

Government Reform

Over the past several years, the City Council has consistently asked staff to review the City's department structure and make the necessary changes to ensure Long Beach government is a 21st century organization.

Long Beach is at an important crossroad. Since FY 04, the City Council has adopted \$208.7 million in General Fund deficit solutions. Additionally, the City has eliminated 857 General Fund positions 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 has taken a toll on our operations and, in some cases, resulted in a less than efficient service delivery structure.

In order to continue to provide efficient and effective services to the community, City government must adapt its structure. These changes are paramount to its ability to provide the best services possible with the resources available. Without this needed approach, Long Beach will be faced with even larger fiscal problems in the future. 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.

GOVERNMENT REFORMS INCLUDED IN THE FY 12 ADOPTED BUDGET

Before discussing the government reforms proposed for FY 13, it is important to review those that were adopted in FY 12 and identify their implementation status

Consolidate Residential and Commercial Plan Check and Inspection Services: In recent years, City project approval and inspection processes have been fragmented, costly, and cumbersome. This has consternated our residents and business partners and negatively impacted the City's ability to attract and maintain residential and commercial development. In FY 12, steps were taken to place residential and commercial construction plan check and inspection services (i.e., building, health, fire), as well as code enforcement under the management of a single bureau to exact greater consistency, accountability, and coordination in these processes. Plan check and inspections duties for food service new construction were transferred from Health and Human Services to Development Services. Calls for new construction health inspections are now routed through Development Services, as is plan check submittal.

Also, six staff from the Fire Department were transferred to Development Services to consolidate fire plan check and inspections for new construction. Calls for fire inspection are now routed through Development Services, as is plan check submittal. Cross training is underway to integrate all new staff into the Building Bureau, and at the permit counter. In addition, operational changes are being made at the permit counter in conjunction with Business Licenses to enhance customer service, revise routing of applicants and train staff in broader planning and building issues. Lastly, consolidation of fire and health inspections for multi-family residential units is being discussed and

is expected to be achieved by October 2012. These changes will improve not only the efficiency of the operation, but will result in a more seamless experience for the customer resulting in better communication and coordination among the various inspection functions.

Evaluate the Consolidation of Infrastructure Project Development and Management Under One Department: Large-scale infrastructure projects are currently developed and/or managed by Public Works, Development Services, and Parks, Recreation and Marine. Oftentimes, multiple departments are involved in a project, which causes the lines of responsibility and accountability to be blurred. This overlap can lead to project delays and miscommunication.

In FY 12, a review was undertaken to determine the potential for consolidation and/or to identify improvements to current practices. The review identified that the problems rested not with the project management process, but with the communication process between departments. Accordingly, a new reporting tool has been created to provide a central repository of information. Technology Services and Public Works have cooperated to construct a new program that protects data integrity, while allow ongoing updates to selected projects. The tool can roll up or down the amount of information presented to provide a broad range of client interests. The tool is nearly complete and is in Beta testing stage. It is important to note that as Redevelopment Agency projects wind down and the City organization continues to downsize, there may be merit in consolidating infrastructure project development and management under one department in the future.

Consolidate Fire and Police Dispatch and Call Centers: After many years of discussion, a decision was made to move forward with the consolidation of Fire and Police Dispatch and Call Centers in FY 12. Under the leadership of the Deputy City Manager, an Executive Team with representatives from Police, Fire, Human Resources, and Technology Services established goals and processes for the consolidation as well as a new governing structure. In June, briefings were conducted with fire and police call center staff to inform them of the goals and process. In addition, a working group composed of Fire and Police dispatchers was established to provide technical expertise and staff recommendations. A major achievement in FY 12 came in the form of a \$1.5 million grant that will be used to update the Computer Aided Dispatching (CAD) system to a platform required for consolidated dispatching. The consolidation effort will continue in FY 13 and full consolidation will be phased in over time.

Consolidate All Parking Operations: Several City departments, including Public Works, Parks, Recreation and Marine, and the Airport, currently manage parking operations. It was proposed that all parking operations be consolidated under one office/authority to ensure consistency in policy, to take advantage of new technology and best practices, and to optimize revenues. In FY 12, the Parking Operations Division was consolidated under the City Traffic Engineer in the Engineering Bureau (in Public Works). Parking collections and maintenance remain under the Public Service Bureau, but is anticipated to be rolled into Parking Operations in FY 13. Public Works and Parks, Recreation and Marine are in discussions regarding the potential transfer of responsibility for the 33 beach and marina parking lots to the Public Works Parking Operations Division. These parking lots serve different customers for different purposes -- the public, businesses, and boat owners with boat slips in the marinas. A well-developed plan is needed to ensure customer needs are met.

Consolidate the Animal Care Services Bureau with the Department of Parks, Recreation and Marine: On October 1, 2011, the Animal Care Services Bureau was moved from Health and Human Services to Parks, Recreation and Marine to take advantage of natural programmatic and administrative partnerships. The consolidation has resulted in a number of immediate benefits, including:

- Consolidating personnel, purchasing, accounting, budgeting, contracts administration, and communications services with PRM Business Operations, resulting in a General Fund savings of \$209,000.
- Expanding the Low Cost Pet Vaccination Clinic program from 16 clinics per year to 28 clinics per year rotating throughout the City park system.
- New fee-based contract classes for pet owners have been added and are now advertised through the Recreation Connection publication, including but not limited to pet photography and animal behavior classes.
- Expanding education and outreach regarding breeding and licensing at park facilities.
- Identifying a site for the proposed El Dorado Dog Park.
- Collaborating on enforcement of animal related violations in parks and on the beaches.

Identify Efficiencies in Civil Service and Human Resources Operations: Although the November 2010 ballot measure to consolidate the Human Resources and Civil Service failed, there are still efficiencies to be found in Civil Service and Human Resources operations. In FY 12, a preliminary analysis was conducted and some potential projects were identified, including streamlining and automating the requisition and HR-1 process. However, further work was postponed due to staff limitations, and the need to focus on RDA layoffs and negotiations with employee organizations. Efforts will continue in FY 13.

Evaluate the Human Resources Administrative Model: In the smaller City Manager departments, it may be possible to adopt a more centralized and standardized model for human resources administration. In particular, it may be possible for these departments to share a Human Resources Officer (Administrative Officer in some departments). Not only would this provide cost savings to both departments, it would ensure that City policies and procedures (e.g., investigations, discipline, performance, sick leave usage) are being addressed in a consistent and efficient manner. In FY 12, work on this initiative was postponed due to staff limitations, and the need to focus on RDA layoffs and negotiations with employee organizations. Efforts will continue in FY 13.

Consolidate Temporary Worker (Including Non-Careers) Hiring Program Through Workforce Development: It has been proposed that all department requests for temporary employees, including City non-careers, be handled through a temporary employment agency within the Pacific Gateway Workforce Investment Network. This program can be integrated with existing grant-related workforce development efforts and provide an array of temporary workforce options (e.g., temporary clerks, accountants, administrative, maintenance, custodial or special project internships). Coordinated management of these functions will increase customer service and streamline the hiring process for internal departments. This will also provide a one-stop shop for high school, college, and Long Beach residents seeking work. Cost savings are estimated at approximately 25 percent of current expenditures for temporary workers citywide. Savings could be higher if grant money is secured for related workforce development strategies that offset administrative costs.

In FY 12, an internal team was formed to conduct a preliminary analysis to determine what departments utilize temporary workers and in what capacity, seeking input to identify areas of improvement from these departments, if any. This assessment included the categorization of temporary work assignments by skill level and department, and was juxtaposed against a database of local job seekers to identify gaps that need to be filled by recruitment of talent in different specializations (e.g., accountants). The team also examined operating costs associated

with the program, including the identification of blended payroll and placement staff, payroll processing, insurance, drug screening, and other germane expenses. In February 2012, the team recommended a gradual “replacement” of the existing infrastructure, allowing current temporary workers to complete their contracted assignments (or 960 hours, whichever comes first), filling new requests under the Pacific Gateway infrastructure. Unfortunately, further efforts on this initiative were suspended due to the departure of the Executive Director of Pacific Gateway and a subsequent reduction in federal funding. It is thought the initiative could be restarted when a new Executive Director has been hired.

Evaluate the Potential to Privatize Employee Assistance Services: As the size of the City workforce shrinks, it is necessary to make adjustments to those administrative operations that have traditionally supported the workforce. One such operation is the Employee Assistance Program (EAP), which provides counseling and referral services for employees and their families. There are a number of potential benefits to contracting with an outside pool of professionals for Employee Assistance. These include: (1) access to a larger pool of highly specialized professionals as needed, (2) paying only for the services needed or used, and (3) increased confidentiality and comfort of the employees utilizing these services. In FY 12, the City's health consultant initiated a request for information process to assist staff in the evaluation privatization opportunities. Efforts will continue in FY 13.

Transition of Rancho Los Cerritos to a Non-Profit/Foundation: Long Beach is fortunate to have two historic ranchos that are treasured assets. A non-profit foundation has successfully managed Rancho Los Alamitos for many years, and there is interest on the part of the City and the Rancho Los Cerritos Foundation to create a similar operational structure for Rancho Los Cerritos. Over the course of the past few months, staff has been meeting with representatives of the Rancho Los Cerritos Foundation (Foundation) to establish a three-year transition plan for the Foundation to take over operations of the Rancho by FY 16. A transition period has been requested to give the Foundation the time to establish the organizational infrastructure and sustainable financing plan for ongoing operations. Key to the agreement is the commitment of a base level of annual funding similar to that of Rancho Los Alamitos, and a one-time commitment of funds in FY 13 to be used for capital improvements. It is anticipated that an agreement can be reached and presented to the City Council before the end of this fiscal year.

Work with Water Department to Convert Public Areas to Drought Tolerant Landscaping and/or to Improve to Irrigation: PRM staff has begun the preliminary phase of developing a master plan for water management that includes conducting an inventory of current irrigation infrastructure, identifying efficient irrigation delivery systems, and proposing water-saving landscaping and design for new and existing parks and medians.

On August 2011, the Water Department and Water Commission authorized the use of \$1.4 million from savings acquired through the issuance of the Water Revenue Bonds Series 2010A for the Turf Median Reduction Project (TMRP) to be managed by the Department of Parks, Recreation and Marine (PRM). The program mirrors the existing Lawn-to-Garden Program designed by the Water department for Long Beach residents. Both programs aim to conserve water by replacing water intensive landscaping with drought tolerant vegetation and mulch. The TMRP replaces turf in city medians and upgrades irrigation as necessary. The Request for Proposals was sent to Purchasing in early May for bidding of the first phase of the project.

The project has been split into two phases. The first phase has an estimated cost of \$825,000 and convert medians with turf and hard soils that allow extensive water runoff and significant water loss.; The remaining funds totaling \$575,000 will be spent during phase two of the program and will address additional medians where there will be significant benefit from the conversion. The first step of phase, which is to identify sites, is in progress.

GOVERNMENT REFORMS INCLUDED IN THE FY 13 PROPOSED BUDGET

The reforms proposed for FY 13 are different from the reforms of prior years. Prior years' reforms were developed internally based on opportunities identified by the City's management team. For FY 13, the City Manager retained the services of Management Partners, Inc., a professional firm with substantial expertise in the workings of municipal government, to obtain a broader perspective of current trends in municipal government in California and across the nation. Management Partners benchmarked the City of Long Beach with other comparable cities, provided an overview of current trends and best practices, and provided specific recommendations for reforms for FY 13 and beyond. The majority of the recommendations involve substantial changes to the City organization and the manner in which services are provided, and will require evaluation and/or significant preparation. Accordingly, no cost savings from these reforms have been included as deficit reductions for FY 13. The reforms are as follows:

Evaluate the Outsourcing of City Services for Cost Savings: A number of services have been identified as having potential opportunities for privatization (i.e., outsourcing, contracting out). These include:

Towing	Employee assistance program
Refuse hauling	Occupational health management
Street sweeping	Security services (non-sworn)
Parking enforcement/parking lot management	Marina operations
Fleet maintenance	Jail management
Technology support services	Crossing guards
Workers' compensation (third party administration)	Background checks

Evaluation processes for several of these opportunities will be initiated in FY 13.

Review Deployment Practices: The deployment models for several operations have been recommended for review and potential modification. These include:

- Ambulance staffing
- Public safety support staffing (sworn versus civilianization)
- Public safety shift scheduling
- Work schedules for all general employees
- Staffing for demand-driven activities (e.g., recreation programs, plan reviews)

A review of ambulance staffing has been initiated and will continue into FY 13. Other reviews will be initiated as resources allow.

Combine Like Functions: Several departments provide similar functions which might be combined for greater efficiency and potential cost savings. These functions include:

Facility maintenance and custodial services	Technology services
Infrastructure development and management	Dispatch services
Security services	Afterschool programs
Administrative services	Asset management

Reviews of these functions will be initiated as resources allow.

In addition to the above, City staff will continue its reform efforts in the following areas:

- Negotiate changes in employee compensation and benefits,
- Standardize and strengthen financial and human resource functions in departments,
- Seek full cost recovery to the extent possible, and institute new fees where applicable, and
- Consider creative revenue ideas and debt relief strategies.

