Wayzata City Council Workshop Meeting Agenda
Wayzata City Hall, 600 Rice Street
Meeting Held Remotely
TUESDAY, JUNE 15, 2021

Click HERE to join the Zoom meeting.

Pursuant to Minnesota Statute Sec. 13D.015, and the Executive Orders and Emergency Declarations related to the COVID19 pandemic, this City Council Workshop meeting is being conducted by electronic means using the audio and video conferencing platform, Zoom. Members of the public may watch and listen to the meeting by logging into Zoom, or by calling 312-626-6799 on a phone, and entering Zoom Meeting ID 919 0722 6314, Passcode 845135.

WORKSHOP TOPICS FOR DISCUSSION:

1. **Discussion of Long-Term Staffing Plan** (5:45-6:30 p.m.)

City Council Workshop
City Council Agenda Report

MEETING DATE: June 15, 2021	**WORKSHOP AGENDA ITEM:** 1
TITLE: **Discussion of Long-Term Staffing Plan** (5:45-6:30 p.m.)	
PREPARED BY: Aurora Yager, Administrative Services Director	
REVIEWED BY: Jeff Dahl, City Manager	

DISCUSSION OBJECTIVE:

To gather feedback and answer questions regarding the staffing requests included in the Long-Term Staffing Plan.

BACKGROUND:

2017 Organizational Study and Long-Term Financial Plan

In November 2020, the City Council held a workshop to review the Long-Term Financial Plan. This plan's purpose is to show financial impacts of future staffing levels. The staffing levels are intended to be aligned with the desired level of city services based on future demands.

While previous versions of the plan did not include forecasts of future staffing needs, staff recommended it be included in 2020 due to the number of positions that have been identified as a need. Several of these positions were identified in the Organizational Study that was completed back in 2017 (included below). Additionally, several of the goals and strategic initiatives in the Strategic Plan include items that are directly related to increased staffing such as increasing park programming, succession planning and staffing analyses, and better managing staff workloads.

Annual Review and Updates

Historically, the City has had a small staff and high workloads which has resulted in some pent-up staffing needs as noted in the attachments. The identification of staffing needs does not commit the City to fill these positions, but rather gives the Council and staff an idea of the impact those positions could have on the budget to better evaluate priorities and timelines and plan for these in advance. Their impact on the levy is subject to Council approval as part of the annual budget. These forecasts and budget impacts will be updated and reviewed by the Council annually.

Next Steps

Based on feedback from the Council regarding these positions, staff will incorporate these positions into their 2022 budget proposals and into the Long-Term Financial Plan update. Both of these items will be presented to the Council at the August 10 workshop.

ATTACHMENTS:

1. Staffing Plan Memo
2. Wayzata Organizational Study 2017

Long-Term Staffing Plan

June 15, 2021

All departments met to review their long-term staffing needs in the Spring. Based on that discussion, any department with a staffing request first submitted a needs statement and timeline to the City Manager, and if approved was it added into the position list below. Additional information regarding the potential impact on the levy and tax rate along with the detailed Position Requisition Forms are included below.

Proposed Positions by Year

Year	Position	Salary and Benefits	General	Cable	Water	Sewer	Storm.	Liquor	Solid Waste	Total	
2022	Police Officer	$ 83,125	$ 83,125							$ 83,125	
2022	Engineering Technician	$ 68,750	$ 29,219		$ 1,719	$ 1,719	$ 1,719			$ 34,375	*
2022	FT- Keyholder	$ 52,300						$ 19,000		$ 19,000	**
2022	PT - Election Workers	$ 10,400	$ 10,400							$ 10,400	
2022	PT-Admin Assistant	$ 37,000	$ 37,000							$ 37,000	
2022	FT- Fire Chief	$ 125,000	$ 62,500							$ 62,500	
2023	Human Resources	$ 100,000	$ 50,000		$ 10,000	$ 10,000		$ 30,000		$ 100,000	
2023	PSW - Parks Dept	$ 65,200	$ 65,200							$ 65,200	
2024	PT - Election Workers	$ 11,000	$ 11,000							$ 11,000	
2026	PT - Election Workers	$ 11,700	$ 11,700							$ 11,700	
2027	Police Officer	$ 96,400	$ 96,400							$ 96,400	
		$ 660,875	**$ 456,544**	**$ -**	**$ 11,719**	**$ 11,719**	**$ 1,719**	**$ 49,000**	**$ -**	**$ 530,700**	

* Starting midyear

**Net increase is for benefits only. Existing PT hours will be reallocated to this new position.

General Fund Budget Impact by Year

	2021	2022	2023	2024	2025	2026	2027
General Fund		$ 222,244	$ 115,200	$ 11,000	$ -	$ 11,700	$ 96,400
Cumulative Total with Inflation		**$ 315,994**	**$ 529,743**	**$ 556,635**	**$ 562,004**	**$ 590,564**	**$ 692,630**
Estimated Total Levy % Change		**8.80%**	**6.57%**	**-1.07%**	**2.88%**	**3.21%**	**4.37%**
Estimated Tax Rate	**20.644%**	**21.791%**	**22.478%**	**22.782%**	**23.138%**	**23.574%**	**24.288%**
Est. Median Value Home	**$695,000**	**$701,950**	**$708,970**	**$716,059**	**$723,220**	**$730,452**	**$737,757**
Median Value Home Tax $ from PY		**$104**	**$71**	**$43**	**$48**	**$55**	**$78**

Note: 2022 includes the cost of the Park Planner position since it was funded by transfers in 2021. Thus, its general fund budget impact occurs in 2022 and going forward.

Enterprise Fund Budget Impacts by Year

	2022	2023	2024	2025	2026	2027
Cable Fund	$ -	$ -	$ -	$ -	$ -	$ -
Water Fund	$ 1,719	$ 10,000				
Sewer Fund	$ 1,719	$ 10,000				
Stormwater Fund	$ 1,719					
Liquor Fund	$ 19,000	$ 30,000				
Solid Waste Fund	$ -	$ -	$ -	$ -	$ -	$ -
Annual Total	**$ 24,156**	**$ 50,000**	**$ -**	**$ -**	**$ -**	**$ -**

Positions Requested for Inclusion in 2022 Budget

Position Requisition Form

Position Title	Police Officer	**Department**	Police
Requested By	Marc Schultz, Interim Police Chief	**Approved By**	Jeff Dahl, City Manager
Date Needed	2022		

Summary of Job Duties:
Responsible for enforcing laws/ordinances, preventing crime, addressing public safety concerns and providing assistance, arresting offenders, investigating crimes, and protecting life and property.

Summary of Need/Rationale:

- **Current staffing levels stretch the department thin**

The current approved staffing levels of the Wayzata PD include two records staff, 1.25 CSO's, and 14 sworn officers (Police Chief, 2 Sergeants, a School Resource Officer and Detective). Given the need for 24/7 staffing, 11 officers to fill patrol shifts is the minimum needed. However, when staffing levels drop due to retirements, resignations, injury or illness it can result in one officer being on at a time and requires other officers to work overtime for shifts as long as 18-hours. Additionally, when there are multiple calls or transports needed when only one officer is on duty, Wayzata and Long Lake lack patrol coverage and must rely on mutual aid.

- **Demand and service levels are increasing**

The FBI's Uniform Crime Reports (UCR) data is a matrix used to determine standardized street strengths of patrol personnel for police departments. This guidance gives general direction in regard to staffing but ultimately needs are based on unique traits and serve levels desired by the community. To meet the UCR averages for Midwest cities <10,000 residents, Wayzata would need 19 sworn officers in the PD to cover the communities of Wayzata and Long Lake.

Continued expansion of multi-unit housing, Panoway and downtown activity, and other developments contribute to increases in both population, traffic, and therefore are increasing service demands. Additionally, as best practices shift more towards community-based policing models such as bike patrol and other forms of community engagement, it is important to consider that these programs are more labor intensive and require additional staffing resources to successfully implement.

Funding Source and Budget Impact:
$83,125 is the anticipated cost for both salary and benefits and would be paid for from the General Fund.

Position Requisition Form

Position Title	Engineering Technician	Department	Public Works
Requested By	Mike Kelly, Public Works Director/City Engineer	Approved By	Jeff Dahl, City Manager
Date Needed	2022 – Midyear		

Summary of Job Duties:
Responsible for assisting Engineering Department in the execution of civil engineering services, including managing right-of-way, utility and encroachment permits, and assisting with inspection and engineering functions for public improvements, private developments, and other City projects.

Summary of Need/Rationale:

- **Current staffing levels stretch the department thin**

The need for this position was first raised as part of the 2017 organizational study. Previously, the Public Works Department had three (3) positions including a Director, Engineer, and Project Engineer/Technician. When Mike transitioned to a dual role of Director and Engineer, the Department never backfilled with an additional engineering role and the workload is becoming too much to manage. Given the volume of permit requests and construction inspections, additional staffing is needed to keep up with demand and improve responsiveness.

- **Realigning responsibilities is critical to department operations**

Due to the high volume of permits and inspections, the current Project Engineer cannot devote enough time to project management and the Director has to take on those duties. This limits the ability for the Public Works Director to focus on the high-level, long-term, and leadership needs of the Department.

Funding Source and Budget Impact:
$68,750 is the anticipated cost for both salary and benefits but we are proposing to start this position mid-2022 so only half a year of the costs for this position would be incurred in 2022. This position would be allocated 85% to the General Fund and 5% to the Water, Sewer, and Stormwater Funds respectively.

Since the Utility Funds are enterprise funds, some of the increased cost of this position would be paid for with utility sales and incorporated into the Water, Sewer, and Stormwater 2022 operational budgets. Additionally, when this position works on capital projects, those hours are billed to the capital account which offsets some of the labor costs. Staff anticipate that as much as 25% of the position may be billed to capital accounts.

Position Requisition Form

Position Title	Full-Time Keyholder	**Department**	Liquor
Requested By	Kevin Castellano, General Manager of Wayzata Wine & Spirits	**Approved By**	Jeff Dahl, City Manager
Date Needed	2022		

Summary of Job Duties:
Responsible for strict control and maintenance of the sale of alcohol beverages, ensuring that all laws and regulations are strictly adhered to. Serves as acting manager when Wayzata Wine & Spirits' management is not present.

Summary of Need/Rationale:

- **Employee retention continues to be an issue**
  Part-time retail positions naturally carry pretty high turnover rates, which increases labor costs of training new staff, contributes to staffing shortages, and interrupts operations and scheduling. In the last twelve months, turnover for sales and keyholder positions reached 70.6%. While making an additional benefitted employee does carry a significant cost, this would be offset by the reduction in labor costs related to training, recruitment costs, and management time spent on hiring.

- **Streamlining operations and increasing staff knowledge**
  This position would simplify scheduling and operating procedures, and create a third pillar to the staff with someone who is consistent with the customers, who is dedicated to their roles, and has the tenure to invest in more in-depth product and operations knowledge.

Funding Source and Budget Impact:
This position would reallocate hours that are currently given to the part-time keyholder position but would make one full-time position. Therefore, the only additional cost for this position would be about $19,000 for benefits which would be paid out of the Liquor Fund.

Since the Liquor Fund is an enterprise fund, the increased cost of this position would be paid for with sales from the Liquor Store itself and incorporated into its 2022 operational budget.

Position Requisition Form

Position Title	Part-Time Election Workers	**Department**	Liquor
Requested By	Kathy Leervig, City Clerk	**Approved By**	Jeff Dahl, City Manager
Date Needed	2022 – and future election years		

Summary of Job Duties:
Assists the City Clerk in administration of the elections, primarily to process absentee voting.

Summary of Need/Rationale:
As you can see from the table below, registered voters and absentee voting has increased dramatically since 2021. The increased demand is causing elections administration to take up considerably more staff time. Two part-time election workers during election seasons are recommended to be hired to process this additional workload.

	2012	2014 (mid-term)	2016	2018 (mid-term)	2020	% Increase from 2012
Registered Voters	2971	2985	3463	3422	3720	25%
Absentee Ballots Cast	489	458	1391	1383	2533	418%
Total Ballots Cast	2540	2019	2859	2856	3233	27%

Funding Source and Budget Impact:
$10,400 is the anticipated cost for wages and would be paid for from the General Fund.

Position Requisition Form

Position Title	Part-Time Administrative Assistant	**Department**	Administration
Requested By	Kathy Leervig, City Clerk	**Approved By**	Jeff Dahl, City Manager
Date Needed	2022 - Tentative		

Summary of Job Duties:
Serves as the first point of contact for the City both by phone and at the front counter. Assists with processing of utility payments, deposits, reports, and a wide variety of administrative duties.

Summary of Need/Rationale:
The City previously had two full-time Administrative Assistant positions. Due to increases in building permits and the need for support staff with more technical knowledge, one of the open Administrative Assistant positions was changed to a Building Permit Technician which will be filled Summer of 2021.

When the Building Permit Tech position is filled, they will process all building permits and inspections. This will greatly shift some of the existing Administrative Assistant duties so workload will be monitored to determine if the remaining duties can be handled with one position or if additional part-time help is needed. This position is marked as tentative and may be considered with the 2022 budget.

Funding Source and Budget Impact:
$37,000 is the anticipated cost for wages and would be paid for from the General Fund.

Position Requisition Form

Position Title	Full-Time Fire Chief	**Department**	Fire
Requested By	Kevin Klapprich, Fire Chief	**Approved By**	Jeff Dahl, City Manager
Date Needed	2022 midyear - Tentative		

Summary of Job Duties:
Provides direction and leadership for all activities of the Fire Department including, fire protection and emergency response, investigations, fire prevention and educational. Supervises all department staff and oversees the training and safety of personnel and equipment.

Summary of Need/Rationale:
The need for this position was first raised as part of the 2017 organizational study. The City has relied on the current Chief's availability and interest in serving, but that may not be sustainable long-term. While call loads are not expected to significantly increase, the complexity and required training and leadership responsibilities related to managing fire operations has become more time consuming and challenging. Additionally, most calls occur between 8 a.m. and 8 p.m. when it is most difficult to staff.

Additional research regarding staffing needs and structure in the Fire Department will be reviewed as part of an overall Fire Department study conducted this Summer. Results from that study will determine when/if a full-time Fire Chief position should be filled.

Funding Source and Budget Impact:
$125,000 is the anticipated cost for both salary and benefits but we are proposing to start this position mid-2022 so only half a year of the costs for this position would be incurred in 2022.

Positions Requested for Inclusion in Future Budgets

Position Requisition Form

Position Title	Human Resources – Payroll and Benefits	**Department**	Administration
Requested By	Aurora Yager, Administrative Services Director	**Approved By**	Jeff Dahl, City Manager
Date Needed	2023		

Summary of Job Duties:
Responsible for onboarding new hires, processing payroll, employee benefits administration and enrollment, ensuring payroll and benefit programs are compliant with all laws, and assisting with other Human Resource duties as assigned.

Summary of Need/Rationale:

- **Current staffing levels stretch the department thin while demand is increasing**

Human Resources serves a critical role across every department and yet it is still a relatively new role at the City (first position filled in 2017). HR is responsible for all hiring and termination processes, payroll and benefits administration, employee relations, policy development, managing regulatory compliance, training and development, etc. However, given that this function is still relatively new and there has historically been only one HR position for 120-150 employees, several HR functions (such as hiring) have been left to individual departments or some critical projects/processes have been pushed to the backburner. At the same time there are increasing state and federal regulations to be complied with, increased process demands, and existing policies and procedures that have never been in place or are outdated.

As an example of the increasing workload, from 2016-2019 hiring and terminations increased 204%. While hiring slowed during the pandemic, many other duties increased including policy creation and enforcement, training, and ensuring compliance with new state and federal directives more than took its place.

	2016	2017	2018	2019	2020	2021 YTD
New Hires and Terminations	47	79	120	143	77	50

- **Realigning responsibilities is critical to department operations**

Due to the high volume of Human Resources needs, the current Human Resources Coordinator cannot devote enough time to all those duties and the Director has taken on several of those duties herself. This limits the ability for the Administrative Services Director to focus on the high-level and leadership needs of the Department and advance critical projects such as strategic planning initiatives and process/technology improvements across the city.

Funding Source and Budget Impact:
$100,000 is the anticipated cost for both salary and benefits. This position is anticipated to be allocated 50% to the General Fund, 10% to the Water Fund, 10% to the Sewer Fund and 30% to the Liquor Fund so its full cost will be spread across city funds and departments.

Position Requisition Form

Position Title	Public Service Worker – Park Department	**Department**	Public Works
Requested By	Mike Kelly, Public Works Director/City Engineer	**Approved By**	Jeff Dahl, City Manager
Date Needed	2023 - Tentative		

Summary of Job Duties:
Performs day-to-day maintenance of parks, gardens, beaches, athletic fields, public grounds, play structures, trails, recreation sites, park structures and associated amenities. Performs a variety of snow plowing tasks, and assists other departments when assigned.

Summary of Need/Rationale:

- **Demand and service levels are increasing**

Expansion of Panoway and improvements to the City's parks and trails system are increasing the day-to-day maintenance activities of the Parks Department.

- **Seasonal Workers are becoming more difficult to hire**

The Department has struggled for the last few years to find seasonal help. While we budget for and need six seasonal workers, in 2020 we hired three, and in 2021 we hired two. With the current trend, we expect less than two seasonal employees in 2022. In order for the Department to keep up with the simple tasks of mowing, weeding, beach cleanup, and garbage collection, we either need more seasonal employees or a full-time employee to provide a consistent delivery of services.

In 2022, the City will attempt to regain the seasonal staffing by raising the seasonal wages and budgeting for contractors to perform some of the maintenance duties. In the event that these attempts are unsuccessful, a full-time employee will be recommended in 2023.

Funding Source and Budget Impact:
$65,200 is the anticipated cost for both salary and benefits and would be paid for from the General Fund.

Position Requisition Form

Position Title	Police Officer	**Department**	Police
Requested By	Marc Schultz, Interim Police Chief	**Approved By**	Jeff Dahl, City Manager
Date Needed	2027 - Tentative		

Summary of Job Duties:
Same as above.

Summary of Need/Rationale:
Same as above. Additional staffing is recommended based on UCR levels and continued service level increases. Staffing levels will be reevaluated after hiring of another Police Officer position in 2022 to update the need and hiring timeline.

Funding Source and Budget Impact:
$96,400 is the anticipated cost for both salary and benefits and would be paid for from the General Fund.

Organizational Study

October 2017

CRAIGRAPP, LLC
Envisioning the possible. Making it achievable.

September 21, 2017

Jeffrey Dahl
City Manager
City of Wayzata
600 Rice Street East
Wayzata, MN 55391

RE: Organizational Analysis

Dear Mr. Dahl,

I am pleased to present this report to you in support of the City's effort to address operational effectiveness, organizational capacity and the delivery of quality services.

In 2014, the City undertook an in-depth analysis of operations in the administration, finance, liquor, and public works departments, as well as a general review of motor vehicle licensing and engineering. Many of that study's recommendations have been successfully implemented, however, some remain, and because baseline circumstances have changed, the City sought this review.

This study responds to the City's desire for a high-level examination of structure and spans of control in the City Manager's office; capacity, capabilities and productivity in the Finance, Planning & Building, IT and Fire departments; and a general assessment of Public Works, Police and Engineering. Much of the analysis is time-sensitive due to current or anticipated leadership transitions.

Interviews held with Directors and key staff in each department during August 2017, along with document reviews provided the basis of the recommendations presented in the report.

The consulting team-Matt Fulton, Jessica Loftus, and I, wish to thank you and the employees who participated in interviews and provided valuable information. This report would not have been possible without your cooperation.

Yours truly,

Craig R. Rapp
President

40 East Chicago Avenue #340, Chicago, IL 60611
800-550-0692 • www.craigrapp.com

Table of Contents

Overview - Methodology

The City of Wayzata is a unique community in the Minneapolis-St Paul metropolitan area, with a rich history and connection to Lake Minnetonka. Wayzata greatly values its small-town atmosphere and its history of providing high quality public services.

Over the past few years, the City has undertaken strategic initiatives to encourage growth that provides diversified housing, retail, and commercial opportunities while simultaneously taking advantage of the lake amenity. As a result of these efforts, Wayzata has strengthened its already enviable positioned as a vibrant small town, that is attractive to investors and visitors.

The City recognizes that growth will have an impact on the public services needed to successfully meet the community's high expectations. Added to this, key leaders that helped shape the organization and community are now approaching retirement. The challenge of this transition, will be to transfer institutional knowledge, and to seamlessly shift organizational responsibilities to new people and departments.

In 2014, an organizational analysis was performed with an in-depth focus on the operations of the administration, finance, liquor, and public works departments. In addition, the motor vehicle licensing and engineering departments were examined due to the complementary nature and relationships of those functions. The analysis included an evaluation of strategic alignment, spans of control, and effective deployment of resources to meet priority outcomes. Since that time, a new City Manager has been hired. Numerous recommendations in the earlier study have been successfully implemented and are described within this report.

Wayzata's future will be impacted by several recent community investments. The Wayzata Bay Redevelopment Project significantly changed the downtown landscape with the addition of over 400 new senior and market rate housing units, 92 hotel rooms, and over 150,000 square feet of new office space. These projects add activity to the community's downtown and lakefront. The recent completion of a large public parking facility will improve the efficiency and convenience of downtown parking which will undoubtedly result in higher numbers of vehicles and visitors. The future development of the Lake Effect project will add to the inviting character of the community and will be a draw to visitors from the larger region.

These developments will create additional vehicular and pedestrian traffic and demands for public services--specifically in the areas of Police and Public Works. While this study is not intended to provide an in-depth analysis of future service demand resulting from these investments, it does identify future staffing and service issues that will likely arise, and options for addressing them.

The study methodology included interviews with leadership personnel in Administration, Police, Fire, Public Works, Communications, and Community Development. The team also interviewed Steve McDonald, Managing Partner with the City's Financial Consultant, Abdo, Eick, and Meyer. The study team collectively reviewed the results of the interview process and developed recommendations, based on their best knowledge and understanding of best practices and from their extensive professional experiences. The team also reviewed internal reports and various documents relevant to understanding staffing, operations and departmental issues.

A series of framing questions were used to focus the team's efforts and to test the information gathered. They included the following:

- Does the organization provide a clear and understandable strategic direction for moving forward the Community's current goals and longer-term vision?
- Does the organization communicate effectively throughout the organization in support of clear goals and direction, transparency, and supporting a strong and positive culture/morale?
- What elements of the past organizational study have been incorporated into the department's operations and how success has it been?
- What are the current and anticipated future challenges the department is and will be facing?
- Given the current staffing and anticipated transitions in departmental leadership, how would you propose responding the future demand needs of the department and overall organization?
- What are the internal opportunities for addressing the succession of leadership? What additional training might be necessary to help enhance internal opportunities for leadership growth?

This study is intended to provide a high-level review of operations and to provide broad recommendations to the City of Wayzata. Based upon our examination, we are confident that the management of the City is committed to aligning its core functions to responsively meet community expectations and the strategic direction established by the City Council.

The information that follows includes a set of general findings which provides an overall picture of the current situation, a summary of anticipated future departmental pressures and service demands, and options to consider to address the challenges identified. The ideas and recommendations are intended to help the organization continue to be successful, professional, and contemporary in meeting the needs of the community in the most efficient way possible. Finally, we have attempted to provide a general sense of the financial impact of implementing the suggested staffing changes.

General Findings

As indicated in the introduction, interviews were conducted with departmental leadership within the Administration, Finance, Police, Fire, Public Works, and Community Development Departments. The following general findings are based upon those interviews, supplemented by a review of relevant available budgets, policies and practices in each department.

1. Wayzata is a small community with challenges found in larger jurisdictions.
   Due to its small-town attractiveness and location on Lake Minnetonka, the City of Wayzata is a small town with big city activity levels. From tourism to shopping and dining destinations, new senior housing, a regional licensing center, and Lake Minnetonka recreation, Wayzata "punches above its weight" in terms of activity and service demand.

2. As the City continues to evolve, grow, and prosper, the demand for municipal services will grow.
   The City of Wayzata will continue to be a center for business and leisure activity for the surrounding area. The significant level of recent public and private investment will only increase the vibrancy of the community and the activity and service demand that comes with it.

   The community has a long history of delivering high quality public services. To effectively maintain this quality, staff capabilities and organizational capacity will need to be equal to the task. The City's ability and willingness to pay for this increased level of municipal service will be challenged as it considers demands potentially far beyond historic levels.

3. "The Wayzata Balancing Act" is real, and challenging.
   While Wayzata has a "larger-than-its-size" service demand, it is still a small city. This means that the city will consistently be confronted with balancing the need for additional staff and the appropriateness of alternative methods of service delivery such as outsourcing and consolidation. The organization should expect to see emerging leaders benefit from the experience of working with in Wayzata but moving on to larger jurisdictions. This will create leadership gaps in various positions when it occurs, which indirectly creates inefficiencies and sparks legitimate questions regarding service delivery methods as a way to address the issue.

4. The Leadership team is experienced, and they understand that the community expects excellence.
   The City of Wayzata's leadership team is experienced and committed to serving the community with excellence. There is a recognition of Wayzata's unique position in the region, and the value placed on provision of local public services. In addition, they are conscientious about delivering high quality as cost effectively as possible. These circumstances provide a solid foundation upon which to build as service level demands expand.

5. Organizational direction, communication, culture and morale is positive, strong and consistent.
   A consistent message was received throughout the interview process that overall direction and communication regarding the organizational mission is very good. Departmental leaders all expressed satisfaction and appreciation for the effective communication that exists between the City Manager and the departments. The leadership team also expressed an appreciation and understanding of the City Council's strategic vision for the future. There are practices in place to ensure that communication occurs regularly to the City Council, department leadership, and the community. Effective communication is something that should always be refined and improved to make sure that all stakeholders, internally and externally, are well informed and feel connected.

6. The organization would benefit from a comprehensive review of technology and a strategy for migration to a fully integrated technology system.
   The City has benefited from its contractual relationships with several outside vendors who support and maintain the City's technology systems. In addition, leadership from internal staff, primarily public works, have helped keep technology systems working smoothly, although there is not a specified IT staff person within the organization. As the City considers how to move forward and respond to growing needs, it will be important to consider how to integrate best practices in the use of technology and deal with the important issues surrounding the maintenance and updating of all technology forms. While it is essential that the City first review and define processes and functions, implementing contemporary and integrated technology systems will help the City address internal efficiencies and improve external service delivery.

7. Creative solutions for meeting future service demands will become more important as leadership changes and organizational needs evolve.
   Over the next several years, several department heads will retire. The change in leadership will result in opportunities for internal promotions as well as opportunities to do things differently. Because the City is small, service delivery is more interconnected and interdependent than in

larger communities with specialized departments. These circumstances offer the opportunity for the City to strategically consider ways to strengthen and develop collaborative partnerships both within the organization and with its neighbors for the delivery of services.

Assessment of Departmental Operations

The following provides a summary of our analysis of current operational issues and anticipated challenges that will confront various departments. In each case current conditions are described followed by a list of strategic issues, and a set of recommendations. While there are unique findings in each area, every department identified challenges related to communication, operational effectiveness, and future service demand. Based on this high-level review and analysis, the recommendations provided reflect the study team's best judgment regarding actions that will move the organization forward.

Administration/Finance

Interviews and discussions were held with the following:

- City Administrator
- Senior Accountant
- Office Manager/Clerk
- Payroll/HR Specialist
- Motor Vehicle Licensing Manager
- Communications Specialist

Current Conditions

- Staff expressed overall satisfaction with how the Administration department was operating although there was a belief that (1) intra-departmental relationships could be improved; (2) that there were opportunities for greater employee engagement, task alignment, and work production; and (3) internal communication paths and processes should be reviewed—reinforcing the importance of everyone's role in helping the organization successfully communicate internally and externally.

  Staff interviewed reported being well informed, and happy with communication coming through administrative channels, but were not certain that all employees were receiving information shared at staff meetings. It was suggested that overall communication could be improved by ensuring that employees at all levels had access to the technology necessary to receive general communications. There was also concern expressed about the occasional challenge of getting timely information from all departments in order to inform the community on current projects, activities, and issues.

- Examples were offered suggesting that there are gaps in the City's crisis communications practices. The process for informing critical staff and employees should be reviewed to ensure that crisis communication policies and procedures are in place throughout the organization.

- There is broad agreement that departments operate in "silos". The recent addition of a position for payroll and HR functions has helped a great deal. However, the vacancy in the Director of Administrative Services has resulted in a void within the department from a supervision, guidance, and backup standpoint. This absence has resulted in a greater reliance on consultant services for financial reporting and budgeting.

- The Director of Administrative Services Director vacancy results in added direct reports to the City Manager which dilutes his ability to effectively oversee and manage daily operations, and limits time for strategic thinking and planning.

- When the position of Director of Administrative Services was established, the idea was to have an individual with strong financial skills as well as general management experience to oversee a wider array of municipal functions and keep consultant needs to a minimum. This is still a desired goal. Current finance personnel have the ability to perform certain accounting related activities, but do not possess the type of experience or knowledge that is critical in performing higher level finance duties. Absent a change in existing staff, the only way to achieve this level of financial performance is: (1) through consultant services; or (2) by incorporating those skills in a position hired to oversee and manage finance operations.

- There is a need to have formal organizational leadership when the City Manager is absent. Given the breadth of responsibilities found within the City Manager's area, it is also important to have additional management dedicated to general oversight responsibilities.

- The level of work that is generated by the department, coupled with the limited size of the staff can result in limiting employee's opportunities for taking personal time off due to the lack of an effective backup plan for accomplishing required tasks.

- There is agreement that processes can be improved, and the opportunity exists to streamline, simplify, and possibly redirect routine activities such as payroll, payables, and receivables.

- The staff unanimously believes that technology improvements could improve processes and bring significant efficiencies.

- Staff expressed strong concern about the intensity of the workload, the need for additional cross training, time for staff development, and the desire for stronger support staff to handle more administrative level tasks.

- Customer service was seen as a core responsibility of the department and it was believed that the front office staff does a good job delivering on this expectation. It was felt that more could be done to alleviate workload pressures from some administrative staff. This could be clarified with a workflow study.

Strategic issues that will impact the future of the department:

1. City Manager span of control. The effectiveness of the City Manager and overall management of municipal operations will be impacted by the number of direct reports—his span of control. Too many direct reports diminish lessen his ability to effectively manage the full range of his responsibilities.

   Related to the City Manager's span of control is the need to examine departmental workloads, and to maximize the efficiency and effectiveness of the management team. This will improve operations generally and inform the decision on managing the organization during extended absences of the City Manager.

2. Organizational Culture. The overall effectiveness and working culture of the department will continue to depend on clear directions, consistent and supportive supervision, communication that reaches all levels of the organization, and fully engaged employees.

3. Workflow efficiency. The Administration/Finance staff will remain small into the future. Workloads and expectations will remain constant, or increase, going forward. As a result, cross-training and identifying ways to provide backup for positions will continue to be important. More importantly is the need for process improvement in all areas, but particularly in Finance. Finance duties are process driven. Improving the efficiencies in these processes will greatly help overall workflow and productivity. Workload demands and customer expectations will at least stay the same, and likely increase, in the future. Improving operational efficiency and staff effectiveness is critical.

4. Financial management and oversight. The use of an outside financial consultant will likely remain the preferred option for helping the department and City accomplish core financial tasks. This comes at a premium cost and must be weighed against having this talent in house.

5. Technology. The need for and use of up-to-date technology is present, and will increase in importance as the City seeks to gain operational efficiencies and meet customer expectations.

6. Staff development and training. This will continue to be an important issue as the City works to meet high expectations with a small staff, and in its efforts to help attract new, younger employees as vacancies occur.

Recommendations

1. **Reduce number of City Manager direct reports.** In order to maximize the effectiveness of the City Manager, the number of direct reports should be reduced. Currently, the City Manager is responsible for ten direct reports. To be successful, this number would ideally be no more than six. This can be achieved by filling the vacant position currently described as the Administrative Service Director or realigning staff to provide for a Finance Director and Assistant City Manager.

2. **Recruit and fill the Director of Administrative Services position.** The breadth of responsibilities anticipated and identified in the 2014 organizational study remain true today. Organizationally, having a position that provides effective daily oversight of Finance, liquor/restaurant operations, HR responsibilities, motor vehicle, and front office/customer service functions is important. This management level position will also be the logical organizational position to oversee future IT

responsibilities, Capital Improvement Planning and budgeting, and could take over special events administration when the Director of Public Services retires.

While the name of the position might be changed, the position responsibilities of the Director of Administrative Services position should be retained and filled because of the current and future strategic issues facing the department and organization. The position of Director of Administrative Services might be renamed to Assistant City Manager to formally establish it as the position to assume City Manager responsibilities in his/her absence.

Optional approach: Rather than hiring an Administrative Service Director, the City could re-establish the position of Finance Director with oversight of all finance functions, liquor/restaurant operations, capital improvement planning/financing, and future IT responsibilities. The current Finance Officer's position would be the logical position to reorganize into the Finance Director role. In our opinion, it would not be necessary to have both Finance Director as well as Finance Officer. The skill and interest level of the current Finance Officer incumbent would need to be assessed.

To complement this organizational change, the City should consider establishing a position of Assistant City Manager with formal responsibility for serving as City Manager when the City Manager is absent. The logical position for this designation is the Director of Planning and Building because he currently performs this function when necessary. As a formal position, the Assistant City Manager/Community Development would have oversight over Planning/Economic Development, Building Inspection, Motor Vehicle Services, Liquor operations, special events, and managing front office staff. This would impact the current Director of Planning and Building's position. However, it does establish a formal second in command with the individual who has been informally serving in that capacity.

This option may require the addition of a planning technician to assist with day to day planning activities/demands. This position has existed in the past although it has not been filled due to lack of need and the availability of outside planning assistance.

Regardless of the option pursued, the breadth of responsibilities within the administration area requires broader organizational leadership that can support the City Manager. The primary concern and focus should be the management of the City's finance operations. It will be necessary to continue using financial consultant services unless the City is able to find someone who possesses the requisite finance skills to effectively oversee this function.

3. Review processes and responsibilities of front office staff. The work responsibilities and processes conducted by the front office staff positions should be reviewed and strengthened to perform more administrative duties. Improved oversight and direction will make this function work more effectively. This will enable higher paid staff to focus on higher level responsibilities and improve overall efficiencies. It will also help to ensure that the front office staff remain fully engaged. Examples of additional tasks that might be shifted to the front office staff would include performing more invoice and permit processing and inspection scheduling activities.

4. Review consultant contracts. Consultant relationships should be reviewed regularly to ensure that services and costs are consistent with City expectations and measured against opportunities and benefits of bringing in-house. By realigning some of the front office staff responsibilities,

time will be freed up in higher level positions that could reduce the level of dependence on outside consultants for routine finance assignments.

The City should consider the benefit of outsourcing the payroll function to help reduce the daily and ongoing pressures involved with the Finance operations. This is a common approach in smaller organizations.

5. Process/technology review. It will be beneficial to conduct an overall assessment of the routine processes, and identify efficiency improvements. Once accomplished, the City will be in a position to determine the role of technology to support efficiency efforts. A strategic plan for technology should be developed and implemented as resources allow. The City also should review how current technologies are being used and maintained in order to assess how/where improvements are needed.

   It appears that while the City's contract with Loffler includes addressing day to day maintenance issues, their involvement has been less than satisfactory and not timely. As a result, daily problems are being addressed, as best they can be, by internal employees. Since maintenance tasks have been managed through Public Works, this problem will be exacerbated when the Director of Public Services retires next year. Finally, in order for the organization to operate as efficiently as possible and given the evolving nature of the work environment, the ability to use technology remotely should be considered and implemented.

6. Examine options for staff development. The Communication Specialist position should be reviewed to determine whether capacity is available for supporting other department/organizational functions such as organizational development or IT assistance. It appears the current incumbent has a strong aptitude, and possible time, to assist in this area. This position already provides leadership with the wellness program. Given overall organizational training needs, it is prudent to consider a range of approaches, including joint training with other jurisdictions.

7. Address internal and external communications. There are several areas where organizational communications has the opportunity to be improved to serve the organization and community better:

   - Organizational communication. It would be helpful to develop some type of regular internal communication approach for keeping employees informed about projects, issues, and Council decisions impacting the organization and community. Keeping employees informed will help everyone to feel like part of the team and perform more purposefully in their respective positions.

   - Community communication. The City does a weekly memorandum that is posted on its webpage and is accessible to anyone subscribing to the online service. The quality of this important communication tool is dependent on the quality of the material being submitted by the various departments. The task of submitting relevant and substantive information can be burdensome, but reinforcing its value is vital in helping to maintain and build an informed and engaged community.

   - Crisis Communication. Communication during a crisis is critically important and fortunately, rarely needed. However, the City should review how crisis communications will be handled and managed in order to ensure that all impacted stakeholders are informed and engaged on a timely basis, as appropriate, during times of need.

8. Conduct space/facility planning. The City should consider a space planning process which anticipates and plans for meeting future facility/office needs. This plan should examine options for more flexible space that can be modified to adjust and accommodate a variety of staffing options and space needs.

9. Address departmental depth and support. The City should develop a plan for effective support and backup of administrative staff. Currently, the combination of a small staff and lack of consistent, adequate backup makes it difficult for staff to take time off—be it personal or professional, without worrying about tasks being completed, or timely service being delivered. Many options from cross-training and temporary services are appropriate for consideration.

Planning and Building

Interviews and discussion was held with the Director of Planning and Building.

Current Conditions

- The Community Planning and Building Inspections departments were combined as a result of the 2014 study. This reorganization has worked very effectively although it continues to be a work in progress. The current Director has been in his position since 2015 and finds great personal and professional satisfaction in the work being accomplished in the department and community. The Director recognizes that an internal backup position is not available during times when the he is gone or during busy times. Consultant services through WSB have been used to address these situations. While work is steady, the Director did not feel there was adequate work, in his current capacity, to justify hiring an associate planner position as in the past. A slight increase in the budget for consultant services will allow for a backup and overflow work without hiring an additional position.

- There is currently a vacancy in the Building Official position that did not get filled during the last recruitment effort. Building Official responsibilities have been filled through a consultant contract with Metro West which also helps to fill the gaps in inspection services. The City's Building Inspector is very effective, and could potentially move into the Building Official's position once more experience is gained. Currently, the building inspector also provides support for the maintenance needs of all municipal facilities. This topic is being considered for reassignment to the Public Works Department during the 2018 budget discussions. This reassignment makes sense and is discussed further in the report section focused on the Public Works operations.

- Fire Inspections is handled in the department through a 25 hour/week part-time position. Due to the type of responsibilities with this position, oversight and alignment within the department has not been consistent or regular and may be better aligned with the Fire Department. This concept makes sense and is discussed further in the report section focused on the Fire Department.

- The Planning and Building Department has extensive administrative permitting and scheduling processes. Currently, many of these processes are being handled by the Building

Inspector. The efficiency and effectiveness of this could be enhanced with stronger and more formal front office staff support.

Strategic issues that will impact the future of the department:

1. Fire Inspector realignment. The Fire Inspector will be retiring in 2018 and the position's alignment within the organization merits review. The alignment of this position should complement future changes within the organization, and where adequate supervision can be provided.

2. Technology enhancement. This department has extensive customer-facing interactions and processes. These should be thoroughly reviewed to ensure that services are convenient and easy to use. The use of office and in-field technology will increase in importance as the City seeks to meet increasing workloads and customer expectations.

3. Municipal building maintenance. This will continue to require greater attention and better planning than is currently occurring.

4. Staff support services and alignment. Due to the department's small size, the alignment of staff responsibilities will be important to the staff efficiency and cost control.

Recommendations

1. Reassign Fire Inspector. In order to better align the responsibilities of Fire Inspection Services, the City should consider reassigning this position to the Fire Department. This decision and the formal position responsibilities could be impacted by decisions made regarding future Fire Department leadership and staffing structure.

2. Continue consultant services. Workload levels are not expected to fluctuate significantly in the future so using consultant services to assist during heavier workflows makes economic sense and should continue as needed.

3. Add Associate Planner only after careful consideration. This position would likely be needed only if the Director's position was reorganized to include the Assistant City Manager's role.

4. Review support staff responsibilities. The frontline support staff position responsibilities should be reviewed and strengthened to ensure that departmental administrative tasks, such as scheduling and permit processing are being accomplished by the frontline staff.

5. Reassign municipal facility maintenance. Responsibilities relating to the maintenance and upkeep of municipal facilities is a logical public works function and should be reassigned to that department. This may require an additional employee, to support other current and emerging demands of that department. This is an idea and suggested approach already under consideration.

6. Update technology. Updated technology should be explored to help with internal and in-field operations. Online permitting/scheduling, as an example could address expanding customer expectations and reduce internal administrative permitting processes.

Public Works

Interviews and discussions were held with the following positions:

- Director of Public Services
- City Engineer

Current Conditions

- The Public Works department appears to be a well-run department that, in addition to providing the community with typical public works functions (Street maintenance, Fleet maintenance, Park maintenance, Water and Sewer Utility, Storm Water maintenance, and Cemetery Sexton), it plays an important role in a variety of ancillary areas. These include organizational IT support, special events permitting and coordination, capital improvement planning/d budgeting, and telecom management. The department is a busy operation.

- As a result of the 2014 organizational study, the engineering function was successfully incorporated into the Department which helps with overall alignment of tasks and responsibilities between capital projects, infrastructure projects, and maintenance. Engineering performs some street design and in-field project management and inspection, although most design work is contracted to an outside engineering firm.

- The department has 17 employees with a wide range of tenure. One of the significant issues facing the department will be the upcoming retirement in April 2018 of the Director of Public Services, Dave Dudinsky. Dave has been an important member of the Wayzata organization for almost 39 years and has supported and assumed responsibility for many activities and responsibilities when other options were not available. His departure will require reassignment of several unique areas of responsibility.

  In anticipation of his retirement, Dave has been working for the past year with the City Engineer to enable him to learn the Director's job, and gain practical leadership experience in the public works department. This has been done with the hope, and expectation, that he will succeed Dave upon his retirement. This experience has included more responsibility with day to day interaction and supervision of the overall public works operation.

- There are two other leaders in the department with over 30 years of experience who can be expected to retire within the next several years, although specific succession plans have not been developed or implemented for these positions. The positions are Jim Eibensteiner, Public Works Superintendent and Kurt Klapprich, Parks Lead Worker. Neither of these employees have indicated a retirement date. There are no employees within the department that are logical succession candidates for either of these positions.

- One of the additional outcomes of the 2014 study was the establishment of lead worker positions within each of the major functional areas: Streets/Fleet Maintenance, Parks, and Utilities. This shift has generally worked well in providing leadership via working supervisors, although, as discussed below, it has not worked as successfully in the Streets/Fleet Maintenance area.

- The department currently has an unfilled Engineering Tech position that has been on hold until the completion of this study. Due to the nature of the department's workload and organizational demands, much of the street design work is contracted to outside engineering firms. The City's Engineering staff has found it necessary to spend their time handling field decisions and project management/inspection responsibilities. This workload is not expected to change. The current and anticipated workload expectations are important considerations as future positions are filled.

- Overall, department operations are functioning well. The Director and City Engineer are both satisfied with organizational communication and direction. There are no apparent issues within the department negatively impacting its culture or work environment.

- The functional area that is most challenged is in Parks, where the combination of maintenance responsibilities throughout the City and the relatively young tenure of employees, coupled with the use of many seasonal employees, makes it difficult to meet expectations and effectively schedule projects.

- The proposed Lake Effect project could have a significant impact on the future workload of the public works department, including increased project management, maintenance, and other park- related demands. The current construction schedule projects completion by 2020. In anticipation of this impact, the department has already requested additional staffing.

- There was concern expressed about the level of attention being paid to the maintenance and capital needs of Wayzata's municipal buildings and facilities. Currently, this responsibility is being handled by the Building Inspector. While not a direct reflection on the Building Inspector's abilities, it is generally recognized that there is not adequate attention being provided to this function.

Strategic issues that will impact the future of the department:

1. Leadership. Significant transitions in leadership will occur, starting with the Director of Public Services in April 2018. Two additional lead staff persons could be expected to retire within five years.

2. Lake Effect. The proposed Lake Effect project could have a significant impact on departmental workloads, especially in the Engineering and Parks area, which will need to be better defined and proactively planned.

3. Distribution of Responsibilities. The Director of Public Services currently has primary responsibilities for managing a variety of unique, yet important municipal functions that will need to be considered/reassigned with his retirement:

    a. Special Events permit processing and event management
    b. IT Management and oversight of IT maintenance contracts with third parties.
    c. CIP Model Management
    d. Telecom Management
    e. Fleet management and replacement.

4. Engineering Services. The City should evaluate long term engineering services needs with the goal of reducing the necessity and cost of external design engineering services, and the practical challenge of meeting in-field project management and inspection responsibilities.

5. Streets/Fleet Maintenance. The City should determine the most appropriate way that the Streets/Fleet Maintenance lead worker can provide sufficient leadership in both functional areas.

6. Building and Facilities. The Maintenance and capital planning for municipal buildings and facilities requires a more strategic and well executed approach.

Recommendations

1. Continue planned succession/ replacement plan for Director of Public Services. Given the succession efforts that have been going on in preparation of the Director's retirement, the internal promotion of the City Engineer into that position merits strong consideration. The City Manager should work with the City Engineer to identify expectations and provide support and training in any areas where he needs help and/or direction. An internal promotion will provide the City with the best option for ensuring a smooth transition and for helping to realign the department in refilling the City Engineer's and Engineering Tech position.

2. Initiate succession planning for other leadership positions. Succession planning should be commenced for the two other positions in the department that could be expected to retire within the next 5 years. This includes the Public Works Superintendent and Parks Lead Worker. The City might consider a departmental survey that assesses public works employees' interests in developing supervisory skills and then develop individual workplans to help interested employees develop those skills and possibly have the opportunity to move into one of the positions.

3. Fill City Engineer and Engineering Tech positions after evaluation of options. Assuming the City Engineer is provided the opportunity to serve as Director of Public Services, the functional area of city engineering will need to be addressed and staffed. There are two positions to be considered: City Engineer and Engineering Tech. the following is a suggested approach for staffing these positions given the City's current and anticipated workload.

   - Leave the formal City Engineer title with the new Director of Public Services. This would allow this position to have final review and authority over issues requiring a registered Civil Engineer.

     Modify the current City Engineer's position to be an Assistant City Engineer. The City would look for someone with some prior experience in engineering and project management. As the person in this position gains additional experience, the City would preserve the opportunity to consider changing the position back to a City Engineering position. This idea would enable a person earlier in his/her career to gain valuable experience and knowledge.

   - *Optional Approach*: Consider filling the vacated position with a qualified individual with Project Management and Public Works leadership skills who could ultimately assume the responsibilities of the Public Works Superintendent as well as provide help with project management activities. This approach would help to reduce overall workforce by one and still remain aligned with departmental/community needs.

   - Instead of hiring an Engineering Tech, hire someone with the necessary skills to perform project management/project inspection requirements. This position would be much better aligned with the actual work needs of the department and community.

Note: The City might consider delaying the hiring of a new City Engineer/Project Manager for some time in order to gain a better understanding of organizational needs following the retirement of the Director of Public Services. Given the amount of planned infrastructure projects, it will likely not be possible to hold off hiring someone to provide project management help. (Former Engineering Tech position).

4. Reassign unique services. Reassign the unique services currently being performed by the current Director of Public Services in the following ways:

- Special Events Permitting/management. This responsibility could be reassigned in a variety of ways. While there is an approval process, via the permitting process, it largely requires the need to understand the special event and then coordinate the appropriate municipal services that need to be engaged, such as Police, Fire, and Public Works. Because the permitting may require administrative and/or Council approval, reassigning this process to a position within the City Manager's office makes sense. Depending on any restructuring of the Director of Administrative Services position, this position or City Clerk may be best situated to ensure appropriate review and approvals and could help make sure that the necessary coordination occurs.

- IT Management. The reassignment of this responsibility requires significant consideration because it is so important to the future success of the organization. The use of IT impacts the entire organization and needs to be well coordinated and integrated between service areas to ensure maximum benefits. Moving forward with technology will also take time to consider long-term strategies and transition schedules--if changed from the current approach of using Loffler and Banyan. The responsibilities relating to the IT planning, maintenance, and budgeting should be done from the City Manager's Office in order to effectively manage this important responsibility. It could be assigned to the Director of Administrative Services.

- Capital Improvement planning and budgeting. Capital planning requires the involvement of every department--identifying projects and issues that need to be incorporated into the long-term CIP Plan. However, the final financing and budgeting approach needs integration into other municipal financing plans. Historically, the Director of Public Services has led this effort and built a very effective CIP model with outside assistance. He now manages and leads the CIP process. With his departure in April 2018, the CIP budgeting process should be migrated back into the lead Finance position so that capital needs are appropriately incorporated into budget and financial planning documents. This effort will undoubtedly require the supportive help of the new Director of Public Services, but the financial management of the CIP is best served by the Finance Department.

- Telecom Management. Wayzata has several telecom leases that utilize municipal facilities. The City is currently installing a monopole which will support the transfer of the equipment and leases from current water tower locations. Once established, there is little ongoing maintenance or work necessary. However, they are complicated lease agreements and involve complex technology. There is no one on City staff that currently has the type of technical knowledge necessary for understanding the technology. The Director of Public Services has learned the needed skills over time and has been the sole employee involved with the most recent transfer issue. Priority should be placed on having the Director complete all transfer activities prior to his departure.

- Fleet Maintenance. The Director's involvement with Fleet Maintenance has been largely due to the limited time available by the Street/Fleet Maintenance Lead worker to meet all the position requirements. It is important to have someone with the primary responsibility of defining future fleet needs and to prepare design specifications and bid documents for fleet equipment. The person currently responsible for maintaining the fleet is the best qualified and best suited to this role, provided there is adequate time.

5. Consider separating Street/Fleet Maintenance Lead worker functions. The Street/Fleet Maintenance Lead worker, Bart Kusske, does a very good job in his role. However, it is difficult for him to effectively lead his street crew working on projects throughout the community while, at the same time, leading employees performing internal fleet maintenance activities. It is challenging for one person to manage both functions. To provide effective supervision within both areas, the City should consider separating the functions, and create separate Streets Lead Worker and Fleet Maintenance Lead Worker positions. This separation would provide adequate time for supervising in-field activities as well as fleet related requirements, including the important task of identifying and replacing fleet equipment.

7. Make long-term plan for Public Works Superintendent position. There is no established schedule for the retirement of Jim Eibensteiner and it is hoped that it won't occur for at least five years. This potential window provides sufficient time to possibly train an internal employee to rise to this position. An employee survey assessing employee interest and skillsets may help to identify an internal candidate. It might also be something that is planned and coordinated with the recruitment of the vacated City Engineer position. It might be possible to absorb the position of Public Works Superintendent following Mr. Eibensteiner's retirement and eliminate the need for replacing the position. If this position is maintained, consideration should be given to strengthen its role in capital planning, including planning and replacement of fleet and public works equipment.

8. Create a succession plan for Parks Lead Worker. There is no established schedule for the retirement of Kurt Klapprich and it is hoped that it won't occur for at least five years. This potential window provides sufficient time to possibly train an internal employee to rise to this position. An employee survey may help to identify an internal candidate.

In order for this division to better meet all of the scheduled projects and maintenance activities, the City should focus on ways to support the current Lead worker to more effectively manage his full-time and seasonal employees. This includes having work projects planned out and ready to execute as time become available.

Police

Interview and Discussion was held with the Police Chief.

Current Conditions

- The Police Department is very well managed under Police Chief Mike Risvold. Chief Risvold has been Police Chief since 2004. His department includes three command staff (Chief, Lieutenant, Sergeant). This configuration works well, although the Chief is interested in adding an additional leadership position to assist with the increasing administrative responsibilities and to assist in longer term succession within his leadership team. He has active succession plans in place with his leadership team.

- The Department has 10 sworn officers. The Chief expects five retirements within the next five years. The average tenure within the department is 21 years.

- The development of new senior housing, hotel accommodations, and parking facilities in the community has significantly impacted Police Department operations and call loads. While the City's nightlife is still relatively calm, the department has experienced an increase in medical calls and vehicular/traffic calls. It is expected that departmental pressures will increase as additional lakefront development occurs and the community continues to become a more popular destination for shoppers and visitors.

- The City currently serves the City of Long Lake with Police Services. This contract will need to be reconsidered now to address the impact of its expiration in 3 years. This relationship has worked out well and there is no reason to consider changing this cooperative arrangement.

- Chief Risvold has been pleased with the level of organizational communication and support as well as overall strategic planning. Departmentally, he indicated his department is challenged mostly by older officers having difficulty adapting to the contemporary needs of community outreach efforts.

- The department has benefitted over time by the ability to use, train, and then hire Community Service Officers into the department as positions have become available. The Department currently budgets for 24 hours/week in part-time CSO hours and has requested additional hours in 2018.

- The Department also has two (2) volunteer Reserve Officers. Chief Risvold indicated a willingness to consider using more civilians in the future to help address new and added workload.

- Chief Risvold is open to the idea of additional shared relationships and service contracts with other communities in the future although he emphasized that the community has historically valued having its own Police Department making the idea of consolidation unlikely.

- Technology is an area that needs strategic attention in the department. While there is one tech savvy employee who assists with daily department needs, most support is received through the City's contract with Loffler. This will become a much more pressing issue as the department considers the addition of bodycams in the future and squad equipment becomes more complicated. This is an area where a shared position with another community might be attractive and feasible. The Chief has had some communication with the City of Plymouth about this idea.

Strategic issues that will impact the future of the department:

1. Staffing Levels. Preparing for the future with adequate and appropriate staffing levels, given expected call load increases and departmental retirements.

2. Technology. Effectively addressing future technology needs and demands.

3. Collaboration with other Police agencies. Evaluating opportunities for shared relationships with other communities while preserving value of having local Police Department.

Recommendations

1. Use civilian employees to help with future call loads. As part of this study's overall review, the idea of utilizing a daytime Duty Crew has come up as a possible way to help the Fire Department. This crew could possibly also assist the Police Department deal with routine daytime calls, including medical, lakefront parking and simple pedestrian issues--allowing officers to remain free for more important calls. The Duty Crews could also help identify the significance of Fire/Police calls before needing to send out full crews to respond.

2. Update Technology. The City needs to undertake an evaluation of the current and emerging needs for use of technology in the department and develop a strategic approach for addressing the identified need. As stated previously in this report, this is an organization-wide need and priority. Since Police operations have unique and specialized needs, it will be important to provide special attention to their unique circumstances. There isn't sufficient demand to have a full-time person focused only on Police related technology issues and part of an IT position within the City. However, a shared position with another community may be a more viable option to ensure appropriate levels of attention to their unique needs.

3. Develop cooperative agreements. There is a strong cultural value in the City of Wayzata retaining its local Police Department. However, as the City addresses Police and Public Safety issues in the future, the potential for developing stronger cooperative relationships for support functions should be considered.

Fire

Interview was held with Fire Chief.

Current Conditions

- The Fire Department is one of only ten (10) remaining on-call departments in Hennepin County and consists of a Part-time On-Call Fire Chief and 22 Firefighters.

- The Department is authorized to have up to 30 Firefighters and there is a strong desire to get membership numbers back to the authorized limit.

- The Fire Department responds to approximately 300 calls each year, including 37 medical type calls (12%) and 148 false alarms/alarm malfunctions/unintentional alarms (50%). In 2016, the Department responded to 30 actual fire calls (10%). Call Loads are not expected to increase significantly in the future, although the complexity and required training and leadership responsibilities related to managing fire operations has historically become more time consuming and challenging.

- Most calls occur between 8 a.m. and 8 p.m. and this is the timeframe when it has become most difficult to staff.

- The Department responds to mutual aid calls throughout the County, because Hennepin County is considered a mutual aid county. The Fire Department also contractually serves the community of Woodland and, until the end of 2017, the City of Orono. Fees for these contractual services are based on the level of services needed using a three-year average demand level calculation.

- Staffing is becoming increasingly more difficult during daytime hours. It has also become difficult to recruit new members. It is believed that the required commitment to specific shift responsibilities, including daytime expectations, is becoming more a significant barrier. There are only two City employees who also serve as Firefighters. Releasing City employees during daytime calls has been a sensitive topic because of the interruption in the City work being performed, especially if the call is a false alarm. There is an ongoing effort to attract and recruit more members to the Department, although these efforts have not been successful.

- Fire members belong to a local Fire Relief Association that provides a lump sum pension payment after a long-term commitment to the department and provided certain attendance requirements are met. Firefighters are expected to respond to 50% of scheduled drills, 50% of the business meetings, and 25% of all fire calls. Failure to meet these expectations will result in not qualifying for that year of service. The City's contribution to the pension fund is vested after 10 years of successful service.

- Kevin Klapprich is a fourth generation Fire Chief and has served in that capacity for over 20 years. He has been with the department for over 39 years. Chief Klapprich reflected on the increasing demands for training, administration, and regulatory issues that impact Fire Departments. While his Full-time employer is very accommodating, Chief Klapprich anticipates that a full-time chief will be necessary within the near future to effectively lead the department.

- Chief Klapprich also holds the formal title of Fire Marshal, although Fire Inspection activities are performed by the Fire Inspector, who is technically part of the Building Inspection Department. From a practical standpoint, the Fire Inspector spends most of his time working from the Fire Department. The current Fire Inspector is expected to be fully retiring from City operations in the near future and this responsibility will need to be filled.

- Chief Klapprich has been satisfied with the level of communication and direction being provided from City Administration and thinks the City Manager is approachable and level headed.

- There isn't formal succession planning within the Department.

- The Department has an effective fundraising group called 2nd Call. This organization raises money for the department and funds fire related items that would typically not be funded through the normal budgeting process. During this past year, $30,000 was raised. It is an important part of the fire department culture. The community is very proud to have its own fire department.

- The department is in need of updated technology. There is a need to be better prepared for fire situations by having pre-plans prepared and readily available for responding to calls at local businesses and major establishments. The technology throughout the department needs to be addressed and updated.

- Organizationally, the Chief acknowledged that the department is made up of older members and younger members which causes generational differences from time to time. It is a department that is experiencing the transitory pressures that many volunteer departments have gone through.

- The idea of creating daytime Duty Crews came up as a possible way to address some of the day-time pressures as well as help in meeting other municipal needs. Chief Klapprich thought the Duty Crew idea had good merit and should be discussed further.

Strategic issues that will impact the future of the department:

1. Structure. How should the leadership of the Department be structured in the future, especially after the current Fire Chief retires?

2. Staffing. How should the department respond to the current difficulty adding members to its authorized staffing levels and the difficulty finding daytime responders?

3. Fire Marshal. How should the responsibilities of the Fire Marshal be handled in the future?

4. Technology. The Department needs a long-term strategy relating to technology and IT management.

Recommendations

1. Consider a full-time Fire Chief. The City should consider establishing a full-time Fire Chief position. The complexities and time requirements needed to effectively lead a Fire Department are significant and require more time than a typical on-call Fire Chief can be expected to provide. The City has greatly benefited by Chief Klapprich's availability and interest in serving. It is increasingly likely that it will be difficult to replace Chief Klapprich with someone who has the discretionary time to provide to the department. This transition could logically occur with the Chief's retirement, whenever that occurs.

2. Return Fire Inspector position to Fire Department. Given the practical relationship between fire inspection duties and fire protection responsibilities, it makes sense that the fire inspection function return to the Fire Department, especially if a full-time Fire Chief is hired in the future where effective supervision and guidance could be provided. The formal title of Fire Marshal could potentially be retained by the Fire Chief. The duties of Fire Inspector could be spread between and amongst multiple people.

3. Support day-time staffing needs by establishing a two-person paid Duty Crew. This new approach could help reduce the need for volunteer firefighter call-outs and performing various daytime duties, including fire inspections and miscellaneous administrative functions during discretionary time. The Duty Crews might also be of assistance to the Police Department in responding to minor incidents, traffic control, and future demands created by the Lake Effect project. The addition of a Duty Crew could help delay the need for paid daytime fire crew. The Duty Crew could also have the impact of helping to recruit more members as the demand for daytime availability is reduced.

4. Assess technology needs. IT needs should be assessed in conjunction with other municipal needs. Special consideration will be needed simply given the limited amount of fire department staff available for helping to identify and assist in developing/implementing IT solutions in the Fire Department.

Alternative Service Delivery

Based on the issues that surfaced during the team's review of operations and discussions with staff, the following ideas were put forth as additional considerations—should the City wish to consider broader collaborative, and regional approaches to the challenges it faces. For the most part, these ideas shouldn't conflict with the city's strong commitment to locally-based service delivery. They are suggestions that focus on collaboration and/or internal restructuring to provide for greater service and cost efficiencies.

1. Fleet maintenance. Develop a collaborative arrangement with one or more other jurisdictions to accomplish Fleet Management responsibilities. This might be with the school district or nearby lake communities.

2. IT management. As mentioned in the report, the City would benefit from an overall assessment of IT needs. There may be merit in considering the development of cooperative agreements with other jurisdictions for providing technology using a broader organizational scope. The City might also consider approaching Public Safety related IT needs separately due to the unique nature of the police operations.

3. Communications and organizational development. Small communities like Wayzata cannot justify a dedicated position focused solely on staff development and comprehensive communication. Because these needs exist within all local governments, from mandatory public works and public safety training to general supervisory training, it is something that can be shared amongst multiple organizations.

4. Public Safety Department. The City maintains a great deal of pride in keeping its Police and Fire Departments local and distinct. However, there are growing pressures, especially in the Fire Department, for greater operating efficiency. There is merit in considering the idea of a "hybrid" Public Safety Department, which would bring both departments together under a more unified professional leadership structure. This could potentially offer opportunities for shared resources and equipment, training, as well as shared administrative services. It addresses the current challenges of increased demand and cost control, while preserving the local delivery of emergency services.

5. Collaborative Finance Department. The possibility exists to develop a collaborative arrangement for sharing a Finance Director position between two or more communities. This would be a position that could provide financial oversight over day to day issues and help each community think about the longer-term finance issues that impact operations. This position would also be in an excellent position to help determine other areas where collaborative approaches might be feasible, such as IT services, payroll, utility billing, etc. This is effectively what is occurring with the current use of the City's Financial consultant, which provides similar services to several lake area communities.

Appendix I

Cost Implications of Options Presented

	Position	Action Step	Ancillary Issues	Cost Impact
Administration				
Option 1	Director of Administrative Services	Reconfigure as Management and Budget Director to meet current needs.	May be difficult to find someone with adequate finance skills	$102,000
Option 2	Finance Director	Strengthen Finance Officer position to Finance Director.	Would impact Finance Officer Incumbent's position	$20,000 net
	Director of Building and Planning	Promote to Ass't City Manager	Interest of DBP?	$3,000 net
	Associate Planner	Hire Associate Planner		$75,000
Total impact: Option 2				$98,000
Public Works				
	Director of Public Services	Consider Promoting City Engineer into this position	Transition period for learning new position.	Already Budgeted
Option 1	City Engineer's position	Fill with new Ass't City Engineer	Would continue current use of consultants for design work.	$(30,000)
Option 2	Future DPW Superintendent:	Roll public works position into a modified position City Engineering position that is focused on Public Works and Project management	Do not fill Superintendent position upon retirement.	$(71,000) upon retirement
	Engineering Tech	Hire Project Inspector	Would strengthen ability to meet real community needs	Already budgeted
	Street/Fleet Lead worker	Separate and create new Lead worker for Fleet	Work would be greatly improved. Assume filled by existing employee	Consider in 2019 budget
	Public Works Parks employee	Focused on municipal Building maintenance	Coordinated with meeting utility or parks responsibilities.	Anticipate in 2018 budget
Fire				
	Fire Chief	Hire Full Time Fire Chief	Consider combining w/ Fire Marshal and fire inspection responsibilities	$80,000
	Daytime Call demands	Establish daytime duty crew w/ current paid on-call	Possibly coordinate duties with Police	$
Police				
	Duty Crew	Respond to increased service demands Shared use of civilian duty crew	Coordinate with Fire	Costs shown above
		Additional CSO time		Anticipated in 2018 budget

Increased cost	Neutral	Decrease

Estimated range of possible Fiscal Impact:

Administration/ Finance Planning and Building		Admin: Option 1 Pub Wks Option 1	Admin: Option 1 Pub wks. Option 2	Admin: Option 2 Pub Wks Option 1	Admin: Option 2 Pub Wks Option 2
	Option 1	$102,000	$102,000		
	Option 2			$98,000	$98,000
Public Works					
	Option 1	$(30,000)		$(30,000)	
	Option 2		($71,000)		($71,000)
Fire		$100,000	$100,000	$100,000	$100,000
Police		Already anticipated	Already anticipated	Already anticipated	Already anticipated
Total		$172,000	$129,000	$168,000	$127,000