



CITY OF KIRKLAND
City Manager's Office
123 Fifth Avenue, Kirkland, WA 98033 425.587.3001
www.ci.kirkland.wa.us

MEMORANDUM

To: Dave Ramsay, City Manager

From: Marilynne Beard, Assistant City Manager

Date: September 23, 2007

Subject: ORGANIZATIONAL PROCESS IMPROVEMENTS

During 2005 and 2006, we began a system for making ongoing improvements to our organization and work processes. The notion of "continuous improvement" is one that we embrace as a matter of course at Kirkland. The City Manager asked each department to identify process improvements that they planned to undertake in the biennium. Specifically, departments were given the following guidelines for developing their planned improvements:

The types of improvements that are to be included would have one or more of the following outcomes or results:

- *Increased efficiency – higher productivity, cost savings, and cost avoidance*
- *Improved customer service – external or internal customers*
- *Revenue generation – entrepreneurial ideas, cost of service and rate review*
- *Improved fiscal management – accountability/audit trails, revenue receipts, and expenditure controls*
- *Positive workplace environment – employee relations and team building*

The types of strategies that would be used to achieve these outcomes include the following:

- *A review of current organizational structure with the possibility of reorganization*
- *A review of current work processes looking for ways to improve, streamline, make more productive*
- *Developing new or improved ideas for a current or new service*
- *A review of current ordinances, rules and procedures for clarification, improvement or elimination*

City Manager's Office

Special Events Cost Recovery Fee Policy – This project involves an update to the Kirkland Municipal Code section on special events. It includes an updated special event fee schedule based on updated cost recovery objectives and simplifies the fee structure for customers.

Update as of September 2007:

- *A draft ordinance is currently being reviewed by the City Attorney's Office and will be presented to Council in October.*

Planning and Community Development

Improve interdepartmental code enforcement (in cooperation with City Attorney, Building and Public Works). This project involves developing procedures for Code Enforcement Officers in the Planning Department to handle or assist with enforcement activities that otherwise would be the responsibility of the Fire and Building and Public Works Departments. We will also be working with the City Attorney's office to amend the Municipal Code to create consistent enforcement regulations for all development related regulations. This project is actively underway.

Update as of September 2007:

- *Procedures have been established for the Planning Department to assist the Public Works Department in the enforcement of street tree violations. Planning is handling several such violation cases.*
- *Amendments to the building code have changed the hearing body for building permit appeals to the Hearing Examiner, consistent with zoning appeals.*
- *The Planning Department is assisting the Fire and Building Department in handling building code violations that also involve a zoning code violation.*
- *In coming months, Planning Building and Public Works will work with the City Attorney's office in drafting an ordinance to consolidate all related code enforcement procedures.*

Amend the Zoning Code to consolidate all development standards for parking lots, walkways and landscaping. Currently, there are separate but similar standards for business districts requiring design review.

Update as of September 2007:

- *This project is complete. The amendments were adopted by the City Council on June 19.*

Conduct a comprehensive examination of our development review processes. Funding for an initial phase of this project was approved by the City Council earlier this year.

Update as of September 2007:

- *A consultant has been hired and is now actively working on examining and recommending changes to the single family building permit review process. This phase is expected to be completed in the fall. If the project is successful, funding may be sought for a similar examination of the review process for other types of permits.*

City Attorney's Office

Rewrite Selected Sections of the Kirkland Municipal Code including Title 11, "Public, Peace, Morals and Safety" (except Park Rules); Title 12, "Vehicles and Traffic"; and Title 14, "Waters and Surfacecraft" with Police Department; Rewrite Kirkland Municipal Code Chapter 8.05, "Dangerous Dogs"; Chapter 11.80, "Park Rules,,"; Title 14, "Waters and Surfacecraft; with Parks and Community Services

Update as of September 2007:

- *The rewrite of Chapters 14.36 and 14.38 is complete (now consolidated into one chapter). The remainder of Chapter 14 will not change at this time.*
- *A memorandum recommending that the "Dangerous Dogs" chapter be deleted has been forwarded to the City Council.*

Write New Rules for Public Disclosure

Update as of September 2007:

- *The Washington State Attorney General's Office recently issued the Model Rules for electronic Disclosure. The new rules for public disclosure have been written and were approved by the City Council on September 18th.*

Conduct a customer survey for City Attorney services.

Update as of September 2007:

- *The City Attorney's Office completed a survey of the City Council and City Departments regarding the quality of the service provided. The IT Department is poised to send the survey out electronically and the results are being tallied.*

Parks and Community Services

Marina Park Boat Launch and Marina Operations – Evaluate existing program/services, review fees, ordinances relating to operation and fees related to the Marina and Boat Launch. Implement cost saving measures at Boat Launch (electronic reader card system to activate the launch) savings in cost to supply cards and reduce staff administration in yearly renewals, cards reused for renewal etc,

Update as of September 2007:

- *Kirkland Marina – KMC chapters 14.36 and 14.80 were repealed to make room for a new and improved chapter 14.36. The old chapter contained ordinances that were outdated and contained irrelevant items to what we all see today at the Marina. This revision also removed prices locked into the KMC which limited our ability to set a fair market price for moorage fees without first seeking Council approval. This created a long process and extensive staff time to make appropriate changes which should be reviewed annually.*
- *Dock Master – The position of Dock Master was created to manage the rules and services available at the docks. For years rules have been made and implemented with no ability to follow through*

and make certain people were obeying the rules set forth. The Dock Masters serve as greeters to those visiting Kirkland by boat; providing them with information on the dock, downtown and more. They enforce the rules of the dock, collect moorage and keep the parties on the dock under control. A reading file item on this subject was presented to Council in September.

- Boat Launch – A new boat launch system was approved in 2006. We now have the ability to gather information on usage at the boat launch whether it is non-resident usage or individual boaters. A “card fee” of ten dollars (\$10) has been added to the price of a new card. The card fee was imposed as an incentive to boaters to retain cards rather than throwing them away at the end of the season. We spend approximately \$5,000 each year for new cards. We advise each customer to keep their cards for years to come and register online. We predict in 2008 to buy half as many cards as this year.

The new system also gives boaters the security of knowing we may deactivate lost or stolen cards. In the past if a boater’s card was lost it was very possible that the finder of the card could use it. Now when someone reports the card lost, we deactivate the card and reissue them a new one for only a \$10 card fee. In the past we had no way of knowing if the card was actually lost or the boater just wanted another card were the case, so we had to charge them the full amount.

In addition, the Dock Masters are selling cards evenings and weekends. This not only generates revenue, it also assists in eliminating the sharing of cards among boaters.

- Moorage rates – Rates are unchanged for Monday through Thursday. There was an increase in rates for weekends, holidays and special event dates. Moorage is due upon arrival at the marina, after a one hour gratis for load/unload privileges.
- Second Avenue South Dock – The north side of the dock has been leased to Island Sailing Club. The club lost their home at the private Westwater marina and needed a home. We will generate over \$30,000 per year on the north side of the dock alone.

On the south side of the dock we’re currently working with the restaurants as well as the people who visit Kirkland by boat and are looking for a different atmosphere from the Marina dock. Anthony’s Homeport has reserved the end of the dock on Friday Nights to host the Friday Night Sail, a 30-year tradition. A Dock Master is on hand to assist boaters in making reservations for dinner or to shop in Kirkland.

Cemetery Business Plan – This is a joint project with Finance to develop a business plan including reviewing fees and charges, assessing capacity, and making recommendation for new fees and charges and future CIP projects to improve operations.

Update as of September 2007:

- The Parks and Community Services staff is currently working with the Finance Department on the Kirkland Cemetery business plan. They are now in the information-gathering stage, comparing prices, services offered by other cities owning cemeteries as well as private cemeteries. They are looking at

the cost savings in contracting out services, preparing for the time when all sites are sold, and assessing the ongoing maintenance needs of cemetery.

Finance and Administration

Document Management System Implementation – This is a multi-year project. In 2007, staff will continue selection and implementation of the Document Management System including vendor selection and software purchase; installation of “Proof of Concept” process (expected to be Public Works contract process); development of evaluation criteria for process selection for implementation (which process do we implement next and why and, hopefully, install additional processes). Staff will also develop taxonomy for the enterprise (City).

Update as of September 2007:

- *In late June 2007, the City entered into a contract with our selected vendor, Tower Software. We began the hardware and software acquisition in July and are refining the process documentation for the initial workflow process for implementation, the contract approval process. We expect that the contract process will be complete by the end of 2007 and the initial phase of the project will be implemented by the end of 2008, involving approximately 100 seats (staff using the system). We will also be incorporating ordinances and resolutions into the system as part of this initial phase, developing taxonomy for the City (file structure, index data, retention, etc.), and updating policies and procedure for electronic document storage and retention. Implementation for the whole enterprise (300 seats) is expected during 2008 and additional processes will be identified and added to the system.*

Receivables Integration – This 2007 project is to develop and implement Accounts Receivable policies citywide to facilitate the collection and monitoring of the City’s receivables. This project was identified as part of the IT Strategic Plan and is a joint effort with the IT department. Implementing standardized accounts receivable policies will provide many benefits, including:

- Increased efficiency for each department in their billing practices with a standardized system of tracking and reporting the receivables as well having prescribed deadlines with appropriate fees and penalties for late payments.
- Improved customer service for both external and internal customers. Standard invoices will enable customers and staff to identify and retrieve invoices quickly and will clearly explain payment deadlines and collection procedures.
- Increased revenues from standardized receivable generation and collection as the implementation of penalties and interest charges for late payments will facilitate the collection of a greater number of payments as well as encourage customers to pay sooner to avoid greater fees.
- Improved fiscal management based on the ability to report on outstanding receivables from one system thereby providing audit trails and increased accountability in the creation and collection of receivables.

Update as of September 2007:

- *To date, we have reviewed existing practices for each department and catalogued the size, frequency and type of current invoices. Determining which system is most appropriate for creating and reporting the receivables and developing policies and procedures regarding invoicing, due dates, penalties and interest for late payments, collection procedures and reporting of receivables is in progress. Once complete, we will create the interface between the receipting system and the general ledger system so that receivables are accurately accounted for and train department staff in the implementation of the established policies/procedures. We hope to complete the process later this year or early in 2008.*

IFAS 7i Implementation - During 2007, the Finance and Administration Department will be working in cooperation with the Information Technology Department to implement a major upgrade to the Integrated Financial and Administrative Software (IFAS). The IFAS system was originally implemented in 1999 and supports city-wide operations including; budget, payroll, purchasing, accounts payable, and human resources. The new software will provide several improvements that will improve efficiency and customer service. The most visible change involves a new screen design that greatly improves the user experience. Purchase request approvers will also be able to approve items with an emailed reply, eliminating the need to log-in to the IFAS system for this routine task. Features of the new version will allow the elimination of third party sub-systems, which allows for increased data integration.

Update as of September 2007:

- *Business process reviews have been completed as part of the upgrade process, including the budgeting, cash management, purchasing, and accounts payable processes. These reviews provide recommendations intended to:*
 - *Make processes more user friendly*
 - *Provide users at all levels with timely information that is easy to access*
 - *Identify and eliminate unnecessary steps and multiplication of effort*
 - *Eliminate paper generations and filing to the greatest extent possible*
- *All current system users should expect to be involved in training during the last half of 2007 and the project is expected to be complete by year end.*

Information Technology

Finish implementing a formal process to apply security patches to servers – Includes documenting and testing process.

Update as of September 2007:

- *This project is funded in the 2008 CIP and will be completed next year.*

Create a single point of contact form for simple information to be disseminated on the web, TV, and in print. The form should be electronically delivered.

Update as of September 2007:

- *This project is nearly complete. We need to do some advertisement of the form.*

Create a formal process for requesting IT applications work and develop a way to monitor and track backlog. Multiple options from Clientele to a home-grown system will be examined.

Update as of September 2007:

- *This project is funded in the 2008 CIP and will be completed next year. The requirements process will be done this year and an RFP prepared or a joint RFP issued with other local cities. Multiple options from Clientele to a home-grown system will be examined.*

Complete a third-party analysis of the department designed to help us determine how to accept growth gracefully and efficiently.

Update as of September 2007:

- *Staff started this effort in August of 2007 and expect to be complete in early December.*

Public Works

Enhancements to demolition meter process – An interdepartmental team consisting of representatives from Finance Utility Billing, Public Works Water, Development Engineering, and Accounting was established to reevaluate the temporary meter process to eliminate missed meter reads, damage to temporary meters and lost meters.

Update as of September 2007:

- *After careful analysis, beginning on January 1 of this year, temporary meters are no longer installed for single family construction projects. Instead, builders can choose to keep the existing water meter for their construction needs. The existing water meter will stay on the normal meter reading routes; but will only be billed for water usage. Since the new process began, many benefits have been identified.*

Of the many benefits of the new process, the most significant is the estimated cost savings of \$18,205 per year. The \$18,205 per year is based on the seventy five temporary meters that were in service to builders in 2006. The total average cost per temporary meter amounts to \$243.73 each, or \$18,205 per year ($\$243.73 \times 75$ temp meters). The \$242.73 per demolition meter includes \$54.04 to pull a meter, \$131.15 to drop a meter, and \$57.54 for administration time to process deposit and billing. Additional benefits include city crews, inspectors and utility billing freed up for other duties and the City's ability to better serve the customer to meet their needs in a more timely matter. In addition, with this change, customers benefit from a much clearer process, and a long-standing concern of builders is addressed.

Rubber Sidewalk Construction Pilot – This is a pilot project to address pavement and sidewalk buckling caused by tree roots.

Update as of September 2007:

- *In April 2007, 420 square feet of rubber sidewalk panels were installed in the Lakeview Neighborhood, along portions of 102nd Ave NE and 103rd Ave NE. Installation of the rubber sidewalk panels went very well and other agencies including Portland and Redmond have expressed interest in receiving our feedback and plan to visit the installations. The materials were jointly purchased with the City of Bellevue in order to save on shipping costs. The total cost of installing the rubber sidewalk was over twice the cost of constructing conventional sidewalks. However, Rubbersidewalks Inc. promotes the product life of the rubber sidewalk panels as being 20+ years. Time will tell whether a potential reduction in maintenance costs will outweigh the known additional costs for the construction of the rubber sidewalks. Public Works staff will visit the rubber sidewalk installation sites on a quarterly basis to observe the performance of the rubber sidewalk panels. Staff will also continue to look for additional areas throughout the City where the use of rubber sidewalk panels would be beneficial.*

Temporary Laborer Pool – This project involves using salary savings to “over hire” public works maintenance staff. Due to the large turnover of laborer staff, crews were often short-handed during peak seasons.

Update as of September 2007

- *Public Works has worked with the Human Resources and Finance Departments to inform the unions and to work out the monitoring and fiscal implications of these ‘overhire’ positions. We are currently looking at our existing vacancies, potential upcoming vacancies and current ‘banked’ salary savings from this year’s vacancies to determine when and how many laborers we can hire. One position was recently hired, and we will monitor how well that goes before hiring any additional positions.*

Human Resources

Revision to Personnel Policies – This project was carried over from the 2006 Organizational Improvement Project List. A 0.7 FTE HR Analyst has been budgeted through a service package for this project funded through December 31, 2007 to assist the current staff to move forward with this initiative and accomplish all other HR competing interests and priorities.

Update as of September 2007:

- *An On-Call HR Analyst has been hired and is actively working on the Personnel Policy Revision Process. The Family Medical Leave policy is being revised to provide clear and consistent guidelines with both state and federal laws and the most current Court interpretations. This policy will be linked with all coordinating applicable laws, request forms and certifications. This policy will also serve as the pilot policy for new electronic personnel policies for City staff as part of the total Personnel Policy Revision Process, which will integrate and update the various personnel policies of the City.*

Training Needs Assessment and Competency Based Training Program - Review and develop employee training program based on a tiered competency training system. A 0.7 FTE HR Analyst has been budgeted through a service package for this project funded through December 31, 2007 to assist the current staff to move forward with this initiative and accomplish all other HR competing interests and priorities.

- *Update as of September 2007:*
A tiered competency model has been developed identifying training needs at employee, supervisory and management levels. The first focus will be the training on the FMLA policies and to update and provide Harassment/Diversity training for all employees. This is an ongoing work in progress.

Medical Benefits Study - Project carried over from the 2006 Organizational Improvement Project list, consistent with the White Paper submitted to Council. The service review will utilize internal staff and a medical benefit committee as well as consultative professional services to outline affordable quality medical benefit plans options for city employees and their families. Leading up to 2007, multiple changes were accomplished in collective bargaining regarding medical benefits. A comprehensive review of options will occur this year which looks at new AWC offerings and a due diligence review of other options such as contracting directly with providers, self-insuring and other multi-employer trusts.

Update as of September 2007:

- *Of the various options, there is informed consensus that the Association of Washington Cities (AWC) Trust remains the best and most cost effective option for 2008. This review will continue in 2008 for plan offerings in 2009. Just recently, AWC sent out a communication to employers announcing that the 'Trust' Advisory Board and Trustees are recommending that both the Regence/Asuris Medical Plan A and Medical Plan B will be phased out in the future. A three to five year period was referenced. This has significant potential impacts for the City. We are working with AWC on getting more information and will be advocating that they keep their current offerings. Obviously this confirms the need for an extensive 2008 review of medical plans and alternatives.*

There were other significant findings/changes that occurred this year:

- *As a result of the comprehensive review of our current health coverage benefits plans with AWC, an additional Dental Plan Provider is now available to City employees effective January 1, 2007. The new Provider, Willamette Dental, offers orthodontic services not previously offered through existing plans. The Employer premium for Willamette is also slightly lower than the Washington Dental employer premium.*
- *The underwriting rules for the vision plan offered through AWC Benefit Trust require "100% enrollment of all eligible employees" and that "the member employer must pay 100% of the premium for all coverages that are mandatory". The City has not historically been held to that rule but will now need to be in compliance. During 2007 open enrollment, we will make the changes necessary to comply with the trust underwriting rules and enroll those employees who are currently not covered.*
- *HR also initiated review of the City's Life Insurance policies. Two vendors provided quotes on Basic / Standard Life Insurance (2x salary) and Supplemental Life coverage. As a result, we have secured reduced rates for both the Basic Program and Supplemental Plans, allowing the City to offer an AD&D (accidental death & dismemberment) program. These rates and plans will go into effect January 1, 2008.*

Fire and Building

Finn Hill Fire Station Consolidation – Under the City and Fire District contract for services, the City operates three fire stations in Fire District 41, two of which are located on Finn Hill. The fire district has decided to consolidate the North Finn Hill and Holmes Point fire stations into a single station located centrally on Finn Hill. The consolidation will streamline operations and reduce operational cost, while providing a better overall level of service to the area.

Update as of September 2007:

- *The District has hired TCA architects to design the facility and is proceeding through the design process. It is anticipated that the new fire station will be opening in the 4th quarter of 2008. Staff is involved in the planning and construction phases; seeing this project through will reduce city and fire district ongoing cost and improve services.*

Wireless Mobile Data – When fully operational, this system will help reduce response times through an Automatic Vehicle Location system which communicates with the dispatch computer; this gives real time locations of emergency vehicles, so the closest unit to an emergency is dispatched to the emergency. In addition to the dispatch improvement; radio communications are reduced through a wireless non verbal notification of movements of units. This allows for critical communications to be heard in a priority manner, providing a greater safety to citizens and firefighters at the scene of emergencies.

Update as of September 2007:

- *System implementation is underway; two inspector vehicles have units installed and being used.*

EOC Upgrades – Emergency management will be working on improving the function of the EOC in several ways. Security in the EOC will be addressed so that no matter the situation we will be able to set up and run the EOC. We will be addressing the location of work areas to be able to allow the different work groups space to perform their function and to improve communication between groups to improve overall functioning of the EOC. We will also be updating the EOC manual and CEMP to reflect the changes that have been identified in drills and activations.

Paging and Alerting project: The fire operations group is working regionally to make paging and alerting of firefighters a quicker process. The 12 agency project will purchase and install new software and hardware to reduce the time needed to notify firefighters of an emergency. It is expected the new paging and alerting equipment will reduce up to 30 seconds of dispatching time; this will translate into a significant reduction in overall response times. This may be the single most cost effective project we could undertake to reduce response times in our community.

Update as of September 2007:

- *The project is underway and will be completed in the fourth quarter of 2007.*

Wireless Field Operations for Building Inspectors – Building staff have been working with IT staff to provide building inspectors mobile computers and live access to the City's permit tracking software. Inspectors will potentially be able to update the permit tracking database from the field, print customized correction notices, reschedule inspections, access GIS applications, receive and send emails and upload pictures from the field.

Update as of September 2007:

- *Hardware was received and is being deployed.*

Development Services

Residential Review Process: Working with Public Works and Planning, we hope to create a residential review team, whose main goal is to reduce residential plan review turn around times. This team will meet periodically to improve communication between departments, adopt procedures and perform joint reviews. Adopted procedures will address efficiency enhancements including improved completeness checks, a coordinated correction letter and redlining of approved plans.

Update as of September 2007:

- *This will be studied as part of the Permit Fee Study and the Development Services Process Mapping projects taking place during the second half of 2007.*

Permit Fee Study: Fire & Building, Planning and Public Works will be participating in a Finance-led study of our permit fees. The building permit fees will be reviewed as they have in the past, to insure they are consistent with the cost of doing business. A new aspect of this study will be to look further at the potential for new and/or increased fire prevention fees which could be used to address staffing needs for the significant increase in the number of buildings fire prevention has taken on without any new inspection staff.

Update as of September 2007:

- *The development services cost of service study is currently underway. Staff held a preliminary discussion with the Finance Committee in August and held a study session in September. Draft results are scheduled for the September 25th Finance Committee meeting. The results of the study and recommendations will be presented to the City Council in late fall with interim check-ins provided as needed on key policy questions..*

Police

Multi-Agency Investigation Response Team (MIRT) – This is a cooperative project with the cities of Bothell and Redmond and the Washington State Patrol that first initiated in 2003 under the name MERT (Multi-agency Evidence Response Team). The goal of the original program was to develop a trained multi-agency team to augment individual agency staff for gathering evidence at major crime scenes. By pooling resources, the agencies would maximize the availability of technology possessed by each agency and consolidate and share the skills of the most experienced crime scene investigators in each agency. The current project will update and expand the role of the team beyond evidence collection to include all investigative functions such as neighborhood canvassing and witness interviews. Call-out procedures will also be updated.

Update as of September 2007:

- *Operational guidelines and updated rosters have been drafted and are currently under review. Training resources are being identified and coordinated with the Criminal Justice Training Commission. The goal is to have updated guidelines adopted by the end of 2007.*