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**PEER REVIEW for PUBLIC AGENCIES**

**Report to:**

**Michael Harmon, P.E.  
Director of Public Works  
City and Borough of Sitka  
Sitka, Alaska**

**ASCE Peer Review**

**January 23-25, 2013**

## **ASCE Peer Review Team**

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## Introduction

The City and Borough of Sitka (Sitka) invited the American Society of Civil Engineers (ASCE) to conduct a public agency peer review of its Public Works Department. An ASCE Peer Review is a structured process that helps an agency such as the Sitka Public Works Department (Sitka PWD) to improve the management and quality of its services to the public. To accomplish this goal, ASCE selected a team of three individuals who had an appropriate mix of knowledge and experience to address this review—professional engineers whose breadth of management and technical experience positions them to help other public agencies improve their service. ASCE and the Sitka Public Works Director jointly approved the reviewers who then formed the peer review team (PRT) that worked to identify key issues that the organization currently faces and opportunities to address those issues. The review was carried out on a confidential basis and concluded with a briefing at the end of the site visit. This report summarizes the findings that were reviewed in that briefing.

At the request of Public Works Director Michael Harmon, ASCE through its PRT designed the reviews of the Sitka PWD to give the director and staff a management picture of themselves, a “snapshot in time,” and to respond to specific review needs. The PRT interviewed a cross-section of individual staff members representing a wide range of responsibilities within the Sitka PWD and other Sitka departments. They also interviewed staff and officials from partner and customer agencies, and groups that interact with the Sitka PWD in executing their mission and responsibilities. The PRT has identified strengths and challenges, and opportunities facing the agency, but it does not pose direct solutions to problems. The team believes such solutions must emerge from within the organization itself.

## The ASCE Peer Review Process

The review performed for the Sitka PWD included the following components:

- A. A preliminary assessment: Sitka PWD provided extensive advance background materials from each department, including annual reports, strategic plans, budgets, organizational charts, and other reports or documents relevant to the review. A copy of this information was provided electronically to each PRT member before their site visit, to allow enough time for its review, preliminary assessment, and preparation of questions for the on-site interviews. In addition, the PRT reviewed approximately 35 pre-review questionnaires from Sitka PWD staff and management.
- B. An on-site assessment: The PRT conducted a site visit of three days at the Sitka PWD’s facilities. During this site visit, the PRT conducted initial and interim meetings with the Public Works Director, the Municipal Administrator, and several department heads and conducted one-on-one

interviews with staff of the Sitka PWD and the Sitka Economic Development Association, which works regularly with Sitka PWD.

- C. A verbal report: The team developed findings and presented a closing verbal briefing to Michael Harmon, Public Works Director.
- D. A written report: The PRT is providing this overview written report at the request of the Director, summarizing the results of the review. It is a concise report citing findings, identifying strengths, and including potential opportunities for the Sitka PWD to explore further.

All documents obtained or developed during the peer review have been or will be returned to the Sitka PWD or destroyed, and all notes and information presented electronically by the Sitka PWD will be deleted after the agency's acceptance of this report. ASCE's findings are confidential and are shared only to the extent that the Sitka PWD chooses to do so. To insure confidentiality, comments from staff questionnaires and interviews are only provided in a form that does not associate any information with the specific individuals. Disclosure of the written report may be done by the Sitka PWD, but ASCE will not share the document.

### **Components of the Sitka PWD Peer Review**

The standard components of an ASCE Peer Review applicable to the Sitka PWD include organizational management, project management, emergency management procedures, technical procedures, human resource management, financial management, and public relations practices. Additional focus areas of this peer review included special emphasis areas expressed by the Sitka PWD. These involved addressing the following two strategic areas:

- A. Infrastructure Maintenance: Sitka has seen a shift in state and federal resources coming into the community to support the maintenance and operation of public works infrastructure, which results in more local responsibility for funding to support these assets. This situation creates challenges for the department in meeting community and Assembly expectations for level of service, particularly in the streets maintenance program.
- B. Capital Program Delivery: Sitka has been successful in gaining grant funding for several capital projects through the support of state and federal elected officials. The implementation of this capital program is a critical priority for the city and is a key Public Works Department function.

## Introduction to Observations

The PRT has condensed its observations into these three principal thematic areas:

1. Sitka PWD strengths (what appears to be going well);
2. Influencers/drivers and challenges for the Sitka PWD; and
3. Key opportunities (areas of opportunity for the Sitka PWD to consider as an organization)

Internal consultation and analysis by the PRT is an important element of the peer review process. Since this is largely a snapshot in time, there are some strengths, challenges, and opportunities for which the team could not achieve clarity or consensus. However, the PRT felt it important to relate some of those matters to the agency as possibly being of interest for later discussions among involved management and staff. As with all the findings of the PRT, the agency must determine relevancy and what, if any, follow-up actions are suitable. ASCE will make no effort to ascertain whether the Sitka PWD takes action on the strengths, challenges, and opportunities outlined here. Rather, as noted previously, it is our belief and desire that progress and associated solutions will emerge from the agency itself.

## Sitka PWD Strengths

The PRT observed the following strengths of the Sitka PWD:

### A) Job Satisfaction and Work Environment

The staff of the Sitka PWD is responsible for a significant breadth of program responsibilities including engineering design and construction, streets, park and fleet maintenance, water and wastewater treatment and operations, city building operation and maintenance, and building code enforcement. Within each program area the staff are dedicated and expressed a strong connection to the city and a commitment to quality service. While the staff of the agency is very lean for the magnitude of programs that they are responsible for, they are committed to serving the public as effectively as possible. Although housing cost is a voiced concern by staff, and they observe that salaries tend to be flat as cost of living increases, generally staff were pleased to be working for the Sitka PWD and take pride in their efforts.

### B) Perception of Sitka PWD within the community

Those interviewed from other departments and from the community spoke in positive terms of the Sitka PWD.

C) Organization and Job Clarity

Staff members have a clear understanding of their roles and function within the organization. However, there were some statements indicating a lack of clarity regarding decision-making and/or reporting authority.

D) Financial Management

The Sitka financial support system seems to work well with the Sitka PWD to manage financial matters, particularly in capital project management. There is a strong focus on managing to budgets.

E) Technical Practice and Procedures

- 1) Sitka PWD engineering standards, manuals, and procedures appear to support the department's needs for public project delivery. There is a need for private development standards that ensures the infrastructure built by private developers, that is ultimately turned over to the City for ongoing maintenance, is built to the same standards as public projects.
- 2) There are technical staff with many years of experience in the department. As retirements occur, the Sitka PWD would be strengthened even more if their knowledge can be captured and passed on to new managers and staff.

### **Influencers/Drivers and Challenges for the Sitka PWD**

The PRT noted several factors that are outside the direct control of the Sitka PWD. Yet, these factors may significantly influence the organization's performance. Evaluating these factors may present further opportunities for the department to improve performance and service satisfaction over time. They include:

A. Staffing Resource to Capital Program Implementation

The PRT understands that there is some concern expressed by the Assembly regarding the level of engineering staffing for the capital program. However, the level of engineering resources committed to the implementation of a fairly aggressive capital program does not appear to be at all excessive.

There are several key challenges that impact the effectiveness of the engineering staff. One of these is that Sitka is a very engaged community and the PRT understands there are 15 Boards, Commissions, and Committees supported by the Sitka PWD that play a variety of roles in review and participation in the development of capital projects. Support to

these groups can require significant resources from the limited Public Works staff.

Another challenge to the effective use of the engineering staff is grant fund application and management, which continues to be an important function within the capital program given the sources of funding. Finance staff plays a critical role in support of the financial grant management and reporting and is recognized and appreciated by the PW staff. The functions of grant writing and project reporting for Public Works are a significant work load and are currently handled by engineers in the division, although these are in large part clerical and coordination functions that do not require engineering skills. Allowing the engineering staff to focus on the project design and construction management functions of the capital improvement program would make best use of the engineering staff as resources. The Municipal Administrator supported recent additions of engineering staff for the capital program work in recognition of the risk to grant funding if implementation does not move forward. Providing support staff to coordinate, schedule and record actions of the various committees, and to provide support to the grants management function could be a cost effective approach to maintaining capital project delivery.

#### B. Infrastructure Condition and Funding Availability

The PRT understands from interviews that Sitka has historically enjoyed a strong level of funding support for infrastructure from outside the local community. As those funding sources are diminishing or going away completely, the ability of the Sitka PWD to meet the expectations of the community and elected officials in maintaining facilities such as roads, parks, buildings, and water and wastewater is also challenged. This reality of the challenge that Sitka has in funding the ongoing maintenance and operation of infrastructure that was built with grants and funding from state and federal sources is not well understood in the community of Sitka.

### **Key Opportunities for the Sitka PWD**

The following opportunities reflect specific issues and actions the PRT suggests could improve the ability of the Sitka PWD to carry out its responsibilities and achieve community interests.

#### A. Communication

Almost every organization could improve its vertical and horizontal communications, and Sitka PWD is no exception. The department has the opportunity to increase its effectiveness by improving internal

communications, and the PRT suggests the following could be some of the methods used to achieve this:

- 1) The all-hands meetings of the department are a valuable communication tool for Sitka PWD staff, especially with a work group that has geographically diverse work locations. Giving the division managers a clearer role and responsibility for communication that is consistent across the organization can also help unify the diverse work groups and clarify responsibilities. Department director contact is highly valued by Public Works staff and provides a boost to morale. All-hands meetings give the director the opportunity to communicate his vision for the Sitka PWD clearly and to increase accountability for achieving it. The recent adoption of these meetings has been received very well by staff and the PRT strongly encourages their continuation.
- 2) Consider a regular schedule of meetings with key managers, key managers' sub-group meetings, and leadership team meetings. This will also help to clarify decision-making authority and/or reporting responsibility.
- 3) Some efficiencies could be gained with improved communication in the field, and clarification of policies regarding cell phones and radios for communication with crews could help achieve this.
- 4) Some of the operational activities are not supported by engineering standards, but are standard practices that are transmitted through "on-the-job training," which emphasizes the need for cross-training and succession planning in a lean organization such as Sitka PWD.

#### B. Project Management

- 1) The Sitka PWD has the opportunity to increase its effectiveness by creating metrics that would assist in driving the department goals forward. Currently, project success is measured by whether the project stays within budget. Using project management tools that identify milestones along a timeline for delivery of a project can be useful for staff as well as in communicating to the public. Because of the significant role that public participation plays in each project, expectations for completion of a project can be more easily managed when the impact of public participation is clearly indicated in the timeline for project delivery.
- 2) The Sitka PWD might also consider the use of Level of Service standards for the operation and maintenance of the infrastructure that balance them against resource allocation. This could be a tool to help the Assembly, Sitka administration, and the general public better understand the needs and goals of the department and the choices involved in moving toward a higher level of service.

### C. Human Resources Management

- 1) There is an opportunity for development of the workforce through expanding and formalizing the mentoring program. Mentoring could take many forms, such as pairing of employees from the same discipline, cross training between discipline areas, and sharing of historical organizational knowledge. Both [ASCE](#)<sup>1</sup> and the American Public Works Association ([APWA](#)<sup>2</sup>) have mentoring programs the Sitka PWD could use.
- 2) Ongoing training is challenging, with limited budgets and travel constraints. However, the availability of web-based technical and professional training is becoming both more available and of higher quality. Examples include the APWA supervisor and technical training programs and ASCE professional development programs available online. Maintaining and refreshing skills of long-term employees, as well as developing skills for staff to be able to promote into vacancies, is important to the success of the Sitka PWD.
- 3) Throughout the department there are individual key staff members responsible for their own program areas. Having a planned approach to assure that cross-training, succession planning, and skill development occurs is an area to consider. Recruitment is challenging, given the high cost of housing in the area and the physical limitations for commuting. Therefore, developing supervisory experience by allowing staff members to fill in for others during vacancies or leaves can be very helpful and could improve the staff's training in technical skills.
- 4) The Sitka Public Works Director plays an important function in the administration of the City. The Municipal Administrator views the director as one of his key managers, with the ability to act during his absence from office. At the same time, the staff of the Sitka PWD looks to the director for leadership and guidance. Maintaining a balance of roles in supporting the department and the larger Sitka organization is important in meeting both needs. The role of the Department Management Team could be tailored to assist in this area.

<sup>1</sup> Information on ASCE's mentoring programs can be found at <http://www.asce.org/mentoring>.

<sup>2</sup> Information on APWA's mentoring programs can be found at <http://www.apwa.net/mentoring>.

#### D. Public Information

- 1) The regular reports to the Assembly from Sitka PWD that are used to keep a current status of capital project delivery have been very well received and create a valuable communication link. These are important to maintain and build from.
- 2) The concerns of Sitka regarding infrastructure condition and funding needs are shared by many other communities. There are resources available from ASCE and other recognized associations that help to convey the message of what happens as infrastructure deteriorates. ASCE's [Failure to Act](#)<sup>1</sup> economic studies and the ASCE [Report Card for America's Infrastructure](#)<sup>2</sup> are a couple of examples that can be used by local agencies to explain the problems.
- 3) Linked to the concerns for ongoing maintenance of public infrastructure is the need for clear development standards for projects built as part of private development. This will ensure that those projects, when turned over to the City for ongoing maintenance, will perform with the same expectations as those for publicly built projects.
- 4) There are areas of public works responsibility that are traditionally under-recognized by the community unless a failure or crisis occurs. This appears to also be a concern for the Sitka PWD. There is not a current strategy in place to encourage community recognition and understanding of the ongoing maintenance functions and costs for streets, buildings, water and wastewater, and other infrastructure maintenance areas. A communications plan, perhaps that also incorporates information noted in item 2. above, could help the department achieve an understanding within the community of the impact of a lack of funding for certain projects and programs. This would provide a platform for the Sitka PWD to describe alternate levels of service associated with different levels of funding.

<sup>1</sup> The "Failure to Act" economic studies are available at <http://www.asce.org/failuretoact/>.

<sup>2</sup> The "Report Card for America's Infrastructure is available at <http://www.asce.org/reportcard/>.

## **Summary**

In summary, there are always opportunities for improvement in any organization, but there do not appear to be any serious deficiencies in the processes, policies, and practices related to the areas that were the subject of this review. The PRT did not notice or identify any areas of wasteful resource allocation. The comments provided earlier in this report regarding a stronger role for support staff to allow better utilization of technical and professional staff resources could aid cost effective efficiencies.

The PRT concludes that the Sitka PWD staff is generally performing its work in a manner that is aligned with the needs and wishes of its citizens and elected officials. This perception appears to be shared by both internal staff and external partners and stakeholders. The peer review process did not reveal any serious deficiencies either in the department's organizational structure or with its processes and procedures. The positive professional attitudes consistently expressed by Sitka staff reinforce the PRT's confidence in this conclusion.

## **In Appreciation**

In conclusion, the PRT felt that their time at the Sitka PWD was well spent. We were impressed with the management initiatives we saw, as well as the capabilities of staff and their openness. We hope our efforts will help them to continue to move ahead. We appreciated the cooperative attitude of everyone we met during the review. We recognize the outstanding coordination support provided by Mellissa Cervera during the process.

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