



HUMAN RESOURCES / LABOR RELATIONS

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MEMORANDUM

TO: Alicia Ping
Washtenaw County Commissioner

FROM: Diane Heidt
Human Resources / Labor Relations Director

RE: Duplication of Service Review – Washtenaw County Road Commission

DATE: February 13, 2014

Background

In October, 2013, a subcommittee was established to explore partnerships and organizational interactions with the Washtenaw County and the Washtenaw County Road Commission.

As such, Washtenaw County Human Resources were charged with reviewing the Washtenaw County Road Commission organizational structure to determine if any duplication of services exists with Washtenaw County Government.

A review of the following resources was completed:

Organizational Chart – as of 10.10.2013

Job Descriptions – Engineering, Operations & Administration

Union Collective Bargaining Agreements

- AFSCME Local 2733 – Road Commission Unit – 4.9.2012 – 4.8.2015
- Teamsters Local #214 – 8.7.2012 – 8.6.2015

MERS and Retiree Health Care Actuarial Reports

Property Report

2013 / 2014 Budgets

The mission of the Washtenaw County Road Commission is to maintain a road system that is reasonably safe and convenient to the traveling public.

Under the direction of three (3) Road Commissioners and a Managing Director, there are a total of 130 FTE (full-time equivalents) that have been Board of Road Commission approved. The Road Commission structure is similar to that of a large department within Washtenaw County Government, with three (3) functional areas, namely **Administration**, **Operations** and **Engineering**. Within each of these areas are complex and a multitude of daily operations.

Administration provides all of the support functions to and for the organization, including the Board of Road Commissioners, Finance and Budgeting, Payroll, Human Resources and Employment Relations, Public Information / Community Relations, as well as Information Technology.

Currently staffed with 89 employees, **Operations** is responsible for the day-to-day maintenance and upkeep of all County roads and the Michigan Department of Transportation's state trunklines. This area also manages five (5) maintenance yards, six (6) gravel pits, a brine well, and approximately 150 pieces of road equipment.

The 33 employees currently working in **Engineering** provide engineering and technical services for road improvement projects on the County road system. These services include Construction, Design, Permits, Planning, Right-of-Way, Subdivisions, Survey, and Traffic & Safety.

According to the Road Commission, they currently maintain approximately 1,649 miles of certified roads in the county road system; out of these total miles, 770 are gravel roads. There are 111 bridges and more than 2,000 culverts also maintained by the agency; and in addition, the Road Commission is contracted by the Michigan Department of Transportation to maintain approximately 580 lane miles of State Trunkline. All primary (590 miles) and local (1,059 miles) public roads in Washtenaw County that are outside the cities and villages are maintained by Road Commission crews, who provide such services as dust control, gravel road grading, snow removal, pavement resurfacing, storm drainage, tree removal and a variety of other services,

including but not limited to road and bridge construction, sign and signal maintenance, pavement marking and guardrail repairs.

Discussion

The Operations and Engineering functional areas each provide a unique set of services and outcomes for the citizens of the County. Each area appears to be very streamlined in providing leadership, technical resources and support staff to the functional area in which they serve.

Therefore, the only remaining area for duplication of services between Washtenaw County Government and the Washtenaw County Road Commission is in the area of Administration. As mentioned earlier, the Road Commission structure is similar to that of a large Washtenaw county Department, thereby necessitating the need for a department head, financial oversight and management, human resources, and well as information technology needs.

The Administration functional area provides all of these necessary support functions to the organization. Administration is responsible for managing a \$38+ million annual budget, of which approximately 2.11% (\$800k) is allocated to the support activities of the organization.

Outcome

In the event the Washtenaw County Road Commission was merged into the overall Washtenaw County Government organization, it would organizationally be established as a department operating a \$38+ million annual budget. There does not appear to be any additional or unnecessary functions occurring within the Administration budget that could be eliminated as a result of duplication of efforts. If such reduction/elimination was necessitated within the overall Administration budget, a review of service delivery standards would be recommended.

Further, and based on an overall review and analysis of the information provided, there exist many differences between Washtenaw County Government and the Washtenaw County Road Commission. The most prevalent are the revenue and State funding streams, overall cultural (e.g., hours of employment, policies & procedures, guiding principles, etc.), as well as health and pension benefit structures for employee groups and retirees. There also exists significant

unfunded accrued actuarial liability in the areas of health care and pension. Such unfunded liabilities would need to be assumed and budgeted for by Washtenaw County Government.

Therefore, from an organizational review of working systems, there does not appear to be any potential duplication of efforts between the two organizations that would result in a savings to the overall system if a merger occurred.

Cc: Verna McDaniel
Cross-Lateral Team