

TOWN OF WOODSIDE

Report to Town Council
From: Susan George, Town Manager

Agenda Item 8
January 24, 2006

SUBJECT: REPORT ON STATUS OF IMPLEMENTATION OF RECOMMENDATIONS DESIGNED TO IMPROVE THE PERMIT APPROVAL PROCESS DERIVED FROM THE DEVELOPMENT SERVICES REPORT ON THE ENGINEERING AND PLANNING/BUILDING DEPARTMENTS

RECOMMENDATION

It is recommended that the Town Council accept this report.

BACKGROUND

On July 26, 2005, the Town Council accepted a report from Management Partners, Inc., a management consulting firm engaged to evaluate the Town's Engineering Department and its role in the development review process. The report was entitled "Development Review Analysis" and included sixteen recommendations designed to improve the development review process in general and the Engineering Department's role in specific. Status reports on the implementation process have been submitted to the Town Council at its October 25, and December 13, 2005 meetings. This report provides an update of the progress made since the December meeting.

DISCUSSION

Each of the sixteen recommendations is reproduced in the following discussion and the status of each item is provided.

Recommendation 1: Add one dedicated and field experienced engineer to the Engineering Division and make him/her responsible solely for development review.

Status: The firm of CPS Executive Search was engaged to recruit qualified candidates for the new position. The first display ads have appeared in critical governmental and trade-related publications, such as *Western City*, and a brochure has been produced. CPS is now doing selective invitations to apply. The filing deadline for the position was January 11, 2006. Thirty applications were received. The consultant has narrowed the field to fifteen and is interviewing these applicants this week. The schedule anticipates an offer of employment being made during the second week of February.

Recommendation 2: Prepare a *detailed* application checklist for all divisions to be used by the applicant in preparing the submittal and by the reviewer in evaluating the submittal.

Status: A second version of a detailed checklist is in process and should be ready for use by the end of the month.

Targeted Completion Date: January 31, 2006

Recommendation 3: Prepare a standard format for review comments to improve organization and clarity of responses.

Status: A first draft of a standard format for review comments has been completed. A review session with Town staff will be held to find any "bugs" in the format before it is put into daily use.

Targeted Completion Date: January 31, 2006

Recommendation 4: If plan quality does not improve measurably with the addition of a development engineer, add clerical staff to ease project manager workload so that they can more thoroughly screen submittals.

Status: This recommendation can not be implemented until after the new engineer position is filled.

Recommendation 5: After the development engineer position is added, set specific review timelines and measure performance against them.

Status: This recommendation can not be implemented until after the new engineer position is filled.

Recommendation 6: Set standards for customer service and measure employee performance against them.

Status: This recommendation stems from a finding in the report that phone calls and e-mail messages are sometimes not returned in a timely manner. The report suggests the adoption of a standard such as "All e-mails/phone calls/voice mails shall be responded to within 36 hours." The report also indicates that "before the Town staff can realistically meet such commitments, resources must be added." No progress has been made on this recommendation since the December meeting. The Town Manager will continue to pursue a standard with the members of the Town's senior staff, to be implemented without the addition of resources and to identify a means for measuring performance against the standard that does not add burdensome administrative tasks.
Targeted Completion Date: January 26, 2006

Recommendation 7: Advertise the Town's willingness to hold pre-application meetings and encourage new applicants to attend one to go over the Town's process and to discuss realistic timelines.

Status: The availability of these meetings is emphasized in the recently completed edition of *The Woodsider* and an "advertisement" about this availability will be placed on the Town's website and a flyer placed in the information kiosk at Town Hall.
Targeted Completion Date: January 23, 2006 (and ongoing)

Recommendation 8: Copy the applicant/owner on all comments and conditions given to contractors.

Status: Implemented. Staff will ensure that the correct mailing address for the applicant/owner is being utilized.

Recommendation 9: Publish a website page or community newsletter article on the basics of building in Woodside.

Status: The Winter 2006 edition of *The Woodsider* is dedicated to the entire development process and includes a four-page insert entitled "The Basics of Building in Woodside" and other pertinent information. The insert will be added as a resource on the Town's website, as will the full newsletter.

Recommendation 10: Hold quarterly meetings with the development community to discuss regulatory changes, outline the Town's development review process, and other related matters.

Status: Not implemented yet. The implementation of Recommendations 2, 3, 7, and 9, as well as the Town Manager's completion of the pending information-gathering meetings with residents and their professionals, are critical prior to the implementation of such quarterly meetings.

Targeted Completion Date: March, 2006

Recommendation 11: Create a menu of standard design options and amenities and set design standards as much as possible to reduce variability at the Architecture & Site Review Board.

Status: The Planning Director agenda'd this recommendation for the Architectural and Site Review Board's (ASRB) November 21, 2005 meeting. The ASRB has appointed a subcommittee to work on this recommendation with the Planning Director.

Targeted Completion Date: Not yet determined.

Recommendation 12: Assure that applicants are given a copy of staff recommendations prior to finalization and are afforded an opportunity to provide comments in writing for distribution to all decision makers as part of the standard review process.

Status: Staff has begun to make a concerted effort to convey all concerns it may have about a project pending before the ASRB and/or the Planning Commission, prior to the finalization of its recommendations and reports, in order to provide applicants and staff an opportunity to resolve issues and to provide additional input concerning the project.

Targeted Completion Date: Ongoing

Recommendation 13: Set fees and surcharges to fully cover development-related costs.

Status: A consultant has been retained to undertake the needed study and to develop the required fee adjustment justifications. Staff feels that increases in fees should not go into effect until the additional resources needed to improve the development process are in place.

Targeted Completion Date: April, 2006

Recommendation 14: Purchase and implement a new computer software system that automates the development review project tracking and financial systems.

Status: A summer intern completed the initial research on available software. A Request for Proposals (RFP) is being developed by the Town Manager to solicit written proposals. The input of the new engineer will be useful in this undertaking. The impact of implementing a new system upon the day-to-day workings of Town staff needs to be assessed as a part of this process.

Targeted Completion Date: Late February, 2006 for the issuance of the RFP and hardware needs assessment. Software selection and implementation completion dates to be determined pending RFP issuance.

Recommendation 15: Expand open counter hours to the public to include the noon period and provide some hours open to the public after 3 p.m. when construction work generally winds down.

Status: Not yet implemented. A pilot project was being considered for early 2006 whereby afternoon hours would be shifted to accommodate customers with a preference for post-3 p.m. Town Hall visits. The heavy storms over the holiday break interrupted the day-to-day rhythm of the staff and the pilot project has been delayed for a month to allow staff to document damage incurred during the storms, expenses borne by the Town in response to the damage, and to continue to repair infrastructure that was negatively impacted in the last days of 2005 and first days of 2006. Continuing to assess viability of recommendation, given staffing constraints.
Targeted Completion Date: February 13, 2006 for pilot project

Recommendation 16: Provide reviewing employees the workspace necessary to be efficient, as funding and space permit.

Status: Not yet implemented. This is a long-range undertaking that will require an analysis of space and capital funding.
Targeted Completion Date: Recommendations to be developed for Town Council consideration in tandem with the Third Quarterly Budget Review in April of 2006.

Item 17: The Town Manager will undertake a series of meetings with Town residents and their professionals who have been involved with the permit approval process within the last two-to-three years for purposes of soliciting additional feedback and recommendations for improvement of the process.

Status: The Town Manager has scheduled meetings for February 9th, 13th, and 16th and the first letters of initiation have gone out, with more to follow this week. Additional meeting dates will be set if there is demand.
Targeted Completion Date: February 17, 2006

CONCLUSION

The implementation of these recommendations continues to be the Town Manager's highest priority. Since the last status report, unexpected interruptions (winter storm emergencies, Grand Jury inquiries) have slowed progress somewhat. A copy of the latest edition of *The Woodsider* is attached for review. It will be back from the printer and in the mail the week of January 24th.

Attachment

TOWN OF WOODSIDE

DEVELOPMENT REVIEW ANALYSIS

July 2005



MANAGEMENT PARTNERS

INCORPORATED

July 15, 2005

Ms. Susan E. George
Town Manager
Town of Woodside
2955 Woodside Road
P.O. Box 620005
Woodside, CA 94062

Dear Ms. George:

We are happy to present this report of our analysis of the Town's development review functions. We have interviewed employees and customers, examined actual sample project files, and collected relevant data to determine whether Engineering Division comments are technically appropriate and fair to customers. As you'll see in the report, our determination is that the Town's engineering requirements and comments are not unusual for construction in difficult terrain such as Woodside's and for the kind of complex, custom construction occurring there. With this said, the Town could improve its manner of communicating such requirements and we include many recommendations in that regard.

In general the Town's development review process is working well, but additional staffing is necessary to provide improved customer service. Woodside operates with a remarkably small staff of just 17 full-time equivalent employees, but there is a limit to the existing staff's capacity to absorb an increasing workload – reflected more in the complexity of review and processing than in actual permit numbers – and still provide good service. The Town can improve its communication to customers in several ways, most importantly, through creation of a detailed applicant/reviewer checklist for submissions. Finally, an investment in software and physical workspace could enhance employee productivity.

In general, Town staff members are dedicated to providing good quality customer service and show much enthusiasm for doing so. The recommendations within this report, if implemented, will further improve service levels. Management Partners wishes to thank the Town Manager, the Director of Planning and Building, the Assistant Town Manager and Town Engineer, and all city staff for their involvement in, and assistance with, this report. We have enjoyed our work in Woodside and thank you for the opportunity to undertake this project.

Sincerely,

Andrew S. Belknap
Regional Vice President

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EXECUTIVE SUMMARY

The Town of Woodside is a unique and vibrant community comprised of an active citizenry with an interest in ensuring that the community retains its small town, wooded, hillside nature. In general, the Town's development review process works well and quality projects, including extremely complex custom homes, are built. The unique character and nature of the Woodside community has been retained through a vigorous design process. Customers state that staff members are generally responsive and perform quality work.

The development review process can be further improved, however, by addressing some weaknesses in the review portion of the system. While technically the review comments are sound, the manner in which they are communicated requires some improvement. Lack of engineering staffing, as well as the submission of incomplete or poor quality work on the part of applicants, results in the need for numerous re-submittal cycles, thus further delaying the process. The Town needs to manage customer expectations by providing better upfront and proactive communication on its processes. The Town should attempt to complete as much design review work as possible by providing guidelines and standards upfront to minimize the potential for major re-design due to decisions by the Architecture & Site Review Board and/or Planning Commission later. Staff productivity could be enhanced through better tracking and billing software and better workspace. Finally, fees and charges for service should be structured to cover 100% of development review costs.

While some items can be quickly remedied in the next few months, other items (such as adding staff and getting new technology and office space) will require longer timeframes. Since many of the issues require technical input from an already busy staff, outside assistance may be necessary to move these changes forward while making best use of staff resources.

The Town is in a position of strength to move forward. Department heads and Town management have expressed an earnest willingness to address issues and make changes and the employees are quite knowledgeable. With careful, planned and methodical implementation of the recommendations included here, the Town of Woodside can greatly improve customer service, reduce process times, and improve the work environment for its employees.

INTRODUCTION

One of the most sensitive areas of municipal operations is the organization and process for developing or improving the uses of land. Every city is under constant scrutiny to properly treat customers of services related to development and building and this is further exacerbated in the Town of Woodside, which serves customers with very high service expectations.

In keeping with stated goals to better serve customers and in response to specific complaints, the City of Woodside retained Management Partners in July 2004 to conduct an evaluation of the city's current development review, building permit, and related processes with a specific focus on the Engineering Division component.

In general the planning and building permit processes work quite well though some minor improvements can be made. The Engineering Division review process, however, has more significant issues, primarily regarding review timelines, standards and communication with the customer.

The remainder of this report presents the approach used by Management Partners in preparing this study, the specific conclusions drawn from the analysis and 16 specific recommendations for improvement, which have been summarized in Attachment A.

PROJECT APPROACH

In July 2004 the Town of Woodside retained Management Partners to perform a neutral, third-party, analysis of the Town's development review functions. This review was focused primarily on the Town's Engineering Division and its role in the development process, but also includes a less-detailed review of the Planning and Building Division activities in an effort to improve the Town's overall process and better serve customers.

In July and August, Management Partners began this project by undertaking personal interviews with the Town Manager and with managers and key employees in the affected city departments — primarily Public Works and Planning and Building. These interviews provided the opportunity to gather general information on the status of the Town's development review and building permit processes, identify perceived problem areas, and gain insight into organizational dynamics.

In order to gauge perceptions about the Town's processes, Management Partners also interviewed several customers and users of the process including developers, construction managers, engineers, and others. Participants were asked what they felt were strengths and weaknesses of the current system and then to suggest solutions or improvements. These interviews took place in September and October of 2004.

Management Partners also reviewed sample projects from the Town's files. Five actual projects were "deconstructed" to learn more about the current process and how it could be improved. Timelines were reviewed, along with the actual comments and conditions imposed by Engineering Division staff. These comments and conditions were then analyzed against published Town standards including the Woodside Code of Ordinances and Required Information for Architectural and Site Review. These comments and conditions were also compared with standards in other jurisdictions in order to gauge quality and appropriateness.

During the course of this review, Management Partners collected numerous documents from Town staff that relate to the development review and building permit processes. These items were reviewed and, when appropriate, analyzed to provide further insight. Each step of the project approach served as a means of validating and cross checking the information developed in other phases of the work to ultimately provide the Town with insight regarding current operations and recommendations for improving service to the customer.

ANALYSIS AND RECOMMENDATIONS

In undertaking this review, it has become obvious that the Town of Woodside is a unique environment in which to work and do business. Although it is a small town, the size and complexity of the projects that must be processed in Woodside is anything but “small town” in character. These developments, very often large custom homes with multiple structures, complex designs and little standardization, make the review process difficult and time-consuming. Unique environmental factors, including active earthquake faults, floodplains, steep slopes and the lack of a complete sewer system combine to make the work even more challenging. Generally, construction must occur between April 15 and October 15 each year as no grading work is allowed during the fall/winter moratorium.

Suffice it to say that the process in Woodside is far removed from that in other communities that are reviewing standardized subdivision tracts. Woodside is essentially a rural community, with very limited infrastructure, where the demand for development and the development process itself is much more like that found in the more urbanized cities of the Bay Area. Specifically, the Town has no formal storm drainage system, and a very limited sewer system. These factors, coupled with the drainage and seismic issues within the Town, make development and the associated review process extraordinarily complex. To make the situation even more difficult, the nature of development projects in Woodside is unusual, consisting mainly of large-scale custom redevelopment on previously developed parcels. These projects are typically “one-of” with a high degree of owner involvement.

Town staff members are in the position of serving builders, architects and engineers, property/project owners and the public all at the same time. The highly participatory nature of the community adds greater intricacy and time delay to many processes. Customers have high service expectations and often do not understand state and local development processes, requirements, and timelines, leading to frustration.

The very nature of a study of organization and process involves looking for ways of improving the services under review. As such, the positive aspects of the service delivery and those employed in providing that service are considered to be givens. As the findings and recommendations for the development review and building permit processes are reviewed herein, it is important to note that there is a

dedicated and loyal group of employees working in the Town who, on a daily basis, attempt to provide good service to the user public. In many cases they are subject to organizational decisions, past practices, and regulations promulgated by others that impact the method in which they undertake their work. Also, the very nature of regulatory functions can be expected to create tensions and frictions between the service provider and the customer. The challenge to the public agency is to create an atmosphere whereby the agency works with the customer in meeting the regulatory requirements. With proper direction, procedures, and resources, Town employees will have the ability to successfully implement and enact the recommendations of this report successfully.

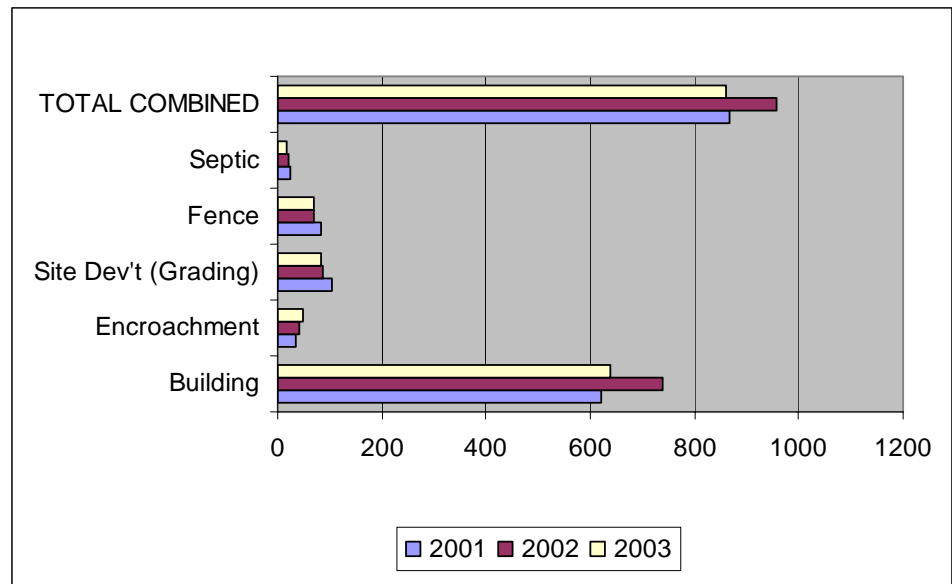
The development review analysis with recommendations for improvement has been organized into two sections: Engineering Division and Town Development Review Processes. As each of these areas impacts on the other, there will be an overlap of some comments.

Engineering Division

A primary issue impacting the entire development process in Woodside is the fact that there are no engineers dedicated to providing development review. Two engineers, the Assistant Town Manager and Town Engineer and the Senior Civil Engineer, are on staff with the Town. Both of these positions cover a multitude of duties and are by all accounts, extremely busy. The Senior Civil Engineer is primarily responsible for performing daily development review work, reviewing plans and providing engineering comments and conditions. However, he is not solely dedicated to this function and also is responsible for bidding and construction of the Town's capital projects, for maintaining local trails, and for overseeing the Town's storm water program, among other things. As these issues typically are related to overall public needs, they tend to get priority attention over plan check work. In addition, there is no backup for illnesses, vacations or other types of leave and outside contract reviewers are rarely hired to perform engineering reviews. The Senior Civil Engineer also performs the vast majority of his own clerical work including making copies, typing correspondence and other routine functions.

A review of applications over the past three fiscal years shows that workload has remained quite stable. As Figure 1 below shows, total number of applications has not varied greatly.

FIGURE 1: TOWN OF WOODSIDE PERMIT APPLICATIONS FY 01-03



Dividing the total number of applications of all types by 220 work days per year (including holidays, vacation, sick and training leave) results in the engineer's need to review an average of 3.9 to 4.4 permit applications per day. From an industry standpoint, this workload, by itself, is not unreasonable for a single employee to manage. Jurisdictions that set productivity targets for engineering plan review typically estimate 6-8 reviews can be accomplished per day per plan reviewer. However, this would not be an achievable target in Woodside given the extreme complexity of the plan checks and the associated valuations. Management Partners' experience in development review functions suggests that Woodside would be doing well to achieve 50% of the typical work output for a full-time plan reviewer. As noted, Woodside is not currently able to devote a full-time equivalent engineer to this work. Exacerbating this situation is the fact that the workload is growing in terms of the complexity of review for each project, as requirements by the Water Quality Control Board and State Department of Fish and Game increase in complexity.

Given the fact that engineering has so many other responsibilities, and the fact that the existing workload is more than can reasonably be expected from the resources available, it would be expected that customer service and timeliness would suffer. And customer interviews clearly show that the Town is not meeting its needs in terms of outreach and staff accessibility.

The end result is that the Engineering Division, at times, simply cannot meet development review deadlines. Because "the convoy only moves as fast as the slowest truck," the result is a delay for the Town's entire development review process and customer frustration that review staff is not more readily available.

Our review of project files indicated that the average review period for engineering was approximately 41 days. Based on experience in other cities and the California Permit Streamlining Act, residential permit reviews should generally take 21-30 days. The Engineering Division cannot be depended upon to meet review deadlines and provide a consistent process for the customer. This not only reflects upon engineering, but also effects customer perception of the Planning Division as well which, at times, is delayed while waiting for the Engineering Division to respond. The lack of adequate focus to engineering development review is a particular concern in Woodside due to the difficult terrain on which many development projects are being built and the engineering complexities associated with high-end custom construction. The need for staff-customer communication in terms of engineering review will be greater here than in other communities.

Another issue of significant concern to customers is their belief that the Town does not have enough staff resources with field engineering experience. In interviews customers consistently complained that the Town requires detail on plans that is inappropriate or too rigid. It is however, difficult to assess the validity of this comment because of the unique development environment in Woodside. For example, because of the lack of a storm drain system, drainage calculations must be more detailed to insure that down grade properties are not damaged. In a review of actual plans and conditions Management Partners did not find any instances of conditions going beyond what is required by Town Code. Some customers noted that they would work around Woodside's stringent design requirements by taking the design to the building permit phase and then change it in the field later. This results in both a waste of design time and review time, and needs to be rectified.

Recommendation 1: Add one dedicated and field experienced engineer to the Engineering Division and make him/her responsible solely for development review. By placing the engineering review function with one position, the Town would increase accountability for the process. Responsiveness should increase markedly by having one person solely devoted to performing such reviews and being accessible to meet and communicate with the public. The person hired should specifically be required to have had field experience to ensure an understanding of all aspects of construction. Performance and productivity should be measured and tracked. The Senior Civil Engineer would then be relieved of his development review workload, freeing him up to focus on other important duties such as the Town's capital projects, stormwater and trails programs.

Our review of Engineering Division comments provided to customers as the result of a review showed that communication needs to be strengthened. While the technical issues at hand may have been appropriate for discussion (this is discussed further below), the manner in

which they are communicated can be improved. There were many comments for each permit application and some appeared to be more for the Town staff's benefit than the customer's. Comments were not very well organized, not numbered consistently from initial to subsequent reviews, and at times could be vague and difficult for inexperienced developers to understand. Again, these are the types of communication problems which surface when there is more "input" than the resources available can process.

Problems exist on both sides of the issue. In some cases, information is not provided properly to staff in order to complete a review. In other cases, staff is unclear in communicating what is required to complete the application. (This, of course, has a direct correlation to time available for preparing comments.) Problems appear to arise due to a variety of factors including, in the order with which they occur: 1) a lack of knowledge of development and the development process by customers, 2) errors and omissions in the work submitted to the Town, 3) compliance problems where the applicant is unwilling to follow requirements, and/or 4) fraud where an applicant attempts to mislead officials on project plans or status of work.

Recommendation 2: Prepare a *detailed* application checklist for all divisions to be used by the applicant in preparing the submittal and by the reviewer in evaluating the submittal. More than one person interviewed stated that the City of San Jose has such a checklist that could be used as a model. Such a checklist should include all standard plan submittal requirements as well as including a section where the reviewer can add project-specific comments. This checklist should be given to the applicant upfront, prior to submission, so that s/he has a guide for the architect or designer in preparing the plans. Preparing such a checklist takes time and may require outside assistance but will save time in the end by reducing re-submittals. This, in turn, will lead to fewer delays and greater customer satisfaction.

Recommendation 3: Prepare a standard format for review comments to improve organization and clarity of responses. Some thought should be given to both what is being requested of the customer and *how* it is being communicated. While use of such a form is most necessary for use by the Engineering Division, use of a standard format by all Town reviewers would make it easier for customers to retain the information. This communication should clearly show the applicant what steps are complete and what remains to be done. The fact is that development review in the Woodside environment is bound to be an iterative process, and it is important to communicate progress.

In reviewing actual comments from project files, it is apparent that a considerable number of engineering comments relate to the receipt of incomplete submittals and/or a lack of responsiveness to previous comments on the part of the applicant. Interviews with customers and employees showed that architecture firms, particularly those outside of the local area that are unfamiliar with Woodside's requirements, often have difficulty. The Senior Civil Engineer and other staff agree that the quality of incoming work is an issue and that staff spends time reviewing incomplete or questionable work by contractors who did not comply with Town requirements. Thus, the same comments are repeated from submittal to submittal.

To reduce this cycle and decrease delays while increasing the efficient use of professional review staff, the Town should create a system to ensure that quality is acceptable before receiving the plans. While one option that was suggested to us was to have the project managers do a more thorough screening at the counter, the project managers do not believe they have the time to do such and our casual observation of them at work leads us to agree. The implementation of Recommendations 1 and 2 above will, in our opinion, improve the quality of incoming work. This issue should be monitored, however, and if improvement is not documented the Town should implement the recommendation below:

Recommendation 4: If plan quality does not improve measurably with the addition of a development engineer, add clerical staff to ease project manager workload so that they can more thoroughly screen submittals.

One of the common complaints heard from customers is that the technical requirements and comments from the Engineering Division are not applicable and/or reasonable. Repeatedly we were told that engineering wanted such a level of detail on plans that they were, in essence, no longer design plans but "as built." Some of the specific complaints provided to us during this review included:

- "In grading plans with pipes engineering wants every measurement detail (not just start and end like other towns)."
- "Engineering has boilerplate plan check items that are excessive" (e.g., "Label all inverts" on a length of pipe that is 20 feet long).
- "We get generic responses like "check inverts" – where? I'm not going thru 20 pages of plans to figure out where."
- "For sewer lateral, engineering wants inverts all the way to the main from house. Not used in field."

- “Engineering wants us to give exact cubic yards of fill being moved, will go back and forth in negotiating. “ Is it 120 or 125?” Waste more money in negotiating exact figure than permit fee difference.”
- “Engineering wants engineering calculations on a one-foot high retaining wall – other towns don’t do this.”

Our review of actual comments and conditions from sample project files against those in other cities and against Woodside’s regulations shows that engineering requirements and comments, while perhaps a bit too focused on drawing minutiae such as fonts and arrow directions in some cases, are not unusual for the building conditions in Woodside and are in keeping with local regulations. Also it should be kept in mind that the majority of comments relate to drainage and/or sewer issues. Woodside has a significant lack of infrastructure in both areas, which necessitates more development planning.

Several technical problems with development projects are arising from the lack of a sewer system and communications between the County Health Department, the Town and applicants concerning existing septic systems and access to the sewer system. This issue is beyond the scope of this report, but it is an issue that should be addressed, and may require amendments to the Town Code. The nature of the problem results from the fact that sewer hookups are severely limited, and are reserved for those with a failing septic system. However the ability to further develop property is often inhibited by the capacity of the septic system, so property owners wishing to develop have an incentive to obtain a sewer hookup. The County Health Department, which permits septic systems, prefers sewer hookups to septic systems and does not have an understanding of the City’s sewer capacity limitations or allocation system. The end result is much discussion and dispute about the sewer allocation system in particular and the handling of wastewater in general, which takes up a very significant part of engineering’s staff resources.

Town Development Review Process

Staff accountability for the entire development review process can be strengthened. Customers are not given set review timeframes that they can count on, and the Town does not require itself to meet any such deadline. The Engineering Division is not required to meet any internal deadlines such as those of the Planning Division, in turning around reviews. Though the Town’s “Permit Application Review Status Summary Form” sheet is completed for each project and is an excellent tool, the information on it is not used for tracking overall review timeframes and there is limited measurement of individual employee performance.

Recommendation 5: After the development engineer position is added, set specific review timelines and measure performance against them. While the Town has set goals for review turnaround times, it does not hold itself accountable for meeting these goals nor guarantee them to the customer. Some jurisdictions go so far as to offer reduced fees if stated timelines are not met. By tracking the information that already is collected by Town staff manually on the “Permit Application Review Status Summary Form,” the Town will easily see where process bottlenecks occur. If an employee is unable to meet set goals or standards, the problem should be raised with the Community Development Director and/or Town Manager to evaluate the reasons and determine the remedy.

Though not a major issue, customers did repeatedly complain that phone and email messages are sometimes not returned in a timely manner or at all, particularly in the Engineering Division but elsewhere as well. While they recognize staff is busy, they expect common courtesy and access to ask questions, get information, and move their projects forward.

Recommendation 6: Set standards for customer service and measure employee performance against them. Staff should agree on customer service standards in terms of responding to public requests or calls. Some standard such as “All emails/phone calls/voicemails are responded to within 36 hours” should be established. Responding to customers should become a management and staff priority. Again, however, before the Town can realistically meet such commitments resources must be added.

Customers and staff agree that communication from the Town to the customer should be strengthened. The Town does offer a voluntary pre-application meeting with customers but it is not readily advertised and is not noted or discussed on the Town’s internet website. While the Town does have several handouts and plan standards available and considerable forms and information on the website (which was appreciated by customers), it does not provide a comprehensive and detailed checklist for customers on all items that will be reviewed.

Recommendation 7: Advertise the Town’s willingness to hold pre-application meetings and encourage new applicants to attend one to go over the Town’s process and to discuss realistic timelines. While the Town already offers voluntary pre-application meetings, it should work to encourage such for all new applicants. The discussion should be documented in writing so all parties are on record.

As stated earlier, the Town of Woodside is somewhat unique in the type and complexity of projects being built, as well the extremely high expectations of the customer. Woodside customers are typically wealthy, intelligent, and accustomed to getting a fast response, to their liking. They are not likely to be aware of statutory governmental noticing and timing requirements or to understand the Town's process in any detail, nor do they necessarily want to. They anticipate that their initial project design will be built and do not expect design changes and delays associated with advisory boards such as the Architectural and Site Review Board. Some employees as well as some customers feel that delays in the initial design phase only exacerbate customer frustrations when they subsequently get to the engineering review phase. According to customers there is little proactive staff outreach to educate them on the process or about changes in local regulations. Finally, owners often are not involved in the daily tasks associated with their project but cede control to their agents and may have no idea about re-submittal loops and requirements. They may only hear from their architect/contractor that the Town is holding things up, which may or may not be the case.

Recommendation 8: Copy the applicant/owner on all comments and conditions given to contractors. This simple step ensures that all parties are aware of what is actually occurring and where things are in the process. In this way contractors are held accountable by making the owner aware of re-submittals and submission quality.

Recommendation 9: Publish a website page or community newsletter article on the basics of building in Woodside. Provide information on the steps in the Town's process, typical (realistic) review timelines, information on the grading moratorium, and tips on hiring contractors to move the project through the system faster (i.e., use contractors who are familiar with Woodside's requirements). Providing this general information will prepare customers for the realities of Woodside's process.

Recommendation 10: Hold quarterly meetings with the development community to discuss regulatory changes, outline the Town's development review process, and address other related matters. These meetings should include staff from all reviewing divisions.

As stated above, some employees and developers believe that part of the frustration with the engineering review is that the design phase beforehand was longer and more detailed than anticipated by the customer. At present, the Town has only limited design standards to guide design review. The Architecture and Site Review Board (ASRB) was viewed by many customers as acting arbitrarily and exercising too much discretion. Developers noted spending hundreds of thousands of dollars to provide the detailed designs requested. Many customers requested that the Town provide them upfront with a menu of acceptable

color palettes and amenities that would automatically be approved by ASRB. They requested that the role of the ASRB members be further delineated so that the design phase can be streamlined and timelines shortened.

Recommendation 11: Create a menu of standard design options and amenities and set design standards as much as possible to reduce variability at the Architecture and Site Review Board. The Town should prepare a menu from which customers can pick and, if they do so, should speed approval of their designs. Those designs seeking exemptions or using non-menu items would require greater scrutiny.

More than one customer noted that the process between Town staff and applicants/customers is overly formal. Staff tends to rely on formal interactions such as mailings or notices rather than pick up the telephone to speak with a customer. To a large degree this type of communication is intended to protect both the Town and the applicant from any procedural errors or charges of favoritism. One repeated complaint is that applicants are not given advance notice of Planning Commission staff reports. By the time they receive the report, there is no time to make even minor changes and often the result is a delay until the next meeting, which can be some time. This is an area where the Town can make changes to improve customer service without compromising the process.

Recommendation 12: Assure that applicants are given a copy of staff recommendations prior to finalization and are afforded an opportunity to provide comments in writing for distribution to all decision makers as part of the standard review process . This will also allow the applicant to determine if project proposal changes are warranted prior to submittal to the Planning Commission

In reviewing the Town's budget, it is apparent that the Town is not fully recovering its costs. The 2004-05 Approved Town Budget states that cost recovery in the Planning and Building Department is at 90% This however does not include civil engineering plans review costs, nor does it include an allocation of Town overhead costs. Based on interviews we estimate that approximately 50% of the FY 2004 general engineering budget of \$195,244, or approximately \$97,500, is related to private development review and regulation. This amount taken together with the estimated General Fund subsidy in the planning area of \$116,000 should be considered for user fee funding.

Recommendation 13: Set fees and surcharges to fully cover development-related costs. Fully covering engineering costs would require an average permit and service charge increase of 11%. Because fees have not been raised in several years and associated revenues have actually fallen somewhat, an increase of this amount would not be unreasonable, especially when linked to service enhancements.

State law provides that a surcharge on building permits may be used to pay for long-range (advance) planning costs as well as technology to automate development review processes. It is Management Partners' opinion that the General Fund should not in any way subsidize development review and that, in fact, fees can be established to pay for true costs and to fund improvements recommended in this report such as additional staffing and software.

Planning and Building employees, and especially the project managers, regularly commented that the process of tracking projects, handling billing and issuing receipts was primarily manual and that the existing computer software was insufficient to meet current needs.

Recommendation 14: Purchase and implement a new computer software system that automates the development review project tracking and financial systems. While such systems can be costly and implementation can take some time, the benefits in increased employee productivity and reduction of mathematical errors are significant.

While not a primary concern, customers repeatedly remarked that the current limited open counter hours was a problem. Currently counter hours are open from 8 to 10 a.m. and 1 to 3 p.m., and customers stated they would like to see longer counter hours and/or have employees be more accessible. In particular, they noted that having the counter closed at noon – when many are free to come in – was not desirable.

Recommendation 15: Expand open counter hours to the public to include the noon period and provide some hours open to the public after 3 p.m. when construction work generally winds down. One approach to doing this would be to offer counter services from noon to 4 p.m.

Several employees and even some customers noted that employees did not have adequate workspace to properly perform their jobs well. As funding permits, the Town should improve employee workspace to improve productivity and morale.

Recommendation 16: Provide reviewing employees the workspace necessary to be efficient, as funding and space permit. .

CONCLUSION

The Town of Woodside is a vibrant community comprised of highly participative elected officials and residents who are active in ensuring the community retains its small town, wooded, hillside nature. In general, the Town's development review process works well and quality projects are built. The unique character and nature of the Woodside community has been retained through a vigorous design process. Customers state that staff is generally responsive and performs quality work.

The development review process can be further improved, however, by addressing some weaknesses in the review portion of the system. While technically the review comments are sound, the manner in which they are communicated requires some improvement. Lack of engineering staffing, as well as the submission of incomplete or poor quality work on the part of applicants, results in the need for numerous re-submittal cycles, thus further delaying the process. The Town needs to manage customer expectations by providing better upfront and proactive communication on its processes. The Town should attempt to complete as much design review work as possible by providing guidelines and standards upfront to minimize the potential for major re-design due to decisions by the Architecture and Site Review Board and/or Planning Commission later. Staff productivity could be enhanced through better tracking and billing software and better workspace. Finally, fees and charges for service should be structured to cover 100% of development review costs.

As was stated at the outset of this report, because the many positive aspects of the organization are not detailed here, the conclusions and recommendations might be construed as a totally negative assessment of current operations. The recommendations contained in this report are designed to bring about possible improvements. They represent a means of utilizing the obvious talents and competencies of a very qualified staff. They will match with an expressed desire of an organization to provide quality services to its customers within the parameters of the rules it is required to administer.

Careful, thoughtful and reasoned implementation of the 16 recommendations in this report will have a positive impact on the Town's organization, its employees and its customers.

ATTACHMENT A – RECOMMENDATIONS

Recommendation 1: Add one dedicated and field experienced engineer to the Engineering Division and make him/her responsible solely for development review.

Recommendation 2: Prepare a *detailed* application checklist for all divisions to be used by the applicant in preparing the submittal and by the reviewer in evaluating the submittal.

Recommendation 3: Prepare a standard format for review comments to improve organization and clarity of responses.

Recommendation 4: If plan quality does not improve measurably with the addition of a development engineer, add clerical staff to ease project manager workload so that they can more thoroughly screen submittals.

Recommendation 5: After the development engineer position is added, set specific review timelines and measure performance against them.

Recommendation 6: Set standards for customer service and measure employee performance against them.

Recommendation 7: Advertise the Town's willingness to hold pre-application meetings and encourage new applicants to attend one to go over the Town's process and to discuss realistic timelines.

Recommendation 8: Copy the applicant/owner on all comments and conditions given to contractors.

Recommendation 9: Publish a website page or community newsletter article on the basics of building in Woodside.

Recommendation 10: Hold quarterly meetings with the development community to discuss regulatory changes, outline the Town's development review process, and other related matters.

Recommendation 11: Create a menu of standard design options and amenities and set design standards as much as possible to reduce variability at the Architecture & Site Review Board.

Recommendation 12: Assure that applicants are given a copy of staff recommendations prior to finalization and are afforded an opportunity to provide comments in writing for distribution to all decision makers as part of the standard review process

Recommendation 13: Set fees and surcharges to fully cover development-related costs.

Recommendation 14: Purchase and implement a new computer software system that automates the development review project tracking and financial systems.

Recommendation 15: Expand open counter hours to the public to include the noon period and provide some hours open to the public after 3 p.m. when construction work generally winds down.

Recommendation 16: Provide reviewing employees the workspace necessary to be efficient, as funding and space permit

ATTACHMENT B – SUGGESTED IMPROVEMENTS FOR ENGINEERING REVIEW RESPONSE TO CUSTOMER

The following, based upon a review of actual engineering review comments to customers from project files, are specific recommendations to improve communication to customers when providing engineering review comments:

- 1) Make a list of a) plan revisions, b) site conditions
- 2) Make a checklist form which includes all items required by the applicant.
- 3) Use checkbox form to address all outstanding items in revised submittals made by applicant.
- 4) Conduct a pre-review of plans to familiarize the applicant with the requirements for submittal.
- 5) Prepare a list of required items and the cite code sections or guidelines which reference the requirement.
- 6) Have the town engineer produce and refer to his own list of items for a project, independent from the comments given to the applicant.
- 7) Make a generic list of code requirements for a project. Modify this list when reviewing specific projects. All projects may have certain requirements and many projects will have site specific requirements.
- 8) Separate town engineer requests into two areas. a) data required to support the project b) data required on the plans or maps.
- 9) Prioritize requirements placing the most important items first on the list.
- 10) Prepare subheadings for related comments. Such as adjacent property issues, vegetation issues, grading/erosion control issues, structure a, b, issues, etc.
- 11) Prepare permit application materials and application review comments that make it easy for the applicant to comply.
- 12) Make an initial set of comments and continue reviewing those comments with the applicant until they are complete. Do not add more comments.
- 13) Write comments that specifically address a known condition. If the condition is not known by the town engineer, initial verbal inquiry should be pursued for clarification before making a written comment.
- 14) Separate questions from required revisions.

- 15) Prepare and provide drawings of generic details required for compliance. For example, make a one page drawing of standard erosion control measures to give to the applicant to familiarize them with basic requirements.
- 16) Separate items which require verification from applicant plan revisions.
- 17) Create check boxes which quickly provide the applicant with the status of any given requirement or town review comment. Suggested check box names are: omit, add, verify, revise, not to code, conflicting information, revise assumptions, revise drawing, provide additional data, etc.
- 18) When the town engineer makes comments they should not be in the form of questions. Questions need to be clarified elsewhere in the process.
- 19) Make a blank form for earthmoving.
- 20) Create some aspect of the review that is consistent from applicant to applicant. Have a generic review list and a project specific review list. Create consistency in the review comments.
- 21) Refer to previous comments as required vs. repeating those comments already given to the applicant in previous correspondence.
- 22) Use an initial questionnaire to find out relevant information on project, such as number of bedrooms, number of structures, wall, pools, spas, etc.
- 23) make a list of common applicant mistakes or omissions. Hand this out to applicants when they inquire about submitting plans for review.
- 24) Provide applicants with an evaluation form to comment on the process. Have a place there for suggestions to improve the process. Listen and implement when suggestions are reasonable.
- 25) Have a set of plans that meets the basic requirement for submittal available to applicants to see what the right submittal looks like.

