

October 7, 2016

Dave Wepking
Assistant Director of Public Works
City of West Allis – Public Works Department
6300 W. McGeoch Avenue
West Allis, WI 53219

Dear Dave,

Thank you for the opportunity to consult with the West Allis Department of Public Works (DPW). Schenck has been engaged to provide an independent assessment of Fleet Operations, identify functional and organizational strengths, and recommend possible changes that can lead DPW toward excellence and optimum efficiency in your transportation functions, while maintaining current high levels of service.

In the initial executive report twenty-one recommendations were presented to the Fleet Division management team. These recommendations were based on observations and data provided during the fleet assessment study. Based on further discussions with the Fleet Division management team, four recommendations dealing with information and inventory management, along with facility layout and work capacity, were deemed to be of the highest priority and the gateway to other recommendations on the list.

FINDINGS AND RECOMMENDATION SUMMARY:

1. INFORMATION MANAGEMENT

Currently, the utilization of information by the Fleet Division is inadequate for productive and efficient operations and maintenance of the DPW fleet.

Significant effort is placed on entering vehicle performance and maintenance data into the SunGard fleet management system; however, useful information is unable to be extracted for proper analytics. It is unclear if this is due to an inadequate software system, inadequate system implementation, or lack of knowledge of the system. The lack of useful information is evident by high levels of undetected data inaccuracies, i.e. unreasonable miles to gallon comparisons on vehicles, large repair costs on vehicles with minimal total annual miles. The Fleet Division personnel were surprised with the finding of these inaccuracies because of the manual workarounds Fleet Division employees have created to supplement SunGard. The result is data now being input and stored in two separate systems which has led to further discrepancies between the systems without further advancements on the availability and usefulness of performance and maintenance records. The suspect nature of the data also casts doubt on the vehicle and personnel utilization findings of this assessment.

It is unclear at this point whether the information gaps could be addressed by greater utilization of capabilities of SunGard or if a new fleet management software is required. Regardless, DPW does not currently have the internal technology resources or personnel with sufficient systems acumen to pursue either action.

Recommendations:

1. Hire a database analyst for DPW
2. Conduct an information systems project to:
 - a. Determine whether the capabilities of SunGard can be upgraded to meet DPW's needs
 - b. Identify a potential fleet management software to be implemented at DPW through a necessary IRP process

2. INVENTORY MANAGEMENT

Inventory management practices currently in place at DPW are manual in nature and essentially outdated. This results in service failures in the inventory area including critical part inventory not on hand along with delays in part order timeliness.

For the Fleet Division this means longer out-of-service time on vehicles and back logged space requirements for the work bays.

Recommendations:

1. Conduct a project to improve inventory management practices and how they will directly benefit the Fleet Division’s daily work flow and scheduling and / or,
2. Conduct an assessment of the entire City’s inventory management system, as originally discussed with Finance during the introductory discussion on the fleet assessment.

3. PHYSICAL WORKSPACE

The physical work space is hindering productivity for the Fleet Division. Numerous interviewees expressed the desire for a “more modern” or “larger” facility. Most interviewees cited insufficient room to work, a lack of work bays and issues moving equipment through the facility as the reasons for needing a larger facility.

Traffic flow into both the oil and lube area along with the maintenance work bays is restricted. The result requiring operators to make sharp 90 degree turns with large vehicles into these small working areas. This process also requires shuffling vehicles around if possible leading again to wasted mechanic time and work flow.

A lack of work place organization is also hindering productivity and raising potential safety concerns. One of the main areas of concern is the layout and lack of organization in the fabrication area. The Fleet Division personnel does the best with what they are provided within the fabrication area, however, additional organization and tracking of specialty shop tools is a necessary improvement.

Recommendation:

1. Implement a study to design the layout of the entire facility to identify opportunities to improve work flow and meet “best practice” strategies

4. WORK CAPACITY

The personnel in the Fleet Division currently have enough work capacity to provide high levels of service for repairs and maintenance of DPW vehicles and small engine equipment, along with fire department vehicles and numerous special in-house fabrication projects. High levels of service have been consistently maintained without outsourcing or non-weather related overtime, despite being 1-2 FTE’s short in 2015. As improvements are made to the Fleet Division in the areas of information management, inventory management and the physical workspace at DPW work capacity should only raise respectively.

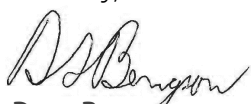
As these improvements take place it will be key for DPW to monitor and adjust both personnel and equipment numbers to match the need of the Fleet Division’s customers.

Recommendation:

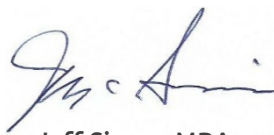
1. Conduct a follow-up optimization study on both the fleet management and continuous improvement foundations within a two-three year period

We appreciate the opportunity to be of service to you and believe the items detailed above accurately summarizes the significant finds in this engagement. If you have any questions, please let us know. We look forward to further assisting the West Allis Department of Public Works with future solutions.

Sincerely,



Doug Bengson
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Jeff Simon, MBA
Consultant



Paul Westberg, CPA
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