

City of Piedmont
COUNCIL AGENDA REPORT

DATE: July 15, 2024

TO: Mayor and City Council

FROM: Rosanna Bayon Moore, City Administrator

SUBJECT: Informational Overview of Approach to Staffing and Fee Studies by Matrix Consulting Group for the Piedmont Planning & Building Department

RECOMMENDATION

This report is submitted for information purposes only. Its intent is to provide the City Council and the Piedmont community with an introduction to the Matrix Consulting Group (Matrix) team preparing staffing and fee studies for the Department of Planning & Building and to provide an overview of the approach, the scope of work, and the options to be considered upon completion of the studies.

BACKGROUND

On March 18, 2024, the City Council approved a consulting services agreement with Matrix to conduct a two phased project that includes a staffing and organizational assessment, and a fee schedule study for Piedmont's Planning & Building Department. The organizational assessment looks to assist the Department with optimizing resources to meet the service needs of the community. The second phase portion of the study is expected to inform the decision-making process to establish a fee schedule that generates revenue to cover all or part of the cost of the service provided.

The primary members of the Matrix team assigned to this project are:

- Courtney Ramos, Senior Vice President and Chief Financial Officer
- Aaron Baggarly, AICP
- Allyson Brekke, AICP

Matrix describes their project understanding and approach to the project with task plans:

Staffing and Organizational Assessment - a comprehensive staffing, process, and organizational assessment of the Planning and Building Department.

Task 1 – Project Kickoff and Current State Assessment

The team will conduct staff, management, and City leadership interviews to understand the operational approaches for the provision of services.

Deliverable: Current state assessment of the Planning & Building Department.

Task 2 – Document and Evaluate Primary Business Processes

The team will evaluate the current processes and determine opportunities to improve operational efficiencies and collaboration.

Deliverable: Development of “as is” and “to be” business process diagrams.

Task 3 – Assess Stakeholder Satisfaction with Development Processes

Includes both an online stakeholder survey and three online focus group meetings with prior customers and local professional organizations.

Deliverable: Analysis of the stakeholder online survey and focus group discussions.

Task 4 – Compare Department Operations to Best Practices

The goal is to present opportunities for improvement of existing operations.

Deliverable: A comprehensive best practices assessment.

Task 5 – Evaluate Operations, Service Levels, Customer Information, Technology, Staffing and Organizational Needs

An evaluation all aspects of the permitting process to identify improvement opportunities and resource needs.

Deliverable: Summary of improvement opportunities, adjustments in work practices, technology, organizational structure, workload, and staffing analysis.

Task 6 – Develop a Draft and Final Report and Implementation Plan

The team will present the final report and implementation plan to Council.

Deliverable: Final Report and Implementation Plan and City Council presentation.

Fee Study – partial versus total cost recovery.

Task 7 – Data Collection, Study Objectives and Project Schedule

To develop an understanding of the overall approach and methodology that the project team will use to conduct the User Fee study.

Deliverable: Data collection list and updated project schedule.

Task 8 – Develop a Schedule of Current and Potential Fees for Service

To ensure that any major proposed structural changes are captured before collecting time estimate information or developing draft fee results.

Deliverable: Proposed Fee Structure(s).

Task 9 – Conduct Time Data Gathering Workshops

Basic process steps in application/permit processing will be documented and provided in detail for each department represented involved the process.

Deliverable: Time Estimate Workbook(s).

Task 10 – Develop Fully Burdened Hourly Rates

Based on the City’s staffing and budget information (and proposed staffing changes.

Deliverable: Fully Burdened Hourly Rates.

Task 11 – Perform Total Cost Analysis

The methodology utilizes the time assumption per position and multiplies it by the fully burdened rate to generate the full cost.

Deliverable: Per Unit and Annual Fee Study Results.

Task 12 – Conduct a Comparative Survey

The project team will work with the City to identify jurisdictions in the East Bay to conduct a comparative survey based on fee scenarios for each department to be compared to other jurisdictions.

Deliverable: Comparative Graphs (included in Draft Report).

Task 13 – Review & Revise Fee Study Results

The project team will work with staff to incorporate any revisions or changes.

Deliverable: Revised Draft Results.

Task 14 – Prepare a Draft User Fee Study Report

This report for staff's review will include an executive summary, methodology, legal framework, and overall results of the analysis, including the comparative survey.

Deliverable: Draft Fee Study Report.

Task 15 – Finalize Fee Study Report

This finalized fee study report will include all elements of the draft fee study report and any additional cost recovery considerations and policy considerations for the City Council's review.

Deliverable: Final Fee Study Report.

Task 16 – Present the Final Report to Key Stakeholders

The presentation of results to City officials and/or stakeholders is critical to the success of the overall engagement.

Deliverable: Fee Study Presentation.

Task 17 – Implementation and Future Support

The project team will work with City staff to facilitate an understanding of the results of each analysis and how to incorporate those results into budget and policy documents, informational handouts, and other City materials.

DISCUSSION

Work commenced earlier this year with Task 5 anticipated for completion in August 2024. The bulk of the work on the fee study follows the completion of the staffing and operational analysis and is expected to be completed by the end of the calendar year.

The presentation by Matrix Consulting Group on the scope of work will provide additional context for the work product under development and outline how the the analysis and studies are expected to inform future Council decision making.

FISCAL IMPACT

The City Council allocated \$70,000 to this project when it adopted the FY 2023/2024 City budget. Since the work is only partially completed, the City Council agreed to carry forward remaining budget funds when it adopted the FY 2024/2025 City budget.

CONCLUSION AND NEXT STEPS

Matrix Consulting group is currently preparing a staffing and organizational assessment and a fee schedule study for Piedmont’s Planning & Building Department. Upon completion of the work later this year, staff and the consulting team will present the results to the City Council and community. The assessment and fee study are intended to support decisions related to the Department’s future staffing and fee schedule.

Prepared by: Kevin Jackson, Director of Planning & Building

ATTACHMENTS

<u>Pages</u>	
A 5-13	Slideshow Presentation from Matrix Consulting Group with general information on staffing and organizational assessments, and fee schedule studies

Overview of Staffing and Fee Studies for Planning & Building

PIEDMONT, CA

matrix 
consulting group

AGENDA

1. Objectives
2. Organizational Study Approach
3. Organizational Study Outcomes
4. Fee Study Approach
5. Fee Study Considerations

Objectives

- **Staffing and Operational Analysis**
 - Evaluate current processes and staffing
 - Conduct prior customer outreach
 - Develop recommendations for process, technology, and resource allocation
- **Fee Study**
 - Streamline fee structures
 - Document time and cost assumptions
 - Ensure compliance with State regulations

Organizational Study Project Approach: Input

Interviews and Data Collection

- Understanding the context and history of Piedmont development processes and service levels through staff interviews.
- Extensive data collection in each functional area.

Customer Survey and Focus Groups

- An anonymous survey for past customers.
- Focus groups and one-on-one conversations with customers.

Process Diagramming

- Process diagram current development review, permitting, and inspection processes.

Organizational Study Project Approach: Analysis Phase

Best Practices Analysis

- Compare existing operations, processes, technology, performance, and organizational structure to prevailing industry practices.

Analysis and Recommendations

- Analyze customer service levels, performance timelines, processes, roles/responsibilities, technology, and staffing needs.
- Evaluate organizational structure and resource needs.

Final Report and Presentations

- Consolidates previous work into cohesive analysis with recommendations and implementation plan.

Key Outcomes

- 1 Identify operational efficiency improvement opportunities.
- 2 Align resources with level of service expectations.
- 3 Identify resource needs (e.g., staff, technology, consultants, etc.)
- 4 Recommendations serve as the framework for cost of service requirements.

Fee Study Project Approach

Review Fee Structure

- Eliminate outdated fees / services
- Incorporate new services or categories
- Update verbiage and schedule organization

Develop Service Time Assumptions

- Establish level of service
- Identify average time on task

Calculate Fully Burdened Hourly Rates

- Direct Costs – salaries and benefits, including productive hours
- Indirect Costs – departmental and citywide overhead

Identify Full Cost of Service

- Outline total cost to provide each service
- Identify current cost recovery levels

Key Considerations and Action Items

- Develop cost recovery policies for Planning and Building Services
 - Identify cost recovery goals
 - Outline any exceptions
- Depending on current cost recovery levels, determine how and when goals should be met
 - Immediately implement goal
 - Phase in increases to limit community impacts
- Adopt annual increase mechanism to ensure cost recovery goals are maintained.

Questions / Discussion