



Board of County Commissioners Agenda Request

30
Agenda Item #

Requested Meeting Date: January 23, 2018

Title of Item: Consider Organizational Structure Plan Proposal

<input checked="" type="checkbox"/> REGULAR AGENDA <input type="checkbox"/> CONSENT AGENDA <input type="checkbox"/> INFORMATION ONLY	Action Requested: <input checked="" type="checkbox"/> Approve/Deny Motion <input type="checkbox"/> Adopt Resolution (attach draft) <i>*provide copy of hearing notice that was published</i>	<input type="checkbox"/> Direction Requested <input type="checkbox"/> Discussion Item <input type="checkbox"/> Hold Public Hearing*
Submitted by: Jessica Seibert, County Administrator		Department: Administration
Presenter (Name and Title): Jessica Seibert, County Administrator		Estimated Time Needed: 10 min.
Summary of Issue: At the last regular Board meeting the Commissioners instructed staff to discuss the organizational structure plan proposal with the Personnel Committee and collect feedback from counties that had worked with David Drown & Assoc. Attached are feedback from counties, feedback from several department heads, and a proposal from Springsted that was received after the last Board meeting.		
Alternatives, Options, Effects on Others/Comments: 		
Recommended Action/Motion: Approve/Deny organizational structure plan proposal.		
Financial Impact: Is there a cost associated with this request? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No What is the total cost, with tax and shipping? \$ 23,000.00 Is this budgeted? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>Please Explain:</i> 2017 reserve funds have been previously approved for this purpose.		

Legally binding agreements must have County Attorney approval prior to submission.

From: Hammes, Stephen [mailto:Stephen.Hammes@co.stearns.mn.us]
Sent: Monday, January 08, 2018 4:38 PM
To: jessica.seibert@co.aitkin.mn.us
Subject: response on dda

1. DDA came in to perform a review of the Human Service Department. It examined front end operations, clerical roles and the new service delivery model the department is moving to.
2. They performed well.
3. They confirmed the model that we are moving to.
4. Most of them were things that were achievable and relevant.
5. I think we would.

If you want a copy of their study let me know. Any other questions feel free to contact me.

From: Pat Melvin [mailto:pmelvin@arlingtonmn.com]
Sent: Monday, January 08, 2018 2:00 PM
To: Jessica Seibert
Subject: RE: DDA Proposal

Jessica:

See responses below.

Pat Melvin,

City Administrator



204 Shamrock Drive
Arlington, MN 55307
Phone: 507-964-2378
Cell: (612) 385-7162
Fax: 507-964-5973
www.arlingtonmn.com
pmelvin@arlingtonmn.com

1. What type of work did you hire DDA to perform and what type of information was your county hoping to gather through this study? Conducted an analysis of the current organizational structure and through interviews with staff and additional research on Counties DDA put together a report of recommended organizational changes.
2. Were your expectations met? Gary Weirs did a great job, especially navigating some of the more difficult issues such as elected vs. appointed department heads and making recommendations to transfer staff from one department to another. The report was done on time and presented well to the Board.
3. Have you already, or do you see the potential to create efficiencies in your county as a result of the study? Based on the Report which Gary authored some of the recommended changes have started to be implemented and will result in greater efficiency. Going forward the Report will serve as a guide for future changes to the structure of McLeod County as retirements and other changes occur.

4. Did you feel the recommendations from DDA were relevant and realistic? Yes, the proposed changes better align departments with their primary purpose, remove some of the politics from decision making and bring McLeod County up to speed with structural changes that have already occurred in other Counties.
5. Would you recommend this type of study and DDA to other counties? Yes, I would.
6. Any other information you would like me to know? My wife works for David Drown and Associates but works independent of Gary Weirs and was not involved in the Report that was done for McLeod County. David Drown and Associates was recommended to me while at McLeod County by several other County Administrators at the time the County was looking for a consultant.

From: Bruce A. Messelt [mailto:Bruce.Messelt@chisagocounty.us]

Sent: Monday, January 08, 2018 1:15 PM

To: 'Jessica Seibert'

Subject: RE: DDA Proposal

1. What type of work did you hire DDA to perform and what type of information was your county hoping to gather through this study?
Chisago County hired DDA to perform an organizational/leadership assessment of its Health and Human Services Department
2. Were your expectations met?
Yes. DDA worked with us to constrain our project to key leadership/organizational questions, allowing us to undertake the project for an affordable amount and tight project timeline.
3. Have you already, or do you see the potential to create efficiencies in your county as a result of the study?
Direct efficiency, was not our objective, per se. Though the recommended ORG and leadership changes we are now making will make this Department run better and more efficiently. Focus was on organizational/department leadership effectiveness. DDA hit the mark here.
4. Did you feel the recommendations from DDA were relevant and realistic?
YES, especially since DDA had to navigate and balance external stakeholder (i.e. vendors and community) considerations with those emanating from internal (i.e. employees and supervisors), Board, Department and County Administration/HR stakeholders.
5. Would you recommend this type of study and DDA to other counties?
Yes, though a more thorough and comprehensive study would also have been potentially helpful. However, the cost difference (\$5K versus \$20K+), timeline (3-4 weeks versus 2+ months), and level of engagement (key stakeholders versus all employees), made such infeasible for this first effort.
6. Any other information you would like me to know?
We worked with Gary Weirs due to his content expertise, though I am confident most all of DDA Associates could have done an admirable job.

From: Elmquist, Jim [mailto:Jim.Elmquist@co.dodge.mn.us]

Sent: Monday, January 08, 2018 1:40 PM

To: Jessica Seibert

Subject: RE: DDA Proposal

1. What type of work did you hire DDA to perform and what type of information was your county hoping to gather through this study?
DDA did not help us with directly with an organizational plan, they helped us with some TIF and Tax Abatement work along with some project management regarding Human Services work which is probably relevant to the reference given. It was during the startup of MNPrairie.
2. Were your expectations met? Yes
3. Have you already, or do you see the potential to create efficiencies in your county as a result of the study?
NA
4. Did you feel the recommendations from DDA were relevant and realistic?
Always been very good to work with. Gary was very good.
5. Would you recommend this type of study and DDA to other counties? I would work with them on a number of projects. We appreciated their work.
6. Any other information you would like me to know? They have always been very responsive and good to work with

Jessica Seibert

From: John Welle <jwelle@co.aitkin.mn.us>
Sent: Friday, January 05, 2018 10:43 AM
To: 'Jessica Seibert'
Subject: Organizational study comments

Jessica:

As requested, following are some comments regarding the need for an organizational study.

- During the process to fill the County Surveyor position earlier this year, there was much discussion and debate about reorganizing this position including who the position reports to, who reports to this position, and how the position/work unit would be funded. Although a conclusion had been reached to create a new department consisting of this position and several support staff, this decision was reversed during the hiring process to essentially maintain the status quo with the understanding that the upcoming organizational study would provide guidance not only for this staff, but for the entire organization.
- As part of the government center building project, I had many discussions with the previous administrator about conducting an organizational study prior to determining the layout of the new building to ensure that the new building would be designed for the organizational structure going forward rather than for the past organizational structure. Although the previous administrator agreed this would be the proper approach, the study piece never materialized. However, the building layout was designed from the beginning to attempt to accommodate the most likely reorganizational outcome with the seven current departments being situated into two work areas. With the new building scheduled for construction this year, I think it is more important than ever to proceed with the organization study to provide a roadmap for how to transition operations in the new building. Once the individual departments occupy the new structure, I believe there will be some issues with the operations initially, for example, how the receptionists in the various departments will respond to customers at the counter without knowing what services they are seeking. I would think over time this issue will be resolved by cross training current employees and ultimately replacing receptionist positions with positions that can answer questions not only from one department, but from all departments in that work area. This is the vision that has been shared on many occasions, but the organizational study is needed to provide the unified guidance so the affected departments have a common understanding.
- The study is needed simply because we are a unique county with unique services, and there likely isn't a precise model among other counties that we could adopt. So we need the assistance of a professional with broader experience to give an outside view of organizational structure options that may work well for us. Simply put, none of us internally have the expertise or knowledge to conduct this study, so the \$23,000 expenditure for the study is without question the most effective and efficient way to do it. In addition, the organization study will likely affect all departments, so the only way to get a truly unbiased recommendation is to hire an outside professional.
- Speaking broadly, every organization needs to have a master plan to guide their operations to make sure everyone in the organization understands the role they play. The organization structure is a big part of this master plan. When roles are questioned or competed for, as we have currently in the variety of positions, it leads to disharmony and inefficiencies in the organization. This is precisely the root of many of the conflicts we have as an organization. We have never had a common vision or a master plan as an organization, and as a result our services overlap, are fragmented and are less efficient than they could be. The workplace atmosphere created by having a common vision where everyone understands their role will make Aitkin County a better place to work, which will lead to a more productive workforce.
- From a financial perspective, we need to assure that our organizational structure is optimally efficient to assure that our services are provided at the lowest cost possible. Currently, our structure is nowhere near being optimally efficient, so if there is a desire to be more efficient, there should be no dispute about the need for an

organizational study. If we aren't willing as an organization to support the organizational study, our talk about being more efficient is simply rhetoric and is a disservice to the taxpayers. If we truly want to become more efficient and deliver better services for less cost, we need to actually implement some significant changes, and optimizing our organizational structure is at the top of the list.

- As our organization will see many of its employees retire in the coming years, it is imperative to have an organizational restructuring plan in place to work toward. Organizational changes will certainly bring challenges, but implementation will be made much easier if done over the long term taking advantage of open positions.

I think it's accurate to say that many of the initiatives that are discussed broadly by county staff and policy makers in our county eventually lead back to our lack of an efficient, up-to-date organizational structure. I remain hopeful that we will have the fortitude to proceed with the organizational study you proposed for the long term benefit of our citizens and our workforce.

John Welle, P.E.
Aitkin County Engineer
1211 Airpark Drive
Aitkin, MN 56431
Office: 218-927-7469
Fax: 218-927-2356
Email: jwelle@co.aitkin.mn.us

Q: What kind of benefits do you see for organizational evaluation and possible changes?

A: Courthouse offices and systems were developed over 100 years of change. These offices "evolved" from catalysts/responses to changes:

- Personnel (loss, personal in-house talents, etc.),
- Laws (programs, funding sources, etc.),
- Controversy (misuse of power, financial loss, etc.),
- Redundancy (planned and unplanned),
- Technology (spreadsheets, GIS, Databases, internet, self service),
- Public expectations,
- etc.

Seldom are these systems developed by carefully planned activity. There are a lot of similarities to retrofitting an old building to meet the 21st century needs. The organizational evaluation is a unique opportunity, a once in a century perspective, of how would we have provided goods and services to the public if we were starting from scratch; very similar to designing a new building.

Accounting:

In a digital age we are not only retaining but are generating a lot of filing cabinets of unnecessarily copies. We would be aghast if gas stations, banks, Amazon, etc. resorted to this level of "all" paper accounting. There are no efficiencies, streamlining, digital check depositing, receipting, etc. An objective, outside, view is necessarily. People taking a digital record, printing out a statement, highlighting it, walking it to an office so that it can be entered into another digital program, printed, signed, separated into two copies, and re-walked to the origin is a sign of an archaic system. Writing it in a hardbound book with carbon copies should not be an option.

Interoffice dependencies and data flow. These are possible examples although things may actually be different/ I don't work in those offices and an evaluation has not been done:

- Zoning creates building permits, assessors use those records to evaluate assessment changes
- Assessors physically look at nearly all properties and see changes in the field but may not share all of those changes with zoning for violations (i.e., building without a permit, or exceeding permit violations, commercial operations)
- Communication of data between offices are often printouts and not digital format
- Separate databases maintained by offices
- Recorder's office records change in ownership, which triggers a need for septic compliance (chap. 7080). Is zoning notified?
- Recorder's offices have records of access and easements but that information is not tied to properties which make enforcing setbacks difficult.
- SWCD and zoning share shoreland and wetland enforcement responsibilities but are physically a mile apart requiring citizens to travel.

Self Service: The greatest improvement for the average citizen is their ability to obtain public data where and when it is convenient (esp. without subscriptions). The definition of public data is clear and defined in statute. Any opportunity to remove a county employee from interceding, collecting, or disseminating that data is a benefit to the public; both in convenience and in tax savings.

My thought...individual offices fail to see the County as a whole but as separate entities. "It is not my job" should not be a mindset of an office because failure to interconnect negatively affects the success of other offices. The interconnectivity of action in one office that impacts another would be important outcome of such an organizational evaluation. In the end, even if County offices stay the same, the interdependence should be brought to light through such an evaluation. Could work flow and building flow be unified under a single concept? What an opportunity!

The use of an outside consultant is necessary because:

1. It removes internal bias, turf protection, narrow mindedness for change
2. Larger world experiences that could benefit Aitkin
 - a. Other Counties may be more effective
 - b. New thinking brought in
 - c. Broader experience, bigger world
 - d. It would force conversations and the ability to explain internal minutia

From Cynthia Bennett:

Organizational Structure is the framework that helps employees do their job. Organizational structure provides for efficiency in tons of ways including making it easier to delegate responsibilities, hold individuals accountable and effect change. Some other efficiencies include streamlining operations, improving decision making so that decisions are made at the lowest level possible, improving employee performance and improving customer service. Bottom line... this all means saving tax payer dollars. Sometimes you have to spend some money to save money or make money in the long run.

We can argue that we shouldn't fix something that isn't broken however let's take that a step further into a functional example.

A farmer used to plow his field with a horse and wooden plow. Did it work? Yes it did. Was it broke? No. Did it need fixing? Not necessarily. But then the tractor came along with other tools/methods that could help farmers be more productive. Once there were other ways to conduct his business the farmer would be foolish to not at least examine those options. When looking he might even discover other less expensive ways than buying a tractor to make shifts that will improve his operations. In the end, the farmer can decide whether or not he wants to buy a tractor, apply something else, or continue on in status quo. At least he knows he has looked at all options. So in AC how does this apply?

Units split between 2 departments is challenging and creates an instability for the unit. (Employees need to report to one person)

Operational processes that are split between departments create fragmentation. (HR and payroll)

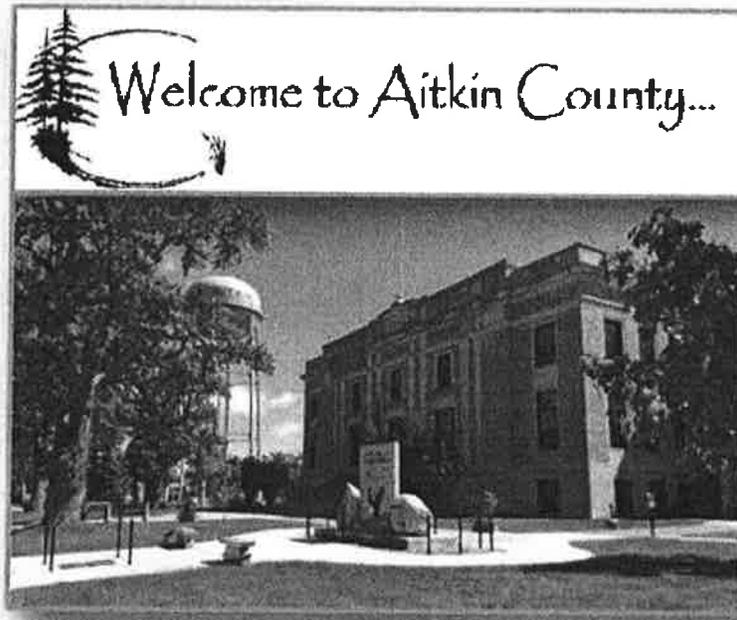
Units that are not given the leadership to perform at their necessary level cause frustration and a breach in team structure. (maintenance not having an engineer type person as lead)

Departments working in silos is cost prohibitive and causing leakage of finances(auditors treasurers not cross trained)

These are all horribly inefficient ways to conduct business.

The protection of turf or "don't fix it is it ain't broke" attitude is not good rationale to refrain from assessing structure and operations. We should ALWAYS be doing quality improvement which IS looking for ways to be more efficient, to streamline functions and to implement better workflows. In fact we have a responsibility to our tax payers and consumers to do so.

DDA HUMAN RESOURCES, INC.



PROPOSAL FOR AITKIN COUNTY ORGANIZATIONAL STUDY

NOVEMBER 27, 2017



CONTENTS OF THE PROPOSAL

◆ Description of the Firm	◆ Process Details
◆ Approach to the Process	◆ Items Addressed in the Analysis
◆ Service Team	◆ List of Organizational Study Clients
◆ Timeline	◆ Fee

DESCRIPTION OF THE FIRM

For 20 years, David Drown Associates (DDA) has provided Financial Solutions, Tax Increment Financing, Economic Development, Executive Searches, Organizational Studies and other services to cities and counties throughout Minnesota. With over 450 local government clients, we have a deep understanding of the workings of local government in Minnesota. Therefore, we comprehensively understand the unique challenges faced by local governments especially in greater Minnesota where we do the vast majority of our work.

APPROACH TO THE PROCESS

Our approach to conducting this analysis will be to help Aitkin County determine the most cost effective and highest quality organizational structure. We will comprehensively assess the current departmental structure, examine other similarly situated county structures, interview employees selected by the County, review financial information, and develop recommendations and implementation strategies to assure a cost effective, customer oriented service delivery system.

Communication with the County is a high priority. In addition to being on site a significant amount of time, regular updates via phone or email will be provided to the County at every stage of the process.

SERVICE TEAM

Gary Weiers

Our team will be led by Gary Weiers. He joined DDA in 2013 and has conducted nearly 50 executive searches and numerous organizational studies. Prior to joining DDA, 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 will be assisted by Assistant Consultant Liz Judd, but the vast majority of work will be directly performed by Gary. Gary will be the only person that you will see during the course of this study.

Liz Judd

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 organizational studies. Liz will assist with information gathering and assembling data during this process.

TENTATIVE TIMELINE

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

ITEM	TASK	COMPLETION DATE
Discussion of Proposal with County	Review Proposal with Board	December 19, 2017
Decision by County Board to proceed		January 9, 2018
Step 1: Review work plan	<ul style="list-style-type: none"> ◆ Meet with County designated Committee <ul style="list-style-type: none"> ◆ Review the scope of the analysis ◆ Review timeline and work plan 	January 24, 2018
Step 2: Information gathering	<ul style="list-style-type: none"> ◆ Review current table of organization ◆ Study County budget ◆ Review financial statements ◆ Review all applicable job descriptions ◆ Review applicable collective bargaining agreements ◆ Review all County facilities ◆ Study other pertinent information 	February 9, 2018
Step 3: Information gathering meetings	<ul style="list-style-type: none"> ◆ Meet individually with key staff <ul style="list-style-type: none"> ◆ All department heads ◆ All County Commissioners ◆ Key departmental management staff ◆ Other staff as designated by the County ◆ Others as determined by the County 	February 9, 2018
Step 4: Comparisons	<ul style="list-style-type: none"> ◆ Review organizational structure for similarly situated counties 	February 9, 2018
Step 5: Information analysis	<ul style="list-style-type: none"> ◆ Review all collected information 	February 23, 2018
Step 6: Review initial findings	<ul style="list-style-type: none"> ◆ Meet with the Administrator and others to review preliminary findings 	March 2, 2018
Step 7: Report	<ul style="list-style-type: none"> ◆ Complete report ◆ Submit to County for final review 	March 16, 2018
Step 8: Presentation of report	<ul style="list-style-type: none"> ◆ Meet with County Board to present report 	March 27, 2018

PROCESS DETAILS

Step 1: Review Scope

Meet with the Committee and Administrator for the following purposes:

- ◆ Review project scope
- ◆ Review project timeline
- ◆ Refine work plan to ensure it meets the expectations of the County

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:

- ◆ Table of organization
- ◆ Budget
- ◆ Financial statements
- ◆ Any applicable previous studies that have been done
- ◆ Job descriptions of all relevant positions
- ◆ Facility information
- ◆ Other information determined by the County
- ◆ Collective Bargaining Agreements
- ◆ Other relevant information

Step 3: Information Gathering Meetings

Individual meetings with approximately 40 people will take place. These discussions will focus on:

- ◆ Effectiveness of current structure
- ◆ Issues with current structure
- ◆ Level of efficiency with current structure
- ◆ Possible organizational structure ideas
- ◆ Obstacles to implementing change
- ◆ Other topics

Step 4: Comparative Data Gathering

Assemble and analyze data from other county structures that are similarly sized, organized, and situated.

Step 5: Information Analysis

Review of the information gathered in Steps 2-4 will take place. This will include a detailed analysis of the current structure and other possible organizational structures along with financial modeling of the options.

Step 6: Review of Initial Findings

An outline of the information will be shared with the Committee, and then DDA will meet with them to review data, options, and financial ramifications. After review, the Committee will provide feedback prior to the development of a final report.

Step 7: Report

After receiving feedback from the Committee, DDA will prepare a comprehensive report including the following components:

- ◆ Background information
- ◆ Current operational summary
- ◆ Organizational options
- ◆ Financial modeling of each option
- ◆ Recommendations
- ◆ Implementation strategies

Step 7: Presentation of Report

DDA will meet with the County Board to present the final report with recommendations.

LIST OF COMPLETED ORGANIZATIONAL STUDIES

Year	Entity	Type of Project
2014	Steele, Waseca and Dodge County Service Delivery Authority	Merger of three County Human Services Departments
2014	City of Lester Prairie	Administrator Planning
2015	City of Pequot Lakes	Administrator Planning
2015	City of Gaylord	Organizational Study
2015	Cities of Independence/Maple Plain	Merger Study
2015	Stearns County	Social Services Department Analysis
2015	City of Northfield	Public Works Organizational Study
2015	Murray County	Organizational Study
2016	City of Crosby	Organizational Study
2017	McLeod County	Organizational Study
2017	City of Nisswa	Administrator Planning
2017	City of Big Lake	Organizational Study
2017	City of Maple Lake	Organizational Study
2017	Chisago County	Organizational Study

FEES

The all-inclusive fee for this service is \$23,000. This includes all consultant expenses and any other related costs to provide the services listed in this proposal.

Aitkin County, Minnesota Organizational Structure Review & Analysis Study

Work Plan

December 2017

Objective(s)

The purpose of this study is to review the organizational structure, programming, operations, and related variables that promote the efficiency, effectiveness, and needs of Aitkin County. The review and analysis will exclude departments headed by an elected official, but include the following departments:

- Administration
- Assessor
- Community Corrections
- County Surveyor
- Court Administration
- Economic Development & Forest Industry Coordinator
- Environmental Services/Planning & Zoning
- Geographic Information Systems
- Health & Human Services
- Highway Department
- Human Resources
- License Center
- Long Lake Conservation Center
- Maintenance
- U of M Extension/4H
- Veteran Services

As part of this review and analysis, an employee survey will be undertaken to solicit input on the operation of the County under the existing organizational structure and to seek areas where improvements can be made.

Work Plan and Scope of Services

1. Confirm Scope, Objectives and Timing

This task includes a pre-study meeting with the County Administrator. The following subtasks will be completed:

1.1 Finalize Project Design – The first study activity will be to:

- 1.1 Identify communication channels and reporting relationships and responsibilities of project staff
- 1.2 Review and confirm study time lines
- 1.3 Review and confirm products to be delivered including expectations regarding the form and scope

The meeting(s) will also help establish the desired working relationship between the County and the consulting team. This will include day-to-day interactions with the staff responsible for managing services provided under the management contract.

- 1.2 Review Work Plan – The work plan objectives, scope, and approach will be reviewed as well as consultant assignments and specific schedules for the project tasks. We will also prepare "Information Requests" listing key documents to be collected and will identify individuals for interviews.
- 1.3 Arrange Logistics/Administrative Support – Matters to be addressed include schedules for interviews and data collection, work space and support requirements, specific dates for status reports and meetings, contact persons in the departments, any remaining contractual matters, etc.
- 1.4 Introductory Meeting with Department Heads– An introductory meeting with County department heads will be held to explain the purpose of the study, the steps to be taken, their role in the study and to answer any questions they have in relationship to Springsted and/or the study.

2. Data Collection

- 2.1 The purpose of the Data Collection task is to collect all information needed to evaluate the County's organizational structure, operational policies, procedures and practices, current staffing levels and deployment, departmental budgets, program workloads and service delivery issues, including the necessity for and responsiveness of County services. Information collection techniques will include interviews, document review, consultant observations and survey data.
 - 2.1.1. Obtain and analyze the background information. This may include, but is not limited to, a review of the following:
 - 2.1.1.1. Current organizational chart (County overall and individual departments)
 - 2.1.1.2. Adopted mission, goals, objectives, performance standards
 - 2.1.1.3. Strategic Plan
 - 2.1.1.4. Existing succession plans, and/or relevant data to determine additional County succession planning needs
 - 2.1.1.5. Staffing levels by position/department
 - 2.1.1.6. Position descriptions
 - 2.1.1.7. Department work plans
 - 2.1.1.8. To the extent available, current workload and workload trend information
 - 2.1.1.9. Services and service levels including detailed performance measures, if available
 - 2.1.1.10. Any recent employee and customer service surveys which have been administered
 - 2.1.1.11. Other relevant information
 - 2.1.2. Documents specified in the consultant's "Information Request"
 - 2.1.3. Conduct confidential individual interviews with the County Administrator and each member of the County Board of Commissioners. The interviews will help identify concerns, clarify duties and responsibilities, document current practices, solicit input and answer specific questions regarding departmental organization and operations to assure that a variety of concerns and perspectives are identified, considered and evaluated.
 - 2.1.4. Meeting with Department Heads – Confidential interviews will be held with affected County Department heads to solicit their input, to gain an understanding of current operations, to discuss their ideas regarding the County overall and departmental organization and operations
 - 2.1.5. Conduct focus group meetings with representative groups of employees. We will conduct meetings with four representative employee focus groups selected by the County. These focus group meetings will provide an opportunity for employee input into the analysis.
 - 2.1.6. We will also develop and administer an electronic employee survey. The survey tool will be administered to gain insight into how employees view the County, its organizational, administrative, and operating structure, and policies.

3. Document and Review Existing Organization and Structure

- 3.1 With the information from prior tasks, the consultant team will analyze information collected and develop the factual profile that will include the following distinct but interactive steps:
 - 3.1.1 Review the information obtained through interviews, employee survey, document reviews and organize by issue
 - 3.1.2 Analyze the information to identify omissions or inconsistencies and collect additional information, as needed
 - 3.1.3 Evaluate existing organizational structure, practices and principles and service delivery against generally accepted practices and principles of similar service providing operations and emerging best practices. The analysis process will include "brainstorming" sessions among our team to take full advantage of the experience and perspective of each consultant. A profile will be developed containing the following:
 - 3.1.3.1 The organization, staffing, and reporting relationships within each department and between departments
 - 3.1.3.2 The objectives, priorities and programs of each affected department
 - 3.1.3.3 To the extent available, the current workload and workload trend information
 - 3.1.3.4 The services and service levels provided by each department
 - 3.1.3.5 The communications and workflow within each department and between departments
 - 3.1.3.6 The use of existing resources
 - 3.1.3.7 The results of the employee focus groups and survey
 - 3.1.4 The profile will be reviewed with the County Administrator. Based on this review, the profile will be amended as appropriate, and will be included in the final report.

4 Initial Assessment and Directions

- 4.1 Concurrent with Task 3, the project team will develop initial observations and findings including:
 - 4.1.1 Is the organizational structure of the County and each department logical and organized to maximize efficiency and effectiveness?
 - 4.1.2 Is there an adequate mix of staff skill sets and capabilities to handle the work?
 - 4.1.3 Are the roles of each affected department clearly established and accepted?
 - 4.1.4 Are there efficiencies or improvements that can be achieved through the consolidation of processes and/or the elimination of redundancies, etc.?
 - 4.1.5 Are there areas where responsibility/accountability does not exist or where it is unclear where the responsibility/accountability lies?
 - 4.1.6 Is the current organizational structure flexible and able to respond effectively to changes in service demand?
 - 4.1.7 Are there any duplication of effort and non-value-added activities present?
 - 4.1.8 Is there a structured process for objective-setting, priority-setting and service delivery planning and, if so, is it effective?
 - 4.1.9 Are there performance measures currently in use and how are they applied to improve operations year-to-year?
 - 4.1.10 Other opportunities that are identified through stakeholder feedback or other research

5 Conduct Detailed Organizational Management Analysis

5.1 The detailed analysis phase will form the key part of our review process and recommendations for improvement. These will include specific recommendations for the following as appropriate:

- 5.1.1 Organization structure
- 5.1.2 Reporting relationships
- 5.1.3 Interdepartmental working relationships
- 5.1.4 Management/Supervisory spans of control
- 5.1.5 Communications
- 5.1.6 Decision making
- 5.1.7 Service orientation and delivery
- 5.1.8 Benchmarks and performance measures
- 5.1.9 Strategic Alignment Opportunities:
 - 5.1.9.1 Efficiencies that can be achieved through the strategic alignment of departments, offices and/or through the elimination of redundancies, etc.

6 Prepare and Issue Report of Findings

Springsted will prepare a Report of Finding which will include the consulting team's findings and conclusions. We will present the Final Report of Findings to the County in a regular or workshop setting.

Time Frames

Springsted estimates that we will complete the study as described in this work plan within eight weeks of receiving the notice to proceed. This completion time is based on timely receipt of data and turnaround of information needed to complete the study and the availability of County staff for required meetings.

Expectations

At a minimum, the following information will be needed to complete the study:

- Organization Management Required Information
 - The current County organizational structure
 - Organizational chart for each Department (if available)
 - Current staffing levels
 - Strategic goals and objectives, if available
 - Historical data relating to work load and work flow, if available
 - Current benchmark data if available
 - Previously conducted studies that may be relevant to the study objectives listed above
 - Other relevant data as needed and requested

Compensation Summary

We would complete this study, based on the scope of services described in this proposal, for the lump sum fee of \$28,750 which includes all direct and indirect costs. This cost assumes all the department head, employee focus groups, and County Commissioner interviews can be completed in one trip. We would be glad to discuss any amendments to the proposed scope of services Aitkin County may desire to best fit its needs and to negotiate an appropriate corresponding change in our proposed fee.

Springsted would invoice for the work based on the schedule shown in the table below.

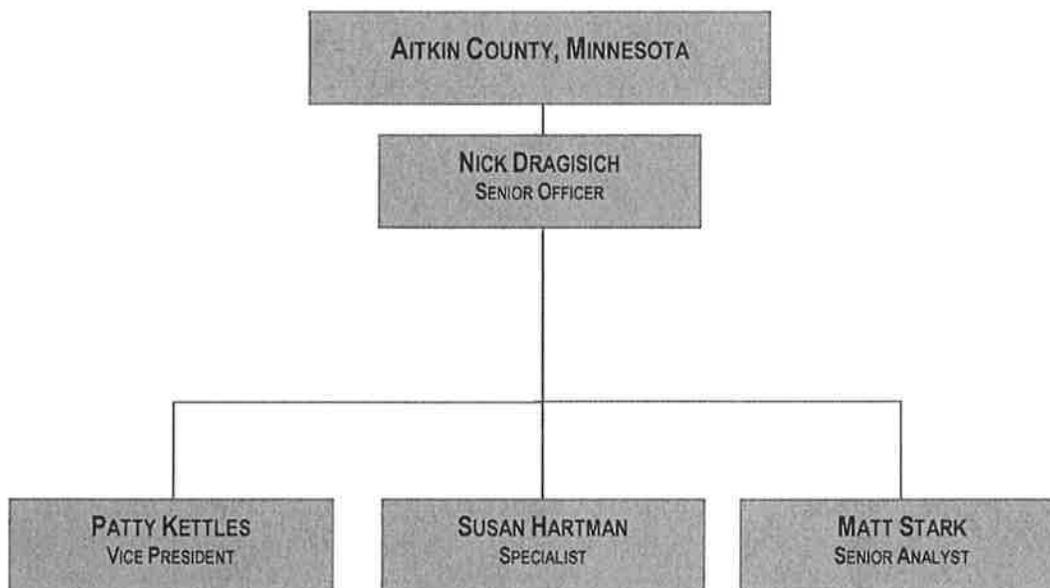
Time of Invoice	Percent Invoiced	Cumulative Percent Invoiced
Completion of Task 3	60%	60%
Completion of Task 6	30%	100%

Should the County request and authorize any other additional work outside the scope of services described in this proposal we would invoice the County at our standard hourly fees plus any related out-of-pocket expenses.

2018 Standard Hourly Fee Schedule	
Title	Rate
Principal & Senior Officer	\$260
Officer & Project Manager	\$215
Senior Associate	\$160
Support Staff	\$ 75

Project Team

Our staff's breadth of experience and depth of expertise are two of our most important characteristics in providing high-quality service to clients. Many of our staff have backgrounds in municipal and county government, education or with development firms and non-profit organizations, so they share our clients' perspectives in developing solutions. Each client draws on the talents of many members of our staff. We assign a specific client service team to ensure primary responsibility for each project. The teams are comprised of qualified individuals who are experienced in the specific challenges confronting you. The staff assigned to this project is experienced in conducting organizational management studies. The teams are free to draw upon the expertise of our entire staff.



Nicholas R. "Nick" Dragisich, PE

Executive Vice President



Mr. Nick Dragisich from our St. Paul, Minnesota office will be the senior officer responsible for overall project management.

Mr. Dragisich is team leader for Springsted's Management Consulting Services team. He has over 28 years of management experience, including service as a city administrator and city engineer. He joined Springsted Incorporated as a Management Consultant in 2000 and became the team leader for Management Consulting Services in 2003. Mr. Dragisich has been directly responsible for or involved in numerous utility expense and cost analysis studies as well as in the development of Excel[®]-based computer models for utilities in Minnesota, Iowa, Kansas, Maryland, Missouri, Nebraska, North Carolina, North Dakota, Virginia, Washington, and Wisconsin. He holds a master's degree in business administration, a bachelor's degree in civil engineering and is a licensed professional engineer in Minnesota and Washington. He is also a Municipal Advisor Representative Series 50 qualified.

Patricia L. “Patty” Kettles, CIPMA

Vice President



Ms. Kettles has over 22 years of experience working with Springsted clients on various projects, including performing utility rate analyses and financial feasibilities, financing options, capital improvement programming and debt management. Ms. Kettles has been directly responsible for or involved in numerous utility expense and cost analysis studies as well as in the development of Excel®-based computer models for entities in Minnesota, Iowa, Kansas, Maryland, Missouri, Nebraska, North Carolina, North Dakota, Virginia, and Wisconsin. Ms. Kettles holds a master's in business administration and a bachelor's degree in finance. She is also a Municipal Advisor Representative Series 50 qualified.

Susan Hartman

Specialist



Ms. Susan Hartman is a member of our Management Consulting Services Group, specializing in the areas of financial studies and cost allocation. Ms. Hartman has an extensive background in public sector finance. She served as a finance director in two Minnesota cities and as Director of Budget and Management Services for the City of Minneapolis where she was part of the team that updated the City of Minneapolis' indirect cost allocation plan. She holds a bachelor's degree in accounting.

Matthew T. “Matt” Stark

Senior Analyst



Mr. Matt Stark from our St. Paul, Minnesota office is a member of our Management Consulting Services Group. With the firm since 2002, he applies his analytical expertise to new challenges within the fields of operational finance, organizational management and human resources and economic development. He provides technical and analytical assistance on financial planning models, assists and advises clients on employee classification and compensation systems, performs cost-benefit analyses on economic development projects and is a key player for our Scientific Surveys. Mr. Stark holds a degree in physics from Penn State University.

Similar Projects:

Springsted has performed a significant number of similar studies for clients throughout the United States. We are currently working on several similar studies including:

- Chicago Metropolitan Agency for Planning, Illinois - Organizational Structure Review and Compensation Study
- Fauquier County Water and Sanitation Authority, Virginia – Organizational Management Study
- City of Le Sueur, Minnesota – Community Center Organizational and Funding Analysis Study
- City of Ingleside, Texas – Operational and Organizational Assessment

A representative list of similar projects is provided below.

- City of Duluth, Minnesota - Consolidation of Streets & Facilities Maintenance Study
- Laguna Woods Village, California – Organizational Management Study
- City of Hibbing, Minnesota – Public Utilities Financial and Organizational Management Study
- Pointe Coupee Parish, Louisiana – Organizational Management Study
- Cities of Albertville and Otsego, Minnesota – Shared Fire Services Study
- City of Kannapolis, North Carolina – Staffing Study
- City of North Branch, Minnesota - Consolidation of North Branch Municipal Water and Light with the City
- City of Elon, North Carolina – Staffing Study
- City of Spring Park, Minnesota – Organizational Management Study
- City of Delano, Minnesota – Consolidation of Department of Public Works and Delano Public Utilities
- City of Salisbury, North Carolina – Staffing Study
- Villages of Ossining and Briarcliff Manor and Town of Ossining, New York - Public Works Analysis
- City of Marshfield, Wisconsin – Operational Review
- City of Thief River Falls, Minnesota - Effectiveness and Efficiency Review and Analysis Water and Electric Utility
- City of Ramsey, Minnesota - Organizational Study and Review