$ 550,000	\$ 550,000	\$ 1,100,000	\$ 1,176,000
	#5		\$ 4,000		\$ 4,000	
	#6		\$ 72,000		\$ 72,000	
Fleet	#1		\$ 845,692		\$ 845,692	\$ 845,692
Administrative	#1		\$ 5,000		\$ 5,000	\$ 1,560,000
	#2	\$ 100,000			\$ 100,000	
	#3			\$ 100,000	\$ 100,000	
	#4		\$ 100,000		\$ 100,000	
	#6		\$ 100,000		\$ 100,000	
	#8			\$ 100,000	\$ 100,000	
	#9			\$ 100,000	\$ 100,000	
	#10	\$ 955,000			\$ 955,000	
Procurement	<i>For now, no specific cost savings identified.</i>					
Employees & Retirees Benefit Plans	#1			\$ 2,000,000	\$ 2,000,000	\$ 3,150,000
	#2		\$ 75,000	\$ 75,000	\$ 150,000	
	#3		\$ 500,000	\$ 500,000	\$ 1,000,000	
Printing/Mail/Documents	#3		\$ 20,000	\$ 20,000	\$ 40,000	\$ 80,000
	#4		\$ 20,000	\$ 20,000	\$ 40,000	
IT	<i>For now, no specific cost savings identified.</i>					
Facilities	<i>For now, no specific cost savings identified.</i>					
Space	<i>For now, no specific cost savings identified.</i>					
Total		\$ 1,055,000	\$ 2,291,692	\$ 3,465,000	\$ 6,811,692	\$ 6,811,692