

SUBJECT

Second Reading of Ordinance No. 024, 2011, Amending Chapter 2, Article V, Division 3 of the City Code Pertaining to City Service Areas.

EXECUTIVE SUMMARY

The City Manager and executive leadership team continue to examine and consider ways to enhance the efficiency and effectiveness of the City organization. This Ordinance, unanimously adopted on First Reading on March 1, 2011, implements changes to the City's internal organizational structure. These changes impact existing service areas which necessitates updates to related provisions of the City Code.

BACKGROUND / DISCUSSION

First Reading of Ordinance No. 024, 2011 was considered and approved by City Council on March 1. Council requested some additional information in conjunction with Second Reading.

1. Description of the terms found on the City organization chart for Service Area, Service Unit, Department and Division are as follows:
 - a. Service Area – a group of related functions and services; the Service Area Director reports directly to the City Manager
 - b. Service Unit – a group of related functions and services; the Service Unit Director reports to a Service Area Director
 - c. Department – a group of related functions and services; the Department Director reports to a Service Area Director or a Service Unit Director
 - d. Division – in the general organization, a division is a subset of a department and reports to a department director; in Fort Collins Utilities, a division is a subset of a Service Unit and reports to a Service Unit Director
2. Organizational Chart

The chart focuses on the Service Area structure, which is the element of the organization that the City Council, in accordance with the Charter and City Code, has the power to establish, change, consolidate or abolish upon report and recommendation of the City Manager. The changes are:

- a. Renaming two Service Areas: *Community Services* renamed as *Policy, Planning and Transportation Services* and *Internal Services* renamed as *Community and Operations Services*.
- b. Establishing a new service area entitled *Employee and Communication Services*

Three versions of the organizational chart are attached:

- a. A simplified version is provided that focuses specifically on the new Service Area Structure that was adopted on First Reading on March 1. The new chart shows the types of services that are provided in each Service Area as opposed to a specific listing by our internal department structure. The new Assistant to the City Manager position, which will focus on sustainability and the built environment, does not appear because it is part of the City Manager's Office rather than a Service Area. (Attachment 2)
- b. The revised organizational chart that was presented and adopted on First Reading on March 1, 2011. (Attachment 3)
- c. The current organizational chart (Attachment 4)

The colors of the revised charts were changed to be more vibrant and visible.

As explained at First Reading of Ordinance No. 024, 2011, this recommended organizational change is based on the changing needs of the organization, including the development of an organizational strategic planning process and implementation of a performance excellence initiative, as well as opportunities in light of upcoming retirements and anticipated changes in organizational leadership.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on Second Reading.

ATTACHMENTS

1. Copy of First Reading Agenda Item Summary - March 1, 2011 (w/o attachments)
2. Proposed revised organization chart, simplified version
3. Proposed revised organization chart that was adopted on First Reading on March 1, shown by department
4. Organization chart with current structure

DATE: March 1, 2011
STAFF: Darin Atteberry

AGENDA ITEM SUMMARY
 FORT COLLINS CITY COUNCIL

15

SUBJECT

First Reading of Ordinance No. 024, 2011, Amending Chapter 2, Article V, Division 3 of the City Code Pertaining to City Service Areas.

EXECUTIVE SUMMARY

The City Manager and executive leadership team continue to examine and consider ways to enhance the efficiency and effectiveness of the City organization. The City Manager has decided to implement some changes to the City's internal organizational structure. These changes impact existing service areas which necessitates updates to related provisions of the City Code.

BACKGROUND / DISCUSSION

Under the current structure, the City Manager has seven direct reports with five (Service Directors) managing major functions in the organization. These are:

1. Deputy City Manager – Community Services
2. Assistant City Manager – Internal Services
3. Chief Financial Officer – Financial Services
4. Utilities Executive Director – Utility Services
5. Chief of Police – Police Services

With the completion and Council approval of the 2011—2012 City Budget, the City Manager and the City's executive leadership team began to address how to implement the upcoming policy work and address pressing operational needs. The needs focused on:

- Strategic Planning—development of an organizational strategic planning process and implementation of a performance excellence initiative.
- Policy Issues—more executive capacity for Council policy issues
- Succession Planning—in the next three years, significant changes in leadership positions are anticipated.

Community Services will be renamed *Policy, Planning, and Transportation Services Area*. This service area will be directed by the Deputy City Manager (Diane Jones) and will include Planning, Development and Transportation services, the City Clerk's Office and Performance Excellence and Strategic Planning (new responsibility).

Internal Services will be renamed *Community and Operations Services*. This service area will be directed by the Assistant City Manager (Wendy Williams) and will include Management Information Services (MIS), Operations (Facilities and Fleet), and Legislative services. Culture, Parks, Recreation and Environmental Services (CPRE—new responsibility) will shift from Community Services to this service area.

A new service area will be entitled *Employee and Communication Services*. This service area will be directed by the Assistant to the City Manager (Kelly DiMartino) and will include Communications and Public Involvement and Human Resources (new responsibility) which both shift from Internal Services to this new service area.

Under this revised structure, the City Manager will have a total of eight direct reports - six Service Area Directors, an Executive Assistant to the City Manager (Tauny Gilmore) and an Assistant to the City Manager (Bruce Hendee). The six major management positions (Service Directors) and related functions that report directly to the City Manager are as follows:

1. Deputy City Manager – Policy, Planning and Transportation Services (amended)
2. Assistant City Manager—Community and Operations Services (amended)
3. Chief Financial Officer—Financial Services
4. Assistant to the City Manager—Employee and Communications Services (new)
5. Utilities Executive Director—Utility Services
6. Chief of Police—Police Services

The Assistant to the City Manager's responsibilities include improving collaboration and implementation of the City's sustainability programs and practices and applying expertise to the City's built environment. Because the responsibilities and focus of this position continue to be refined, further information will be forthcoming to City Council.

The changes and reassignments are intended to maximize and continue to develop the expertise among the executive managers, to continue to drive organizational efficiencies, and to address more effectively the Council policy development, strategic planning, performance excellence. Finally, anticipating that several executive managers will be retiring in the next three to five years, we are working to position staff to assume key leadership positions as those retirements occur.

Code Revisions

Under Article II, Section 5 of the City Charter, the City Council has the power to establish, change, consolidate or abolish administrative offices, service areas or agencies of the City by ordinance, upon report and recommendation of the City Manager, so long as the administrative functions and public services established by the Charter are not abolished in any such reorganization. The proposed reorganization would not abolish any of those essential functions and services.

The organizational structure of the City is contained in Chapter 2, Article V of the City Code. The service areas are established in Division 3 of Article V. This Ordinance would amend Division 3 to codify the organizational changes described above.

FINANCIAL / ECONOMIC IMPACTS

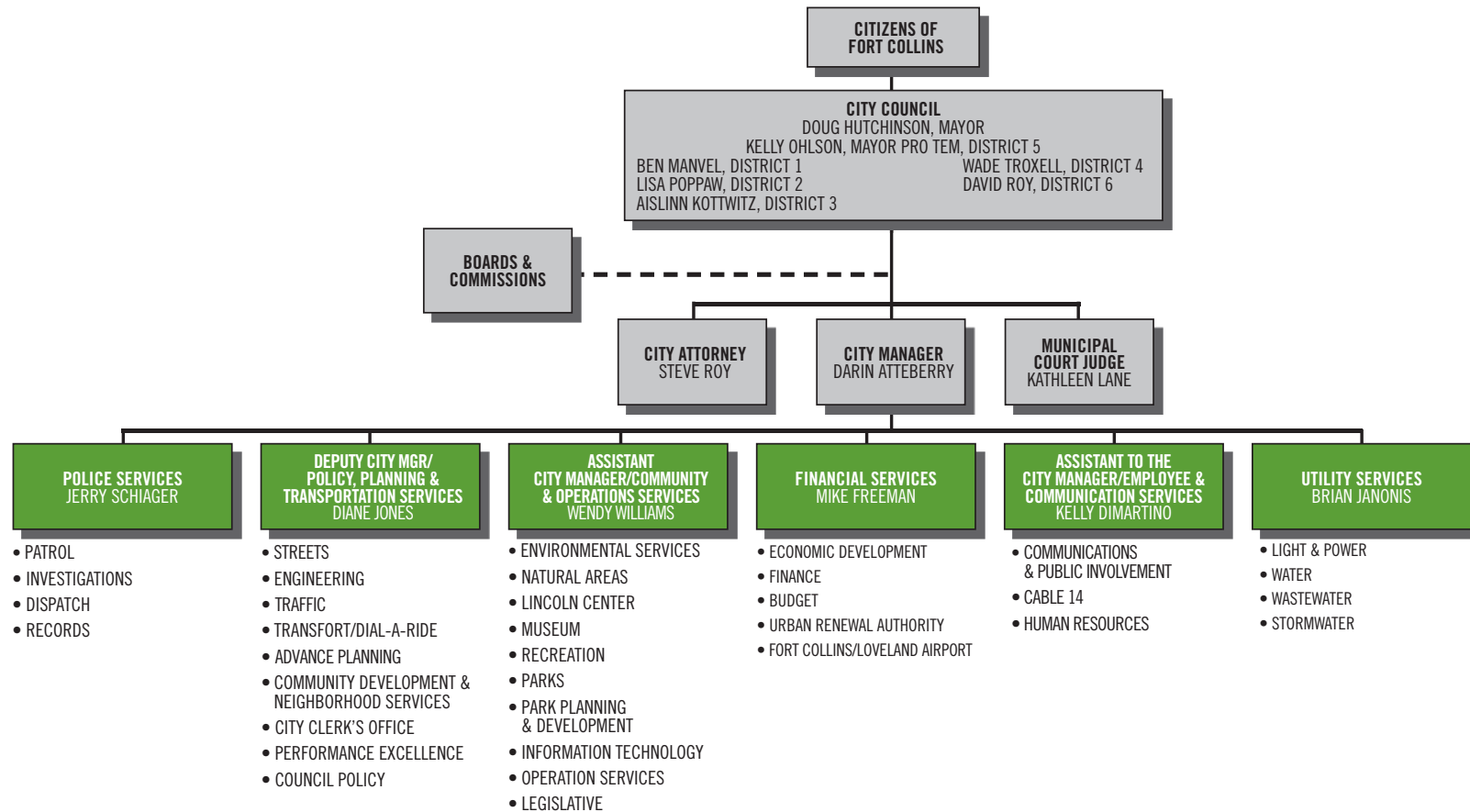
The financial impacts for the changes noted above will be pay grade adjustments for two of the Service Area directors—Assistant City Manager for *Community and Operations Services* and Assistant to the City Manager for *Employee and Communications Services*—and to reclassify the current Public Relations Coordinator to the Communications and Public Involvement Manager. The total salary impact is estimated at \$34,000.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

ATTACHMENTS

1. City of Fort Collins Proposed Organization Chart

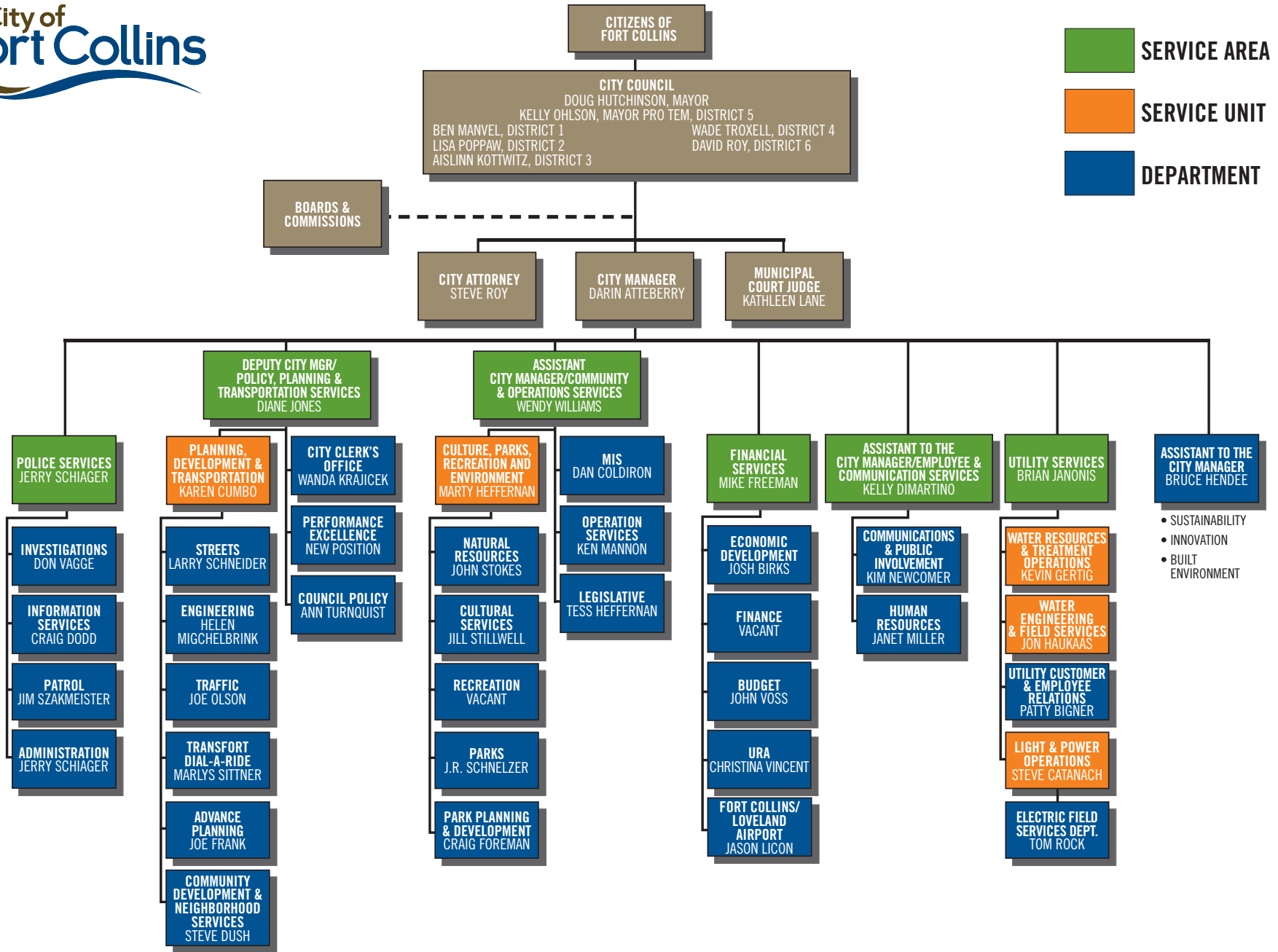


SERVICE AREA (Oversees departments and divisions)

OTHER GOVERNMENTAL UNITS AND JOINT VENTURES: Downtown Development Authority, Fort Collins Housing Authority, Metropolitan Planning Organization, Platte River Power Authority, Poudre Fire Authority

(PROPOSED ORGANIZATION CHART)

Updated 3.9.2011

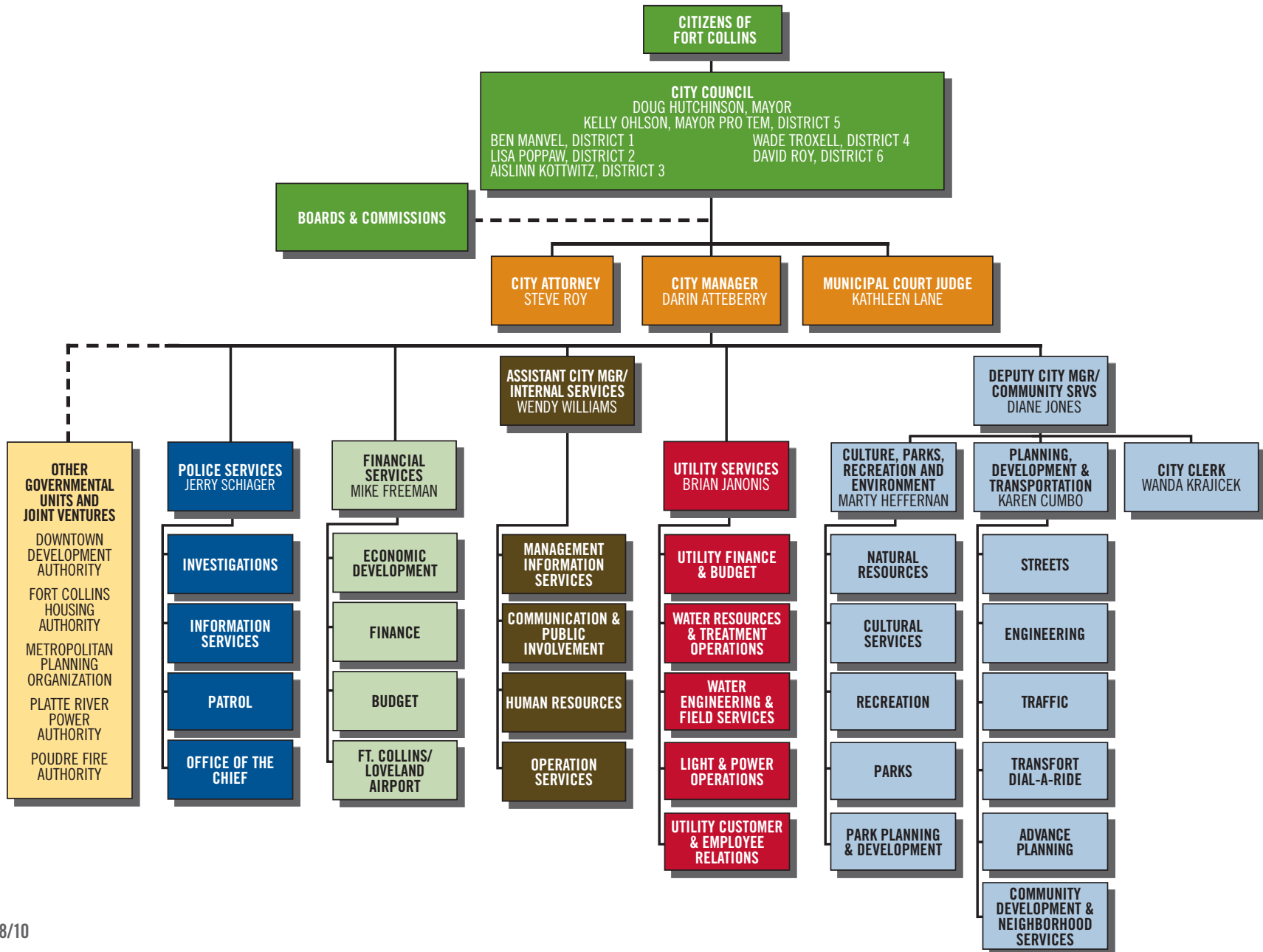


OTHER GOVERNMENTAL UNITS AND JOINT VENTURES: Downtown Development Authority, Fort Collins Housing Authority, Metropolitan Planning Organization, Platte River Power Authority, Poudre Fire Authority

(PROPOSED ORGANIZATION CHART)



Organization Chart



ATTACHMENT 4

ORDINANCE NO. 024, 2011
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AMENDING CHAPTER 2, ARTICLE V, DIVISION 3
OF THE CODE OF THE CITY OF FORT COLLINS
PERTAINING TO CITY SERVICE AREAS

WHEREAS, under Article II, Section 5 of the City Charter, the City Council has the power to establish, change, consolidate or abolish administrative offices, service areas or agencies of the City by ordinance, upon report and recommendation of the City Manager, so long as the administrative functions and public services established by the Charter are not abolished in any such reorganization; and

WHEREAS, the organizational structure of the City is contained in Chapter 2, Article V of the City Code;

WHEREAS, Division 3 of Article V establishes the service areas of the City; and

WHEREAS, the City Manager and his executive leadership team have recently reviewed the organizational structure of the City and, following such review, the City Manager has concluded that certain changes should be made in order to enhance the implementation of City Council policy decisions and address pressing operational needs of the organization; and

WHEREAS, such changes will result in the restructuring of two existing service areas and the formation of a new service area; and

WHEREAS, the City Council believes that the organizational changes recommended by the City Manager are in the best interests of the City and will further enhance the efficiency and cost effectiveness of City operations.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That Chapter 2, Article V, Division 3, Sections 2-500 and 2-502 of the Code of the City of Fort Collins are hereby amended to read as follows:

DIVISION 3. SERVICE AREAS

Sec. 2-500. Policy, Planning, and Transportation Services.

Policy, Planning and Transportation Services is hereby created. Policy, Planning and Transportation Services shall be in the charge of a Director who shall be directly responsible to the City Manager for the functions and duties necessary to provide internal strategic planning and policy development services to the City, as well as community planning, development and transportation services, and who shall

have control and supervision over such agencies, service units, departments, offices or persons as may be deemed appropriate by the City Manager.

Sec. 2-502. Community and Operations Services.

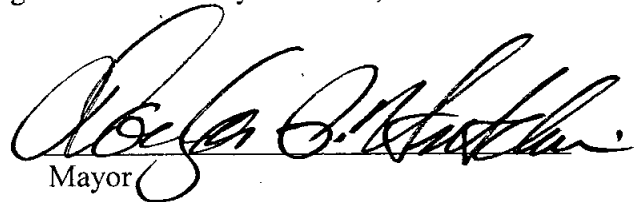
Community and Operations Services is hereby created. Community and Operations Services shall be in the charge of a Director who shall be directly responsible to the City Manager for the functions and duties necessary to provide cultural, parks, recreation and environmental services; management information services (information technology and network systems); operations services; and legislative services, and who shall have control and supervision over such agencies, service units, departments, offices or persons as may be deemed appropriate by the City Manager.

Section 2. That Chapter 2, Article V, Division 3, of the Code of the City of Fort Collins are hereby amended by the addition of a new section 2-505 which reads in its entirety as:

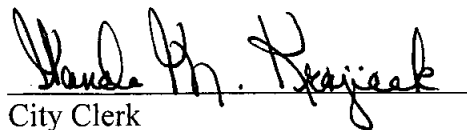
Sec. 2-505. Employee and Communication Services.

Employee and Communication Services is hereby created. Employee and Communication Services shall be in the charge of a Director who shall be directly responsible to the City Manager for the functions and duties necessary to provide communications, public involvement and human resources services to the City, and who shall have control and supervision over such agencies, service units, departments, offices or persons as may be deemed appropriate by the City Manager.

Introduced, considered favorably on first reading, and ordered published this 1st day of March, A.D. 2011, and to be presented for final passage on the 22nd day of March, A.D. 2011.


Mayor

ATTEST:


City Clerk

Passed and adopted on final reading on the 22nd day of March, A.D. 2011.

Mayor

ATTEST:

City Clerk