



STAFF REPORT

TO: Mayor Keis and Members of City Council
FROM: Chris Heineman, City Administrator
DATE: September 14, 2022
RE: Organizational Study & Gap Analysis

ACTION TO BE CONSIDERED:

The City Council is asked to authorize the City Administrator to execute a contract for services with DDA Human Resources, Inc. for an Organizational Study & Gap Analysis.

BACKGROUND:

During the City Council Workshop on July 13, 2022, City Council members expressed the importance of conducting an Organizational Study & Gap Analysis as soon as possible. An Organizational Study & Gap Analysis will provide an analysis of our current staffing structure with specific attention focused on communication, community engagement, and outreach to the general public. In performing this analysis, the consultant will address the following items.

- What position(s) have routine and infrequent responsibility for internal and external communications and can that be further streamlined
- What position(s) have responsibility for community engagement and outreach and can that work be further streamlined
- Identifying trends that will impact future staffing at the City

Staff reached out to two consultants that conduct classification and compensation analysis in August and received two proposals. DDA Human Resources (David Drown Associates) was the most competitive and the proposal was tailored to our needs. Staff has also checked with a few of the other cities listed as references and feels very comfortable recommending DDA Human Resources.

This proposal was also identified as a strategic initiative during the Strategic Plan update in May, 2022. A staff capacity gap analysis was included as an action to be completed by June, 2023 under Creating Operational Efficiency and aligns with the strategic initiative of optimizing our organizational structure. Included in the agenda packet you will find a contract for services as described. The attached proposal includes an all-inclusive fee in the amount of \$5,500.

STAFF RECOMMENDATION:

Staff is recommending that the City Council approve a contract with DDA Human Resources for the Organizational Study & Gap Analysis in the amount of \$5,500.



Submitted by **DDA Human Resources, Inc.**

September 2, 2022



Prepared by:
Pat Melvin
Management Consultants

CONTENTS OF THE PROPOSAL

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DESCRIPTION OF THE FIRM

Proudly based in Minnesota, David Drown Associates (DDA) is a full-service consulting firm with more than 20 years' experience providing more than 450 government clients with a full range of fiscal and economic development services, compensation and classification services, executive searches, strategic planning facilitation and organizational studies. We know local government well, and we work hard to keep our services equipped to meet the ever-changing needs of our clients.

DDA Human Resources, Inc. (DDA HR) currently employs eleven individuals serving cities, counties, and special districts throughout Minnesota. All our management consultants came to DDA HR from successful careers in city or county government. This practical experience sets us apart and helps us deliver a sound, comprehensive product that is feasible to implement.

Because we are a smaller firm with low overhead, we are nimble, efficient, and reasonably priced. We invest time in building relationships within the communities we work so we can deliver services that reflect the community. We know and understand the complexities of local government.

APPROACH TO THE PROCESS

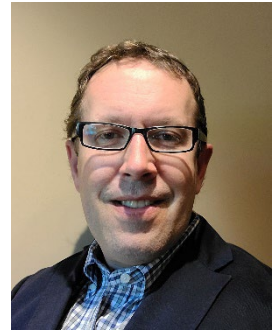
Our approach for this analysis will be to determine the most appropriate staffing structure for providing city services in the Administration Department. We will comprehensively assess department structure with a focus on relationships within, interview elected officials and Administration employees, review financial information, and develop recommendations and implementation strategies to assure a cost effective, customer-oriented service delivery system.

Communication with the City is a high priority. In addition to meeting with stakeholders on site, regular updates via phone or email will be provided to the City at every stage of the process.

SERVICE TEAM

PAT MELVIN – PROJECT LEAD

Pat joined DDA as a Management Consultant specializing in Executive Search Services. He has a Government and Management Degree from Saint John's University and a Public Administration Studies master's degree from the University of Minnesota – Mankato which he earned while working for the City of Edina. Pat grew from being the Special Projects Administrator in Wright to becoming the Administrator in McLeod County and has city experience serving as City Administrator in the Cities of Arlington and Minnetonka Beach. While working in county and city government, Pat has been involved in numerous aspects of local government including policy development, budgeting, human resources (including recruiting), payroll, benefits and workplace investigations, capital improvement plans, contract negotiations, grievance settlements, and managed a group self-insured health insurance plan. Pat enjoys working with a team of individuals to establish goals, address concerns, and build upon success



Pat will be the lead Consultant on this project.

Contact Information:

pat@daviddrown.com

612-920-3320 x116

3620 Northome Ave

Wayzata, MN 55391

MARK CASEY

Mark joined DDA in September as a Management Consultant specializing in executive searches, strategic planning, and organizational consulting in the Twin Cities metropolitan area. In his thirty-three years of public service, Mark has served as the City Manager for the City of St. Anthony Village, City Administrator for the City of Annandale, and Director of Community Education for both the Annandale and Maple Lake school districts. He also worked for the Cities of Faribault, Saint Peter, and Columbia Heights.



Mark received his undergraduate degree from the University of Minnesota and a master's from St. Cloud State University. He has served on numerous boards and commissions including the League of Minnesota Cities, Metro Cites (President), Metro Area Management Association, and the Allina Hospital Board of Directors (Buffalo, MN), and he has been a frequent guest lecturer at the University of Minnesota, Hamline University, and Metro State University.

Contact Information:

mark@daviddrown.com

612-920-3320 x113

2241 17th Street NW

New Brighton, MN 55112

LIZA DONABAUER

Liza came to DDA with both private and public-sector experience. With a background in construction and finance administration, her passion for public sector work led her to Wright County where she provided support to the HR Department, County Coordinator, and Commissioners. While pursuing her MBA, Liza entered city management for Clearwater, Kansas, and then later moved to Arlington, Minnesota.



During her four years in Arlington as a City Administrator, she completed a reorganization of the administration department, developed an orientation and capital planning process for two new councils, conducted compensation studies for several departments, engaged in a strategic planning session, and took part in developing a leadership curriculum for up and coming leaders in Sibley County. Her work has centered on human resource management, strong community participation, and leadership development. Liza enjoys working with colleagues throughout the state through her involvement in MCMA, a state affiliation of ICMA. She currently serves on the MCMA Women in the Profession Committee and Annual Conference Planning Committee.

Contact Information:

liza@daviddrown.com

612-920-3320 x111

4796 Merganser Drive

St. Bonifacius, MN 55375

GARY WEIERS

Prior to joining DDA in 2013, Gary had over 20 years of county government management experience, the last 11 years as County Administrator in Rice County. Prior to becoming Administrator, Gary served as the Social Service Department Director in Rice County and worked as a Social Service Supervisor in Mower County and Sherburne County. Gary received his bachelor's degree from the University of St. Thomas and has honed his skills by working his way up from an entry level social worker position to be the head of a \$50 million organization with over 350 employees.



Gary has worked with local governments ranging in size from a couple thousand residents to communities of over 150,000 persons.

In addition to conducting executive searches, Gary has done work with communities on sharing services, organizational analysis, strategic planning, and other management related work.

Gary has conducted over 80 executive searches and numerous organizational studies. Gary will assist in consulting as needed.

Contact Information:

gary@daviddrown.com

612-920-3320 x109

1327 Merrywood Court

Faribault, MN 55021

SERVICE TEAM CONTINUED

LIZ FOSTER

Liz is an Assistant Consultant that provides support and assistance within our Human Resources Division. Since joining DDA in 2015, Liz has been involved in numerous executive searches and other HR projects.

Some of Liz's duties include community research, creating position profiles, assembling interview materials for our clients, and providing general administrative support to our consultants.



Contact Information:

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704 10th Ave SE

Austin, MN 55912

SCOPE OF WORK SUMMARY

The proposed scope of work is an analysis of City services and the City's current and future staffing needs with attention to current communication and community engagement and outreach responsibilities. Included in this analysis will be the following:

- A review of the current staff, contract and volunteer positions, the services being provided to residents and identification of any service gaps that may currently exist
- An analysis on the staffing needs of the organization now and in the future with additional attention to
 - What position(s) have routine and infrequent responsibility for internal and external communications and can that be further streamlined
 - What position(s) have responsibility for community engagement and outreach and can that work be further streamlined
 - Identifying trends that will impact future staffing at the City
- An examination of current staff workloads to identify challenges and additional capacities
- An evaluation of department processes and workflows to identify challenges and recommended efficiency changes
- Review of job descriptions and actual duties to identify strategic alignments, segmentation of related duties and potential service combinations
- An analysis of comparable city structures to compare and contrast structures with that of Little Canada (City will provide list of comparable cities)

PROCESS DETAILS

STEP 1: REVIEW SCOPE

Meet individually on site or speak by phone with the Council and Administrator for the following purposes:

- Review project scope
- Identify any specific issues Council members or the Administrator would like addressed

- Review draft questionnaire
- Review project timeline
- Refine work plan to ensure it meets the expectations of the City

STEP 2: INFORMATION GATHERING

During this phase of the project, a substantial amount of pertinent data will be collected for additional review. Data that will be gathered includes:

- Mission/Value Statement/Strategic Direction
- Organizational structure for Administration and the City
- Personnel Policies
- Process and documents used for employee evaluations
- Budget and long-term financial planning
- Any applicable previous studies not conducted by DDA that have been done
- Job descriptions
- Facility information
- Collective Bargaining Agreements (if applicable)
- Applicable policies
- Environmental scan of major outside influences
- Other relevant information

STEP 3: INFORMATION GATHERING MEETINGS

Individual one-on-one meetings will take place with the six members of the leadership team following submittal of responses to questionnaire. These discussions will focus on:

- City services being aligned with Council Mission/Vision and resident expectations
- Current strengths and challenges at the City
- Priorities of the individual departments
- Roles, duties, and responsibilities of individual staff members
- Internal and external communications
- Level of efficiency within the current department structure
- Service and accountability gaps
- Current and future staffing needs
- Service streamlining
- Department culture
- Other topics

STEP 4: INFORMATION ANALYSIS

Review of the information gathered in Steps 1 - 3 will take place. This will include an analysis of the current organization.

STEP 5: REVIEW OF INITIAL FINDINGS

An outline of the information will be shared with the Administrator, and then DDA HR will meet to review data, options, and recommendations. After review, the Administrator will provide feedback prior to the development of a final report.

STEP 6: REPORT

After receiving feedback from the Administrator, DDA HR will prepare a Final Report including the following components:

- Background information
- Current staffing summary
- Professional observations
- Recommendations
- Implementation strategies

STEP 7: PRESENTATION OF REPORT

DDA HR will meet with the City Council to present the report and discuss implementation and any other considerations the Council wishes to discuss.

TIMELINE

This timeline is tentative. The final timeline will be set after the City Council's decision to proceed.

Item	Task	Completion Date
Decision by Council to proceed		September 14, 2022
Step 1: Review work plan	<p>Meet with individually with City Council and Administrator</p> <ul style="list-style-type: none">■ Review the scope of the analysis■ Identify any specific issues■ Review timeline and work plan■ Review draft questionnaire■ Review project timeline	September, 2022
Step 2: Information gathering	<ul style="list-style-type: none">■ Review department and City organizational chart■ Study Department budget■ Review applicable policies and procedures■ Review all job descriptions■ Review current documented business practices■ Review applicable collective bargaining agreements (if applicable)■ Review all City facilities■ Study other pertinent information	September, 2022

Step 3: Information gathering meetings	Meet individually with Leadership Team members	October, 2022
Step 4: Information analysis	Review all collected information	October 2022
Step 5: Review initial findings	Meet with Administrator to review preliminary findings	November 2022
Step 6: Report	Complete report and submit to the City for review	December 2022
Step 7: Presentation of report	Meet with the City Council to present report	December 2022

LIST OF COMPLETED ORGANIZATIONAL STUDIES

Year	Entity	Type of Project
2014	City of Lester Prairie, MN	Administrator Planning
2015	City of Pequot Lakes, MN	Administrator Planning
2015	Cities of Independence/Maple Plain, MN	Merger Study
2015	Stearns County, MN	Social Services Department Analysis
2015	City of Northfield, MN	Public Works Organizational Study
2016	City of Crosby, MN	Organizational Study
2017	McLeod County, MN	Organizational Study
2017	City of Nisswa, MN	Administrator Planning
2017	City of Big Lake, MN	Organizational Study
2017	City of Maple Lake, MN	Organizational Study
2018	City of Olivia, MN	Organizational Study
2018	Stearns County, MN	Organizational Study
2018	Pope County, MN	Organizational Study
2019	Wadena County, MN	Organizational Study
2019	Stearns County, MN	Organizational Study
2019	Yellow Medicine County, MN	Organizational Study
2020	Sherburne County, MN	Organizational Study

2020	Isanti County, MN	Organizational Study
2020	Yellow Medicine County, MN	Organizational Study
2021	Mower County, MN	Organizational Study
2021	City of Jackson, MN	Organizational Study
2022	Wilkin County, MN	Merger of Public Health and Family Services
2022	City of Hawley, MN	Organizational Study
2022	Stearns County, MN	Veteran Services Department Study

FEES

The all-inclusive fee for this service is \$5,500. This includes all consultant expenses and any other related costs to provide the services listed in this proposal.

REFERENCES FOR PAT MELVIN

Jaci Lindstrom

Mayor, City of Minnetonka Beach
Phone Number: 612-382-7742

Rich Nagel

Mayor, City of Arlington
Phone Number: 507-271-1622

Doug Krueger

Board Chair, McLeod County
Phone Number: 612-756-2855

Jim Elmquist

Administrator, Dodge County
Phone Number: 952-905-1133