



DENVER
THE MILE HIGH CITY

GENERAL SERVICES
PEAK PERFORMANCE 2.0 REVIEW
MAY 19TH, 2014

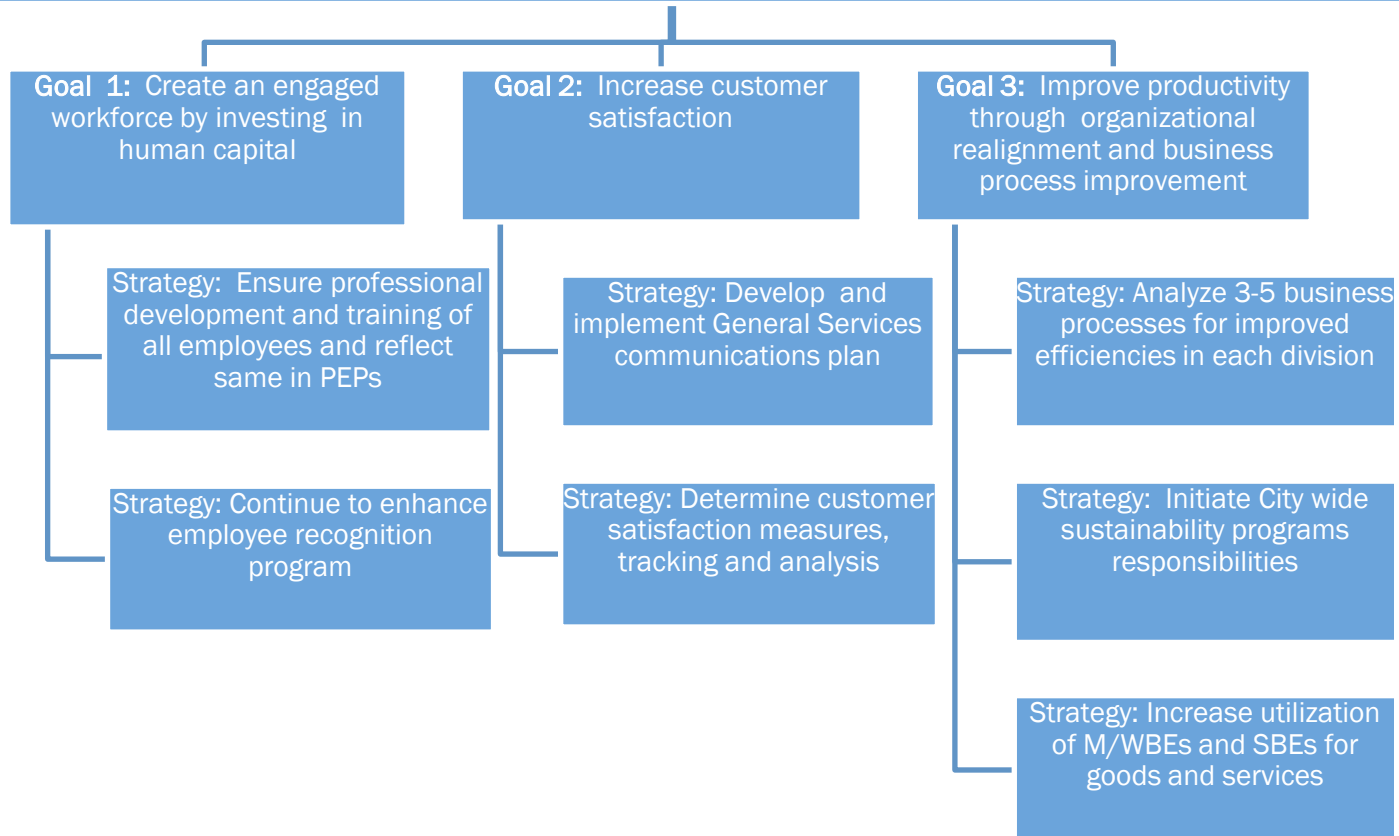
2013 PERFORMANCE REVIEW

2014 INNOVATION PLANNING


- Welcome and introductions
- Strategic Plan Overview
- Mission Metrics
- Innovation Plan & Tracking
- M/WBE
- Sustainability
- Customer Satisfaction & Employee Engagement
- Accomplishments and Challenges

Strategic Plan Overview

Mission: General Services facilitates Denver's success by efficiently managing over 6 million square feet in 126 City buildings, over \$230 million in City procurement spend; over \$28 million in annual utility costs; and through the advancement of City-wide sustainability, records management and energy efficiency programs, as well as business support services.



Purchasing: Increase Cost-Savings

Current Measure	Performance Measure	Progress	Last Measure	Standard Set By	Standard / Goal
2013 \$5,340,581	Cost-savings: The savings are achieved through awards below the budgeted amount of the previous bid and awards that mitigate increases in the cost of a commodity.	 26%	2012: \$5,312,262	Purchasing	\$4,200,000

Status Colors:



Meets or exceeds standard



Within 10% of standard



Not meeting standard

Progress Arrows:

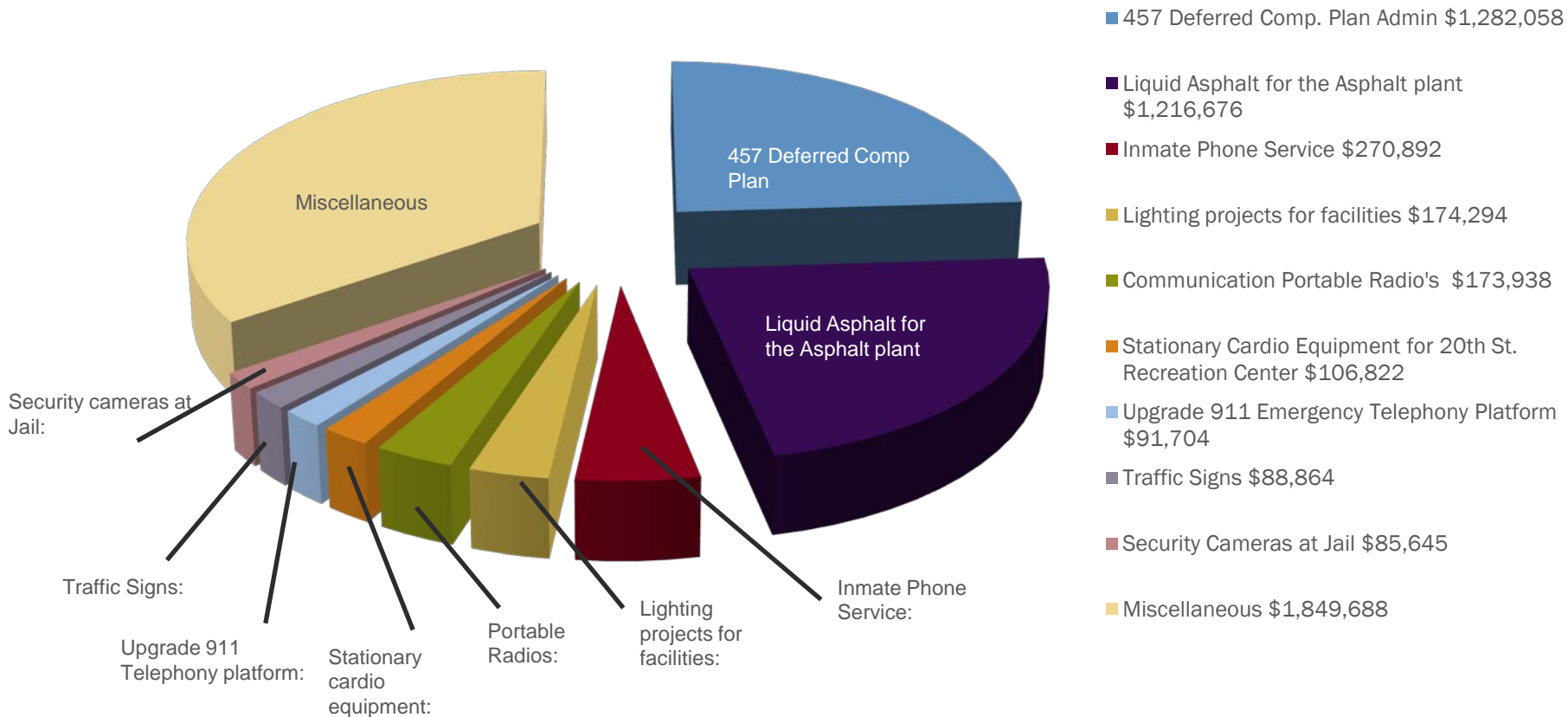


Making positive progress




Making negative progress

Purchasing: Increase Cost-Savings \$5,340,581



Facilities Management: Address Deferred Maintenance

Current Measure	Performance Measure	Progress	Last Measure	Standard Set By	Standard / Goal
2013: 22 DM projects	Deferred Maintenance: a maintenance, repair, or system upgrade project that has been postponed or delayed due to lack of funds, or personnel.	 + 175%	2012: 28 DM projects	Facilities Management	2013: 8 2014: 20

Initial Operations Budget: \$212,735
 Actual Spend: \$191,673
 Remaining Budget: \$21,059


Remaining Budget **\$21,059** + Sustainability Fund **\$126,941**
 = Secondary Operations Budget: **\$148,000**
 Secondary Spend: \$96,546

Total Savings: \$51,455

- Asphalt Repair Roslyn Building A \$16,258
- Install RTU Controls at the Castro Building for units 1-4 \$47,102
- Castro Building Coil Replacement on RTU #3 \$42,526
- Replace VCT tile at Castro \$49,684
- Castro Building – Replace RTU #7 Cooling for Telecom Equipment \$11,246
- Castro Building – Replace RTU #10 Cooling for Elevator \$11,246
- Parking Garage Lighting At MY Building \$13,611




- Paint Police District 5 \$15,265
- Repair Metal Ceiling Deck In Mech. Room on 6th Level of PAB \$1,300
- Paint Exterior of Gang Unit \$8,840
- Install Exterior Ladder to Access Roof at Police Academy \$4,672
- Install 5 new windows at Roslyn Bldg. G \$4,990
- Make Repairs to RTU #2 at FCC building \$10,030
- Drainage issues at Main Entrance to DPD #2 \$1,335
- Replace Ansul System on range hood at Edna Oliver Child Care \$4,600
- Replace North And South Vestibule Roofs at Roslyn Admin. Bldg. \$11,850
- Upgrade Parking Lot Lighting at Arie P. Taylor \$12,382
- Arson Building – Upgrade/Replace Electrical Panel on the 2nd Floor \$4,131
- Repair Exterior Lot drainage issues at the EEB Building \$0
- Install Drain and Water line for Solid Waste Ice Machine \$3,255
- Install Lighting Control in Parking Garage Castro Building \$9,824
- Webb & Castro – Install sub-meters on Data Centers for EnergyStar Compliance \$4,072

Strategic Initiatives: Reduce energy usage via the Better Buildings Challenge (BBC)



Current Measure	Performance Measure	Progress	Last Measure	Standard Set By	Standard / Goal
2013: 6.18%	Energy Usage: kBtu/sq ft used by facilities.	 + 24%	2012 5.67%	Strategic Initiatives & EPA	2013: *5% reduction 2012: 2.5% reduction

*This goal is cumulative, setting a pace of 2.5% energy reduction every year until 2020. The goal uses 2011's energy usage as a baseline. Current readings for 2013 have not yet been normalized by EPA yet. 2012 percentages are normalized for weather and source by EPA. We are trending towards goal with a total energy reduction since 2011 of 5.24%.

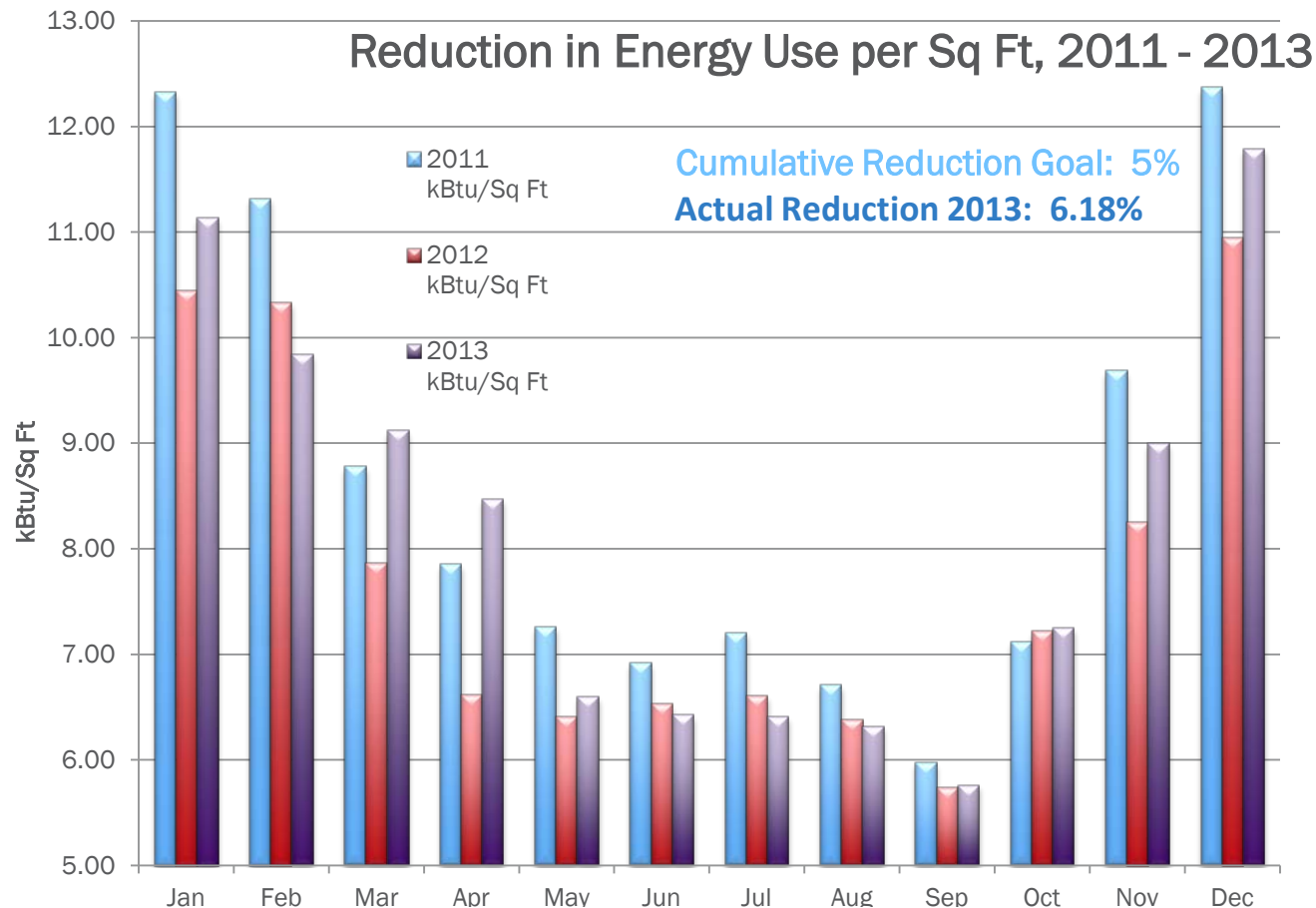
Status Colors:

-  Meets or exceeds standard
-  Within 10% of standard
-  Not meeting standard

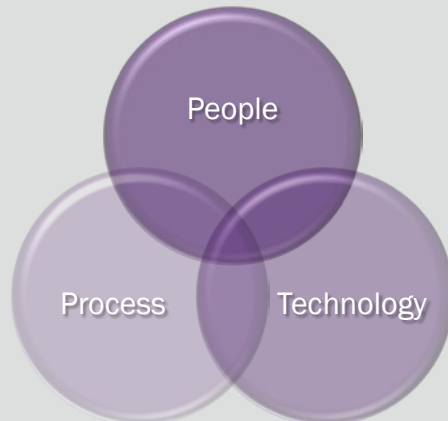
Progress Arrows:

-  Making positive progress
-  Making negative progress

Strategic Initiatives: Reduce energy usage via Better Buildings Challenge



Innovate!



- 4 JDIs – Just Do Its
- 4 BPIs – Business Process Improvements

2013

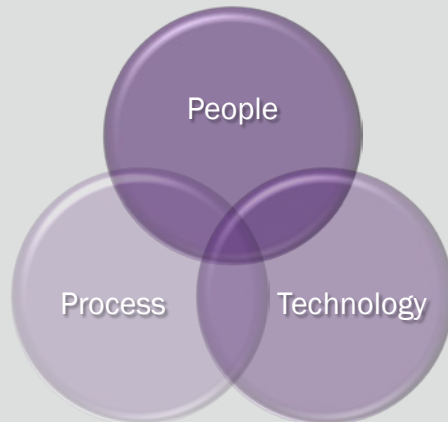
• JDIs:

- Facilities Management repurposed a storage room providing space for Public Works and Records Management records disposal operations. This resulted in an annual cost-savings of \$720 (cost to house 500 boxes in off-site storage).
- Facilities Management implemented INFOR's requestor module, reducing ASAIV time spent entering work orders by approximately 15%, saving an estimated 53 hours of time per month for 4 ASAIVs, equivalent to a soft-cost savings of **\$15,600 annually**.
- Purchasing launched BidNet, enabling registered vendors to submit their bids online. Currently receiving 80% of bids online, with a goal of hitting 100% in 2014.
- Records Management repurposed a storage room into a scanning facility, providing space to complete the scanning of records for City agencies, and disposal of records beyond the retention schedule.

• BPIs:

- Purchasing instituted a new set of classifications and a new tracking method for *Unauthorized Purchases*, establishing three types: After-The-Fact, Code Violations and Fiscal Violations. This has enabled purchasing to identify purchases out of compliance and establish effective consequences, as well as identify agency specific training needs. Purchasing will use 2014 as the baseline going forward.
- Adopted FM Best Practices Model and converted the document for online viewing by all teams, resulting in a standardization of operating procedures and a 5% reduction of work order input errors into INFOR. Total estimated cost-savings in personnel time savings from work order error reduction: \$23,000 annually.
- Purchasing repurposed a storage room into a conference room with video, providing General Services with a means to increase customer and vendor outreach. This has enabled purchasing to broaden their vendor outreach, in a way that minimizes cost.
- Strategic Initiatives adopted electronic processing of utility bill payment through ACH. This improvement has reduced paperwork, expedited utility payments, and reduced likelihood of incurring late fees.

Innovate!

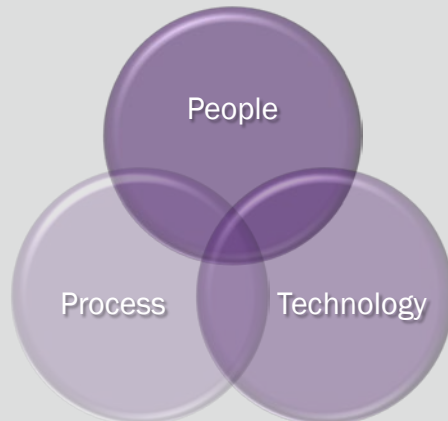


- 2 Projects
 - Fleet: Efficient, cost-saving procurement
 - M/WBE Goods & Services Program
 - P-Card enhancements

2013 Projects

- **Fleet:**
 - In October 2013, Purchasing along with other agency representatives participated in a Value Stream Analysis of the City's Vehicle Life Cycle. The result was an interagency plan of action where Fleet communicates, cooperates and shares expertise to expedite and standardize the fleet specification and procurement process going forward. The total anticipated savings for 2014-2015 are estimated to be **\$3,694,000 in hard dollar savings**.
 - **\$1,200,000** of these hard dollar savings are attributable to Purchasing's move from individual specification bids for each vehicle to purchasing vehicles via cooperative agreements. In addition to the hard-dollar savings, this resulted in an estimated 15% soft-savings of reduced Buyer time spent procuring vehicles annually, equivalent to \$ 9,000 in annual savings.
- **P-Card**
 - Purchasing initiated the new P-Card program through Citibank, which increased our rebate from 1% to 1.45%. The total P-Card rebates have increased to **\$345,577** in 2013, up from **\$114,382** in 2012.
 - Purchasing issued Exclusive Purchasing Cards (EPC) to several agencies. These EPC cards have higher dollar limits than the \$2,000 P-Card limit set as appropriate for the intended usage to agencies for vendor specific purchases. The cards are restricted to one competed vendor. Purchasing's EPC project contributed an additional \$1.7 million to overall P-Card spend.
 - Purchasing and the Controller's Office have implemented an E-Payables option where the City would pay vendors via a P-Card instead of the standard procedure of mailing them a check.

Innovate!

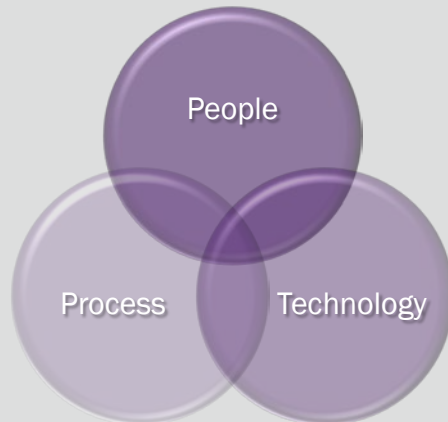


Innovation Fund Award \$686,658.00

2014 and Beyond

- **Innovation Fund:** Records Management was awarded \$686,658 from the iFund in 2013 to implement Alfresco's Records Management Module and hire 1 limited FTE position.
 - The Records Management Module will provide a secure, central, citywide environment to store and manage records in the most cost-effective manner possible in Alfresco's repository.
 - It will enable the City to automate certain processes using metadata including the assignment of retention periods to each record; records destruction schedules; and destruction approval workflow. It will also control records storage costs (physical and electronic) by ensuring the timely destruction of records past retention.
 - Total cost-savings for reducing off-site storage over a 5 year period estimated at **\$62,600**.
 - Total savings of 78,000 sq. ft. of on-site storage space.

Innovate!

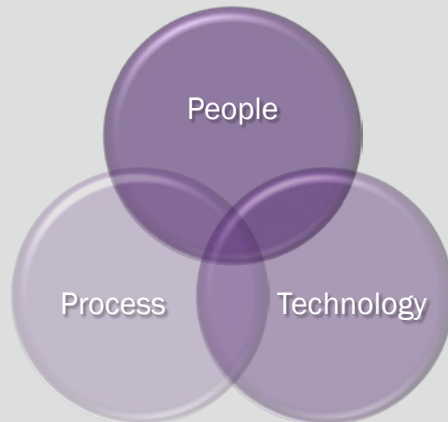


2014 and Beyond

- **The Facility Commissioning and Assessment Program (FCAP)** is a multi-agency effort to standardize our approach for assessing the efficiency and longevity of assets and systems in a city building or facility, by documenting and tracking the changing conditions. FCAP will enhance the accuracy of budgeting, reporting, forecasting and benchmarking of maintenance and Capital Improvement Program (CIP) expenditures, for city buildings.
- **Managed Print Services (MPS)** is a document management solution for the City and County of Denver, projected to save \$400,000 annually, with potential to increase as the contract progresses. MPS will also provide:
 - 24/7 tech support for multi-function devices, reducing the workload of Technology Services.
 - Automatic replenishment of toner reducing the workload for Purchasing and Purchasing technicians in agencies.
 - Robust reporting of printer and copier usage which will help management identify future areas of opportunity for cost-savings.
 - Consolidation of office printing budget improves expenditure tracking.
 - Follow-me printing, a service that allows the user to click print and pick up their print job from any printer in the network.
 - Converts document format when scanning with a multi-function device into a format of the users' choosing.
- Facilities Management will be consolidating 3 security camera surveillance centers currently located in the Lindsey-Flanagan Complex, the Webb Building and the City and County Building, to the 7th floor of the Webb building. The total cost of this consolidation is \$175,000. Facilities Management anticipates an estimated ROI of 13 months, with subsequent annual savings totaling \$168,000.
- Strategic Initiatives and Denver Water are working together to help the City and County of Denver achieve its 2020 sustainability water usage reduction goal. Denver Water has completed 34 building audits, and currently has 15 additional audits in progress. Strategic Initiatives and Facilities Management will utilize these audits to determine the cost and benefits of low flow fixture installations and alternate irrigation strategies. Total cost-savings TBD upon completion of audits by 4th quarter of 2014.

Innovation Plan: M/WBE Goods & Services Program

Innovate!



- **M/WBE: Minority and Women owned Business Enterprise**
 - Based on the City's recent Disparity Study findings, Purchasing and DSBO developed a 4-pronged opportunity program which went into effect April 1, 2014. The program is intended to increase opportunities for M/WBE utilization in City-wide spend for goods and services. Purchasing worked with DSBO to draft a comprehensive ordinance establishing the program. Purchasing also developed the policies, procedures and training to guide successful implementation of the M/WBE Goods & Services program.
 - Purchasing continues the process of reaching out to educate vendors on the components of the goods and services program, as well as educating internal agencies on how they will partner in its implementation.
 - B2G is a software program that tracks M/WBE certification and participation. Purchasing identified the NAIC codes for the covered goods and services which are subject to the new M/WBE program. Purchasing, in collaboration with DSBO, Technology Services, DIA and the City Attorney's office, also developed the procedures and training for B2G implementation for the new program.
 - Purchasing has developed ongoing training for all Purchasing buyers and staff to implement the ordinance as we anticipate increased volume of business transactions.

Financial

Hard \$ Savings
(*budget impact*)

Soft \$ Savings

Service Level Improvements

Human Development

Financial

- Hard \$: In 2013 General Services Purchasing division generated **\$345,577** in P-Card rebate revenues.
- Hard \$: Strategic Initiatives generated **\$482,320** in energy rebates.
- Hard \$: Facilities Management (FM) realized **\$67,000** in cost-savings via their reorganization, by returning 3 vehicles.
- Hard \$: FM achieved **\$112,134** in annual energy savings by replacing several rooftop cooling units (RTU), and several other facility improvements at the Castro building.

Service Level Improvements

- Increased customer outreach from 2,894 customer touches in **2012**, to 4,174 customer touches in **2013** across the department.
- Increased utilization of INFOR, improving our ability to forecast maintenance.
- Implemented the INFOR Requestor Module.
- Expanded DOT web presence for all divisions providing a standardized communication platform across the organization; benefits include:
 - Facilities Management enabled repair work orders to be entered online and made employee badging ID information readily available.
 - Strategic Initiatives made the City's current energy consumption readily available to employees.
 - Central Services provided request forms for printer acquisition and order forms to place printing and mailing orders.
 - Purchasing created webisodes to educate and train employees on various procurement processes.

Human Development

- 1% of workforce trained as Lean Black Belts; 30% as Green Belts
- Purchasing had 2 buyers CPPB certified through Rocky Mountain Governmental Purchasing Association.
- Purchasing also had their supervisors complete leadership/team-building training.
- FM's entire staff, including Facility Managers, Supervisors and Custodians completed INFOR training.
- An internal INFOR Power User Working Group was formed to work through programming issues and identify potential improvements to enhance staff work order management proficiency.
- FM trained custodians on computer usage, and made online services for e-mail, payroll, and W2 accessible for them.
- Central Services entire staff trained on Excel and Word classes to improve their reporting and communication skills.
- Strategic Initiatives trained entire division on grant-writing.
- FM: 1 FTE achieved LEED Accredited Professional (LEED AP) designation to the designation of LEED AP/ Operations & Maintenance.

Sustainability Update: Performance Contracting

Resource Investment	Projected Contribution to Meeting 2020 Goals	Key Assumptions	Upcoming Benchmarks and Status
<ul style="list-style-type: none"> Estimated \$100,000 from operating budget to conduct the Technical Energy Audit (TEA) for the Energy Performance Contract (EPC). Environmental Services Enterprise Fund will provide up to 2 million dollars to perform the performance contract. 	<ul style="list-style-type: none"> Energy: In-depth data for energy savings at selected facilities. Energy savings from Performance Contracting will contribute to meeting or exceeding the yearly BBC goal. 	<ul style="list-style-type: none"> 100% guarantee energy savings by contract from vendor awarded the TEA. With a 30% energy reduction goal established by SI, the TEA will identify Energy Conservation Measures which, will contribute to achieving up to 30% energy reduction. Reduction in utilities budget after projected potential rate increases. 	<ul style="list-style-type: none"> RFP for the TEA issued in February, with contract anticipated to be signed for TEA by June. Audit complete by August. Review audit findings by end of September Initiate Performance Contract in October

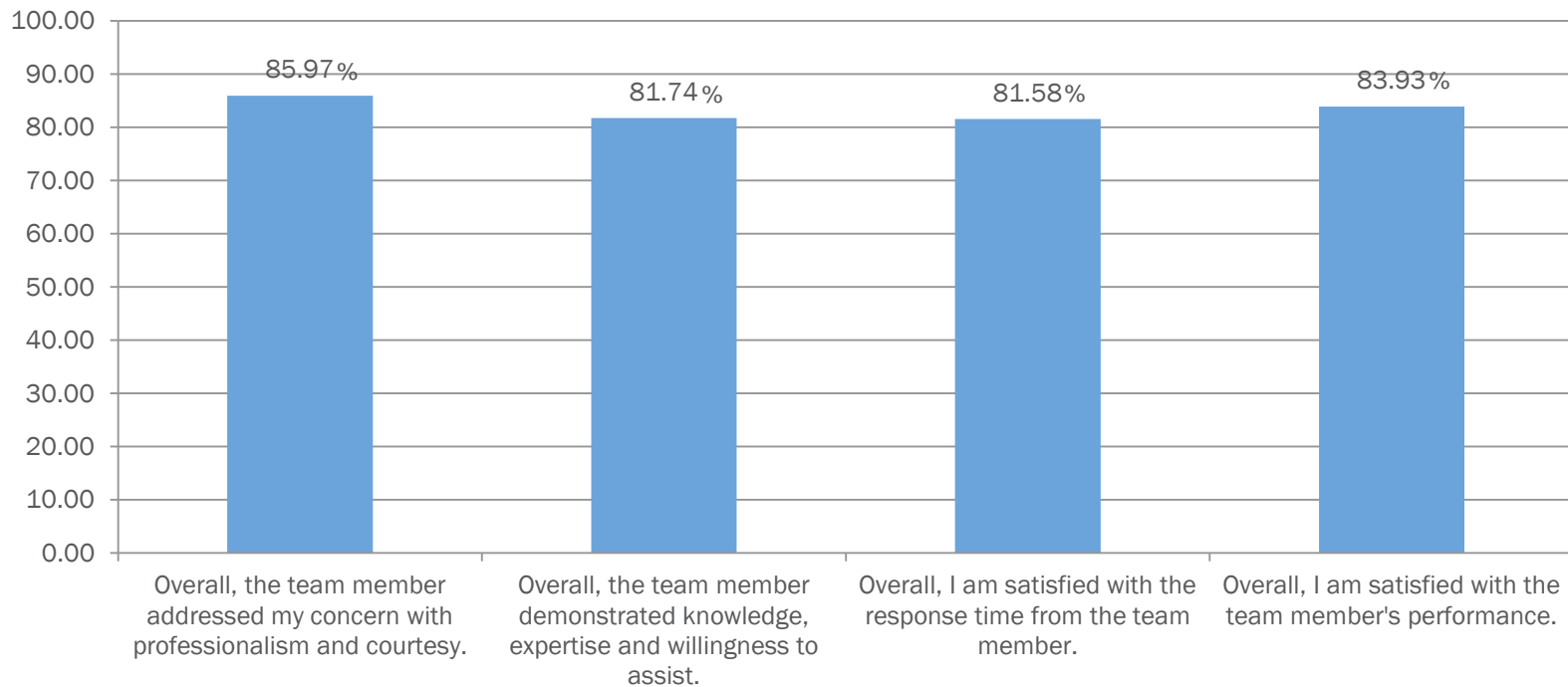
Comments: EPC: Energy Performance Contracting is a new way for Denver to upgrade their facilities to be more energy efficient, and finance the improvements through the guaranteed energy savings from the Energy Savings Company (ESCO). The Colorado EPC program has a very successful history and is currently ranked 4th in the Country for EPC completed by State. As of June 2013, the state-wide program has supported over 154 completed projects for a total of \$330 million in construction. As of June 2013, the program was supporting 22 projects for a total of \$82 million in construction providing jobs throughout the state.

Sustainability Update: Sustainability Fund

Resource Investment	Projected Contribution to Meeting 2020 Goals	Key Assumptions	Upcoming Benchmarks and Status
<ul style="list-style-type: none"> In 2013 The Sustainability Fund received a total of \$482,230 in energy rebates, and awarded \$362,443 to 11 projects, resulting in an annual energy cost-savings of \$59,600 and \$2,800 in maintenance. In 2014 The Sustainability Fund has awarded a total of \$138,214 to 6 projects, with annual energy savings projected at \$64,519. Rebates from those 6 projects are estimated at \$13,041. 	<ul style="list-style-type: none"> The 11 funded projects in 2013 saved 850,000 gallons of water and 832,617 kWh annually. In 2014 the 6 funded projects estimate annual energy savings of approximately 39,152 kWh, 6,727 therms and 12,815 gallons of water. 	<ul style="list-style-type: none"> The 11 funded projects in 2013 conserved energy and water resources by replacing controls, roof top units, recycling irrigation and upgrading lighting/delamping. The improvements will continue to save the CCD energy and water in future years. The 6 funded projects in 2014 will conserve energy and water resources by replacing water fixtures or upgrading lighting/delamping. 	<ul style="list-style-type: none"> Balance of The Sustainability Fund end of 2013: \$803,866 6 projects currently in progress to be completed by end of 2014. Fund requests will be reviewed quarterly during 2014.

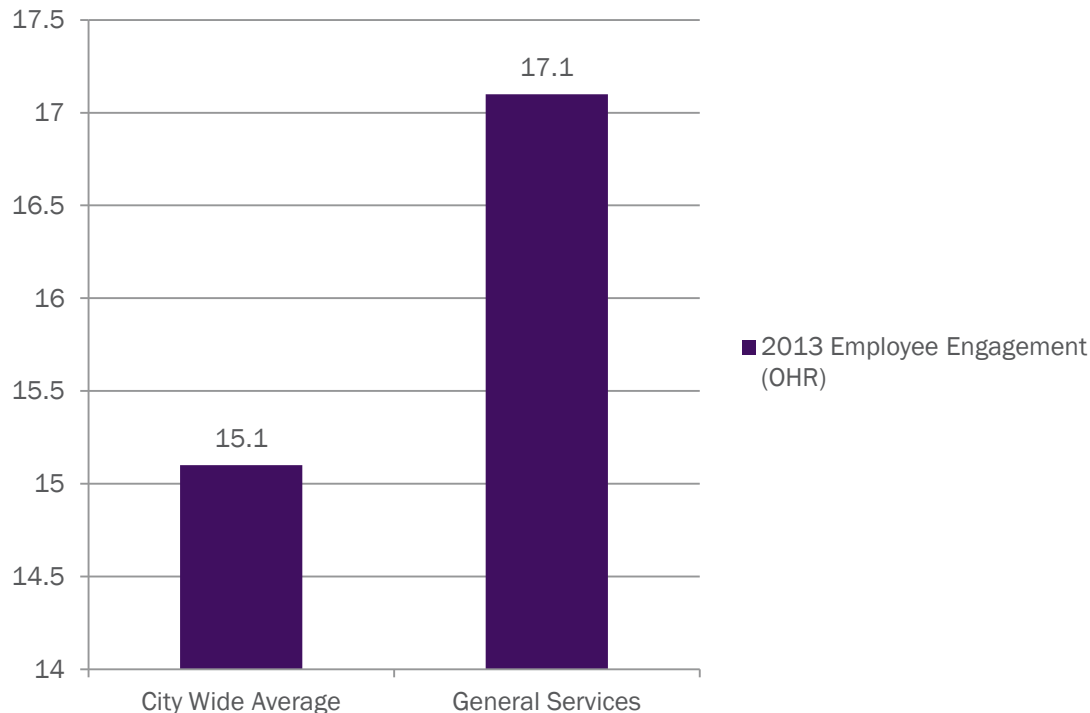
Customer Experience Improvement Update

2013 Internal Customer Satisfaction Survey*



* Percentages shown are a combination of “strongly agree” and “agree” responses. Survey conducted in July 2013, total of 116 respondents.

2013 Employee Engagement (OHR)



DRIVERS

Overall, my supervisor is sincerely interested in my well-being

74% (strongly agree + agree)

I understand what is expected of me at work

80% (strongly agree + agree)

My department/agency promotes a culture/environment of appreciation

59% (strongly agree + agree)

Overall, I understand how the work I do relates to the overall goals and priorities of my department/agency

81% (strongly agree + agree)

Overall, I understand how my department's/agency's strategic goals support the Mayor's Priorities

69% (strongly agree + agree)

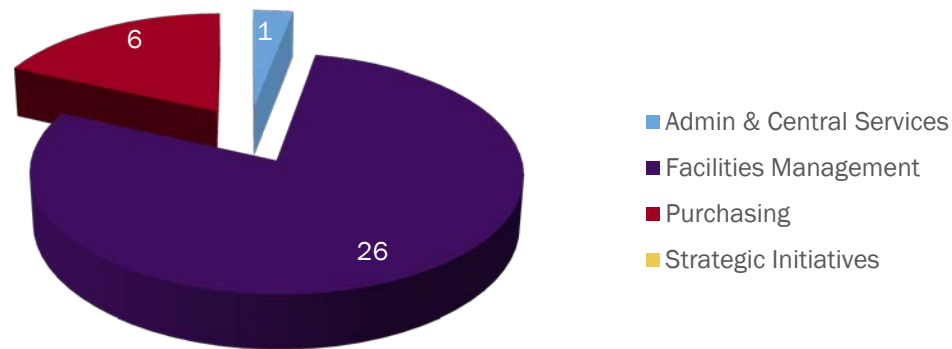
For Public Sector, my department/agency is innovative in the way it provides services and products to its clients

75% (strongly agree + agree)

General Services Employees Eligible For Retirement

Before January 1, 2016

20% of GS employees
eligible for retirement
by 2016



- Facilities Management completed 11 C.I.P. projects with an approved budget of \$409,664. Actual cost for these projects was \$312,994, yielding a cost-savings of **\$96,669**.
- Facilities Management identified and secured a furniture storage location within Webb building resulting in an estimated savings of \$14,400 annually.
- Facilities Management completed several facility improvement measures in the Lindsey-Flanagan Courthouse for improved building operations and energy reduction resulting in:
 - 2.8% reduction in electric daily average usage.
 - 13.5% decrease in daily average steam cost.
 - 14.9% decrease in chilled water daily usage.
- Facilities Management completed several facility improvements at the Denver Human Service Castro campus, resulting in reduced energy usage not only at Castro but the entire portfolio. Portfolio savings YTD costs were down by 12.5% from 2012's cost for the same period. This is a savings of \$112,134. Individually the Castro Building decreased by 14.4%.
- Facilities Management completed an energy reduction project in December 2013 for DHS resulting in an annual energy savings of \$11,000. This was accomplished by rewiring their garage to enable DHS to leave only the emergency lights on at night.

- Strategic Initiatives received the *Lighting Efficiency Achievement Award* from Xcel Energy for reducing the City's energy usage by a total of **3,119,098 kWh** for 2013.
- Strategic Initiatives (SI) incorporated data from water bills into EnergyCAP for 2013. This has enabled SI to provide trending analysis and reporting, and improved SI's ability to measure and verify projected water-resource savings associated with various facility improvements/energy conservation measures.
- Central Services increased savings in mailing services by enabling agencies to use the postage meter for same-day mail service, thus eliminating the service fee charge.
- Central Services yielded a cost-savings of \$105,258.31 from its copier program.
- Purchasing achieved **\$4,513,811** in surplus revenue in 2013, exceeding 2012's surplus revenue by **\$1,327,141**.
- Purchasing created first "webisode" addressing PeopleSoft issues. These webisodes will provide a soft-cost savings of an estimated \$40.00 per view. Annually, estimated savings are \$7,800.
- Purchasing revised the DRMC 20-63 20-64 to increase it's thresholds: bidding exception was increased to \$10,000, the informal bid threshold was below \$50,000, and the formal bidding threshold was increased to \$50,000 and above.
- In 2013 Purchasing completed an RFP for offender monitoring products for the Department of Safety for Community Corrections electronic monitoring program. This national award allows government and non-profits to utilize the contract for the best pricing. The year 1 savings in 2014 is estimated at \$102,777. Additionally, the City stands to received ½ of 1% of the national contract usage as a rebate.

- Facilities Management's challenges will be:
 - Develop a new comprehensive scope of work for Janitorial Services, as well as for Security Services, allowing FM to bid the work competitively with defined requirements and compliance with the M/WBE ordinance. The challenge will be to meet the ever-changing janitorial and security needs of various City agencies. Our expectation is to obtain these services with the highest value at the lowest cost.
 - Enhance supervisor leadership by using Right Management's tool to assess our supervisors leadership skills and utilize internal resources to develop training that addresses areas of opportunities. Expectations include: improved decision making skills to include business analysis and ROI concepts, separating wants vs. quantifiable business needs, and developing human capital.

- Strategic Initiatives challenges will be:
 - To encourage behavioral modification techniques which may lead City employees to adopt long-term sustainable business behaviors through education on the importance, practicality and value of sustainability. These modifications will contribute to energy efficiencies and enhanced management techniques.
 - To establish standard energy conservation measures in our facilities that are consistent and include identified responsibilities and accountability.

- Purchasing's challenges will be:
 - To fulfill the objectives and intent of the M/WBE Goods & Services program. Including continuing education of City employees on the procedures supporting the program; to raise vendor awareness of the advantage of the program; and to accurately track compliance to reach our aspirational goals of 8% for services and 5% for goods.
 - Pursuing development of an ERP system that meets the needs of Purchasing, AP, Finance and BMO. Ensure the appropriate level of resources for developing business requirements, change management, and implementation training. Also ensure that business processes are improved to optimize the functionality of the software.
 - Maximize surplus revenues from sale of more than 700 City vehicles in 2014.

- Central Services challenges will be:
 - Implementing Managed Print Services (MPS) will require the coordination of executive support from participating agencies, server application and software security support from Technology Services, and the cooperation of agencies to reduce their single-function printers. Reaching out to educate agencies, and consolidating the office printing budget are crucial steps to ensure the success of MPS implementation.