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OFFICE OF THE  
CITY MANAGER

CITY OF SACRAMENTO  
CALIFORNIA

May 30, 1990

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Budget and Finance Committee  
Sacramento, California

Honorable Members in Session:

**SUBJECT: PROPOSED ORGANIZATION OF CITY MANAGER'S DEPARTMENT 1990-91**

During the Budget and Finance Committee's review of the City Manager's departmental budget on May 16, 1990, I was asked to prepare a chart describing the proposed organizational structure of the Manager's office and provide information concerning the need for an additional Assistant City Manager position. At that time I had listed a number of the major issues facing the City Manager's office and thus also facing the City Council. It included flood control planning, water development, capital improvement programming, growth and development, affirmative action, public information, etc. Committee members expressed concern about the issues of growth management, staffing, public information and affirmative action.

My major reason for proposing the changes in the City Manager's Department is related to growth and development. There is every indication that Sacramento will be the fastest growing metropolitan area in California during this coming decade. At the present time the City organization is barely able to keep pace by responding to development projects proposed by others leaving little time to get ahead of the growth curve. This comment applies to the City Manager's Department, the City Council and other divisions of City government, such as City Planning. The City Manager's proposed organizational and staffing changes are intended to address these issues.

**I. GENERAL ORGANIZATIONAL OBJECTIVES**

**A. CITY MANAGER'S OFFICE:** To increase support and accountability within the Office of the City Manager in the following areas:

1. Long-range planning, policy analysis, interdepartmental and regional coordination related to the management of growth (i.e. air quality, transportation and land use planning);

2. Development and implementation of long-range water resource management strategies;
3. Planning and execution of the City's Capital Improvement Program;
4. Staff services to the Mayor and City Council.

**B. PUBLIC WORKS DEPARTMENT:** To reorganize and thereby further streamline the Department of Public Works by creating a separate Department of Utilities accountable directly to the City Manager. Water would thus become a major function rather than a subdivision of Public Works. This proposal should be considered when the Budget and Finance Committee hears the Public Works budget.

## **II. REASONS FOR PROPOSED CHANGES**

### **A. GROWTH MANAGEMENT**

1. The pace of growth in the City increasingly keeps the attention of senior managers and department heads focused on day-to-day administrative tasks. Less and less time is available to deal with future needs. The City Manager's office must take the lead in working with the City Council and the various departments in planning for the future.
2. The greatest challenges facing the City cannot be solved by the City acting alone, nor by other agencies acting without the City. As we have done with flood control, there needs to be greater efforts made towards regional policies and strategies.

### **B. CAPITAL IMPROVEMENT PROGRAM**

The City's current five year Capital Improvement Program totals in excess of \$377,000,000. Assuming a 5% inflationary rate, the cost to bring projects to completion increases at the rate of \$18-19 million per year. There is an urgent need to direct all major capital improvement projects on a City-wide basis from project inception to completion. These are complex projects which are of high priority to the City Council and include libraries, fire stations, police facilities, public garages, administrative offices and shops, museums, auditorium and exhibit hall.

CIP project coordination entails: policy direction; financial oversight by estimating project financing, project cash flow and annual operating costs; monitoring project expenditures; coordination of several City departments, consultants, review bodies and community interest groups; and monitoring project schedules.

### **C. WATER**

Water is one of the most critical resource problems facing the State. Preserving and effectively managing the City's water resources needs the full time attention of a department head level manager and much greater attention from the City Manager's office as well. It is imperative that the City protect and perfect its water rights. We have already made a commitment to expand the place of use of those water rights. Related issues include Lower American River in-stream flow standards, long-term water production needs and water quality.

### **D. LEGISLATIVE STAFF SUPPORT**

Policy decisions and the demands of constituents upon the Mayor and City Council have increased greatly in recent years. Eight full time Administrative Assistants are now assigned to City Council Members. There is a need for more senior management support of the City Council AA's to help manage the legislation and provide constituent services.

## **III. DISCUSSION**

The Department of Public Works at the present time consists of nine divisions and more than one thousand employees. The public utility portion of the department consists of the Water Division and the Flood Control/Sewer Division. A number of California cities including San Francisco, Los Angeles, Stockton and others have created separate utility departments to better manage these functions.

I believe it is essential to elevate the importance of the water development program by creating a separate department rather than its being a division of Public Works. The City Council has committed itself to protecting its water rights and expanding our place of use to meet the City's needs and those of the larger metropolitan area. While my preference would be to create a separate City Water Department, the Public Works Director has indicated that the sewer and drainage functions are more closely aligned to the water utility and should be kept together. If the metropolitan charter is passed in November by the voters, there is likely to be a merging of all the area wide utility services. The City and County staffs are now studying alternative mechanisms such as a JPA to consolidate water service on a regional basis in the event the metropolitan charter is defeated. In either case the proposed creation of a City Department of Utilities is a major step toward elevating the importance of water development. The only staffing change required would be the creation of a department head director position.

With regard to the issue of growth management, there are a number of key policy areas requiring increased attention. These include: (1) air quality attainment plans; (2) City, County and regional transportation planning; (3) parking management strategy; (4) central city housing; (5) water resource management; (6) financial strategies related to the above; (7) overall land use policy coordination; (8) annexation policy and applications. At the present time these issues are handled by several members of the City Manager's staff as time permits.

In terms of the departments and agencies dealing with the policy issues described above, there are several bodies involved including: (1) Sacramento Transportation Authority; (2) SACOG; (3) SRTD; (4) County of Sacramento including Planning, Public Works and Environmental Management in particular; (5) State of California; (6) other cities and counties in the region; (7) federal agencies such as EPA; (8) all City departments; and (9) LAFCO.

The City is about to undertake the most ambitious and complex capital improvement program in its history totalling \$377,000,000 in the next five years. The immediate availability of \$40 million dollars from the Certificate of Participation is accelerating this effort. The Assistant City Manager estimates that he now spends between 25-30% of his time on capital projects coordinating the roles of real estate, attorneys, facility management, public works, private owners, review bodies and community groups. The full impact of all these major capital projects has not yet hit us and will quickly consume the full attention of the Assistant City Manager leaving little time to deal with other administrative assignments and the growth management issues described above. It is for these reasons that I am proposing that an Assistant City Manager be assigned full time to coordinate implementation of the CIP. The rationale for proposing an additional Assistant rather than a Deputy Manager position is that Assistants generally coordinate the involvement of all City departments and Council officers rather than specific City departments handled by Deputies. In addition the salary of the Assistant is only 5% higher than the Deputy's at the top of the range.

Attached are charts comparing the current organizational structure of the City Manager's department and the proposed change with the addition of one Assistant City Manager which would increase the staffing in the department from nineteen to twenty employees.

### RECOMMENDATION

It is recommended that the City Council:

1. Approve creation of a City Department of Utilities in conjunction with review of the budget of the Department of Public Works; and
2. Approve the proposed organization of the City Manager's department.

Respectfully submitted,



Walter J. Slipe  
City Manager

**ATTACHMENT 1  
CURRENT REPORTING RESPONSIBILITIES**

**CITY MANAGER'S OFFICE  
Reporting Responsibility**

11/89



**CITY MANAGER**

To - City Council

For - External Groups, Assistant City Manager, Deputy City Managers,  
City Attorney, City Treasurer, City Clerk

**ASSISTANT CITY MANAGER**

To - City Manager

For - Deputy City Managers, Internal Groups and Task Forces, External Task Forces,  
Police Chief, Fire Chief, Internal Management  
(City Manager's Office Coordination and Delegation of Citywide Tasks and Reports)

**DEPUTY CITY MANAGER FOR ADMINISTRATION AND FISCAL**

To - Assistant City Manager and City Manager

For - Directors of Finance, General Services, Data Management, Personnel, Employee Relations

**DEPUTY CITY MANAGER FOR COMMUNITY DEVELOPMENT**

To - Assistant City Manager and City Manager

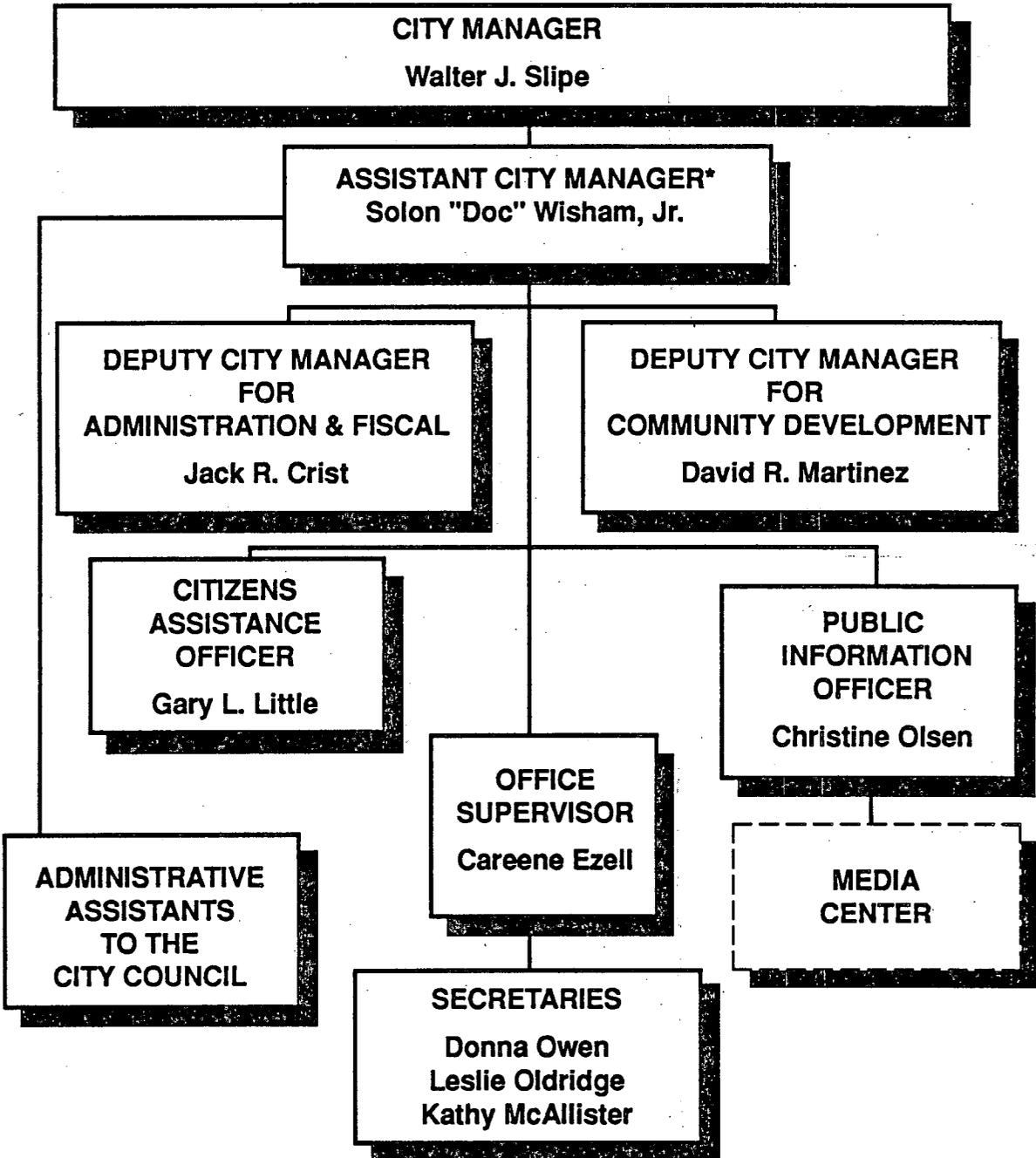
For - Directors of Public Works, Planning and Development, Parks and Community Services,  
Library, Community Center, and liaison with Sacramento Housing and Redevelopment Agency

ATTACHMENT 2  
CURRENT ORGANIZATION

# OFFICE OF THE CITY MANAGER

916 - 449 - 5704

City Hall - Room 101, 915 I Street, Sacramento, California 95814-2684



\* Assistant City Manager William E. Edgar is assigned to the Sacramento Area Flood Control Agency (SAFCA)

**ATTACHMENT 3  
PROPOSED ORGANIZATION - CITY MANAGER'S DEPARTMENT**

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