



REPORT TO COUNCIL

City of Sacramento 17

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Staff Report
December 8, 2009

**Honorable Mayor and
Members of the City Council**

Title: Examination of City/County Functional Consolidation Opportunities

Location/Council District: Citywide

Recommendation: Direct the City Manager to coordinate with the County Executive and report back in 90 days with the identification of specific services with the most opportunity for functional consolidation

Contact: Gus Vina, Assistant City Manager, (916) 808-7138

Presenters: Gus Vina, Assistant City Manager, (916) 808-7138

Rob Leonard, Director, Economic Development and Government Affairs,
County of Sacramento, (916) 874-7876

Department: City Manager's Office and County of Sacramento

Division: N/A

Organization No: 02001011

Description/Analysis

Issue: As every level of government looks to reduce overall spending, the functional consolidation of a select number of City and County services may allow for a more efficient and affordable delivery of services that residents rely on. The principles outlined in this report are intended to provide a framework for City and County staff to evaluate areas of opportunity for functional consolidation of select services currently provided by the City and the County.

Policy Considerations: Evaluating the merit of functionally consolidating select services is consistent with the City's efforts to identify cost saving efficiencies and right-size the organization to meet reduced revenue trends.

Environmental Considerations: The recommendations do not constitute a "project" and therefore are exempt from the California Environmental Quality Act (CEQA) according to Section 15061(b)(1) and 15378(b)(3) of the CEQA guidelines.

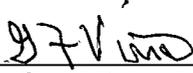
Commission/Committee Action: N/A

Sustainability Considerations: N/A

Rationale for Recommendation: Sacramento County and the City of Sacramento each currently provide a range of municipal type services to the residents and businesses within their respective jurisdictions. Considering the proximity of the unincorporated area of Sacramento County to the City of Sacramento and the common interest of the jurisdictions to provide effective and efficient high quality services, there may be an opportunity to functionally consolidate select services and maintain/improve the quality of service delivery at a lower cost.

Financial Considerations: There is no cost to the City associated with this recommendation. Further study of potential opportunities to functionally consolidate may provide an opportunity for the City to achieve longer term efficiencies and realize cost-savings.

Emerging Small Business Development (ESBD): N/A

Respectfully Submitted by: 
Gus Vina, Assistant City Manager

Recommendation Approved:


Ray Kerridge, City Manager

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Background

Sacramento County and the City of Sacramento each currently provide a range of municipal type services to the residents and businesses within their respective jurisdictions. Considering the proximity of the unincorporated area of Sacramento County to the City of Sacramento and the common interest of the jurisdictions to provide effective and efficient high quality services, there may be an opportunity to functionally consolidate select services and maintain/improve the quality of service at a lower cost.

This report recommends the Council direct staff to evaluate the possible consolidation of a select number of services to determine whether an opportunity to reduce costs and increase efficiencies exist and to prepare a report back on the milestones, challenges, cost-savings/efficiencies opportunities and best practices for city/county services offering the most promise for functional consolidation. The information gathered from this effort may also be incorporated into the City's budget development process.

To support this effort, a designee of the City Manager and County Executive will serve as the lead staff for the evaluation of functional consolidation opportunities. These individuals will report directly to the County Executive and the City Manager and will provide the leadership and continuity for functional consolidation activities. Senior level and other appropriate staff from departments under review will be direct participants in the preparation of the report back study.

Factors to be considered when identifying a possible area for functional consolidation will include:

- Current level of organizational redundancy
- Opportunity for cost savings
- Opportunity for improved level of service
- Benefits associated with consistency between the jurisdictions
- Nationwide best practices for local governmental functional consolidation

It is recommended that the Council direct the City Manager to report back in 90 days with the best candidates for potential functional consolidation based on the criteria above.