

04/25/2007

"Lean" program aims to make city of Conroe more efficient

By: Howard Roden , Senior Writer

Conroe's city employees are focused on getting lean, but it has nothing to do with losing weight.

Rather, "Conroe Lean" is a new program where city staffers are encouraged to shed antiquated thinking and methods. The ultimate goal, said City Administrator Jerry McGuire, is to establish a more efficient operation - both in terms of manpower and financial savings.

"We want to come up with ideas that make sense in terms of a more user-friendly operation for Conroe's citizens and employees alike," he said. "The lean process we're moving into empowers all our directors and their employees to find alternative approaches in order to reduce costs."

Conroe Lean is McGuire's brainchild. But he knows getting city employees to think outside the box on a regular basis requires a specific methodology to achieve those savings.

McGuire attended a city managers' conference in September when he heard a presentation from a group called TechSolve. Based in Cincinnati, Ohio, TechSolve is a not-for-profit professional services organization that helps local governments and private sector businesses to identify more efficient operation methods.

"Simply, they take real-world achievements in the private sector and teach you how to implement those successes into the municipal area," he said.

The City Council gave McGuire its blessing to implement the program. At a cost of \$16,000 plus expenses, teams of TechSolve employees made two trips to Conroe to conduct week-long training sessions.

Sherrie Mattson, the city's internal auditor, has been designated as the trainer for Conroe Lean. She, in turn, will assist in the ongoing training of department heads.

"We want to ingrain this lean thinking process throughout the entire organization," McGuire said.

The Conroe Lean program was officially unveiled to the city's employees at a luncheon earlier this month. Mayor Tommy Metcalf anticipates the city will reap financial benefits from its initial investments "many times over."

"What we believe is the best decisions in the city are often made at the lowest level," he said. "We're empowering our employees with the idea that they can save the city money."

McGuire said the city already has established examples of lean thinking, both big and small. Without question, the biggest cost-saving project is the city's contract with Siemens Building Technologies.

In February 2006, the city entered into a \$7 million contract with Siemens to make efficiency upgrades to certain infrastructure. With upgrades like the installation of more than 11,000 water meters equipped with radio transmitters, the contract is guaranteed to net energy-related savings of at least \$750,000 over a 15-year period.

Council members will receive an update on the performance-based Siemens contract at their meeting Thursday morning.

Conroe's lean approach can be as simple - and effective - as hiring a part-time mail clerk to replace all the employees who made two trips to City Hall each day to pick up or deliver mail. The mail clerk position cost \$19,000, but McGuire said that position was calculated to have saved more than \$100,000 in employees' time over the period of a year.

"This is something that shows we can be more responsive for the public dollars that come to the city," he said.

Lean thinking can also save time for Conroe's citizens. Director of Community Development Guy Andrews said a recent review of the city's permitting process showed it has been reduced from 35 days to 24.

Operations could become so lean that there might be a reduction in staff, both McGuire and Metcalf acknowledged. Installation of the electronic water meters reduced the city's meter-reading staff from seven employees to four. However, City Finance Director Steve Williams said the reduction was achieved through attrition and not by layoffs. "We won't be laying off any employees," Metcalf said. "We're a growing city, so I don't expect too many reductions. We'll be looking for better ways to save money."

What's next

The Conroe City Council will hold its workshop session at 4 p.m. today at City Hall, 300 W. Davis St. An update on the FM 1488 annexation plan and schedule is among the items to be discussed.

The council will hold its regular meeting at 9:30 a.m. Thursday at City Hall, 300 W. Davis St. The agenda includes an ordinance approving the MUD 39/Harper's Landing Annexation Plan, and the water agreement with Aqua Texas.

Lean thinking

Here are some cost-saving methods currently employed by the city of Conroe:

\$175,000 Saved through consolidation of janitorial services

\$750,000 Minimum net savings in energy-related costs achieved over 15-year period with infrastructure upgrades.

\$100,000 Annual interest savings for cash-funding equipment replacements in lieu of leasing.

\$100,000 Approximate savings in employees' time because of part-time mail clerk.