

**CITY OF SAN DIEGO
M E M O R A N D U M**

DATE: April 22, 2005

TO: City Manager's Working Group on the Mayor-Council Transition

FROM: Bruce Herring, Deputy City Manager
Beth Murray, Assistant to the City Manager

SUBJECT: Update on the Mayor-Council Transition

Because our working group has not met since January we thought you would appreciate an update on the transition process. Our primary focus over the past three months has been on the legislative branch to address those issues that will have budgetary impacts, i.e. the creation of the new Office of Independent Budget Analyst, Office of Legislative Analysis, and Council Committee structure. Other issues have been raised by the City Council to add to the pre-budget list including constituent services and selecting the Council's Presiding Officer. This is a brief summary of the transition process to date.

City Council Meetings

- The Mayor and City Council have held 4 meetings:

January 24, 2005: First public workshop – staff was directed to issue an RFQ for consulting services.

March 1, 2005: The Mayor and Council selected two consulting firms: 1) Management Partners to advise on the executive branch; and 2) the Dewey Square Group to advise on the legislative branch. Staff presented, and Council approved the draft work plan.

April 11, 2005: The Mayor presented a tentative schedule of Council meeting dates for discussion of transition issues. The Council moved 2 additional items up from July 18, 2005 to April 18, 2005 - Presiding Officer and Constituent Services. The Dewey Square Group presented their report on the new Office of Independent Budget Analyst (IBA); Council discussed the formation of the IBA and referred the issue to the City Attorney to draft an ordinance to establish the office.

April 18, 2005: Council discussed the formation of an Office of Legislative Analysis; Council Committee structure; Presiding Officer; and constituent services. The Council voted to establish a Council Committee for transition planning purposes. Councilmember Peters was selected to chair the first meeting.

Citizens Advisory Committee

At the March 1, 2005 meeting the Mayor and City Council voted to establish a Citizens Advisory Committee (CAC) for the transition process. Councilmembers appointed one member from each of their districts, the Mayor had one appointment, and two at-large members were appointed as well. The 11-member committee has been meeting every Friday since March 18, 2005. The CAC is chaired by Norma Damashek of the League of Women Voters and Co-chaired by Doug Sawyer. The CAC meetings, agendas, minutes and reports are posted on the city's web page at: <http://www.sandiego.gov/mayortransition/cac/index.shtml>

Consulting Teams

- Dewey Square Group - Legislative Branch
- Management Partners, Inc. - Executive Branch

At the March 1, 2005 meeting, the Council selected the Dewey Square Group to work with the City Council on transition issues related to the legislative branch while Management Partners was selected to work with the Mayor and the City Manager on transition issues related to the executive branch. We have been spending a great deal of time working with Dewey Square in preparation of information requested by Council on the pre-budget issues. Dewey Square has produced 5 reports to date on the following topics:

- Independent Budget Analyst Office (IBA)
- Office of Legislative Analysis (OLA)
- Council Committee Structure
- Council Presiding Officer
- Constituent Services

All of the consultant reports are on the web page under documents.

<http://www.sandiego.gov/mayortransition/documents/index.shtml>

Management Partners was selected to work with the executive branch due to their extensive experience in city management - with many of their staff members having served as City Managers in various cities. While we have not yet fully engaged Management Partners to work on transition tasks, the Mayor's Office and Manager's Office have been meeting on a regular basis to outline the executive and administrative work plan issues. We expect to start working earnestly with Management Partners in the next few weeks. Once a detailed work plan is charted we anticipate assembling a group of staff members from various City departments to review operations issues and administrative procedures.

Independent Budget Analyst Office (IBA)

As stated above, Dewey Square Group presented their report to the Council regarding the formation of the new Office of Independent Budget Analyst (IBA) at the April 11, 2005 Council meeting. The Council generally agreed with the consultant's recommendations on the structure of the IBA office, except they wanted additional budget information from the City Manager's office before making any decisions on the size of the office in terms of staffing. The Council passed a motion to refer the IBA issue to the City Attorney's office to draft the necessary ordinance to establish this new function.

Office of Legislative Analysis (OLA)

While the creation of a legislative analyst was not specifically outlined in Proposition F, the Council requested that staff and the consulting team provide additional information on this function. The Council felt that in order to have balance between the executive and legislative branches they should have an independent policy staff to provide objective analysis on legislative matters. The Dewey Square Group has strongly recommended that the Council create an Office of Legislative Analysis that would co-exist with the Independent Budget Analyst. The consultant report states that "having a Council-wide policy staff that unifies the individual members will be critical as the Council strives for balance in the new government structure." However, the City Attorney's office has weighed in that this function may not be consistent with the City Charter. The City Attorney's staff is currently researching the issue and will provide an opinion.

Council Committees, Presiding Officer and Constituent Services

As requested by staff and the consultants at the April 18, 2005 meeting, Councilmembers provided additional comments, questions and direction on the issues of the Office of Legislative Analysis (OLA), Council Committee structure, Council Presiding Officer (Council President), and constituent services. These issues were referred to the new City Council Transition Committee for further discussion. Those meeting dates have not yet been established.

While the Council has not yet engaged in a comprehensive discussion on Council Committees, the consultants have recommended that the Council have five standing committees.

- Rules, Openness & Intergovernmental Relations (5 members)
- Budget & Finance (5 members)
- Land Use & Housing (4 members)
- City Operations & Neighborhood Services (4 members)
- Natural Resource & Culture (4 members)

The Council was hesitant to accept the consultant's recommendations until they have discussed the role of the Presiding Officer and how it relates to the standing committees.

In terms of the roles and responsibilities of the Presiding Officer, the Council will need to determine issues such as:

- Is the Presiding Officer elected by a majority vote or is it a rotating position?
- Is it a 1-year or 2-year term?
- Does the Presiding Officer appoint committee chairs, vice-chairs and members?
- How many committees does the Presiding Officer serve on?
- Does the Presiding Officer refer matters to the committees?
- Does the Presiding Officer have additional staff?

The Council had requested at a previous meeting that the topic of constituent services be added to the work plan. The Council wanted to learn about how other cities with a Strong Mayor form of governance organize this function. One of the primary questions was whether this is a legislative or executive function. The consultants prepared a preliminary report which was presented to the Council at the last meeting, at which time the Council requested that the consultant provide more anecdotal information from other cities.

Future Topics of Discussion

Future legislative branch issues to be addressed include matters related to the overall legislative process under the new form of government, new annual budget process, Mayoral veto process, Independent Agencies, Permanent Rules of the Council, and Council Policies. We anticipate that these topics will be docketed for the new City Council Transition Committee.

New City Council Transition Committee

As mentioned above, at the last meeting the Council voted unanimously to create a new Council Committee to handle transition issues. The Council agreed that more time is needed to focus on the transition process and regular Council agendas are too full to adequately address all of the issues. This new Committee will consist of all eight Councilmembers, but will not include the Mayor. Councilmember Peters was selected to schedule and chair the first meeting, at which time the Committee will select the Transition Chair to serve until the end of the year.

Council Staff Working Group

At the request of the Citizens Advisory Committee, the Council agreed to establish a working group made of Council staff members. Many of the transition issues that the Council must decide are complex and interrelated to one another and the Council's consultants depend on input and direction from the Council in formulating their recommendations. Because of this it was decided that the Council staff should form their own working group to clarify and frame the issues presented at the Council meetings – which will now be meetings of the new Council

Transition Committee. The Council Staff Working Group held their first meeting on April 15, 2005 which was open to the public and publicly noticed pursuant to the Brown Act. The next meeting has not yet been scheduled.

Rand Corporation Study

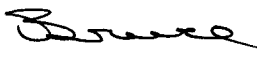
Many of you may have heard that the Rand Corporation was asked to conduct a study on San Diego's Strong Mayor Transition. It is our understanding that a group called the San Diego Better Government Association entered into a contract with the Rand Corporation in February. The Better Government Association includes many of the same citizens who worked on Proposition F. This study is independent of the City's undertakings. The scope of the Rand study includes some similar tasks that the City's consultants are engaged in such as; identifying the best organizational models for restructuring the executive and legislative branches, preparing a nuts and bolts survey of comparable cities, identifying City documents that need to be reconciled with the new governance system, providing a roadmap with realistic time frames in which to complete key element of the transition, among others.

Sharing Transition Information

In order to ensure that the transition process is open, transparent and inclusive, we have been working closely with the City's Web Team to ensure that all information relating to the transition is expeditiously posted to the web page. You may want to share this information with your staff if they are interested in reviewing the consultant's reports or just keeping informed of transition activities and progress.

Additionally, several departments and division have asked us to attend staff meetings to provide information and status reports on the transition process. Our presentations have primarily been to provide an overview of Proposition F and have been fairly general up to this point. However, we expect that in the upcoming months as the new Council Transition Committee engages in the specific issues, we will have more detailed information to share.

Lastly, we have received useful input from City staff members that will be beneficial as we contemplate administrative changes in the executive branch. We encourage staff to continue to send us their comments, questions, ideas and feedback. Beth Murray is collecting this information and can be reached at 236-6720. Libby Coalson and Jon Dunchack are also assisting in transition activities.



Bruce Herring
Deputy City Manager



Beth A. Murray
Assistant to the City Manager

Page 6
Working Group
April 22, 2005

BH/BM

Cc: P. Lamont Ewell, City Manager
Deputy City Managers
Department Directors