

2023 Budget Supplemental Questions

Please answer the following questions in a word document and return to Council. The answers to these questions will be provided to council as supplemental information. While not part of the physical budget presentation to Council, departments should be prepared to answer questions Council may have on these supplemental questions. If you feel that you have provided an answer in a previous question, please don't repeat your answer, simply refer to the earlier question/answer.

Strategic Goals

1. Provide your 2023 strategic goals; how are they different from 2022? In what way, if at all, are your strategic changes demonstrated in your budget request?

Our department's long-term strategic goals for success center around advancing diversity, equity and inclusion while achieving objectives and measures in three key areas:

- 1) Employee development
- 2) Customer service, and
- 3) High quality, efficient and sustainable delivery of products and services to the County

The Facilities and Fleet department is an internal service provider. Our staff provide the necessary support for other County departments to meet their strategic goals. We will be assisting departments with planning for workspace consolidation as a result of remote work opportunities in order to improve our overall space utilization rates. Our long-range planning and asset management efforts are designed to support departments through resilient strategies. Throughout 2022, we have continued to provide administrative and accounting support to the Office of Energy and Sustainability even though they have transitioned to DCNR. Our project load has rapidly grown with the influx of federal ARPA funds and other grant dollars to departments and the space change needs arising from consolidation efforts, but our staffing levels have not grown proportionately.

Our goals for 2023 are much the same as 2022, but more focus will be given to fleet electrification, fleet warranty administration (to reduce downtime in fleet repair work), finalizing the acquisition of hotels, assisting with the transition of hotel ownership to operations and maintenance, advancing ARPA project efforts to remain on schedule, initiating Clean Buildings Act compliance, and managing space moves and reconfigurations for consolidating space.

Our budget request includes the addition of one Fleet staff member to assist with fleet electrification efforts, policy development, warranty administration and specification writing for new equipment purchases. Through strategic efforts, we are keeping our FTE count in Facilities neutral, but creating a structural reorganization in order to improve our customer service and integrate initiatives which are congruent with Clean Buildings Act compliance and reduce our greenhouse gas emissions in buildings across the County.

National, state and local landscape:

1. What are the federal, state and local issues facing your work? What risks or opportunities does that create for you in 2023 and beyond? What is your plan to leverage the opportunity or mitigate the risk? What support do you need?

We have a heavy lift for benchmarking our energy use in buildings 50k square feet or more and meeting energy use index targets. We are continually incorporating in our planning the Clean Energy bill requirements from House Bill 1257 with sustainable operations action planning to reduce GHG emissions and meet specific energy efficiency targets by 2026. With every funding provided, we are assessing greatest facility needs with opportunities to gain rebates and, if possible, incentives related to this legislation. It is our goal to avoid penalties from failure to comply with this new legislation. We are working in conjunction with several other counties to adopt best practices and leverage opportunities for planning and implementation.

2. What, if any, new mandates do you have impacting your work? Are they funded or unfunded? What is the plan for accomplishing the work?

The Washington State Clean Buildings law will impact our work for the foreseeable future and channel much of our capital improvement efforts toward energy efficiency. With our structure reorganization, we are creating a position, without adding an FTE, that will manage the impact of this legislation for all county buildings. This will include the development of an Energy Management Plan and Operations and Maintenance Plan for every building. There are currently 2 tiers, with tier 1 being our primary focus over the next couple of years. Tier 1 involves buildings 50k square feet or more. Tier 2 will bring additional requirements which includes all buildings 20k square feet or larger, including multifamily buildings. For the new hotels we are in the process of purchasing we will be required to report on energy benchmarks and have O&M Plans and Energy Management Plans beginning 2027. The mandates from this legislation are currently unfunded, but with a dedicated FTE, we will be able to map out a plan and what the cost impacts will be over the next few years to appropriately budget for improvements.

Programs

1. List programs, projects and services within your department funded through federal COVID/ARPA funds. What, if any, of those programs are you recommending ongoing funding for and what is the source of ongoing funding?

Our department has no programs or services funded through COVID/ARPA money. We have been assigned as stewards of COVID/ARPA funds for other

department's projects which have a facility or equipment component. The Office of Recovery and Resilience will be providing a centralized list for all ARPA projects.

2. What new programs are you launching for 2023? What need or efficiency is that new program addressing? How is that program funded for sustainability? What metrics are in place to determine effectiveness?

With the merger of the Health District into a county department and the purchase of two hotels, our scope of facility maintenance oversight is increasing. At this time, we are estimating there is sufficient funding for this growing scope in 2023. We are also launching computerized maintenance management system updates to streamline the customer interface, improve metrics tracking, and provide real-time updates for improved customer service. The metrics we gain from this will demonstrate our percentage of work-loading and reactive versus proactive percentages.

On the Fleet side, our newest programs include continued fleet electrification and warranty administration. We have a goal of at least 25% of new passenger car and light-duty pickup truck purchases being electric and/or hybrid-electric in 2023. We have some seed funds approved by Council in 2022 to assist with the electrification initiative. I'm very proud of our staff because of their dedication to excellence they have gained the respect of automotive dealerships and manufacturers and have been granted authority to perform warranty work in our shops. There has been a backlog of waiting several months for dealerships to get to warranty work, which renders vehicles out of service for longer than County operations can afford. Instead, warranty work can be performed in our shop by our skilled ASE-certified mechanics, and we are reimbursed for the cost. The Executive Recommended budget for 2023 includes one new staff member to assist with both the fleet electrification project and administering the warranty program.

3. If different than #2, what are your areas of significant investment? What are you not doing because of that investment?

In 2023 we will be investing in efforts to expand the Auditor's space allocation for election operations and consolidating space for SWM, PDS and PW as a result. Facilities gave up 900 square feet last year, and we will also be shrinking our footprint again this year, even with all of our staff members reporting into the office every day.

Internal Operations

1. What is your department doing to streamline processes or deliver services in a new way? How do your budget allocation requests play into these innovations?

Are there ways which a different budget approach, e.g. several departments sharing a resource, could achieve the same or better results in a more cost-effective way?

Streamlining resources is always taken into consideration in planning our work. Our department has made organizational restructures which enable us to streamline processes. Our multiple work units are currently sharing administrative resources. The budget includes a technology FTE to help us transition property management systems to facilitate better work processes. Our staff members bring innovation to the workplace every day. We constantly need to do more with less and be creative in our problem-solving approaches. Staff members have shared ways to save costs and consumption of energy through lighting controls and HVAC adjustments. We are embracing eco-friendly practices in our operations across the board. We are in tune with office design trends and the latest in workplace expectations. The way we achieve more, better, faster, is to maintain a proactive approach to maintenance, actively looking for ways to improve operations.

2. What, if any, hiring challenges are you experiencing? How is that affecting your level of service or internal operations? How are you mitigating those operational challenges and/or what is your plan for recruitment?

Our hiring challenges mimic the national trend. We are experiencing the following:

Fewer applicants – posted wage scale is not attractive or competitive

Labor/Talent shortage – jobs in the trades are not the current rage, more people want remote work and our department's jobs are in-office/in-shop;

More Non-qualified applicants - average percentage of qualified applications over the past year has been 28% for Facilities and 5% for Fleet; candidates with very little experience take longer to bring up to speed and can make costly mistakes. The success rate beyond the probation period is low for inexperienced applicants.

Failed advertisements – we have had to re-post multiple times due to lack of qualified applicants. We are continuously posting openings for heavy equipment/diesel mechanics.

Retaining Top Talent – we are losing top talent to better job offers and offers out of state

Increased competition – applicants are offered sign-on bonuses, high wages, and more flexibility

Recruitment process – the County needs to be more creative with recruitment strategies; the traditional method of job postings and employee referrals cannot be relied upon anymore

The effect of the above hiring challenges and vacant positions has slowed our response times and turn-around times. We have been forced to become more proactive in recruiting efforts (visiting trade schools, job boards and outreach to industry colleagues), creating targeted campaigns, using social media, and building talent pipelines of qualified candidates.

3. Please provide a list of all vacant position titles, position codes, date vacated, and date first posted. This should be a separate page or spreadsheet attachment.

<i>Facilities and Fleet Vacant Positions as of 9/22/2022</i>				
<i>Position</i>	<i>Position Number</i>	<i>Date Vacated</i>	<i>Date First Posted</i>	<i>Comments</i>
Facilities Division				
FACILITIES MANAGER	FAC2570R	4/1/2022	Pending	Upgraded from Facilities Supervisor II
FACILITIES TECHNICIAN IV	FAC2627R	6/21/2022	7/27/2022	Upgraded from Facilities Technician II
FACILITIES MGMT SERVICES COORDINATOR	FAC2628R	6/28/2022	Pending	Downgraded from Facilities Operations Planner
FACILITIES TECHNICIAN IV	FAC2629R	4/16/2020	N/A	Upgraded from Facilities Technician III
BUILDING SYSTEMS ENGINEER	FAC2744R	4/9/2022	N/A	Upgraded from Facilities Capital Project Specialist
FACILITIES TECHNICIAN III-DETENTION	FAC5412R	6/21/2022	6/28/2022	
Fleet Division				
EQUIPMENT MECHANIC - DIESEL	FAC9461R	5/17/2022	7/15/2022	Included in 4/11/22 recruitment (no successful candidate)
EQUIPMENT MECHANIC - DIESEL	FAC9483R	7/31/2022	7/15/2022	This position was added to 7/15/2022 recruitment.
EQUIPMENT MECHANIC - AUTO	FAC9496R	4/18/2022	8/12/2022	
EQUIPMENT SERVICE TECHNICIAN	FAC9490R	3/14/2022	Not yet Posted	
SIGN SHOP SPECIALIST	FAC9520R	6/30/2022	Not yet Posted	
EQUIPMENT MECHANIC - DIESEL	FAC9527R	9/22/2022	7/15/2022	Will pull candidates from posting currently active

4. What effect has the increase of inflation and/or supply chain issues had on your department? What, if any, services, or projects have you had to adjust to accommodate for this? (i.e. moving to outside contracted services, delaying of project starts and/or purchasing, redistribution of workload, etc.)

We are experiencing all of the impacts from the current global supply chain crisis, including, but not limited to:

Backlogs/backorders/delays on specific materials, equipment, parts, etc.

Inflationary pressures/cost increases in supplies, materials, equipment and parts

Workforce and labor shortages with service providers

Delays in service response

Production delays/longer material lead times

Transportation delays

Lack of contractors bidding

26% increase to Construction Cost Index (CCI) – however, we are experiencing

35-40% actual construction cost increases in Snohomish County

Altered buying patterns and shorter ordering windows

Successes

1. Take this opportunity to share one significant success in your department over this past year. What made it a success?

I'd like to share a success from the Facilities division and from the Fleet division.

Fleet Services, in cooperation with a local dealership, has been able to perform sublet warranty repairs on certain vehicles in-house and receive reimbursement. Due to technician shortages the wait times for warranty repairs at dealerships can be several months. This timeline has been reduced to 1-2 weeks after parts are received. Because of the high level of trust and confidence the dealership has in County technicians, they have made this special arrangement to ensure that critical County assets are repaired in a timely manner. This temporary measure has been very successful. The next step is for the County to develop a warranty administration program and become certified by various manufacturers to perform warranty work. The trust placed in the County by the dealer and manufacturer speaks volumes about the competency and expertise of our technicians.

Facilities management staff have been examining every process, top to bottom, leaving no stone unturned, to maximize overall department efficiency. We have completed a historical review of all work processes; cleaned up and reorganized dated work orders and parameters in the system in preparation for the Computerized Maintenance Management System upgrade, which is currently underway. This process has been a success because it has brought us to where we can monitor workflow trends, track facility costs and equipment replacement schedules more accurately, and improve the customer interface for better customer service. There are new at-a-glance efficiency metrics which will assist us in realigning staff workflow and preventative maintenance schedules. This process improvement initiative is maximizing staff time and helping us coordinate project work and expenditures to further efficiency.