

**ST. PETERSBURG CITY COUNCIL
BUDGET, FINANCE & TAXATION COMMITTEE**

AGENDA

October 13, 2016
8:00 – City Hall – Room 100

Members & Alternate: Budget, Finance & Taxation Committee: Chair James R. “Jim” Kennedy, Jr.; Vice Chair Karl Nurse; Charles Gerdes; Darden Rice; and Ed Montanari (alternate).

Support Staff: Linda Seufert, Manager, Parks and Recreation
Dean Adamides, Fire Division Chief

- A. Call to Order
- B. Approval of Agenda
- C. Approval of Minutes
 - 1. September 8, 2016
- D. New/Deferred Business
 - 1. October 13, 2016
 - a. 2016 Management Evaluation
- E. Continued Business
- F. Upcoming Meetings Agenda Tentative Issues
 - 1. October 27, 2016
 - a. Resiliency Partnership & the Integrated Sustainability Action Plan (Wright)
 - b. Jordan Park Development Partners, Ltd, (Dove)
 - 2. November 10, 2016
 - a. Quarterly Financial Report (Fritz)
 - b. Quarterly Grant Reports (Ojah-Maharaj)
- G. New Business Item Referrals
- H. Adjournment

**ST. PETERSBURG CITY COUNCIL
BUDGET, FINANCE & TAXATION COMMITTEE**

Minutes

September 8, 2016

8:00 am. – City Hall – Room 100

Present: Committee Members Chair James R. “Jim” Kennedy, Jr., Vice-Chair Karl Nurse Charles Gerdes, Darden Rice, and Ed Montanari (alternate).

Absent: None.

Also: City Council Chair Amy Foster; Council Member Steve Kornell; Chief Assistant City Attorney Jeannine Williams; Assistant City Attorney Macall Dyer; City Administrator Gary Cornwell; Water Resources Director Steve Leavitt; Public Works Administrator Claude Tankersley; Finance Director Anne Fritz; Representative Bryant, Miller, Olive Bond Counsel, Duane D. Draper; Budget Director Tom Greene; Shrimatee Ojah Maharaj Grants Officer; Purchasing Director Louis Moore; City Auditor Bradley Scott; Parks and Recreation Manager Linda Seufert; Assistant Fire Division Chief Dean Adamides; and Sr. Deputy City Clerk Cathy E. Davis

A. Call to Order

Chair Kennedy called the meeting to order with the above persons present.

B. Approval of Agenda

In connection with the approval of the meeting agenda, Council Member Gerdes motioned that the agenda be approved with the change of Bond Financing going first. All were in favor of the motion.

C. Approval of Minutes

1. August 25, 2016

In connection with the approval of the August 25 meeting minutes, Council Member Gerdes motioned that the minutes be approved with the correction of typographical errors. All were in favor of the motion.

D. New/Deferred Business

1. September 8, 2016

a. Changes to Purchasing Requirements (Moore)

In May of 2014, a new procurement code was adopted and implemented with no major issues. In May, the department developed a strategic plan called “Procure to Pay 2020.” One of the key components of the plan is to focus on governance,

particularly the procurement code, administrative policies, and operating procedures. Over the next three years, the department will continue to emphasize governance, best practices, technology, and changing nature of the supplies and services that are purchased. In the near future, the committee will be presented with some modifications to the code.

Council Member Nurse spoke on the need that the procurement process not only include the initial cost but also include life cycle costs. Mr. Moore explained that including life cycle cost is part of an Administrative Policy. It is up to council if they would like life cycle costs to be included in the procurement code. Discussion occurred as to the difference between administrative policy and code.

Council Member Foster was happy to see in the strategic plan the area focusing on developing a compliance and contract management program.

Council Member Gerdes saw two things that were reoccurring in the strategic plan; the first was the increased work load without adequate staff; the second was retaining and developing staff. It was asked that in next year's budget for Mr. Moore to "be bold" and list what the department needs to address these two concerns.

Another concerns addressed was on the technology side and if there is a better system than Oracle. Mr. Moore explained that they want to keep Oracle but use additional modules of Oracle that will help in some of the gaps in the technology. In the fall, Oracle will have a major upgrade that may address some of the issues.

b. Quarterly Grant Report (Ojah-Maharaj)

Ms. Ojah-Maharaj reported on the third quarter grants. The City received 10 grants in this period, totaling \$4,676,319. Through the third quarter, the City has received 16,091,067 in grant funds, an increase of \$277,136 from the same time in FY 2015.

The Grants Working Group has reviewed 32 grants and applied for 27. Recently submitted grants include three FDOT projects, FY 16-17 Highway Visibility Grant, Special Category Historical Preservation Grant and the Clean Vessel Act/Florida Clean Marine Program.

Grants received for the fourth quarter include SWFWMD Sensible Sprinkling Program Phase 7, State of Florida/Pinellas County Health Department Partnership to Improve Community Health, Juvenile Welfare Board – TASCO

programs, FAA Grant, and DHS/FEMA Staffing for Adequate Fire and Emergency Grant.

Ms. Ojah-Maharaj reviewed the Five Point Approach and updated the committee on each approach.

c. Alternate Funding for Water Resources Update (Fritz)

Anne Fritz wanted to make sure the committee was aware of the steps needed in order to use alternate funding (TIF and Penny for Pinellas).

For TIF, the county has a policy that states that the TIF funds cannot be used for enterprise funds. The first step would be to approach the county to change their policy to include funding for enterprise projects. The second step would be to amend the development plan because the TIF money has not been designated. The third step would be to change the interlocal agreement with Pinellas County.

Discussion and questions occurred over the TIF money, how money may be available, and that the funds can only be used in designated TIF areas. It was asked if it would be better to issue debt financing or change the policy on TIF funds. Anne Fritz explained again that the debt cannot be issued secured by TIF funds alone, but debt can be issued secured by the system on its own. The goal is to be 50% cash and 50% debt over time, and the rate structure supports this goal. The city is currently working towards that goal.

Similar restrictions are also with Penny for Pinellas funds. These funds cannot be used for operational expenses but can be used for constructing planned infrastructure (capital projects).

Council Member Gerdes spoke about other constraints besides funding such as availability of contractors and what the market place can support.

Gary Cornwell explained that the Mayor can approach the county about TIF use. It is subject to negotiations. In the negotiations, there may be something that the City will need to give up, such as percent given by the county.

This item will be revisited at a future BF&T meeting.

d. Bond Financing (Fritz)

Anne Fritz and Duane Draper, the City's Bond Counsel from Bryant, Miller Olive, reported on two series issues, the "B" and "C" series. For the 2016B series, there

is a refinancing opportunity which would be an advance refunding of the 2009 bonds. Based upon current market conditions, the analytics shows the annual savings that is expected to be a little over \$7 million net present value in interest cost to the City over the remaining life of the bonds. Based upon best practices, market timing, and uncertain conditions that may happen over the next couple of years, it is believed that this is the opportune time to take advantage of this refunding and to do it a little bit early to lock in the savings.

Mr. Draper explained that the surety amendment that was adopted in 2013 allowed the city to choose to not use cash debt service reserved funding with cash, if the market would not require it, once over 51% of the outstanding debt was issued or refunded under the amendment. In between the 2016B transaction (which is the refunding) and the "C" transaction (which is new money for waste water projects), we exceed 51%. Therefore the 2016C series bonds can be done without new reserve funding. In order to affect the amendments, in addition, consent was required of the City's two surety bond providers, FSA and National Public Finance Agency. The City received the consent with the requirement to change certain language relating to late charges of debt, which in the opinion of the City Administration should not affect any bonds or amounts unless it was expected to use debt service reserves for payments. The City does not plan to have any default of current payments.

Council Member Nurse asked if the savings on the refunding debt is already programmed into the budget. Ms. Fritz stated the projected savings of approximately \$383,000 for FY17 may be realized only after the debt is issued and is based upon the rates received on the refunding, which can also fluctuate the rate to pay on the new bonds. If the savings is achieved there will be \$383,000 less interest cost to pay in FY17. These additional funds will fall into the fund balance and can be used for additional capital projects.

Council Member Gerdes asked certain questions about the resolution and Mr. Draper explained that the 1999 master bond resolution had been amended a couple of times, the latest in 2013. This is a supplemental resolution to the master bond resolution. The system is defined in the resolution as water, wastewater, and stormwater. The bonds will be sold on the same level as previous bonds with the only difference being the "C" bonds do not have to be secured by reserved funds.

Mr. Draper also explained how the underwriter's discount works and that it is market driven and built into the overall cost of borrowing. The estimate of underwriting of the 2016B bonds was \$240,000. The \$5 million figure is the estimated premium which allows pricing above par and is paid by the purchaser, not the City.

In connection with a request for approval of Resolution authorizing the issuance of City of St. Petersburg Florida Public Utility Refunding Revenue Bond, Series 2016B to be applied to advance refund a portion of the City Public Utility Revenue Bonds, Series 2009A and City of St. Petersburg Florida Public Utility Refunding Revenue Bond, Series 2016C, Council Member Gerdes motioned that the resolution be approved by the committee. All were in favor of the motion. Ayes. Kennedy. Nurse. Gerdes. Montanari. Nays. None.

E. Continued Business

F. Upcoming Meetings Agenda Tentative Issues

1. September 22, 2016

2. October 13, 2016

a. 2016 Management Evaluation

b. Management Evaluation – Manpower Requirements for Police Dept.

G. New Business Item Referrals

Council Member Kennedy requested to add to the notes on the BP funds for Climate Action Plan that \$1 million of BP funds were reserved but not allocated.

Council Member Kennedy asked Administration to see if the Forgotten Firefighters and Tourist Development Tax is ready to come back to the committee.

Council Member Kennedy asked about the status of the Public Arts Ordinance. Council Member Rice offered to check.

Council Member Kennedy asked that the Mangrove Golf Course Improvements be removed from the Weeki Wachee project list.

Council Member Kennedy asked Administration to update the committee on the Childs Park Lake Project.

H. Adjournment

There being no further business, the meeting was adjourned at 9:28 am.

BUDGET, FINANCE AND TAXATION COMMITTEE					October 13, 2016
PENDING/CONTINUING REFERRALS					
Topic	Return Date	Date of Referral	Referred by	Staff	Notes
2016 Management Evaluation	10/13/16	10/2015 by ordinance		Brad Scott	Brad Scott preparing scope re:Purchasing
Resiliency Partnership & the Integrated Sustainability Action Plan (ISAP)	10/27/16	9/22/16	City Council	Wright	
Jordan Park Development Partners, Ltd,	10/27/16	9/22/16	City Council	Dove	
2017 Health Insurance Renewal	12/8/16	Annual	BF&T	Chris Guella	
Establish a procedure for grants greater than \$100k that would potentially require ongoing additional expenditures after the grant is completed	TBD	9/22/16	City Council		
Alternate Funding for Water Resources Update	TBD	9/8/16		Fritz	Revisit
Recommending approval of allocation of BP Funds to develop and establish a Climate Action Plan for the City of St. Petersburg	TBD	3/3/16	City Council	Sharon Wright	Referred to ENRS on 7/14/16 will come back with when budget is completed \$1 million has been reserved but not appropriated
Forgotten Firefighters	TBD	6/16/16	City Council	Chris Guella	
Airbnb to collect sales tax and tourist taxes from guests	TBD	5/7/15	City Council	M. Dema/Goodwin	1/14/16 referral to PSI for ordinance review; referred to COW - scheduled for 9/15/16

Create a Public Art Ordinance that requires developers of private construction projects to include a public art component equal to 2% of total project	TBD	11/24/14	City Council	Dave Goodwin Wayne Atherhold	COW Cancelled. To be scheduled at a late date.
Discussion for use of Tourist Development Tax Follow-up	TBD	8/21/14	City Council	Joe Zeoli	Meeting to include David Downing of the TDC
Quarterly Financial Reports	Q1 2/11/16 Q2 5/12/16 Q3 8/25/16 Q4 11/10/16		City Council	Anne Fritz Tom Greene	
Quarterly Grant Reports	Q1 2/25/16 Q2 5/26/16 Q3 09/08/16 Q4 11/10/16		City Council	Shirmatee Ojah- Maharaj	

**BUDGET, FINANCE & TAXATION COMMITTEE
WEEKI WACHEE PROJECT LIST**

October 13, 2016

TOPIC	DATE REFERRED	REFERRED BY	RETURN DATE	STAFF RESPONSIBLE	SPECIAL NOTES
Maximo Park Project	05.12.11	Kornell	TBD	McBee/Jefferis	Referred to COW on 7/14/16 Scheduled COW on 7/28/16 \$150,000 allocated by council on 8/4/16
Childs Park Lake Project	12.13.12	Newton	TBD	McBee/Jefferis	
Meadowlawn Community Garden Project	1.22.15	Rice	TBD		6.4.15 referred to COW re: funding \$25K for due diligence/feasibility study- 10.15.15 COW. 11.12.15 Council approved \$25k funding from WWF
Mangrove Bay Golf Course Improvements	05.05.16	Kennedy	TBD	McBee/Hollis	Referred to COW on 7/14/16 Scheduled COW on 7/28/16 \$650,000 allocated by council on 8/4/16



CITY OF ST. PETERSBURG

Rick Kriseman, Mayor

Office of the City Auditor

Bradley H. Scott, City Auditor

To: **Budget, Finance & Taxation Committee**
From: Bradley H. Scott, City Auditor
Date: October 13, 2016
Re: **MANAGEMENT EVALUATION DISCUSSION – FY 2017**

Section 4.05(b)(1) of the City Charter states that *"City Council, at any time, shall be permitted to conduct a management evaluation, by a professional consultant, of the administrative activities of the City, or any portion thereof, under the direction of City Council. At least once every two years the City Council shall discuss and make a decision as to whether or not any such an audit is needed. The management evaluation and all reports and recommendations shall be directed to the Council."*

City Council Resolution 2012-012 requires the Budget, Finance & Taxation Committee (BF&T) to discuss potential Management Evaluations at the first BF&T Committee meeting of each fiscal year. This discussion is scheduled for the BF&T meeting of October 13, 2016. Attached you will find a listing of management evaluations that have been conducted in the past.

At the October 8, 2015 Budget Finance & Taxation meeting, the committee discussed the possibility of a management evaluation of the Water Resources Department and made several suggestions which could be included in such an evaluation should one be requested. Based on that discussion, I developed a DRAFT scope of services for a potential evaluation of the Water Resources Department after that meeting. (see attached).

At the April 28, 2016 Budget Finance & Taxation meeting, the committee discussed a potential management evaluation of the Procurement & Supply Management Department including the City's procurement process. At that meeting, the committee requested a DRAFT scope of services be developed related to a potential management evaluation of this area (see attached).

If you have any questions please call me at x7978.

Attachments

Cc Mayor Rick Kriseman
Kanika Tomalin, Deputy Mayor
Gary Cornwell, City Administrator
Jacqueline Kovilaritch, City Attorney
Louis Moore, Procurement & Supply Management

City of St. Petersburg Schedule of Prior Management Evaluations

- **“Management Evaluation,” McKinsey & Company, completed in 1976 at a cost of \$42,000. This study was a general review of the entire organization.**
- **“Management Analysis of the St. Petersburg Police Department,” Cresap, McCormick and Paget, completed in 1977. This study reviewed all areas within the Police Department.**
- **“Progress on Improvement Review,” McKinsey & Company, completed in 1978 at a cost of \$9,000. This was an update and review of the progress made on implementing the recommendations made in the earlier study.**
- **“Automated Maintenance System,” Arthur Young & Co., completed in 1981 at a cost of \$45,000. This study was for the conceptual design of an automated facilities and irrigation system maintenance system.**
- **“Police Department Management Review,” Police Executive Research Forum, completed in 1988 at a cost of \$45,680. This study reviewed the organizational structure of the Police Department.**
- **“Fire Department Management Review,” “EMS Service Appraisal,” Ryland Research, Inc., completed in 1988. The Fire Department management review cost \$53,100 and the EMS service appraisal cost \$8,500. The Fire Department study evaluated the organization of that department and the EMS study was done in preparation for provider contract negotiations with Pinellas County.**
- **“Operations Audit of the Administrative Functions,” Public Administration Service, completed in 1992. The administrative review cost \$15,000. This study reviewed the organizational structure of the administration.**
- **“Management Evaluation,” Public Administration Service, completed in 1995. The administrative review cost \$15,000. This study reviewed the staffing levels and structure of the whole organization.**
- **“Information Systems Master Plan,” Public Administration Service, completed in 1997. This study cost \$51,300. The study was to review our information and Communications Department’s Strategic Plan and make recommendations on how best to modify and update that plan to meet our information needs into the year 2000 and beyond.**
- **“Construction Services & Permitting Division Review,” MGT of America Inc., completed in 2000. This study cost \$19,925. The study was to review our Construction Services & Permitting Division and make recommendations.**
- **“Public Utilities Department,” Public Administration Service, completed in 2003. This study cost \$50,000. The study was to review the entire Public Utilities Department and make recommendations. An employee satisfaction survey was done as part of this review at the additional cost of \$15,000.**
- **“Housing Management Study,” MGT of America Inc., completed in 2004. This study cost \$24,925. The study examined the operation of the City’s Housing Department with particular attention given to WIN and various housing rehabilitation/repair programs, to determine the level of operations efficiency of these initiatives.**

- **“Budget & Management Department and Budgetary Process,”** Management Advisory Group (MAG), completed in 2005. This study cost \$50,000. The study examined the Budget and Management Department and the budgetary development process to determine that it provides sufficient support for the City Council to more adequately discharge its budgetary duties.
- **“Management Evaluation of the St. Petersburg Police Department”,** Matrix Consulting Group, completed in 2007. This study cost \$104,000. The study examined the organizational structure of the department, community policing policies, recruitment and retention efforts and methods, complaint investigation processes and current salary benefits. This data was compared with other governmental entities.
- **“Management Evaluation of the Progress Energy Center’s Mahaffey Theater”,** AMS Planning & Research Inc., completed in 2009. This study cost \$50,000. This study examined the management, marketing, potential reduction of subsidies, and funding of the Mahaffey Theater. This data was compared with other similar facilities.
- **“Management Evaluation of Youth Services”,** Logan Management Group, Inc (DBA Strategic Partners) completed in 2012. This study cost \$25,000. This study examined two of the City’s Youth Services Programs, Teen, Arts, Sports & Cultural Opportunities (TASCO), Out of School time (OST) Program and the City’s Summer Youth Intern Program.
- **“Management Evaluation of the Transportation Impact Fees”,** Mayor Hoffman McCann, KRMT Tampa Bay Division. Expected completion in 2012. This review cost \$50,000. This study was an agreed upon procedures review of the Transportation Impact Fees (TIF) for the period from January 1, 2004 through December 31, 2011.

NO. 2012-271

A RESOLUTION APPROVING THE BUDGET,
FINANCE & TAXATION COMMITTEE'S
RECOMMENDATION TO DISCUSS
POTENTIAL MANAGEMENT EVALUATIONS
AT THE FIRST OCTOBER BUDGET,
FINANCE & TAXATION COMMITTEE
MEETING OF EACH FISCAL YEAR; AND
PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED by the City Council of the City of St. Petersburg, Florida that the Budget, Finance & Taxation Committee's recommendation to discuss potential Management Evaluations at the first October Budget, Finance & Taxation Committee meeting of each fiscal year is hereby approved. .

This resolution shall become effective immediately upon its adoption.

Adopted at a regular session of the City Council held on the 7th day of June,
2012.

Leslie Curran

Leslie Curran Chair-Councilmember
Presiding Officer of the City Council

ATTEST:

Eva Andujar
Eva Andujar City Clerk



NO. 2012-272

A RESOLUTION APPROVING THE BUDGET,
FINANCE & TAXATION COMMITTEE'S
RECOMMENDATION TO ADD \$50,000 TO
THE CITY COUNCIL BUDGET AS A PLACE
HOLDER FOR POTENTIAL MANAGEMENT
EVALUATION(S); AND PROVIDING AN
EFFECTIVE DATE.

BE IT RESOLVED by the City Council of the City of St. Petersburg, Florida that the Budget, Finance & Taxation Committee's recommendation to add \$50,000 to the City Council budget as a place holder for potential Management Evaluation(s) is hereby approved.

This resolution shall become effective immediately upon its adoption.

Adopted at a regular session of the City Council held on the 7th day of June,
2012.

Leslie Curran

Leslie Curran Chair-Councilmember
Presiding Officer of the City Council

ATTEST:

Eva Andujar
Eva Andujar City Clerk



Appendix A
Scope of Services
Procurement & Supply Management – Procurement Process

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Introduction

The City of St. Petersburg (City) is requesting proposals from qualified firms (“Offerors”) to conduct a management evaluation of the City’s procurement process as managed by the Procurement & Supply Management department in accordance with Section 4.05 (b)(1) of the City Charter. That section states in part that *“City Council, at any time, shall be permitted to conduct a management evaluation, by a professional consultant, of the administrative activities of the City, or any portion thereof, under the direction of City Council. At least once every two years the City Council shall discuss and make a decision as to whether or not any such an audit is needed. The management evaluation and all reports and recommendations shall be directed to the Council.”*

The Offeror selected for the study should be knowledgeable in municipal procurement department operations and procurement practices.

Scope of Work to be Performed

Offeror shall provide all labor, materials, supervision, tools, equipment, facilities, and travel necessary to provide a management evaluation of the City’s procurement process as managed by the Procurement & Supply Management department. Offeror’s services shall include, but are not limited to, performing tests and analysis necessary, including interviews with employees at all levels of employment, to allow Offeror to evaluate the efficiency and effectiveness of the operations of the Procurement & Supply Management department, and to form an opinion and report on the department’s operations in the following areas and make recommendations on how they may be improved:

Organization Structure: Is the staff organized in such a way that missions and accountability are clearly defined without duplication and overlap of responsibility? Is the department organized to optimize integration, cooperation, and communication within the department as well as with other departments, other outside agencies, the Mayor and Council, and the citizens? How does the organization structure compare to other governmental units of similar size?

Staffing Levels: Is the staffing level adequate to maintain the service levels expected by our citizens and City departments? Are staffing levels appropriate to handle the competitive bids process? Are staffing levels adequate within each classification (i.e., clerical, technicians, professional, supervisory, management, etc)? Is staff compensation appropriate? Are the current staff turnover levels appropriate for the department and how do these compare with other governmental units of similar size?

Staff Qualifications: Are all procurement staff, including management, qualified to carry out their duties as well as the City’s policies and procedures? Is their experience level adequate? Is the knowledge base of each staff member adequate for their required duties and if not, are there

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training opportunities available to all staff on an equal basis? Do managers and supervisors possess the soft skills required to be effective leaders?

Management of Staff: Are staff members operating in accordance with existing rules, regulations and policies? Are work schedules established to accomplish the goals and objectives of the department in the most efficient and effective manner? Are staff responsibilities determined in such a way as to reduce duplication of effort, both within the department and with other City departments? Is the distribution of assignments the most efficient?

Policies and Procedures: Are the City's (including departmental) procurement policies and procedures adequate to provide for efficient and effective operations of the department including purchasing materials and services for city departments, facilities, construction projects (i.e. in-house vs. contracted projects)? How does the City's procurement policies and procedures compare to other governmental units of similar size?

Best Practice: What are the best practices for the procurement process in local government? How does the City's procurement process compare with best practices? What changes need to be made to the procurement process in order to utilize best practices? How would the City's procurement process gain greater efficiencies while following best practices? How does the City's procurement process compare to other governmental units of similar size?

Procurement Process: Is the City's procurement process flow the most optimal to provide for the most efficient and effective services and to accomplish the mission of the department? Are procurements accomplished in a timely manner and are the procurement timeframes appropriate? Is the process, including the Statement of Work (SOW) development, designed to encourage multiple competitive bids? Is the procurement process designed to take advantage of reducing paperwork within the department and for other City departments? Are payment terms included to encourage the best payment terms (i.e. cash discounts) for the City? Does the procurement process allow for follow-up procedures to ensure bids are competitive and/or determine reasons for limited bids (i.e. single bids)? How does the City's procurement process compare to other governmental units of similar size?

Equipment and Technology: Does the City and the department effectively and proactively utilize technology to improve services and control costs?

Other: The following are specific operational areas which the City feels should be addressed with this study:

- How have the Major Construction Requirements for Disadvantaged Workers and Apprentices Ordinances impacted the bid process?

**Appendix A
Scope of Services
Water Resources Department**

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Introduction

The City of St. Petersburg (City) is requesting proposals from qualified firms ("Offerors") to conduct a management evaluation of the City's Water Resources Department in accordance with Section 4.05 (b)(1) of the City Charter. That section states in part that "*City Council, at any time, shall be permitted to conduct a management evaluation, by a professional consultant, of the administrative activities of the City, or any portion thereof, under the direction of City Council. At least once every two years the City Council shall discuss and make a decision as to whether or not any such an audit is needed. The management evaluation and all reports and recommendations shall be directed to the Council.*"

The Offeror selected for the study should be knowledgeable in municipal public utilities management and operations.

Scope of Work to be Performed

Offeror shall provide all labor, materials, supervision, tools, equipment, facilities, and travel necessary to provide a management evaluation of the City's Water Resources Department. Offeror's services shall include, but are not limited to, performing tests and analysis necessary, including interviews with employees at all levels of employment, to allow Offeror to evaluate the efficiency and effectiveness of the operations of the Water Resources Department, and to form an opinion and report on the department's operations in the following areas and make recommendations on how they may be improved:

Organization Structure: Is the staff organized in such a way that missions and accountability are clearly defined without duplication and overlap of responsibility? Is the department organized to optimize integration, cooperation, and communication within the department as well as with other departments, other outside agencies, the Mayor and Council, and the citizens? How does the organization structure compare to other governmental units of similar size?

Staffing Levels: Is the staffing level adequate to maintain the service levels expected by our citizens and anticipated in the approved budget document? Are staffing levels adequate within each classification (i.e. apprentices, laborers, technicians, professional, supervisory, management, etc.)? Are the current staff turnover levels appropriate for the department and how do these compare with other governmental units of similar size?

Staff Qualifications: Are the staff, including management, office staff and operations staff qualified to carry out their duties as well as the City's policies and procedures? Is the experience level adequate? Do managers and supervisors have the necessary education, licenses, and

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professional certifications to perform their duties? Do they possess the soft skills required to be effective leaders? Is training of staff adequate for the required duties and is the opportunity for training available to all staff on an equal basis?

Management of Staff: Do managers and supervisors demonstrate strong leadership? Do they have credibility and the confidence of subordinates? Do managers and supervisors clearly communicate the City's and department's goals and objectives? Are these goals and objectives incorporated into daily tasks and action plans? Do managers and supervisors hold their subordinates accountable for meeting established goals, objectives, and expectations? Do managers and supervisors consistently apply rules, regulations, and policies? Do they provide consistent coaching, counseling, and feedback to subordinates? Do they provide fair and equal access to training and growth opportunities? Is staff operating in accordance with existing rules, regulations and policies? Are work schedules established to accomplish the goals and objectives of the department in the most efficient and effective manner? Are staff responsibilities determined in such a way as to reduce duplication of effort, both within the department and with other City departments? Is the distribution of assignments the most efficient?

Safety of staff: Are there adequate safeguards for staff on the job in all areas of the department, including laboratories, water and wastewater plants, and pipeline maintenance? Is safety at construction and/or repair job sites adequate? Is there an established on the job safety training program and is this program effective?

Policies and Procedures: Are the City's (including departmental) policies and procedures as applied by the department adequate to provide for efficient and effective operations of the department including purchasing materials for maintenance and repair, management of treatment facilities, management of the lab facilities, complaint routing and follow-up, water service line & meter connections and project management/oversight (i.e. in-house vs. contracted projects)? Does the department have adequate procedures in place to provide security of the water supply and distribution system?

Equipment and Technology: Does the department effectively and proactively utilize technology to improve services and control costs? Does the department effectively maintain and utilize their equipment and plant facilities? Does the department have adequate technology and experience to assess the condition of the water and sewer distribution system and the wastewater collection system?

Sewer Infrastructure: What criteria and/or methodology does the department use to analyze the condition and future maintenance/replacement of sewer infrastructure? How often is this analysis done? What procedures are in place to provide ongoing maintenance and upgrades based on this analysis? How does the department's methodology compare with other similar size governments? Identify tools currently available for analyzing capacity and conditions of water treatment facilities and the cost of such tools.

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Water Treatment Facilities: What criteria and/or methodology does the department use to analyze the capacity, condition and future maintenance/replacement of water treatment facilities? How often is this analysis done? What procedures are in place to maintain and/or upgrade based on this analysis? How does the department's methodology compare with other similar size governments? Identify tools currently available for analyzing capacity and conditions of water treatment facilities and the cost of such tools.

Report

Offeror shall provide twenty (20) hard copies and one (1) digital copy in PDF format on a USB flash drive of its management evaluation report to the City within 90 days after execution of the agreement between the City and selected firm. The report shall show findings and recommendations, including an executive summary, related data tables, charts, graphs, and other statistical analysis or supporting documentation. Offeror shall be required to make a minimum of two oral presentations of its findings and recommendations to the Budget, Finance & Taxation (BF&T) Committee and City Council.