

MaineDOT Inventory Privatization



(c) claudia g garland January 2011

Where We Have Been

- 7 Fleet locations Statewide
- Fleet Headquarters Located in Augusta
- \$2.5 million on the Shelves
- \$6.0-\$6.5 Million Annually
- Stock Clerk(s) Located at Each Location

Where We Have Been

- Mechanics Heavily Involved With Parts Research
- Internal Delivery Service
- Burden Rate at 32%

MaineDOT's Goals

- Reduce Costs
- Eliminate On Shelf Inventory
- More Time for the Mechanics to “Turn a Wrench”
- Continue to Provide an Acceptable Level of Service

Timeline

- Spring 2012 Serious Discussion
- Sept 2012 Out to Bid
- Nov 2012 Awarded
- Two Months of Contract Negotiations
- Spring 2013 Implementation
- July 1st 2013 Transition Complete

Bid Results

- 4 Vendors Attended Pre-Bid
- Bid Was Awarded to Genuine Parts Company (GPC)

Major Services Provided

- Stock Management
- Stockroom Management
- Parts Research
- Price Comparison
- Delivery System
- Core Management

Change is Painful....



© claudia g garland January 2011

Internal Challenges

- You're Taking My Job- Employee
- You're Taking My Job- Other Departments
- Union Issues
- Political

Implementation Challenges

- Communication
- Parts Accountability
- GPC Employees Working Next To State Employees
- Recognition of Transition Time
- Terminology

Is It a Success???

- Still Transitioning
- Wait 1 Year Before Measurement Starts
- Cautious Optimism

Our Projections

- 20% Burden Rate (Down from 32%)
- Zero on Shelf Cost
- Internal Delivery Service Not Needed
- Reassignment of MaineDOT Employees
- Elimination of MaineDOT Employees Through Attrition.

More Information

donald.hutchins.iii@maine.gov

© claudia g garland January 2011



Questions?

© claudia g garland January 2011

