

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Administrative Office	(2) MEETING DATE 10/20/2015	(3) CONTACT/PHONE Dan Buckshi, County Administrative Officer 781-5011	
(4) SUBJECT 1) A hearing to consider approval of ordinances to amend the County Code (Titles 2 and 19) by dissolving the Department of General Services, creating the Department of Central Services, and transferring responsibility for building maintenance, facility planning, and architectural services to the Department of Public Works, 2) request to adopt resolutions to establish the new position and set the salary range for the Director of Central Services and amend Position Allocation Lists to reflect the transfer of positions to the Department of Central Services and addition of positions to the Department of Public Works, and 3) authorize the Auditor-Controller to transfer unspent appropriations for the Department of Central Services to Fund Center 116. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board: <ol style="list-style-type: none"> 1. Adopt and waive the reading of the following ordinances: <ul style="list-style-type: none"> • Amend Chapter 2.11 Sections .010-.030 and .051, and add .060 to the County Code related to dissolution of the Department of General Services and creation of the Department of Central Services; • Amend Chapter 2.18 Section .040 of the County Code related to the duties of the Director of Public Works being expanded to include building maintenance and architectural services; • Amend Chapter 2.40 Section .060 of the County Code related to elimination of the position of Director of General Services and creation of the position of Director of Central Services; • Amend Chapter 19.01 Section .030 of the County Code to remove the General Services Agency Director as a deputy building official. 2. Adopt a resolution to amend the Position Allocation Lists for Fund Centers 113 and 116 by transferring various positions to the new Department of Central Services and deleting positions from Fund Center 113; 3. Adopt a resolution to establish the new position and set the salary range for the Director of Central Services, and amend the Position Allocation List for Fund Center 116 by adding 1.0 FTE Director of Central Services; 4. Adopt a resolution to amend the Position Allocation List for Fund Center 405 by adding 1.0 FTE Administrative Assistant, 1.0 FTE Engineer IV, and 1.0 FTE Deputy Director of Public Works, and 5. Authorize a budget adjustment effective January 1, 2016, in an amount to be determined by the Auditor-Controller, to transfer unspent appropriations as of December 31, 2015 for Central Services cost centers from Fund Center 113 to the new Fund Center 116, so that the total budget in Fund Centers 113 and 116 does not exceed the amount that was originally adopted for Fund Center 113 for the fiscal year. 			
(6) FUNDING SOURCE(S) Fund Centers 113, 116, 405	(7) CURRENT YEAR FINANCIAL IMPACT \$28,943	(8) ANNUAL FINANCIAL IMPACT \$43,415	(9) BUDGETED? No
(10) AGENDA PLACEMENT { } Consent { } Presentation {X} Hearing (Time Est. <u>15 mins</u>) { } Board Business (Time Est. <u> </u>)			
(11) EXECUTED DOCUMENTS {X} Resolutions { } Contracts {X} Ordinances { } N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: { } 4/5 Vote Required {X} N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY { } N/A Date: <u>October 6, 2015 (Introduction)</u>	
(17) ADMINISTRATIVE OFFICE REVIEW This item was prepared by the Administrative Office.			
(18) SUPERVISOR DISTRICT(S) All Districts.			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Administrative Office / Dan Buckshi, County Administrative Officer 781-5011

DATE: 10/20/2015

SUBJECT: 1) A hearing to consider approval of ordinances to amend the County Code (Titles 2 and 19) by dissolving the Department of General Services, creating the Department of Central Services, and transferring responsibility for building maintenance, facility planning, and architectural services to the Department of Public Works, 2) request to adopt resolutions to establish the new position and set the salary range for the Director of Central Services and amend Position Allocation Lists to reflect the transfer of positions to the Department of Central Services and addition of positions to the Department of Public Works, and 3) authorize the Auditor-Controller to transfer unspent appropriations for the Department of Central Services to Fund Center 116. All Districts.

RECOMMENDATION

It is recommended that the Board:

1. Adopt and waive the reading of the following ordinances:
 - Amend Chapter 2.11 Sections .010-.030 and .051, and add .060 to the County Code related to dissolution of the Department of General Services and creation of the Department of Central Services;
 - Amend Chapter 2.18 Section .040 of the County Code related to the duties of the Director of Public Works being expanded to include building maintenance and architectural services;
 - Amend Chapter 2.40 Section .060 of the County Code related to elimination of the position of Director of General Services and creation of the position of Director of Central Services;
 - Amend Chapter 19.01 Section .030 of the County Code to remove the General Services Agency Director as a deputy building official.
2. Adopt a resolution to amend the Position Allocation Lists for Fund Centers 113 and 116 by transferring various positions to the new Department of Central Services and deleting positions from Fund Center 113;
3. Adopt a resolution to establish the new position and set the salary range for the Director of Central Services, and amend the Position Allocation List for Fund Center 116 by adding 1.0 FTE Director of Central Services;
4. Adopt a resolution to amend the Position Allocation List for Fund Center 405 by adding 1.0 FTE Administrative Assistant, 1.0 FTE Engineer IV, and 1.0 FTE Deputy Director of Public Works, and
5. Authorize a budget adjustment effective January 1, 2016, in an amount to be determined by the Auditor-Controller, to transfer unspent appropriations as of December 31, 2015 for Central Services cost centers from Fund Center 113 to the new Fund Center 116, so that the total budget in Fund Centers 113 and 116 does not exceed the amount that was originally adopted for Fund Center 113 for the fiscal year.

DISCUSSION

The General Services Agency was dissolved on October 7, 2014. The dissolution of the Agency created four separate departments (General Services, Information Technology, Airports, and Parks and Recreation), which allowed for more direct oversight and enabled staff to focus on specific operational areas. The goals of the dissolution of the Agency were to improve services in several key areas, including strengthening the management of the County's capital projects program.

Since dissolution, it has become apparent that facilities maintenance and capital projects management would be better aligned with the Department of Public Works, which would be responsible for all County facilities, including roads, bridges, buildings, and water and wastewater systems. This transition involves the Department of Public Works broadening their oversight and management of the County's infrastructure. It also includes forming a new Department of Central Services to focus on internal services which interface with all other departments. With this reorganization, the divisions of building maintenance and architectural services will move to the Department of Public Works, while the divisions of real property services, purchasing, central mail, and fleet services will comprise the Department of Central Services.

Public Works will also re-align its own department to establish a new facilities/support group to manage facilities planning (including development of the Capital Improvement Program), facilities services (including maintenance and custodial services), finance, and administrative services.

County Code Changes

This hearing includes consideration of ordinances to amend the County Code to enable the dissolution of the Department of General Services, the creation of the Department of Central Services, and the transfer of facility maintenance and architectural services to the Public Works Department. The proposed code changes also clean up one remaining item regarding employing the Department of Planning and Building's existing building code review process for buildings. The proposed ordinances are included as Attachments 1-8. A summary of the necessary changes is as follows:

Code Sections to be Amended	
Code Section	Summary of Changes
2.11.010 – Central Services office and department created	Eliminates the Department of General Services and creates the Central Services Department. The Director of Central Services will act as the Purchasing Agent, pursuant to Chapter 2.36 of the County Code. The Director will be appointed by, and serve at the will and pleasure of, the County Administrative Officer, at a salary to be set by the Board.
2.11.020 – Qualifications of Director of Central Services	Reflects qualifications of the Director of Central Services rather than the Director of General Services.
2.11.030 – Duties of Director of Central Services	Reflects duties of the Director of Central Services rather than the Director of General Services.
2.11.051 – Permit requirements	Reflects that the film permit "issuing agency" shall be the Director of Central Services rather than the Director of General Services.
2.18.040 – Duties of Director of Public Works	Includes responsibility for building and facilities maintenance and architectural services among the duties of the Director of Public Works.
2.40.060 – Classified and unclassified service	Eliminates the position of Director of General Services and adds new position of Director of Central Services.
19.01.030 – Administration	Eliminates the General Services Agency Director as a deputy building official for County-owned buildings. The Public Works Department will use the existing building review process under the Department of Planning and Building for review of buildings.
Code Sections to be Added	
Code Section	Summary of Changes
2.11.060 – Reference of Director of General Services	Clarifies that any references to Director of General Services or General Services Agency in documents prior to the ordinance shall mean the same as Director of Central Services, except as pertains to the duties which are being transferred from the Director of General Services to the Director of Public Works.

Per Government Code §25123, the ordinances cannot be effective for at least 30 days from the date of final passage. If your Board approves the changes at today's hearing, changes would take effect on November 19, 2015.

Changes to Positions

It is recommended that the Board approve changes to the Position Allocation Lists (PALs) for Fund Center 113 (currently

General Services), Fund Center 405 (Public Works Internal Service Fund), and a new Fund Center 116 (Central Services). These changes will include the following (to be effective October 25, 2015, unless otherwise stated):

- Deleting the Director of General Services position from Fund Center 113;
- Creating, setting the salary, and adding the new position of Director of Central Services to Fund Center 116;
- Transferring all Central Services positions to the Fund Center 116 PAL (effective December 20, 2015);
- Adding one Administrative Assistant position to the Fund Center 405 PAL;
- Converting one existing Capital Planning/Facilities Manager to an Engineer IV and transferring the position from the Fund Center 113 PAL to the Fund Center 405 PAL; and
- Converting the Deputy Director of General Services to Deputy Director of Public Works and transferring the position from the Fund Center 113 PAL to the Fund Center 405 PAL.

All remaining positions that were in General Services but will now be managed by and incorporated into the Public Works organization will remain in Fund Center 113. This will include facility maintenance, custodial services, architectural services, and two financial positions. Fund Center 113 will then become a Public Works-managed fund center.

Creation of New Fund Center

As mentioned above, the reorganization will involve establishing a new department. In order to financially manage the department, a new fund center will be established (FC 116). Therefore, your Board is also requested to authorize the Auditor to transfer any unspent appropriations as of December 31, 2015 from Fund Center 113 to the new Fund Center 116 for the divisions which will move to the Department of Central Services. The PAL transfers from Fund Center 113 to 116 will also go into effect about this time.

OTHER AGENCY INVOLVEMENT/IMPACT

County Counsel, Human Resources, General Services, and Public Works have assisted in the development of the proposed ordinances to amend the County Code. County Counsel has reviewed the ordinances as to form and legal effect. Human Resources has conducted a salary study to determine the appropriate salary range for the new Central Services Director position, and has prepared the resolutions to make necessary amendments to affected Position Allocation Lists. The Auditor-Controller has outlined the necessary steps to establish the new fund center and transfer funds for the new department.

Staff within the Departments of Public Works and General Services have been diligently working together to ensure a smooth transition. The Department of Planning and Building was consulted and provided input regarding Public Works using that department's existing building review process for construction of non-transportation related buildings.

FINANCIAL CONSIDERATIONS

Impacts Already Occurred as a Result of Dissolution of the General Services Agency

The dissolution of the General Services Agency and creation of four independent departments was initially expected to be relatively cost neutral once all necessary organizational changes were made. This proved to be the case, as reported in the 4th quarter of FY 2014-15. At the time of dissolution, 6.00 FTE positions were moved from the former General Services Agency to the Departments of Parks and Recreation and Information Technology (IT). Although the positions were transferred, the personnel-related expenses remained in General Services' budget as a transfer out to Parks and IT. Since General Services was unable to bill for the services that the positions would have provided, it experienced a revenue shortfall of \$212,273. In addition, new hires at lower salary steps reduced the average billable rate for architectural services by a total of \$83,671. These revenue shortfalls were partially offset by salary savings, but the end result was an exceedance of General Fund support by \$156,450. However, overall, the General Services Agency dissolution was relatively cost-neutral for FY 2014-15. The reduction in revenue for General Services, as explained above, was roughly equivalent to savings realized for Parks and IT, since those departments had already budgeted expenses for the administrative support they previously received from the Agency.

Over the long-term, actions related to dissolution of the Agency would have a net savings of approximately \$75,000 per year. This is essentially the difference generated by elimination of the General Services Agency director and four deputy director positions, and the addition of four new directors for the new departments that were created.

Impacts as a Result of Today's Hearing

The changes presented in this Board item are estimated to have an additional net cost of \$28,943 in the current fiscal year and an annual cost of \$43,415 for future years. A budget adjustment is not requested for this amount, since it is anticipated that the current fiscal year impact will be absorbed by savings in Public Works, and future year costs will be built into the budget. The factors contributing to the annual net fiscal impact include:

- Addition of a new Administrative Assistant to the Department of Public Works (net cost of \$53,642);
- Difference in compensation between one Capital Planning/Facilities Manager and an Engineer IV (net cost of \$292);
- Difference in compensation between the Deputy Director of General Services and the Deputy Director of Public Works (net cost of \$17,770); and
- Difference in compensation between the Director of General Services and Director of Central Services (net savings of \$28,289).

The following table contains a comprehensive summary of the current year and annualized impact for each position affected by the reorganization:

Position Changes with Net Cost Impact

Fund Center PAL	Position	Change	Current FY Cost			Annual Cost		
			Salary	Benefits	Total	Salary	Benefits	Total
405 - Public Works	Deputy Director	Add 1.0 FTE (move from 113)	\$ 81,682	\$ 45,913	\$ 127,595	\$ 122,523	\$ 68,869	\$ 191,392
405 - Public Works	Engineer IV	Add 1.0 FTE (move from 113)	\$ 63,461	\$ 33,948	\$ 97,409	\$ 95,191	\$ 50,922	\$ 146,113
405 - Public Works	Admin Assistant	Add 1.0 FTE (new)	\$ 20,509	\$ 15,253	\$ 35,761	\$ 30,763	\$ 22,879	\$ 53,642
116 - Central Services	Director	Add 1.0 FTE (move from 113)	\$ 85,821	\$ 49,259	\$ 135,079	\$ 128,731	\$ 73,888	\$ 202,619
116 - Central Services	Dept. Administrator	Add 1.0 FTE (move from 113)	\$ 75,879	\$ 43,931	\$ 119,809	\$ 113,818	\$ 65,896	\$ 179,713
116 - Central Services	Accountant II	Add 1.0 FTE (move from 113)	\$ 42,585	\$ 28,279	\$ 70,863	\$ 63,877	\$ 42,418	\$ 106,295
116 - Central Services	Sr. Account Clerk	Add 1.0 FTE (move from 113)	\$ 26,789	\$ 17,967	\$ 44,757	\$ 40,184	\$ 26,951	\$ 67,135
116 - Central Services	Account Clerk	Add 0.5 FTE (move from 113)	\$ 11,229	\$ 8,084	\$ 19,293	\$ 16,844	\$ 12,126	\$ 28,940
116 - Central Services	Senior Buyer	Add 1.0 FTE (move from 113)	\$ 39,908	\$ 23,424	\$ 63,332	\$ 59,862	\$ 35,136	\$ 94,998
116 - Central Services	Buyer I/II	Add 1.0 FTE (move from 113)	\$ 34,183	\$ 21,043	\$ 55,226	\$ 51,275	\$ 31,564	\$ 82,839
116 - Central Services	Buyer I/III	Add 1.0 FTE (move from 113)	\$ 39,908	\$ 23,424	\$ 63,332	\$ 59,862	\$ 35,136	\$ 94,998
116 - Central Services	Admin Assistant III	Add 1.0 FTE (move from 113)	\$ 26,125	\$ 17,691	\$ 43,816	\$ 39,187	\$ 26,537	\$ 65,724
116 - Central Services	Admin Assistant III	Add 1.0 FTE (move from 113)	\$ 25,229	\$ 17,318	\$ 42,547	\$ 37,844	\$ 25,977	\$ 63,821
116 - Central Services	Admin Assistant III	Add 1.0 FTE (move from 113)	\$ 28,745	\$ 18,781	\$ 47,527	\$ 43,118	\$ 28,172	\$ 71,290
116 - Central Services	Property Manager	Add 1.0 FTE (move from 113)	\$ 65,881	\$ 39,235	\$ 105,116	\$ 98,822	\$ 58,852	\$ 157,674
116 - Central Services	Assoc. Real Prop. Agent	Add 1.0 FTE (move from 113)	\$ 44,653	\$ 25,398	\$ 70,051	\$ 66,980	\$ 38,097	\$ 105,077
116 - Central Services	Assoc. Real Prop. Agent	Add 1.0 FTE (move from 113)	\$ 44,271	\$ 25,239	\$ 69,509	\$ 66,406	\$ 37,858	\$ 104,264
116 - Central Services	Asst. Real Prop. Agent	Add 1.0 FTE (move from 113)	\$ 41,105	\$ 23,922	\$ 65,027	\$ 61,657	\$ 35,883	\$ 97,540
116 - Central Services	Super. Admin Clerk II	Add 1.0 FTE (move from 113)	\$ 36,846	\$ 22,150	\$ 58,996	\$ 55,269	\$ 33,225	\$ 88,494
113 - General Services	Director	Delete 1.0 FTE (move to 116)	\$ (99,214)	\$ (54,725)	\$ (153,939)	\$ (148,821)	\$ (82,087)	\$ (230,908)
113 - General Services	Deputy Director	Delete 1.0 FTE (move to 405)	\$ (73,098)	\$ (42,650)	\$ (115,748)	\$ (109,647)	\$ (63,975)	\$ (173,622)
113 - General Services	Dept. Administrator	Delete 1.0 FTE (move to 116)	\$ (75,879)	\$ (43,930)	\$ (119,809)	\$ (113,818)	\$ (65,895)	\$ (179,713)
113 - General Services	Accountant II	Delete 1.0 FTE (move to 116)	\$ (42,585)	\$ (28,279)	\$ (70,863)	\$ (63,877)	\$ (42,418)	\$ (106,295)
113 - General Services	Sr. Account Clerk	Delete 1.0 FTE (move to 116)	\$ (26,789)	\$ (17,967)	\$ (44,757)	\$ (40,184)	\$ (26,951)	\$ (67,135)
113 - General Services	Account Clerk	Delete 1.0 FTE (move to 116)	\$ (11,229)	\$ (8,084)	\$ (19,293)	\$ (16,844)	\$ (12,126)	\$ (28,940)
113 - General Services	Senior Buyer	Delete 1.0 FTE (move to 116)	\$ (39,908)	\$ (23,424)	\$ (63,332)	\$ (59,862)	\$ (35,136)	\$ (94,998)
113 - General Services	Buyer I/II	Delete 1.0 FTE (move to 116)	\$ (34,183)	\$ (21,043)	\$ (55,226)	\$ (51,275)	\$ (31,564)	\$ (82,839)
113 - General Services	Buyer I/III	Delete 1.0 FTE (move to 116)	\$ (39,908)	\$ (23,424)	\$ (63,332)	\$ (59,862)	\$ (35,136)	\$ (94,998)
113 - General Services	Admin Assistant II	Delete 1.0 FTE (move to 116)	\$ (26,125)	\$ (17,691)	\$ (43,816)	\$ (39,187)	\$ (26,537)	\$ (65,724)
113 - General Services	Admin Assistant III	Delete 1.0 FTE (move to 116)	\$ (25,229)	\$ (17,318)	\$ (42,547)	\$ (37,844)	\$ (25,977)	\$ (63,821)

113 - General Services	Admin Assistant III	Delete 1.0 FTE (move to 116)	\$ (28,745)	\$ (18,781)	\$ (47,527)	\$ (43,118)	\$ (28,172)	\$ (71,290)
113 - General Services	Property Manager	Delete 1.0 FTE (move to 116)	\$ (65,881)	\$ (39,235)	\$(105,116)	\$ (98,822)	\$ (58,852)	\$(157,674)
113 - General Services	Assoc. Real Prop. Manager	Delete 1.0 FTE (move to 116)	\$ (44,653)	\$ (25,398)	\$ (70,051)	\$ (66,980)	\$ (38,097)	\$(105,077)
113 - General Services	Assoc. Real Prop. Manager	Delete 1.0 FTE (move to 116)	\$ (44,271)	\$ (25,239)	\$ (69,509)	\$ (66,406)	\$ (37,858)	\$(104,264)
113 - General Services	Asst. Real Prop. Manager	Delete 1.0 FTE (move to 116)	\$ (41,105)	\$ (23,922)	\$ (65,027)	\$ (61,657)	\$ (35,883)	\$ (97,540)
113 - General Services	Super. Admin Clerk II	Delete 1.0 FTE (move to 116)	\$ (36,846)	\$ (22,150)	\$ (58,996)	\$ (55,269)	\$ (33,225)	\$ (88,494)
113 - General Services	Capital Planning Manager	Delete 1.0 FTE	\$ (60,507)	\$ (36,707)	\$ (97,214)	\$ (90,761)	\$ (55,061)	\$(145,821)
Net Cost Impact			\$ 18,653	\$ 10,291	\$ 28,943	\$ 27,979	\$ 15,436	\$ 43,415

* Note: This list does not reflect any positions which will remain in Fund Center 113 (to be managed by Public Works), and that do not affect the net cost of the reorganization.

Although a budget adjustment is not requested to cover the current year cost, a budget adjustment will be necessary to transfer unspent appropriations for the divisions which will comprise Central Services from Fund Center 113 to 116. The Auditor-Controller is requesting authorization to complete this transfer January 1, 2016 to coincide with the beginning of the 3rd quarter.

RESULTS

Approval of the proposed ordinances to amend the County Code will enable the dissolution of the Department of General Services, the creation of a new Department of Central Services, and the transfer of facility maintenance and capital project management related duties to the Department of Public Works, effective 30 days after passage. These organizational changes are intended to improve the oversight and delivery of capital projects, align the County's infrastructure management under a single department, and focus the role and duties of internal County services.

ATTACHMENTS

1. Ordinance to amend Chapter 2.11 of the County Code - clean version
2. Ordinance to amend Chapter 2.11 of the County Code - strikethrough version
3. Ordinance to amend Section 2.18.040 of the County Code - clean version
4. Ordinance to amend Section 2.18.040 of the County Code - strikethrough version
5. Ordinance to amend Section 2.40.060 of the County Code - clean version
6. Ordinance to amend Section 2.40.060 of the County Code - strikethrough version
7. Ordinance to amend Section 19.01.030 of the County Code - clean version
8. Ordinance to amend Section 19.01.030 of the County Code - strikethrough version
9. Resolution for Fund Center 113 and 116 PAL transfers
10. Resolution for Fund Center 116 PAL
11. Resolution for Fund Center 405 PAL
12. Organizational Charts