



Welcome to the Blueprint for the Future Open House

The purpose of this open house is to:

Get feedback from the public on alternatives for refinement of City staff organizational structure, City systems and City services.

Tentative Open House Schedule

OPEN HOUSE NO. 1 – CITY SERVICES AND REORGANIZATION

Held Jan. 23, 25 and 27, 2007

OPEN HOUSE NO. 2 – ALTERNATIVES FOR REFINEMENT OF CITY DEPARTMENT ORGANIZATION AND PROCESSES

- ▶ Tues., May 8, 5–7 p.m., Washington High School Cafeteria
- ▶ Thurs., May 10, 11 a.m. – 1 p.m., U.S. Cellular Center Arena
- ▶ Sat., May 12, 10 a.m. – Noon, Jefferson High School Cafeteria

OPEN HOUSE NO. 3 – FINAL PROPOSED RECOMMENDATIONS FOR REFINEMENT OF CITY DEPARTMENT ORGANIZATION AND PROCESSES

Summer 2007



Cedar Rapids Budget Challenges

- City's general fund supports basic services including police, fire, streets, engineering, public works, general government, parks, recreation, development, finance and legal.
- Eighty percent of general fund revenue comes from property taxes.
- This level of reliance on property taxes as the primary source of operating revenue is not a recommended practice for communities the size of Cedar Rapids.
- State changes in property tax formula have significantly eroded property tax base.
- The City currently receives taxes on less than 60 percent of total property market value within the City.
- City currently taxes at the maximum rate permitted by law for operating purposes.
- Property taxes do not cover the cost to provide services to residential property, so the City needs additional revenue sources to cover cost of services to residential property.



Analysis of City Staff Structure

The Blueprint Task Force and the City staff have been studying whether City government can be made more efficient and effective by changing the staff organizational structure.

The Task Force and staff started their analysis of the structure of the City's organization by looking at the staff structure under the old form of government. Boards outline the former structure, current structure, and the pros and cons of three possible alternative structures.



Types of Alternatives & Process Information – Staff Structure, City Systems, City Services

Based on the open house feedback and needs identified by the Blueprint for the Future Task Force and staff, options for reorganization are being presented at this second Open House. The options are in three areas:

- City Staff Organizational Structure;
- City Systems; and,
- City Services.

Below is a brief description of each of these categories.

City Staff Organizational Structure – Staff organizational structure is the way departments and teams are aligned and organized beneath the position of City Manager to optimize efficiency and effectiveness and easy resident access.

City Systems – City systems are ways used to continuously provide improvement of service and ensure high quality customer service and satisfaction. There are a number of systems that will be presented here that could be instituted in various ways including, continuous improvement, customer service and public participation.

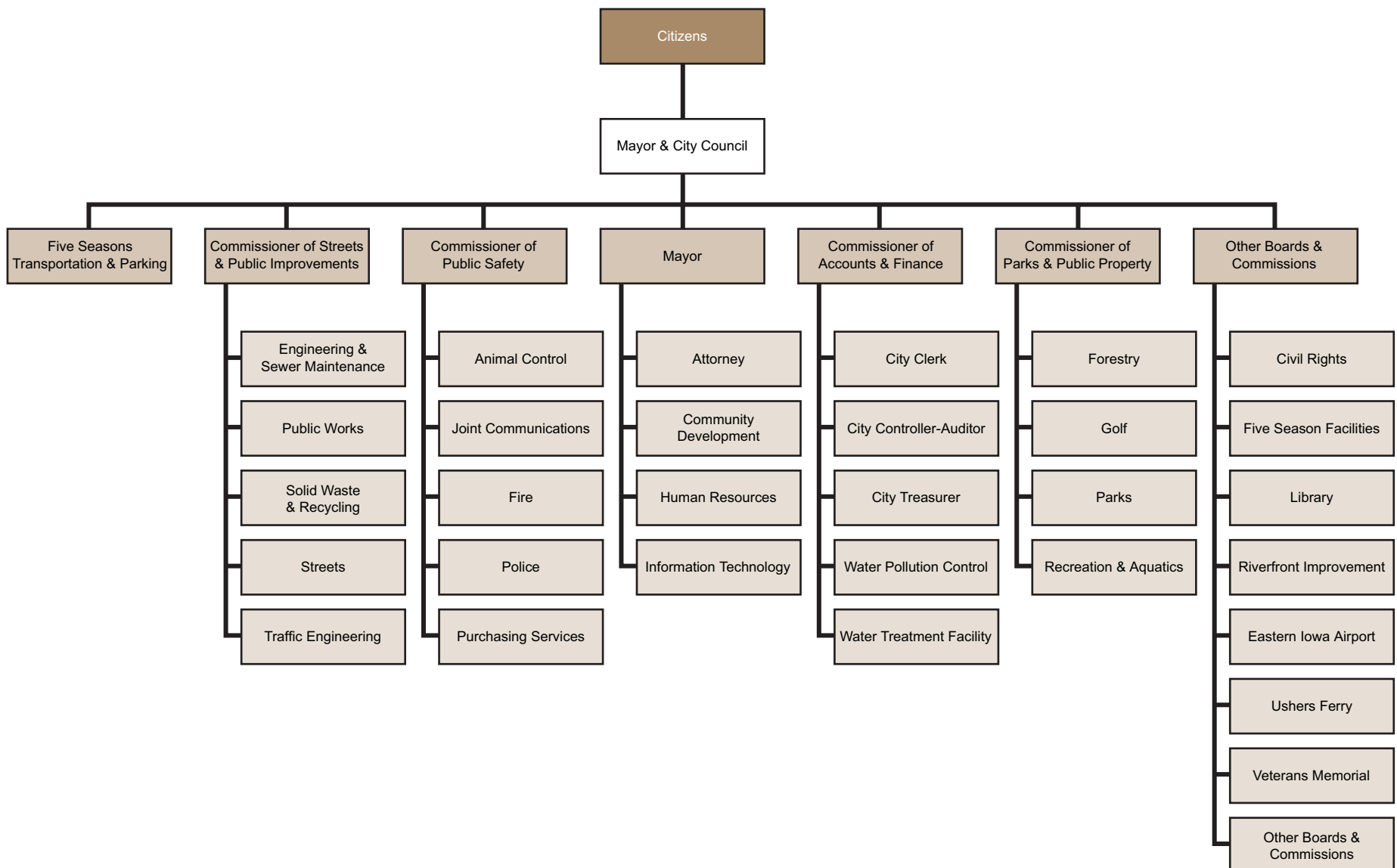
City Services – City services are provided to residents and businesses. This section will address top service issues identified at the first open house.



Former Structure of Government

Under the old form of government, the city was governed by a five-member city council comprised of full-time commissioners. Each commissioner had not only the policymaking responsibilities of an elected official, but served as a full-time employee, supervised distinct areas of city operations. The five areas were themselves comprised of approximately 25 departments.

PROS/CONS This form of government and staff structure led to the development of silos of city operations under individual commissioners. These silos did not coordinate effectively with other areas of city operations. In addition, the staff structure allowed each silo to create its own staffing needs resulting in duplication of functions.

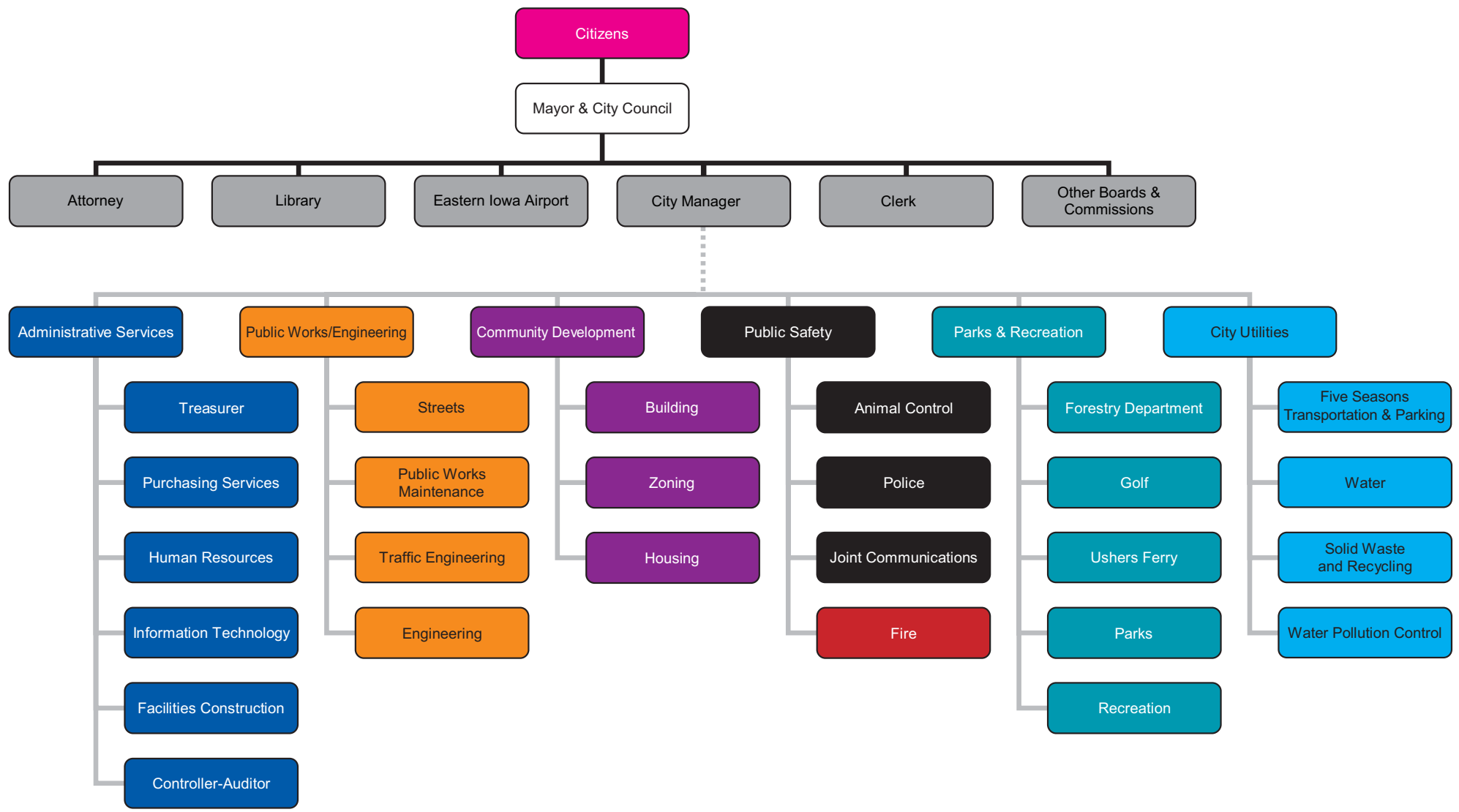




Current Transition Structure

Under the current transition phase, the City Manager has appointed six “**Team Leaders**” from the existing city department directors to assist in the administration, along with the assistance of the City Clerk and City Attorney each of whom has agreed to serve with the Team Leaders. Each Team Leader is responsible for areas that roughly correspond to the five areas previously established as part of the old commission form of government. In addition the City Manager has a small support staff.

PROS/CONS We are currently using it and believe it is working although we have no hard results to prove its effectiveness.

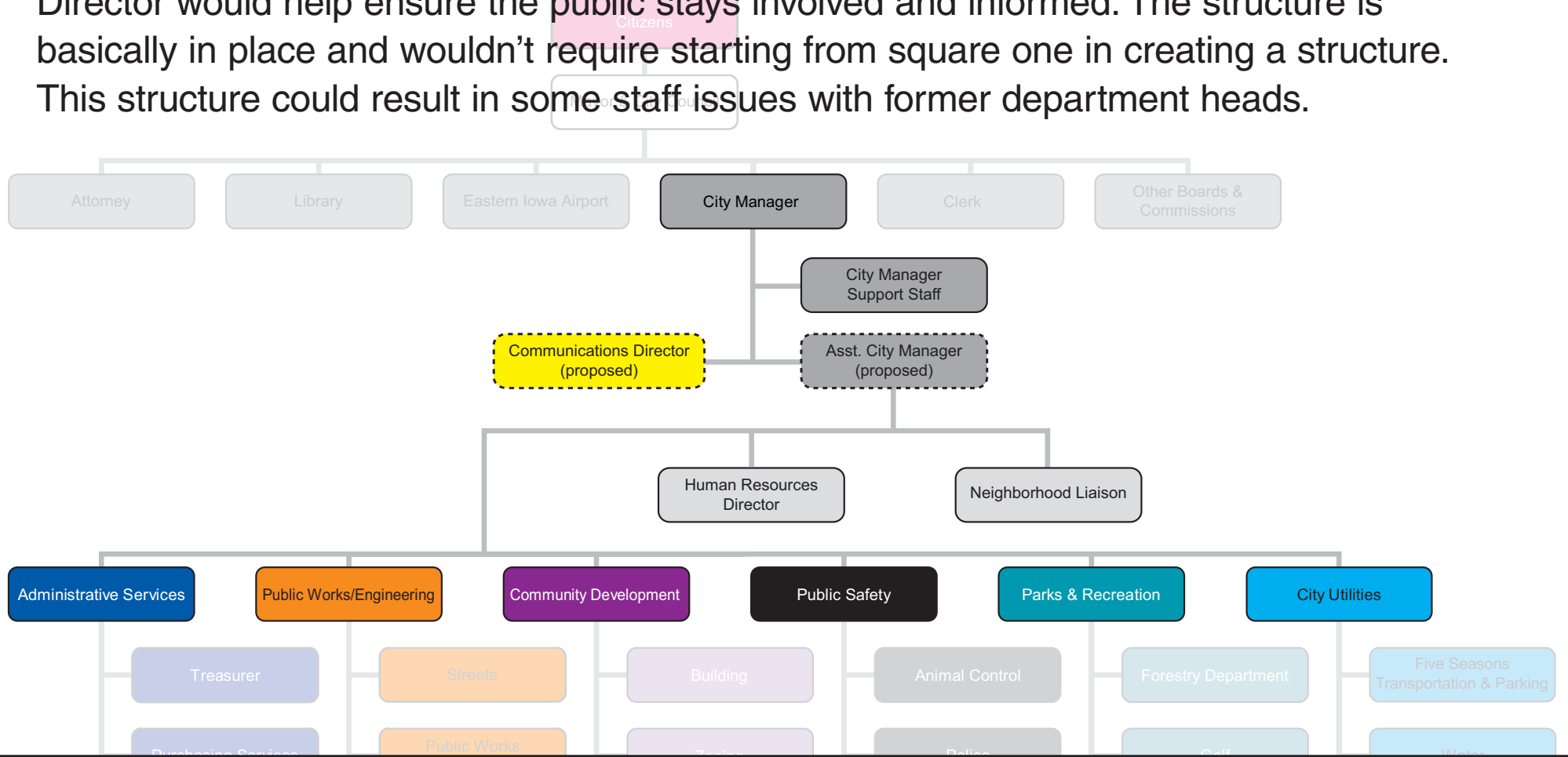




Alternative No. 1 – Modified Transition Structure

A first option to consider is to make the transitional Team Leader structure permanent and adding two new positions for **Assistant City Manager** and **Communications Director**. The Assistant City Manager would assist with day-to-day operations and free up more time for long-term planning. The Communications Director would provide more coordinated planning for public involvement and city communications on issues. Given that the Human Resources Director and Neighborhood Liaison currently also report directly to the City Manager, this results in 10 positions directly reporting to the City Manager. This option will eliminate some of the department head positions established in the Commission form of government.

PROS/CONS As stated earlier, we are currently using it and believe the overall transitional structure is working although we have no hard results to prove its effectiveness. As a variation of the previous form of government, it isn't perceived to be new or different. In a city of this size and complexity, an Assistant City Manager will not only provide for more long-term planning and management of the volume of day-to-day operations, but ensure succession and security in case of an accident or illness of the City Manager. As the City faces more and more demanding issues, the addition of a full time Communications Director would help ensure the public stays involved and informed. The structure is basically in place and wouldn't require starting from square one in creating a structure. This structure could result in some staff issues with former department heads.

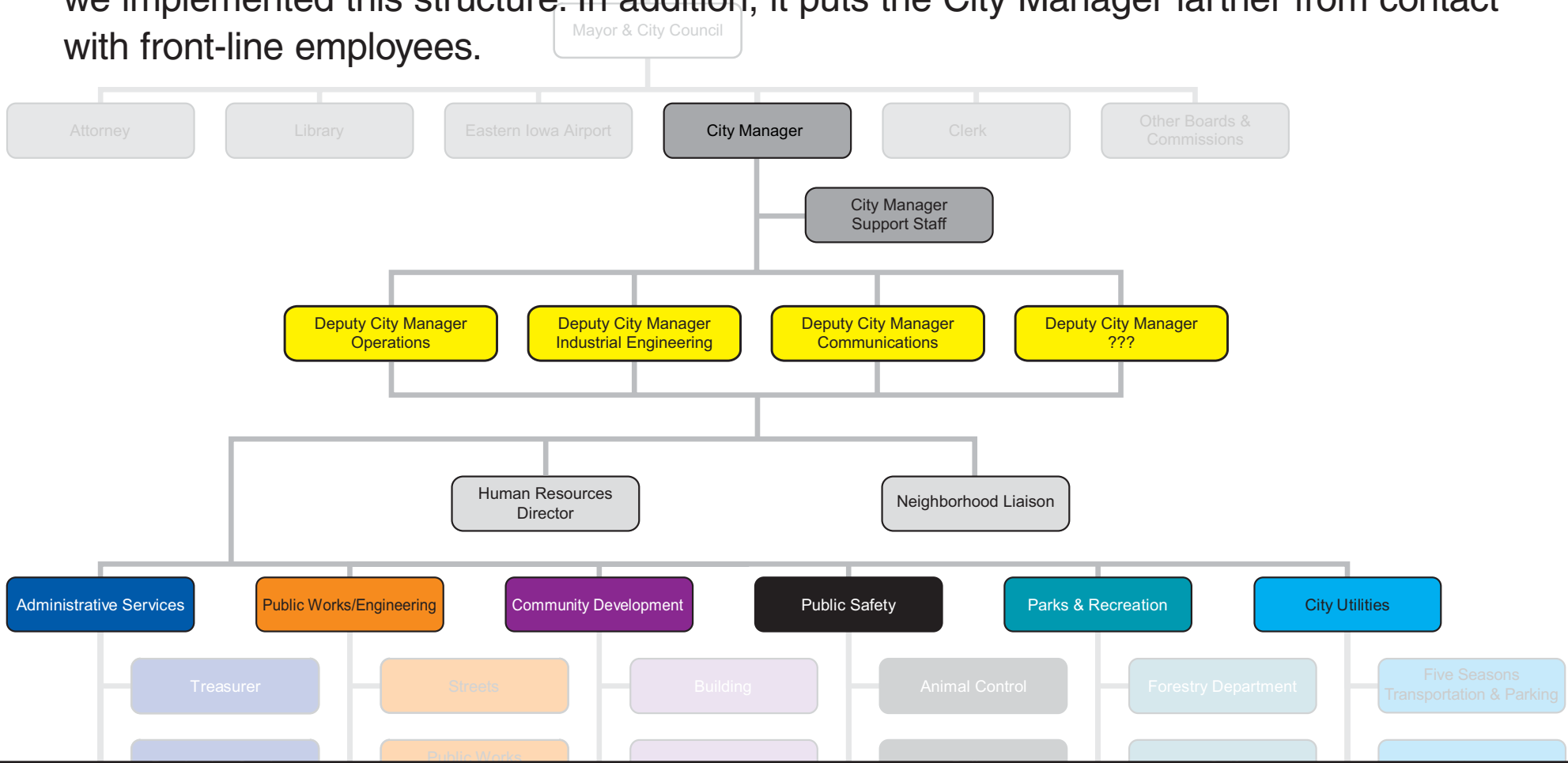




Alternative No. 2 – Deputy City Manager Structure

A second option would be to create a new structure using **deputy city managers**, industrial engineers, and other continuous improvement systems. This structure would create new positions below the City Manager, with specified areas of responsibility. The deputy city managers would consolidate operations by function, which could lead to elimination of the duplication now present and introduce metrics to evaluate the effectiveness and consistency of the delivery of services. New areas not addressed at the present time might include industrial engineering, and other continuous entities such as task forces to address continuous improvement using methods such as LEAN, 6 Sigma, or others. Direct reports to the City Manager would be limited to three or four deputy city managers.

PROS/CONS This structure would be a new and untested concept. It directly uses feedback from the open houses by responding to the desire for more accessibility by increasing the number of deputy city manager positions and utilizing industrial engineering expertise. This structure models the private sector but could be perceived as allowing city government to get fatter and more “top heavy” rather than leaner. As a new structure, it would be starting from scratch and would have to adjust and learn as we implemented this structure. In addition, it puts the City Manager farther from contact with front-line employees.

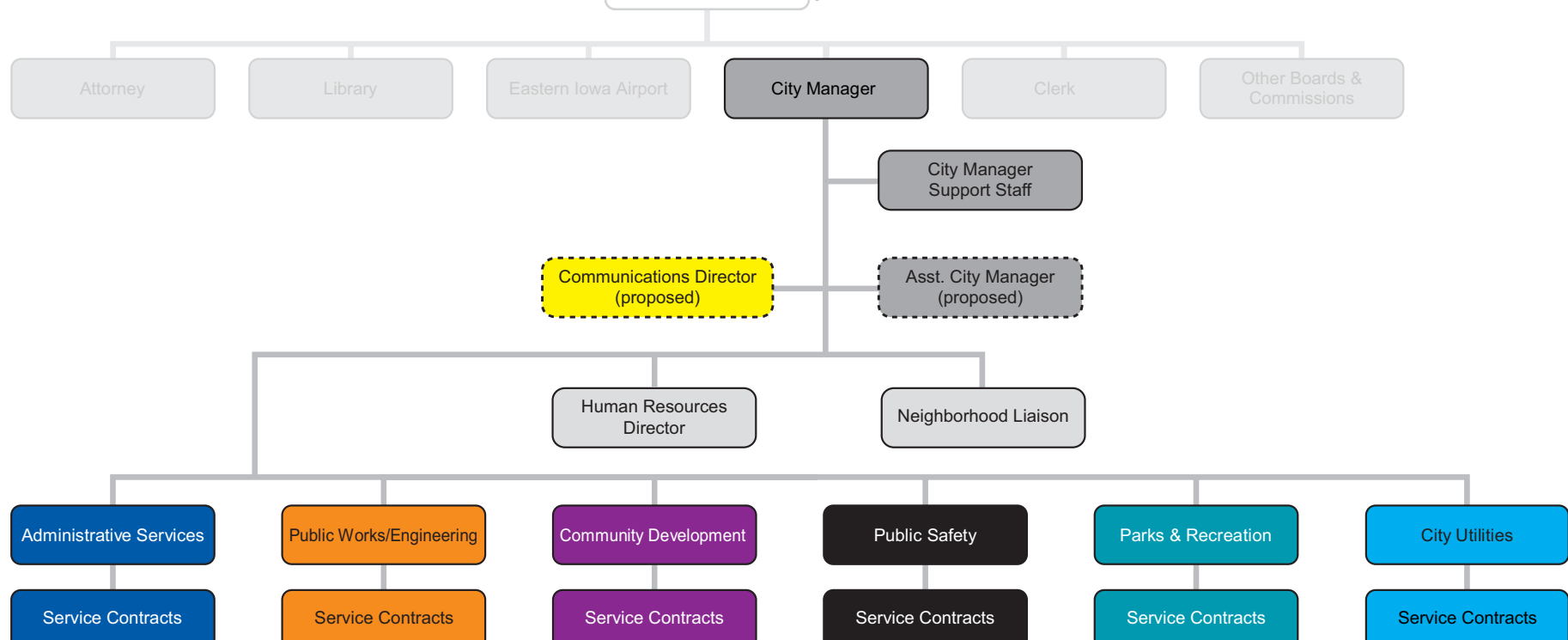




Alternative No. 3 – Contract/Privatization Government Approach

A third option would be more extensive development of **service contracts**. These contracts could include other government entities or private companies. This concept is based on the premise that cities are both buyers and sellers of services. Most often we buy services from ourselves but a few cities have pioneered the idea of clearly separating these roles. Under a pure form of this structure the city staff acts as a contract administrator, developing specifications for city services, bidding services, administering contracts and evaluating services. City departments are essentially internal businesses and exist only to the extent that the city buys those services on a competitive basis. These internal businesses can also sell services to other government entities (cities). While it is unlikely that a city like Cedar Rapids would completely transition to a “contract” city, the option is shown for comparison purposes.

PROS/CONS This concept has been used in its pure form on a very limited basis by other cities. However, many cities do undertake some level of contract services. This option can decrease costs. One of the principal disadvantages is the inability to “customize” service responses and delivery systems once the contract is let. There is often a public perception that this option is not as responsive to individual circumstances and less flexible (which is why costs can be less).





Qualitative Analysis of Governmental Staff Structures

The task force conducted qualitative analysis of the three new staff organizational structure options studied. In doing the analysis, the following evaluation criteria were identified:

1. Whether existing city services can be maintained.
2. Whether the structure is likely to increase efficiency and effectiveness.
3. Whether the structure optimizes span of control.
4. Whether the structure increases the role of supervisors.
5. Whether the structure decreases duplication of services.
6. Whether the structure promotes transparency of operations and accountability.
7. Whether the structure increases teamwork among city departments.

This is a matrix showing each of the three options and how we have evaluated them thus far based on the evaluation criteria.

EVALUATION CRITERIA	IND. ENGINEERS, MAKE TRANSITION STRUCTURE PERMANENT	DEPUTY CITY MANAGERS, NEW POSITIONS	PARTNERSHIPS AND PRIVATIZATION	OTHERS
	Maintain Services	S	S	-
Increase Effectiveness	S	+	+	
Span of Control	-	+	-	
Transparency	S	+	-	
Accountability	+	+	-	
Role of Supervisors	+	-	S	
Duplication	S	+	+	
Teamwork	+	-	S	
Total Positives	3	5	1	
Total Negatives	1	2	4	
Total Same	4	1	2	

LEGEND OF COMPARATIVE INDICATORS

Better + Same S Worse -

We are asking for feedback on the following areas:

1. Do we have the appropriate evaluation criteria of the staff structures?
2. Have we evaluated the options correctly in your opinion?
3. Are there other options that should be considered, and if so, how might they be evaluated?



Analysis of City Systems

Options were studied for City Systems in three areas:

- 1) Lean Government –
Continuous Process Improvement (CPI)
- 2) Customer Service
- 3) Public Participation

These systems and various options to achieve them in Cedar Rapids are outlined in the boards that follow.



City Systems – Lean Government Options

1. Lean Government -Continuous Process Improvement (CPI) – This is a system, used by businesses and government organizations, that adopts a philosophy of continuous, incremental improvement to ensure the organization is continually maintaining a focus on providing value. Ways of providing this service include:

Continuous Process Improvement Office: Centralized resource to provide training, project planning and assistance to each city department to develop internal skilled resources and growth of the CPI culture.

PLUSES

- Ensures common vernacular, CPI tools and culture across enterprise.
- Encourages cross functional & strategic initiatives.
- More cost effective use of limited resources.

MINUSES

- Resource limitations can impede rapid transformation.

Department based Improvement Initiatives: Each department establishes a methodology to undertake continuous improvement.

PLUSES

- Leverages existing department skills and resources.
- Allows for more specialized initiatives.

MINUSES

- Difficult to establish common vernacular, CPI tools and culture across enterprise.
- More difficult to undertake cross functional/cross department initiatives.
- Reinforces departmental “silos.”

Outside Group or Consultants based initiatives: Could be hired to provide continuous improvement services.

PLUSES

- Access to highly qualified resources with diverse experience.
- Can provide a “jump start.”
- Can provide more critical “outside” perspective & best practice experiences.

MINUSES

- Expensive on a long term basis.
- Can result in too much reliance on outside resources.
- Harder to establish culture.

Citizen Committees, User Groups or Quality Improvement Networks could provide continuous improvement services.

PLUSES

- Access to low cost resources with diverse experience.
- Can provide “jump start.”
- Can provide critical “outside” perspective & best practice experiences.
- Leverages local talent and community commitment.

MINUSES

- Volunteers’ resource level of support can vary widely because of competition and conflicts for their time and focus.
- Group’s level of expertise varies and may be in unrelated areas.
- Difficult to maintain consistent long term culture change.

Assessment Criteria:

- Involvement of all employees
- Transparency/User Friendly
- Proven principles and techniques
- Cost effective
- Establishes common culture of continuous improvement
- Allows public participation
- Encourages cross functional initiative



City Systems – Customer Service

2. Customer Service – Options to provide timely and effective customer service include:

311 System where residents dial a specialized customer service processing number and a dispatcher gets them the appropriate person.

PLUSES

- Easy access.
- Can provide real time response.
- Eliminate costly redundancies.
- Can provide complaint/request service beyond normal business hours.
- Reduce unnecessary 911 calls.

MINUSES

- Limited ability to address cross department issues.
- Requires customer representative with broad knowledgeable of City Services.
- Requires capital investment in technology.

Ombudsman office created to identify service needs not being responded to, engage appropriate city resources, and provide mediation to get the issues resolved.

PLUSES

- Can effectively addresses cross department issues.
- User-friendly, especially for complex issues.

MINUSES

- Limited volume of calls handled

Customer Service cards to get feedback once services have been completed. These can be done by the City or have outside parties conduct the service.

PLUSES

- Cost effective.
- Provides useful/actionable data on service metrics.
- User-friendly.

MINUSES

- Time-critical issues can get buried if cards not processed promptly,

Resident surveys conducted periodically to get feedback on how the City is doing.

PLUSES

- Provides useful/actionable data on service metrics.

MINUSES

- Not effective for time critical issue.
- Not designed to be responsive to individual constituent needs.
- Can set unrealistic expectations if results not communicated.

Assessment Criteria:

- User-friendly
- Easy access
- Cost effective
- Ability to address cross-department issues
- Encourages constituent dialogue
- Provides actionable data on service metrics
- Timely response
- Clear closure



City Systems – Public Participation

3. Public Participation – In order to ensure public participation in the decision-making process, options include:

Taskforce Open House Process with one to three different-themed open houses for information transfer and feedback, use of task force as appropriate and newsletter information, as well as other communications techniques.

PLUSES

- Open process.
- Less intimidating to constituents because of more one-on-one feedback.
- Able to provide much one-on-one feedback and information.
- Provides access to department/service area leadership.

MINUSES

- Some activities may not meet the particular statutory or regulatory requirements.

Focus Groups: to get public information on various issues.

PLUSES

- Moderated discussion process.
- Less intimidating to constituents because of size of audience thus limiting feedback.
- Able to provide qualitative feedback and information.

MINUSES

- Less open process.
- Limited participation opportunity.
- Does not meet typical statutory or regulatory requirements for public comment.

Public Meetings: Structured meetings with formal presentations along with designated time for public comments.

PLUSES

- Open process.
- Sometimes required by statute, rules or resolution.
- Each persons comment is heard by all attendees.

MINUSES

- Can be intimidating to some constituents because of size of audience thus limiting feedback.
- Not able to provide much one-on-one feedback and information.

Representative Boards, Commissions, and Task Forces which can meet, deliberate and provide advice and guidance to the City on recommendations for the City Council.

PLUSES

- Sometimes required by statute, rules or resolution.
- Allows for in-depth study and discussion about issues.
- Length of appointment provides continuity and more institutional knowledge.

MINUSES

- Number of participants is limited.
- Can require significant time commitment on part of members.

Assessment Criteria:

- Amount of detailed information that can be conveyed
- Accessibility to all interested parties
- Transparency/User-friendly
- Timeliness of input
- Cost effectiveness
- Meets “Sunshine” requirements



How is Feedback from Open House No. 1 Being Used?

Each written comment from the last open house was typed into a master list that was categorized by department for use by the departments. The comment forms were also put on the City Web site and provided to City decision-makers. The four ways the feedback is being used are as follows:

- 1) Top Issues** – There were a number of top issues identified most frequently by residents (e.g. leaf pickup program) that are being highlighted and addressed at this open house.
- 2) Direct Responses from City Staff** – Where requested and phone numbers were given, City staff have called back residents with specific questions and requests. If for some reason you were not contacted and expected a response, please let staff know at this open house and you will be contacted.
- 3) Incorporation into Reviews and Changes within Departments** – Within individual departments comments and ideas are being taken into consideration and incorporated in the reorganization process.
- 4) Customer Service** – The responses are being incorporated into the new and expanded customer service processes that are being presented in the options section.



Any Comments/Questions?

Alternative City Staff Structures

- Modified Transition Structure
- Deputy Manager Structure
- Contract/Privatization Government Approach

City Systems

- Continuous Process Improvement
- Customer Service
- Public Participation

City Service Issues

- Leaf Removal Program
- Westdale Mall
- Redevelopment
- Neighborhoods
- Community Center
- Trails
- East Post Road & Bridge
- Streets
- Efficiency in Government
- Functional Duplication
- City Revenue Sources
- Police Citizen Safety Programs