



City of Grand Junction, Colorado

81501-2668

250 North Fifth Street

April 22, 1986

Mr. M. Peter Henthorn
PMI
40 Linden
Boulder, Colorado 80302

Dear Peter:

Well, we have had almost a full year since PMI completed its recommendations for productivity improvements in Grand Junction's finance, court clerk, personnel and police records operations. While your contract called for at least a two-to-one return on investment, i.e. your fee, it appears the actual return exceeds three-to-one.

This return is only based upon personnel savings. Fee modifications PMI proposed have not been in force a full year.

In the operations PMI analyzed, staffing totalled 43 positions. PMI recommended reduction to 35 positions. The actual 1986 staff is 35.5 positions. As you know, in addition to these staffing reductions we eliminated about 50 positions in other City operations. Some of these were "spillover" from PMI's work which provided City staff with a model for evaluating productivity opportunities.

Let me express special appreciation to John Lochner of your staff. His insights, candor and professional demeanor were most helpful to me. He was also well received by employees.

The project PMI undertook here was not an easy one. The City had been accustomed to growth in staffing, and the cutbacks were certainly not welcomed. However, PMI's work was most effective and beneficial considering the circumstances.

My only suggestion is that you insist upon a top management facilitator in future projects. It was difficult for me to devote sufficient time to this task. I regret that I did not follow your advice to have a close assistant oversee the project. This would have expedited communication and decision-making.

Thanks for a job well done.

Sincerely,

A handwritten signature in cursive script, reading "Mark K. Achen".

Mark K. Achen
City Manager

MKA:jc