



Monterey County

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Budget Committee

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Support the following actions being forwarded to the full Board of Supervisors.

- a. Adoption of a Resolution to:
 1. Amend Personnel Policies and Practices Resolution (PPPR) No. 98-394 and Appendix A to create and abolish classifications with the salary ranges as indicated below;
 2. Amend Personnel Policies and Practices Resolution (PPPR) No. 98-394 to amend Sections A.10.1 Department Heads Designated and A.10.2 Assistant Department Heads Designated as indicated below;
 3. Amend the Resource Management Agency's Budget 3000, RMA013-8222 to reallocate one (1) vacant Deputy Director Resource Management Agency to one (1) (new) Deputy Director Land Use and Community Development;
 4. Amend the Resource Management Agency Budget 3000, RMA013-8222 to delete one (1) vacant Deputy Director Land Use and Community Development and add one (1) vacant Deputy Director Land Use and Community Development to budget 3000, RMA001-8172;
 5. Amend the Resource Management Agency's Budget 3000, RMA001-8172 to reallocate one (1) vacant Director of Planning to one (1) (new) Chief of Planning Services;
 6. Amend the Resource Management Agency's Budget 3000, RMA011-8170 to reallocate one (1) vacant Director of Building Services to one (1) (new) Chief of Building Services;
 7. Amend the Resource Management Agency's Budget 3000, RMA012-8195 to reallocate one (1) vacant Public Works Director to one (1) (new) Deputy Director Public Works and Facilities; reallocate one (1) vacant Assistant Public Works Director to one (1) (new) Chief of Public Works and Facilities;
 8. Amend the Resource Management Agency's Budget 3000, RMA012-8195 to add one (1) (new) Chief of Public Works and Facilities;
 9. Authorize the Auditor Controller to incorporate the approved changes in the FY 2015-16 Adopted Budget; and
 10. Direct the County Administrative Office to incorporate the approved position changes in the FY 2015-16 Adopted Budget and the Human Resources Department to implement the changes in the Advantage HRM system. (4/5 vote required)
- b. Support Adoption of an Ordinance Amending Monterey County Code as it relates to services assigned to the RMA (Chapters 2.27, 2.28, 2.29, 2.30, and 2.31).
- c. Support Adoption of an Ordinance to consolidate RMA services into one Chapter:
 1. Amending Monterey County Code Chapter 2.27 - Resource Management Agency to reflect a single department including Public Works, Planning, and Building Services
 2. Deleting Monterey County Code Chapter 2.28 - Public Works Director, to be incorporated into Chapter 2.27

3. Deleting Monterey County Code Chapter 2.29 - Planning Agency, to be incorporated into Chapter 2.27
4. Deleting Monterey County Code Chapter 2.30 - Planning Department, to be incorporated into Chapter 2.27
5. Deleting Monterey County Code Chapter 2.31 - Building Services Department, to be incorporated into Chapter 2.27

RECOMMENDATION:

It is recommended that the Budget Committee of the Board of Supervisors support the following actions being forwarded to the full Board of Supervisors:

- a. Adoption of a Resolution to:
 1. Amend Personnel Policies and Practices Resolution (PPPR) No. 98-394 and Appendix A to create and abolish classifications with the salary ranges as indicated below;
 2. Amend Personnel Policies and Practices Resolution (PPPR) No. 98-394 to amend Sections A.10.1 Department Heads Designated and A.10.2 Assistant Department Heads Designated as indicated below;
 3. Amend the Resource Management Agency's Budget 3000, RMA013-8222 to reallocate one (1) vacant Deputy Director Resource Management Agency to one (1) (new) Deputy Director Land Use and Community Development;
 4. Amend the Resource Management Agency Budget 3000, RMA013-8222 to delete one (1) vacant Deputy Director Land Use and Community Development and add one (1) vacant Deputy Director Land Use and Community Development to budget 3000, RMA001-8172;
 5. Amend the Resource Management Agency's Budget 3000, RMA001-8172 to reallocate one (1) vacant Director of Planning to one (1) (new) Chief of Planning Services;
 6. Amend the Resource Management Agency's Budget 3000, RMA011-8170 to reallocate one (1) vacant Director of Building Services to one (1) (new) Chief of Building Services;
 7. Amend the Resource Management Agency's Budget 3000, RMA012-8195 to reallocate one (1) vacant Public Works Director to one (1) (new) Deputy Director Public Works and Facilities; reallocate one (1) vacant Assistant Public Works Director to one (1) (new) Chief of Public Works and Facilities;
 8. Amend the Resource Management Agency's Budget 3000, RMA012-8195 to add one (1) (new) Chief of Public Works and Facilities;
 9. Authorize the Auditor Controller to incorporate the approved changes in the FY 2015-16 Adopted Budget; and
 10. Direct the County Administrative Office to incorporate the approved position changes in the FY 2015-16 Adopted Budget and the Human Resources Department to implement the changes in the Advantage HRM system. (4/5 vote required)
- b. Support Adoption of an Ordinance Amending Monterey County Code as it relates to services assigned to the RMA (Chapters 2.27, 2.28, 2.29, 2.30, and 2.31).
- c. Support Adoption of an Ordinance to consolidate RMA services into one Chapter:
 1. Amending Monterey County Code Chapter 2.27 - Resource Management Agency to

- reflect a single department including Public Works, Planning, and Building Services
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 5. Deleting Monterey County Code Chapter 2.31 - Building Services Department, to be incorporated into Chapter 2.27

SUMMARY:

Over the past 10 years there has been significant turnover within the top management of the Resource Management Agency (RMA) to the point that currently the only permanent incumbent in an executive position is the RMA Director. This situation has provided a prime opportunity to conduct an analysis of the RMA organizational structure to better manage the Agency's evolving needs and duties. In 2015, RMA contracted with Cooperative Personnel Services HR Consulting (CPS HR) to analyze options for structural change to reduce top layers of management and the associated bureaucracy, encourage communications and working relationships across the RMA divisions and reduce the number of direct reports to the RMA Director.

Recent vacancies in RMA top management positions has created an opportunity to take a hard look at how the RMA is structured while minimizing impacts to incumbents. The CPS HR study looked at options for restructuring management positions for oversight of three functional areas - Administration, Land Use and Community Development, and Public Works and Facilities. The study included analysis of the following classifications and associated compensation:

Existing Classifications:

- Deputy Director Resource Management Agency
- Director of Planning
- Assistant Director of Planning
- Director of Public Works
- Assistant Public Works Director
- Director of Building Services
- Finance Manager III

New Classifications:

- Deputy Director Land Use and Community Development
- Chief of Planning Services
- Chief of Building Services
- Deputy Director Public Works & Facilities
- Chief of Public Works & Facilities
- Deputy Director Administrative Services

Considering information and recommendations in the CPS HR study, and based on long-term goals of the RMA, the RMA Director recommends actions that help facilitate the following structural changes:

1. Amend Personnel Policies and Practices Resolution (PPPR) and Title 2 such that RMA is recognized as one department with three divisions:
 - a. Land Use and Community Development Division
 - b. Public Works and Facilities Division
 - c. Administrative Services DivisionAmendment to Title 2 of Monterey County Code is necessary to remove reference to individual departments and directors, and include these functions as part of the Resource Management Agency under the RMA Director as the Department Head (**Attachment A**).
2. Each Division is headed by Deputy Directors that report directly to the RMA Director:
 - a. Deputy Director Land Use and Community Development (LUCD)
 - b. Deputy Director Public Works and Facilities (PWF)
 - c. Deputy Director Administrative Services (AS)The RMA Director may assign either of the Deputy Directors of LUCD and PWF as Chief Deputy to act as RMA Director in his absence. The RMA Director may also assign the appropriate staff as County Engineer, Road Commissioner, and Building Official based on operational needs.
3. Each of the three proposed functional areas (Divisions) will be supported by specialized Unit/Division managers:
 - a. Chief of Planning Services
 - b. Chief of Building Services
 - c. Chief of Public Works and Facilities

CPS HR also collected base salary data in order to assess the current compensation level for the classifications included within the classification study. The recommendations are based on the findings on compensation levels within the labor market for comparable agencies approved by the Board of Supervisors. The RMA Director concurs with the CPS HR recommendations. The RMA Director finds that the proposed changes move toward a more sustainable organization model that would also streamline the organizational structure; provide greater opportunity for professional growth and succession planning; reduce the number of top management positions while increasing the number of more appropriate operational-management level positions; reduce costs; and, encourage greater communication and coordination that continues to improve services for the public. The recommended organizational changes will ensure the RMA is well placed for current and future County needs, including changes and additions to functions assigned to the RMA. These changes are needed now as plans are prepared for RMA to move to Schilling Place and to realize cost savings in the FY 2016-17 budget.

DISCUSSION:

The Resource Management Agency (RMA) was created in 2005 to improve communication and consistency as well as provision of services, especially relative to land use matters. Initially, three departments (Public Works Department, Planning and Building Inspection Department, and Redevelopment and Housing Office) were combined under the RMA, but no structural changes were made to those departments. Each Department under the RMA was initially required to manage its own budget within its own constraints. Over time, the RMA has evolved and grown:

- Functions of the General Services Department were incorporated into the RMA under Public Works with no real structural change.
- Planning and Building Inspection was split into two departments (Planning Department, Building Services Department) with separate department heads and individual budgets.
- Redevelopment and Housing Office separated from RMA and became part of the Economic Development Department; however, the redevelopment functions were re-assigned to the RMA following the dissolution of Redevelopment Agencies.
- Recently RMA started managing the overall budget as one department budget (to the bottom line), taking pressures off individual departments within the RMA and providing flexibility to address changing resources and needs.

The current structure consists of department heads (Planning, Building Services, Public Works) reporting to a department head (RMA Director) through a deputy director, which has created confusion internally and for the public and has made it more difficult to break down silos of individual departments with department heads. The proposed changes would improve the structure and provide greater opportunity for professional growth and succession planning, and encourage greater communication and coordination that continues to improve services for the public. At the same time these changes would have added benefits of reducing the number of top executive management positions in favor of operational management positions and reducing overall costs. The impacted positions are all in Y-unit and X-unit.

Under the current structure, the RMA Director currently has about 10 direct reports. The proposed reorganization will help address this by consolidating and re-assigning operational units under three divisions, each with a deputy director supported by unit managers. First would be the consolidation of land use functions into the Land Use and Community Development Division. Currently the land use functions are separated into areas that include:

- Planning. Planning Director reports to the RMA Director
- Building Services. Building Services Director reports to the RMA Director.
- Environmental Services. RMA combined staff from grading, public works and water resources staff to create an Environmental Services unit to address storm water, grading, erosion control and drainage. The Senior Hydrologist reports to the RMA Director.
- Development Services. The surveyor group was recently combined with the engineering staff in Public Works Development Services. Public Works Director reports to the RMA Director.
- Fire. Fire agencies are separate entities; however, the County Fire Warden and Fuel Mitigation Officer reports to the RMA Director.
- Environmental Health Bureau (EHB). EHB Director reports to the Health Director.
- Monterey County Water Resources Agency (WRA). WRA is a separate entity under the

authority of a General Manager. There is no authority of the County Administrative Office.

Land use issues are complex and often involved multiple functions. The proposed changes would bring all RMA functions involved with land use permitting/fees under a single point of leadership to assure more consistent direction and coordination. The only exceptions would be land use divisions within EHB and WRA, which would stay with those departments.

Public Works and Facilities Division would be divided into two general units to focus on capital functions (design, construction, maintenance):

1. Roads & Bridges (Engineering and Maintenance)
2. Facilities/Grounds (Architectural Services and Facilities)

The Administrative Services Division is designed to consolidate shared functions such as finance, human resources, IT, safety, contracts and grants. The intent is to create a centralized grants/contracts group to better focus efforts and provide consistent implementation. In addition, functions associated originally with General Services not specifically associated with the other division functions will be assigned to the Administrative Services Division so that the other divisions can focus on their technical tasks.

In order to create greater opportunity for growth into RMA management, the RMA Director recommends these three deputy positions be more administrative in nature. If needed, the RMA Director recommends having authority to assign certain duties to individuals other than the deputy directors (e.g. County Engineer, County Surveyor, Road Commissioner, Building Official, Chief Deputy) that would also come with appropriate compensation in addition to the base salary.

Upon further review and discussion it is the recommendation of the Human Resources Department and County Administrative Office Budget Director to delay incorporating the newly created classification of Deputy Director Administrative Services into the FY2015-16 adopted budget. The Resource Management Agency Director concurs with this recommendation and for the present, the RMA Director, or their designee, will assume the administrative oversight responsibilities of the RMA.

Monterey County Code (MCC) divides functions assigned to the RMA into Chapters 2.27, 2.28, 2.29, 2.30, 2.31, 2.33, 2.36, and 2.48. Staff has prepared a draft ordinance that shows how these functions could be consolidated into a single Chapter for RMA. This draft ordinance is being presented at this time to illustrate how a code amendment could help clarify the functions assigned to RMA and establish the RMA Director as the authority for these functions. If the Board approves of these proposed changes, staff will process a draft ordinance separately.

OTHER AGENCY INVOLVEMENT:

The Human Resources Department is in concurrence with these proposed actions. The CAO's Budget and Analysis office has been involved in discussions on study outcomes.

FINANCING:

This reorganization effort will be accomplished by reallocating existing, vacant executive management positions to more appropriate classifications. The proposed actions would eliminate 6 current executive (Y-Unit) positions and replace them with 2 Y-Unit and 3 X-Unit management positions:

Allocation To Be Determined (TBD) - (Y-Unit)

Deputy Director RMA (Y-Unit) to Deputy Director LU&CD (Y-Unit)

Public Works Director (Y-Unit) to Deputy Director PW&F (Y-Unit)

Director of Planning (Y-Unit) to Chief of Planning Services (X-Unit)

Director of Building Services (Y-Unit) to Chief of Building Services (X-Unit)

Assistant PW Director (Y-Unit) to Chief of PW&F (X-Unit)

The actions will also add one (1) additional unfunded Chief of Public Works and Facilities and abolish two (2) currently unused classifications of RMA Administrative Director and Assistant Director of Planning as they no longer meet the needs of the organization.

As such, the proposed actions are expected to be budget neutral and the RMA is able to manage the cost of these positions within the existing adopted budget.

Approved by: Carl P. Holm, AICP, RMA Director

cc: SEIU

Attachments:

Attachment A - Draft Ordinance (Title 2)

Attachment B - Draft Resolution