



## Staff Report

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**Honorable Mayor and Members of the Hermosa Beach City Council  
Special Meeting of January 9, 2016**

### **ISSUE PAPER - STAFF RESOURCES & QUALITY OF WORK EXPECTATIONS**

(City Manager Tom Bakaly)

#### **Background:**

Hermosa Beach first started doing strategic planning and actively keeping track of projects starting in 2013. Over the past three years Hermosa has typically identified 10 - 12 large projects a year while still managing the oil issue and a myriad of day-to-day activities and issues. A list of the City's progress on Council's action items as of October 2015 when the Strategic Plan was adopted is attached. The strategic plan for 2015 was delayed and not adopted until October. We have tried to get an early start on updating the 2016 strategic plan, but it looks like all of Council will not be available until March, 2016 which means it will hopefully be adopted before the budget process in May, 2016. While oil is mostly behind us, the General Plan and private project Environmental Impact Reports (3) are not. It will be very intensive if not impossible to finish the General Plan by the August grant deadline and make substantial progress on 10-12 action items.

We have done a lot of things well, but expectations from Council and the community seem to be higher. It used to be that when people wanted municipal services to be good, fast and cheap they had to choose 2 of those. Across the nation, people are now expecting municipal services and projects to be all three; good, fast and cheap. We have tried to perform at a high level by finding new ways to provide services while still feeling the effects of a reduced work force, aging infrastructure and the recession. This is called the "New Normal."

Including this issue paper, there are 12 issue papers about the major issues and projects that were identified in 2015 that will carry-over into 2016. We have also done 4 issue papers on items that were asked to be put on the agenda by the prior City Council. This does not include the 4 additional Other Matter items that were placed on the future agenda by the new City Council at its last meeting in 2015. As Council reviews these issue papers in preparation for ranking 2016 priorities during strategic planning in March, Council should use the information to determine the number of goals for 2016 and what our definition of success will be.

Recently, City Council has asked for more information, analysis and engagement of citizens in decision making. That is what good government is all about. At our current staffing levels, this will cause things to take longer despite efficiency improvements.

In short, something has to give. We have more projects and goals than we currently have the capacity to deliver at a top quality level. If the pace continues, Council meetings will continue to be long and we all will suffer burn out and increased tension and ultimately additional cost. Fortunately we have developed many tools and resources to be as efficient as possible and measure our success, but in the end we need to prioritize more as a group and be clear on what service levels we are willing to accept as individuals.

**Policy Considerations:**

- 1) Does Council want to prioritize fewer goals, measure and guarantee success of those high priority issues?
- 2) Is Council willing to rely more on Boards and Commissions to help achieve priorities by delegating decisions to them?
- 3) Is Council willing to hire more staff and continue its practice of using consultants to perform staff work in order to accomplish more?
- 4) Is Council willing to prioritize direct City issues separate from issues in other communities that have an impact on the City?

**Next Steps:**

- 1) Review issue papers and prepare for prioritization in March, 2016.
- 2) Make Mid-Year budget refinements in February and Preliminary budget submittal in June as determined by priority-based budgeting and performance measurement information.
- 3) Develop long-term funding strategies that match long-term General Plan goals and short-term needs.

**Attachments:**

1. Strategic Plan and Action Agenda Tracking - October 2015

**Respectfully Submitted by:** Tom Bakaly, City Manager

**Noted for Fiscal Impact:** Viki Copeland, Finance Director