



Tuesday, January 09, 2018

To: Council; Leadership

Fr: RES

Re: Status

---

Council –

It's the beginning of a new year, and we are off and moving in a great direction! I should be closing on a house in late January, with a move planned in February. Until then, I will be in Chino Valley on weekends, prepping for the move.

Also -- thank you for the time off during the holidays – I have been able to spend time with family and tend to some personal business that needed my attention.

In regards to City administrative business, I'd offer the following as updates – please contact me directly if there are questions or concerns.

---

#### **The Manager's Office --**

I am coordinating with the following, to bring details and facts to Council for consideration:

- Public Works and NAD Bank to further discussions related to the enhancement of the City's waste water treatment plant. Conceptually, I am structuring an approach that involves \$0 cost to the City, and relies on funding from EPA, NAD Bank and other grant sources. If our plant is improved, and if we receive flows from Naco, the increased effluent from our plant could be recharged into the aquifer via recharge ponds that we would construct, and I would negotiate with the State to receive recharge credits for that. Those credits will have monetary value that will maintain and grow, regardless of the economy, as water rights in AZ will only become more valuable. The bottom line is that the City would face no cost, would recharge greater flows into its aquifer, and would receive valuable water credits which, I believe, could be sold or banked.
- If possible, I believe the City should approach the EDA for federal grant funds, to run sewer service to the City's airport, and adjacent property (80 AC owned by the City). The airport would benefit from the service, and the City could establish a commercial/industrial park adjacent to the airport. I am coordinating with SEAGO in order to secure access to EDA grant funds which would require a 25% - 30% match. If the City were to propose such a sewer extension while the NAD Bank project above were active, existing funds in play in the NAD Bank project would, I believe, satisfy as match. The concept would be to use a Federal EDA grant to extend sewer service to the airport and establish a commercial/industrial park adjacent to it, at \$0 cost to the City.
- I am meeting with FAA and State agencies to discuss access to funding to improve the City Airport. Again, looking for grant funds that would present \$0 cost to the City, we would pursue Jet A fuel, and improvements to the runway, lighting and possibly the terminal. If matching funds are



required, I would seek to use funds in play from either of the above efforts to satisfy matching requirements so there is no cost presented to the City.

- I’ve reached out for help, in order to launch a housing rehabilitation program in the City. There are state grant funds available to qualifying citizens, which can be used to address safety, structural and energy efficiency issues within existing homes. Such a program would bring over \$250K annually to the City, to address housing issues and blight – details, once developed, will be brought to Council for consideration.

I am in communications/beginning communications with the following, in the conduct of City business:

SEAGO	WIFA	EDA	FMI
Habitat for Humanity	SHPO	NTHP	ULI
Cochise College	ACMA	USDA	Stifel (Debt Structure)
State Housing Office	AZ League of Munis	NAD Bank	Walker Consulting (Fin. Plan)
U of A	Governor’s Office	FAA	
Embry Riddle	AZ Fish & Game		
Bisbee Unified School Dist.	County Supervisors’ Assn.		
	ADEQ		
	ADWR		

Annexation discussions are underway at the staff level, relative to the Border Patrol facility, and we are identifying process requirements and developing a recommendation for Council. Given the activity staff anticipates at the City’s waste water treatment plant and airport, there may be additional alternatives for Council to consider in terms of annexation of same. Annexation of the airport and commercial/industrial park (if created) would give the City the ability to deploy zoning/land use controls on the property that would enhance the City’s intended land use and development of the area.

FMI and City development of a foundation for the Mine Tour is in the conceptual stages, and FMI has identified a consulting group to assist in the effort. These efforts will encompass discussions in a broader sense, relative to tourism and related impacts that the City will experience if tourism/visitation grow. Parallel to, and in some ways overlapping, the City’s pursuit of a feasibility study for a Science Center (funded by a grant) will benefit from the FMI/consultants’ work on tourism and the creation of a foundation.

I’ve created a suite of cooperative projects with the County and am meeting regularly now with Ed Gilligan to pursue the following:

Access to the County Motor Pool	Space Analysis & Sharing of Vacant County Bldgs.
Access to the County Fuel Depot System	Access to Share County Expertise & Projects
Access to County Vehicle Procurement	Planning, Building Permitting/Inspections
Access to County Vehicle Retirement Schedule	IT Support, Public Information Officer
Access to County Fleet Maintenance	GIS Mapping & Zoning Maps
Access to County Procurement -- Consumables	



I've established an internal financial workgroup, to begin evaluation of the City's financial position, recent trending, and to work with Pat Walker in the development of projections and a financial plan which should lead us out of our unsustainable position. This workgroup will also be focusing on the budget, phased implementation of some operational changes that have financial impact, and the development of future efforts to improve our position. I will also be using this group to develop better reporting, access to financial data and web-based transparency for our financial activity.

There are a range of activities I am working on with leadership, which should result in a planned approach that improves staffing strategies, organizational layout and compensation/benefits for the personnel compliment. We will be bringing elements of this approach to Council as soon as we have information in an organized format for Council consideration:

- PTO Cash Out – this concept has been discussed within the organization before, as accrued balances have been allowed to balloon to abnormal amounts. Currently, PTO is an unfunded liability within the City budget – and this means that departments must often wait after a vacancy is created, in order for PTO payouts to resolve, before refilling positions. This is not a sustainable position, as it abnormally increases overtime charges, inflating cost factors for staffing. Staff will be working up a proposed policy adjustment which would allow employees to cash out some portion of their PTO. Controls, restrictions etc. will be part of that proposal. On a related note, staff will also be working on a budgeting approach to fund a portion of this unfunded liability (to reduce the occurrence of overtime), and will likely suggest modification on the caps or limits on PTO, to lower maximum accrued limits.
- Compensation & Classification Plan – staff is working to develop accurate position descriptions, as well as update compensation schedules to create market competitive pay and benefits for the personnel compliment. Some structural/organizational recommendations will also be incorporated in the plan, as the City's administrative structure will be facing challenges to recover from the recession and depletion of operational reserves. Further, cooperative efforts with the County, and sharing resources will require minor modifications to the City's organizational structure/chart. It's anticipated that the development of the plan will take about 6 months – the plan will be presented to Council for consideration/approval -- and it's anticipated that in order to accommodate the financial impact, it will take 3 or more years to fully deploy.
- Creation of a Customer Services Corps – I and leadership are working to create a group of administrative professionals to assist with customer services, communications, special projects, grant applications and the deployment of technology and software within City Departments. The end goal is to leverage the Customer Services Corps with volunteers and interns, and have the Customer Services Corps deliver needed human capital and technical skills to help departments with internal processes as well as services to the public, and in some circumstances, support to some public functions (like festivals or events). Formation of materials for Council consideration is underway.

#### **City Clerk –**

The City's first customer service position is being defined and filled to provide focused assistance to public works and community development in the short term. This is being accomplished through a temporary



assignment, and will become permanent after Council's consideration of the Customer Service Corps function and inclusion in the City's organizational chart.

Public Official training is being facilitated locally, with support from the League of Municipalities, and has been offered to County and City elected officials and staff.

Review/consideration of agenda management software is underway.

Coordination of IT services with off-site contractor is ongoing, and exploration of cooperative use of County IT expertise is underway.

Deployment of website functionality, to allow citizens to lodge complaints or report concerns, is underway. Beta testing will commence soon.

Work-order/ticketing is being explored and will likely be deployed soon, to begin an organized response to:

- Citizen complaints,
- Requests to staff for information/action,
- Applicant Driven Services (permits etc),
- Code Compliance Activities,
- Specific Types of Services Delivered

A software based approach to the above not only empowers staff to manage customer contacts and quality of service delivery, but also provides data which can be used to report on staff activity and the trending of service demands from the public. Being able to document workloads, and evaluate staff activity and service provision will be key to balancing costs and prioritizing work.

## **Police –**

8 hour shifts have been implemented.

Discussions with the County are in process to secure vehicles through County procurement and early retirement of Sheriff vehicles. This relationship will also include sustained maintenance of vehicles by the County.

Re-establishment of a relationship with the Governor's Office of Highway Safety is being planned.

Initial audit of evidence room procedures, practices and contents has been concluded. We await the report, and have already employed some procedural recommendations which were identified and communicated verbally.

Additional security fencing is required for some evidence and property storage associated with police department activity. Fencing is also needed at the Fire Department to control access to equipment and departmental space. Evaluation is underway, to create the most effective proposal possible.



We will be re-fielding road survey equipment which will create traffic counts, as well as speed surveys when deployed. This equipment will be used to help establish a basis for some changes in strategic policing and/or targeting areas for the enforcement of traffic codes.

## **Fire –**

Changes in Palominas Fire are forcing adjustments within our department and to our transport scheduling. Discussions with Palominas are ongoing, and we will be reporting to Council on any material, operational changes. We will be reviewing our agreement with Palominas, and discussion possible changes that may benefit our population and financial posture.

The Fire Department is working with the Finance Department to evaluate the medical transport function, clearly understand the financial impacts of that function, and establish asset maintenance schedules and capital asset replacement schedules within the departmental budget. While some of the schedules may remain unfunded for several years while the City recovers from the recession, an understanding of maintenance and replacement costs for the department is critical to the sustainable operation of the department in the future.

An Explorer program is being evaluated, and may be deployed within the Fire Department to engage youth and work towards retaining youth in Fire Department positions in the future.

## **HR –**

Staffing strategies for Police and Fire are being considered, to better fit the City's needs for support/services, while also seeking to manage costs, balance training expenses, retain employees and manage PSPRS impacts. Discussions with Police and Fire leadership are beginning and will continue through the budget process.

Standard form-sets, process and file/recordkeeping mechanisms are being created and deployed.

Creation of safety and risk management processes and recordkeeping are under way.

Current personnel policy and practices are being examined, and a prioritized inventory of required adjustments is being created.

Some practices, which are required in policy but not being observed, are being reviewed. Training/documentation and facilitated deployment will follow.

Framework to undertake a compensation and classification plan is under development.

Linkage to U of A for assistance in a Fee/Fine study is being facilitated.

HR is becoming active in the risk management role for the City, and will increasingly support the risk management role as capacity is developed.

HR will begin an educational program to work with employees so they understand the full range of benefits associated with City employment, and how to get the most out of those benefits.



HR will be working with Finance on a reporting format to make the value/costs related to employment and provision of benefits to the personnel compliment clear, for the budget process.

## **Finance –**

We have completed and fulfilled all requests from the auditors and await their report and presentation to Council. We are working to organize and put fire damaged documents into cold storage.

Business license renewals, as well as initial preparation for the budget are underway.

Several improvements to operations and processes are under way:

Payroll software is being reviewed, and will be deployed this year – staff time savings here will be significant, and data accuracy as well as reporting/analysis will be greatly enhanced. The payroll software will also provide accurate timekeeping for all employees, functionality for HR virtual recordkeeping, virtual leave/accrual reporting and authorizations, compliance with the Affordable Care Act, employee IDs, employee web based access to payroll documents and instant edit ability for changes to tax/with-holding documents.

Utility Billing process changes are being reviewed. Current practice of internal bill printing is being evaluated in light of staff time, specialized materials and postage requirements. If a better, more effective alternative exists to produce bills, we will find and deploy it.

Bank Services with Wells Fargo are being explored. If the deployment of purchase cards (a product offered by Wells) makes sense, we will deploy them across appropriate department personnel. In many cases these cards would replace traditional credit cards, and would be more restricted in terms of where and how they could be used. Data received from Wells (in terms of products purchased) will be valuable in future budget cycles, where more conservative estimation of operational expenses will be needed.

Online Bill Pay, a function that is available through our web site hosting, will be deployed, to provide another way for citizens to pay their bills.

IP Based Security Cameras will be installed at all public service counters. We need to monitor our quality of service to the public, and we need to ensure that City employees are safe, particularly in areas where cash and payments are facilitated. Deployment of cameras at service counters will commence this quarter.

Budget Process Focus has become a strategic objective. We are focusing staff talents on the budget process and improving the quality, accuracy and transparency of the City Budget. This focus eclipses the Finance Department to include all Department Heads, where a unified, strategic and phased approach will be taken to enhance our financial planning and reporting to Council/the public.

## **Public Works –**

Fire Protection Systems and flows from the reservoir have not been maintained over the years. As a result, water lines, hydrants, valves and the reservoir need attention. The fire department and public works are partnering to bring these systems and facilities back to managed, operational states. The reservoir, which



# Bisbee, AZ

Office of the City Manager

stores water for the fire suppression system, is full of fish and plant material. This means that plants and fish are present in the distribution lines that connect the reservoir to the hydrants, and occasionally, they are ground up through the fire engine pumps and sprayed at fire scenes. The water from this system is contaminated with biological material, and the exposure of persons and gear/equipment to it is not appropriate. We will begin cleanup of the reservoir and aeration of the stored volumes while the fire department is rehabilitating and testing hydrants. As we clean up the system and begin logging pressures and flows we will identify lines that need to be replaced. Further, we will be mapping our facilities and will be using that information to develop strategic plans for the protection of difficult areas and assets.

Traffic and pedestrian circulation patterns are being reviewed, particularly in old Bisbee. Recent/pending development will trigger re-alignment of some sidewalks and crossings near the convention center, and planned improvements to pedestrian crossings and wayfinding are needed to protect and guide the public. Design standards for sidewalks and crossings need to be considered, as tourism is a growing economic sector within the City, and organizations (Such as Discover Bisbee) are coordinating branding efforts that will incorporate signage.

There are discussions beginning, related to a private donation for further enhancement of Vista Park (I've just been made aware this week). Details will be forthcoming to Council as soon as I have them.

Plans are under development/review for the enhancement/creation of a park in the San Jose area, and funding will be needed to execute this project. Ideas for the park are forming, and public works will have some concepts for discussion soon.

County and City driven changes to the bus schedules and routes are being considered. We are working to better connect City riders to County destinations, and want to examine a trolley route for old Bisbee – planning and evaluation is underway.

Public Works will begin working with the state to document the trails in Bisbee – a state effort is underway to identify trails and the state has set aside funds to establish trailheads and wayfinding.

Staff should be able to effect sewer and water cutoffs within a couple of weeks.