

Date: July 21, 2009  
To: Fairhope City Council  
From: Strategic Planning Steering Committee  
Subject: Results to Date of the Strategic Planning Process and Identification of Critical Issues for the City's Strategic Plan

This memorandum with appendixes reports the results to date of the strategic planning process by city department heads, with assistance from members of the Strategic Planning Steering Committee and identifies the most critical issues to be addressed in a strategic plan for the City of Fairhope.

Following recommendations by the Strategic Planning Process Committee in their final report, dated July 28, 2008, a Strategic Planning Steering Committee was formed to assist the Mayor and department heads in the formation of a three year strategic plan for the city. Steering Committee members met with the Mayor and department heads on January 8, 2009, to outline the general approach to the planning process which was modeled after the Government Finance Officers Association (GFOA) process used in the Fairhope Governmental Structure Committee recommendations.

The strategic planning process involves:

1. Defining the mission statement for each department.
2. Conducting a Strengths, Weaknesses, Opportunities, Threats (SWOT) analysis to define the threats or weaknesses that will prevent the effective implementation of each department's mission as well as what strengths and opportunities can be exploited to facilitate the department's effectiveness.
3. Analysis of SWOT results to determine the most critical issues to consider in implementation of a strategic plan to improve city government effectiveness.
4. Creation of a strategic plan encompassing action plans to establish priorities, required resources and funding, assignment of responsibilities, implementation timeline, etc. to effect resolution of defined critical issues.

Steps one through three have been completed. The critical issues are presented in Appendix A. Additional identified issues requiring resolution are contained in Appendix B. These issues did not meet the critical definition, but are important to the city's ability to operate effectively and efficiently and reduce liabilities.

The Strategic Planning Process Committee's final report (July 2008) recommended the Mayor and key department heads create a three year strategic plan, including action plans (Step Four), utilizing the SWOT analyses.

On May 4, 2009, the critical issues (Appendix A) were presented by the Steering Committee to Gregg Mims, then General Superintendent, Nancy Wilson, Treasurer, and James Gillespie, Administrative Superintendent to assist the department heads with Step Four, the creation of a strategic plan and action plans. Messer's. Mims and Gillespie and Ms. Wilson reviewed the critical issues. In June, Mr. Mimms recommended presentation of these issues to the City Council.

The Steering Committee is compiling a master file of all supporting documentation for Appendixes A and B for use and additions by the Mayor and department heads in creating a three year strategic plan/action plans (Step Four), and budgetary cycles, beginning with fiscal year 2010.

## **APPENDIX A**

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### **Critical Issue #1 – Replacement of AS/400:**

The AS/400 is the core computer/management information system the city is supposed to use to manage its financial, personnel, inventory, and other computerized city operations. **The inadequacy of the system is the single, most often identified weakness in departmental SWOT analyses.** Due to its technological limitations and lack of flexibility, many departments have abandoned use of this obsolete system and developed their own data bases and methods. This has led to a lack of systems integration and a breakdown in inter-department communications. In addition, a third party vendor consisting of one individual is required to add, remove or change any custom reports that are necessary to run daily operations.

### **Strategic Planning Steering Committee Recommendation:**

Direct the Information Technology Department to identify state of the art technology to replace the AS/400 and define procurement and other costs and resources necessary to implement and maintain the new system. Once identified, obtain city council approval for procurement. A new system will eliminate the need for third party vendor services.

## **Critical Issue #2 – Condition of City Fleet:**

A recurring issue in the majority of departments' SWOT analyses is the condition of city vehicles and the need for a comprehensive fleet management program including provisions for a formal fuel tracking and usage program and the replacement of obsolete equipment in a timely manner. The following are the needs identified by the department heads:

Parks and Recreation:	Needs to replace four vehicles.
Public Works:	Pass and implement a modification to the waste management ordinance for once a week garbage collection. The expected annual cost savings is \$250,000. Begin a staggered replacement of worn out vehicles such as trash trucks, transfer truck and trailer, bull dozer, leaf vacuums, etc.
Utilities – Gas:	Old equipment is minimally useful or obsolete and in need of replacement.
Utilities – Water:	There is a lack of funds to replace obsolete equipment in a timely manner.
Utilities – Electric:	Old equipment is minimally useful or obsolete and in need of replacement (e.g. a 29 year old derrick truck, old generators and truck 201 – a 1992 bucket truck, and truck 281 – a 1991 pickup.)
Fire Department:	A new fire truck will be needed when the fourth fire station is completed. Estimated cost is \$500,000.

## **Strategic Planning Steering Committee Recommendation:**

Develop a city wide comprehensive fleet management program based on:

- Condition
- Need<sup>1</sup>
- Replacement costs
- Operational costs

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<sup>1</sup> Need – Encompasses effect of equipment failure on city revenue/costs, interruption of city services, increase of liabilities to the city, negative effect on worker efficiency, etc.

### **Critical Issue #3 – Condition of City Equipment/Infrastructure:**

The SWOT analyses identified many issues involving the condition of city equipment and physical infrastructure across departments. The following are the needs identified by the department heads:

- Parks and Recreation: Purchase of two mowers at \$35,000 to \$40,000 each, and three at \$10,000 each. Total cost-approximately \$110,000. Current equipment needs constant repair.
- Quail Creek: There are too many trees on the course.
- Nix Center: The fire alarm system is in need of repair. The roof leaks and requires repair or replacement.
- Utilities – Gas: Approximately nine miles of cast iron pipe needs replacement, pursuant to governmental directive.
- Utilities – Water: A number of generators are obsolete and in need of replacement. Fifty percent of sewer lines are over 50 years old and in need of repair/replacement.
- Utilities – Electric: Need to bring oil management program into compliance with Environmental Protection Agency (EPA) regulations governing PCBs. Ensure satisfactory physical condition of the infrastructure (e.g. substations, overhead wires, poles, transformers, and breakers.) Fire retardant clothing is needed for the workers.
- Library: Maintenance and adjustment of HVAC system needed to correct inefficiency and uncomfortable temperatures.
- Police: A new records management/ Computer Aided Dispatch (CAD) system (estimated cost \$100,000.) Components of this system include, but are not limited to, linkage with the state judicial, court and jail systems, evidence software, traffic/template, and increased supervisory oversight of all functions. Both ALDOT and the ACJIC beginning in 2010 will only accept electronic submission of required reports (Traffic accidents-ALDOT & Uniform Crime Report-ACJIC). City misses opportunities for grant funding due to inability to pull statistical data other than manual counting. There is an on-going cost of approximately \$3000 to \$5000 annually for maintenance and support. The intention is to purchase this with asset forfeiture

funds if received. If not, it must be funded by the city.

Qualify 43 officers twice a year requires 12,040 rounds plus an additional 25,800 rounds to give each officer 50 rounds a month. Note: Both sworn officers and reserve officers who are APOST-certified are required to qualify. Cost \$7640.

Purchase of 14 Digital Alley in-car cameras at a cost of \$63,000. The in-car cameras collect valuable video evidence used in court proceedings, increasing conviction rates. Also, the cameras document officer encounters to protect the department and the city from unjust complaints and reduce the city's exposure to civil liabilities.

Purchase of 30 Toughbook laptop computers at \$3,500 for a total of \$105,000. Thirty mounts for a total of \$8,370. Installation of 30 mounts, is \$8,370. Total \$121,740. Computers will be tied into the new dispatch and record system. Officers will not need to come to the office to complete or transmit reports. Officers will be spending more time in the field on patrol and investigations.

### **Strategic Planning Steering Committee Recommendation:**

Identify those items that need immediate action based on:

- Condition
- Need<sup>2</sup>
- Replacement costs
- Operational Costs

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<sup>2</sup> Need – Encompasses effect of equipment failure on city revenue/costs, interruption of city services, increase of liabilities to the city, negative effect on worker efficiency, etc.

#### **Critical Issue #4 – Human Resource Allocation, Utilization and Training:**

The appropriate allocation, full utilization, and proper training of city employees is necessary to ensure the city is operating in the most cost effective manner in providing city services. The following are the needs identified by the department heads:

- Nix Center: Needs one more full time employee as all staff, other than the director are part time help ages 70 to 80.
- Parks and Recreation: Needs full time help with mowing, etc.
- Purchasing: Warehouse staffing is inadequate. One Warehouse Clerk and helper are responsible for all shipping and receiving, unloading, inventory, paper and computer posting for all items to and from the warehouse. The servicing of all city departments by these two men cannot be done without backup by the purchasing staff, who, in order to assist must stop procurement of materials and services needed by other departments resulting in delays and increased costs.
- Information Technology: A one person department is inadequate to meet city demands of over 300 employees in a dozen city-owned buildings. This decreases response time to minor issues, and increases the amount of time it takes to design and implement major information technology initiatives.
- Building: A void is left by the loan of the permit clerk. Due to the hiring freeze, departments have been shifting employees around departments. Planning is presently sharing a planning clerk with Building, but that leaves Planning short handed to meet urgent needs.
- Human Resources: A one person department is inadequate to administer the human resources, employee benefits and payroll for approximately 330 employees.
- Planning: A full/part time civil engineer will be needed before the next building boom begins. At least before applications and building permits pick up again so the individual could help conduct necessary studies to address the problems of storm water standards, drainage systems, drainage ways, flood plains, etc.
- Police: Need adequate personnel to ensure adequate coverage with anticipated growth. FHPD officers are currently serving a large jurisdiction (88 sq. miles) using minimal staffing (33 officers.) Due to the large jurisdiction and the rate of population growth in this jurisdiction, the FHPD hiring rates need to increase as well. Current jurisdictional



population exceeds 36,000. Freeze on training funds adversely impacts yearly required APOST training, decreases the quality of service and potentially increases city liability.

Fire:

The fire department is in dire need of a full time administrative assistant. The Fire Chief and volunteer secretary now maintain these duties. This is a volunteer fire department and members have full time jobs. The completion of paperwork, including required National Incident Fire Reporting System reports are often delayed. Unless a department is up to date in all required reporting, the ability to apply for Federal Emergency Management Agency (FEMA) grants is affected.

**Strategic Planning Steering Committee Recommendation:**

Ensure all city employees currently assigned to full time positions have comprehensive job descriptions that ensure an adequate work load that eliminates both idle down time due to insufficient assigned tasks as well as overtime due to an overload of assigned tasks. Conduct a review to identify underutilized personnel who could be shifted to other departments in city government in need of additional staffing before hiring any additional employees. Lift freeze on training budgets to ensure personnel are adequately trained and reduce potential city liability due to inadequate training.

## **APPENDIX B**

### **SAFETY/LIABILITY ISSUES:**

- There are no loading/unloading docks at the city warehouse. Forklifts operate on uneven pavements.
- Heavy vehicle lifts and a pit are needed in the garage for worker safety.
- The city does not have a formal safety program – no trained safety professional.
- The city does not have a certification program for forklift drivers.

### **OVERSIGHT OF CITY EQUIPMENT AND INVENTORY CONTROL ISSUES:**

- A revised work order/inventory system is needed. The city warehouse contents are vulnerable due to a lack of security and inventory control.

### **FACILITIES ISSUES:**

- The City landfill is nearing capacity.
- There is a need for a new recycling center. A grant has been applied for.
- Potential startup problems for the new recreation center.
- Reduction of planting costs and elimination of need for new green houses could be achieved through the substitution of shrubs for annual flowers where deemed appropriate.
- The Quail Creek golf course is in need of a new irrigation system. The current system does not cover the fairways adequately.
- Warehouse hygiene issues – One restroom to service employees and visiting vendors is insufficient.

### **EQUIPMENT ISSUES:**

- Equipment is needed to digitize plans and blueprints to efficiently store and retrieve documents.

## **POLICIES/PROCEDURES:**

- The Information Technology Department does not have any Standard Operating Procedures (SOP). At this time, the one person department has not been able to address this issue due to the first priority of keeping the city computers functioning.
- Review the E time system to record employee working hours.
- In light of a substantive capital improvement investment in new greens, adjust golf fees and schedules for Quail Creek while reducing operating costs, as part of budget planning to ensure a net profit in upcoming fiscal years. The golf course should be a self sustaining enterprise and improvements made on a pay-as-you-go basis.
- Consider internal staffing for building maintenance to replace outside contractor. This possibly could be accomplished through reassignment of underutilized personnel from other departments.
- Responsibility for specifications on bid document preparation should be defined and assigned.