

Staff Workload Context

Environmental Services

Planning for more aggressive targets for reduction of greenhouse gas emissions and establishing a framework to achieve those goals will become a major focus for 2017 and require dedicated staff resources. This effort cannot be completed as a collateral duty due to other priorities that should not be postponed or partially completed. Initiatives already underway that require significant ongoing support include:

- Recruitment and onboarding of a new Director for the Environmental Services Department
- Continue to support the multi-department effort to rebuild the Water Pollution Control Plant as part of the Sunnyvale Clean Water Program
- Implementation of the Zero Waste food scraps collection program citywide.
- Supporting the Silicon Valley Clean Energy Authority (SVCEA) launch. While direct staff support to SVCEA will diminish as the agency becomes fully staffed, assistance to Sunnyvale residents and businesses and influencing the development of SVCEA programs will be a focus in 2017.
- Update of the City's green building incentive program.
- Grant writing to develop energy conservation programs and supplement funding for CAP implementation.
- Replacement of the maintenance management database at the Water Pollution Control Plant
- Meeting more stringent regulatory requirements for stormwater discharge by implementing trash reduction strategies that will meet new targets for 2017.
- Implementation of LED streetlights.
- Implementation of solar energy systems on City facilities.
- Department support for various sustainability efforts, e.g., greening the fleet, green building policy review and updates, improved CEQA reviews citywide, pesticide use review, etc.
- Water District Feasibility Study Memorandum of Understanding development, implementation, and management
- Solid Waste special initiatives, e.g., Cupertino and Milpitas opportunities and recycling outreach programs
- New and expanded regulatory requirements that require deeper reviews and management to maintain compliance.

Operational Commentary: During the time that the City Council evaluates accelerating the CAP, a new Director will be faced with quickly getting up to speed on the above efforts and leading in these areas. Operationally, specific focus is required on Water Pollution Control Plant operations and staffing, which must continue to be of heightened focus for the City and new Director. This operation is absolutely critical to the public health and safety of the City and sufficient capacity for City staff should be allocated to support the operational improvements desired and build out of the new Plant.

Community Development Department

The department is operating at one of its busiest levels ever in terms of land use and development applications. This volume of work has been sustained for multiple years now and continues to be at unprecedented levels in the region making for a competitive hiring

environment when vacancies arise. Staff from all three divisions are working on projects including: planning permits, project construction plan review and inspection and affordable housing compliance. Projects range from single-family home maintenance, reinvestment and upgrades to major office and residential projects in East Sunnyvale, Peery Park Specific Plan and Lawrence Station Area Plan and elsewhere. The Planning Division has the primary responsibility for policy studies; this year much of that time is committed to ongoing efforts. The Housing and Building Division do not have capacity for major studies (thus the request for supplemental funding for the 2017 Housing Strategy) and are participating in several of the studies listed below.

- Permit System update (CDD is a major participant in this multi-year effort). The City's permit system is on a two to three-year term relative to end of life. After a failed attempt to modernize it years ago, it is now even more critical that staff dedicate the capacity and effort to establish a strong foundation to replace this critical operating system. With the volume of work, and lack of dedicated staffing, this project has suffered and, only recently, has staff begun the effort to scope out a revised project to ensure success with this effort. Council recently added funds for resourcing this project, but hiring will be a challenge. In either event, we need the time and capacity to stabilize this critical system.
- Supporting Town Center development efforts, representing a near \$1B in investment over Phase 1 and supporting efforts to guide development for Phase 2. Directly led by CDD, OCM, DPW, and the City Attorney's Office, the town center project and downtown development is a high priority for the community and Council. Support for this project requires a hands-on approach from various departments and requires weekly developer meetings, preparation time, and internal staff meetings to prepare for each weekly meeting and advance this project. This is a highly complex project, guided by various public and private agreements, and requires multi-agency approvals on some elements (including County and State approval).
- Legislative Advocacy: Monitoring (and advocating on the City's behalf, as needed) federal and state housing, policy changes, including matters related to funding, key federal program regulations, and new legislation (mainly at the state level). It is expected that the bulk of the legislative advocacy will relate to housing, however planning and environmental review items are also expected. Already, there is much activity relative to CDBG and affordable housing funding and extra effort is required to follow the legislative activities and advocate for our needs. It should be noted that the City eliminated its legislative staff years ago and staff has been absorbing this workload as a collateral duty which requires often that other priorities be set aside to fulfill this very important work function for public agencies. This year, more than past years, it is extremely important to stay on top of legislative activity impacting City programs and funding sources. In the event of near term funding reductions or eliminations, staff will need to assess the service impacts to our residents and determine what remedies may exist or not.
- Major Housing Capital Housing Projects: (new or rehabilitated housing developments completed with City financing and oversight).
 - Benner Plaza
 - Block 15 in Downtown
 - Eight Trees
 - Crescent Terrace
 - Orchard Gardens
 - Others not yet submitted
- Housing Element Policy Objectives: The adopted 2015-2023 Housing Element includes

several actions requiring further study that are supposed to be completed within the next year or two, including a more comprehensive review of the accessory dwelling unit regulations.

- Completion, potential community engagement, and implementation of three on-going study issues
 - Comprehensive Update of the Precise Plan for El Camino Real
 - Individual Lockable Storage Requirements for Multi-Family Housing
 - Update to the Murphy Avenue Design Guidelines
- Completion of the Land Use and Transportation Element and commencement of the updates to the Noise and Air Quality elements of the General Plan. Also, evaluation of the General Plan for whether Environmental Justice is appropriately addressed.
- Follow up housing studies for Peery Park and Lawrence Station (if funded).
- Taking the lead on the Green Building program update and several Climate Action Plan (CAP) implementation items. This effort is more comprehensive than past items and requires outreach to a number of stakeholders and involvement of multiple divisions, Citywide.
- Completion of the zoning code retooling project, which has been deferred on several occasions to address other critical needs. A companion activity is to review the fee structure for Planning applications and reviews.
- Support the Peery Park Rides pilot project managed by the Valley Transportation Authority (VTA) and the Peery Park Traffic Management Association (as it is established and likely seeks staff guidance).
- Support for the upgrades to the new webpage with particular work and focus on dedicated pages for the City's business development efforts and how we facilitate "doing business with the City" for our residents. Additionally, separate pages require focus on the City's economic development advantage and how CDD services support these efforts. These pages require an extraordinary level of capacity as we work to provide information on basic department services but, also, develop marketing pages that uniquely illustrate the City's business climate and economic development services.

Operational Commentary: It is also worth sharing that CDD anticipates some two staff leaves of absence at the Planner level in the later part of the year. Human Resources is working to hire expeditiously temporary staffing to backfill and the remaining City staff will be needed to train and familiarize the temporary staffing with ongoing work. This means that the Planning Officer and Director will need to have a more "hands on" approach to sustain the high volume of planning needs. CDD, Human Resources and the City Manager's Office are already proactively working to address these anticipated leaves of absence which will no doubt significantly impact our capacity and refocus our service to sustaining basic operations. It is worth noting that the hiring market for Planners is very competitive and hiring temporary staffing has been more challenging than permanent staffing positions.

Department of Public Works

Parks Division and Engineering Division

The Department is faced with supporting approximately 80 active capital projects, including leading the build out of the City's largest capital project in the City's history – the Water Pollution Control Plant. Study Issues that involve the Parks and/or Engineering Divisions, such as the Orchard Heritage Park and Orchard Heritage Museum Study Issue, are complex with significant community outreach and will require oversight from senior level engineering staff and senior management staff. Critical projects underway include:

- Reconstruction of the Water Pollution Control Plant (Phase 1 \$138M +/-, total project \$750M+)
- Washington Community Swim Center Reconstruction (\$8.0 million)
- Reconstruction of Fair Oaks park (\$9.0 million)
- Community Center rehabilitation (\$5.0 million)
- Calabazas Creek bridge replacement and Fair Oaks bridge rehabilitation and widening (\$30 million combined)
- We also expect that the design for the new library and learning center (\$20 million) and Lakewood Park reconstruction (\$6.0 million) will be starting next fiscal year
- Agreement for future Council consideration with the Magical Bridge Foundation for construction of an all-inclusive playground as part of the Fair Oaks park project. .
- Support effort, through development applications, to approximately 9 acres of new public park space to the City's existing inventory of parks and work to resolve related park maintenance issues and costs (e.g., AMD and Corn Palace sites).
- Parks and Engineering staff are also key partners in the private development review and approval process which have high volume of work, at this point. . DPW's work entails thorough planning and review of public infrastructure, traffic studies, and coordination with partner departments regarding storm and sewer infrastructure...

Transportation Division

A number of transportation priorities had been on hold due to staffing constraints. With the two new Google funded positions, Public Works has been able to advance a number of projects such as modernization of the City's traffic signal system, construction of a transportation management center, Mary Avenue EIR, Caltrain Grade Separations Study, conversion of streetlights to LED's, grant applications (the City received over 20 over the last 6-9 months) and the Bernardo Undercrossing Study. In addition, staff has been "catching up" on previous operational items that had been deferred such as updating speed limit studies and updating signal timing. Additional Study issues could require delaying items such as the signal modernization project. Last, staff capacity needs to exist for implementing Measure B, the recently voter approved transportation measure.

Operational Commentary: Staff is already participating in complex and visible projects that are a priority for the City. New study issues that require these levels of resources cannot be absorbed without the related increase of staffing or else projects will need to be delayed. Even with new staffing, the amount of time to hire and new employees' learning curve and support for these efforts will result in delays for implementing study issues and we would need to potential impacts to other projects. If the Study Issues that include Parks and Engineering move forward, staff will need to review what priorities or projects will need to be deferred to accommodate the workload. This is a concern as staff is already reviewing deferral of projects to accommodate two new unexpected near-term projects:

- (1) Replacement/Upgrade of generators at key City facilities, including all Fire Stations and the Department of Public Safety Headquarters
- (2) Analyzing options for an Emergency Operations Center, including a 911 back up service center.

The City has recently experienced a number of service emergencies that surfaced the immediate need for the above two projects. Emergency preparedness is a core service of a

public municipality and the appropriate resources and staff capacity must be assigned to stabilize service delivery, especially for an emergency scenario.

Civic Center Modernization Project

Master Planning will require significant resources from the City Manager's Office to provide overall project management and community engagement. Staff from all departments will be involved in reviewing future building floor plans and site alternatives to ensure City service delivery is enhanced as part of the project. The Assistant City Manager charged with leading this effort is also the interim Director of Environmental Services until the position is permanently filled.

Major System Upgrades/Replacements in Technology

Additionally, City staff has undertaken several projects that have a city-wide impact. Many of these efforts are the result of years of deferrals of projects due to limited resources both fiscally and in terms of staffing that resulted from adjusting to the Great Recession. New initiatives would tradeoff against these existing initiatives which would then be delayed, eliminated or re-scoped.

Enterprise Resource Planning (ERP) System

The City is in the early stages of a procurement process for a new Enterprise Resource Planning (ERP) system to replace the current Finance and HRIS (Human Resources and Payroll) systems. The City's financial system is over 20 years old and the vendor has notified us that our current version has two years before reaching the end of support. Staff has worked with consultants from the Government Finance Officers Association to review business processes against industry best practices and are in the process of developing RFP requirements. It is worth noting that the City has already had a failed attempt at procuring an ERP system. The procurement surfaced that the market could not provide a solution because our business processes are too unique. This required that the City change its unique budget and accounting practices to procure from the ERP market concurrent to this effort – in short, the City needs to adopt conventional fiscal practices.

The Financial and HRIS systems are the backbone of any agency and Sunnyvale, like many agencies, is proposing to move to an ERP solution to bring these two functions together in one system. An ERP combines the traditional finance system functions with traditional HRIS functions reducing the redundancy of data entry and leveraging the combined databases for greater access to data and increased functionality.

The acquisition and implementation of an ERP is a complex, lengthy and costly endeavor that requires considerable investment of agency resources and needs to be done in a thoughtful and methodical manner to ensure a successful implementation. The system functionality required to run the City's daily finance operations, to pay employees based on diverse MOU requirements and complex legal mandates, and to meet the needs of Human Resources to manage the City's personnel records must be carefully detailed to ensure the best value solution is selected, balancing cost with the system's ability to meet required functionality. Once selected, implementation of an ERP requires staff knowledgeable in each of the functional areas to be heavily involved in system set-up and the myriad of decisions required to bring each feature on-line while still maintaining the high level of day to day services delivered by the City's Finance, Human Resources and Information Technology Departments. It is anticipated that a project of this size will tax the three departments for the foreseeable future

limiting Staff's ability to take on other Study Issues outside of this project and current routine tasks. The procurement process for this project is slated to run concurrently with the implementation of the Budget System.

Budget System

In addition to the ERP project, the Departments of Finance and Information Technology are undertaking the selection and implementation of a Budget System. As this system, will also include a position budgeting piece, Human Resources will also play a key role in the selection and part of the implementation of a new system. The current budget system was developed in-house many years ago and the reporting system, Report to Web, is functioning precariously and is no longer supported by the vendor. The current budget system is primarily utilized by departments to enter budget data while the bulk of the work done by the Budget Office is achieved through a series of spreadsheets. The current method of budget development requires a great deal of data entry and often requires the entry of the same data multiple time in multiple Excel spreadsheets. The current process is very manual and very time consuming. In addition, budget to actual data is only available to City Management through Report to Web which provides static reports at the end of every accounting period. Real time data is only available through use of Access queries of the Financial System Database, an option restricted to few beyond the Finance Department Staff. In order to provide City Management with greater access to real-time budget to actual data in modern dashboard format and to attain greater functionality streamlining the current manual processes, a new budget system is needed.

Acquisition of a new Budget System requires a considerable investment of agency resources. Staff is currently in the selection phase of the RFP process and plan to begin implementation in the last quarter of the Fiscal Year. As with the ERP, dedicated staff resources will need to be allocated to the implementation of this system restricting the Departments of Finance, Human Resources and Information Technologies ability to take on additional workload beyond current routine requirements.

Last, in addition to the above significant city-wide IT projects, we are in process of implementing the following additional projects:

1. IT Service Management (ITSM)/Project Portfolio Management (PPM) System
2. Customer Relationship Management (CRM) System
3. Website Upgrade
4. Geographic Information System (GIS) Governance and Infrastructure
5. Library and Community Services - Apple Pay
6. Public Safety - Computer-Aided Dispatch