



**General Fund & Utilities
Reductions, Efficiencies & Cuts
All City Departments
2007 to 2012**

**Steve Hall
City Manager
June 12, 2012**

City Financial Reductions and Efficiencies 2007-2012

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City Long Range Financial Strategy

While the current financial situation in the City is bad, it would have been much worse if not for the “Long Range Financial Strategy”. Citywide Departments made reductions and created efficiencies based on this strategy. The last four years have been the worst in the history of Olympia for revenues which has resulted in the City Manager recommending deep cuts and restructuring the City again based on the Long Term Financial Strategy.

The City’s Long Term Financial Strategy Principals and Guidelines Are:

Long Term Financial Strategy

MAKE TRADE-OFFS

Do not initiate major new services without either (a) ensuring that revenue to pay for the service can be sustained over time, or (b) making trade-offs of existing services.

DO IT WELL

If the City cannot deliver a service well, the service will not be provided at all.

FOCUS PROGRAMS ON OLYMPIA RESIDENTS AND BUSINESSES

Give priority to maintaining existing infrastructure.

USE UNEXPECTED ONE-TIME REVENUES FOR ONE-TIME COSTS OR RESERVES

One-time revenues – or revenues above projections – will be used strategically to fund prioritized capital projects.

INVEST IN EMPLOYEES

The City will invest in employees and provide resources to maximize their productivity.

PURSUE INNOVATIVE APPROACHES TO SERVICE DELIVERY

Continue to implement operational efficiencies and cost saving measures in achieving community values. Pursue partnerships and cost sharing strategies with others.

CONTRACT IN/CONTRACT OUT

Consider alternative service delivery to maximize efficiency and effectiveness.

MAINTAIN CAPACITY TO RESPOND TO EMERGING COMMUNITY NEEDS**PURSUE ENTREPRENEURIAL INITIATIVES****ADDRESS UNFUNDED LIABILITIES****SELECTIVELY RECOVER COSTS**

On a selective basis, have those who use a service pay the full cost.

RECOGNIZE THE CONNECTION BETWEEN THE OPERATING BUDGET AND THE CAPITAL BUDGET.**WHAT SHOULD THE CITY DO IN THE FOLLOWING YEAR'S BUDGET WHEN THE FINANCIAL FORECAST IS POSITIVE?**

- Assess the situation
- Maintain adequate reserves
- Use one-time revenues only for one-time expenses
- Use recurring revenues for recurring costs OR for one-time expenses
- Stay faithful to City goals over the long run
- Think carefully when considering revenue cuts
- Think long-term

WHAT SHOULD THE CITY DO EVERY YEAR, WHETHER THE FINANCIAL FORECAST IS POSITIVE OR NEGATIVE?

- Increase operating cost recovery
- Pursue cost sharing

WHAT SHOULD THE CITY DO IN THE FOLLOWING YEAR'S BUDGET WHEN THE FINANCIAL FORECAST IS NEGATIVE?

- Assess the situation
- Use reserves sparingly
- Reduce services
- Continue to think carefully when considering tax increases

City of Olympia
2007-2012
Cuts, Efficiencies, Restructure

Admin Services	-	Jane Kirkemo, Director	753-8499
Legal	-	Tom Morrill, City Attorney	753-8223
C P & D	-	Keith Stahley, Director	753-8227
Fire	-	Larry Dibble, Director	709-2720
Executive	-	Jay Burney, Asst. City Mgr.	753-8740
Parks	-	Linda Oestreich, Director	753-8462
Police	-	Ronnie Roberts, Director	753-8409
Public Works	-	Rich Hoey, Director	753-8495
Municipal Court	-	Scott Ahlf, Judge	753-8025

Admin Services	Jane Kirkemo	753-8499
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Past Cuts

- \$70,205 Project GIS staff moved into operating program (1 FTE)
- Decrease in IT recruitment pay (\$40,470)
- Decrease in base benefit costs (\$63,410)
- Office equipment and software support reductions (\$45,950)
- Professional services reductions (\$28,650)
- Implemented FOIA system to help track requests and responses to public disclosure
- Implemented one of the first Transportation Benefit Districts in the state generating approximately \$600,000/yr for transportation projects
- Elimination of the Utility Accounting Supervisor position, including support costs (\$125,520)
- Mail services will only operate from 11 a.m. to 3 p.m. eliminating .5 FTE

- Outside mail drops eliminated, including Westside and Downtown Olympia Police Department, East and West Fire Stations, Priest Point Park ,Utility drop boxes, Municipal Court and Detectives' Office
- No printed updates of the Municipal Code Book (online access only)
- No new special projects (e.g. sesquicentennial, clean clothes, equal benefits)
- Hard copies of the Budget, CFP and Annual Report are only provided for Council and necessary staff
- Reduction in design/marketing work for Department
- Reduced Wellness events/activities
- Telecommunications support outsourced
- All other telephony-related services such as moves and changes are pooled with all other technology requests and will no longer have dedicated staff support
- Eliminated all travel advances, some optional payroll deductions, and some centralized receipting functions (eliminated .25 FTE)
- The amount of City internal control, reviewing and auditing of accounting and fiscal activities has been reduced
- Response time to records requests, as increased due to complexity and volume
- Response time for help desk requests has increased
- Time to implement technology projects has increased
- Codification of Municipal Codebook is outsourced
- Eliminated in-house diversity grant program (\$9,000)
- Reduction in HR professional services (\$34,000)
- Reduction of .5 FTE HR Personnel Assistant (\$32,800)
- Reduction in support costs in Human Resources (\$24,550)
- Diversity program suspended

- As part of budget balancing in 2009, support for the City's telecommunication system was outsourced and software application services have been reduced after 1.5 FTEs were eliminated from the budget (\$192,800)
- Human Resources Programs Discontinued:
 - Employee Mandatory Training
 - Outreach Coordination
 - Mandatory Training Tracking
 - Exit Interviews
 - Retention Systems
 - Cultural Change Initiatives
 - Employee Recognition
 - Supervisor/Manager Training/Development
 - Budget Complement
 - Compensation Survey
 - Employee Mailing Labels
 - Job Design
 - Awards and Grants
 - Class and Pay Reviews
 - HRIS

Efficiencies

- Applied for and received \$9,800 Records Grant from the State of Washington to microfilm and digitize City Council Minutes back to the 1800s for quick retrieval and historical preservation
- Contracted with Consolidated Mail Services for outgoing U.S. mail services – saves \$13,000/year
- Reorganized to provide focus on core services and improved customer service

- Completed an analysis of current utilization of automated financial systems, identifying areas where the City could better utilize the systems to increase efficiency and productivity
- Municipal Codebook updates are now available online - this saves printing and supply costs, as well as staff time and saves the customer money as they can self-print copies of updates they want
- Short-term Interlocal Agreements are now available on the City's website - this saves substantial recording fees at the County Auditor's Office
- Contracted with a web-based auction provider to auction City surplus personal property - this saves staff coordination efforts for disposal and facility costs for storage of surplus items
- The Department's Intranet has been developed to communicate information Citywide - this reduces the number of inquiries from Department staff
- Standard & Poors rating agency increased our utility bond rating from A to A+. This results in excellent interest rates for debt that will be issued for various water utility system improvements, as well as saves money for our utility customers
- An enhanced Phone Directory is now available online – City services, buildings and local governments can now be found online in addition to City staff phone numbers, department, building and location information; also results in fewer printed copies of the phone directory, saving paper.
- The 2009 budget included \$10,000 funded by a grant from The Department of Natural Resources to add land cover analysis to the GIS system.
- As part of move to New City Hall, eliminated 25% of the City's printing devices and moved to more energy efficient and inexpensive devices (\$29,000)
- Converted to State Master Licensing program

- Implemented Legistar for Council Meeting and Agenda management
- Implemented Records Management and public disclosure policies
- Contracted out codification of Municipal Codebook
- Eliminated seven years worth of CP&D microfilm backlog
- First City in Washington to issue Build America Bonds (BABS) saving 1/3 of interest payment each year
- Received Well City award and 2% premium reduction for Regence Employees (\$130,000)
- The early intervention and on-site treatment of on-the-job sprain and strain injuries has resulted in a 70% reduction in cost of claims
- Performed benefit dependent eligibility audit
- As part of move to New City Hall, consolidated office supplies and contracted at reduced pricing (\$33,000 per year)
- Implemented NeoGov for online employment

CP & D

Keith Stahley, Director

753-8227

Past Cuts

- Overlap between TRPC services and City services has been eliminated, resulting in a reduction in the Planning Program budget of \$244,753 and the Historic Preservation Program budget of \$52,369
- Salaries and Wages are decreased due to the planning transfer of a Public Service Representative position to support the permit intake process
- \$10,000 cut from legal services – to be provided by City's Legal Department
- Reduction of staffing levels: one full-time Public Service Representative (\$61,063)

- Elimination of legal services funding (\$25,000)
- Reduction of staffing levels: one full-time Assistant Planner (\$75,604 including support costs)
- Reduction in professional services budget (\$10,000)
- Reduction of staffing levels: five full-time employees (\$444,100 including support costs)
- Elimination of overtime and part-time budgets (\$59,028)
- Reduction of staffing: one full-time employee, paid with Capital funds
- Reduction in Urban Forestry program
- Sharing of Line of Business Manager with Parking Services (\$62,400)
- Reduction in base professional services (\$42,900)
- Reduction of electrical inspectors from 2 to 1 (\$59,020)
- Allocation of more housing support to grant programs (\$11,380)
- Reduction of support of historic preservation to \$5,000 (\$7,500)
- Elimination of support to Olympia Downtown Association (\$11,600)
- Contract for services on an as-needed basis for assistance with plan permit review and inspections

Efficiencies

- Received \$75,000 from a State of Washington grant to fund consolidation of downtown plans
- One Permit Specialist position moved from the Planning Division to front-office operations to serve increased walk in customers; the Planning Division will shift workloads to compensate for this reduction in staff

- Eliminated Department Chaplain program
- Termination of Rapid Response Overhead Command Team.
- Attempted to reduce responses to facilities that have regular response for what may be considered Non-Emergency situations (e.g. nursing homes and assisted living).
- Parked all staff cars except OFD Assistant Chief (needed for incident command response)
- While we continue to find ways to reduce our response obligations; research capabilities are hampered due to staff that has been transferred to frontline basic services.
- Extending fleet replacement schedules for civilian, BRT and Medic vans
- Smaller command vehicles – no more 4x4s
- Reduced Maintenance 2 Technician for Facilities Scaled back janitorial
- More in-house training – fewer outside consults
- Reduction of individual workstation printers by networking directly to the central copier/printer machine
- Eliminated three Administrative staff

Efficiencies

- Transfer of High Angle & Confined Space Rescue Service, Training, & Team from Public Works to Fire Department
- Energy upgrades to station (past and planned)
- Developed a funding source by contracting with Thurston County Medic 1 to maintain 18 medic units. This provided the funding source to hire an additional mechanic.

- In 2007 the Department continued on a three year program to replace Firefighter protective clothing
- Ladder Truck Repair – Facilitated the manufacturer to cover all parts and labor for the aging Ladder truck (\$30,000)
- Installation of a CAD system at OFD has provided:
 - The ability to double check and fix the incident reports quicker than in the past
 - Assistance during an EOC activation to see where the calls are prior to dispatching any units. It also shows pending fire calls (calls that are being held due to all units being busy)
- Removal of the stand alone CAD printers at Station 2 and 3 – networked directly into copy machines; reducing the number of printers, printer maintenance, expense, and paper usage
- Received and managed a grant for the purchase of 2 Mako Breathing Air Compressors. This grant, in support of safety for the fire fighters, afforded the ability to purchase and install two breathing air compressors. A compressor will be placed at each substation. This enhancement provides the substations the ability to replenish and stock self contained breathing air bottles (SCBA) independent of the Headquarters Fire Station, thus allowing the stations to be better prepared in the event of a disaster
- Received a grant for 2 thermal imaging cameras for the front line engines
- Firefighters are safer due to a program of personal fitness, exercise, and education and follow-up, much of which we were able to do with grant money
- Supervision has been made more effective by the building and deployment of a command van capable of rapid deployment of a

highly specialized command post. This command post is equipped with specialized equipment to assist the incident commander in making sound judgments when confronted with difficult and complex situations. The Command Van has been primarily developed with Homeland Security funds

- Through a federal grant, the Department successfully obtained and deployed a fire inspection field entry system. This new technology provided the ability to increase efficiency within the inspection program by providing mobile computers to track and record business occupancy data in the field
- Automated Excel spreadsheet for Officers to track overtime worked and the seniority list for call backs; created three Facilities notebooks to track all facilities information, saving time needed to research information; and created an office supply notebook to track budget and supply inventory, saving time spent searching for past order information.
- Command and Training Center - Converted an old fire station into a classroom for simulated fire ground training. Partnered with Bates Community College
- Received a Homeland Security Grant allowing the department to purchase portable radios for all front line apparatus, a 3-Line decontamination system with trailer for mass human decontamination, a command vehicle to serve as an Incident Command vehicle; county-wide resource unit maintained and deployed by the Olympia Fire Department
- OFD will train Bates students in fire training conduct by the Department. In exchange students from Bates Fire Service Training assisted members of the Fire Department in completing

the annual hose testing. This efficiency will greatly reduce the number of days/hours necessary to complete the task.

- Developed a funding source by contracting maintenance services with Thurston County Medic One units, Tumwater, Lacey, and North Olympia for 2/11/2012
- Created a Regional Training Center Business Model that requires reimbursement for use by other Fire Departments

General Government

- Jay Burney, Assistant City Manager, Legislative (City Council) and Executive (City Manager's Office) Services, 753-8740
- Tom Morrill, City Attorney, 753-8223
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Legislative and Executive Services

Past Cuts

- Eliminated .5 FTE Management Assistant and 1.0 FTE Office Support Specialist (\$106,229)
- Eliminated all special City Council communication and outreach activities such as Town Hall meetings and biennial citizen opinion survey (\$22,800)
- Reduction in general supplies and services, such as travel, training, office supplies; complete elimination of money for pins, pens, mugs, maps, etc (\$7,528)
- Eliminated all Executive Office and City Council contract design and printing services (\$5,500)
- Eliminated service contracts with the Olympia Early Childhood Center and the Dispute Resolution Center (\$18,500)

- Eliminated funding for Police Auditor in 2010 (\$22,500) Eliminated Parking Supervisor (\$100,000)
- Reclassified two full-time employees in Communication Services to lower positions with reduced salaries (\$30,000)

Efficiencies

- Consolidated services into New City Hall facility

Legal Department:

Past Cuts

- Eliminated .5 FTE in Victim Assistance support staff (\$31,659)
- Reduced Assistant City Attorney position by 20%
- Reduction in outside legal counsel professional services (\$60,000)
- Reduction in general supplies and services, such as training, legal books, supplies, etc (\$9,000)

Efficiencies

- Restructured criminal sections to accommodate two locations (City Hall and Justice Center)
- Worked with Clerk's Office to standardize the Public Records Response System
- Upgraded Caseload Management System
- Worked with Public Works to Streamline Public Works bidding process

Parks**- Linda Oestreich, Director****753-8462****Past Cuts**

- Reduce Special Events – Eliminates .5 FTE special events coordination. (\$21,800)
- Volunteers in Parks Program continues the VIP support at .5 FTE (\$39,604)
- Reduce seasonal support at the Olympia Center Customer Service Center (\$9,317)
- Reduce maintenance at the Olympia Center (\$6,617) Through a combination of retirement, resignation and reassignment, the Department's management team was reduced from seven managers to four
- A total of 6 positions, representing 4.25 FTEs, has been reduced from the operating budget complement:
 - Eliminated 1 FTE Lead Maintenance Worker
 - Re-assigned 1 FTE Office Specialist III to project funds
 - Re-assigned .25 Project Coordinator to project funds
- The Youth Partnership Program implemented in 2007 has been eliminated (\$50,000).
- Service contract budget in Park Maintenance to utilize agencies that provide employment opportunities for individuals with special needs has been reduced by \$10,200.
- \$10,000 recently allocated to park shelter repair and equipment needs has been eliminated
- The community event Percival Play Day has been eliminated.
- The marketing strategy of mass mailing 24,000 trimester brochures out 3 times per year has been reduced by over 60%.
- Budget support of the Department's employee wellness program specifically ergonomic office equipment has been eliminated.
- Reduced communication and printing with the new marketing strategy (\$21,000)

- Reduced the Department's dependence on the General Fund by \$423,241 without compromising vital Parks, Arts, & Recreation program services
- Elimination of one Lead Worker position, and reclassify one Maintenance Worker I to Maintenance Worker II to pick up skilled labor required with elimination of Lead Worker (\$64,380)
- 5 Program Specialist position has been eliminated in the Outdoor Program (\$65,979)
- Eliminated 1 FTE Program Manager and eliminated .5 FTE Electrician (\$163,341)
- Service contract budget in Parks Maintenance to utilize agencies that provide opportunities for individuals with special needs has been reduced (\$10,200)
- Eliminated budget allocated to park shelter repair and equipment needs (\$10,000)
- Re-assigned 1 FTE Office Specialist III and .25 Project Coordinator to project funds (\$91,568)
- Elimination of Recreation Supervisor (\$85,250)
- Reduction of one Associate Director position (\$121,980)
- Reduction in special events including elimination of the Ethnic Festival (\$59,724)
- Suspension of \$1/capita for the arts (\$44,650/Year)
- Elimination of After School Program (\$159,190)
- Reduction in seasonal park maintenance (\$99,650)
- Reduced capacity and flexibility in recreation programs
- Reduced maintenance in flower beds, medians, roundabouts, City facilities, and parks

Efficiencies

- Recently acquired a 15-passenger van through fleet services. Staff had been renting vans for various trips and camps throughout the year. For the same expense, this acquisition creates an efficiency

for staff to have access to a van year round, without having to continually arrange for rentals through other agencies

- Developed an agreement with Public Works on maintenance support procedures and expectations from their Facilities section. This working agreement has resulted in OPARD transferring funding of 1 FTE Maintenance Worker II to the Public Works Facilities budget
- Field use revenues for both City and School District fields will increase 22%, as well as an 8% across the board increase in rental rates at The Olympia Center
- Harbor House rental facility has created new revenue stream
- Instituted “Pulling Together” work parties
- 1,000 volunteers – 3,000 volunteer hours
- Computerized irrigation system reduced water consumption 14%-50%

Police - Ronnie Roberts, Director 753-8409

Past Cuts

- Reduction of 4 FTE commissioned police officer positions since 2007
- Reduction in force of one FTE management analyst, two .5 FTE cadets and 2.5 FTE Police Services Specialist since 2007
- The Department is budgeting less for support of community events as the City transitions to a policy where event organizers share more of the support costs associated with staging public activities (\$6,000)
- Elimination of Police Commander position
- Elimination of Special Operations Lieutenant
- Reclassified Administrative Services Manager position
- Restructured Policing Services – Consolidated Divisions
- Reduction of Traffic Enforcement

- Reduction in special event support of 38% and transition to sponsor support for event security at events that are not City-sponsored
- Reduction in false alarms by 78%; reduction in related calls for service by nearly 2800 calls per year; and recovery of about 90% of the cost of police response when false alarms do occur. Savings is equivalent to 1.5 FTE full-time officers
- Delayed scheduled replacement of mobile computers (\$20,000).
- Reduction of contract jail services from 32 beds to 20 beds.
- 10% reduction in management personnel costs due to change to a civilian Jail Manager
- Elimination of Special Operations Bureau (\$251,420 - includes traffic and walking patrol special units)
- Elimination of emphasis patrol work
- Elimination of response to private property vehicle accidents.
- Elimination of response to “lock-outs” and other non-essential public service calls
- Elimination of citizens’ advisory group and citizen surveys
- Less time on prevention and problem-solving efforts
- More calls will be handled on the phone and on-line
- Front counter hours may be reduced
- Increase in time to provide records requests
- Backlog anticipated in warrant and civil order processing
- Reduced capacity makes it impossible to sustain the community policing and problem-solving strategies prescribed in the Comprehensive Plan
- No resources are available to accommodate population growth and expanding City boundaries
- New tasks – e.g., civil orders, public disclosure, occupational permits, hiring and fleet management – have been acquired while capacity has diminished
- Reduction in fleet size

- Flattening of the organization with the elimination of two lieutenant positions

Efficiencies

- Expanded use of bar coding by evidence custodian, which greatly reduces the time needed to process property items and reducing human error
- In 2010, the Evidence Technician position was split between two positions, a specially trained Detective who now works crime scene investigation, and an EvidenceCustodian. Reorganization aids in the prosecution of criminals
- On site destruction procedure implemented resulting in the elimination of the need for offsite services
- The amount of property being processed into propertyroom.com has increased resulting in several thousand dollars in increased revenue
- New online automated process for tracking property to be released was designed, eliminating hours worth of hand work
- Operational efficiency gained from use of crime analysis and performance tracking processes
- Identity theft/fraud reporting available over the internet
- Neighborhood crime data now available over the internet

Public Works - Rich Hoey, Director 753-8495

Past Cuts

- Eliminated funding for college interns (\$10,000)
- Eliminated funding for one Program Assistant (\$75,000)
- Reduced travel/training funds (\$11,000)
- Reduced general professional services funds (\$25,000)

- The 2007 budget included the reduction of 1 FTE. This reduction was part of the 2007 constrained prioritization budget process for balancing the budget to 2008
- Reduced Supplies and Services for contracted planning services (\$6,800) 2008 budget included the reduction of 3 FTEs. The reduction was part of the 2007 reorganization which moved Survey to the Engineering Program, as well as an increase of the LOB Director, City Engineer, Program Assistant, Office Specialist III, and Contract Administrator
- 2008 budget included the transfer of 2 FTEs: 1 from the Engineering Program (Facilities Improvement Project Coordinator) and 1 from the Parks Department (Maintenance Worker II)
- Reductions in travel and training costs by utilizing vendor supplied seminars and training close to Olympia
- As part of the 2009 budget balancing, 2 positions were eliminated. One position was a transfer from Facilities Maintenance (\$127,015)
- 2009 Budget balancing included a reduction of 1 FTE Records Specialist (\$70,187)
- Reduction in overhead cost including the reduction of 1 FTE Inventory Control Specialist (\$151,389)
- Reductions in Street Cleaning and Vegetation Maintenance (\$107,000)
- Impact of Public Works Resources reduction to other General Fund programs (\$59,980)
- Reduction in Technical Services operational supplies & support (\$27,880)
- Assignment of 50% Supervisor to Fleet Operations (\$51,170)
- \$1,094,666 Project funded employees moved into General Fund (these costs are funded by revenue from projects)
- Fleet Operations Reduction in management position, with sharing of manager with facilities maintenance (\$51,170)

- Restructure of work and staff (\$36,460)
- Decrease in General Fund administrative overhead (\$9,038)
- Reduction in Transportation operational supplies & support (\$96,860)
- Shifted portion of Sidewalk Repair to Overlay projects (\$113,450)
- Reduction in fleet equipment rented (\$40,820)
- Reduction in management position, with sharing of manager with CP&D (\$58,140)
- Reduction in charges from Public Works Resources Line of Business (\$130,190)
- Decrease in base General Fund administrative overhead (\$39,870)
- Reduction in Engineering & Data Services charges; increase in Development Services charges (\$73,190)
- Decrease in interfund maintenance services (\$100,740)
- Reduction in power for Drinking Water pump stations (\$82,240)
- Reduction in debt service requirements or set-asides (\$563,890)
- Decrease in base General Fund administrative overhead (\$10,700)
- Elimination of one supervisory position (\$114,500)
- Decrease in base labor costs (\$108,440)
- Decrease in supplies (\$17,740)
- Decrease in fuel usage (\$131,350)
- Decrease in vehicles rented from Fleet Operations (\$60,470)
- Elimination of the Assistant Public Works Director (\$110,000)
- Two Senior Program Specialists were eliminated. One position provides human resources and employee relation services, as well as organizational development. The human resources and employee relations service will be provided by the City's main Human Resources Department as resources can be provided. The other position is in the Drinking Water Utility, and was a current vacant position

- Eliminated an Operations Supervisor. One Supervisor will now supervise the Facilities and Fleet Operations sections, instead of two separate supervisors
- Eliminated a Program and Planning Supervisor in the Waste ReSources Utility. Work currently assigned to this position will be absorbed by other staff
- Eliminated a Maintenance Worker II in the Transportation Line of Business—Streets Section. As a result, street sweeping will decline, with neighborhoods no longer receiving regular sweeping service
- Reduced Bicycle and Pedestrian Advisory Committee Support (\$3,260)
- Elimination of a Refuse Collector in the Waste ReSources Utility due to increased efficiencies in route operations
- Water Resources Cuts
 - Annual Water Quality Report as utility bill insert: Instead of printing and mailing a separate publication, we sent our annual water quality report with the City’s utility bill (\$10,000)
 - Water Quality Monitoring: Transition to risk-based monitoring for groundwater protection program. In some areas, scaled back historical monitoring based on risk assessment and historical data. (\$13,300 plus 100 labor hours per year) Eliminated a Project Engineer I position in stormwater in order to offset rising capital costs and need for a rate increase (\$ 84,611)
 - Implemented reorganization within the Drinking Water Utility, allowing for the elimination of a Program and Planning Supervisor position (\$108,598)

– Transportation Budget Cuts

- .5 FTE Reduction - Data Control: Reduced staffing for tracking expenditures, tied to work orders. Limits ability to enhance reporting of work performed and limits progress in asset management. (\$29,880)
- TRPC Contract Reduction: Reduce TRPC support for Transportation Modeling by 30%. (\$5,710)
- Vehicle Transfer: Vehicle is primarily used by Water Resources - Will be Budgeted through Utility Funds. (\$16,200)
- Vehicle Transfer: Vehicle is primarily used by Water Resources and Parks - Will be Budgeted through Utility Funds and Parks. (\$5,300)
- 2009 FTE Reduction - Sign Tech: Temporarily reassigned one Sign Tech from Transportation to Water Resources. (\$71,400)
- 2009 FTE Reduction – MWII: Temporarily reassigned on Maintenance Worker II from Transportation to Water Resources. (\$74,200)
- Reduction in Seasonal Labor: Reduced temporary workers in Streets and Signs and Markings. (\$33,224)
- Reduction in Travel & Registration. (\$2,250)
- Reduction in Supplies: Reduction in supplies budget that was increased in our budget submittal - \$ came from Fuel Savings. No reduction from prior year with this cut (\$9,638)
- 2010: Delayed hiring Sign Tech for 6 months: Delayed signs and markings maintenance 6 months, but will bring the FTE on-board at the busiest time of the year (\$37,625)

- Reduction in charges due to elimination of Public Works Resources (\$14,761)
- Fuel Savings. (\$40,644)
- Reduction in Snow & Ice materials. (2010 \$29,456)
- Reduced Pager Pay. (\$16,588)
- FTE Reduction – MWII: 1 of two Street Sweeper FTE's. Night time sweeping eliminated. (\$74,490)
- Eliminated roller and trailer from fleet. It may become necessary to rent this equipment during summer month because of breakdowns and workload. (\$4,934)
- Reduction in Sidewalk Repair Program - Seasonal Labor: We will attempt to cover this type of work with our pavement overlay program - include these costs in future CFP projects. (\$39,660)
- Reduction in Travel & Registration. (\$1,250)
- Eliminated vegetation control in alleys
- Eliminated Neighborhood Traffic Management Program
- Reduced Bridge cleaning
- Technical Services Cuts
 - Project Engineer I (\$101,361)
 - Project Coordinator (\$104,499)
 - Records Specialist (\$73,593)
 - Office Specialist III (\$71,560)
 - Operations Supervisor-1/2 time (\$49,000)
 - Fleet Reductions, including Reduction in Mechanic and Inventory Control Specialist (\$200,000)
 - Travel and Training (\$20,370)
 - Software Licenses (\$4,000)

- Rug Cleaning (\$3,000)
- Medical Services (\$3,500)
- Printing Safety Manual – now available online (\$1,200)
- Consolidated custodial services (\$50,000/Year)
- Investments in Asset Management software GIS, and vehicle tracking create opportunities for greater efficiencies and improved maintenance management

Efficiencies

- Installation of more energy efficient pumps in the utilities (\$30,000 annual savings)
- Reduced the amount of paper we produce. Now using electronic copies for our project documentation records and only keeping one complete hardcopy set
- Enhanced capability of our computer technology linked with other agencies is lowering the amount of returned mail and supports our sustainability efforts
- Increased accuracy and lowered maintenance need by replacing 5,000 faulty service meter devices
- Streamlined the 2008 contract specifications, which reduced the size of the average bid package by half
- Worked with the transportation granting agencies to ensure sustainable materials, such as porous concrete, are eligible for grant reimbursement
- Decrease in landfill fees due to reduced waste (\$195,380)
- Waste ReSources Efficiencies:
 - Consolidated five residential routes into four.
 - Combined “specials” route with the commercial westside and eastside routes
 - Placed multi-family recycle accounts on weekly service
 - Developed container maintenance program

- Reduced fleet by selling two pieces of equipment: the boom truck and a drop box truck
 - Implemented pilot program for commercial organics. We are collecting 35 carts and dumpsters and one compactor of commercial food and other organic waste from City offices, schools, and several businesses
 - We have subscriptions for 6,807 residential organics carts—a 19 percent increase from before the new program started.
 - Provided education, guidance and support for a complete Zero Waste event during the 2009 Washington State Recycling Association conference
- Water Resources Efficiencies
- Pump Station Upgrades: Saved money by performing work in-house rather than the traditional approach of contracting out this type of work. Work included installing emergency generators and lift station upgrades at two stations, Cedrona and Miller & Central (\$100,000)
 - Telemetry support: Trained in house staff to do troubleshooting and technical support for our RUGID computer program that monitors our water system. In the past we paid a vendor to provide this support (\$20,000)
 - Pump Cost Management: PSE charges demand costs \$3,000 per month if we bring the 4th pump at McAllister online. We now manage our water supply/flow better with the telemetry system by bringing on different wells to avoid this charge from PSE (\$36,000 per year)
 - Sprinter Van (Pump Stations): Downsized a vehicle without compromising ability to perform work (\$31,000)

- “Trenchless” Pipe Repair Tool: Purchase of new tool allows many small sewer pipe repairs to be completed without digging up City streets. Savings per repair estimated at \$3000 (labor and materials). Completed 14 repairs in 2009. Many more planned in 2010 (\$42,000)
- STEP Alarm Response: Educating our dispatch service (Tech Tell) on how to field STEP alarm calls eliminated about 50 overtime call outs per year (\$4,800)
- West Bay Sewer Lift Station Bypass: City staff installed a sewer bypass that would have ordinarily been contracted out as a CFP project. Staff performed the work at half the estimated cost (\$15,000)
- Multi-Use Nozzle: This nozzle allows staff to cut intruding laterals that cause sewer plug ups. Staff able to complete the work for \$600 while contracted work would cost \$3000 per repair (\$5,000)
- Use of “Perma Patch”: Each patch used saves around \$100 per task. Staff able to complete road repairs on spot instead of creating work order for Street Operations (\$6,700 sewer/storm only)
- Purchase of Map Plotter: HP map plotter which is set up at the Maintenance Center. Crews no longer need to get maps from Mapping staff at Legion Court (\$2,375)
- Yaeger Park Stormwater Expansion - \$2,500,000 (50 grant/50 loan) – Federal Stimulus
- NPDES Implementation Grant - \$50,000 – Department of Ecology

- Allison Springs Restoration (Partnership with Capitol Land Trust) - \$323,000 – Salmon Recovery Funding Board
- Transportation Efficiencies
 - Developed Transportation Mobility Strategy: More focused and targeted work programs to achieve our vision
 - Converted our Pavement Management System data to GIS: Data conversion will save roughly \$2,500 to \$5,000 in staff time annually, but as more analysis capability is built, more CFP project planning efficiencies will be realized with larger staff timesavings
 - Power Savings – LED Signal Project: which will save between \$16,000 and \$18,000 a year
 - Downtown Holiday Lighting snowflakes: saves approximately 360 labor hours each year
 - Bicycle Encouragement and Education Efforts: 180 percent increase in kids who walk and bike to school and a 56 percent reduction in parent drop offs on event days
 - Snow and Ice Control: Being proactive will reduce the overall effort needed to control snow and ice, as well as prevent accidents during these events
 - Covering and screening sweeper spoils (\$6,000 per year)
 - Transportation Impact Fees: The Downtown Shopping Center Fee streamlines redevelopment issues in the downtown
 - 2010 E3 Grant – Education, Encouragement and Enforcement that targets bicycle and pedestrian modes of transportation. 12 month Temp FTE - \$200,000

- 2010 GTEC Grant – Growth and Transportation Efficiency Centers Focus is on CTR/TDM in the downtown. 18 month Temp FTE - \$300,000
- Boulevard Road Sidewalk Grant - 22nd Ave to Washington Middle School - \$500,000
- Harrison Ave Grant - \$4.4 Million
- Chehalis Western Trail, Martin Way Overpass - \$950,000
- Transportation Funding Strategy for High Priority Projects (2009): City Council approved a \$24 million funding strategy using a combination of grants, Transportation Impact Fees, Gas Tax funds and debt financing to fund construction of several priority projects, including the roundabout at Boulevard Road and Log Cabin Road; improvements to 18th Avenue from Hoffman Road to Fones Road; and Harrison Avenue, Phases II and III
- Union Avenue Overlay (2009): Successfully acquired \$1.2 million in Federal Stimulus funding for an overlay with ADA enhancements to Union Avenue from Capitol Way to Plum Street
- Downtown Commuter Program Funding (2009): Received \$90,000 of Federal Energy Efficiency and Conservation Block Grant funds (EECBG) for continuation of the Downtown Commuter Program
- Damage Claims Revenue: In 2009, this revenue was \$28,519
- Pursuing grants for LED streetlight conversion with potential for \$250,000 - \$300,000 annually

– Technical Services Efficiencies

- Use MRSC for Small Works Construction and Consultant rosters (\$12,000)
- Online timecard entry (\$13,500)
- Elimination of project-funded employee designation (\$12,000)
- Created employee resource page for standard forms, contracts, and other templates (\$50,000)
- Streamlined contract specification process (\$10,000)
- Purchased robotic survey equipment which increased survey staff capacity (\$15,835)
- Energy Savings Performance Contract (ESPC) – Upgrading HVAC systems and controls (\$8,320)
- Energy Savings Performance Contracts
- Moving to digital files for project documentation
- Cross-training City engineers to inspect projects in lieu of hiring consultants
- Increasing use of City website. Now send postcards to interested parties directing them to the website, thereby eliminating the creation and distribution of newsletters for most

Municipal Court

- Scott Ahlf, Judge

753-8025

Past Cuts

- Probation Services staff reduced by 33%
- Eliminated Accountant position
- Decreased Professional Services Budget by 55%

Efficiencies

- Utilizing an electronic ticketing and collision reporting program specifically designed to reduce errors and eliminate redundant data entry of the current paper-based system through electronic data transfers among various state agencies.
- Second Work Crew (in custody and week-ends) added in 2007 decreasing jail population further.
- Printing in-house rather than outsourcing (\$8,000)
- Consolidating interpreter calendars to better utilize budget resources.
- Collection amnesty programs held every 5 years.
- Utilizing more technology to monitor pre and post trial offenders while out of custody (SCRAM/EHM)
- Enjoy a strong partnership with PBIA to provide services to beautify downtown (i.e. basket watering, alley clean up and graffiti removal) by the work crew.
- Community Court program began in May 2012 to address nuisance criminal activity occurring downtown more efficiently and effectively via Court/Prosecutor/Probation collaboration.
- Collaborate with Courts/Collection Agencies/Work Crew to initiate driver's license reinstatement program.

Reductions in Special Accounts

- Reduction for purchase of green power and/or carbon credits (\$60,000)
- Fire Equipment reserve (\$88,500)
- One time HSRC funding (\$25,000)
- Low income housing support (\$61,000) now paid with loan repayments
- Council Communications (e.g. Citizen survey, town hall meeting support) (\$20,800)
- Reduction in support costs to Executive Services (\$15,450)
- Reduction in budget for outside legal counsel (\$60,000)
- Contract support to Washington Center reduced (\$55,918)
- Limited capacity to undertake new research or policy initiatives
- Reduced staff support to advisory committees/commissions
- Print communications reduced
- Due to volume and complexity, the time needed to respond to records requests has increased
- Used a portion of Fleet reserve (\$574,393)
- Eliminated Downtown Emphasis funding (\$10,000)
- Reduced funding for Council goals and emerging issues (\$66,940)
- Building Repair & Replacement postponed for one year (\$414,600)
- Eliminated LEOFF Long Term Care Reserve for one year (\$50,000)

City Manager's Restructure of City Operations 2010

City Manager's Restructure Principles

Simplify the Organization

Principles

1. Create Efficiencies-Save Money
2. Provide more time for the City Manager with City Council on Policy Related issues
3. Create stronger operational Management and Accountability
4. Minimize Hierarchy-Reduce Layers-Preserve direct Service Delivery
5. Consolidate similar services for efficiency and consistent Operations
6. Advance the "One Department" concept
7. Reduce Departments competition for Resources.
8. Minimize the City Manager's management of Projects and Programs
9. Prepare the organization for the future-constrained budgets & shifting customers

City Restructure

Admin Services

- \$158,864 Records Management transferred from Public Works Data Management section (2 FTEs)
- \$265,788 Public Works finance section merged with Admin Services (5 FTEs)
- \$146,436 Project accounting staff moved into operating programs (revenue supported) (2 FTEs)
- \$126,983 Public Works GIS staff merged with Admin Services (1 FTE)

CP&D

- \$1,192,820 Parking Services transferred from Public Works
- \$29,419 Portion of records management transferred from Public Works
- Parking Services will be transferred from the Public Works Department to the Community Planning & Development Department. (Reduction of 1 FTE)
- Responsibility for abandoned cars will be transferred from Police to Community Planning and Development.
- A Stormwater Project Engineer will be transferred from the Public Works Department to the Community Planning and Development Department.
- Transferred 3.5 FTE to General Government for creation of centralized customer service functions in New City Hall

Executive

- Reorganized and moved 1 FTE to Municipal Court to handle payments and collections

Police

- Responsibility for abandoned vehicles will shift to the Code Enforcement Officers in the Community Planning and Development Department.

Public Works

- Water Meter Readers will move from Administrative Services to Water Resources
- Public Works Employee Relations and Human Resources Services will shift to General Government Human Resources
- Accounting and Records will move to Administrative Services
- Parking Services will move from Transportation to Community Services in the Community Planning and Development Department
- A Stormwater Project Engineer will transfer to Community Planning and Development
- Transferred 4 FTE to General Government to centralize communication support to the organization

Summary

The information compiled in this report represents reductions and efficiencies well over \$1 million dollars. Since 2008 we have reduced our staffing level by 48 positions, as shown in the attached chart. The reductions will have long term impact while the efficiencies will insure the City is providing quality basic services within the financial resources available.

We are very careful in balancing the “risk” vs. “benefit” when we terminate or reduce programs. The aim in mind is to provide core basic service that protect the community we serve and the City itself.

Please feel free to contact each Department Director if you have questions of a specific nature to a Department. As always, I am available for any of your questions.

