EXECUTIVE SERVICE CORPS
A Division of

ZERO-BASED MANAGEMENT REVIEW
OF THE
CITY OF SAN DIEGO’S
POLICE DEPARTMENT MOTOR VEHICLE OPERATIONS

September, 1996

A Report by
Nonprofit Management Solutions/Executive Service Corps
For the City Manager and
City Council Select Committee for
Government Efficiency and Fiscal Reform
Table of Contents

Introduction .................................................................................................................. ii
Project Coordination ...................................................................................................... 1
Overview ...................................................................................................................... 3
Computer Needs .......................................................................................................... 4
Maintenance Productivity ............................................................................................... 4
Personnel Matters .......................................................................................................... 5
Vehicle Use and Abuse .................................................................................................. 5
Accidents ..................................................................................................................... 6
Vehicle Purchasing ........................................................................................................ 7
Shifts of Sworn Personnel ............................................................................................. 7
Other ............................................................................................................................. 8
Vehicle Replacement Costs ............................................................................................ 9
Fleet Comparisons ....................................................................................................... 11
Letter to City Manager ................................................................................................. 12
INTRODUCTION

This report is one of many to be produced as part of a 5-year Zero-Based Management Review effort coordinated by Nonprofit Management Solutions, which recruits, trains and supports citizen teams of volunteer consultants who conduct the departmental systems assessments.

A typical assignment involves the recruitment of community volunteer management skill appropriate for each analysis. A kick-off meeting by the City Manager, Linc Ward of the Change\textsuperscript{2} Committee, the 2-person study team, and appropriate levels of management in the operations to be reviewed is held - to create a level of understanding and support for the citizen team effort.

The team spends from 75 to 100+ hours in the field and in off-site research, assessing from a macro management standpoint. The reviews focus on operations to determine answers to the following question guides:

- Is this work function consistent with City goals and direction?

- Should it be done at all?

- Is this work function consistent with other related functions?

- Can this function be done elsewhere and possibly privatized?

- Is this work function (and its related functions) being done in an effective and efficient manner?

- Is it being done in the reasonably best way?

At the end of their efforts, the citizen review team prepares and delivers a report for the local management staff, the City Manager, the Mayor's Change\textsuperscript{2} Committee, and the Select Committee on Government Reform.

The Select Committee meets monthly with Change\textsuperscript{2} and the City Manager to assess implementation progress on these volunteer citizen consultant reports and recommendations.
PROJECT COORDINATION

Nonprofit Management Solutions is the major provider of comprehensive management assistance to nonprofit organizations in the region. A nonprofit serving the community since 1984, NMS has built a significant track record of high quality service to public and private nonprofit institutions and organizations in the greater San Diego area. Clients have included the City of San Diego, San Diego Historical Society, Museum of Man, Urban League, Commission for Arts and Culture, Neighborhood House, Head Start, and hundreds of other public and private institutions and groups.

Nonprofit Management Solutions is a volunteer-driven and client-centered technical assistance resource. Its purpose is to provide public benefit organizations -- cities, nonprofit agencies, etc. -- with high-quality management assistance through cost-effective consulting and training programs and services.

The volunteer consultant corps recruited by NMS to be part of the Zero-Based Management Review project is comprised of recently retired and semi-retired individuals, as well as loaned executives and working professionals representing a broad range of private and public sector business background. All have demonstrated a commitment to management effectiveness and an ability to contribute through their knowledge, experience and expertise.
FORWARD:

A several month Zero-Based Management Review was conducted to assess the City of San Diego Police Department Motor Vehicle Operation by a select volunteer team of qualified citizens.

THE TEAM:

Director:
Linc Ward – Chair of Zero-Based Management Review sub-committee of City Council Select Committee on Government Efficiency and Fiscal Reform

Project Coordinator:
Dean Crowder - Nonprofit Management Solutions

Volunteer Citizen Reviewers:
Bob Schwartz – Retired Systems Manager of Hughes and co-chair of a similar study done on the City’s regular motor vehicle fleet in 1996.
Dave Orluskie – Service Manager, Drew Ford
OVERVIEW

- Current police department fleet maintenance operation is overall doing a good job.
- Police vehicles are safe, reliable and well-maintained.
- Most garages are well-equipped (space, tools, parts); others need upgrading.
- Existing process of standardization of vehicles enables efficiencies and cost savings and should be continued.
- Performance standards for employees need to be established and/or improved.
- Work force productivity improvements should be made.
- Yearly drivers training of all vehicle users should be made mandatory.
- Accident reduction efforts need to be escalated.
- Computer support and records management systems need to be provided.
- Organizational fine-tuning is desirable.
- Extended warrantee purchases for vehicle drive train's should be investigated.

The sum of the recommendations which follow will save the city/police department about $3 million per year based on 1996 budget levels.

A significant one-time saving will also occur if the vehicle take home policy is adjusted as recommended.

COMPUTER NEEDS

To improve record-keeping, repair information, training, productivity analysis and records review for management analysis, etc.

Central garage should have a central computer station and each garage a satellite of the system.

- All vehicles need to be logged into the system for mileage, maintenance and repair record, mechanics and technician training.
• Repair orders should be clocked on, clocked when repairs begin and end to establish car availability, planning and analyses.

Effective use of online computer systems for management of fleet maintenance planning/administration/past administration is estimated to save the Police Department $150,000 per year.

MAINTENANCE PRODUCTIVITY

There are several aspects of overall performance of the fleet maintenance forces, some portions of which are addressed above.

Others include work force flexibility, deployment of work standards used in private industry (Mitchell's etc.), using skill levels to their full capability reducing idle or "standing around" employee time.

The current work force is deployed on a decentralized basis with a combination of maintenance technicians and mechanics. Technicians do items like gas, brakes, tires, wipers, oil changes. Mechanics do steering, electrical, rear ends, engine overhauls etc. A group of mechanics at the central station do transmissions and body work.

From a work force and skill standpoint, these decentralized work force groups limit skill utilization and foster inefficiencies. The two major pluses to decentralization are "belonging to their police station team" and the avoidance of the need for transporting cars from each station to a regional or central repair.

From an efficiency standpoint, a study should be made to access the benefits of centralizing mechanics (or deploying them in larger regional teams) with a team of maintenance technicians remain at each station. This scenario would enable the establishment of mechanic work performance standards similar to those used in outside industry, enable full skill utilization of mechanics, provide continuing supervisory oversight.

The maintenance technicians at each station would perform non-mechanic duties as previously indicated, with one at each station designated as "in charge."

The additional requirement for transport of vehicles to central maintenance can be handled by these technicians and augmented by a contract transport arrangement.

PERSONNEL MATTERS

At the time of the study the operation was short ten maintenance technicians. Replacement intervals have exceeded 120 days. This directly impacts overall police
performance. Personnel should establish a standard of two weeks for such hiring with a maximum of one month allowed - and perform within these limits.

**VEHICLE USE AND ABUSE**

1) The policy allowing take-home cars is too liberal, too expensive, and needs modification. Today well over 300 vehicles are taken home. This is up to 10 times higher than other cities surveyed (like Atlanta, Phoenix, Seattle, San Francisco, and Dallas). These cities restrict this practice to Chiefs, Assistant Chiefs and captains. We understand that 27 lieutenants in San Diego have gotten brand new pastels for take home and 25 more are scheduled.

Take home cars are expensive to the force in terms of increasing the size of the fleet, maintenance, repairs, and tires. The popular rationale is that "we're on call" or need to be in communication via the car radio. These needs are fixable in other ways through the use of portable radios, cellular, pagers, etc. In selected situations, supervisors can check out vehicles from the car pool versus having an assigned car.

It is recommended that permanently assigned vehicles be restricted to Chief, assistants, and the captains. (This excludes the special arrangements for some homicide and deep undercover assignments).

Implementation of this policy can reduce the overall fleet by approximately 125 cars.

*This is a one-time $2,500,000 saving in vehicle purchases alone.*

The annualized savings in tires, maintenance and repairs are an added benefit to this change in policy.

2) Police personal use of vehicles seem to fall into two types, “caring” and “abusive.” The caring keep their cars neat and try to hide them when off duty so the abusive don’t get “their” car.

The abusive turn their cars in at the end of their tours; a) after body abuse; b) after mechanical abuse and/or c) like a garbage container.

These abuses increase maintenance costs and time of the maintenance forces on clean up. There is a significant level of “abusers” in the force and no consistent policy to address the problem. It should be addressed.

3) Accidents and Force driving patterns. The accident level of the San Diego operation seems excessive (about 1 1/2 per day). Twelve cars per year are a complete loss due to major accidents. The vehicle losses while significant at
$250,000 per year are less significant than the personnel risks and liability claims.

**MAJOR ACCIDENTS**

Retaining, new procedure, the use of strobe lights in vehicle corners and improved triangular bar lights can reduce this level of accidents (San Francisco reports a significant reduction of intersection accidents through the use of strobe lights.)

*Cutting major accidents in half = savings of over $300,000/year in direct and liability costs.*

**MINOR ACCIDENTS**

Five hundred and seventy accidents per year is a level that needs to be targeted for reduction - significant reduction. The current accident rate requires over 22 spare cars per year.

A concerted and continuous effort is needed to heighten driver awareness of safety and defensive driving.

*It is the study team's belief that a target of halving this minor accident level is desirable and could result in overall savings of $500,000 per year in costs and reduced number of cars.*

It is recommended that the San Diego City Police Department take the lead in a consortium of area police entities to set up a shared facility for continuous training/retraining of drivers.

(Facility and training costs would be more than offset by accident repair cost, liability costs and officer medical time off, etc.)

**VEHICLE PURCHASING**

1) For pastels and undercover cars: The department should buy used Ford, General Motors, Chrysler products from their Executive Car programs and Avis, Hertz, etc. auction program. (There are 220 pastels in the current fleet.)

Such a program will save (over current new purchase method.)

*Savings: $420,000 per year*
2) On a yearly basis, the department should use 20-25 of the best-used black and whites which normally would go to auction as pastels by simply doing a repaint job.

   *Savings: $100,000 - 250,000 per year*

3) Salvage a percentage of black and whites for body parts, motor and transmission assemblies, doors and windshield glass, etc. instead of auctioning them.

   *Net savings vs. parts purchases: $125,000.*

4) There is potential real savings in buying new cars with a 5-year extended drive train warranty of 100,000 miles. A cost/benefit study of this is recommended.

5) The City should explore joint bids with the state on new vehicle purchases. Preliminary analysis shows a probable savings of $1500 - 2000 per car purchased.

   *Savings: $115,000 - 175,000 per year*

---

**SHIFTS OF SWORN PERSONNEL**

The current shift schedules require an excess of vehicles. Return to A and B shifts or another approach to officer shift schedules would save approximately 90 cars and 

* $600,000/annually

---

**OTHER**

1) Police vehicles driven in suburban areas drive about twice the distance as those in the city. A rotation program should be initiated among stations to equalize vehicular mileage. This can stretch the average vehicular in-service time.

2) The equipment divisions radio repair shop at 20th and B needs to increase response time for radio repairs and establish standards for in and out time to improve police fleet vehicular utilization.

3) All police garages should have standard electrical test equipment, tools, gauge, etc.
VEHICLE REPLACEMENT COSTS BY ACTUAL MILEAGE LISTS

BLACK AND WHITES

Lists received represent 522 vehicles of 607 (85 to be sold).

GROUND RULES

1. California Highway Patrol uses vehicles 95 - 110,000 miles.
2. S.D. County Sheriff's Department uses vehicles 100,000 + miles.
3. San Diego Police Department should keep B & Ws 115 – 130,000 miles.

CURRENT FLEET

1. Should replace five B & W cars (over mileage).
5. Seventy undercover cars should be replaced in the next 12 months. (This was based upon a 20% sampling. Whole list was not available.)
6. Fifty-five pastels should be replaced in the next 12 months.

\[
\begin{align*}
\text{Black and Whites} & : \quad 620,000 \\
\text{Undercovers} & : \quad 1,470,000 \\
\text{Pastels} & : \quad 1,150,000 \\
\text{Total} & : \quad 3,240,000
\end{align*}
\]
COST REPLACEMENT OF VEHICLE REPLACEMENT
BY STATISTICAL ANALYSIS

BLACK & WHITES........522 vehicles -- 4 1/2 years -- 116 x $20,000 = $2.30M
(Replace every 100-120,000 miles. Cars are driven 20-25,000 miles per year.)

PASTELS........430 vehicles -- 6 years -- 71 x $19,000 = $1.35M
(Replace every 115-130,000 miles. Cars are driven 15-20,000 miles per year.)

TOTAL: $3,670,000 per year *

Cars Procured in 1995

BLACK & WHITES......................... 95
UNDERCOVER.............................. 20
4 X 4 ..................................... 4
119 vs

Number recommended for realistic replacement............. 187

* This figure does not include miscellaneous vehicles such as trucks, motorcycles, etc.
<table>
<thead>
<tr>
<th></th>
<th>San Diego</th>
<th>Dallas</th>
<th>San Francisco</th>
<th>Houston</th>
<th>Seattle</th>
<th>Phoenix</th>
<th>C.H.P.</th>
<th>Atlanta</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Size of Fleet</strong></td>
<td>1300</td>
<td>3400</td>
<td>1600</td>
<td>800+</td>
<td>400</td>
<td>1300</td>
<td>Around 5000</td>
<td>400</td>
</tr>
<tr>
<td><strong>Black &amp; White</strong></td>
<td>522</td>
<td>655</td>
<td>240</td>
<td>1600</td>
<td>400</td>
<td>650</td>
<td>A few at remote points</td>
<td>200 200 Cycles</td>
</tr>
<tr>
<td><strong>Pastels/Undercover</strong></td>
<td>430</td>
<td>400</td>
<td>105</td>
<td>1100/P</td>
<td>220</td>
<td>500</td>
<td>Maintenance Light repairs</td>
<td>7 Light Maintenance</td>
</tr>
<tr>
<td><strong>Number of stations</strong></td>
<td>8</td>
<td>Around 200</td>
<td>35-40</td>
<td>200 marked 450 others</td>
<td>8</td>
<td>5</td>
<td>8 Maint. Only</td>
<td>Maintenance Light repairs</td>
</tr>
<tr>
<td><strong>How many go home</strong></td>
<td>349</td>
<td>1/3 sell + salvage to city fleet</td>
<td>Auction Salvage</td>
<td>200 marked 450 others</td>
<td>Less than 30</td>
<td>Chief/Asst. Chief-Less Than 30</td>
<td>30 Chief/ Captains</td>
<td></td>
</tr>
<tr>
<td><strong>Disposal of vehicles</strong></td>
<td>Auction</td>
<td>Auction</td>
<td>Salvage</td>
<td>Auction</td>
<td>Salvage</td>
<td>Auction</td>
<td>Auction</td>
<td>auction</td>
</tr>
<tr>
<td><strong>Mileage on turn over</strong></td>
<td>90,000-100,000</td>
<td>80,000-85,000</td>
<td>85,000-150,000</td>
<td>80,000-85,000</td>
<td>Drive till they quit</td>
<td>4 years 100,000</td>
<td>Like 3 years 80,000 But 110,000-120,000</td>
<td>100,000+ Run till not econo. to fix</td>
</tr>
<tr>
<td><strong>Driver training after academy</strong></td>
<td>No</td>
<td>Yes, once a year</td>
<td>Four hours once a year</td>
<td>Not fixed</td>
<td>Yes</td>
<td>Vehicle + 4 Year special</td>
<td>Remedial-Accidents</td>
<td></td>
</tr>
<tr>
<td><strong>Repairs of vehicles</strong></td>
<td>At station central for body work</td>
<td>Major repairs at central city. Five repair centers. Does all city vehicles</td>
<td>At station</td>
<td>Three body shops</td>
<td>Do all</td>
<td>At stations</td>
<td>Centrally repair all city vehicles</td>
<td>Major repairs Dealer use-Extended service contracts</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Central Metro does all repairs only-Police</td>
<td></td>
</tr>
</tbody>
</table>
January 6, 1997

Jack McGrory, City Manager
City of San Diego
City Administration Building
202 C Street
San Diego, CA 92101

SUBJECT: Report of the Zero-Based Management Review (ZBMR) of the City of San Diego Police Department, Motor Vehicle Operation, Addressing the Response of the Police Department.

REFER: Memo 211, 24 September 96, from Chief of Police to the City Manager; draft memo, November 5, 1996, from Chief of Police to the City Manager.

Dear Mr. McGrory:

Zero-Based Management Reviews (ZBMR) are guided by three analytical issues: first, should it be done at all? Second, can the function be done elsewhere? Third, is it being done in the reasonably best way? The purpose is to point out areas that management should consider for more efficient and economical operations. Benefits in savings which are recommended can be realized if management chooses to adopt them, but it is management which must decide the best use of its available resources. The Review Team's findings presume that management will select the most feasible strategies to implement resource savings, or to reallocate budgets to improve services.

During 1996, a ZBMR team of senior executives, experienced in vehicle fleet operations, conducted field visits to the Motor Vehicle Operations of the Police Department. Their analysis included comparative performance data from other similar police departments. They identified several areas for improvement. They also estimated a fiscal impact of more than $3 million per year, a "middle of the road" estimate of more efficient operations, if all of their recommendations were implemented.

The thorough audits conducted by the Police Department in April, September and November, in response to the review team's report, offer a positive basis for implementation of several quite substantial improvements. The actual results will vary depending on management's decisions about the several activities offered by the ZBMR Team. At this time, we have been informed by Deputy Chief Warden that the Police
Department lacks precise financial cost-benefit analyses of specific ZBMR recommendations. However, he has indicated that many of their planned implementation actions will provide cost savings and improved motor vehicle management, even if a lack of statistically valid data limits the reliability of projected fiscal savings, or cost-benefit comparisons.

Consequently, the specific fiscal impact of the ZBMR's recommendations considered favorable by the Police Motor Vehicle Operations is unclear. We have assessed the original ZBMR fiscal findings in light of the extensive operational reviews undertaken by their Professional Standards Unit. The following comments are limited to ZBMR recommendations considered favorable for implementation by the Police Department.

**RECOMMENDATIONS:**

1) The take home policy involves 300 vehicles, more than ten times the number in San Francisco, Seattle, Atlanta, or other cities. Our report recommended that permanently assigned vehicles be restricted to administrative officers and some selected investigators. By doing so, we estimated that the department could reduce its fleet by 125 vehicles and experience a considerable cost savings ($2.5 million in vehicle purchases alone). The Department concurs that this policy should be reviewed. However, the Department has included some take home vehicles as a work condition of their labor memorandum of understanding. Numbers of permanently assigned vehicles have increased somewhat as a result of the Department's "Neighborhood Policing" restructuring. The roles of lieutenants have changed to give them more responsibility and, consequently, many have received assigned vehicles to support them in their new roles. The ZBMR team recommended that this liberal take-home policy "perk" needs to be carefully managed to restrict waste or abuse. An area where the Department feels some change may be appropriate is with vehicles permanently assigned to investigators. Cutting back may be appropriate. Any change in policy would, however, be a labor issue given past practices of the Department. Department Administration is presently evaluating this issue, as recommended.

2) The need for a central garage central computer system was recognized by the Department, albeit a low priority. The system is expected to pay for itself, at a cost of $160,000 with $40,000 annual maintenance expenses. The Department believes that, when on-line, some savings should be realized to meet or slightly exceed operational costs. Less tangible but equally important are the enhanced management capabilities to include shop inventories, work load analysis and internal audits. If the system can generate a short-term return of $200,000 to justify its installation, similar downstream productivity gains are expected to be realized in labor productivity and enhanced services to the Department and the City.
3) **Vehicle Abuse**: The Review Team noted some apparent vehicle abuse with resultant higher maintenance costs. The Department conducted an impromptu inspection of 246 vehicles at six area stations, reporting that 55% of its cars were in excellent condition, clean and well-maintained. However, 19% were scratched, and 26% were abused, dirty, or filthy to an abusive degree. In those cases where abuse is realized, potential savings may be considerable. Steps have been taken, organizationally, to increase accountability. This is most commendable and a ringing endorsement of our recommendations. Undoubtedly this will lead to some savings in motor vehicle maintenance costs, as well as to alleviate the lack of attention on overall fleet cleanliness, which the Department has also underlined for improvement.

4) **Accident Levels**: The Zero-Based Management Review obtained a field-based estimate, from the Department's motor vehicle repair facility, of 570 accidents per year, or 1.5 per day. However, accident records of the Fleet Safety Review Office not available to the ZBMR team reported only 283 accidents in 1995. Of these, half, or about 140 accidents, the Department classed as preventable. The Department concurred that "improvements in accident safety are a high priority." They have identified that cost savings may be realized in repairs, officer injury and in civil liability, but a Department-based fiscal impact was not estimated. Given the 25% reductions achieved over the past four years, a fifty percent goal, while optimistic, would prevent more than 100 accidents in the next few years. Even a 6% per year reduction in the Department's basis of 140 preventable accidents could result in substantial cost avoidance in the range of $175,000 per year in direct costs, not including liability. This liability itself presents potentially enormous added costs.

5) **Driver Training Consortium**: The ZMBR team fully endorses the Department's plans to use some of these foregoing savings to support an Emergency Vehicle Operations Course (EVOC) for police and firemen, at an estimated start-up cost of $400,000 for 20 vehicles, plus labor costs of $703,000 per year. These are worthwhile, long-term improvements that would result in further savings from vigorous accident prevention programs.

6) **Rotation Policy**: The Department recognized the potential improvement in operational effectiveness in this ZBMR finding and have implemented vehicle rotation within the Area Command structure to balance usage and to provide newer patrol fleets.

7) **Vehicle Fleet Costs**: The Department's careful analysis of fleet purchase prices, maintenance costs and operating expenses indicate that potential cost savings, while unknown exactly, are likely to be realized. The ZBMR report included a comprehensive review of past practices in correlation with budget, technological advances and auto engineering. Maximized retention of vehicles, as a practical matter, has become more and more feasible. For example, last year each new vehicle (exclusive of trade in) cost about $20,000. In contrast, in November, a neighbor city police department obtained a dealer demo car with 5000 miles on it - properly equipped - for less than $12,000. This is not an isolated case, but it takes work to "dig out"
these bargains. The ZBMR team recommended several means to accomplish targeted savings in fleet procurement as an annual performance improvement planning objective. For example, with the annual replacement budget of $3.7 million, a Departmental 12% savings goal ($444,000) represents more than the Review Team's estimated total of $420,000. Given the Department's expressed will to achieve these savings, we believe it can be readily done.

**SUMMARY:**

Although the ZBMR estimates of reductions from current and proposed budget levels cannot take into account the complex trade-offs among operational needs in the Police Department, near-term savings in operational costs, like those proposed by the ZBMR, are a realistic potential. However, it is not possible to estimate the impact of management's decisions to invest these amounts in other priorities, such as the joint EVOC. The largest areas for projected cost savings are numbers of cars removed from the current take-home policy and in reducing preventable accidents.

Thus, the ZBMR estimate of savings of about $3 million per year, while preliminary, offers a defined fiscal goal to shoot at. The Zero-Based review process accomplishes one of its major purposes when a team's efforts leverage greater efficiencies and fiscal reform within existing activities. The Police Department's detailed, extensive review offers positive evidence that any and all means are being explored to achieve more efficient and economical motor vehicle operations.

Sincerely,

Linc Ward  
Director, ZBMR Program

Sara Roscoe Wilson  
Executive Director  
Nonprofit Management Solutions

cc: Jerry Sanders, Chief of Police