

PIERCE COUNTY AUDIT - APRIL REPORT, BY ZUCKER SYSTEMS

A. BACKGROUND

This report is based on a two day trip to Pierce County on April 27 and 28. During this trip I reviewed a variety of background information, met with managers in PALS, met with the Audit Committee, the County Executive, the Audit Department staff, Chairman of the Rules and Operations Committee, and MBA staff.

This work was undertaken as part of an Amendment #1 to Contract 2004-30806 for an Evaluation of the Development Permitting Process.

B. POSITIVE PROGRESS

The progress on audit implementation is very positive, particularly in light of heavy workload experienced by PALS during the past few months. Specific progress includes:

- **Vacant Positions**

Major progress has been made in filling vacant and new positions. It appears that most all positions should be filled within the next 30 days.

- **Consultants**

Many of the proposed consultants are under contract and the screening process is well underway for others. It appears that most or all consultants will be under contract and working on the backlog within the next 30 days. Generally, target dates for consultant performance have been set at shorter time than PALS' target dates which is an excellent approach. Consultants should be able to review plans faster than PALS. Also the faster times provides PALS needed time for quality control and processing.

- **Permit System**

Progress continues to be made on the new permit system. Although progress is behind the schedule anticipated last year upon completion of the audit, delays in this type of complex program are not unusual. A few suggestions will be made in later parts of this report.

- **Office Space and Remodel**

Negotiations were successfully completed with Public Works to free space for 50 PALS staff and a few minor remodels have been completed. Design work is underway for more extensive office remodeling with a report due by June. It appears that additional funds will need to be found for the full remodel that is needed.

- **Backlog Methodology**
 An approach to determining the backlog has been agreed to and it mostly meets with our approval. Basically, any activities that do not meet PALS existing performance standards are considered backlog. We will have a few additional suggestions in this area later in this report.
- **Oversight Committee**
 An Oversight Committee has been formed and is meeting as needed. It appears that there has been a productive relation developed between the Oversight Committee and PALS.
- **Fast Forward Reports**
 A format has been developed for these monthly reports and this is an excellent start. Additional suggestions will be included later in this report.
- **Advance Planning and Current Planning**
 Improved relations have been developed between these two functions and Advance Planning has begun some preliminary efforts to assist Current Planning. Good progress was memorialized in a May 5th report to the Oversight Committee. More on this topic will be discussed later.
- **Lobby Floater**
 The Lobby Floater position has been reinstated and is underway. Related to this had been the creation of the wireless lobby.
- **Early Morning Appointments**
 Phones are being programmed so that early morning appointments can be increased from 15 to 25 customers and appointments can be spaced throughout the day instead of requiring customers to come in at 8:00 a.m.
- **Public Works Engineers**
 Six engineers from Public Works have agreed to overtime to assist with the application backlog.
- **PALS on PALS**
 Although we had no independent verification, it appears that progress continues to be made on a variety of issues that surfaced from PALS on PALS. This could be a candidate for on site review during the next auditor site visit.
- **LUAC'S**
 Although our LUAC proposals were only a priority 3, we understand that the Oversight Committee felt that work on this issues needed to take place earlier and changes can soon be implemented.
- **Code Enforcement**
 An attorney had been hired to look at several legal issues regarding this program. This could be a part of the audit implementation for this topic.

C. AREAS FOR FURTHER CONSIDERATION

We discussed a variety of areas for further consideration by PALS' management and they seemed amenable to many of these ideas. Some response to these suggestions by staff to the Audit Committee and Oversight Committee could be useful.

Advance Planning

The audit suggested that some advance planning projects be delayed and some advance planning staff spend some time working on the backlog. It appears that this would require a change in Council priorities. It is suggested that a proposal be submitted to Council in this regard.

Building Permit Timelines

It appears that the Building Divisions timelines can be met for building plan review. However, the larger issue is the total timeline to actually issue the permit. The project manager approach will be needed to monitor activity for all divisions reviewing the building plans. Additionally, in the audit we suggested that for a period of time each division give priority to work of the other divisions. We continue to feel that this should be attempted on a trial basis.

Contracts

During the course of our review, we were told that Purchasing only allows one consultant for the same body of work. After challenging this approach it appears that there was miscommunication on this point and in fact multiple consultants can be hired. This fits with our suggestion that normally more than one consultant be under contract for backlog and overflow work.

Current Planning

The contract for current planning consultants appears to be lagging behind the others but there is a hope to have a contract by June. Staff indicated an approach to have the consultants handle only part of the project with staff handling part of the project. We believe this approach would be a major mistake and lead to longer timelines and less efficiency. More than one planner needs to become familiar with the project. We suggest that the consultants handle all aspects of each assigned project.

We also believe that Current Planning should immediately begin the project manager approach for planning as outlined in the audit. This would include project intake as discussed in the section on the counter. Management of this Division appears open to proceeding with these items.

Counter and Intake Issues

A major concern in the audit was the lengthy waiting times for counter service. The audit suggested a detailed strategy to substantially reduce the waiting times, but to date only minimal progress has been made in this area. We believe this issue should receive a higher priority by the Oversight Committee and PALS. Alternatives include:

1. PALS could begin more active implementation of the audit suggestions immediately. However, as implementation progresses, PALS staff may find it useful to refine the audit recommendations or even replace them with other solutions. This would be an appropriate approach. One approach is simply to set a target and let employees and management devise the best ways they feel that the target can be met. We suggest a target be set that 90% of all customers will be served within 30 minutes. This would be an initial target to be later reduced to 20 minutes. Employees and management would develop the detailed program to meet this target.
2. The system suggested in the audit requires additional intake stations. The space remodeling will eventually result in adequate intake stations. However, pending the remodel it should be possible to establish necessary intake stations within the new Public Works space.
3. The system suggested in the audit requires two more permit technicians. These positions were not included in the budget. Some members of the Audit Committee suggested that consideration be given to supplementing PALS budget for these two positions. We concur and suggest that this be requested post haste.
4. Reducing wait times will require less screening at the counter and faster intake. This in turn requires good intake checklists and staff training. Some progress has been made in this area but more can be done.
5. Fast Forward has been using average counter wait times as a reporting and management tool. However, use of averages is not a good measure for this function. In the audit we suggested that customers be segmented by type and then wait times be established for each type of customers. For each type of customer we suggest Fast Forward measure the percent served in 30 minutes, percent served in 60 minutes, and percent exceeding 60 minutes.
6. The new phone system being developed to set appointments for the first 25 callers of the day is excellent. If this cannot be completed in 30 days, we suggest that all callers leave their phone number and be called back between 8 and 8:30 with appointments then spread throughout the day.
7. The audit suggested that intake for planning permits be handled by project planners and moved out of the permit center to the planning reception area. This can help with the permit center congestion problem, shorten permit center

timelines, and begin the strengthening of the project manager approach within Planning.

8. During our visit we noticed two signs behind the reception area that we feel are inappropriate, given the long wait times and customer service concerns. We suggested to staff that the signs be immediately removed. We did not receive any feedback on this suggestion.

Development Engineering

Work continues on hiring consultants and filling vacant staff positions, however there are still three unfilled positions. Management indicates some concern whether the backlog can be eliminated for Development Engineering by the end of the year. PALS management should carefully monitor this situation and make whatever changes are warranted as the year progresses in order to meet the end of the year target.

Fire Marshal

Under the new I-codes there are more reviews for alarms and sprinklers. Additionally, Fire has decided to look at all plans. The combination of these two activities affects their plan check times and could create a bottleneck in the system. PALS should carefully monitor this situation. It may be useful to perform a special staffing analysis for this function. Additionally, in the short term, perhaps all plans should not be reviewed, even though this review may be useful in the long run.

Health Department

It appears that no changes have been made in this area. It could be a candidate for future review.

Organization Issues

Work is underway to examine the organizational issues shown in the audit and we will monitor this as it progresses. Action on the additional Assistant Director should receive a high priority. We were told that this position would not begin until January, 2006 which we believe is later than desirable. Evidently HR wants division heads to become managers and not just supervisors. We concur with this direction. However, they also evidently feel that Assistant Directors must have direct reports. This position is not consistent with approaches being used in many communities. One approach would be to define a dual reporting line to both the Director and the Assistant Director. This topic could be a subject of additional on site review during the next audit visit. We continue to feel that the Director needs considerable flexibility for this topic.

Performance Reports (LAN)

Development Engineering and Building are in the system. The goal is to add Planning and Resources in June or July. Fire and Utilities to be added by the end of the year. The reports for the backlog are to be included as part of the Planning piece.

The audit highlighted a number of data concerns and many of these will be corrected in the new system. Our review has highlighted a number of possible issues as follows.

The data system requires that staff submit their time that they spend on various activities. Experience with these systems shows that time should be recorded coterminous with the day or at the latest at the end of each day. While some PALS staff evidently follows this routine, there is no monitoring system to assure compliance. It would be unfortunate if the new permit and monitoring system becomes operational and it is then discovered that some of the data has substantial errors. Staff training, expectations and monitoring systems should be implemented while the system is being completed.

For data systems to be successful, they must be as simple and easy to use as possible. We took a quick look at the current coding system for staff activities and believe it could be substantially simplified. The system and staff need to primarily record how much time is spent on each permit.

For example, there are 15 billable types to record against. One of these is “correspondence – the time spent preparing a letter.” Another is “research – time spent researching an issue related to a project.” We believe this kind of detail is not useful and makes the system harder to use. Management and staff should review the categories and develop a simplified approach. Our first cut review would suggest reducing the 15 billable types to the following four: Application Intake, Enforcement, Inspection, and Plan Review.

In addition to the billable types, the system also includes 24 categories called “Administrative Activities,” which is time spent not directly processing a Permit or Application. This can be an important category for management analysis since in the audit we found large percentages of staff time in this category but with no good way to analyze the time and possibly reduce the time. Staff and management would need to spend some time deciding which of these categories are important. The ones that seem useful to us include: Administration, Approved Leave (may or may not be needed), Council/Executive Assistance, Enforcement, Minutes, Public Assistance, Staff Meetings and Training. Advance Planning projects should have a separate code for each plan similar to that used for applications.

Phones

A second phone line and staff is being added to the phone room to reduce the phone wait times. This is a good approach. Additional consideration should be given to adding other phone technology. The City of San Diego has an excellent system. When you call in, you are told how many people are ahead of you and an estimated wait time. You can stay on the line or provide your phone number for a call back. You are kept in the same phone queue as if you remained on the phone.

Process Changes

The various PALS' functions have not yet had time to address various process issues. This is understandable given the need to get staffing and consultants in place and begin the process for several months of high activity. Since staff and consultants are about in place staff should begin to focus on process improvements over the summer months. Normally these process improvements are harder to implement than other features of the audit.

Project Manager System

We were pleased to see that discussions about project manager issues are underway both within PALS and on the Oversight Committee including a review of King County's approach. We will be interested to see how this develops and call the reviewers' attention to the ideas outlined in the audit. Some communities approach this topic by adding specialty staff to be project managers. We are more inclined to handle this function without new staff and primarily change expectations for many of the existing staff.

For building permits we believe project managers could be plan checkers or permit technicians. Staff also suggested that it may be possible for the Plans Examiner Supervisor to take on this function.

Public Works

Progress has been made in working out space issues with PALS and some progress on moving some sewer permits to over-the counter. It would be useful to:

- Have Plats signed at PALS. It appears that there continues to be conflicts between PALS' engineers and Public Works engineers. Public Works needs to either train PALS' staff and then delegate approvals or another option would be to have the engineers located within PALS report to Public Works but be located and coordinated within PALS. Additional attention to this topic may be warranted.
- Reports should be generated reporting on Public Works timelines for sewer and transportation reviews. During the course of the audit it appeared that

Public Works was about to take some aggressive action in this area so now would be a good time to monitor progress.

Resource Management

The way data for this program is being recorded can be misleading. It would be useful to separate out the monitoring reports from the applications. Staff appears receptive to this suggestion.

Review of Residential Plans

There is a procedure in place where applicants may hire and pay for certified consultants to review and pay for review of base plans. There is also a plan underway to expand this process to custom houses. Given the backlog we support this process at this point in time. However, in the long term we suggest consideration be given to modifying this approach to emphasize independent third party review. A preferable approach would be for these consultants to be directly hired by the County.