

STAFF REPORT

Operations Committee, November 7, 2013

Organization Restructuring (TM14-005)

Consideration of grade and title changes to exempt positions as required in Section 17 of the Budget Ordinance and a \$35,000 appropriation from the general fund fund balance to facilitate the implementation of an organizational restructuring plan

Speaker: Mr. Ben Shivar

From: Ben Shivar, Town Manager

Prepared by: Ben Shivar, Town Manager

Executive Summary: Over the past six months, staff completed an extensive review of its organizational structure with the goal to improve customer service and staff's responsiveness to Council. Staff recommends council approve several grade and title changes to exempt positions to facilitate the implementation of an organizational restructuring plan. These changes will not result in an increase in the overall salary budget for the Town. However, staff does recommend Council appropriate \$35,000 from general fund fund balance to make physical space changes to accommodate the additional positions coming into the Town Manager's Office area.

Background: To more effectively meet the vision and goals of the Council, I have completed an extensive review of the current Town organization and plan to make organizational changes to improve overall customer service to citizens and responsiveness to Council. With the exception of the establishment of a Development Services Department in 1996, no major changes have been made to the organization structure approach to accomplish the annual work program.

The outline of our current organization structure was established in the late 1980's and can be best described as a "flat" organization in which the Town's work is carried out by 15 departments led by co-equal directors reporting to one assistant Manager and the Town Manager. In FY 2002, an Assistant to the Manager position was created from a clerical position to assist with intergovernmental relations and project management.

Since the late 1980's, the number and complexity of Town services and programs have increased dramatically. Moreover, the Town's population has more than tripled resulting in increased interaction with citizens and regional organizations. This has resulted in a marked increase in the volume and complexity of internal and external regulations. This increased complexity combined with a flat organization has led to problems with internal communication, coordination and problem resolution, because many of these processes span over a number of different departments. Resolving these issues requires a substantial amount of my time which would be more effectively spent strategically with Council focused on the Town's future.

Discussion: Over the past six-months, staff conducted an extensive review of the strengths and weakness of our current configuration; reviewed the organizational structure of 15 municipalities in North Carolina, Virginia, Georgia, and Texas and developed a plan to make the organization more flexible and responsive to the Council and Cary citizens.

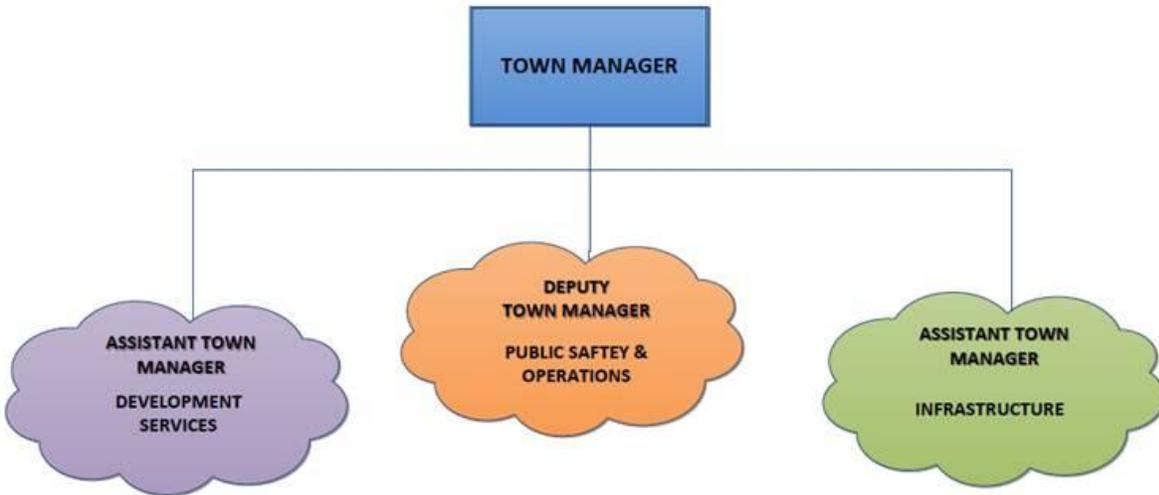
The specific goals of the new organizational structure are:

- Focus on customer service
 - Ensure coordinated responses
 - Quicker and more thorough follow through to Council
- Strengthen organization-wide strategic focus
- Provide better accountability through defined roles, responsibilities and lines of authority
- Allow more timely decision-making

To accomplish these goals, the new structure organizes the town's operations into three functional areas: 1) Development Services; 2) Infrastructure; and 3) Public Safety & Operations. The current Assistant Town Manager position will be renamed to Deputy Town Manager and will have responsibility over public safety and operations. Two new Assistant Town Manager positions are proposed to be created that will have responsibility for the Development Services and infrastructure functions. It is important to note that

these functional areas are not large departments but rather a functional grouping of departments (see Chart 1 below). Each assistant will operate along the lines of how the current assistant manager operates. The Deputy Manager will become the primary assistant and the “go to” person in the Town Manager’s absence.

Chart 1. Functional Areas



This structure reduces the number of direct reports to the Town Manager from 15 to 7 and creates an executive management team (including the Assistant to the Manager) that will focus on strategic issues and resolving inter-departmental issues.

1) Development Services function

The Development Services functional area creates closer ties and defines more clearly the roles/responsibilities of Planning, Inspections & Permits, and those involved in the development review process. This functional area will consist of two departments:

- Planning
- Inspections and Permits

Key new features are:

- the creation of a “One-stop” customer support team to help citizens, small business owners and developers understand, and more importantly, navigate the Town’s development processes;
- a “Problem Resolution” team to resolve internal conflicts and customer concerns in a timely manner;
- an embedded Technology Services Analyst with the goal of ensuring seamless data sharing across department lines; and
- combining of the Fire Code Officials into the Inspections & Permit Department, with all other Building Code Officials, to create a more coordinated review and inspection process for the building community and citizens.

2) Infrastructure function

Similarly, this restructuring plan will refocus how the Town currently manages the planning, design and construction of capital projects. Employees currently located in six departments will be brought together into two departments. These new departments, Water Resources and Facilities Design & Transportation Services, will have the responsibility to coordinate and facilitate all aspects of capital projects from long range infrastructure planning (master plans), land purchases and project design to contract management and construction. This will facilitate standardization of bid and contract documents; provide more consistency in working with the public; enable multi-discipline design professionals on staff to more easily collaborate on projects and establish consistent planning, budget development and construction administration activities. The new departments will be responsible for capital projects in the following areas:

Water Resources

- Water plant and distribution system
- Water conservation
- Wastewater plants and collection system
- Reclaimed water system
- Stormwater

Facilities Design & Transportation Services

- Transportation planning
- New road construction
- Street improvement and sidewalk projects
- C-Tran contract management
- Park, greenway and recreation facilities
- Fire stations
- General government facilities

3) Public Safety & Operations function

Finally, the restructuring plan will align the major operating and service-providing departments to facilitate better communication and more focus on seamless customer service. These departments, which will be report to the Deputy Town Manager position, are:

- Police
- Fire
- Parks, Recreation and Cultural Resources
- Public Works
- Utilities
- Technology Services

By organizing the Town into functional areas, clear lines of authority and responsibility are created, making the organization more accountable and less confusing for the customers (both citizens and businesses) we serve. To further improve service, the plan is to create two new call centers. These call centers, along with the implementation of the customer relationship management software already approved in the FY 2014 budget, will make accessing town services easier. The new, non-emergency call centers will be focused in development services and on general operations, programs and capital projects. The existing utility billing and non-emergency 911 call centers will not be affected. Additionally, I am proposing a slight restructuring of the Human Resources Department which will add a third Human Resources Consultant to better serve the new organizational alignment.

To implement these changes, several grade and title changes to exempt positions are required as listed below in Chart 2. As required in Section 17 of the Budget Ordinance, any grade increase to exempt positions must be approved by Council. As stated earlier, this plan will not result in an increase to the overall salary line item. While some of the positions may experience a grade change and a resulting increase in salary, the elimination of several vacant positions will offset any proposed increases.

Chart 2. GRADE AND TITLE CHANGES TO EXEMPT POSITIONS

PROPOSED JOB TITLES	PROPOSED GRADE	DESCRIPTION
Deputy Town Manager	N/A	Primary assistant to the Manager and responsible for the functions of public safety and operations.
Assistant Town Manager	N/A	Responsible for the development services function.
Assistant Town Manager	N/A	Responsible for the infrastructure function.
Director of Facilities Design & Transportation Services	N/A	Responsible for the new department focused on the planning and construction of roads, parks, greenways, town buildings and C-Tran operations.
Director of Water Resources	N/A	Responsible for the new department focused on the planning and construction of the water, sewer and storm water systems.
Building Safety Manager	32	New position within the Inspections & Permits Department responsible for leading the four (4) code inspection groups.
Employee Compensation and Recruitment Manager	31	Upgrade of the Senior HR Consultant position within the Human Resources Department with the responsibility of supervising HR Consultants assigned to each functional area.

PROPOSED JOB TITLES	PROPOSED GRADE	DESCRIPTION
Development Support Manager	30	New position assigned to lead the new "One Stop Shop" in the development service functional area.
Chief Code Enforcement Officer - Fire	28	New position within the Inspections & Permits Department responsible for leading the fire code enforcement officials.
Business Systems Analyst	27	New positions in the Manager's Office with responsibility of reviewing policy, programs, and new initiatives.
Human Resources Consultant	26	New position within the Human Resources Department to enable HR Consultants to be assigned to departments by functional area..

Over the next several months, staff will be fine-tuning the specific organizational structure down to the team level. As this review takes place, there may be some changes to exempt positions outside of those listed in Chart 2. If that is the case, they will be brought to Council for approval.

Implementation Schedule: Our plan is to have the new "functionally aligned" departments begin right away and minor modifications to the manager's office to accommodate these positions will be completed in approximately sixty days. In spring 2014, construction to accommodate the "One-stop" customer support center will begin. In order to most effectively implement all the changes in the restructuring plan, a capital project may be developed for Council's consideration in the FY 2015 Capital Improvements Budget to better accommodate the "functionally aligned" departments within Town Hall.

Fiscal Impact: The organizational structure presented in this staff report has no additional personnel cost beyond what has been appropriated as part of the FY 2014 adopted budget. While several classification and grade changes may be necessary, the personnel costs associated with these will be addressed via the elimination of several existing positions. A \$35,000 general fund fund balance appropriation is requested at this time to make physical space changes for the additional positions coming into the Town Manager's Office area.

Finance and Budget staff will work closely over the coming months to align the accounting and budgeting account structures with the recommended organizational changes. It may be necessary during this process to move already appropriated dollars between operational functions and/or the operating funds (such as the general and utility funds). Transfers of dollars between funds requires Council approval, should Council approve the reorganization as outlined in this staff report, staff requests Council grant the Town Manager the authority to transfer dollars between funds for the purpose of implementing these organizational changes. These transfers would not increase overall FY 2014 appropriations.

Staff Recommendation: Staff recommends Council approve the grade and title changes to the exempt positions listed in Chart 2. Staff also recommends that Council approve an appropriation of \$35,000 from general fund fund balance to address the work space needs within the Town Manager's Office and authorize the Town Manager to transfer dollars between funds for the purpose of implementing the organization changes.