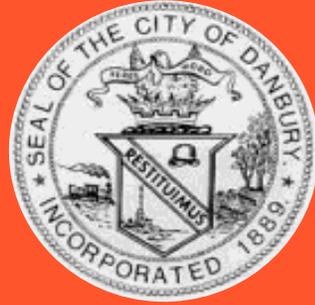


BlumShapiro



City
of the
Future

Playbook



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How to use the Playbook...

The Playbook is intended to help the City **get started** with practical and tangible strategic moves, or “plays,” that the City can begin implementing **today**. City leadership can pull any play from this playbook and follow the “next steps” to take deliberate actions to transition into a better, more progressive city, a “**City of the Future**.”

Each of the plays outlined provide the City with the Business Case, or need for the play, explaining why Danbury should take action.

Secondly, a Cost/Benefit analysis is provided with each play so the City can select which play is most suitable for them based on investments and financial returns. This will help the City to prioritize and plan accordingly.

Lastly, each play contains a box with “Next Steps.” City leaders should be able to use the next steps to start implementing the plan and guide action immediately.



Each play contains:

- The Business Case, or need for the play
- A Cost/Benefit analysis
- An itemized “Next Steps” list for getting started



Making the right moves today to build a City of the Future.



Bringing the Future into **FOCUS.**



Building a City of the Future...

We're reimagining what Danbury can be through a Vision Story, making the City a place where everyone wants to live, work, and visit.

"The City of Danbury has become **progressive** in anticipating and responding to the needs of its citizens. By **going above and beyond**, Danbury is the creative and cultural center in the region."

- Vision Story

About Our Vision

- The Mayor and his management team have developed a vision for the City of Danbury. It tells the story of what we will become and is written as if the City has already achieved its goals and is fully revitalized.
- In developing a plan to achieve this vision, several ideas are presented in this Playbook that should be implemented during this first year.

Danbury's Vision Story consists of **6 themes**. It is the intention of Danbury's Strategic Plan that each of these will be realized over the **next 5-10 years**:

1. Governance
2. Transformation of Education
3. Innovative Service Delivery
4. Transparency
5. Sustainability
6. Re-Imagined Quality of Life



The Vision Will be Achieved by Setting the Foundation for Change

We must focus on these areas to begin the transformation...

- **Governance**

- Leadership at City Hall has set the tone for change
- The Mayor's vision for a City of the Future has been realized
- The Strategic Plan shapes and informs decision-making

- **Innovative Service Delivery**

- The City has "right-sized," regionalized, or privatized municipal services to improve the citizen experience
- Our engaged and high-performing employees have enabled the City to recruit, retain, and compete for talent
- The City has leveraged the use of online tools in order to automate manual processes, improve data-driven decision-making, and enhance the delivery of all public services

- **Transparency**

- The City has improved transparency and citizen participation by providing real-time customer service and access to information
- The Mayor and his team have employed innovative ways to finance the initiatives that were needed to realize its "City of the Future" vision

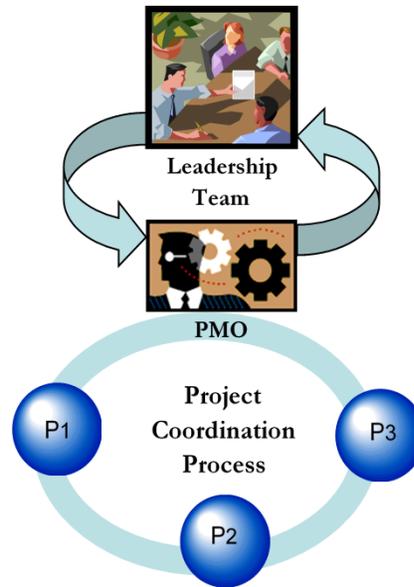
To be the City of the Future, we must become rich in spirit and culture, ever-ready to overcome all challenges and realize all opportunities facing the 21st century city.

There is a potential for Danbury to save hundreds of thousands of dollars over time by following this Game Plan...

*Use this Playbook to drive change in these areas **today...***

Create a Project Management Office (PMO)

The City needs to set up procedures that unite all projects under the portfolio concept – a concept that focuses on the management of all the city’s projects and how they fit into Danbury’s long-term strategy. To accomplish this, we must create a PMO within the City and institute the appropriate training programs, selection procedures, and measurement criteria to continually deliver successful project outcomes.



*Conservatively speaking, it would be more reasonable to assume 5% cost savings per project. Using this range of 5-15% and applying it to the City of the Future portfolio worth about \$1.6 million, this represents a potential **cost savings of \$80,000 - \$240,000.***

Cost Considerations	Benefits
<ul style="list-style-type: none"> Blum Shapiro as interim PMO (~\$65K) PMO Director Salary (~\$100K) 	<ul style="list-style-type: none"> 5-15% cost reduction across all projects \$80,000 - \$240,000 in savings

PMO as a VALUE-ADDING Organization

- ✓ Improved Quality of project deliverables
 - ✓ Proactive Management of project issues/risks
- ✓ Better containment of project scope
- ✓ More transparent use of City resources
 - ✓ Timelier communication with stakeholders

PMO Value Benchmarks

- 30% decrease in failed projects
- 25% projects delivered under budget
- 22% productivity improvement
- 15% cost savings per project
- 19% projects delivered ahead of schedule
- 31% customer satisfaction improvement

Source: 2012 Project Management Solutions, Inc.

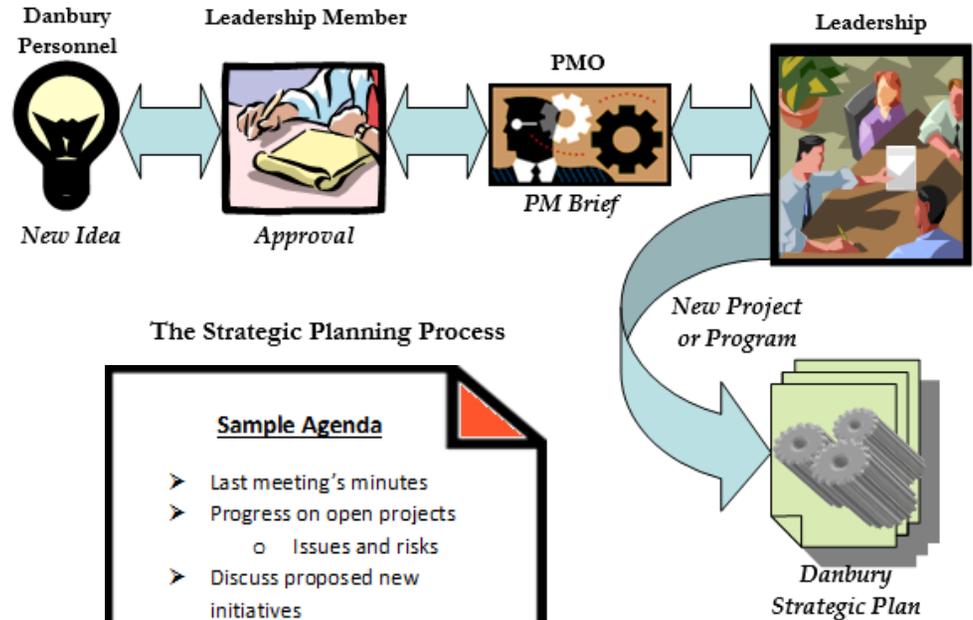
1. **Outsource** PMO Director in the interim until full time replacement is hired
2. **Establish** a PMO structure for managing the portfolio
3. **Document** operating procedures
4. **Develop** (with HR Director) requirements needed for recruitment of a full-time City resource as PMO Director
5. **Develop** transition plan for City PMO hire

Establish a Strategic Planning Steering Committee

A strategic planning process is meant to focus on Danbury's long-term vision development and ongoing strategic initiative setting. It will shape and influence all subsequent projects that the City looks to take on by uniting all its departments under a common vision. Most importantly, this set of processes will be based on regular meetings that will enhance the rigor and discipline needed to stay on track.

Key Objectives

- ✓ Formalize the process for introducing new strategic initiatives
- ✓ Ensure senior departmental management is involved
- ✓ Engage the Leadership Team in setting all priorities
- ✓ Provide starting point for project teams to develop project plans



Sample Agenda

- Last meeting's minutes
- Progress on open projects
 - Issues and risks
- Discuss proposed new initiatives
 - Discuss feasibility
 - Determine priorities
 - Define responsibilities
- Reprioritize all open initiatives

On an annual basis, tens of thousands of dollars could be saved through reduction in projects being stalled and re-work being performed

Cost Considerations	Benefits
<ul style="list-style-type: none"> • Committee members' time 	<ul style="list-style-type: none"> • Streamlined initiative setting • Smoother project execution • Reduced project re-work

1. Define the Steering Committee membership from the PMO (Include City Cabinet members)
2. Create regular meeting agenda
3. Assign a person to develop and distribute all meeting minutes and other correspondence
4. Establish protocols for:
 - a. Meeting frequency
 - b. Meeting times and locations
 - c. Correspondence distribution list

Next STEPS

Establish Stability with New Hires

Throughout the course of our organizational structure assessment, there were a few departments that required immediate attention regarding additional personnel.



PUBLIC UTILITIES

- ✓ Backfill Public Utilities Technician (**open**)
- ✓ Hire Operator Repair Person (**open**)
- ✓ Add Operator Repair Person (**new**)



FINANCE

- ✓ Move Assistant Director of Finance (.5 FTE) to full-time Risk Manager (**new**)
- ✓ Backfill Assistant Director of Finance with Senior Accountant (**open**)
- ✓ Backfill Senior Accountant (**open**)



Cost Considerations

- Salaries for two new positions:
- ~\$110K for Risk Manager
- ~\$55K for Operator Repair Person

Benefits

Potentially tens of thousands of dollars can be saved over time by:

- Efficiency Gains
- Ability to be more compliant in the Public Utilities arena
- Reduced financial exposure

1. **Create job postings** for new positions; set search criteria
2. **Post** new positions internally and publically
3. **Create job description** for new Risk Manager position
4. **Move** the Assistant Director of Finance to the Risk Manager position
5. **Move** the Senior Accountant to Assistant Director of Finance
6. **Hire** for new and existing vacant positions (Public Utilities Technician, Operator Repair Person (x2), Senior Accountant)

Next STEPS

Communicate Transparently

The City needs to **elevate the awareness** of its operations and departmental progression. To do so, it is important to effectively facilitate dialogue in a timely manner so as not to impede progress in daily operations while effectively folding in citizens' interests in ongoing initiatives. This creates enhanced *transparency* across the City, facilitated by **deliberate** and **purposeful** communications, actively keeping citizenry "in the know." A great opportunity for Danbury, this *Play jump starts* the Communications Program of the Strategic Plan in a way that helps set the groundwork for all future Communications projects.

Cost Considerations	Benefits
<ul style="list-style-type: none"> • Committee member's time • Awareness and skills development (via training) 	<p>Improved communications can contribute to:</p> <ul style="list-style-type: none"> • Improved employee morale • Streamlined initiative implementation • Cost avoidance (less re-work, duplication of efforts, etc.)



1. **Create** a communications management committee
 - a. **Identify** appropriate leadership and representatives across City departments
 - b. Ensure that representation includes elected officials AND hourly staff
2. **Hold training** for committee members
 - a. **Understand** effect of all decisions across stakeholders
 - b. **Discuss** the benefits of change and working united
3. **Create** a Communications Plan document
 - a. **Define methods** for communicating plans, ideas, and changes
 - b. **Commit resources** to ensuring methods are carried out

Strategic Spotlight

This play is designed to kick-off the Communications Program as described in the Strategic Plan. It is intended to inspire and engage staff and citizens, alike.

Harmonious work environment leads to **BETTER RESULTS**

Improving relationships **today** will better operations **tomorrow**

Taking the first steps towards proactively building **cooperation** and **transparency**

"The City has improved transparency and citizen participation by providing real-time customer service and access to information."
- Vision Story

Train All Danbury Staff

Present and future staff need to be developed in alignment with City strategies, goals, policies, and procedures. Our research has found that staff in Danbury desire technological training on both newly implemented systems and “refresh training” for existing technologies. Users want to feel comfortable navigating City programs and they have expressed concern that systems are likely not used to full capacity due to a lack of training and understanding. In addition, employees should be cross-trained for daily tasks to create a “deeper bench” of employees who can perform multiple functions at an effective level.



Where to start...

One apparent area to launch this training process is to **implement refresh training** for all users of the New World and other critical day-to-day technology systems used in the City. There appears to be a number of functions and features that are likely under-utilized and staff lack expertise in using these core technologies.

Benefits

Labor Savings	Increased Productivity
As a result of training, less effort is needed to achieve current levels of output.	Achieving additional output with existing levels of effort.
↓ Duplication of effort	↑ Process methodologies
↓ Re-work and error correction	↑ Employee skills
↑ Quality of information	↓ Work completion times
↑ Access to information	↑ Motivation
↑ Transparency	↑ Effort

Results:

- ✓ Full use of current technologies and systems = **DEPARTMENT EFFICIENCY** (getting **more done** in **less time**)
- ✓ Better, more balanced “**WORKLOAD SHARE**”
- ✓ Higher **job satisfaction** which leads to **INCREASED PRODUCTIVITY**
- ✓ Safer use of work tools/equipment and **FEWER JOB-RELATED INJURIES**
- ✓ Fewer mechanical breakdowns from misuse = **LOWER REPAIR COSTS**

All of these will add up to tens of thousands dollars annually, quantified by less sick time, more work being done, etc.

1. **Create** a pilot training structure to facilitate the training of the updated communications plans as introduced in Play Four
2. **Work** with vendors of key software programs (e.g., New World) to create one-day “refresh” training programs for City employees
3. **Set up** a training schedule to bring in groups of individuals for each software program being “refreshed” for employees
4. **Explore** options for creating training programs for new hires, promotion, and leading edge training focuses

Seek to **Outsource** to Gain Efficiencies

From the Baseline Assessment it is clear that many departments are fielding very lean staffs. Departments cannot simply keep up with increasing demand for their services, so it appears there are multiple opportunities to gain immediate service improvements and cost efficiencies by outsourcing some of these functions, as opposed to enlarging the staffs in these departments. Opportunities include:

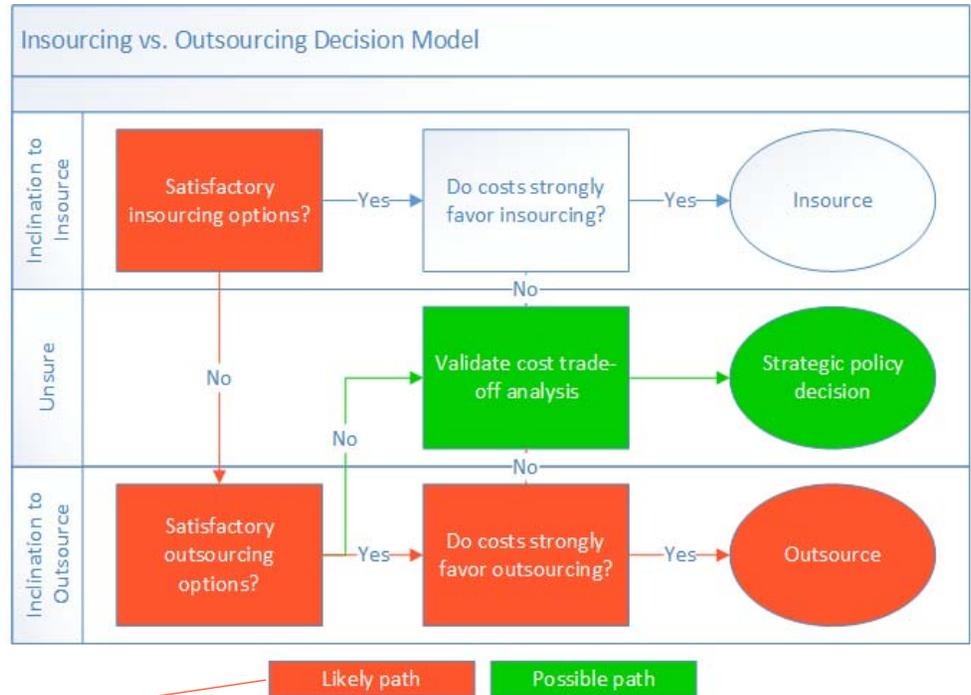
- Vehicle Maintenance
- Dog Pound
- Parking Ticket Administration
- Public Utilities portion of Tax Office
- City Payroll

Over time, if all these (or similar) initiatives are pursued, the City should realize a potential of hundreds of thousands of dollars over time.

Likely path based on anecdotal evidence from Baseline Assessment.

For example, let's take a look at Vehicle Maintenance...

- | | |
|-----------------------------|---|
| <u>Current State</u> | - Insufficient staff
- Uneven demand/seasonality |
| <u>Opportunity</u> | - Outsource to supply sufficient service to meet demand (if even just to manage the overflow) |
| <u>Benefit</u> | - Cost avoidance (no need to hire more in-house mechanics)
- ~\$58,000 per employee |



Source: "Decision Making for Outsourcing and Privatization of Vehicle and Equipment Fleet Maintenance." National Cooperative Highway Research Program, Report 692 (2011).

These steps should be repeated for each service where the City wishes to explore opportunities for outsourcing:

1. **Assess** opportunity to outsource a specific function; determine the costs and benefits of doing so (i.e., explore current and future demand for a service)
2. **Determine** City's capacity in meeting this demand; decide whether outsourcing is feasible and attractive
3. **Identify** potential vendors and create a request for proposal
4. **Compare** proposals with in-house potential costs
5. If appropriate, **select** a vendor to provide these services and negotiate a contract
6. **Document** updated service delivery standards and protocols

Outsource Information Technology

Information technology continues to be an area of concern, one that needs improvement for the city. City staff expressed that IT cannot keep up with the demands of all departments; there are simply *too many demands* for a small department to meet. As IT systems fail or break down, without prompt attention from technical experts, the City inevitably falls behind in providing services to residents. Rather than double down on investing in this department, it makes more sense to **outsource major IT functions to experts** who specialize in delivering these services. Current IT staff can be transitioned to work for the third-party vendor, an attractive opportunity for the vendor as expertise of current Danbury operations will be leveraged toward more immediate and successful adoption of City practices.

It is important to keep a City IT Director under this arrangement. The Director will manage vendors and contracts and make other high-level IT decisions.



In terms of IT training and qualifications:

- Times have changed; things are lot more specialized now; IT skill areas vary from network design, customization/software development, maintenance, security, and "help desk" functions.
- It is unlikely that one person is skilled in all areas mentioned.

"Employees stated that computers operate so slowly that they delay basic operations in the departments. Computers are crashing daily and several new software programs are not compatible with the older technology, which is causing frustration at the departments."

- Baseline Assessment

Studies seem to indicate that a potential costs savings of about 5% of total IT costs could be saved by sourcing this function to a third-party vendor. The example cited here is Carrollton, TX in a study looking at 2010 costs.

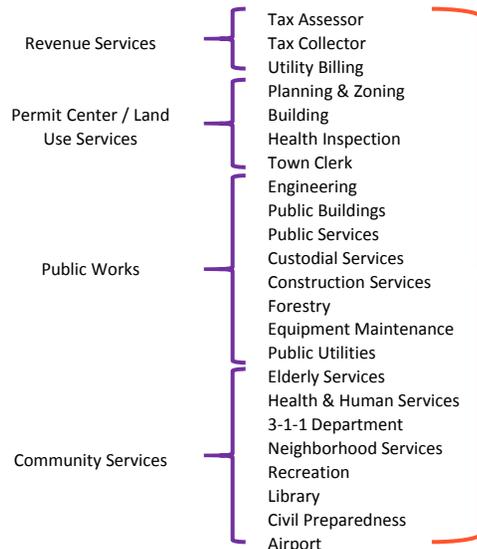
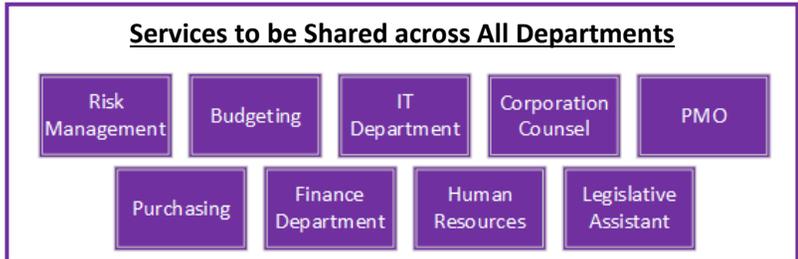
This translates into a potential for \$600k in savings for Danbury over the next 10 years.

Source: Plante & Moran. "Outsourcing Information Technology Concepts and Case Study." (2011).

1. **Complete** the Technology Assessment as proposed in the BlumShapiro Plan Development document; this should result in a solid understanding of the City's IT setup
2. **Contact** surrounding towns who outsource IT to create a "preferred vendor list" based on other town reviews. **Provide** the Technology Assessment to prospective IT vendors to help determine which vendor is best suited for Danbury
3. **Engage** in RFP process and select an outside IT firm to perform specific IT functions

Restructure the Danbury Organization

In order to help Danbury evolve into the City of the Future, significant changes need to be made to the current organizational structure. This new structure will facilitate the concept of team services and will help to eliminate duplicating functions while sharing resources as needed. To better serve its people, the City needs to innovate, integrating offices and departments to create more of a one-stop shop for citizens.



Realizable Value: The integration of the Permit Center and Tax Assessor functions should help leverage resources in a way that decreases the time between permit issuance and tax re-assessment and collection. This should translate into hundreds of thousands of increased tax receipts each year, if fully realized.

Strategic Spotlight

This play is designed to be PHASE 1 in a two-phase process that will re-shape Danbury into a city of shared services.

- ✓ Phase 1: Re-organize departments on City side to be in best position to leverage shared services.
- ✓ Phase 2: Incorporate School District into model that shares services with City-side departments.

New York's Local Government Efficiency Program provides assistance to local governments who wish to initiate shared service programs. Over the past 10 years, 64 completed municipal projects have resulted in a **savings of 4.6% of the average local government tax levy.**

This translates into a potential for \$8.4m in savings for Danbury over 10 years.

Source: Colón, Ruth Noemí. "Local Government Efficiency Program: Annual Report 2009-2010."

In some situations specialized staff would divide time among a number of projects within or between various departments. This approach:

- ✓ Helps develop **functional expertise**
- ✓ Fosters **cross fertilization** of ideas through interdepartmental collaboration
- ✓ **Minimizes** the number of **direct reports** to the Mayor
- ✓ **Lessens** the **need to hire additional staff** during cyclical patterns of peak demand

1. **Complete** Operational Assessment as proposed in the Plan Development document
2. **Meet** with union leaders to ensure integration and collaboration are in place to coordinate change
3. **Arrange** to physically co-locate staff and offices for each of the major departments identified
4. **Use** BlumShapiro suggested organization chart to re-design reporting relationships of departments
5. **Create** standard policies and procedures for each department

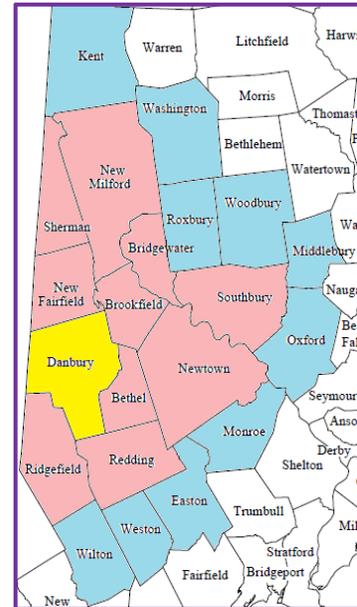
Next STEPS

Become the Regional Safety Hub

Danbury operates its Police, Fire, and EMS services on a scale much larger than many surrounding communities. As a result, Danbury has developed certain practices, techniques, and technologies not regularly available to smaller towns. The City has tremendous opportunity to leverage this infrastructure it has built over the years, including its world-class dispatch center, into revenue-creating relationships with municipalities who wish to regionalize.

2 Areas of Focus

9-1-1 Dispatch	Jails & Transport
<ul style="list-style-type: none"> • Top dispatch center • Dispatch costs for smaller towns averages ~.12% of total budget • Add closest 10 towns to Danbury’s model ~\$575k/year in revenue • Add closest 20 towns ~\$975k/year in revenue 	<ul style="list-style-type: none"> • Excess capacity of jail cells • Rent out for \$200/night (including transport to/from courts) • Assume 10 cells rented/night ~\$700k/year in revenue



*“We have leveraged modern public safety science to become a **safety hub** in the region where all people feel secure to live, work, and visit.”*

- Vision Story

** This map represents a hypothetical model for Danbury to regionalize around. In this example, the pink-shaded towns represent the “closest 10” as identified in the chart above. The blue-shaded towns represent the rest of the “closest 20” towns.*

Note: Dispatch revenue estimates assume joining towns would pay Danbury 75% of their pre-regionalized dispatch expense.

1. **Complete** civilianization and consolidation of Police, Fire, and EMS dispatch within Danbury (with help from IXP)
2. **Hold** meetings with nearest towns to discuss regionalizing
3. **Select** one town to join in pilot program
4. **Track** results; if efficient and effective for pilot town, enroll them full time. Then seek other towns to join the model
5. **Offer** jail space to some towns to increase revenue inflows to the City
6. **Assign** police station administrator to handle the scheduling of all available Danbury jail cells to surrounding towns

Implement “Quick Hits” Program

The “Quick Hits” are areas identified during our baseline assessment and interviews with City Staff. Our findings are represented as tasks that can be easily and/or quickly “fixed” within City operations. The Quick Hits can be targeted with little or no cost to the City and will provide immediate benefits and efficiency gains.



Task	Benefit
1. Fully train staff to utilize Purchase Order module within New World.	Reduce paperwork and speed up purchase order approval process
2. Set up a “preferred vendors” list to ensure optimal relationships with suppliers.	Enhance relationships with vendors to obtain reduced pricing and/or maximize discounts; maximize discounts taken.
3. Allow Public Works sub-department heads access to historic bills and records.	Improve clean energy consumption planning and application for loans.
4. Add Engineering Department to all building and development timelines.	Improve communications and ensure deadlines are met.
5. Grant Tax Collector office access to Vision database.	Streamline interactions between Assessor and Collector offices.
6. Validate completeness and accuracy of permitting applications upon submission.	Remove bottleneck of going back for more information and holding up projects.
7. Unblock certain websites required by staff to perform daily tasks.	Removes necessary workarounds staff must do to access weather, research, and other necessary websites that are currently blocked.
8. Perform review of role-based permissions in New World.	Provide more relevant and best-practice access to departments and staff.
9. Assign someone to monitor availability of alternative funding sources; explore leveraging a School District resource for this.	Improve Danbury’s access to grants.
9. Investigate creating standard minimum levels of insurance coverage for Volunteer Fire Departments to follow.	Reduce City’s anticipated expenses that may arise from insufficient insurance coverage in the event of accidents.
10. Explore outsourcing parking ticket administration.	Reduce the burden currently placed on a lean Police force who currently has to handle this; place more officers on the street.
11. Re-negotiate fees charged for Public Safety Special Services.	An increase from 15% profit margin to 20%, could result in an increase in Special Services revenue of 33%.

In Closing...

“Danbury has become a City where people are proud to live, work, and visit.” – Vision



This playbook is intended to help kick off Danbury’s transition into the future, highlighting key areas to build a strong platform for moving forward– in other words, to **get started** .

Completing these “plays” will set the tone for change in the City. Improved transparency through effective communications, well-trained employees, cost savings through outsourcing and organizational structure re-alignment are only some of the benefits the City will reap by working through this playbook.

In addition to this series of plays , a number of “Quick Hits” were included which provide an even more immediate list of ideas that can be quickly implemented to realize quick benefits.

To close, transforming from the current state into a true, **City of the Future**, cannot happen overnight. The City can, however, **start now**, by executing the first set of plays outlined in this Playbook.

“Leadership at City Hall has set the tone for change.” – Vision



1. **Engage** an external PMO resource on an interim basis
2. **Establish** a PMO structure for managing the portfolio
3. **Document** operating procedures
4. **Develop** (with HR Director) requirements needed for recruitment of a full-time City resource as PMO Director
5. **Develop** transition plan for City PMO hire

START TODAY



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