Designing Efficiency and Effectiveness into Municipal Services

SUPERCHARGING OUR THINKING

Current Realities

- Partial or stalled recovery from recession
- Growing **pension obligations** - tangible
- **Priority rationing** (i.e. squeezing dollars)
- **Inadequate staffing**
- **Long-term Capital degradation**
Structure of Government

- **Expectations** (Public)
- Public Policy (Governing Body)
- Operations (CEO & Depts.)
- Auditing/Accountability (External and Internal)
- **Expectations - Revisited**

Expectations

- **Set the stage** for services and activities
- **Proactive vs Reactive**
  - Mission and Objective Driven
  - Squeaky or VIP Wheel
- **Results** of government operations
  - Measured vs Non-measured
Expectations

- What are the *expectations for certain services*?
  - Staffing?
  - Funding?
  - Function?
  - Service Level?
  - *All the above*?

Building E&E into Services

- Law of the Vital few (Pareto’s Principle or 80/20 rule)
  - Size
    - Police Deployment
    - Emergency Medical Response
  - Perspective/Perception
    - Streets
Spending Priorities Survey

San Diego Citizen Survey – Spending Priorities

- Condition of city streets
- Police response to calls for service
- Fire response to calls for service
- Efforts to address homelessness

City Spending

Public Safety Spending per Resident as % of General Fund

- Reedley: $208, 71%
- Hemet: $359, 76%
- El Monte: $300, 50%
- Chico: $369, 72%
- San Jose: $401, 60%
- Roseville: $466, 67%
- Anaheim: $552, 68%
- Menlo Park: $445, 37%
- Oakland: $874, 66%
- San Marino: $866, 53%
Operations

- Made up of interactions between systems and processes intended to meet the expectations of a customer.

Key Takeaway

- Efforts to improve efficiency and effectiveness can lead to better alignment of expectations – an area that we can control in the current reality.

Operations - SIPOC
Emergency Medical Dispatching

- What is the expectation?
  - Provide a timely and efficient response

- What really matters about the response that is in our control?
  - Response Time
  - Do we send a fire truck or not
Impact of Proposed Change

- Estimated **one minute reduction** in response time

- Monetized
  - **$130 million** to achieve same impact with current operations over five years

- Focus shifted
  - from **Input - Fire Engine** to **Outcome - Response Time**
Streets: Pothole Repair

- **Expectation**
  - Improve the condition of roadway by reducing potholes

- **Performance Standard**
  - Complete service request within **72 hours**
### Repair Crew Activity for One Month

*Deployment Strategy Based on Repair Requests (Current Model Used)*

<table>
<thead>
<tr>
<th>Work Days</th>
<th>Repair Requests Completed</th>
<th>Total Daily Miles Driven</th>
</tr>
</thead>
<tbody>
<tr>
<td>Day 1</td>
<td>1</td>
<td>9.6</td>
</tr>
<tr>
<td>Day 2</td>
<td>2 → 3</td>
<td>9.9</td>
</tr>
<tr>
<td>Day 3</td>
<td>4 → 5 → 6 → 7 → 8 → 9</td>
<td>50.4</td>
</tr>
<tr>
<td>Day 4</td>
<td>10</td>
<td>11.7</td>
</tr>
<tr>
<td>Day 5</td>
<td>11 → 12 → 13 → 14</td>
<td>28.2</td>
</tr>
<tr>
<td>Day 6</td>
<td>15</td>
<td>11.2</td>
</tr>
<tr>
<td>Day 7</td>
<td>16 → 17 → 18 → 19 → 20 → 21</td>
<td>38.4</td>
</tr>
<tr>
<td>Day 8</td>
<td>22 → 23 → 24 → 25 → 26 → 27 → 28 → 29</td>
<td>25.4</td>
</tr>
<tr>
<td>Day 9</td>
<td>30 → 31 → 32 → 33 → 34</td>
<td>23.5</td>
</tr>
<tr>
<td>Day 10</td>
<td>35 → 36</td>
<td>19.7</td>
</tr>
<tr>
<td>Day 11</td>
<td>37 → 38</td>
<td>23.2</td>
</tr>
<tr>
<td>Day 12</td>
<td>39 → 40 → 41 → 42</td>
<td>11.5</td>
</tr>
<tr>
<td>Day 13</td>
<td>43 → 44 → 45</td>
<td>18.7</td>
</tr>
<tr>
<td>Day 14</td>
<td>46 → 47 → 48 → 49</td>
<td>18.4</td>
</tr>
<tr>
<td>Day 15</td>
<td>50</td>
<td>11.2</td>
</tr>
<tr>
<td>Day 16</td>
<td>51</td>
<td>6.3</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>16 days</strong></td>
<td><strong>51 repair requests</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>317.3 miles</strong></td>
</tr>
</tbody>
</table>

### Modeled Crew Activity for One Month

*Deployment Strategy Based on Regional Approach (Suggested Model to be Used)*

<table>
<thead>
<tr>
<th>Work Days</th>
<th>Repair Requests Completed</th>
<th>Total Daily Miles Driven</th>
</tr>
</thead>
<tbody>
<tr>
<td>Day 1</td>
<td>36 → 37 → 18 → 19 → 4 → 5</td>
<td>13.9</td>
</tr>
<tr>
<td>Day 2</td>
<td>17 → 49 → 35 → 7 → 21 → 10</td>
<td>16.4</td>
</tr>
<tr>
<td>Day 3</td>
<td>51 → 1 → 20 → 22 → 44 → 38</td>
<td>11.9</td>
</tr>
<tr>
<td>Day 4</td>
<td>48 → 6 → 13 → 16 → 43 → 33</td>
<td>9.1</td>
</tr>
<tr>
<td>Day 5</td>
<td>26 → 28 → 27 → 29 → 42 → 25</td>
<td>7.5</td>
</tr>
<tr>
<td>Day 6</td>
<td>46 → 47 → 23 → 41 → 45</td>
<td>8.5</td>
</tr>
<tr>
<td>Day 7</td>
<td>9 → 3 → 12 → 15 → 50</td>
<td>29.4</td>
</tr>
<tr>
<td>Day 8</td>
<td>14 → 24 → 2 → 8 → 11</td>
<td>6.8</td>
</tr>
<tr>
<td>Day 9</td>
<td>40 → 39 → 30 → 31 → 32 → 34</td>
<td>5.3</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>9 days</strong></td>
<td><strong>51 repair requests</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>108.8 miles</strong></td>
</tr>
</tbody>
</table>
Impact of Proposed Change

- More potholes filled in a concentrated area
- Monetized
  - About 50% - 75% improvement in output
  - Cost per Pothole goes down
- Focus shifted
  - from Input - Complaint to Outcome - Improved Condition
Should Police be More Like a Bank?

- Bank Service
  - **Option 1**: 5 tellers with individual lines for each teller, and jumping line is limited
  - **Option 2**: 5 tellers with one line and jumping line is limited

Typical Police Deployments

- **Geographic distribution** - beat system
- 1960s and 70s - typical today for many agencies
PD Geographic Deployment

- Focus: **geographic equality of response**
- Priority Calls - reasonable response, typically
- Quality of Life Calls - delayed or no response
- Officer Workload - skewed

Should Police be More Like a Bank?

- **YES, generally**
- **Changed Focus:** response time equity

**Impact:** Material increase in staff capacity
- **Example:** City with 9/FTE/Shift - 20-30% cap increase
How We Can Build E&E Into Ops

- **Train employees:** Systems Thinking
  - SIPOC
  - Lean Six Sigma

- **Train employees:** Learn to think in terms of Why?
  - Defining expectations
  - Refining how to best achieve expectations

- Define Performance Measurement (and discuss regularly)
  - Example: Public Works (dept), Streets (division), Pothole Repair (program), **Metric** (quantitative, or even qualitative)

More Examples

- **Wireless Devices**
  - Periodic check to ensure you have a good deal

- **Medical Marijuana**
  - Looking at the latest trends

- **Ethnic and Gender Diversity**
  - Delivering on internal policies and goals
Audit of Wireless Devices

Does the City's cell phone program economically and effectively meet the City's needs?

Assignment

Use

Oversight

Optimizing Your Operations

Identifying Efficiencies

Managing Underutilized Devices

Closing out Phone Lines with Zero Use

Limiting Personal Use

Taking Advantage of Optimization Reports

Managing Your Vendors

Participating States:
Estimated Savings

Annual Spending
$872,217

Estimated Savings
$291,600

Audit of Medical Marijuana Dispensaries
Evaluating Emerging Trends
Why Audit the Dispensaries?

A whistleblower reported several allegations regarding the City’s management of medical marijuana dispensary tax collection and licensing.

- Incorrect Taxation Calculations
- Kickbacks
- Transferring Permits
- Employees with Criminal Backgrounds
- Not Remitting All Taxes Due
- Preferential Treatment During the Permitting Process

What Did the Audit Provide?

- Accountability
- Transparency
- Assurance
Audit of Ethnic and Gender Diversity

▸ Where are we now?

▸ Where do we want to be?

Data that Drives Informed Decision-Making
Questions