



City Manager's Office

Memorandum

Date: November 6, 2006
To: Mayor and Council
From: P. Lamont Ewell, City Manager
Subject: Reorganization

Honorable Mayor and Council,

Since joining the organization, I have made several observations regarding the effectiveness of our current organizational structure. As you know, this structure has been in place for the past decade, yet during this same period of time, the needs of our community have changed, requiring a higher standard of service and responsiveness. With this in mind, staff has been developing a City organizational structure designed to increase accountability, more evenly distribute workload, and foster collaboration. The combination of these enhancements will ultimately provide improved service to our residents.

One change involves better distribution of responsibilities within the City Manager's Office. I am proposing a new Deputy City Manager position for oversight of internal services, which will allow the Assistant City Manager to focus on external service departments, day-to-day operations of the organization and special projects. The community relations and intergovernmental relations roles will be combined into a single Assistant to the City Manager to integrate outreach functions and maximize existing talent and resources. The Homeless initiative and the Airport Division have been identified as special initiatives and therefore will also report to the City Manager.

Another significant change is the creation of a new Assets Management Department, which will be responsible for maintenance of all City assets and open spaces as well as custodial services. These functions are now provided in varying degrees by four different departments. This centralized approach will capitalize on existing resources and provide a consistent

standard of care across our facilities and open spaces. Changes will occur in other departments to refocus on core missions and improved service. Additional information is provided in the attached document.

The specifics of work unit or division reassignments is still to be determined. A steering committee, to be convened soon, will meet with the affected groups to refine the proposed structure and recommend an implementation plan by February. It is anticipated that key components of the plan will be incorporated into next year's budget; others may be phased in over a longer period of time. To the degree possible, I have asked that the changes be cost-neutral and make the best use of existing resources.

This reorganization is not meant to diminish the work currently being performed by our work forces, nor devalue those efforts. Neither is it intended that any employee will lose his or her job because of this restructuring plan. Employees will have an opportunity to provide input and information to the steering committee and the City Manager's Office throughout this process, and a system to monitor and measure these changes will also be developed and put into place.

I will keep you abreast of these changes as we work out the details and develop our implementation plan and timeline.

Sincerely,

P. Lamont Ewell
City Manager

Proposed Organizational Restructure

I. City Manager Office Changes

Organizational Leadership and External Focus

The City Manager, in providing leadership and direction to the entire organization, will reduce his direct departmental oversight to allow for greater opportunity to connect with residents, businesses and the many institutions within the City. The Manager will also have a greater role in regional, state and federal issues important to the City.

The City Manager will retain direct oversight for Police and Fire departments. In addition, oversight of special initiatives will now be within the Manager's Office as needs are identified. The Homeless Initiative and the Airport Division have been identified as special focus areas and therefore will also be coordinated out of the City Manager's Office.

Operations, Special Projects, Other External Service Functions and Internal Services

The structure in the City Manager's Office will continue to include the Assistant City Manager as the principal assistant and as Acting City Manager in the absence of the City Manager.

The Assistant City Manager will be responsible for the primary day to day operations of the organization, along with special projects. His primary areas of focus will include: Big Blue Bus, Community & Cultural Services, Environment and Public Works Management, Housing, Development and Business Retention (former Resource Management Department), Planning and Community Development, and Library.

A new Deputy City Manager position is being created and shall have oversight responsibility of internal service functions: Human Resources, Information Systems (converting the function from a division to a new department), Finance, and Assets Management (a new department to centralize maintenance operations in the City).

Other modifications in the City Manager's Office

The current roles of the Assistants to the City Manager will be expanded. The community relations and intergovernmental relations functions will be integrated under one Assistant to the City Manager and will include Community Relations, Intergovernmental Relations, Media Relations, City TV oversight, Community Publications and possibly Website Services

The Assistant to the City Manager for Management Services will coordinate the City's CIP Program and continue oversight of agenda management, contract review, and assistance with the implementation of special projects and initiatives.

II. Departmental Modifications

Described below are proposed changes to the existing organizational structure. Only those departments directly affected by the reorganization plan are shown below. The specifics of what, how and when work units or divisions would be reassigned or altered will be refined and discussed more as the implementation plan is developed.

Assets Management Department

A new centralized Asset Management Department would provide greater ability for the City Manager and Council to better determine the appropriate resource levels necessary to achieve the highest standard of maintenance of the City's infrastructure and to maximize existing resources. Such consolidation provides opportunities for faster response times; pooling of staff resources for deployment to sites; promotion of standardized levels for all City maintenance service; and concentration of similar staff skill sets to create new approaches to service delivery. This change would consolidate in one department maintenance responsibility for City facilities, open space, and public landscape areas, as well as all custodial services. Other functions, such as right-of-way maintenance and traffic operations, are also under consideration.

Community and Cultural Services Department

The responsibilities of the Community and Cultural Services Department will be realigned to achieve increased focus on policy, program development and overall management of the open space system and facilities. Public landscape and park maintenance, park custodial services, and Community Forest maintenance would be transferred to the new Assets Management Department. CCS would retain community use and management of open spaces and its facilities.

Environmental and Public Works Management

The responsibilities of the Environmental and Public Works Management Department will be realigned to achieve increased focus and oversight of engineering functions and infrastructure needs, utilities, and emerging environmental goals of the City. Maintenance of facilities, fleet, the City's cemetery, the Promenade, and beach would be moved to the new Assets Management Department although discussions are still underway as to the make up of that new department. The department would continue right-of-way management functions with the possible additional responsibility for traffic engineering and traffic operations.

Finance Department

The responsibilities of the Finance Department will be expanded to include the Risk Management division, and an internal auditing function would be created to ensure increased fiscal accountability citywide.

Housing, Development and Business Retention Department

A new department of Housing, Development and Business Retention will be created, replacing the current Resource Management Department, to ensure focus on current and emerging housing goals of the City; attention to the economic development needs of the community including revitalization efforts of major corridors and retention of businesses and employment; and redevelopment agency activities. The Airport Division would report to the City Manager's Office. Pier and Airport maintenance functions would be transferred to the new Assets Management Department.

Information Systems

This division will be upgraded to a department and continue to respond to the increasing technology interdependency of the organization and community. Consideration is being given to transferring website services to the City Manager's Office to better coordinate with other community information functions.

Planning and Community Development Department

The responsibilities of the Planning and Community Development Department will be realigned to provide for greater focus on current and future visioning of the City and enhanced provision of development and building permitting, inspections and code enforcement. Parking operations may be transferred to the new Housing, Development and Business Retention Department, and transfer of traffic engineering and traffic operations are under consideration.

III. Next Steps and Schedule

The Assistant City Manager will convene a steering committee which will work over the next three to four months to refine the reorganization plan, receive input and suggestions from departments and divisions, and begin developing a comprehensive implementation plan with realistic timelines. It is anticipated that some adjustments may begin prior to the end of the calendar year, while other key components of the plan will be incorporated into the fiscal year 2007-08 budget. Other changes may be phased over several years.

Schedule

- ◆ Reorganization Steering Committee formed (by November 17)
- ◆ Work plan (implementation strategy) developed (November 30)
- ◆ Begin meetings with affected areas to fine tune and develop implementation recommendations (November 30)
- ◆ Complete restructure implementation plan and present to the City Manager (February 2007)
- ◆ Develop metrics and evaluation process (ongoing)

Employees' Input on Reorganization

Employees can provide comments and give suggestions to the committee via:

- ◆ E-mail to reorg.committee@smgov.net (November 3 available)
- ◆ Interoffice mail to City Manager's Office, attn: Reorg Committee
- ◆ Discussion with supervisors/managers who will be meeting with the reorganization steering committee (via the process shown above)

Updates and Communication

Monthly updates will be communicated to the Executive Team, department director and division head groups