

## Attachment H:

# Examples of Operational Efficiencies from a Consolidated Facility

There appear to be a great number of efficiencies that are achievable through consolidation. In many cases it is difficult to quantify the value of these efficiencies. The following bullets present efficiencies that have not been quantified, however intuitively offer a significant value to the City.

- The 84 Lumber property is centrally located and is large enough to accommodate anticipated growth for years into the future by utilizing existing buildings and land that may be used for added facilities. This eliminates the necessity to purchase additional land in the future to accommodate growth.
- Reduction of potential liability associated with collisions of vehicles and heavy equipment at the intersection of Southeast Parkway and Columbia Avenue and at the Intersection of Hillsboro Road and the Water Service Divisions and Fleet Maintenance access road. Numerous collisions have occurred on Hillsboro Road at the access road location, some of which included city vehicles or city staff in personal vehicles.
- The proposed facility will allow sufficient area for storage of construction equipment and materials within covered or enclosed structures. Protecting equipment from the elements will prolong its service life and allow departments to share equipment that may be under-utilized.
- The proposed facility would have sufficient space to accommodate the City's current and future fleet maintenance requirements allowing our Fleet Division employees to make full use of their skills and reduce outsourcing of repairs and maintenance.
- The proposed facility has sufficient space for stockpiling salt on site as well as storing snowplowing equipment providing decentralization of road clearing equipment and materials. This allows for more efficient operations during potentially hazardous conditions.
- The 84 Lumber site provides the necessary security and space to implement enhanced inventory, purchasing, and stop loss control programs.

The following tables present efficiencies that have been reasonably estimated. It is anticipated that additional efficiencies will be realized once consolidation is complete. Examples of this would include additional staffing efficiencies, equipment and tools such as chain saws, weed eaters, air compressors, bulk materials (stone, cold mix, oils, lubricants) etc, and land or building costs not fully evaluated.

<b>Resource</b>	<b>Proposed Area for Water and Streets Offices (sq ft)</b>	<b>Estimated Area for Separate Water and Streets Offices (sq ft)</b>	<b>Difference (sq ft)</b>	<b>Estimated Value (\$125/sq ft)</b>
I. T. Room	400	600	200	\$25,000
Reception Area	200	400	200	\$25,000
Conference Rooms	730	1,500	770	\$96,250
Lobby Seating	400	600	200	\$25,000
Fire Stairs	800	1,200	400	\$50,000
Elevator and Room	250	250	-	\$0
Electrical Room	80	120	40	\$5,000
Training Room	380	700	320	\$40,000
First Aid Room	100	200	100	\$12,500
Break / Vending Room	3,820	3,820	-	\$0
Men's Locker Room	550	700	150	\$18,750
Women's Locker Room	300	500	200	\$25,000

Resource	Proposed Area for Water and Streets Offices (sq ft)	Estimated Area for Separate Water and Streets Offices (sq ft)	Difference (sq ft)	Estimated Value (\$125/sq ft)
Men's Toilets	250	500	250	\$31,250
Women's Toilets	180	360	180	\$22,500
Janitor's Closet	40	120	80	\$10,000
Air Handler Room	200	350	150	\$18,750
Offices	2,600	2,600	-	\$0
Open Office Area	2,016	2,016	-	\$0
Plan Review Room	380	600	220	\$27,500
Plan Storage Room	240	400	160	\$20,000
<b>TOTALS</b>	<b>13,916</b>	<b>17,536</b>	<b>3,620</b>	<b>\$452,500</b>

Equipment	Reduction in Units	Estimated Value/Year/Unit (capital cost/service life)	Annual Value
Backhoe	2	\$9,000	\$18,000
Dump Truck	2	\$13,000	\$26,000
Asphalt Roller	1	\$2,500	\$2,500
Lawn Mowers	2	\$2,000	\$4,000
Asphalt Saws	1	\$1,000	\$1,000
Equipment Trailers	2	\$500	\$1,000
		<b>Annual Total</b>	<b>\$52,500</b>
		<b>10 Year Value</b>	<b>\$525,000</b>
		<b>20 Year Value</b>	<b>\$1,050,000</b>

Position	Estimated Loaded Labor Rate	Annual Expenditure
Annual Personnel Efficiency	\$42	\$86,632
	<b>10 Year Value</b>	<b>\$866,320</b>
	<b>20 Year Value</b>	<b>\$1,732,640</b>