

Memorandum



Date: June 20, 2014

To: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor 

Subject: Identifying and Implementing Cost-Saving Measures

Pursuant to Resolution R-240-14 adopted by the Board of County Commissioners (Board) on March 4, 2013, the Administration was directed to identify cost-saving measures within each County department to be implemented within the next fiscal year, including but not limited to consideration of those recommendations made by the union representatives at the impasse hearing held on December 5, 2013.

The Board and our collective bargaining units have been made aware that the County faces a budget gap as it prepares the fiscal year 2014-15 budget. My message has been clear: I will present a proposed budget that is balanced and sustainable, and I will not recommend an increase to the operating millage rates. As we will have a balanced budget on October 1, 2014, I have directed department directors under my purview to begin implementing certain reductions, as well as new revenue generating opportunities, immediately. The reductions stem from the review of the centralization of certain operating functions; assessing the services provided by the County with the needs of our residents; and deferring expenditures that are not essential. These measures have been presented at Finance Committee Budget Workshops and in my quarterly budget reports to the Board.

As a former Commissioner, I have always been open to the Board's input on how the County can become more efficient and fiscally sustainable, two of the guiding principles of my Administration. Specific to the recommendations raised by the union representatives at the December 15, 2013 impasse hearings, staff identified the recommendations from American, Federal, State, County and Municipal Employees, Local 121 (AFSCME 121 – Water and Sewer) and Transport Workers Union (TWU) as those being put forward.

In the case of AFSCME 121 – Water and Sewer, each of the recommendations presented was listed with a staff response (Attachment 1). The recommendations suggested by TWU were actually proposals submitted by the union in September 2011 as the County prepared to negotiate the current 2011-14 collective bargaining agreements. Attachment 2 includes a list of TWU's proposals along with staff's assessment.

The past few years have required shared sacrifice from County employees and I recognize that. However, if the County is going to become more efficient and set a base budget that is sustainable into the future, we must give our collective bargaining agreements a fresh look that reflect our financial realities as opposed to continuing the same terms with minor piecemeal changes that are of marginal value to the County.

We began the FY2014-15 budget development process with a gap in the tax-supported budgets of \$208 million. As of this writing, we estimate this service level gap to be approximately \$90 million, a number that will be in flux until the release of the proposed budget. The closing of the estimated service level gap is being accomplished through the identification of new revenues, the freezing of benefits for employees under my purview, expense postponements, targeted position reductions, consolidations and restructurings, and the focusing on core priority services. Most of the remaining gap is attributable to increased personnel costs, driven by our collective bargaining agreements. Closing the remaining gap will require service reductions and layoffs.

In an attempt to avoid this, I, along with various department directors, Deputy Mayors, the County Attorney, the Office of Management and Budget and Human Resources staff conducted an article by article in depth review of each of our labor contracts. Staff has had an opportunity to present our recommendations with certain unions at the negotiation sessions held so far. These include:

- Elimination of all October 1, 2014 snapbacks (Premium Pay, Flex Benefits, Holiday Premium Pay);
- Elimination of Longevity Bonus Awards;
- Review of all Pay Supplements;
- Alterations to Permissive Rights (management rights);
- A ten percent (10%) reduction in base pay;
- Healthcare redesign;
- Reduction of Full-Time Releases to only the Union President;
- Specific Departmental provisions for the Collective Bargaining Agreement;
- Elimination of the Floating Holiday(s);
- Reduction of new hire in hiring rates;
- Reduction in separation payouts for new hires;
- Pay Plan restructuring (merits and cost of living adjustments); and
- Open pay ranges.

As I stated earlier, I am committed to presenting a proposed budget that is balanced and does not raise operating millage rates. While our economy continues to improve, we cannot jeopardize the future sustainability of Miami-Dade County government. We must also face the reality that in order to become fiscally sustainable, the County cannot continue to go back to personnel costs that are fundamentally unsustainable.

If you have any questions or concerns, please feel free to contact Deputy Mayor Edward Marquez at 305-375-1451, or me directly.

c: Robert A. Cuevas, Jr., County Attorney
Office of the Mayor Senior Staff
Arleene Cuellar, Director, Human Resources
Bill Johnson, Director, Miami-Dade Water and Sewer
Ysela Llort, Director, Miami-Dade Transit
Charles Anderson, Commission Auditor

AFSCME 121
 Union Claims and Department Responses
 December 2013/January 2014 5% Impasse Proceedings

ATTACHMENT 1

Item	Date Presented	Issue	Department Response
1	Impasse presentation 12/5/2013	<p>The Gainsharing Agreement was ratified by the BCC on July 17, 2012. The Agreement requires that management and labor work collaboratively to identify and implement efficiencies. The Department has been uncooperative in this endeavor. The Union has filed a dozen grievances over the Department's breach of contract, and lawsuits to force the production of public records.</p>	<p>• All public records requests have been provided to the union. In fact, staff has provided one-on-one reviews of numerous requests of the Project Control and Tracking System (PCTS).</p> <p>• On June 11, 2013, Labor Management facilitated a meeting between AFSCME 121 and WASD. During the meeting, several existing contracts were discussed as well as the feasibility of AFSCME 121 submitting proposals. Although the janitorial contract was discussed at length and AFSCME 121 expressed an interest in submitting a proposal, no proposal was ever received.</p> <p>Regarding the comment about the department being uncooperative... In fact, the union has not provided "proposals" to the department for consideration in spite of having one full-time release dedicated to gainsharing. On May 28, 2014, the department met with Local 121 to create a working group in order to further assist Local 121 in developing proposals. The department outlined, in detail, how proposals should be prepared, including calculating costs, and submitted so there could be a cost-benefit analysis performed to ensure that there were actual savings to the department.</p>
2	Impasse presentation 12/5/2013	<p>Employees sealed a secondary containment dike at the Virginia Key WWTP at a cost of \$48,000.00, more than 50% below the costs estimated by the contractor. Despite the savings realized by performing this work in-house, the Department hired a contractor to perform the same work at the Alexander Orr WTP at a cost of \$199,700.00.</p>	<p>This is a management decision-workforce used to work on other projects. Currently there is a backlog of 60 projects. This claim is not accurate. AFSCME 121 never did bid on the project. AFSCME 121 used a different method than the contractor. To touch on one of the aspects, the approximate surface area to be coated for the Orr dike is 11,371 sq. ft., and 3,370 sq. ft. for the Virginia Key dike. That is 3:374 times larger at Orr. If you apportion the cost to coat Orr in-house at the same rate as VK, it would be \$48k x 3.374 = \$161,960.83. This was done with a different method and product than the job done by the contractor at Orr. In-house staff did not have the capabilities to bid the job (same scope) that the contractors bid. We did offer the Union to bid the two (Orr and VK) jobs as required by the MOU.</p>

AFSCME 121
 Union Claims and Department Responses
 December 2013/January 2014 5% Impasse Proceedings

Item	Date Presented	Issue	Department Response
3	Impasse presentation 12/5/2013	Cleaning of Digester Tanks: Plant 2 Digester 12 was cleaned in-house for a total cost of \$86,000, which included materials, equipment and personnel. Nonetheless, in April 2013, the Department solicited an open competitive bid for the same work on Plant 2 Digester 4. A contractor submitted a bid of \$150,000 and was awarded the contract.	This practice was discontinued after fraudulent reporting of overtime was discovered, and it became difficult to be certain that staff volunteers could be reliably recruited to do the work at the time that it needed to be done while observing essential limitations on use of overtime. There are several factual errors in the general statements. Digester 12 cleaning at \$86,000 as a total cost is inaccurate because the disposal cost is not included. The disposal cost is approximately \$100,000 more. Hence, the project cost is \$186,000 when implementing dept. forces. Please note that this is over the bid price of \$150,000 for the cleaning and disposal.
4	Impasse presentation 12/5/2013 Letter to Mayor 12/14/2013	The Department spent more than \$410 million on consultant fees between 2007-2012, while the Department's Engineering staff has decreased from 112 employees to 66 employees, which represents a 40% reduction.	Budget constraints required staff limitations in those areas that would have the least impact on direct facility operations. It is a management responsibility to determine an appropriate balance of work done by consultants and staff.
5	Impasse presentation 12/5/2013 Letter to Mayor 12/14/2013	A recent audit of the Hayzen & Sawyer Professional Service Agreement criticized, among other things, the Department's approval of a \$1.8 million expenditure for 29,605 hours of "non-professional" secretarial and clerical services, averaging \$61.96 per hour after applying a 2.85 multiplier reserved for "professional skills." The "Summary of Questionable Charges" on this Agreement alone was \$3,538,682.00, which exceeds the amount necessary for the return of this unit's health insurance contribution for the fiscal year.	The services in question were not secretarial services, they were document control services utilizing sophisticated computer software to categorize and store critical construction documents. All of the audit questions are being reviewed and resolved in an appropriate fashion consistent with the contract and protection of the County's interests. It is a management responsibility to determine an appropriate balance of work done by consultants and staff. The decision to include "reimbursable" items as part of lump-sum tasks in this particular contract was an allowable procedure that placed a cap on all costs associated with the task, reduced the administrative burden of administering the task, but could have resulted in the consultant not incurring all of the "reimbursable" costs that were assumed when the lump sum fee was established. It is also possible that the consultant might have incurred more "reimbursable" costs than contemplated. Since the date of the audit, the Department, as a matter of regular practice, separates reimbursable costs from lump-sums and accounts for the costs separately. It is the Department's opinion that in the contract, support services devoted directly to project deliverables may have been considered as eligible for application of the multiplier (in contrast to non-billed costs such as human res functions, accounting functions, etc.)

AFSCME 121
 Union Claims and Department Responses
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Item	Date Presented	Issue	Department Response
6	Impasse presentation 12/5/2013 Letter to Mayor 12/14/2013	The Department refuses to utilize its multi-million dollar Project Control and Tracking System (PCTS) to monitor, track, and record project expenditures, including consultants fees.	More than 90% of the Department's capital projects (over 1,500 projects) are currently being tracked in PCTS. All projects that will be managed using consultant contracts are required to be tracked through PCTS.
7	Impasse presentation 12/5/2013	PCTS File 101A1 - \$1,512,242.00 was paid to a consultant for the design of a 72-inch raw water main from the Turnpike to 72nd Avenue, which was never built and which will never be built.	Reference was made to PCTS File 101A1 regarding a 72-inch raw water main which "will never be built". Per the Water and Sewer Department, this water main will be built.
8	Impasse presentation 12/5/2013	PCTS File 10195 - \$727,383.00 was paid to a consultant for the design of a raw sewage force main from the South Miami Heights Water Treatment Plant to Cutler Road, which was never built and which will never be built.	The South Miami Heights plant is being re-designed to use a different source of water pursuant to a change in the Water Use Permit. This change will save more than \$300 million overall. The sewage line is no longer required for the treatment plant, but needs to/should be constructed to meet other needs.

<p>Submitted by TWU September 19, 2011</p>	<p>Transport Workers Union Local 291 is submitting these Proposal Items as a Cost Saving Effect for the Upcoming Contract Negotiations. The list of suggestion will generate revenue that would solve the financial crisis that our transit system is encountering only in saving our Transit dollars.</p>		
	<p>TWU PROPOSAL</p>	<p>Projected Cost Saving – Submitted by MDT staff</p>	<p>Governing Authority and/or Administrative Process</p>
<p>I.</p>	<p>Brake Drums: Using Brake Drums we recommend Resurfacing and using them twice (2) and maintain safety.</p>	<p>None</p>	<p>MDT follows the brake manufacturer's (Arvin Meritor and MAN) recommendation (a common practice with major transit properties nationwide) not to resurface brake drums as it decreases their strength and heat sink capacity. In the past, brake drums were resurfaced and reused; this practice was discontinued as a high number of bus fires (approx. 50%) were brake related. Reusing resurfaced brake drums can create brake overheating and premature wear out, resulting in decreased brake life. Heat dissipation on low floor buses is even more critical because of the vehicle design.</p>
<p>II</p>	<p>Bring back the following items in the Unit Room. Work that could be done by our own employees to save the County.</p>	<p>None</p>	<p>Rebuild components in the Unit Room. In the past, some components such as HVAC Compressors, blower motors, brake treadle valves, brake relay valves, air dryers, generators, starters, differentials, transmissions and engines etc. were rebuilt in the Unit Room at Support Services Division. In 2006, the practice of rebuilding components was discontinued as a result of low productivity and high failure rates. It was decided to purchase new parts with warranties and utilize the manpower for other fleet reliability initiatives.</p> <p>Reviving the rebuild program will require additional resources and will negatively affect fleet reliability and productivity</p>

	TWU PROPOSAL	Projected Cost Saving – Submitted by MDT staff	Governing Authority and/or Administrative Process																																																								
III.	<p>Painting the Buses: We are currently using a two (2) part paint for the Buses; we can use a one (1) part paint to save cost and money.</p>	<table border="1"> <thead> <tr> <th data-bbox="755 240 849 337">Base Coat</th> <th data-bbox="849 240 997 337">Parts Description</th> <th data-bbox="997 240 1177 337">Stock Code</th> <th data-bbox="1177 240 1266 337">Part Quantity</th> <th data-bbox="1266 240 1392 337">Unit Cost</th> <th data-bbox="1392 240 1553 337">Parts Extended Cost</th> <th data-bbox="1553 240 1682 337">Average Cost</th> </tr> </thead> <tbody> <tr> <td></td> <td>PAIN - BASE COAT- SILVER</td> <td>TG8010PA0179</td> <td>1</td> <td>\$289.78</td> <td>\$289.78</td> <td>289.78</td> </tr> <tr> <td></td> <td>PAINT - CLEAR</td> <td>TG8010PA0181</td> <td>1</td> <td>\$78.93</td> <td>\$78.93</td> <td>78.93</td> </tr> <tr> <td></td> <td>MEDIUM REDUCER</td> <td>TG8010RE0010</td> <td>1</td> <td>\$54.84</td> <td>\$54.84</td> <td>54.84</td> </tr> <tr> <td></td> <td>CLEAR COAT ACTIVATOR</td> <td>TG8010AC0016</td> <td>1</td> <td>\$42.58</td> <td>\$42.58</td> <td>42.58</td> </tr> <tr> <td></td> <td>HIGH BUILD EPOXY SEALER</td> <td>TG8010SE0002</td> <td>1</td> <td>\$114.84</td> <td>\$114.84</td> <td>114.84</td> </tr> <tr> <td></td> <td>EPOXY CATALYST</td> <td>TG8010CA0002</td> <td>1</td> <td>\$110.72</td> <td>\$110.72</td> <td>110.72</td> </tr> <tr> <td></td> <td colspan="4" data-bbox="849 997 1392 1117">Paint and Material cost only.</td> <td data-bbox="1392 997 1553 1117">\$691.69</td> <td data-bbox="1553 997 1682 1117">Total Cost</td> </tr> </tbody> </table> <p data-bbox="755 1159 1682 1263">NOTE: The average hours of work with the current multicolor process is 14 hours. Actual Labor costs will vary based on the extent of body work needed, process used etc.</p>	Base Coat	Parts Description	Stock Code	Part Quantity	Unit Cost	Parts Extended Cost	Average Cost		PAIN - BASE COAT- SILVER	TG8010PA0179	1	\$289.78	\$289.78	289.78		PAINT - CLEAR	TG8010PA0181	1	\$78.93	\$78.93	78.93		MEDIUM REDUCER	TG8010RE0010	1	\$54.84	\$54.84	54.84		CLEAR COAT ACTIVATOR	TG8010AC0016	1	\$42.58	\$42.58	42.58		HIGH BUILD EPOXY SEALER	TG8010SE0002	1	\$114.84	\$114.84	114.84		EPOXY CATALYST	TG8010CA0002	1	\$110.72	\$110.72	110.72		Paint and Material cost only.				\$691.69	Total Cost	<p>MDT buses are painted in a 4 color scheme – silver, blue, green and black. The base coat/clear coat system allows to paint as many as 4 colors in a day, as the base color can be masked in as fast as 30 minutes after being applied. Also, when performing paint repairs, the base coat/clear coat system can easily be blended and spot painted. A final clear coat is required in-order to give off a more aesthetically pleasing appearance as well as protection for enhanced wear resistance. Once the clear coat is applied, it takes 6 to 8 hours to dry.</p> <p>With a single stage paint recommended in the TWU proposal, only 1 color can be applied per day, unless the paint is force-dried (which is not recommended). It is also very difficult to apply and problematic to work with. Additionally, the paint will fade in a short period of time because the single stage paint does not contain the urethane clear coat.</p> <p>Specifically, when processing spot/section repairs the single stage does not blend adequately with the adjacent painted surface; When painting a damaged section, the entire side must be painted to avoid the blending issue and ensure proper aesthetic quality; When using the single stage silver (Which is a metallic paint) there is an inherent issue with modeling [a.k.a. streaking or the zebra effect], a condition which is difficult to correct.</p> <p>Often times the area must be re-done after waiting at least six (6) hours for drying.</p> <p>Bus Maintenance has recommended using a one or two color paint scheme to reduce costs. However, revenue generated marketing ads (bus wraps) require multiple paint coats. Therefore, implementation would adversely impact marketing revenues.</p> <p>Also, as all three MDT paint shops require major renovations to meet OSHA and EPA standards, a cost savings alternative would be to get quotes from outside vendors for complete paint jobs and utilize MDT staff to perform minor paint repairs.</p>
Base Coat	Parts Description	Stock Code	Part Quantity	Unit Cost	Parts Extended Cost	Average Cost																																																					
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Single Stage	Parts Description	Stock Code	Part Quantity	Unit Cost	Parts Extended Cost	Average Cost
	PAINT - SILVER - SINGLE STAGE - POLY	TG8010PA017 9	2	\$105.87	\$211.74	\$105.87
	PAINT ACTIVATOR - POLY	TG8010AC000 2	2	\$59.30	\$118.60	\$101.00
	HIGH BUILD EPOXY SEALER	TG8010SE0002 1	1	\$113.42	\$113.42	\$114.84
	EPOXY CATALYST	TG8010CA000 2	1	\$82.58	\$82.58	\$110.72
	Paint and Material cost only.				\$526.34	Total Cost

NOTE: The average hours of work using single stage process is **68 hours**. Actual Labor costs will vary based on the extent of body work needed, process used etc.

	Multi-color	Single Stage	
Difference:	\$691.	\$526.34	MATERIAL ONLY \$165.35
	14 hours	68 hours	

BASE COAT CLEAR COAT "VS" SINGLE STAGE PAINT {SILVER ONLY}

SINGLE STAGE

STEP1 Two Employees 1 hour each to spray sealer total 2 hour
STEP2 Two Employees 3 hours each to spray silver top coat total 6 hours

BC/CC {SILVER ONLY}

STEP1 Two Employees 1 hour each to spray sealer total 2 hours
STEP2 Two Employees 2 hours each to spray silver color base total 4 hours
STEP3 Two Employees 1 hour each to spray clear coat total 2 hours

BC/CC "VS" SINGLE STAGE WITH CURRENT 4 COLOR PAINT SCHEME

SINGLE STAGE

STEP1 two Employees 1 hour each to spray sealer total 2 hours
STEP2 two Employees 1 hour each to spray black top coat total 2 hours
10 hour of lost time due to drying time total 10 hours
STEP3 two Employees 1 hour each to spray blue top coat total 2 hours
12 hours of loss time due to drying time total 12 hours
STEP4 two Employees 1 hour each to spray green top coat total 2 hours
12 hours loss time due to drying time total 12 hours
STEP5 two Employees 3 hours each to spray silver top coat total 6 hours
8 hours of loss time due to drying time

Total 68 hours

BC/CC WITH CURRENT 4 COLOR PAINT SCHEME

STEP1 two Employees 1 hour each to spray sealer total 2 hours
STEP2 two Employees 1 hour each to spray blue base color total 2 hours
STEP3 two Employees 1 hour each to spray green base color total 2 hours
STEP4 two Employees 1 hour each to spray black case color total 2 hours
STEP5 two Employees 2 hours each to spray silver base color total 4 hours
STEP6 two Employees 1 hour each to spray clear coat total 2 hours

Total 14 hours

Note- also any base coat color not used can be saved as it has no activator mixed in it

	TWU PROPOSAL	Projected Cost Saving – Submitted by MDT staff	Governing Authority and/or Administrative Process																								
IV.	<p>Drivers Seat: Driver Seat are being sent out to vendors in New Jersey for the cost of two hundred dollars just for shipping bring a total cost for repairs and shipping to seven hundred dollars or more. We can rebuild the Driver's seat in house for a huge saving of two hundred and fifty dollars.</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="6" style="text-align: center;">DRIVER'S SEATS</th> </tr> <tr> <th colspan="2" style="text-align: center;">NEW (USSC)</th> <th colspan="2" style="text-align: center;">Rebuilt (MDT)</th> <th colspan="2" style="text-align: center;">Remanufacturing (UCS)</th> </tr> <tr> <th style="text-align: center;">Cost</th> <th style="text-align: center;">Warranty</th> <th style="text-align: center;">Cost</th> <th style="text-align: center;">Warranty</th> <th style="text-align: center;">Cost</th> <th style="text-align: center;">Warranty</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$1,800.00</td> <td style="text-align: center;">2 Years</td> <td style="text-align: center;">\$1,150.75</td> <td style="text-align: center;">None</td> <td style="text-align: center;">\$700.00</td> <td style="text-align: center;">2 Years</td> </tr> </tbody> </table> <p>Note: 108 seat per year</p>	DRIVER'S SEATS						NEW (USSC)		Rebuilt (MDT)		Remanufacturing (UCS)		Cost	Warranty	Cost	Warranty	Cost	Warranty	\$1,800.00	2 Years	\$1,150.75	None	\$700.00	2 Years	<p>Rebuild Driver's Seats in-house. Driver's seats re-manufactured by Union County Seating (UCS) in New Jersey are an alternative to purchasing new seats. As per the feasibility analysis presented at the Contracting-Out meeting (August 2006), rebuilding the seats in-house was deemed not to be cost effective.</p> <p>The remanufactured seats come with a 2 year warranty and the freight charge per seat is about \$30.00. Also, there is a difference between 'rebuilt' (replacement of defective parts only) and 'remanufactured' (replacement of all parts that restore the component to its original blue print specifications); furthermore, some parts necessary to rebuild the seats in-house are not available for purchase by MDT.</p>
DRIVER'S SEATS																											
NEW (USSC)		Rebuilt (MDT)		Remanufacturing (UCS)																							
Cost	Warranty	Cost	Warranty	Cost	Warranty																						
\$1,800.00	2 Years	\$1,150.75	None	\$700.00	2 Years																						
V.	<p>Supervisor in Maintenance Area: The supervisors now require two on each shift and for whatever reason when one is not on duty, they will replace his absence with another supervisor. TWU Local 291 proposes bringing in another supervisor is extremely costly when you can use a Lead-man (leadworker).</p>	None	This is based on the resolution of a Class Action Grievance.																								
VI.	Car rentals increased by two (\$2.00) dollars dedicated to transit.	None	<p>Rental car fees are generally controlled by state statute. There is no mechanism for the County to create or add a \$2.00 transit surtax. See, e.g. Sec. 212.0606, Fla. Stat. (2011) (Rental car surcharge). (County Attorney Office)</p> <p>Per CITT – IMG Report: Car rental fees are common at airport locations, but revenue is restricted to airport uses.</p> <p>Currently, the only local County rental car fees are a \$4.60 per day customer facility charge (CFC) for vehicles rented at Miami International Airport. Those funds, however, are directed for airport-related projects, including the construction of the Miami Intermodal Center. The State of Florida charges a \$2.00 per day rental car fee, but such funds would likely be difficult to direct to MDT.</p>																								

	TWU PROPOSAL	Projected Cost Saving – Submitted by MDT staff	Governing Authority and/or Administrative Process
VII.	Tolls increased by twenty-five cents.	None	<p>The link between car rentals and transit service is indirect.</p> <p>The County has no ability to increase tolls on the major toll roads and expressways within Miami-Dade County. The County can set tolls on the Rickenbacker Causeway and the Venetian Causeway through the Board of County Commissioners. However, as to the major toll roads listed below, there are other agencies with control over revenue setting and collection:</p> <p>Miami-Dade Expressway Authority (MDX) (http://www.mdx-way.com/) has jurisdiction over setting, collection and distribution of tolls on the Gratigny Parkway (SR 924), Airport Expressway (SR 112), Dolphin Expressway (SR 836), Don Shula Expressway (SR 874) and Snapper Creek Expressway (SR 878). MDX is an independent agency and, subject to relevant state law, independently sets toll rates.</p> <p>Florida Department of Transportation (FDOT), through Florida's Turnpike Enterprise, operates Florida's Turnpike. (http://www.floridasturnpike.com/index.cfm). This would be subject to oversight and control at the state level. (County Attorney Office)</p> <p>Per CITT – IMG Report: While tolling of roads, bridges, and tunnels is a common practice around the world and in the U.S. to fund transportation projects. such funds, from managed lanes or tolling, are rarely applied directly to transit.</p>

	TWU PROPOSAL	Projected Cost Saving – Submitted by MDT staff	Governing Authority and/or Administrative Process
VIII.	Advertisement increased by 10%.	<p>Miami-Dade Transit currently has a revenue-producing Transit Advertising Contract (TR03-ADV) with CBS Outdoor Group, Inc. for the sale of advertising on transit vehicles, Metrorail Stations and the South Miami-Dade Busway.</p> <p>CBS Outdoor pays the County an Annual Minimum Guarantee of \$2,000,000. A ten percent (10%) increase in revenues would derive an additional \$200,000 annually to MDT.</p> <p>Effective August 1, 2011, the County agreed to add twenty-five (25) Metromover vehicles to CBS Outdoor's advertising inventory for a six-month trial period. Once the trial period ends, the County will need to provide a final approval to add the device as a permanent part of the Agreed-Upon Inventory.</p> <p>During this six-month trial period, CBS Outdoor has successfully sold 24 Metromover wrap advertising devices to American Airlines for 3-months generating approximately \$130k additional revenues to MDT. By permanently adding the Metromover vehicles to the advertising inventory, it is projected that MDT would generate additional annual advertising revenues of approximately \$250,000.</p>	
IX.	Increase South Beach Local by (.25) cents or up to one (\$1.00) (Still remaining an inexpensive ride)	Raising the fare to \$0.50 may bring an additional \$50,000 - \$100,000 in revenue.	According to the current proposed Interlocal Agreement (to be approved by the City of Miami Beach Commissioners @ Oct. 19, and then by the County), "any changes to the regular fare of \$0.25 shall be solely within the discretion of the City of Miami Beach".
11.	Withdraw vehicle privileges from Executive Level county employees, (not police department due to the fact that these vehicles are being used for personal use. Example: (Shopping, restaurants and taking children to school, etc.) County Vehicles should ONLY be used for county business. County would save on gasoline, tires, wear and tear of vehicles and maintenance cost. "That is a		The Mayor already implemented. MDT has no assigned take home cars.

	savings of MILLIONS of dollars".		
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12.	Increase parking meters by twenty-five percent instead of one (\$1.25) dollar an hour, make it one dollar fifty cents (\$1.50) dedicated to Transit.	The County budget estimates \$500,000 in revenue from MDT parking lots in fiscal year 2011	The County does not have any street parking meters. All such meters are controlled by the municipality in which they are located. (County Attorney Office)
13.	Increase Port and docking fees dedicated to Transit.		Not feasible
14.	Reinstate fare on the People mover to fifty (0.50) cents.	Capital start-up cost @ \$9.1m Operating cost @ \$475k (FY12) Revenues @ \$780k Additional cost for security @ \$3.4m (FY12) (security personnel ride Metromover to request proof of fare payment)	CITT presentation: Field Engineering Division conducted a survey of the Metromover fare collection equipment. If MDT is to install the same equipment that is installed on the Metrorail system, the Capital Investment will be substantial and it would take several years to recoup the initial investment. Additional technician support will be required to handle trouble calls and perform preventive maintenance.
15.	Tri-county lottery-proceeds to benefit transit only	None	The state has exclusive control over the state lottery system, which proceeds are generally used and dedicated to education funding. Accordingly, there is no legal mechanism to institute such a lottery absent significant changes to state law. (County Attorney Office)
16.	Special events, everyone should pay (no more free rides)	By eliminating approximately six (6) special events at \$1,000.00 each event, the total revenue will be approximately \$6,000.00 NOTE: MDT implemented the “no free rides” policy, approximately one year ago	There are less special events due to the FTA Charter Rule. The South Beach Local, according to the current Interlocal Agreement, “the County provides free rides during New Year’s Eve, Memorial Day Weekend, Art Deco Weekend, and Election Days”. However, since the Interlocal Agreement has expired and MDT is getting ready to enter into a new agreement, these free rides have been discontinued.

	TWU PROPOSAL	Projected Cost Saving – Submitted by MDT staff	Governing Authority and/or Administrative Process																																
17.	Replacement of lost or damaged card fifty (\$50.00) dollar fees	<p>Miami-Dade Transit (MDT) currently charges a \$ 10 fee to replace a lost or stolen Golden Passport EASY Card. This fee was implemented by the Miami-Dade County Board of County Commissioners on March 3, 2009. Previously, if a Golden Passport holder lost their passport, the first replacement was \$ 5; \$ 20 for the second replacement; and 50 for the third replacement. This fee can be waived if the original police report listing the Golden Passport is presented.</p> <p>Below is a tri-month sample of replaced lost or stolen Golden Passport EASY Cards.</p> <table border="1" data-bbox="774 423 1680 1008"> <thead> <tr> <th data-bbox="774 423 997 558">Dates</th> <th data-bbox="997 423 1112 558">Cards</th> <th data-bbox="1112 423 1384 558">Current Replacement fee of \$10</th> <th data-bbox="1384 423 1680 558">Proposed Replacement fee of \$ 50</th> </tr> </thead> <tbody> <tr> <td data-bbox="774 558 997 618">5/23 – 6/2/11</td> <td data-bbox="997 558 1112 618">298</td> <td data-bbox="1112 558 1384 618">\$ 2,890</td> <td data-bbox="1384 558 1680 618">\$ 14,900</td> </tr> <tr> <td data-bbox="774 618 997 678">6/6 – 6/17/11</td> <td data-bbox="997 618 1112 678">319</td> <td data-bbox="1112 618 1384 678">\$ 3,190</td> <td data-bbox="1384 618 1680 678">\$ 15,950</td> </tr> <tr> <td data-bbox="774 678 997 738">6/26 – 7/1/11</td> <td data-bbox="997 678 1112 738">208</td> <td data-bbox="1112 678 1384 738">\$ 2,180</td> <td data-bbox="1384 678 1680 738">\$ 10,400</td> </tr> <tr> <td data-bbox="774 738 997 799">7/5 – 7/15/11</td> <td data-bbox="997 738 1112 799">193</td> <td data-bbox="1112 738 1384 799">\$ 1,930</td> <td data-bbox="1384 738 1680 799">\$ 9,650</td> </tr> <tr> <td data-bbox="774 799 997 859">7/18 – 7/26/11</td> <td data-bbox="997 799 1112 859">128</td> <td data-bbox="1112 799 1384 859">\$ 1,280</td> <td data-bbox="1384 799 1680 859">\$ 6,400</td> </tr> <tr> <td data-bbox="774 859 997 919">7/26 – 8/6/11</td> <td data-bbox="997 859 1112 919">352</td> <td data-bbox="1112 859 1384 919">\$ 3,520</td> <td data-bbox="1384 859 1680 919">\$ 17,600</td> </tr> <tr> <td data-bbox="774 919 997 1008">Averaged totals</td> <td data-bbox="997 919 1112 1008">1,498</td> <td data-bbox="1112 919 1384 1008">\$ 14,980</td> <td data-bbox="1384 919 1680 1008">\$ 74,900</td> </tr> </tbody> </table>	Dates	Cards	Current Replacement fee of \$10	Proposed Replacement fee of \$ 50	5/23 – 6/2/11	298	\$ 2,890	\$ 14,900	6/6 – 6/17/11	319	\$ 3,190	\$ 15,950	6/26 – 7/1/11	208	\$ 2,180	\$ 10,400	7/5 – 7/15/11	193	\$ 1,930	\$ 9,650	7/18 – 7/26/11	128	\$ 1,280	\$ 6,400	7/26 – 8/6/11	352	\$ 3,520	\$ 17,600	Averaged totals	1,498	\$ 14,980	\$ 74,900	<p>Please be advised that any change to MDT's Schedule of Transit Fares, Rates and Charges is subject to Board approval and veto by the Mayor.</p> <p>NOTE: Process will take approximately six (6) months to implement, including the required "Public Outreach Campaign"</p>
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18.	Stop unnecessary spending. Example: Decorations for catered events, changing names of streets signs and statutes, and signs in general		<p>Staff conferred with Bruce Libhaber regarding transit administrative buildings. Changing of MDT facilities are prompted as Commissioner-sponsored agenda items and a public hearing. The item is sponsored by the Commissioner whose district houses the building/structure and the item is heard at a Public Hearing held by the BCC.</p> <p>As it relates to street re-naming and co-designations, those also have to be sponsored by a Commissioner. The responsible department for the handling of the switching out of the signage is Public Works—if it's a County road. If it's a State road, FDOT is responsible. These events are recognition of outstanding public service (such as the loss of life of 2 of our former MDT employees) which transcends monetary cost.</p>																																

Submitted 9/26/11	TWU PROPOSAL - Rail Area		
1.	<p>Traction Motors: One person doing it at a cost of \$12,000 a piece and for outside vendors it cost the County about \$3,300.00 dollars. If the shop was properly equipped with added employees it could save around (\$11,000 in house) Bringing in Mechanic can save up to \$5,000 in cost by having Mechanic in place.</p>	<p style="text-align: center;"><u>In-House Traction Motor Overhaul Evaluation</u></p> <p style="text-align: center;">Purchase and install shop equipment and utilities valued at \$600K</p> <p>Traction motors are principal components in the drive train assemblies of each rail car truck. They are critical and safety sensitive members in each wheel, axle, and gear unit assembly. Traction motor failures, similar to wheel and axle failures can create major adverse impact to safe operation of the rail vehicle.</p> <p>There are three levels of traction motor repair; in-house repair, minor overhaul and major overhaul.</p> <p><i>In-house repair.</i> Non-OEM interval where very basic tasks are performed, such as bearing replacement, blown air cleaning, and brush replacement and holder work.</p> <p><i>Minor overhaul:</i> OEM specified and performed by OEM licensed contractor; involves servicing every 400,000 miles, including such things as bearing replacement, brush replacement, steam clean and bake dry, vacuum impregnation, armature balancing, commutator mica cutting and commutator machining, load testing, armature and field coil meggering. Some additional tasks that may be required include armature spin seasoning, commutator banding, replacement of brush holders, and replacement of cables, and other important tasks. Major overhaul such as coil replacement may be performed based on inspection. During this important inspection, the entire motor is evaluated and repaired fully in order to operate reliably and safely for another 400,000 miles. Currently, MDT does not have the capability to perform a minor overhaul.</p> <p><i>Major overhaul:</i> Includes a minor overhaul. Additionally, a major overhaul would include, but limited to, a complete rebuild of the armature including coils and commutator, and/or replacement of the field coils. This work is determined during the 400,000 mile minor overhaul inspection.</p> <p><i>TWU suggestion:</i> To perform the <i>minor overhaul in-house</i>, currently being performed by a licensed OEM contractor. In order for MDT to perform a minor overhaul in-house, the following minimum requirements would be necessary:</p> <ul style="list-style-type: none"> • MDT must be equipped to test and evaluate all aspects of the motor, including any major overhaul tasks that must be performed. This is to ensure that a motor is not returned to service with a condition that could affect reliability and safety. • Hire three additional technicians. We now have one. Four would be required. • Purchase and install shop equipment and utilities valued at \$600K. Training would be required. • Two years estimated time to acquire and install equipment, and hire and train three additional technicians. NOTE: BY THE TIME THIS IS ACCOMPLISHED, MDT WILL HAVE THE NEW TRAINS • To ensure safe operations, all trained and experienced personnel would remain in this work classification, and not be affected by line-ups. 	

	<p style="text-align: center;">TWU PROPOSAL IN HOUSE TRACTION MOTOR – OVERHAUL EVALUATION (continued)</p>	<p>Economic Overview: The average cost to contract out a minor overhaul is \$4,200.00 per motor. It is estimated that MDT could perform this work at a cost of \$3,200.00 per motor; a potential savings of \$1,000 per motor. This would equate to a savings of approximately \$90K to \$100K per year. Fixed facilities equipment, tools, and training required to perform minor overhauls would cost approximately \$600K. Therefore, it would take approximately six years for MDT to break even, before savings could be realized.</p> <p>The equipment required would include, but not limited to, a balancer, undercutter, surge tester, load tester, lathe, oven, VPI tank system, various special tools, equipment training, overhead hoists, and high voltage utility installation. There are some very old pieces of equipment that MDT owns, such as a balancer and undercutter, but these pieces are obsolete and would have to be replaced.</p> <p>When considering at least a <i>two year</i> mobilization period to obtain equipment and hire and train personnel, and a <i>six year</i> payback period, MDT would be approximately <i>eight years</i> away from achieving any savings through an in-house minor overhaul of traction motors. Additionally, the anticipated new rail vehicles will have AC traction motors which will not require any of the DC traction motor work except perhaps bearing installation and cleaning. And, this is one major reason for going to AC traction motors.</p> <p>Equipping MDT to perform major overhauls is far less economically viable. The facilities equipment would cost almost two million dollars, and training alone would not allow MDT personnel to perform this work, as it would require the hiring of outside personnel with considerable industry experience. And, with only (approximately) eight percent of the traction motors requiring a major overhaul, production numbers would never allow for investment recovery.</p>	
2.	<p>TWU PROPOSAL</p> <p>The Union had a long look at some savings that can be had in Vehicle Maintenance in regards to the traction motor shop etc. It currently costs in the range of \$1500.00 - \$3000.00 + to contract out a traction motor plus shipping. We have an in house shop that can produce that same traction motor for \$1200 per month consistently and it's only staffed with one person. If properly staffed it would eliminate the need for contracting it out and yield tremendous savings to the agency and County. The math is simple</p>		<ol style="list-style-type: none"> 1) Average Unit Price for outside contractor: Minor Overhaul \$3,800.00 (which includes: undercutting, balancing, dip/bake which MDT is not equipped to perform at this time) 2) Full Service P.M. In-House: Total \$ 3,160.62 Parts - \$2102.46 Labor including Fringe - \$1,058.16 3) The additional work mentioned in item #1, that we are not capable of doing, would cost an additional \$800.00 per motor. This would exceed the contacted cost. 4) The cost to purchase the required equipment to perform a minor overhaul in-house and the cost of Training, would make this proposal less economical.

	on this one.		
	TWU PROPOSAL	Projected Cost Saving – Submitted by MDT staff	Governing Authority and/or Administrative Process
3.	In Maintenance of Way there is a need to have on staff Technicians to maintain the work trains and or equipment for the efficiencies and at a cost savings. We currently have a contracted service that comes to repair work trains etc. this is just not cost effective. The savings would be found first through productivity and at first but realized through cost savings of about \$50,000 due to training of new personnel, etc. the true savings would be around \$500,000 per year or more if you factor in more tools and equipment available. This would require at least (5) technicians to realize a savings.		<p>1. Savings of using 2 contracted part time employees instead of 4 in-house full time inspectors is \$97,163 for Div. 39.</p> <p>2. The 4 in-house inspectors in Div. 39 can be moved to Lee Emard's Div. 85 with reimbursements for 2 inspectors at \$131,451. The other two positions will fill two current vacancies of the Rail Structural Repairer; both positions have the same hourly rate.</p> <p>3. The difference between the \$131,451 reimbursement to be transferred to Div 85 and the \$97,163 savings in Div 39 will be accommodated by a reduction in Division 39 budgeted expenses.</p> <p>Bridge Inspection would save \$129,674 - MDT would save \$ \$518,697</p>
4.	80 of the PMs in Facilities Maintenance are unnecessary and costly; example, Lighting and air conditioning are the bulk of the problems that the agency faces on a routine basis. If you just changed the lighting to l.e.d. or similar it would cut cost by that very same percentage. The A.C. problem is a matter of subpar equipment and etc and specs should be raised to insure a better more reliable brand and its support parts etc. This would be at a substantial savings to the agency.		<p>MDT management has applied for a grant in the amount of \$7.5 million to replace the existing lighting at the Metrorail stations. This project would involve the replacement of the current luminaries with energy efficient LED or induction lamps and fixtures. MDT anticipates saving approximately 40% on the energy consumption of the lighting circuit at the stations. Due to the methods used to compute the electrical rate at the stations (peak loads over 15 min intervals). This does not translate into a direct monetary savings.</p> <p>Purchase specifications for MDT air-conditioning units are developed by technical staff who are Florida State Certified Mechanical Contractors and Miami Dade County Master General Mechanical competent. Specifications are also reviewed by several layers of procurement checks and balances to ensure a quality bid package is presented to all applicable vendors. Although the method of award is to the single lowest priced vendor in the aggregate, awards generally result in well-known manufactures whom are commonly recognizable in the industry. Examples of such are: Coleman, Carrier, Trane, Rheem, AAON (Used in all Wal-Mart's) etc. In addition to the detailed technical specification, awarded vendors are required to provide a warranty that would</p>

			typically include one (1) year on everything not including the compressor which would have a five (5) year warranty
Submitted on 10/7/11	TWU PROPOSAL - Metromover	Projected Cost Saving – Submitted by MDT staff	Governing Authority and/or Administrative Process
	Maintaining the Component shop with appropriate staff		<p>With the purchase of the new Metromover phase III vehicles and the retirement of phase I, the component shop is now being run at reduce capacity. The obsolesce issues and high failure rates that were experienced in the past with the older vehicles are no longer excessive, the number of failures has been reduced considerably. The component shop is now being run on a need only basis by the second shift crew, allowing the section more flexibility in work assignments.</p> <p>Evidence of this reduced failure rate can be measured in the number of vehicle modules sent out for repair since January of this year, seven speed code RX modules at an average cost of \$990 and three L cards at a cost of \$140 each.</p>

Rev - 10/18/11