

Government Reform

Between FY 07 to FY 14, the Mayor and City Council adopted \$133.9 million in General Fund deficit solutions. More than 700 General Fund positions were eliminated during the same time period. While these solutions were appropriate, necessary, and the prudent course of action to ensure the City's fiscal solvency, it took a toll on our operations and, in some cases, resulted in a less than efficient service delivery structure. This caused the City to explore and implement reforms and efficiencies.

In order to provide efficient and effective services to the community, City government must continually look to become more efficient and effective. This is especially true as we face the return of General Fund deficits in FY 17. While not all government reform ideas will generate immediate savings, they are a part of a greater strategy of cost avoidance, improved customer service, and improved efficiency. The general objectives for government reform are:

- Consolidate and improve inspections and permitting, wherever possible;
- Strengthen efforts to improve the City's corridors and neighborhoods;
- Maximize all available funding sources and create symbiotic connections between many of the City's enterprise funds and General Fund departments;
- Strengthen and support public safety by streamlining many of the services that support the City's public safety mission;
- Minimize redundancies, align services with common goals, and reduce administrative overhead; and
- Reduce the costs to provide services.

Over the past several years, some significant changes and reforms have been made to the city organization, with some resulting in cost savings and others resulting in service or efficiency improvements. Among the more notable of these reforms are:

- Consolidation of bureaus and divisions to eliminate two departments (Community Development and Oil Properties);
- Consolidation of residential and commercial plan check and inspection services;
- Elimination of nearly 22 percent of the workforce, with a 28 percentage reduction of management staff in City Management departments
- Consolidation of all parking operations;
- Improvement of parking citation processes;
- Improvement of utility billing system and processes;
- Centralization of technology oversight;
- Enhancement of web-based resources to provide more services online;
- Achievement of pension reform in advance of State pension mandates;
- Consolidation of multi-family housing inspections; and
- Reduction of skill pays and standby pays to more accurately reflect current needs.

In the FY 12 Budget, the City hired Management Partners to provide a high level review of the City's operations to determine areas of potential efficiency improvement. Consistent with the findings of the Management Partners study completed in July 2012, as well as the Mayor's budget recommendations, the Government Reform section adopted by the Mayor and City Council in the FY 13 budget identified reform initiatives in three areas:

- Evaluate the Potential Outsourcing of City Services for Cost Savings,
- Review Deployment Practices, and
- Combine Like Functions.

In December 2012, the Mayor and City Council authorized a contract with Management Partners (MP) to assist the City with a number of fiscal sustainability initiatives outlined in the FY 13 and FY 14 budgets. A description of the initiatives currently underway follows:

Alternative Service Delivery Models

Implementing alternative service delivery options for various services, including outsourcing, have been utilized by other cities throughout California and the country as a whole as a cost-saving measure, while providing an equivalent level of service. Long Beach must consider doing the same. While no deficit is projected for FY 15, deficits are projected to return in FY 17 or in FY 16 if the one-time surplus in FY 15 is structurally spent, when CalPERS will be raising rates significantly. Thus, if the City is to continue to provide services at current levels in future years, outsourcing must be considered.

Several services are currently under evaluation. A brief summary of each follows:

Employee Assistance Program. MP completed their review of the Employee Assistance Program in July 2013. This study showed that not only could the City save money by contracting, but would also receive significantly higher service levels. An RFP was issued and a preferred provider has been identified. Staff is currently preparing the documentation needed for the Proposition "L" finding. Only two full-time positions would be impacted by the contracting of the services. It is anticipated that this issue will come to the City Council in the summer of 2014.

Street Sweeping. A Request for Proposals (RFP) for street sweeping services was developed and released in Fall of 2013 in accordance with the direction provided in the FY 14 budget. The two firms submitting proposals were interviewed by a panel on December 16, 2013. A preferred provider was identified based on demonstrated competence, experience in the performance of comparable engagements, expertise and availability of key personnel, and cost proposal.

City management originally intended to bring the discussion of contracting out street sweeping to the City Council in February 2014. However, the employees in the street sweeping operation requested that they be given an opportunity to find efficiencies within the operation to reduce costs prior to the time that the City Council considers contracting out the service. Management felt this was a reasonable request, and modified its approach to accommodate this. Human Resources staff has been working with the IAM to elicit the employees' ideas.

Technology Services. In February 2014, a consultant (Plante Moran) was engaged to complete a review of current business processes supported by the existing systems (to help determine what can be streamlined and what the new system should do), an analysis of replacement options including business process outsourcing, identification and preparation of City staff for system implementation, development of system requirements and an associated Request for Proposals (RFP), evaluation of vendor proposals, assistance with contract negotiations with selected vendor(s), and development of an implementation plan in concert with the selected system vendor(s). A significant amount of work has been completed to date, and the RFP is scheduled to be issued in August 2014. System selection is expected to be completed in the spring of 2015.

It is important to note that the issuance of RFPs is not a pre-determination that services will be outsourced. Issuing RFPs is simply the most effective and accurate means to gauge the ability of the private sector to provide the same or higher levels of service for less cost than City employees. Only the Mayor and City Council can make the decision to outsource a service currently performed by City

staff. Section 1806 of the City's charter (commonly referred to as Proposition L) requires the Mayor and City Council to make findings that the private sector can provide the service proposed for outsourcing as efficiently and effectively as City staff and at a lower cost.

Fleet Services

In May 2013, Management Partners (MP) implemented a Fleet Efficiency Study. The project looked at the three fleet operations (City, Water, and Port) to identify opportunities for consolidation, shared services, and other economies of scale. MP did not recommend consolidation at the time because there are a number of factors that are keeping the City's fleet from being competitively addressed.

In September 2013, MP was asked to prepare two studies -- a Fleet Utilization Analysis and a Fleet Activity-Based Cost Analysis. MP completed the Fleet Utilization Analysis in May 2014. The report contains 32 recommendations for improved efficiency by improving the utilization of vehicles and equipment.

MP is currently finalizing the Fleet Activity-Based Cost Analysis. The purpose of this study is to document the fully-burdened costs associated with major fleet maintenance activities. This will enable staff to validate or modify charges to fleet customers, as well as provide a clearer picture of the true costs to provide various maintenance services.

Organizational Reviews and Restructuring

In May 2014, MP completed an organizational review of the Development Services Department. Numerous recommendations for operational changes were made, including a major realignment of work units and restructuring the Permit Counter to improve customer service and permitting processes and a department-wide reorganization. The proposed budget reflects some of these recommendations. In June 2014, MP initiated an organizational review of the Public Works Department. The objectives of the review are to improve project output, workflow and address issues related to staffing and the current management structure.

Several other departments are proposing organizational changes in FY 15 to improve current operations. They are:

The Police Department is reorganizing staff to put the equivalent of 18 sworn police officers into the most critical front line law enforcement assignments. This reorganization will also reduce overtime for civilian activities and more efficiently staff administrative functions such as fleet coordination, facility maintenance, business desk and juvenile detention. This results in a budget neutral add of net 12 FTE. By utilizing civilian positions in a more effective way, the Chief is recommending a more holistic approach to solving crime that emphasizes the collaborative efforts of Patrol, Investigations, Homicide, Narcotics, Vice, Human Trafficking and Gang Enforcement, and minimizing silos of work that can reduce productivity and effectiveness.

The Health and Human Services Department is adding 4.75 grant-funded positions in order to fully maximize the Federal and State grants received. The needs in our community are great and these positions will ensure that the City is not leaving available grant money on the table. The Department is also pursuing accreditation which, when approved by the Public Health Accreditation Board, should result in the City being eligible for more funding from government agencies.

The Parks, Recreation and Marine Department will be reorganizing the Animal Care Bureau, without adding additional positions, to enhance and improve policies, procedures, training, oversight and efficiency.

Capital Improvement Planning and Management

MP has recently begun a review of the processes for planning and managing capital improvement projects within the Public Works and Parks, Recreation and Marine Departments. The objectives of the review are to identify opportunities for improved effectiveness, efficiency, and accountability. MP will also assist in the development of a detailed Implementation Action Plan.

Technology-Related Initiatives

There are several technology-related initiatives that have recently been completed, or are currently underway, that will increase staff efficiency and/or improve customer service. A brief summary of each follows:

Utility Billing System. After several years of planning, in December 2013, the City launched a new utility customer information system to replace the existing 35-year old billing system, as well as a new mobile workforce management system. The new technology improves customer convenience by expanding features in electronic billing and bill payment, encourages energy and water conservation efforts through flexible modifications to rate structures, enables better customer service quality by improving the speed and quality of customer information available to the utility call center representatives, and allows for more efficient dispatching of field personnel to handle utility service calls.

Advanced Metering Infrastructure. In June 2014, the City Council authorized staff to move forward with contracts amounting to \$22 million to implement “smart” utility meters, as part of an Advanced Metering Infrastructure system. The natural gas industry is quickly transitioning away traditional manually read gas meters. No longer is it necessary to make a vehicle trip to a customer's location to visually read a meter to determine consumption data. Real-time interval usage updates are read accurately and uploaded electronically.

Computer Aided Dispatch/Records Management System (CAD/RMS). In February 2014, the City completed a \$2 million upgrade of its Police and Fire CAD/RMS system. CAD/RMS is a critical City system supporting public safety operations. The upgrade enables the City to use of lower cost server and mobile computer technology and allows increased operational flexibility and efficiency. It would also facilitate the consolidation of Police and Fire call-taking and dispatch operations.

Parking Citations. The City recently went live with a new parking citations system. The new technology integrates parking citation issuance, processing, billing, adjudication, collections and permitting functions into a unified, comprehensive, cost-effective and user-oriented system. It will improve data management, expand online services, and reduce manual processes, with a focus on improving collections.

Business License System. Planning and analysis to replace the City's legacy business license system was recently completed and system development is beginning. The new system will be integrated with City's existing permitting and code enforcement system. It is expected to go live in the spring of 2015.

LBCOP (Long Beach Common Operating Picture). Work continues to enhance LBCOP capabilities and usefulness. The system connects a network of city-owned cameras and privately-owned cameras in Long Beach through Internet protocol addresses that allow police to access a visual feed. There are approximately 400 cameras installed that LBCOP can use as a tool for intelligence. The Police and Technology Services Departments are continuing to add new cameras in strategic locations across the city.

Microsoft Office 365. In late October 2013, the City Council approved migrating to the Microsoft Office 365 solution. This is a cloud computing system for email and calendaring, desktop productivity software, web conferencing and content collaboration. It replaces the existing email system and converts all City users to the latest Microsoft Office software. To date, over 3,300 City employees have been converted to the new cloud system, or about 90 percent of total users. Migration will be complete in this summer.

Website Content Management System. The City continues to move forward with the implementation of a new website content management system (CMS). The new CMS will provide enhanced search capabilities, offer more flexibility in site design, provide better access to online services, add additional mapping capability, enhance communication efforts through video and news stories, and enable better integration with social media. The new site is targeted for go live in September 2014.

Wi-Fi in Parks. Free public wi-fi was added at 20 park facilities across the City in FY 14. The City expects to add wi-fi at 15 more park sites before the end of the calendar year. In addition, per the request of the City Council, the City will study additional areas that may be able to provide Wi-Fi access, such as Fire Stations and business districts.

Phone System. The City is in the process of completing a phone system upgrade to Voice over Internet Protocol (VoIP) technology. This will eliminate the existing legacy PBX systems and move all phones to VoIP devices, enabling lower ongoing costs, greater functionality for phone users, and improved disaster recovery capabilities.

Public Safety Mobile Computers. In FY 14, the City completed the implementation of virtual computing in nearly 400 public safety vehicles. The use of this technology enabled faster computer connection speeds and boot up times, as well as increased the efficiency of technology support staff by eliminating the need to touch every device to perform software updates and greatly enhancing staff's ability to remotely control mobile desktops and assist with application support.

Go Long Beach Apps. Four new City smartphone apps were added to Long Beach's family of apps in FY 14:

- The Long Beach Animal Care Services app allows local pet owners and animal lovers to easily search for adoptable cats and dogs, find local dog parks, search impounded animals and locate emergency and after-hours veterinary facilities.
- The Long Beach Airport app gives travelers free access to real-time flight arrival and departure information and offers quick links to airport parking information, restaurants, shopping, ground transportation options, terminal map, social media and city assets.
- The City Clerk's VOTE Long Beach app allows users to quickly locate a Long Beach polling place, view their sample ballot, request and track a Vote by Mail ballot as well as receive instant election results.
- The Long Beach Fire Department app provides, among other things, access to the latest news alerts, warnings, significant events, and other important information coming out of the Department. It also provides users the opportunity to discreetly and easily report arson tips and fire prevention violations when they see them. The app will also link to the "PulsePoint" app that notifies willing CPR-trained individuals that a victim of Sudden Cardiac Arrest in need of assistance. These notifications are only made if the victim is in a public place and only to potential rescuers that are in the immediate vicinity of the emergency.

Internet Bandwidth. In FY 14, the City expanded its internet bandwidth capacity 10 times over its previous level to increase employee efficiency and to support the added demand for access to cloud applications (e.g., Office 365).

Smart Parking Meters. Planning is underway to purchase and install smart parking meters and sensors, which accept credit cards, decrease meters out of service time, and provide vehicle detection parking space availability reported to motorists via web-based means. Smart meters have the potential to make parking much more efficient and user friendly to people visiting our key business districts.

