



MEMORANDUM

Agenda Item #: 12
Meeting Date: March 13, 2018

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: ANTON DAHLERBRUCH, CITY MANAGER /s/

SUBJECT: PRESENTATION AND DISCUSSION OF MATRIX CONSULTING GROUP ASSESSMENT OF NON-SAFETY CITY FUNCTIONS, AND DIRECTION TO STAFF THEREFORE

DATE: MARCH 13, 2018

ISSUE/PURPOSE

The City Council commissioned the Matrix Consulting Group to evaluate and recommend efficiencies, improvements, and cost saving for the City's non-safety functions. Transmitted by this report, for review, discussion, and direction to staff, is the Matrix Consulting Group report. It is recommended that the City Council receive a presentation of the Matrix Consulting Group study, receive public input, direct staff to review the report, and/or schedule a meeting to discuss the recommendations.

BACKGROUND

On September 26, 2017, the City Council established the Ad Hoc Committee of Mayor Pro Tem Peterson and Council Member King, in consultation with Treasurer Lozzi, to discuss and make a recommendation to the City Council for a consultant to evaluate the non-safety side of organization. At this City Council meeting, the evaluation was generally defined as being for the purpose of understanding if the City allocates, and organizationally operates with, existing and available resources efficiently, according to standard / best practices, and cost effectively. At its meeting on October 30, 2017, per the recommendation of the Ad Hoc Committee and Treasurer, the City Council approved an agreement with the Matrix Consulting Group for:

conducting an analysis and evaluation of service delivery options, opportunities for efficiencies and operational improvements, organization structure and staffing, and budgetary needs for Building, Safety, Planning, Public Works, Parkland Maintenance,

and Administrative Services including the Finance Department, City Clerk's Office and City Manager's Office.

The Matrix Consulting Group was also advised that the study should incorporate:

- 1. Input from, and potentially involvement by, interested residents,*
- 2. Policy recommendations for City Council consideration,*
- 3. Management/administrative recommendations for the City Manager. A comparison of the cost of the services presently delivered by HR Green to the costs of the same services as if City employees delivered the services;*
- 4. For major contracts (building and safety services, engineering services, tree trimming and landscape maintenance), an assessment of contractor costs (rates) charged to the City of Palos Verdes Estates in relation to similar contractor charges of comparable cities.*
- 5. Justification and recommendations for the balance and configuration between in-house and contract services specifying suggested titles of recommended in-house positions, an outline of job duties and responsibilities, and suggested salary ranges for all in-house services in relation to recommended contract service functions.*
- 6. Recommendations for modifications to the contract(s) for outsourced services.*
- 7. Independent overview of City financial documents and budget for reasonableness in comparison to similar cities.*
- 8. Comparative information from similar cities of staffing levels, budget, and service delivery structure.*

DISCUSSION

The Ad Hoc Committee, with the Treasurer, convened several times to receive progress reports from the Matrix Consulting Group.

Attached is the final report prepared by the Matrix Consulting Group for review, discussion and direction to staff. Alan Pennington with the Matrix Consulting Group will be at the March 13, 2018 City Council meeting to present the report findings and recommendations.

Following the presentation of the report, Mr. Pennington's response to questions, receiving public input, and City Council discussion, it is recommended that the City Council continue this matter to a subsequent meeting to receive staff review, discuss the recommendations in the report in further detail, and/or provide direction for next steps. The City Council may want to schedule this matter on a specific date of an upcoming regular meeting of the City Council or designate an alternative date for a stand-alone meeting on this topic.

FISCAL IMPACT

While there is a fiscal impact associated with implementation of the Matrix Consulting Group recommendations, there is no fiscal impact with review and discussion of the report itself.

NOTIFICATION

The agenda and the staff reports for this meeting were posted and noticed as required.

ALTERNATIVES

The alternatives available to the City Council include:

1. Agendize this matter for a subsequent meeting of the City Council to receive staff input, deliberate, and provide direction.
2. Request additional information.
3. Provide immediate direction with regard to the Matrix Consulting Group recommendations.
4. Take no action.

CONCLUSION/RECOMMENDATION

It is recommended that the City Council receive a presentation of the Matrix Consulting Group study, receive public input, direct staff to review the report, and/or schedule a meeting to discuss the recommendations.

ATTACHMENTS:

- A- Matrix Final Report Organizational Assessment of Non-Safety Functions
- B- Organizational Assessment Presentation
- C- Transmittal Letter from Matrix Consulting Group

Organizational Assessment of Non-Safety Functions

PALOS VERDES ESTATES, CALIFORNIA



March 7, 2018

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1. INTRODUCTION AND EXECUTIVE SUMMARY

This introductory chapter outlines the purpose of this staffing assessment, a summary of the approach utilized by the project team in conducting the engagement, and a summary of the recommended staffing modifications.

1. INTRODUCTION

The Matrix Consulting Group was tasked with conducting an operational assessment of non-safety functions within the City of Palos Verdes Estates to determine if operational practices and staffing allocations were appropriate for the community, if staffing allocations were appropriate for the community based upon the services provided, and potential cost savings that may be achieved through improvements to operational practices.

2. STUDY METHODOLOGY

As part of this study, the project team took a phased approach that included the following activities:

- Conducted detailed interviews with staff each of the areas under review.
- Collected and analyzed data regarding services provided and existing service levels, where available and appropriate.
- Compared current staffing allocations in the City of Palos Verdes Estates against those of other communities.
- Conducted an anonymous online survey of City residents (completed by 518 individuals) and conducted a community meeting (attended by approximately 45 residents).
- Analyzed staffing levels and service delivery approaches in the City of Palos Verdes Estates against best practices for the functions under review.
- Evaluated organizational structures and opportunities to more effectively utilize existing staff to achieve cost savings or service improvements.
- Analyzed potential cost saving methods that may be implemented to further increase efficiency of staffing resources.

These efforts have resulted in the developed of the following report. This reflects the

observations of the project team during the time of conducting the study. However, the City has been continuing to make changes and therefore, some operational practices referenced in the report may have changed.

3. KEY STRENGTHS OF THE ORGANIZATION

The City of Palos Verdes Estates, in comparison to other organizations and in relation to the services provided, is operating in a lean manner with minimal staffing allocations. There are limited opportunities to reduce staffing without impacting the services provided. In most cases, the service levels of the City are in alignment with best practices and community expectations for a City with the service expectation of Palos Verdes Estates.

The following list provides a recap of the many strengths of the City of Palos Verdes, its organization and its employees. More details regarding operational practices can be found in the best management practices assessment contained in Appendix B.

- The City has developed a mission and values statement along with annual department work plans that are aligned with City Council goals.
- The City effectively utilizes its website and a variety of social media applications to communicate with citizens.
- Customer services is an important value in the City organization and personnel consider it an important part of their responsibility as city employees.
- The Human Resources function ensures that all personnel-related activities including recruitment and selection, benefit management, class and compensation studies, risk management, training and employee relations are managed and implemented effectively throughout the organization.
- The City Clerk function responds to Public Records Request Act document requests in a timely manner.
- The City's two-year budget cycle provides a comprehensive budget with identified work goals for each department.
- The City complies with all state and federal finance related reporting requirements in a timely manner.
- The City has recently automated the employee payroll system and business license application process in the City.
- The Planning and Building Department provides walk-in consultation and plan review services over the counter to applicants for 10 hours per week.

- The Planning and Building Department has developed a policy which stipulates a 10-day maximum turnaround time on all project reviews. This level of performance compares favorably to other communities and is in alignment with industry standards.
- The Planning and Building Department has developed and maintains an extensive library of guidelines, informational documents and application forms on the City's website for easy access by applicants and citizens.
- The SMARTGOV computerized system is under development and scheduled for implementation City-wide in early 2018.
- The City has made effective use of contracted services, including concession agreements and for building and engineering services, to provide selected services in a cost-effective manner while limiting the number of full-time staff members.

These current strengths provide a strong foundation for continued responsive service delivery to residents and implementation of future improvements in operational practices in a cost-effective manner to provide quality services to the residents of the City of Palos Verdes Estates.

4. KEY FINDINGS AND RECOMMENDATIONS

The following table summarizes the recommendations provided by the project team, identified by their topic area.

Recommendation	Priority	Timeframe	Responsible Party	Cost Impact
CITY MANAGER'S OFFICE				
The City should expand the information available on the website related to financial transactions including posting of all contracts entered into by the City.	High	2018	City Manager	Principally staff time
Longer-term, the City should seek solutions that enable disclosure of all payments made to vendors and employees through on-line access.	Medium	2019	City Manager	Estimated at \$20,000
Performance standards should be adopted and publicized on the website for all major service areas provided by the non-safety functions specifically related to planning, building, landscaping and public work services.	High	2nd half 2018, 2019	City Manager	None anticipated

Recommendation	Priority	Timeframe	Responsible Party	Cost Impact
A change to a 4-day a week City Hall schedule would save approximately \$300,000 annually but is not recommended.	Not applicable	Not applicable	Not applicable.	Not applicable
Maintain the Departments of Public Works and Planning and Building as separate departments with one Director assigned to each Department.	High	Not applicable	Not applicable	Not applicable
An alternative organizational structure for Public Works and Planning is proposed, based upon the fiscal needs of the City, that combines Planning and Public Works into a single Department with one Director to achieve annual savings of approximately \$40,000.	Medium	Timing based on opportunity / attrition	City Manager	(\$40,000)
Consider reestablishing the City Hall front desk coverage by either replacing the current .5 FTE Receptionist position vacancy or restructuring the current Senior Receptionist position to a full-time Receptionist position.	High	2019	City Manager	\$20,000
Establish an annual review and evaluation process for all City contracts for services (to identify potential performance or contractual issues) and for concession agreements (to ensure revenue is appropriately maximized).	High	Ongoing	City Council / City Manager	None anticipated
Maintain the staffing level in the City Manager's office to the currently budgeted positions and ensure that realistic performance measures reflect the recent decreases in staffing.	High	Not applicable	Not applicable	Not applicable
FINANCE				
Undertake a quarterly departmental budget review process to ensure that goals and work plans are on target and projections are developed to more effectively manage financial resources.	High	Ongoing	City Manager / Finance Director	Not applicable
Adopt a formal Cost Recovery Policy for adoption by City Council that outlines a level of cost recovery to ensure fees fully cover the actual cost of services provided.	High	2018	City Council / City Manager	Not applicable
Continue to automate the cash handling and accounting systems in the Finance Department to increase efficiency.	Medium	2018-2019	Finance Director	None anticipated at this time

Recommendation	Priority	Timeframe	Responsible Party	Cost Impact
Develop a multi-year plan for improving technology systems within the City to improve the efficiency and effectiveness of overall city operations.	High	2018-2019	City Manager	None anticipated
Maintain the budgeted staffing level of 4.0 FTE positions in the Finance Department as budgeted in the FY 2017-18 budget.	High	Not applicable	Not applicable	Not applicable
PLANNING / BUILDING				
Establish a priority of updating information and applications on the Planning and Building Department website on a quarterly basis.	Medium	2018-2019	Planning Director	None Anticipated
Establish a separate fund allocation to finance the update of the City's General Plan and other long-range planning documents.	High	2019	Planning Director	Unknown
Efforts should continue to automate planning and building processes to increase productivity and efficiency in the Planning and Building Department.	High	2018, ongoing	Planning Director	Dependent on solution implemented
Assess the Code Enforcement Officer roles and responsibilities and develop an RFP to perform the duties by an outside contractor. If a contract position is not feasible, fill the vacant position with a full-time City employee.	High	2019	City Manager / Planning Director	\$50,000
Transfer the Parklands Division/Urban Forestry to the Public Works Maintenance Division for management and implementation of operations.	High	2018	City Manager	None anticipated
Conduct an RFP process to determine the feasibility of deleting the Urban Forester position and contracting with the existing tree trimming contractor or an added firm for arborist services.	High	2019	City Manager	Cost neutral.
PUBLIC WORKS / ENGINEERING				
The Capital Improvement Program should be reevaluated to identify the high priority projects and explore potential non-city sources of funds for their implementation.	Medium	2019	PW Director	n/a

Recommendation	Priority	Timeframe	Responsible Party	Cost Impact
Adopt maintenance standards and levels of service for Public Works maintenance operations, including contract services, defining the City's commitment to a specific level of service for the public and to provide guidance in developing operating and capital budgets.	High	2019	PW Director	n/a
Establish a comprehensive asset management plan that includes a detailed inventory of the City's assets to increase efficient services and aid in budgetary planning.	High	2019	PW Director	\$40,000 in contractual support
City vehicles should be updated with adequate equipment and communications systems that ensure personnel safety and communication with other staff.	Medium	2019	PW Director	Unknown
Maintain the current staffing level in the Public Works Department including the current contract personnel.	High	n/a	n/a	n/a

Each recommendation is described in more detail, with a narrative rationale, in the following chapters.

2. OPERATIONAL ASSESSMENT

This chapter provides an analysis of the operational practices of the departments and functions that were under review and provides recommendations regarding modifications to operational practices and/or staffing allocations.

1. CITY MANAGER'S OFFICE

This section provides a review of the project team's analysis of the City Manager's Office and presents recommendations for potential improvements in the operations. The project team conducted an initial analysis of the City Manager's office through interviews with staff members to understand their role and responsibilities in the organization, an analysis of the organizational structure of the office, toured the community, reviewed a variety of background documents and compared the operation to "best practices," and conducted a comparative study with several similar cities around the country.

The City Manager is appointed by the City Council and is responsible for ensuring that the mission, values and policies of the City Council are implemented efficiently and effectively throughout the city organization. The City Manager's office provides administrative oversight and support to city departments in the implementation of their annual work plans ensuring a balanced budget and successful completion of day to day work activities and projects. The City Manager's Office also develops and maintains relationships with a variety of related governmental agencies and maintains close working relationships with community organizations and citizens.

The City Manager's office includes the part-time contract City Attorney's office, Human Resources function and the City Clerk's office. The current staffing allocation of the City Manager's office includes 4.5 FTE positions including the City Manager, Assistant to the City Manager, Administrative Analyst, City Clerk and half-time Receptionist position. The part-time Office Specialist position is vacant and is not being replaced due to the fiscal situation faced by the City.

The City Attorney is retained by the City Council on a part-time contract basis to advise the Council, City Manager, Departments and commissions on legal issues related to City activities. The current contract with the City Attorney provides for a flat retainer for legal services and an hourly rate for other services as described in the current contract. The City Clerk's office is responsible for ensuring that all legislative processes are open and accessible to the public and ensures that official city records are preserved as required by state law. The City Clerk's office prepares and distributes City Council agendas and minutes, administers the centralized record keeping system and administers municipal election processes. The City Clerk is also responsible for responding to citizens' requests for public documents in accordance with the Public Records Request Act. The City Clerk

supervises the City Hall Receptionist position.

The Human Resources function is responsible for the implementation of all personnel-related activities including position recruitment and selection, benefits program management, labor negotiations, class and compensation data, risk management, training and employee relations programs. The Human Resources function also provides support to projects assigned by the City Manager.

The following section presents the project team's recommendations for improvement opportunities in the City Manager's office.

1. THE CITY SHOULD CONTINUE TO ENHANCE PUBLIC TRANSPARENCY BY ENHANCING INFORMATION AVAILABLE ON THE WEBSITE.

The City has recently undertaken efforts to expand the information available on its website. To provide additional transparency and easy access for the public to information regarding the operations of the City, the City should continue to enhance and expand the information available on its website – within the constraints imposed by limited staff to whom these tasks can be assigned. The information that should be added or expanded would include the following:

- Additional details regarding financial transactions including posting of all contracts entered into by the City following execution by the City.
- Overtime, all vendor and employee payments should be posted online in a searchable database.
- Performance standards that have been adopted for major service areas outlining the targeted level of service to be provided by the City for major duties (i.e. – landscaping plans, tree-trimming cycles, plan review targets for building permits and planning applications, inspection turn-around targets, etc.

These efforts, while requiring additional staff time to implement will increase the public transparency of financial and operational performance that will enhance the public's understanding of City government and increase confidence in actions taken.

Recommendation: The City should expand the information available on the website related to financial transactions including posting of all contracts entered into by the City.

Recommendation: Longer-term, the City should seek solutions that enable disclosure of all payments made to vendors and employees through on-line access.

Recommendation: Performance standards should be adopted and publicized on the website for all major service areas provided by the non-safety functions specifically related to planning, building, landscaping and public work services.

2. ALTERNATIVE WORK HOURS FOR CITY HALL WERE CONSIDERED BUT ARE NOT RECOMMENDED.

The project team evaluated the option for the City to achieve cost-saving through the reduction of City Hall hours of operation from a 5 day a week to a 4 day a week operation (with the schedule of daily hours of operation not changing). This item was one of the issues raised with the consultants during the public forum. This reduction in staff hours would equate to an annual cost savings for the positions under review of approximately \$300,000.

However, there are significant operational impacts that led to this not being recommended for implementation. The ability of the City to attract and retain highly qualified employees who are willing to work part-time (i.e. – 32 hours per week) will be limited. In all likelihood, a change of this nature, if implemented, would result in the City losing highly qualified employees to other communities and having a difficult time recruiting to fill these positions. Additionally, service levels and access to City Hall services by residents would likely fall below the level acceptable to meet community expectations and needs. Finally, none of the comparable communities surveyed has implemented this approach to City Hall operational hours. On balance, the slight costs savings would likely result in a dramatic decrease in the professionalism of the services provided to the City and therefore is not recommended.

Recommendation: A change to a 4-day a week City Hall schedule would save approximately \$300,000 annually but is not recommended.

3. AN ALTERNATIVE ORGANIZATIONAL STRUCTURE FOR PLANNING AND PUBLIC WORKS WAS EVALUATED.

The project team evaluated an alternative organizational structure that would combine the Departments of Planning and Public Works into a single department overseen by one Director. This change has the potential to save approximately \$40,000 from converting one of the Director positions to a Manager position. A review of the organizational structure of other communities provides a mixed comparison on prevailing practice with both a combined department structure and separate departments both being commonly utilized. Our review of other communities found that more utilized specially trained Directors in both positions. This is typically done because it is very difficult to find a single individual with the level of in-depth understanding of both Public Works and Planning operations.

While this combined department approach is feasible, and could be utilized if funding remains tight, it is not the recommended staffing model. The current approach – having one Director over Planning and Building and one Director over Public Works - provides a higher-level of technical expertise to the community and is the recommended

organizational structure. If the City decides to combine Public Works and Planning into a single department, it would be most easily implemented when attrition in one of the current Director positions occurs.

Recommendation: Maintain the Departments of Public Works and Planning and Building as separate departments with one Director assigned to each Department.

Recommendation: An alternative organizational structure for Public Works and Planning was considered that combines Planning and Public Works into a single Department with one Director. Depending upon the background of the individual selected, the other Department Head position would be converted to a Manager level position (either Planning Manager or Public Works Manager/City Engineer) to achieve annual savings of approximately \$40,000.

4. CONSIDERATION SHOULD BE GIVEN TO FILLING THE RECEPTIONIST POSITION TO FULL-TIME STATUS.

The City Hall receptionist responsibilities are currently handled by one .50 FTE Senior Receptionist position who covers the front desk and telephone services from the opening of City Hall at 8:30 a.m. to 12:30 p.m., Monday through Friday. The previous .50 Receptionist position, allocated to cover afternoon receptionist responsibilities is currently vacant with no plans to fill the position resulting from the fiscal situation of the City.

To compensate for this vacancy other City Hall staff positions have been assigned to cover front desk receptions duties, in addition to their current position responsibilities, between the hours of 12:30 p.m. and 5:00 p.m., Monday through Friday. In addition, selected staff positions are responsible for picking up and delivering mail from the Post Office each day. The following table identifies the positions and the number of hours spent away from their work responsibilities to provide weekly coverage to the City Hall Front Desk and/or provide mail pick-up and delivery.

Position	Hours of Coverage
Assistant to the City Manager	5.5
City Clerk	3.5
Permit Technician/Planning	6.0
Permit Technician/Building	6.0
Financial Services Technician	2.5
Financial Services Technician	1.5
Other	2.0
Total	27

The impact of added front desk coverage on the efficiency and effectiveness of the seven positions currently sharing these responsibilities results in a total 27 hours away from their current job responsibilities. While the opportunity for these positions to work on their own projects may exist, the frequency of incoming telephone calls and interactions with citizens visiting City Hall diminishes its overall value and effectiveness in accomplishing their assigned responsibilities and decreases overall customer service to the citizens of

Palos Verdes Estates.

Replacing the current .5 FTE Receptionist position vacancy or restructuring the current Senior Receptionist position to a full-time Receptionist position would improve the effectiveness of City Hall operations and increase its customer service to the community. It is estimated that this change, including salary and benefits, would cost approximately \$20,000 annually.

Recommendation: Consider reestablishing the City Hall front desk coverage by either replacing the current .5 FTE Receptionist position vacancy or restructuring the current Senior Receptionist position to a full-time Receptionist position.

5. ESTABLISH AN ANNUAL SCHEDULE TO REVIEW AND EVALUATE THE CURRENT CONCESSION AGREEMENTS AND CITY CONTRACTS FOR SERVICES.

The City of Palos Verdes Estates contracts for services with outside professional consultants to perform direct services to the Planning and Building, Public Works and Finance Departments. The City Council also appoints a City Attorney to provide City- wide legal services. The following table provides a summary of the professional service contracts authorized by the City Council to provide services to the City.

Services	Contractor	Term
Solid Waste	Athens Services	July 2012 – June 2019
Information Technology	Prosum Technology Consulting Group	October 2012- June 2018
Landscape Maintenance	Venco Western, Inc	July 2015- June 2018
City Attorney	Jenkins and Hogin, LLP	April 2010 - until termination of agreement by either party
Tree Trimming	Traver's Tree Service	July 2015- June 2018
Planning and Building, Public Works, and Engineering	HR Green Pacific, Inc.	July 2015- FY 2017/18

Establishing an annual review and evaluation process to ensure that the services being provided by outside vendors are consistent with the contract provisions provided in the agreements. It will also provide the opportunity to amend the agreements, change service provisions or stipulate added services to be performed by the vendor. This review would be in addition to the review currently conducted when each contract comes up for renewal.

The City also owns four major recreation-oriented facilities that are operated for the benefit of residents through concession agreements with nonprofit organizations and business entities charged with the responsibility of maintenance and operation of the facilities to provide recreation opportunities to City residents. The following table summarizes the agreements authorized by the City to operate and maintain the facilities.

Concession	Concessionaire	Term
Golf Course	Palos Verdes Golf Club	July 1993 - December 2024
Tennis Club	Palos Verdes Tennis Foundation	January 1979 - January 2023
Beach Club	Palos Verdes Beach and Athletic Foundation	September 2008 - September 2026
Palos Verdes Stables	HGS Management	January 2009 – February 2019

Long time agreements have been established for the maintenance and operation of the four recreational facilities owned by the City. While the agreements have been in place for some time and are set to expire several years in the future, establishing an annual review and evaluation process will also ensure that concession operators are providing valuable services to the citizens of Palos Verdes Estates as identified in the agreements and that maximum revenue potential is available to the City.

The purpose of reviewing these two items (vendor contracts and concession contracts) is to ensure that the City is achieving maximum value from public resources. Just as important, during the annual review the City should discuss any operational issues that have arisen in the past year to address any performance issues promptly, identify potential modifications to contract terms, or develop a listing of new terms or conditions to be included in a future RFP when the contract is up for renewal.

Recommendation: Establish an annual review and evaluation process for all City contracts for services (to identify potential performance or contractual issues) and for concession agreements (to ensure revenue is appropriately maximized).

6. STAFFING LEVELS IN THE CITY MANAGER’S OFFICE SHOULD REMAIN AT CURRENTLY BUDGETED LEVELS EXCEPT THE PROPOSED CHANGES IN THE RECEPTIONIST POSITION.

The current staffing allocation of the City Manager’s office includes 4.5 FTE positions including the City Manager, Assistant to the City Manager, Administrative Analyst, City Clerk and half-time Receptionist position. The part-time Office Specialist position is vacant and is not being replaced due to the fiscal situation faced by the City. The City Attorney position, while appointed by the City Council, is also based in the City Manager’s office.

While the vacant position impacts the capacity to deliver services to employees and the public, the current fiscal situation mandates that staffing in the City Manager's office remain at its currently budgeted level. The City Manager and staff in the City Manager's office should review their current work plans and adjust as necessary to ensure that realistic performance measures that reflect the decreases in staffing are established.

While no additional staff for the City Manager's Office is recommended, it is important to note that the City Council has recently implemented two new committees that will require staff support. While it is not possible to project the workload associated with these new committees, they will require staff support from the City Manager's staff and other City staff in supporting the work of the committees in the coming year. The City should be mindful of the increased work associated with these committees since there is no "down-time" with existing staff and this will require staff to carefully balance priorities in completing duties and providing support to the committees.

Recommendation: Maintain the staffing level in the City Manager's office to the currently budgeted positions and ensure that realistic performance measures reflect the recent decreases in staffing.

2. FINANCE DEPARTMENT

This section presents the project team's review and analysis of the Finance Department operation in the City of Palos Verdes Estates. The analysis will include a recap of the organizational structure, review of roles and responsibilities, and recommended opportunities for improvements.

The Finance Department is responsible for municipal financial operations including budgeting, banking, payroll, revenue collection, accounts payable and purchasing. The Finance Department also ensures agency compliance with all City and regulatory agency policies and procedures and manages the City's information technology and management information systems.

The Finance Department positions include the Finance Director, Senior Accountant and two Financial Service Technician positions. The Finance Director and one Financial Services Technician positions are currently vacant and the City is in the recruitment and selection process to fill these positions. These vacancies have created some issues with completion of duties and have required other staff to temporarily assume additional duties to ensure critical functions are performed appropriately and in a timely manner.

The City currently operates with a two-year budget cycle which includes descriptions of departmental work goals and plans that align with City Council goals and priorities. The Department complies with GASB 34 and 35 reporting requirements. The Finance Department recently automated the payroll system allowing personnel to submit time cards electronically, and the Business License application process is now online and

available to applicants.

The City Treasurer is a directly elected position providing support to the City Council by monitoring the City's banking relationships and investment activities as well as ensuring that reporting and oversight of all financial activities are consistent with City Council adopted investment policies. Support staff of .20 FTE for the City Treasurer and related expenses are included as a function of the Finance Department.

There are several opportunities to increase the effectiveness and efficiency of the Finance Department operations, and the project team's recommendations are presented in the following section.

1. THE FINANCE DEPARTMENT SHOULD UNDERTAKE PERIODIC BUDGETARY REVIEWS WITH EACH DEPARTMENT TO ENSURE THAT DEPARTMENTAL WORK GOALS AND PLANS ARE ON TARGET FOR COMPLETION IN ACCORDANCE WITH THE ADOPTED ANNUAL BUDGET AND CITY COUNCIL PRIORITIES.

As noted, the budget is developed on a continuing two-year cycle with departmental goals and work plans incorporated as part of the budget document. Establishing a quarterly budget review process with individual departments that includes reviews of current expenditures, projections of future expenses and consideration of opportunities to decrease expenditures or increase revenues can aid departments in managing their budgets more effectively and ensure that departmental staff are aware of the current budgetary status.

The review process will help Department managers to control spending, adjust for unexpected changes in programs or projects and make more informed decisions regarding future expenditures and potential revenue generating opportunities. At the same time, departmental reviews will provide the Finance Department with accurate data from which overall city financial and budgetary projections can be made.

Recommendation: Undertake a quarterly departmental budget review process to ensure that goals and work plans are on target and projections are developed to more effectively manage financial resources.

2. ADOPTING A FORMAL COST RECOVERY POLICY THAT OUTLINES A LEVEL OF COST RECOVERY TO ENSURE FEES FULLY COVER THE COST OF SERVICES PROVIDED MAY INCREASE CITY REVENUES AND ENSURE THAT FEES ARE ADMINISTERED CONSISTENTLY.

The City recently adopted a new fee schedule for the majority of the fees charged by the various departments for services provided. As part of this effort, the City's consultant recommended fee schedules based upon industry standard cost recovery practices which the City adopted. However, the City does not currently have a formal cost recovery policy

in place to guide future decisions regarding fee increases. A cost recovery policy is a formalized document that dictates the portion of direct and indirect costs that will be recovered from services provided by the agency. Establishing a cost recovery plan will guide departments in ensuring the consistent application of fees and charges for services provided and provide policy guidance for future decisions.

There are significant benefits to establishing a cost recovery policy including:

- Departments are aware of the full cost of providing services and can set fees to ensure the actual cost for services is recovered.
- Fees based on actual costs can be charged to all users fairly including residents and non-residents.
- Fees for services can gauge the demand for service and assist in the planning of resources to meet the demand.
- Provides a mechanism to develop fees appropriately for new services.

The initial effort to establish a consistent cost recovery plan should focus on developing planning, building and engineering project fees for service. These departments provide ongoing services for which a cost recovery program will be beneficial to the City's operations.

Developing a formal Cost Recovery Policy is a viable business practice that ensures the development of an appropriate fee for service structure and cost recovery plan that generates a level of revenues that covers the cost of providing the services, assists in evaluating the cost effectiveness of providing selected services and allows for more effective budgeting of fiscal and personnel resources.

Recommendation: Adopt a formal Cost Recovery Policy for adoption by City Council that outlines a level of cost recovery to ensure fees fully cover the actual cost of services provided.

3. CONTINUING TO AUTOMATE CASH HANDLING AND ACCOUNTING SYSTEMS IN THE FINANCE DEPARTMENT WILL ENABLE EXISTING STAFF TO MORE EFFICIENTLY HANDLE WORKLOADS.

The City has recently automated the payroll system which allows employees to submit their time cards electronically. In addition, the Business License application process is now online so that applicants can process their application without going to City Hall to obtain a business license. The two systems have streamlined the efficiency of the payroll and business license application operations.

Currently the cash handling, purchasing, accounts payable and accounts receivable functions in the Finance Department are handled by hand processing by the Financial Services Technician positions. The accounts payable process is paper-based with invoices, for example, received in the Finance Department, recorded, then routed to the

appropriate department for review and authorization, returned to the Finance Department to resolve any discrepancies, approved for payment, then uploaded to the computer and prepared for approval of the payment by City Council, checks signed and processed for mailing, and invoices along with supporting documentation filed as back- up to the transaction. Processing accounts payable transactions in this manner is estimated to take up to 65% of a Financial Services Technician position.

A similar process, as described for accounts payable, also exists for other cash handling and accounting processes such as purchasing, accounts receivable, and the processing of parking tickets and administrative citations issued by the Police Department and Code Enforcement personnel. The cash handling requires the processing of hand written receipts instead of utilizing a cash register to record incoming cash data and reconcile deposits.

The project team's interviews with Finance Department employees noted their primary suggestion for streamlining operations in the Finance Department was to convert hand-processing systems to electronic systems to increase the efficiency and effectiveness of Finance Department operations. The upgrading to electronic financial services processing programs will also impact the effectiveness of operations in the individual departments initiating and processing the initial requests for purchasing and requests for payment as well as cash handling.

Recommendation: Continue to automate the cash handling and accounting systems in the Finance Department to increase efficiency.

4. DEVELOPING A MULTI-YEAR TECHNOLOGY PLAN TO IMPROVE EFFICIENCY AND EFFECTIVENESS OF CITY-WIDE OPERATIONS.

The City does not have a current long-term plan for the acquisition and implementation of up-to-date technology systems for the City that projects funding requirements and addresses technical support resources. The project team noted that the City is currently focused on the upgrading of its telephone systems.

As noted in other sections of this report, the need for upgraded technological systems exists throughout all City departments. While the resources may not be available to implement all the current technology needs that exist in the City, a multi-year plan that addresses City-wide and individual department needs for technology, sets priorities, and develops a plan for the funding and support of technology improvements will establish a course for meeting current and future technology requirements. This plan should be developed, in conjunction with the recent Technology Advisory Committee recently created by the City Council to ensure a consistent and coordinated effort and a single vision for the future of the City of Palos Verdes Estates regarding technology.

Recommendation: Develop a multi-year plan for improving technology systems within the City to improve the efficiency and effectiveness of overall city operations.

5. STAFFING LEVELS IN THE FINANCE DEPARTMENT SHOULD REMAIN AT CURRENTLY BUDGETED LEVELS.

The current level of staffing in the Finance Department as described above is 3.8 FTE positions in the Finance Department and .20 FTE assigned to the City Treasurer function for a total of 4.0 FTE positions. The project team recommends that the staffing level remain the same as budgeted in the FY2017-2018 budget document.

An option to reduce existing workload to a level capable of being handled by existing staff that the City has recently undertaken the contracting out of the business license program administration to an outside consultant or firm.

Recommendation: Maintain the budgeted staffing level of 4.0 FTE positions in the Finance Department as budgeted in the FY 2017-18 budget.

3. PLANNING AND BUILDING DEPARTMENT

This section of the report provides a review of the project team's analysis of the Planning and Building Department, its organizational structure, the programs and services provided and recommendations for potential improvements in the operations. The project team conducted an initial analysis of the Planning and Building Department through interviews with staff members to understand their role and responsibilities in the organization, an analysis of the organizational structure of the office, reviewed a variety of background documents and compared the operation to "best management practices" in similar cities around the country.

The Planning and Building Department is the lead agency on all discretionary permit applications and coordinates the internal review of project applications and refers to project documents to other appropriate departments and outside consultants who provide planning, engineering, geotechnical, and civil engineering review of project applications. The Department is responsible for ensuring that project applications comply with provisions of the City's General Plan, Coastal Plan, Zoning Ordinance and related building and safety codes.

The Planning Division provides staff support to the Planning Commission preparing agenda and project staff reports in accordance with adopted policies and procedures and public notice requirements. The Planning Commission currently meets once per month.

To meet the needs of the project applicants the Planning and Building Department staff provide over-the-counter plan review and consultation Monday through Friday from 8:00 a.m. to 10:00 a.m. Department staff are also available by appointment to address applicant questions and provide in-depth review of project applications. The Department has established a maximum 10-day turnaround policy for the review of all project

applications.

Outside consultants are contracted to supplement the services of the Planning and Building Department and provide selected project consulting services for the review process including building and safety plan checks, civil engineering, soils engineering, traffic engineering, and geotechnical consultation. Outside consultants are also utilized to provide building inspections and code compliance during and at the end of the project construction phase.

The Code Enforcement position is currently vacant. Code enforcement and encroachment activities related to public property are currently handled by the Planning Director with support from the Urban Forester.

The Parklands Division is responsible for the maintenance of the City's 500 acres of parklands and shoreline of 4.5 miles, and approximately 10,700 trees in the community. The Division is also responsible for the landscaping and maintenance of public medians, city rights-of-way and weed abatement. Maintenance services are provided through contracts with private landscape maintenance and tree trimming firms while additional maintenance work is provided by Public Works maintenance personnel. The Urban Forester position administers the landscape maintenance and tree trimming contracts along with the weed abatement and fire safety contracts. The Urban Forester position also provides staff support to the Parklands Commission.

1. CODES AND REGULATIONS RELATED TO PLANNING AND BUILDING PROJECTS SHOULD BE REVIEWED AND UNDATED TO ENSURE THE COMMUNITY, CITY COUNCIL AND PROJECT APPLICANTS HAVE THE MOST CURRENT INFORMATION RELATED TO PROJECT APPLICATIONS.

The Planning and Building Department maintains an extensive library of guidelines, informational documents and application forms on the City website for easy access by applications preparing to submit plans and applications to the City for review. Given the current workload of the Planning and Building Division, maintaining the documents and updating the information on the website is not a high priority at this time. It is, however, beneficial to the overall operations of the Department and a higher priority should be given to ensuring information on the website is updated as least on a quarterly basis.

Recommendation: Establish a priority of updating information and applications on the Planning and Building Department website on a quarterly basis.

2. CONSIDERATION SHOULD BE GIVEN TO UPDATING THE CITY'S GENERAL PLAN.

The City's General Plan was last updated and approved by the City Council in 1973. The City's Housing Element was updated in 2014. There is continuing work on the Climate Action Plan. The City works with regional and statewide organizations to ensure planning

activities are up to date. Given the current work load in the Department, these long-range planning guidelines have not been given a high priority. The City may best be served by contracting with a General Plan consultant to assist in the updating process.

Updating the general plan is a major project requiring City staff time and financial resources. Efforts should be made to establish a separate fund allocation over the next several years with annual contributions made to the fund until the fiscal resources are available to make the needed updates to the General Plan and other long-range planning documents.

Recommendation: Establish a separate fund allocation to finance the update of the City's General Plan and other long-range planning documents.

3. CONTINUED EFFORTS TO AUTOMATE THE PLANNING AND BUILDING PROCESSES SHOULD BE A HIGH PRIORITY TO ENABLE STAFF TO HANDLE WORKLOADS IN THE MOST EFFICIENT MANNER POSSIBLE.

The Planning and Building Department is incorporating the SMARTGOV permit software system to assist with the heavy workload on the Department. The system is currently under development and not yet available for use by either the Planning or Building Divisions.

SMARTGOV provides applications for functions throughout the City operation. In terms of the Planning and Building Department it provides an online public portal in reducing the front counter workload by allowing citizens to apply for permits, monitor progress and pay fees along with added resources for assisting with the planning process. The SMARTGOV system contains a plan review function which manages and coordinates the plan review process from various departments. The system provides an inspection assistant module allowing staff and citizens to schedule appointments for inspections. SMARTGOV also contains a code enforcement module that manages citizen complaints and requests for action.

The implementation of the SMARTGOV system will reduce the front counter workload and significantly improve overall departmental efficiency.

Recommendation: Efforts should continue to automate planning and building processes to increase productivity and efficiency in the Planning and Building Department.

4. THE CITY SHOULD SEEK CONTRACTED SERVICES TO PROVIDE CODE ENFORCEMENT ACTIVITIES FOR THE CITY.

The City Code Enforcement Officer position is currently vacant with no plans to replace the position given the current fiscal situation of the City. Minimal code enforcement activities are being conducted, primarily related to public property encroachments, on an

as-needed basis by the Urban Forester position.

The City needs to assess the Code Enforcement function to determine the tasks and levels of service required from the Code Enforcement Officer. Once there is a clear picture of the basic services required an RFP should be developed to engage a contracted Code Enforcement Officer to handle the function. If no suitable contractor is available, the City should fill the Code Enforcement position with a full-time City employee.

Recommendation: Assess the Code Enforcement Officer roles and responsibilities and develop an RFP to perform the duties by an outside contractor. If a contract position is not feasible, fill the vacant position with a full-time City employee.

5. THE PARKLANDS FUNCTION SHOULD BE TRANSFERRED TO THE PUBLIC WORKS DEPARTMENT AND THE URBAN FORESTER POSITION ELIMINATED.

The primary responsibility of the Parklands Division is the management of landscape maintenance, tree trimming and fire safety and weed abatement contracts with private contractors. In addition to contract management the Urban Forester processes tree removal applications and provides staff support to the Parklands Committee.

The tree trimming, landscape maintenance, and fire safety and weed abatement contracts are functions typically managed and/or implemented by Public Works Departments in other public agencies and are consistent with the other maintenance activities performed by the City of Palos Verdes Maintenance Division. Transferring the Parklands Division and its allocated personnel to Public Works would consolidate City-wide maintenance functions in one Division and improve the overall management and effectiveness of the maintenance function in the City.

This action would result in the transfer of Parklands Division responsibility to existing management and supervisory personnel in the Public Works Department. It will be important to ensure that the tree trimming contractor can provide the services of an arborist or the city will need to contract with a separate firm to provide for arborist services. The City should undertake an RFP process to test the local market for the provision of contracted arborist tree trimming services. This is the only accurate way to determine if and the specific amount of cost savings can be achieved from the contracting out of this service. Going through the RFP process will enable the City to determine if current service levels can be provided at a lower cost than current conducted with an in-house Urban Forester position. Costs comparisons should include the full costs, including all benefits and pensions costs, of the existing position when comparing to the bid pricing received.

Recommendation: Transfer the Parklands Division/Urban Forestry to the Public Works Maintenance Division for management and implementation of operations.

Recommendation: Conduct an RFP process to determine the feasibility of deleting

the Urban Forester position and contracting with the existing tree trimming contractor or an added firm for arborist services.

6. MAINTAIN CURRENT STAFF LEVELS IN THE PLANNING AND BUILDING DIVISIONS OF THE PLANNING AND BUILDING DEPARTMENT.

With the proposed transfer of the Parklands function to the Public Works Department, the Planning and Building Department will remain with 4.0 FTE positions including the Planning and Building Director, Planner and two Permit Technicians. In addition, there are three contract employees including a Building Official, Senior Inspector, and Plan Checker positions.

To maintain the current level of service to the community it is recommended there be no changes in the staffing level of the Planning and Building Department apart from the transfer of the Parklands Division to the Public Work Department. The only other staffing change would be if the City decided to implement the combination of the Planning and Public Works Departments as discussed earlier in the report. This would result in one fewer Director position – with the second Director position converted to a Manager level position.

Recommendation: Maintain the current staffing level in the Planning and Building Divisions of the Planning and Building Department including the current contract personnel.

4. PUBLIC WORKS DEPARTMENT

This section presents the project team's review and analysis of the Public Works Department operation in the City of Palos Verdes Estates. The analysis will include a recap of the organizational structure, review of roles and responsibilities and recommended opportunities for improvements impacting the Engineering and Public Works Maintenance Division.

The Public Works Department is responsible for the physical environment of the City of Palos Verdes Estates including a variety of engineering and maintenance services for streets, buildings, parks, storm water, drainage, recycling and plan review and inspection for all public improvements. Services are provided by City staff and a professional service contract with an outside consulting firm contracted by the City for engineering public works services. The Department implements the City's Capital Improvement Program and provides staff support to the Traffic Safety Committee.

The Engineering Division provides engineering services including the implementation of the City's Capital Improvement Program. Contracts for civil engineering, traffic engineering and solid waste are managed through the Engineering Division.

The Public Work Maintenance Division manages general maintenance activities including maintenance and repair of streets and alleys, sign replacement, fountain maintenance, irrigation system management, fowl trapping, building repair and maintenance, traffic control, set up for city events and respond to a variety of miscellaneous maintenance activities and requests from citizens.

The staffing level in the Public Works Department includes a total of 7.0 FTE positions including a Director of Public Works/City Engineer, Permit Technician, Maintenance Foreman and 4.0 FTE Maintenance Workers.

1. THE CITY'S CAPITAL IMPROVEMENT PROGRAM SHOULD BE REEVALUATED TO DETERMINE PRIORITY PROJECTS AND POTENTIAL SOURCES OF NON-CITY FUNDING FOR THEIR IMPLEMENTATION.

The Engineering Division is responsible for the implementation of the City's Capital Improvement Program. A variety of important improvement projects are included in the document; however, the current fiscal situation in the City prohibits their implementation. Staff should expand upon the current prioritization process they utilize in reviewing capital projects. Without the funding resources available the Engineering Division should continue to evaluate the projects to determine which are the most important and highest priority projects and aggressively pursue potential non-city funding for the projects. In addition, the City should also continue to work with governmental agencies including the county, state and regional authorities to explore potential funding sources for the implementation of the Capital Improvement Program specifically related to infrastructure maintenance and replacement efforts.

Recommendation: The Capital Improvement Program should be reevaluated to identify the highest priority projects and further explore potential non-city sources of funds for their implementation.

2. MAINTENANCE STANDARDS AND LEVELS OF SERVICE SHOULD BE ADOPTED FOR ALL PUBLIC WORKS MAINTENANCE OPERATIONS DEFINING THE CITY'S COMMITMENT TO A SPECIFIC LEVEL OF SERVICE.

Developing standards and levels of service for all public work functions, including contracted services, will improve the overall planning and effectiveness of the maintenance operations in the City. This effort should include the Parklands/Urban Forestry functions that are recommended be transferred to Public Works.

The Public Works maintenance function conducts a variety of functions that should be evaluated to determine the appropriate level of service for the community. Establishing maintenance standards will define the maintenance task to be performed, the frequency maintenance is performed, and the level of service required to accomplish the task. Maintenance standards should also be established for contract services so that contracts

can be effectively evaluated to determine the appropriate level of service provided the community.

Developing standards will provide guidance in planning an annual work plan and maintenance program for managing work maintenance activities, assist in the development of annual operating and capital budgets, and identify resources required to complete the maintenance activities in an efficient manner. Posting the annual maintenance work plan on the City's website will help the community understand the role of public works activities in the overall operations of the City and help to manage public expectations.

Recommendation: Adopt maintenance standards and levels of service for Public Works maintenance operations, including contract services, defining the City's commitment to a specific level of service for the public and to provide guidance in developing operating and capital budgets.

3. ESTABLISHING A COMPREHENSIVE ASSET MANAGEMENT PLAN THAT OUTLINES CITY NEED AND FUNDING OPTIONS FOR VEHICLES AND EQUIPMENT RESOURCES WILL IMPROVE THE CITY'S FUTURE PLANNING.

The City does not have an asset management plan to assist in planning and budgeting for current assets and addressing future City needs. A comprehensive asset management plan is the cornerstone of an effective maintenance program.

A comprehensive asset management plan should include an inventory of all facilities, structures, fixtures, equipment, and vehicles owned by the City. The plan should include detailed information about individual assets and amenities including their unique details and features, anticipated life expectancy, manufacture product information and unique maintenance requirements.

A comprehensive asset management plan will assist maintenance personnel in providing more efficient services and provide improved budgetary planning for the future replacement of City assets.

Recommendation: Establish a comprehensive asset management plan that includes a detailed inventory of the City's assets to increase efficient services and aid in budgetary planning.

4. CITY MAINTENANCE VEHICLES NEED UPDATED COMMUNICATIONS SYSTEMS TO ENSURE PERSONNEL SAFETY AND EFFECTIVE COMMUNICATIONS WITH OTHER STAFF WHILE IN THE FIELD.

Maintenance personnel do not have adequate equipment and communications systems in maintenance vehicles to maximize efficiency in completing maintenance tasks. Due to inadequate cell phone coverage and poor reception from radios in vehicles, it is often

difficult for communication with and from crews working in selected areas of the City. If crews need an added piece of equipment or tool to complete a task and communications are unavailable the crew must stop the job, return to the corporation yard or drive to an area where communications are working to call for assistance.

In addition to communications deficiencies, City maintenance vehicles often do not have standard equipment to assist in completing daily maintenance tasks. Ensuring that vehicles are equipped with adequate equipment will increase the efficiency of maintenance operations.

This situation clearly impacts the effectiveness of maintenance to complete tasks and impacts the overall safety of maintenance personnel while on the job. Vehicles should be equipped with adequate communications systems and tools to ensure maintenance tasks are completed in an efficient time frame and the communications systems are operational.

Recommendations: City vehicles should be updated with adequate equipment and communications systems that ensure personnel safety and communication with other staff.

5. STAFFING LEVELS IN THE PUBLIC WORKS DEPARTMENT SHOULD BE MAINTAINED AT THE CURRENTLY ALLOCATED LEVEL IN THE BUDGET.

The current staffing level in the Public Works reflects a total of 7 FTE positions including the Director/City Engineer, Permit Technician, Maintenance Foreman and four Maintenance Workers. The transfer of the Parklands Division to the Public Works Department will not impact the current level of staffing in the Public Works Department operation. Staff positions may be adjusted as the transition of Parklands Division responsibilities are implemented within the Public Works Department.

The only other staffing change would be if the City decided to implement the combination of the Planning and Public Works Departments as discussed earlier in the report. This would result in one fewer Director position – with the second Director position converted to a Manager level position.

Recommendation: Maintain the current staffing level in the Public Works Department including the current contract personnel.

APPENDIX A – PROFILE OF OPERATIONS

This document provides a descriptive profile of the City of Palos Verdes Estate's non-safety municipal operations. The purpose of the profile is to document the project team's understanding of the City's operations and services, the staff allocation and principal roles and responsibilities of each position in the city. Data incorporated in the profile were developed by the project team based on:

- Interviews with all staff members;
- Collection and review of background data regarding city services;
- Review of past and current budget documents; and
- Documentation of key operational practices.

This profile does not include a profile of the public safety functions as these services have previously been reviewed and are excluded from this study. The profile provides an overview of current services and operations for city departments and serves as a baseline from which recommendations can be developed to demonstrate potential areas for changes in organization structure, staffing and operational practices.

The profile of city operations begins with an overview of the various departments within the City of Palos Verdes Estates and a review of their general functions. It then presents a detailed review of each department structured as follows:

- Organizational charts showing all positions and their reporting relationships.
- Budget information including data for each department from the FY2015/16, FY2016/17 and the adopted FY2017/18 budget including details of spending categories including salary and benefits, operating expenses, capital project expenditures and other relevant data.
- Summary descriptions of each position presenting their roles and responsibilities in the organization and identifying the major programs and services each position provides in the department. These summary descriptions are intended to provide a description of the basic programs, services and functions performed in each unit within the department rather than a detailed "job description."

This profile also includes a section reviewing the existing service contracts and concession agreements maintained by the City to provide programs and services to the residents of Palos Verdes Estates.

The information contained in this descriptive profile will be utilized in the analysis and discussion of issues addressed in subsequent states of the project.

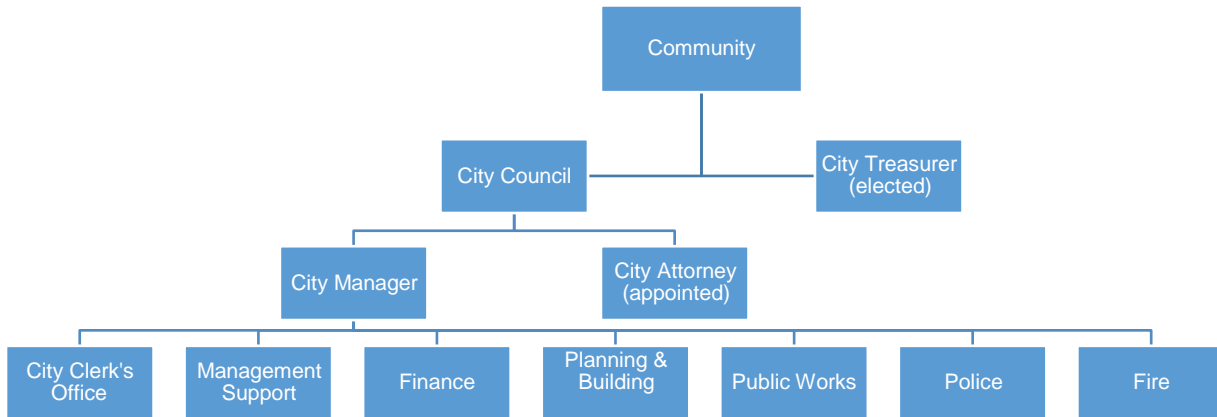
1. CITY STRUCTURE AND BUDGET

The City of Palos Verdes Estates’ organizational structure, exclusive of public safety functions, includes four primary departments including Administration (City Manager, City Attorney, City Clerk and Human Resource and Risk Management functions), Finance, Planning and Public Works. These departments employ a total of 17 full-time equivalent (FTE) positions and 3 part-time positions. The following table provides an overview of each department and the functions it performs. Further details of each department will be presented in following sections of this profile.

Department	Areas of Responsibility								
Administration	<ul style="list-style-type: none"> • Oversees all day to day aspects of City operations. • Includes City Manager, City Attorney, City Clerk and Human Resources and Risk Management functions. • Provides administrative support to City Council and implementation of Council priorities. • Positions include: City Manager, contract City Attorney, Deputy City Clerk, Assistant to the City Manager, Administrative Analyst and 3 PT positions. 								
Finance	<ul style="list-style-type: none"> • Oversees broad range of core financial duties including budget, audit, long-term planning, cash and treasury, accounting, payroll, accounts payable, revenue collection, regulatory reporting, regulatory reporting and information technology functions. • Positions include: Director of Finance, elected City Treasurer, Senior Accountant and 2 Financial Services Technicians. 								
Planning	<ul style="list-style-type: none"> • Oversees current and long-range planning, building and safety, parklands management, code enforcement, and urban forestry. • Responds to residents, business owners and the construction community. • Supports Planning Commission, Parklands and Traffic Safety Committees. • Positions include: Director of Planning/Deputy City Manager, Planner, Permit Technicians, Urban Forester and contract Planning, Engineering and Inspection services. 								
Public Works	<ul style="list-style-type: none"> • Oversees all city properties, streets, sewer, storm water, capital projects, solid waste, parkland maintenance, fleet maintenance, and facility maintenance and contractual services related to public works. • Responds to requests for services from residents. • Supports Planning Commission, Parklands and Traffic Safety Committees. • Positions include: Director of Public Works/City Engineer, Permit Technician, Maintenance Foreman, 4 Maintenance Workers, and public service contracts for solid waste, public works engineering, capital project management and landscape maintenance. 								
Services Provided Through Contractual Arrangement									
Contract Professional Services	<ul style="list-style-type: none"> • Contract services employed by the City as part of service delivery include: <table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">- City Attorney</td> <td style="width: 50%;">- Solid Waste</td> </tr> <tr> <td>- Information Technology</td> <td>- Engineering</td> </tr> <tr> <td>- Building and Safety</td> <td>- Capital Project Management</td> </tr> <tr> <td>- Tree Trimming</td> <td>- Landscape Maintenance</td> </tr> </table> 	- City Attorney	- Solid Waste	- Information Technology	- Engineering	- Building and Safety	- Capital Project Management	- Tree Trimming	- Landscape Maintenance
- City Attorney	- Solid Waste								
- Information Technology	- Engineering								
- Building and Safety	- Capital Project Management								
- Tree Trimming	- Landscape Maintenance								

Services Provided Through Contractual Arrangement	
Concession Agreements	<ul style="list-style-type: none"> • Concession agreements for the operation of city owned facilities include: <ul style="list-style-type: none"> - Golf Club - Tennis Courts - Beach Club - Stables

The following organization chart presents an overview of the City’s organizational structure. Further details of each department / function that is under review will be presented in subsequent sections of this profile.



The following tables summarize the revenues generated by the City of Palos Verdes Estates during the fiscal years from 2015-16 to those presented in the 2017-18 adopted budget. The initial table presents the total revenues generated by all funds, and the second table presents sources of General Fund revenues generated by the City during the last three fiscal years.

CITY REVENUE SOURCES (by fund)

Revenues by Fund	2015/16*	2016/17**	2017/18***
General Fund	\$13,202,386	\$12,968,042	\$13,843,481
Fire Tax Fund	\$4,590,876	\$4,697,992	\$ -0-
Special Revenue Funds	\$354,657	\$839,759	\$567,192
Transit Tax Funds	\$613,807	\$624,769	\$637,155
Capital Funds	\$76,323	\$65,000	\$65,000
Shared Service Funds	\$432,702	\$1,161,993	\$1,002,498
Total	\$19,270,752	\$20,357,555	\$16,115,326

*Actual **Projected ***Adopted

CITY GENERAL FUND REVENUE DETAIL

General Fund Source	2015/16*	2016/17**	2017/18***
Property Tax	\$7,199,159	\$7,649,833	\$7,932,689
Property Tax In-Lieu-Fee	\$1,323,094	\$1,317,554	\$1,375,395
Concessions and Interest	\$1,463,853	\$1,333,100	\$1,358,100
Planning and Building Fees	\$1,098,425	\$994,000	\$994,000
Franchise Fees	\$566,762	\$561,135	\$569,204
Other Agencies	\$675,854	\$274,920	\$773,591
Fines	\$147,573	\$150,000	\$150,000
Business License Tax	\$211,125	\$208,000	\$208,000
Real Estate Transfer Tax	\$231,116	\$200,000	\$200,000
Sales Tax	\$192,214	\$192,000	\$194,000
License and Permits	\$35,158	\$30,500	\$30,500
Service Charges	\$58,055	\$58,000	\$58,000
Total	\$13,202,386	\$12,968,042	\$13,843,481

*Actual **Projected ***Adopted

As noted in the initial table, city revenues decreased \$4,697,992 directly related to the failure of the Fire Parcel Tax ballot measure in April 2017. Decreases in Special Reserves Funds and Shared Service Funds balanced by increases in the General Fund result in a deficit of \$4,242,229 in the City's adopted FY2017-18 budget.

The following tables recap the City expenditures for the fiscal years 2015-16 to the currently adopted FY2017-18 budget by fund group and expenditures by department or function including specific services areas in the General Fund and other funds dedicated to specific city service areas.

CITY EXPENDITURES (by fund)

Fund	2015/16*	2016/17**	2017/18***
General Fund	\$12,354,448	\$13,542,448	\$12,497,947
Fire Tax Fund	\$4,525,696	\$4,703,818	\$5,006,988
Special Revenue Funds	\$368,423	\$483,802	\$378,584
Transit Tax Funds	\$410,028	\$214,951	\$1,140,095
Capital Funds	\$3,691,517	\$5,102,777	\$3,225,330
Shared Service Funds	\$249,669	\$787,499	\$978,498
Total	\$21,600,297	\$24,835,295	\$23,227,443

*Actual **Projected ***Adopted

CITY EXPENDITURES (by department / function)

Service Area	2015/16*	2016/17**	2017/18***
Administration	\$1,133,071	\$1,542,590	\$1,274,466
Finance	\$748,706	\$738,706	\$664,517
Police	\$6,832,597	\$7,260,344	\$7,142,338
Planning & Building	\$2,591,324	\$2,591,324	\$2,307,477
Public Works	\$1,028,830	\$1,409,483	\$1,109,149
General Fund Total	\$12,359,793	\$13,542,448	\$12,497,947
Fire Services	\$4,525,696	\$4,703,818	\$5,006,988
Transit	\$410,028	\$214,826	\$1,140,095
Capital Projects	\$2,456,013	\$4,374,826	\$2,349,360
Parklands	\$-0-	\$100,000	\$100,000

Service Area	2015/16*	2016/17**	2017/18***
Sewer Projects	\$1,495,987	\$593,570	\$771,495
Equipment	\$108,745	\$518,183	\$383,060
Insurance	\$249,669	\$787,499	\$978,498
Other Funds Total	\$9,246,136	\$11,292,847	\$10,729,496
Total	\$21,605,929	\$24,835,295	\$23,227,443

*Actual **Projected ***Adopted

2. ADMINISTRATION

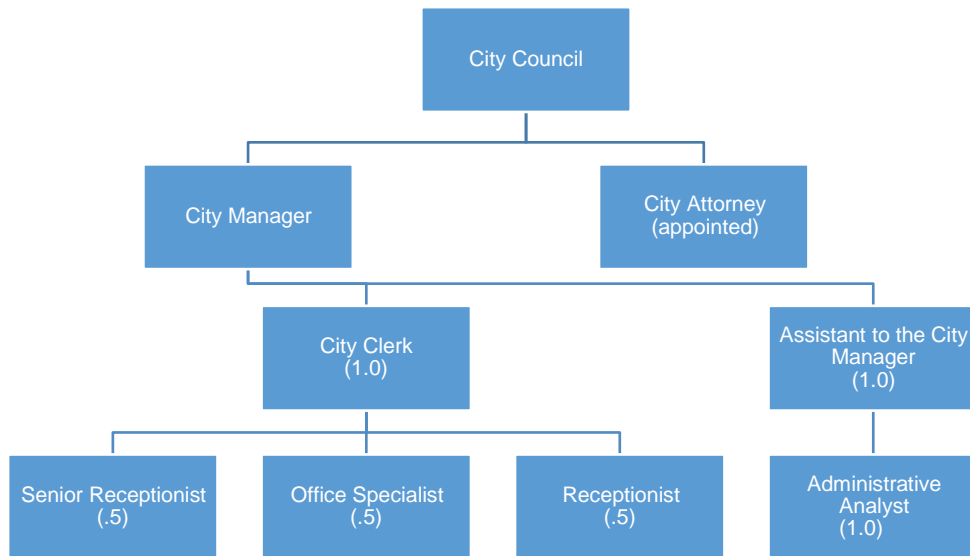
The Administration function in the City of Palos Verdes Estates provides overall leadership and management to the city's operating departments including the Planning and Building, Public Works and Finance Departments, as well as the Police and Fire and Paramedic Department and the City's Capital Improvement Program.

The City Manager serves as the City's Chief Operating Officer, is appointed by, and serves at the pleasure of the City Council, and is responsible for all aspects of the city's operations. The City Manager responds to and interacts with residents, local business and community organizations as well as maintaining working relationships with a variety of local, regional, state and federal governmental agencies. The Administration section includes the City Manager, appointed City Attorney, and City Clerk functions and manages a variety of shared services that impact all city departments including human resources and community relations. The City Manager is supported by a contract City Attorney, an Assistant to the City Manager, an Administrative Analyst, a Deputy City Clerk and several part-time positions.

The City Clerk's office is responsible for ensuring the legislative processes in the city are open and accessible to citizens in accordance with state laws and regulations and ensures that the City's official records are preserved and archived for safekeeping and future reference. The City Clerk's office is also responsible for the implementation of municipal elections. The City Clerk manages the reception desk, incoming phone calls and citizen contact at the City Hall public counter during regular business hours.

(1) Organizational Structure

The following organization chart presents the structure and reporting relationships in the City Manager's Office.



(2) Budget

The General Fund budget for the City Manager/Administration function is presented in the following table and includes the City Manager, Assistant to the City Manager, Administrative Analyst, and three part-time employees.

City Manager's Office Budget

Service Area	2015-16	2016-17	2017-18
Salaries and Benefits	\$434,234	\$562,796	\$575,732
Supplies and Services	\$161,896	\$209,287	\$138,302
Allocations	\$8,042	\$9,684	\$11,981
Total	\$604,172	\$781,767	\$726,014

The significant change in personnel expenditures between FY 15-16 and FY16-17 is due to the internal reallocation of positions between departments.

In addition to the City Manager function budget there are General Fund expenditures within the Administration function that are identified as "shared services" that are city-wide obligations, not charged to individual departments, but managed within the Administration function. The expenses include items such as Employee COBRA Insurance, dues and memberships, City Council travel and meeting expense, contract service costs, professional services and a general fund contingency. The following table presents the budget for these items identified as Non-Department expenses.

Non-Departmental Expenditures

Service Area	2015-16	2016-17	2017-18
Benefits	\$23,809	\$39,700	\$43,000
Supplies and Services	\$55,390	\$141,689	\$76,335
Allocations	\$35,916	\$47,248	\$53,507
Total	\$115,115	\$228,637	\$172,842

The following table presents the budget for the City Clerk office including the salaries and benefits for the 2.186 FTE positions in the function.

City Clerk			
Service Area	2015-16	2016-17	2017-18
Salaries and Benefits	\$94,465	\$151,649	\$151,893
Supplies and Services	\$85,297	\$102,040	\$46,077
Allocations	\$3,993	\$4,809	\$5,949
Total	\$183,756	\$258,497	\$203,919

(3) Staffing Allocation

The following table provides a summary of the positions allocated to the City Manager's office including the number of authorized positions and a review of the key roles and responsibilities for each position.

Classification Title	#Authorized Positions	#Vacant Positions	Key Roles and Responsibilities
City Manager	1.0	-	<ul style="list-style-type: none"> • Oversees and provides leadership to all aspects of City operations ensuring that City Council policies are implemented. • Provides administrative support and policy recommendations to City Council and implements City Council priorities. • Ensures development and implementation of balanced budget and compliance with fiscal policies. • Responds to and interacts with citizens and community organizations. • Maintain working relationships with other governmental agencies.
Assistant to the City Manager	1.0	-	<ul style="list-style-type: none"> • Reports to City Manager • Oversees Human Resources/Employee Relations, Risk Management, Organizational Development and Special Event functions. • Responsible for management of employee benefit programs, open enrollment, Cal-COBRA, employee coverage changes and contract oversight.

Classification Title	#Authorized Positions	#Vacant Positions	Key Roles and Responsibilities
			<ul style="list-style-type: none"> • Reconciles and issues monthly payment to health insurance carriers. • Manages employee leave program – in accordance with federal and state laws. • Maintains personnel action forms. • Manages performance evaluation program. • Assists with payroll. • Manages ACA and CalPers reporting for part-time staff. • Administers classification and compensation programs. • Participates in labor negotiations, conducts surveys and analysis. • Maintains personnel files. • Develops and oversees mandated employee training and professional development programs and ensures employee certification requirements are maintained. • Manages employee recruitment, selection and orientation process. Manages City's internship program. • Responsible for City's Risk Management program, property/liability insurance claim, worker's compensation, return to work program, AED/CPR program and serves as ADA/504 Coordinator. • Maintains employee intranet. • Assists City Manager in preparation of staff reports and special projects.
Administrative Analyst	1.0	-	<ul style="list-style-type: none"> • Maintains social media outlets. • Oversees Citizens Academy. • Maintains City website. • Participates in intergovernmental relations. • Assists in budget analysis. • Participates in policy development and implementation process. • Presents before Council legislative matters. • Assists City Manager in preparation of staff reports and special projects. • Develops talking points for elected officials and City Manager. • Conducts special studies, surveys and conducts research. • Publishes bi-monthly city newsletter. • Assist in coordination of city-wide activities and events. • Processes photo and film permits. • Provides receptionist, public counter relief as needed.

The following table presents the key roles and responsibilities for each of the positions in the City Clerk office including the current vacancy status of each position.

Classification Title	#Authorized Positions	#Vacant Positions	Key Roles and Responsibilities
City Clerk	1.0	-	<ul style="list-style-type: none"> • Reports to the City Manager. • Oversees operation of the City Clerk office related to record retention and management, City Council meetings and communications, webcasting and elections. • Supervises and schedules City Hall reception desk. • Prepares agenda packets and related communications for City Council meetings and prepares public meeting notifications in accordance with state law and prepares meeting minutes. • Manages weekly mail distribution and calendars for City Council members and City Manager. • Prepares contracts, resolutions and related documents for official signature, notarization and distribution based on City Council authorization. • Manages physical and computerized document retention and filing systems for all City documents, records and public correspondence. • Manages and implements Public Records Act requests from citizens. • Manages all City contracts and insurances, including concession contracts for Beach, Golf, Tennis clubs and stables. • Manage City election processes.
Senior Receptionist-Part-time	.50	-	<ul style="list-style-type: none"> • Reports to the City Clerk • Responsible for maintaining the reception desk and answering phone calls at City Hall to assist visitors and callers to appropriate City personnel. • Opens City Hall doors each morning at the start of business hours. • Assists Building and Planning Department and Engineering personnel at front counter as needed. • Responds to resident phone calls, answers questions and/or directs them to the appropriate department or personnel. • Accepts Building Inspection requests. • Assists with mailings, false alarm billing, light typing as needed. • Orders office supplies as needed.

Classification Title	#Authorized Positions	#Vacant Positions	Key Roles and Responsibilities
Receptionist Part-time	.50	.50	<ul style="list-style-type: none"> • Reports to the City Clerk • Responsible for maintaining the reception desk and answering phone calls at City Hall to assist visitors and callers to appropriate City personnel during afternoon hours. • Responds to resident phone calls, answers questions and/or directs them to the appropriate department or personnel. • Accepts Building Inspection requests. • Assists with mailings, false alarm billing, light typing as needed.
Office Specialist- Part-time	.50	.50	<ul style="list-style-type: none"> • Reports to the City Clerk • Assists with maintenance of records and documents related to City and departmental operations using record systems and computerized databases. • Responsible for ordering supplies and managing maintenance and service contracts for office machines. • Responds to questions from public and City staff regarding City records, ordinances, resolution and City policies and regulations. • Maintains City meeting room schedule. • Assists in conducting elections. • Assists with typing, public counter and reception desk as needed.

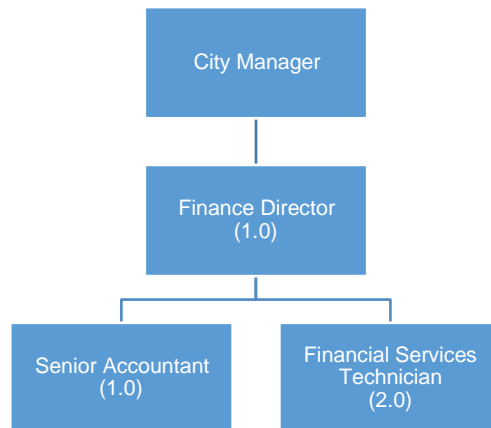
3. FINANCE DEPARTMENT

The Finance Department is responsible for a broad range of municipal financial operations including budgeting, banking, payroll, revenue collection, accounts payable and purchasing. The Finance Department also ensures agency compliance with all City and regulatory agency policies and procedures, as well as ensuring proper agency reporting and oversight of all financial activities.

The City Treasurer is a directly elected position providing support to the City Council by monitoring the City's banking relationships and investment activities consistent with City Council adopted investment policies. Support staff of .20 FTE for the City Treasurer and related expenses are included as a function of the Finance Department.

(1) Organizational Structure

The following organizational chart presents the structure of the Palos Verdes Estates Finance Department.



(2) Budget

The following tables reflect the budget allocations for the Finance Department followed by the budget for the City Treasurer function:

Finance Department

Service Area	2015-16	2016-17	2017-18
Salaries and Benefits	\$551,737	\$439,771	\$385,175
Supplies and Services	\$218,972	\$246,012	\$221,967
Allocations	\$8,022	\$9,680	\$11,976
Total	\$778,731	\$695,464	\$619,119

City Treasurer

Service Area	2015-16	2016-17	2017-18
Salaries and Benefits	\$21,377	\$18,469	\$15,048
Supplies and Services	\$19,660	\$19,833	\$24,238
Allocations	\$4,095	\$4,941	\$6,114
Total	\$45,132	\$43,243	\$45,389

The significant change in personnel expenditures between FY 15-16 and FY16-17 is due to the internal reallocation of positions between departments.

(3) Staffing Allocation

The following table represents the roles and responsibilities of the 3.8 FTE positions allocated to the Finance Department and the .20 FTE allocated to the City Treasurer function.

Classification Title	#Authorized Positions	#Vacant Positions	Key Roles and Responsibilities
Director of Finance	1.0	1.0	<ul style="list-style-type: none"> • Reports to City Manager. • Oversees the daily activities of the financial operations in the City including the work of 3.0 FTE positions. • Manages City-wide process to develop bi-annual City budget. • Directs efforts of department personnel responsible for payroll, accounts receivable, accounts payable, business and other fee collections and purchasing policies and procedures. • Prepared financial reports for approval by City Manager and City Council. • Ensures compliance with state controller's office requirements, files general tax reports, state and federal grant reports and related county, state and federal financial reporting requirement.
Senior Accountant	1.0	0.0	<ul style="list-style-type: none"> • Reports to Finance Director. • Maintains and reconciles general ledger accounts including inter-fund and inter-agency accounts, • Prepares annual financial reports to comply with county, state and federal government agency requirements. • Performs internal audits of various city departments, programs and facilities. • Prepares information for treasury function. • Coordinates efforts of annual financial audit process. • Conducts city-wide fixed asset inventory. • Reviews data and reports related to other functions within the Finance Department

Classification Title	#Authorized Positions	#Vacant Positions	Key Roles and Responsibilities
Financial Services Technician	2.0	1.0	<ul style="list-style-type: none"> • Reports to Finance Director. • Manages and implements business license application, renewal and approval process for approximately 900 license holders. • Prepares quarterly reports to State Board of Equalization. • Manages City-wide purchasing process including bidding process, ordering and contract administration as appropriate. • Manages and implements bi-weekly payroll function for 65 employees including computerized payroll system and preparation of reports related to employee benefits. • Implements accounts receivable function including cash and credit card transactions, tickets receipts, prepare deposits, and upload transactions to General Ledger system. • Prepares bi-weekly staff reports for approval of accounts payable and payroll transactions by City Council. • Works with outside IT consultants to implement computerized data processing and information management systems. • Covers receptionist, phone and counter responsibilities according to established schedule.

4. PLANNING AND BUILDING DEPARTMENT

The Planning and Building Department works collaboratively with other departments to provide reliable and predictable expectations in the review, permitting and inspection of development projects with the goal of providing a high level of customer service. The department is comprised of three divisions: Building, Planning and Parklands, with a total FY2017-18 adopted budget of \$2,307,477. The budget reflects a current total of 7.50 FTE positions. Two full-time Maintenance Worker positions and .50 FTE of the Maintenance Foreman position are budgeted in the Parklands budget, but function in the Public Works Department. The Code Enforcement Officer position has not been funded in this budget due to the decrease in General Fund resources. The Department provides staff support to the Planning Commission and Parklands Committee.

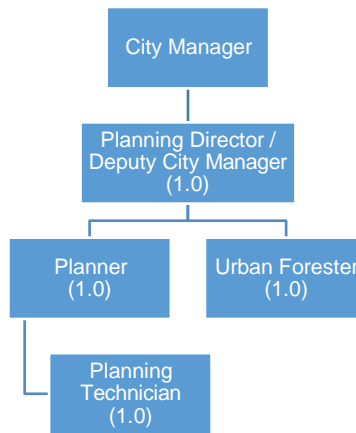
The Building Division ensures that all construction projects are designed and built to City and State building code standards through plan checking, permit issuance and onsite inspections to ensure compliance with appropriate codes and approved planning entitlements. The City provides plan review and permit processing during designated office hours when staff are available to review projects and answer questions from applicants. Services are provided by City staff and a professional service contract with an outside consulting firm contracted by the City.

The Planning Division is responsible for implementation of the land use and development policies of the City and administering the zoning and environmental regulations. The division also manages the long-range planning process in the City. The Planning Division reviews development plans during designated office hours to provide plan reviews, issue permits and provide information to the public. The Planning Division provides staff support to the Planning Commission and City Council on planning related issues. The Division coordinates efforts with the Palos Verdes Homes Association. To ensure citywide code compliance, a Code Enforcement Officer works with the Community and other departments to ensure the quality and safety of properties and neighborhoods.

The Parklands Division focuses on the preservation, maintenance and establishment of trees and landscape to create a positive environment in the community including the City’s 500 acres of parklands, 10,700 trees, city parks and 5 city fountains. The Division assists the Public Works Department in the management of the outside contracts for Tree Trimming and Landscape Maintenance and provides staff support to the Parklands Committee.

(1) Organizational Structure

The following chart presents the actual organizational structure of the Planning and Building Department in the City of Palos Verdes Estates.



(2) Budget

The following table presents the budget for the Building, Planning and Parklands Divisions of the Planning and Building Department.

Building			
Service Area	2015-16	2016-17	2017-18
Salaries and Benefits	\$228,302	\$187,004	\$158,674
Supplies and Services	\$425,750	\$508,800	\$508,656
Allocations	\$47,785	\$57,662	\$71,341
Total	\$701,837	\$753.466	\$738,671

Planning

Service Area	2015-16	2016-17	2017-18
Salaries and Benefits	\$337,772	\$376,325	\$275,845
Supplies and Services	\$44,875	\$35,300	\$25,785
Allocations	\$43,800	\$61,268	\$65,391
Total	\$426,447	\$472,893	\$367,021

Parklands

Service Area	2015-16	2016-17	2017-18
Salaries and Benefits	\$380,811	\$390,249	\$366,403
Supplies and Services	\$853,485	\$777,275	\$801,522
Allocations	\$70,365	\$42,965	\$33,860
Capital Outlay	\$0	\$1,959	\$0
Total	\$1,304,661	1,212,447	\$1,201,785

(3) Staffing Allocation

The following table provides a summary of the positions allocated to the Planning and Building Department.

Classification Title	#Authorized Positions	#Vacant Positions	Key Roles and Responsibilities
Planning Director/ Deputy City Manager	1.0	-	<ul style="list-style-type: none"> • Reports to City Manager. • Oversees daily operations of planning, code enforcement, building and safety and parklands functions including the work of 3.0 FTE positions. Code Enforcement position is currently unfunded. • Oversees the advance planning function related to the General Plan and long-range planning issues. • Manages Parklands function. • Provides staff support to the Planning Commission, Parklands Committee and City Council. • Manages professional services contracts for consultants providing building and safety services, geotechnical services and wireless communications services. • Manages concession agreements with Palos Verdes Beach and Athletic Club, and PV Stables facilities. • Coordinates planning and development issues with the Palos Verdes Estates Home Association. • Assists City Manager with specific projects as needed.

Classification Title	#Authorized Positions	#Vacant Positions	Key Roles and Responsibilities
Planner	1.0	-	<ul style="list-style-type: none"> • Reports to Planning and Building Director. • Responsible for current planning process including over the counter plan checks, permit issuance and review of proposed development projects. • Coordinates plan check process with contracted consultants related to forestry, engineering, geotechnical issues and building inspection processes. • Prepares Planning Commission agenda including staff reports, plans and related documents along with public notification process. • Responds to citizen questions and concerns regarding planning projects and issues. • Prepares staff reports and presentations for City Council related to Planning Commission decision appeals and related planning issues. • Involved with long-range planning related to state mandated code updates, climate action planning and general plan updates.
Permit Technician-Planning	1.0	-	<ul style="list-style-type: none"> • Reports to Planning and Building Director. • Provides daily information and service to applicants related to review of plans, issuance of permits, fees, grading, zoning regulations and planning process. • Manages plan review process including review by contracted building and safety consultants and Public Works Department. • Responds to citizen questions and concerns regarding planning projects and issues. • Coordinates preparation of agenda for review and action by the Planning Commission and Parklands Committee. • Prepares property reports as requested. • Coordinates daily building inspection schedule. • Serves as liaison to utility companies related to planning and development issues. • Prepares monthly reports on issued permits and related state and county mandates. • Covers receptionist, phone and counter responsibilities according to established schedule.

Classification Title	#Authorized Positions	#Vacant Positions	Key Roles and Responsibilities
Urban Forester	1.0	-	<ul style="list-style-type: none"> • Reports to Planning and Building Director. • Oversees urban forestry program including public parklands management, tree trimming and removal and landscape maintenance. • Manages work of tree maintenance contractor ensuring safety standards for the city's urban forest. • Responds to resident requests for tree trimming or removal, confirming tree status and providing public notification of proposed actions. • Reviews landscape plans for private and public development projects to ensure compliance with applicable codes. • Prepares improvement plans for enhancement of public landscape areas or refurbishment of city parks. • Manages landscape maintenance contract for services to medians, right of way areas, and other public park areas. • Manages contract for fire safety and weed abatement on public lands. • Prepares staff support to Parklands Committee. • Conducts inspections and researches issues related to tree removals, tree planting, and code enforcement for unauthorized encroachments on public parklands and parkways.

5. PUBLIC WORKS DEPARTMENT

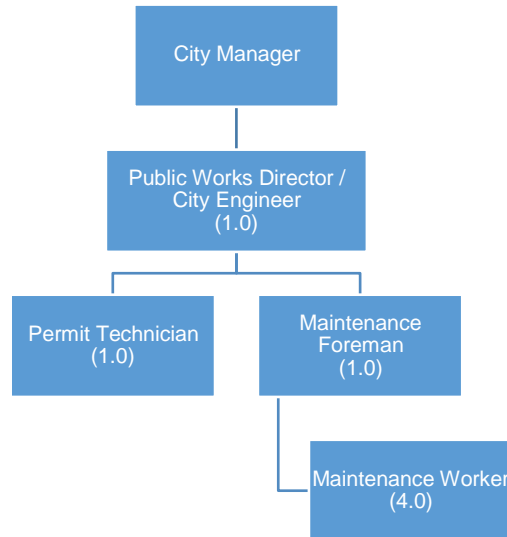
The Public Works Department is responsible for the physical environment of the City of Palos Verdes Estates including a variety of engineering and maintenance services for streets, traffic signs, buildings, drainage, parks, trails, irrigation, street trees, fire safety and weed abatement, sanitary sewers, and GIS mapping support; plan review and inspection for all public improvements, and encroachment/right-of-way permitting. Services are provided by City staff and supported by contractors and consultants for engineering and public works services. The Department implements the City's Capital Improvement Program and environmental programs (storm water, solid waste and recycling), oversees fleet maintenance, and provides staff support to the Traffic Safety Committee. A City Properties function is incorporated in the Public Works operations and includes expenditures for city-wide support services such as utilities, supplies, janitorial services, property insurance and shared contract expenses.

The City recently transitioned the City Engineer position from a contract consultant position to a full-time City position as the Public Works Director/City Engineer responsible for the operations of the Public Works Department. The FY2017/18 adopted City budget for Public Works is \$1,483,033. The Public Works Department operationally includes 7.0

FTE positions. The four maintenance positions in the City function in the Public Works Department; however, two Maintenance Worker positions and .50 of the Maintenance Foreman are budgeted in the Planning and Building budget.

(1) Organizational Structure

The following chart reflects the organizational structure of the Public Works Department including the positions included in other departmental budgets.



(2) Budget

The following tables reflect the budget allocations for the Public Works Department.

Public Works Administration

Service Area	2015-16	2016-17	2017-18
Salaries and Benefits	\$24,430	\$265,074	\$284,670
Supplies and Services	\$543,933	\$693,469	\$459,630
Allocations	63,849	\$76,884	\$95,123
Total	\$632,211	\$1,035,427	\$839,423

Streets

Service Area	2015-16	2016-17	2017-18
Salaries and Benefits	\$266,750	\$278,857	\$279,724
Supplies and Services	\$121,324	\$157,950	\$152,525
Allocations	\$41,758	\$48,431	\$33,860
Total	\$429,832	\$485,338	\$466,109

City Properties

Service Area	2015-16	2016-17	2017-18
Supplies and Services	\$146,786	\$176,457	\$139,132
Allocations	\$130,364	\$77,218	\$38,369
Total	\$277,150	\$253,675	\$177,501

(3) Staffing Allocation

The following table reflects the roles and responsibilities of the positions assigned to the Public Works Department.

Classification Title	#Authorized Positions	#Vacant Positions	Key Roles and Responsibilities
Public Works Director/City Engineer	1.0	-	<ul style="list-style-type: none"> • Reports to the City Manager. • Oversees the Public Works and Engineering functions of the department including work of 4.75 FTE allocated positions and 2 FTE positions included in the Planning and Building Department staff allocation. • Oversees the City's NPDES and stormwater compliance program. • Responsible for implementation of the City's Capital Improvement Program. • Provides support and manages contract services providing planning application review, design and engineering, and building inspection services for the City. • Manages Solid Waste contract providing residential refuse collection, recycling, and street sweeping. Performs enforcement of recycling compliance by commercial and multi-family dwellings; and oversees CalRecycle reporting. • Oversees Public Works maintenance operations including street, storm drain and sewer maintenance, facility management, landscape and street tree maintenance, citywide fleet maintenance and parkland maintenance. • Provides staff support to the Traffic Safety Committee. • Manages Public Works response to emergency situations. • Serves as staff liaison to the Palos Verdes Transit Agency Board of Directors.

Classification Title	#Authorized Positions	#Vacant Positions	Key Roles and Responsibilities
Permit Technician-Building and Safety	1.0	-	<ul style="list-style-type: none"> • Reports to Public Works Director/City Engineer. • Provides daily counter service information and service to applicants related to review of plans, issuance of permits, fees, grading, soils, zoning regulations and planning process. • Manages plan review process including review by contracted building and safety consultants and Public Works Department. • Responds to citizen questions and concerns regarding planning projects and issues. • Maintains data base of current and previously approved projects, encroachment permits and inspection reports. • Coordinates agenda and prepares staff reports for review and action by the Traffic Safety Committee. • Coordinates daily building and right-of-way encroachment inspection schedule. • Serves as liaison to utility companies related to public works, building and safety issues. • Provides administrative support to the Public Works Department. • Covers receptionist, phone and counter responsibilities according to established schedule.
Maintenance Foreman	1.0	-	<ul style="list-style-type: none"> • Reports to Public Works Director/City Engineer • Oversees all aspects of Public Works maintenance operations including streets repair and improvements, preventive maintenance programs, parklands, landscape maintenance, sewer maintenance, fire safety and wildlands weed abatement, building maintenance and fleet maintenance. • Provides direction to and supervises work of four Maintenance Worker positions. • Assists with managing the day to day operations of landscape maintenance contractor. • Manages storm season preparedness. • Manages annual schedules of seasonal work to be completed. • Maintains annual calendar of mandates certification, testing and license renewal requirements. • Responds to day to day requests from residents for services. • Coordinates Public Works responses to emergency situations.
Maintenance Workers	4.0	0.5	<ul style="list-style-type: none"> • Reports to Maintenance Foreman.

Classification Title	#Authorized Positions	#Vacant Positions	Key Roles and Responsibilities
			<ul style="list-style-type: none"> Under direction from the Maintenance Foreman provides day to day maintenance activities to ensure a clean and safe environment for residents of Palos Verdes Estates. Responds to day to day requests from residents for services. Provides a variety of maintenance services including dead animal removal, tree limb cleanup, posting of Planning Commission agenda items, street painting, graffiti removal, traffic control, plumbing and electrical work, irrigation maintenance systems, city fountains and in preparation for seasonal conditions. Provides emergency response to downed trees, accidents, traffic hazards and natural disasters. Provides onsite support for city sponsored/ authorized events including clean up days, festivals and celebrations. Maintains sign program for street and regulatory signs. Implements peafowl trapping and holding program in coordination with Police Dept. Implements fleet maintenance program for 27 city trucks, vehicles and large equipment including scheduled routine maintenance, purchasing and replacement. Responds to emergencies as required.

6. PROFESSIONAL SERVICE CONTRACTS

The City of Palos Verdes Estates contracts for services with outside professional consultants to perform direct services to the Planning and Building, Public Works and Finance Departments. The City Council also appoints a City Attorney to provide City- wide legal services. The following table provides a summary of the profession service contracts authorized by the City Council to provide services to the City.

Services	Contractor	Term	Scope of Services
Solid Waste	Athens Services	July 2012 – June 2019	Exclusive right to collect, transport, process and dispose of: (1) refuse and recyclable materials produced at single family dwellings, and (2) construction waste generated by construction or alteration of single family dwellings in the city limits of Palos Verdes Estates. Amended January 2016 to clarify definition of refuse and recyclable materials, reduce fee structure for refuse bins and provide summary of street sweeping services.

Services	Contractor	Term	Scope of Services
Information Technology	Prosum Technology Consulting Group	October 2012- June 2018	Provides information technology support and consultation to the City of Palos Verdes Estates including basic IT support and guidance for City operations, project management, operational assistance and education and information for employees.
Landscape Maintenance	Venco Western, Inc	July 2015- June 2018	Provides landscape maintenance to parks, paths, medians, open space parklands, and right-of-ways in public right-of-ways and city owned property.
City Attorney	Jenkins and Hogin, LLP	April 2010 - until termination of agreement by either party	Provides all legal services typically provided by an in-house City Attorney, including litigation, in a competent and professional manner.
Tree Trimming	Traver's Tree Service	July 2015- June 2018	Provides maintenance and operations services related tree trimming, removal, and stump grinding of City-owned trees and emergency services as required.
Building and Safety, Public Works, and Engineering	HR Green Pacific, Inc.	July 2015- FY 2017/18	Provides comprehensive Building and Safety (building, plan check and inspection), Engineering (traffic and civil), Public Works (inspection, storm water, plan review, capital projects administration and management) services to support city services. Provides technical training for City staff as necessary, maintains professional certifications and licenses, and provides clerical and administrative support.

7. CONCESSION AGREEMENTS

The City of Palos Verdes Estates has four major recreation-oriented facilities that are operated for the benefit of residents through concession agreements with nonprofit organizations and business entities charged with the responsibility of maintenance and operation of the facilities to provide recreation opportunities to City residents. The following table summarizes the agreements authorized by the City to operate and maintain the facilities.

Concession	Concessionaire	Term	Scope of Agreement
Golf Course	Palos Verdes Golf Club	July 1993- December 2024	Provides for the operation and maintenance of the 18-hole golf course, practice area, restaurant, snack bar, bar, locker rooms and parking lot. Palos Verdes Estates residents have priority membership and facility use.
Tennis Club	Palos Verdes Tennis Foundation	January 1979- January 2023	Provides for the maintenance and operation of 12 tennis courts and adjacent buildings and facilities. Palos Verdes Estates residents have priority membership and facility use.
Beach Club	Palos Verdes Beach and Athletic Foundation	September 2008- September 2026	Provides for the maintenance and operations of a 5-story clubhouse, 6 lane pool, children's pool and fitness center owned by the City of Palos Verdes Estates. Social, swim classes, and fitness programming is offered to resident members. Non-members may purchase a day pass for use of the facilities.
Palos Verdes Stables	HGS Management	January 2009- March, 2021	Provides for the maintenance and operation of stable facilities to accommodate no less than 52, nor more than 82 horses. Summer camp and lesson programs are offered. Residents have priority for boarding opportunities.

8. STAFFING COMPARISON TO OTHER COMMUNITIES.

A staffing comparison to other communities was undertaken to compare the staffing allocations in these communities with those utilized by the City of Palos Verdes Estates. While benchmarking staff in this manner does not account for differences in the communities' service portfolio (nor does it account for varying service levels), it does provide a high-level comparison of the typical staffing patterns typically seen in other communities. The following table summarizes the overalls staffing of these communities, by the departments under review in this assessment, against those currently in place in Palos Verdes Estates.

Community	Population	Department			
		Administration	Finance	Public Works / Engineering	Planning / Building
Piedmont	11,353	4.0	4.0	13.0	9.0
Atherton	7,207	3.0	3.0	2.6	0.0
Hermosa Beach	19,789	10.5	11.0	23.0	12.0
La Palma	15,774	4.4	2.1	6.2	3.0
Los Alamitos	11,636	5.8	2.0	10.2	3.0
LaHabra Heights	5,411	5.0	2.0	1.0	4.0
Average	11,862	5.4	4.0	9.3	5.2
Palos Verdes Estates	13,586	4.5	3.0	7.0	4.0

As shown, in each of the departments review, the City of Palos Verdes Estates is below the average of the communities surveyed. This conforms with the project team's assessment that the staffing levels within Palos Verdes Estates have been allocated, generally for most services, at a level that would be characterized as lean for the services and duties allocated to them.

APPENDIX B – BEST PRACTICES ASSESSMENT

1. ADMINISTRATIVE SERVICES

Performance Target	Strengths	Potential Improvements
City Manager Operations		
A Citywide strategic plan is in place that identifies the mission and goals of the City and its Departments.	The City has developed a mission and value statement along with annual work plans in each department which focus on goals for the fiscal year and are a part of the budget document.	
The organizational structure makes authority, responsibility and accountability clear provides for the most efficient implementation of the functional programs and services.	The organizational structure of the City has changed resulting from significant of decreases in city revenues. As a result, positions are not being filled and responsibilities increased or changed for other positions throughout the organization.	There are opportunities to streamline and restructure the organization, specifically in the Planning and Building and Public Works Departments, to maximize services and increase the efficiency of operations. This effort could result in the elimination of positions and/or the filling of current vacancies.
The City has established a long-range Capital Improvement Program with comprehensive project information on budget expenditures, implementation timelines and provides a link to the operating budget.	The City has a long-range Capital Improvement Program in place, however, recent decreases in City revenues have changed or delayed project priorities.	The CIP should be reviewed and revised to prioritize the most critical improvement projects and determine new sources of potential funding for proposed projects.
The City has a centralized effort to provide publications, communications, and marketing efforts to the public.	The City utilizes its website and a variety of social media as the primary communication vehicles to communicate with citizens in addition to the publication of city information required by state law. The City's website provides extensive information about City and community programs and services along with an opportunity to subscribe to e-Notifications for city information.	

Performance Target	Strengths	Potential Improvements
<p>The City focuses on providing exceptional customer service to the residents of the community.</p>	<p>Customer service is an important value in the City organization and personnel consider it a critical part of their job as a city employee. City personnel make every effort to respond to questions and requests presented by citizens within a reasonable timeframe. The decision to not fill a part-time receptionist position has resulted in several positions now required to spend a portion of their time, impacting their regular responsibilities, to answer phones and assist citizens at the front counter.</p>	<p>Opportunities should be considered to reestablish more efficient and effective customer services at City Hall. Replacing the current receptionist position vacancy should be reevaluated to provide more effective customer services and increases in overall employee efficiency.</p>
<p>A long-range facility plan is in place to identify facility and space needs required to support City programs and services.</p>	<p>The City does not currently have a long-range facility and space need plan. Due to the age of City Hall facilities there is an ongoing need for physical upgrades and improvements.</p>	<p>The existing physical condition of City Hall and the added space requirements needed for general city operations and document/file storage requirements suggest the need to evaluate current and future office and storage needs and create a long-range plan for facility and space needs.</p>
<p>Concession agreements and third-party contracts for City services are reviewed and evaluated on a regular basis to ensure the city is maximizing service delivery.</p>	<p>The City currently maintains four concession contracts and seven third-party service contracts for selected city services. Some of the concession contracts have been in existence for over 20 years with few modifications or updates over the years.</p>	<p>Establishing a regular schedule for reviewing and updating concession and third-party contracts on a regular basis could provide opportunities for revisions that may increase services and/or generate increased revenues to the City.</p>
<p>Human Resources Operations</p>		
<p>Human Resources maintains personnel records in an efficient and readily accessible manner utilizing an integrated human resource management system.</p>	<p>The Human Resources operation ensures that all personnel-related functions including recruitment and selection, benefit management, class and compensation data, risk management and employee relations are managed and implemented. The City does not currently utilize an integrated human resource management system to maintain human resources records and data</p>	<p>Incorporating an integrated human resource management system would be an effective tool utilize in managing the human resources operation.</p>

Performance Target	Strengths	Potential Improvements
Human Resources maintains an efficient and timely process for recruiting and selecting qualified personnel for vacant positions.	The Human Resources operation has established an effective process for the recruitment and selection of city personnel. Given the current fiscal situation there are few position recruitment processes currently required.	
Human Resources regularly provides training, guidance and coaching to managers, supervisors and employees to ensure compliance with safety standards, policies and procedures, new systems and general citywide communications to ensure a safe and productive work environment.	The Human Resources operation coordinates regular training programs for employees to ensure state and federal training mandates are met and employee certifications maintained. In addition, Human Resources implements activities that focus on employee recognition and morale.	Efforts should continue to ensure that employees are well trained and understand the status of city operations to maintain a high-level of employee morale and ensure effective and efficient implementation of city-wide operations.
City Clerk Operations		
City Council agendas and minutes are prepared and distributed in accordance with adopted procedures and in compliance with public notice requirements.	Regular City Council agendas and minutes are prepared and distributed in accordance with adopted procedures and in accordance with public notice requirements.	
A comprehensive automated records management system ensures legal records are indexed and retained in accordance with state laws and local policies and procedures.	Public documents are digitally filed and posted on the website for public information. A document management data base is being utilized to manage public documents.	Efforts to incorporate a comprehensive records management system will ensure that city records and document are properly preserved and available for staff and public access.
Provides timely information and conducts citywide elections in accordance with state laws.	This is conducted by City staff in a timely manner. There will be a special election in April 2018.	
Responds to citizen requests for public documents in accordance with the Public Records Request Act.	The City Clerk function is currently responding to 5 to 15 public document PRRA requests each month. Past requests have taken from 5 minutes to 4 months to produce depending on the complexity of the request.	Developing a clear policy for the implementation of PRRA requests may help to make the process more efficient given the reduced personnel resources in the City Clerk's office.

2. FINANCE DEPARTMENT

Performance Target	Strengths	Potential Improvements
Finance Department Operations		
Operating budgets provide readable, comprehensive information on budgeted expenditures, staffing, revenues, and goals and objectives and performance measures.	The City's two-year budget cycle provides a comprehensive city budget with detailed expenditures for each department and departmental work goals identified.	Periodic reviews should be undertaken to ensure that departmental work goals and plans are on target for completion and in alignment with City Council priorities.
Operating and capital expenditures are monitored on an ongoing basis to assure actual expenditures do not exceed authorized budget.	Operating and capital expenditures are monitored on an ongoing basis.	
The City has an established fund reserve policy.	The City has an established fund reserve policy.	
The City has established cost recovery goals for certain functions and has established fees at a level sufficient for the specific operations to be self-sufficient.	The City has not established cost recovery goals and developed a policy and program for establishing fees that cover costs of the services provided.	A cost recovery policy should be developed for review and approval by the City Council that ensures fees for services are at a level sufficient for the specific operations to be self-sufficient. The initial effort should focus on planning, building and engineering project fees.
The City complies with GASB 34 and 45.	The City complies with GASB 34 and 45 reporting requirements.	
Automated and integrated financial packages are in place that eliminate duplicate data entry among departments for payroll, accounts payable, accounts receivable and purchasing.	The City has recently automated the payroll system allowing personnel to submit time cards electronically. The Business License application process is now available online.	The Finance Department should continue efforts to convert cash handling, purchasing, and accounts payable and receivable functions to electronic systems to minimize personnel handling and create more efficient operations in departmental processing and Finance Department operations.
The City has developed a multi-year technology plan that addresses individual department and city-wide technology needs, funding and technical support.	The City does not have a multi-year city-wide technology plan.	A long-range plan should be developed to address the current and future technology needs of the City.

3. PLANNING AND BUILDING DEPARTMENT

Performance Target	Strengths	Potential Improvements
Planning Division Operations		
<p>The Planning Division is the lead on all discretionary permit applications and coordinates review by other divisions or departments and outside contract personnel as required.</p>	<p>The Planning Division is the lead on all discretionary permit applications and coordinates review of applications by other appropriate divisions and outside consultants providing planning, engineering, geotechnical, civil engineering review services. The Division is responsible for ensuring applications comply with provisions of the General Plan, Zoning Ordinance, Local Coastal Plan and related building and safety codes. The Division takes the lead in preparing property reports, agenda documents for the Planning Commission action, document management, and coordinating building inspections on approved projects.</p>	<p>Restructuring the Planning and Building Department operation could result in greater staffing resources dedicated to Planning Division operations. In addition, an evaluation of consultant services would provide opportunities to evaluate the level of service provided by consultants and adjust agreements to improve operations.</p>
<p>There are established turnaround times for review of development and permit projects.</p>	<p>The Planning and Building Department has established a policy of 10-day maximum on project applications, many of which are approved the same day.</p>	
<p>The City offers a one-stop permit center for discretionary permits.</p>	<p>The Planning Division staff provide consultation and plan review services to applicants at the walk-in counter Monday through Friday from 8:00am to 10:00am. Staff are also available by appointment to address applicant questions and project applications.</p>	
<p>Planning permit application materials, development guidelines, policies and procedures, and enabling ordinances and legislation are available online for use by applicants.</p>	<p>The Planning Division has developed and maintains an extensive library of guidelines, informational documents and application forms on the City's website for easy access by applicants.</p>	<p>Continued efforts should be made to review and update the current codes and provide appropriate information and guidelines online.</p>

Performance Target	Strengths	Potential Improvements
The City's zoning ordinance, specific plan, and general plan are up-to-date.	The City's General Plan was last updated and approved in 1973. The Housing Plan was adopted in 2014. Planning and Building code updates are not a high priority given the current work load in the Division. Minimal work is underway on the Climate Action Plan document.	Consideration should be given to updating the General Plan to reflect the current thoughts and attitudes of the community.
Planning Commission agendas and minutes are prepared and distributed in accordance with adopted procedures and in compliance with public notice requirements.	Agenda documents and minutes are prepared and distributed in accordance with adopted policies and procedures and in compliance with public notice requirements including the posting of documents on the City's website. The Planning Commission meets once per month and agenda items are limited to 10 per month.	
Automated systems are in place to manage store and retrieve development project permit documents.	The Planning Division is incorporating SmartGov, a permit software system, but the system is under development and not currently in use.	Efforts should continue to automate planning processes to increase staff efficiency and manage document and project permits.
Building Division Operations		
The Building Division is the lead on all engineering, building and soils permits and coordinates review by other divisions or departments and outside contract personnel as required.	The Building Division is the lead on all engineering, building and soils permits and coordinates review by other divisions or departments and outside contract personnel as required.	
There are established turnaround times for review of development and permit projects.	The Planning and Building Department has established a policy of 10-day maximum on project applications, many of which are approved the same day.	
The City offers a one-stop permit center for discretionary permits.	The Building Division staff provide consultation and plan review services to applicants at the walk-in counter Monday through Friday from 8:00am to 10:00am. Staff are also available by appointment to address applicant questions and project applications.	

Performance Target	Strengths	Potential Improvements
Building permit application materials, guidelines, policies and procedures, and enabling ordinances and legislation are available online for use by applicants.	The Division maintains a library of permit applications, guidelines, policies and procedures on the City's website.	Continued efforts should be made to ensure that information contained on the website is up to date.
An automated system is utilized to retain data related to building permits, building inspections and code compliance.	The City does not have an automated system for retaining data related to building inspections and code compliance. Data are currently maintained on excel spreadsheets.	Efforts should continue to automate building permit processes to increase staff efficiency and manage document and project permits.
An automated inspection system is utilized for online inspection appointment requests.	Requests for building inspections are not automated.	An online automated building inspection request process would increase the efficiency of Building Division operations.
Building permit plan checking is accomplished by all divisions or departments involved in the process.	The Permit Technician position manages the initial application process determining the level of review required for the project. The Division utilizes consultants to provide building and safety plan review and inspections, soils engineering, traffic engineering and civil engineering services.	An evaluation of consultant service would provide opportunities to evaluate the level of service provided by consultants and adjust agreements to improve operations.
Building inspection requests are responded to within one working day.	Applicants are required to call in prior to 4:00pm to make appointments for the following day's inspection schedule.	
Proactive code enforcement is utilized to target activities based on complaint volume, risk assessment and property condition.	The Code Enforcement position is vacant. Minimal code enforcement activities related to public property encroachments are currently handled by the Urban Forester position.	An evaluation of the code enforcement function should be considered to determine the effectiveness of filling the vacant position or contracting for a specified level of code enforcement services.

Performance Target	Strengths	Potential Improvements
Urban Forestry Operations		
The City has developed an inventory of trees and an inspection procedure for responding to tree trimming requests.	The City has not developed an inventory of the 10,000 existing trees. The Urban Forester position works with the tree trimming contractor to handle tree trimming and removals on public property and responds to requests for tree removal from residents.	Given the nature of the Urban Forestry operations it could be more effectively operated as part of the Public Works Division.
The City maintains landscaping on public areas throughout the city.	An outside landscape maintenance contractor maintains landscaping on public medians, rights of way and other public areas. Current landscape maintenance contract services have been reduced by 50% due to the current fiscal situation of the City. The weed abatement and fire safety contracts are also managed by the Urban Forester.	The landscape maintenance contract should be reevaluated to ensure that landscape maintenance priorities and current level of service are maximized given the current decrease in services.
Tree trimming frequency and maintenance levels of service have been developed that define the frequency with which maintenance tasks have been developed for tree trimming and landscape maintenance functions.	These have not been developed for landscape maintenance and tree trimming services.	Trimming frequency and maintenance approaches for tree trimming and landscape maintenance should be developed to ensure maximum service from the contractors.
The City has developed and implemented a process for tree removal requests which includes citizen input.	Requests for tree removal from residents are reviewed and evaluated by the Urban Forester and approved by the Parklands Committee.	

4. PUBLIC WORKS DEPARTMENT

Performance Target	Strengths	Potential Improvements
Engineering Division Operations		
Engineering services are centralized and include capital improvement, storm water projects, traffic engineering projects.	Engineering services including implementation of CIP projects, civil engineering, traffic engineering and solid waste contracts are managed as part of the Engineering Division.	

Performance Target	Strengths	Potential Improvements
Staffing for design review and inspection of capital projects is based upon cost of construction guidelines.	Many of the CIP projects have been deferred due to the fiscal situation in the City. Current storm water improvement projects are in progress as external funding allows.	The existing Capital Improvement Program should be reevaluated to determine priority projects and potential non-city funding sources given the current fiscal situation of the city.
Third-party contracts for City engineering related services are managed, reviewed and evaluated on a regular basis to ensure the city is maximizing service delivery.	The contract for engineering services was negotiated with a new firm recently. The contract and current service levels have not been evaluated.	The current contract for engineering services should be evaluated and revised to maximize services to the city.
Automated systems are in place to manage store and retrieve development permit and engineering documents.	The SmartGov computerized system under development is scheduled for implementation in early 2018 and will facilitate data collection and document management.	Priority should be given to the implementation of the SmartGov systems to maximize the efficient operation of the Engineering Division.
Public Works Division Operations		
Quality standards and levels of service have been developed that define the frequency with which maintenance tasks have been developed for public works maintenance functions.	Quality standards and levels of service for public works maintenance functions have not been developed. The Public Works Maintenance Division performs a variety of maintenance functions such as street sign replacement, traffic control, P-Fowl trapping, facility maintenance, pothole repair, tree debris clearance, irrigation system maintenance, storm drainage control, and city event set-up. Crews make efforts to respond to citizen requests in a timely manner.	Given the extensive service demands and variety of maintenance services within the City, the development of maintenance standards and levels of service is critical to the efficient operation of maintenance services and effectively plan for the completion of annual maintenance activities.
A computerized maintenance management system is in place to handle and schedule preventative, routine and emergency maintenance service requests.	There is no computerized maintenance management system in place.	The implementation of a computerized maintenance management system that develops a year-round schedule of maintenance activities, generates work orders and collects data related to maintenance tasks will increase the effectiveness of maintenance operations.

Performance Target	Strengths	Potential Improvements
<p>The City has an asset replacement/rehabilitation fund for vehicles and facility assets, which is contributed to annually based upon the useful life of the asset.</p>	<p>The City does not have an asset replacement and rehabilitation plan and or fund for vehicles and facility assets.</p>	<p>Developing an asset management plan and funding options for the replacement of vehicles and facilities will address future city needs.</p>
<p>Maintenance personnel and vehicles are adequately equipped to ensure maximum efficiency in completing assigned maintenance tasks.</p>	<p>Maintenance personnel do not have adequate equipment and communication systems to maximize efficiency in completing maintenance tasks. Due to inadequate cell phone coverage in the city communications is often difficult for crews working in selected areas of the community. Crews do not always have the equipment and tools required to complete tasks in an efficient timeframe.</p>	<p>Vehicles should be equipped with adequate communications systems to ensure personnel safety and efficient communications. In addition, adequate equipment and resources should be available to ensure maintenance operations are completed effectively.</p>

APPENDIX C – COMMUNITY SURVEY

COMMUNITY SURVEY ANALYSIS

As part of the Matrix Consulting Group’s assessment of *Non-Safety City Operations* for Palos Verdes Estates, the project team distributed an anonymous survey to community members. The survey was designed to collect residents’ *attitudes toward City services and important issues* and identify opportunities to *address service needs and budget limitations*. This report summarizes the results of the survey. The survey asked 3 types of questions:

- **General questions:** At the beginning of the survey, respondents were asked to provide some information about their place of residence, length of residence in PVE, and their age. These responses are used in this analysis to explore differences in responses between groups of respondents.
- **Multiple Choice Questions:** Respondents given statements on a range of topics related to city services and perceptions of city government. Respondents were asked to select an answer such as Strongly Agree, Agree, Disagree, Strongly Disagree, or No Opinion. Respondents could also opt against providing an answer to each question. It is worth noting that for the purposes of tabulating survey results, those selecting either No Opinion or making no selection are considered the same.
- **Open-ended response questions:** Respondents were given space to provide additional comments about the perception of city government and city services.

The link to the online survey was distributed in November/December 2017 to community members. A total of 518 respondents participated, in varying degrees of completion; 508 identified themselves as PVE residents (a resident response rate of 508/13,680 3.7%). The following section presents a summary of key findings from the survey.

1. SUMMARY OF KEY FINDINGS

While a complete analysis can be found in the sections below, the following points summarize the key findings from the responses received to this survey:

Findings of Strengths

- Respondents felt that non-safety city services were good and the value for the tax dollars spent was fair.
- Perceptions of local government were generally positive.
- Residents appreciate the community character of Palos Verdes Estates.

Findings of Potential Improvement Opportunities

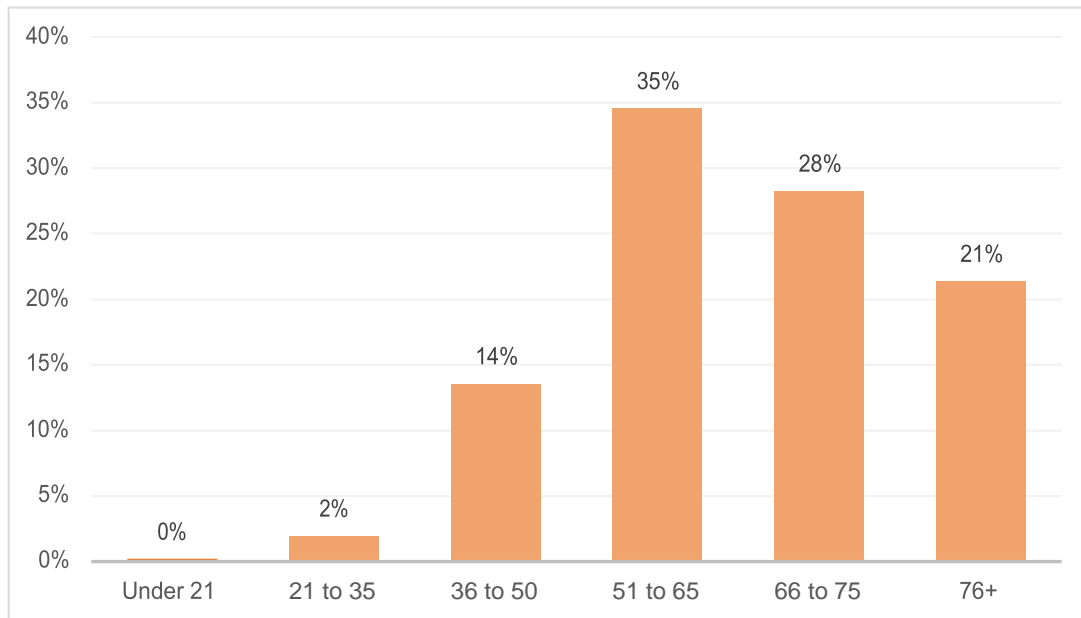
- Although service quality was generally good, Finance and Planning services were rated lower.
- Many respondents felt the quality of service was getting worse.
- Although the perception of city government was generally positive, many respondents felt there is an opportunity to improve transparency, especially around financial information and spending, and what functions Administration provides.
- Residents are divided on several issues.

2. RESIDENCE AND AGE

While responses to the survey were anonymous, the project team asked respondents to indicate some information for comparison purposes. Respondents were asked to indicate where they reside and the number of years they have resided in PVE. PVE residents made up 99% of respondents and more than 81% of respondents have lived in PVE for more than 10 years.

RESIDENCE	
<i>Where do you reside?</i>	<i>% of Respondents</i>
Palos Verdes Estates	99.4%
Other	6%
<i>How long have you lived in Palos Verdes Estates?</i>	<i>% of Respondents</i>
Less than 5 years	9.7%
5 to 10 years	8.9%
More than 10 years	81.3%

Respondents were also asked to provide their age. The majority of residents, 84%, are over the age of 50.



3. MULTIPLE CHOICE QUESTIONS

The first section of the survey asked respondents to indicate how they would contact the city or provide input on a service issue, and whether they have contacted the city within the last two years.

The majority of respondents (76%) would call the city’s main number. The other means most respondents would use are shown the table below.

Method of Contact or Input	
If you had a question for the City or wished to provide input to the City on a service issue, how would you do that?	%
Call the city’s main number	76%
Contact a specific staff member	44%
Go to a Council meeting	27%
Contact Council member	25%
Community meeting	21%
NextDoor	19%

Respondents indicated that, in the last two years, administration was the most contacted city service (46%), followed by building permitting functions (42%), and parkland, open space, and trail maintenance (36%).

Service Contacted or Used	
Which City services have you had contact with or utilized in the last two years?	%
Administration	46%
Building permitting functions (such as construction or renovation of homes)	42%
Parkland, Open Space and Trail Maintenance	36%
Planning functions (such as zoning related issues, neighborhood compatibility, miscellaneous applications, etc.)	28%
Infrastructure maintenance (such as streets and storm drains)	24%
Other	19%
Finance	11%

There were 19 respondents (3.7%) that used the “other” option to indicate they did not contact the city in the last two years, and 86 respondents (16.6%) skipped the question. This indicates that 20% of respondents have not contacted the city in the previous two years.

The following sections analyze the responses to statements in the survey. Statements do not appear sequentially based on their numbering on the survey but are rather grouped by topic area.

(1) Generally, Respondents Felt That the Quality of City Services Were Good and That Most Services Provided Good Value for Tax Dollars Spent.

The questions presented in this section concern the quality of city services and their value of tax dollars. Respondents generally felt the quality of city services were “good” (on a scale of “excellent”, “good”, “fair”, “poor”, “not applicable”).

Quality of City Services					
Service	Excellent	Good	Fair	Poor	N/A
Administration	17%	33%	22%	12%	16%
Building permitting functions (such as construction or renovation of homes or business space)	12%	27%	22%	15%	24%

Finance	7%	13%	12%	17%	50%
Infrastructure maintenance (such as streets and storm drains)	15%	37%	21%	6%	21%
Landscaping and tree maintenance	15%	29%	23%	20%	12%
Parkland, open space and trail maintenance	12%	28%	20%	20%	19%
Planning functions (such as zoning related issues, neighborhood compatibility, miscellaneous applications, etc.)	8%	20%	22%	21%	29%

While half of respondents indicated Finance services were “not applicable”, rated responses were highest for the “poor” choice. While about a third of respondents rated Planning as “not applicable”, rated responses were split between the “poor”, “fair”, and “good” choices.

Respondents generally felt the city services listed provided “good” value for the tax dollars spent. A large percentage of respondents had “no opinion” for Finance services.

Value of Service for Tax Dollars Spent			
Service	Good	Poor	No Opinion
Administration	38%	31%	32%
Building permitting functions (such as construction or renovation of homes or business space)	46%	25%	28%
Finance	24%	30%	45%
Infrastructure maintenance (such as streets and storm drains)	62%	19%	19%
Landscaping and tree maintenance	50%	32%	18%
Parkland, open space and trail maintenance	36%	34%	29%
Planning functions (such as zoning related issues, neighborhood compatibility, miscellaneous applications, etc.)	38%	31%	32%

The survey also asked if more or less money should be budgeted for each service. Of the rated responses, most respondents felt “about the same should be budgeted” for Building, Finance, Landscaping, Parkland, and Planning. Most respondents felt “less should be budgeted” for Administration.

Level of Budget for Services				
Service	More Should be Budgeted	About the Same Should be Budgeted	Less Should be Budgeted	No Opinion
Administration	5%	35%	39%	21%
Building permitting functions (such as construction or renovation of homes or business space)	8%	48%	23%	21%
Finance	4%	31%	28%	37%
Landscaping and tree maintenance	36%	39%	12%	12%
Parkland, open space and trail maintenance	31%	40%	15%	13%
Planning functions (such as zoning related issues, neighborhood compatibility, miscellaneous applications, etc.)	11%	45%	21%	22%

(2) Overall Perceptions of City Government Were Positive but Indicate a Need for an Increase in Financial Transparency for Residents.

The respondents felt the city does well with allocation of property tax dollars, welcoming public involvement, and maintaining infrastructure and parkland, and a fair job planning for the future.

Respondents could choose “strongly agree”, “agree”, “disagree”, or “strongly disagree”. Respondents could also choose “no opinion”, indicating that they did not feel agreement nor disagreement with the statement. Respondents which indicated no opinion were not counted among the respondents for that statement. For this reason, percentages presented in the following tables may not add up to 100%, since a percentage of respondents may have opted out.

Perceptions of City Government				
Statement	SA	A	D	SD
In general, I think the City effectively spends the property tax dollars allocated to the City to provide municipal services.	9%	38%	23%	20%
I believe that the municipal services I receive are a good value for the portion of property taxes allocated to the City.	12%	41%	22%	12%
The City does a good job in welcoming resident involvement.	14%	40%	21%	15%
The City does a good job maintaining public infrastructure.	12%	56%	15%	6%

The City does a good job of maintaining parklands, open space and trails.	12%	51%	18%	14%
I am satisfied with the level of transparency regarding how the City spends funds.	9%	21%	23%	28%
I am satisfied with the City's compliance with public records accessibility requirements.	10%	21%	14%	16%
I believe that there is a good overall quality of life in Palos Verdes Estates.	50%	41%	5%	2%
The City does a good job planning for the future.	11%	26%	21%	22%

More than half of the responses indicate the city has an opportunity to increase transparency regarding how funds are spent (51% indicated “disagree” or “strongly disagree”). This information along with the dissatisfaction expressed in the previous set of questions indicate a need for the city to better inform, communicate, and educated the residents how the city spends and allocates money.

Many respondents (40%) felt the city’s level of service is staying about the same, while many (44%) felt it was getting worse (somewhat worse to much worse).

Perception of the Service Quality	
Overall, the levels of service provided by the City appear to be:	%
Getting much better	3%
Getting somewhat better	9%
Staying about the same	40%
Getting somewhat worse	28%
Getting much worse	16%

4. OPEN-ENDED QUESTIONS

Respondents were given space to provide additional comments about the perception of city government and city services. More than half of respondents skipped these questions but between 163 to 242 respondents answered each open-ended question.

For purposes of clarity, the project team has sorted responses and grouped them into thematic areas. Where applicable and appropriate, additional details are provided in the text that follows each table.

(1) Respondents Want More Involvement and Information But are Divided on Issues.

The first open-ended question asked respondents to provide additional thoughts on the statements regarding the perception of city government. The table below summarizes prime issues or areas mentioned by the 163 responses.

Please provide any additional thoughts on any of the statements used to rate the perception of city government.	
Thought	Count
Residents want to learn more, want to participate in working groups, and be part of city decisions	35
There is a need to better understand what city services do and balance services needs with city funds	24
Residents are divided on spending less or more, or shifting spending to certain services, but many want more information about spending (financial transparency)	24
Residents are concerned about the actions of the City Manager, the City Council, and staff	22

(2) If Reductions are Implemented, Respondents Would be Most Willing to See Change Related to Administration and Staff Levels, Staff Salaries and Benefits, and Police Services.

The second open-ended question asked respondents what three changes regarding how services are provided or the level of service they would be willing to support if reductions were implemented. The emerging themes from 242 respondents are summarized below.

Where and How Residents Would be Willing to See Reductions
<p>Administration and Staff Levels</p> <p>Respondents identified Administration as the service area they would be willing to see change if reductions were implemented. However, some residents were unsure what functions Administration staff perform. Suggestions included reducing staff levels and public office hours. Respondents suggested staff reductions for Administration, Planning and Building, and the Arborist/Forrester functions. It could be noted that Administration and Building/Planning were the two most recurring services respondents would be willing to see changes if reductions were implemented while respondents identified these as the two most contacted services in the previous two years.</p>
<p>Staff Salaries and Benefits</p> <p>Respondents suggested reducing staff pay, contracting out services to reduce the cost of staff benefits, and consolidating positions. Respondents suggested contracting Planning and Finance services.</p>

Police Services

Although Police Services are not part of the study, several respondents suggested contracting out PVE Police Services to LAPD or the Sheriff. Suggestions included eliminating the jail (as suggested in a previous PVE study) and shifting services to concentrate on ambulance services to better align with PVE's population. On the other hand, some respondents support the existing level of police and safety services and suggested maintaining the existing levels of service.

Increase Fees and Reduce Costs

Respondents suggested increasing planning, building, and park fees. Suggestions to reduce costs included less street and tree maintenance, reduced city hall hours (both to reduce public hours to increase staff efficiency, and to reduce hours for operational savings), and to evaluate existing contracts (e.g. tree trimming) to ensure the city is receiving the most cost-efficient bid. Another cost saving suggestion was to eliminate studies performed by consultants because the city does not implement the recommendations.

(3) Respondents Are Concerned with Police Services.

The last open-ended question asked respondents to provide additional thoughts on city services.

Additional Thoughts on City Services	
Key Themes	Count
Most residents support Police services but don't want to overpay for this service	48
Most residents support city services but don't want to overpay for these services	41
Residents want city services to maintain the Palos Verdes character	39
Residents are concerned about, and somewhat divided on, taxes	36

Respondents provided comments regarding Police services the most. They expressed their support of Police services, the value the local Police Department provides to the community, and their willingness to pay for those services. However, they were concerned about paying too much for Police salaries, benefits, and vehicles.

Respondents expressed support of city services overall. However, similar to the responses regarding Police, respondents want to ensure they are not paying too much for services. Although respondents do not want to cut city services, respondents suggested cuts in staff salary and benefits, reallocation of funds to keep key city services, increase the efficiency of city services, and identifying what city services could be contracted out to reduce costs.

When it comes to the City of Palos Verdes Estates, respondents are passionate about maintaining their community character. They want city services to focus on amenities residents value such as safety and efficient spending. However, although respondents care for their community, they are divided on what amenities are important such as trees, views, fountains, and trails.

Respondents expressed concerns regarding property taxes. Many support tax increases to maintain the existing levels of service but many feel tax dollars are wasted. Respondents suggested using a parcel tax or increasing property taxes, and state taxes are needed to support the services residents want. Responses indicate at least some respondents do not understand what services are paid by property taxes and what services are not.



Organizational Assessment of Non-Safety Functions

PALOS VERDES ESTATES, CALIFORNIA



March 5, 2018

Organizational Review Findings

Palos Verdes Estates, California



Project Overview

- ◆ **Organizational Assessment** of the non-safety functions of Palos Verdes Estates focused on the following departments:
 - Administration
 - Finance
 - Planning and Building
 - Public Works
- ◆ The assessment was focused on evaluating non-safety functions to determine if:
 - The City is cost effective in service provision,
 - The City is operating in accordance with standard / best practices,
 - Operational efficiencies can be implemented, and
 - Appropriate resources / staffing allocations to provide required services.



Project Methodologies

- ◆ **Developed an understanding of the City of Palos Verdes Estates** through staff interviews and data collection - documenting existing staffing levels, services provided, operational practices, and use of technology.
- ◆ **Best Practices Assessment** evaluated the current operations against recognized best practices in the public sector.
- ◆ **Community Survey and Public Meeting** to enable resident to provide input regarding City services, staffing levels and operational practices.
- ◆ **Comparative Assessment** on staffing levels to determine how Palos Verdes Estates compares to peers.
- ◆ **Development of Report** documenting key findings, observations and providing recommendations to enhance operations.



Key Themes from the Organizational Review

- ◆ The City of Palos Verdes Estates has been critically reviewing services over the last year to ensure appropriateness of expenditures.
- ◆ In comparison to peer municipal governments, Palos Verdes Estates generally has:
 - A similar organizational / departmental structure,
 - Staffing levels consist with or slightly below the average of similar communities, and
 - Comparable use of contracted services (specifically for permitting and maintenance functions) versus in-house staffing.
- ◆ The community has both high-service expectations and a desire to minimize municipal expenditures requiring significant prioritization of work activities by staff to meet expectation.



Key Recommendations:

◆ Administration:

- Additional information related to financial transactions and contracts should be made available on the City's website to increase access and transparency.
- Performance standards should be adopted, and made available online, for all major service areas to communicate service level commitments and manage public expectations.
- The current departmental organizational structure should be maintained with separate departments of Administration, Finance, Public Works and Planning and Building.
- Given work activities within this Office, the receptionist position should be filled as a full-time position so other staff can focus on core duties rather than providing coverage of the front desk.



Key Recommendations:

- ◆ Administration:
 - An annual review of all contracts for services should be conducted to ensure compliance and identify future changes to benefit the City.
 - Staffing levels within the Office should remain as currently allocated.



Key Recommendations:

◆ Finance:

- Quarterly departmental budget review sessions should be conducted to ensure goals and work plans are on target and budget adjustments developed as needed to effectively manage resources.
- A formal cost recovery policy and plan should be adopted.
- Continue efforts to automate the cash handling and accounting systems.
- Develop a multi-year plan for improvement technology within the City to achieve additional efficiencies and improve effectiveness of city services.
- Maintain the existing staffing levels.



Key Recommendations:

◆ Planning:

- Update information and applications on the department website.
- Establish fund allocation to update the City's general plan and other long-range planning documents.
- Prioritize efforts to further automate the planning and building processes to increase productivity and efficiency and improve service to the public.
- Assess the Code Enforcement Officer position and develop an RFP to acquire contracted services for this function.
- Transfer Parklands function to Public Works.
- Contract the duties of the urban forester position.



Key Recommendations:

◆ Public Works:

- Further enhance the CIP process by identifying highest priority projects, expand outreach for identifying non-City sources of funds.
- Adopt maintenance standards and levels of service for Public Works maintenance operations.
- Establish an asset management plan for City assets to enable better long-range planning for replacement and maintenance activities.
- Maintain current staffing levels within Public Works.



Questions

- ◆ Discussion and Questions Regarding Recommendations





March 7, 2018

To: Anton Dahlerbruch, City Manager

From: Alan Pennington, Vice President

SUBJECT: ORGANIZATIONAL ASSESSMENT OF NON-SAFETY FUNCTIONS

Enclosed please find the final report and PowerPoint presentation for the Organizational Assessment of Non-Safety Functions that the Matrix Consulting Group was engaged to perform for the City of Palos Verdes Estates.

We appreciate the assistance provided by you and your staff in providing the necessary data and background materials necessary for us to conduct review and for the assistance in coordinating the community meeting logistics. I also want to extend appreciation to the project steering committee for meeting at various times throughout the engagement for project status meetings and to discuss our findings, observations, and alternatives under consideration.

We know the timeframe for the project was extended beyond the initial timeframe. This was caused due a scheduling issue on our end that impacted the delivery of the draft report to the City.

I look forward to presenting the recommendations from the final report to your City Council next Tuesday evening.

If you have any questions, please let me know.

Attachments (2):

Organizational Assessment of Non-Safety Functions Final Report
PowerPoint Presentation