

July 15, 2025
City Manager

**TITLE: RECEIVE A REPORT AND PROVIDE DIRECTION ON THE PROJECT
PRIORITIZATION FRAMEWORK FOR FISCAL YEARS 2025/26 AND 2026/27**

SUMMARY

This report provides a comprehensive overview of the project prioritization framework for the next two fiscal years (2025/26 and 2026/27), department core services, and high-level project inventory to guide a City Council workshop discussion. The workshop will include an overview of departmental responsibilities, core services, and resources, a review of prioritization criteria, and a City Council prioritization exercise. A final report will be provided to the City Council for approval with refined project recommendations based on City Council direction given during the workshop.

RECOMMENDATION

Receive a report on the project prioritization framework and provide direction to staff on City Council priorities for project implementation.

BACKGROUND

In alignment with the ONE Pleasanton Strategic Plan and ongoing budget implementation and planning efforts, City staff have developed a comprehensive project prioritization framework to ensure resources are allocated effectively and transparently. This framework supports the City Council's commitment to fiscal sustainability while maintaining essential services and advancing strategic initiatives.

The project prioritization process incorporates the seven City Council priority strategies identified during the January 29, 2025 retreat and the Pleasanton Executive Team workshop held on May 28, 2025 where major projects for each department were discussed, and the four-tiered project priority framework was developed. This systematic approach ensures that project selection aligns with both community needs and fiscal resources.

Seven City Council Priorities for Fiscal Year (FY) 2025/26

1. *Goal A. Funding Our Future Strategy* 1. Develop a long-term strategy for funding operations and maintenance needs of community-owned facilities and infrastructure
2. *Goal C. Investing in Our Environment Strategy* 2. Develop an Asset Management Plan to address comprehensive long-term planning for maintenance, renovation, repair and/or replacement of infrastructure and public facilities
3. *Goal C. Investing in Our Environment Strategy* 3. Identify funding and implement the recommendations from the Water Supply Alternative Study to resolve PFAS water quality issues
4. *Goal D. Safeguarding Our City Strategy* 1. Assess the City's overall emergency preparedness capabilities, resources, and tools and implement changes as needed

5. *Goal A. Funding Our Future Strategy 2.* Identify expanded and new revenue sources to address significant infrastructure needs
6. *Goal E. Building a Community Where Everyone Belongs Strategy 4.* Implement the updated 2024-2028 Economic Development Strategic Plan initiatives
7. *Goal E. Building a Community Where Everyone Belongs Strategy 9.* Advance the East Pleasanton Specific Plan

DISCUSSION

Through a series of collaborative discussions, City staff identified 82 projects citywide for potential advancement during the next two fiscal years (FY 2025/26 and 2026/27). Considering available resources and organizational needs, the projects were sorted into four priority categories.

Four-Tiered Prioritization Framework Defined

1. Must Do Projects protect the City from legal liability, maintain basic services, honor existing commitments, and ensure team safety and effectiveness.

Criteria:

- Legally required or regulatory mandates
- Already underway (stopping would waste investment)
- Operational necessity (City cannot function without)
- Have resources currently allocated
- Include essential employee safety and well-being

2. Committed Priorities balance revenue generation and cost savings with critical investments in organizational success.

Criteria:

- Resources available (funded and staffed)
- High strategic plan alignment
- Significant community impact or urgency
- Investments in organizational culture and employee retention
- Can begin implementation within 24 months

3. Strategic Pipeline demonstrates vision while acknowledging fiscal and staffing constraints, including both infrastructure needs and future organizational excellence investments.

Criteria:

- Strong strategic alignment OR significant community impact
- Currently lack resources or have unresolved dependencies
- Would advance immediately if conditions change
- Strong candidates for grants or alternative funding
- Include future organizational development needs

4. Deferred Projects have acknowledged strategic value, but cannot happen under current conditions, allowing focus on critical services during challenging times.

Criteria:

- Lower strategic alignment
- Limited community urgency
- Resources better used elsewhere
- May revisit if conditions significantly change

Project Inventory and Staff Capacity Considerations

The current project prioritization inventory includes 82 projects across all departments. This count does not include the 42 Capital Improvement Program (CIP) projects, which are already underway or have established criteria and funding mechanisms. The City recently adopted the Capital Improvement Program Process and Prioritization (CIPPP) to systematically prioritize CIP projects. This project prioritization discussion is not intended to change the CIPPP outcomes.

The City's targeted reductions in the adopted two-year budget and current vacancies in various departments affect the entire organization. City staff is working within these constraints to maintain the regular day-to-day workload of running the City and provide the core community services outlined in the departmental overview presentation. It is important to note that the 82 projects discussed here are, in most cases, in addition to this regular workload. The addition of new projects beyond core services requires careful consideration of realistic implementation plans.

Given this operational reality, the City also recognizes that project timelines must remain flexible to accommodate both challenges and opportunities that may arise. Emergency situations like the severe winter storms of 2023 or positive economic opportunities may necessitate temporary adjustments to project schedules and resource allocation to best serve community interests.

In general, a common dynamic in local government is a smaller portion of the overall workforce often carries the responsibility for a significant share of the organization's projects and initiatives. Staff who oversee and lead projects are often assigned work beyond core services, creating significant workload challenges across the organization. Department heads are responsible for leading and overseeing all projects within their departments, while managers and supervisors frequently juggle multiple initiatives at once. As a result, a relatively small portion of staff is responsible for delivering a large number of diverse projects. Of the City's 465 employees, only about 45 employees (primarily the executive team, managers, and key supervisors) are responsible for leading most citywide projects in addition to their regular duties. This represents only about 10 percent of the workforce that manages the majority of the "special or priority" projects, which can impact organizational capacity and project delivery when workloads exceed available resources.

The majority of projects outside of core services are led by the Community and Economic Development Department (25 projects), the Public Works Department (21 projects), and the City Manager's Office (18 projects), as shown in the chart below. Together, these three departments are responsible for 64 projects, 78% of the total, which reflects where the City's operational focus and resource pressure are concentrated. In contrast, public safety departments (Police and Fire) are responsible for only four projects, aligning with their primary focus on delivering core services.

| Lead Department | Prioritization Category | | | | Total |
|--|-------------------------|------------------------|------------------------|--------------|-----------|
| | 1 - Must Do | 2 - Committed Priority | 3 - Strategic Pipeline | 4 - Deferred | |
| Community and Economic Development Department (CEDD) | 5 | 5 | 9 | 6 | 25 |
| City Manager's Office (CMO) | 3 | 4 | 8 | 3 | 18 |
| Finance Department (FIN) | 2 | 2 | 1 | 1 | 6 |
| Human Resources (HR) | 1 | 1 | 1 | | 3 |
| Information Technology (IT) | | | 1 | 1 | 2 |
| Livermore-Pleasanton Fire Department (LPFD) | | 2 | 1 | 1 | 4 |
| Library and Recreation Department (LR) | 2 | | 1 | | 3 |
| Police Department (PD) | | | | | 0 |
| Public Works Department (PW) | 10 | 7 | 2 | 2 | 21 |
| Grand Total | 23 | 21 | 24 | 14 | 82 |

The prioritization framework addresses the challenges described above by using clear criteria that factor in available resources and the City's capacity to take on current projects. The workshop is intended to realistically balance projects with core service delivery, ensuring project expectations align with available resources and capacity for projects outside of core services. See Attachment 1 for a complete list of all prioritized projects.

Department Core Services Overview

The **City Manager's Office** (CMO) serves as the operational and strategic backbone of the City, leading citywide initiatives and community engagement with focus areas including strategic planning and governance, public engagement and communications, emergency preparedness, organizational excellence, and interdepartmental coordination. The CMO oversees several critical internal administrative divisions that provide essential support services to all city operations.

The **City Attorney's Office** (CAO) provides legal counsel to the City and advises the City Council and staff on a wide range of legal matters. These include open meeting and public records laws, conflicts of interest, land use and environmental regulations, claims and litigation, municipal elections, employment and labor relations, municipal utilities, procurement and other internal services, as well as code enforcement, resolutions, ordinances, and the preparation of other legal documents.

The **City Clerk's Office** (CCO) serves as the official record keeper and administrative support for municipal governance. The department provides staff support for processes including staffing City Council meetings and preparing the legislative agenda, administering federal, state, and local processes, coordinating municipal elections, overseeing the City's records program, maintaining the Municipal Code, serving as filing officer for conflict of interest and campaign finance disclosures, and managing City boards and commissions membership.

The **Human Resources Department** (HR) provides comprehensive employee services, labor relations, and organizational support by recruiting and developing talent while providing the workforce with a supportive work environment. Core services include benefits, retirement, and leave management, employee and labor relations/negotiations, general services including employment verification and information requests, recruitment, classification and compensation, training and development, and workers' compensation reviews.

The **Information Technology Department** (IT) maintains the technological infrastructure that enables all City operations and services. The department is responsible for software application maintenance to ensure functionality and reliability of the City's software systems, server and network management, overseeing the City's IT infrastructure, endpoint device support for all City-issued computers and related devices, cybersecurity measures to protect the City's digital assets and data, Geographic Information Systems (GIS) managing spatial data and mapping services to support City planning and operations, and telecommunications overseeing communication systems including telephones, circuits and smartphones for effective internal and external communication.

The **Finance Department** (FIN) provides comprehensive fiscal oversight and financial management for all City operations. The department ensures fiscal accountability and transparency through financial reporting and oversight of various audits, budget preparation for all city funds and departments, treasury and cash management to optimize the city's financial position, debt management including issuance and compliance monitoring, accounts receivable and revenue collection to maximize city revenues, accounts payable ensuring timely and accurate vendor payments, payroll administration for all City employees, purchasing coordination to ensure compliance and cost-effectiveness, and business licensing supporting local economic development and regulatory compliance.

The **Pleasanton Police Department** (PD) is dedicated to ensuring community safety and quality of life through proactive measures, crime prevention, and emergency response. The department operates through three divisions: Operations (Patrol, Traffic, Alternative Response Unit (ARU), School Resource Officer (SRO)), Investigative (Criminal investigations, Business Services, Professional Standards, Community Services), and Support Services (Dispatch, Records,

Cadets).

The **Livermore-Pleasanton Fire Department** (LPFD) is a Joint Powers Authority (JPA) committed to providing public safety services to the Cities of Pleasanton and Livermore. Operations include fire stations staffed 24/7, fire prevention services, and administration, managing business functions including finance, recruitment, and communications.

The **Community and Economic Development Department** (CEDD) supports long-range and current planning, development approvals and entitlement, building plan check and permitting, transportation and traffic engineering, code enforcement, housing programs, economic development and sustainability initiatives. The recent formation of the Community and Economic Development Department reflects the City Council's priority to increase focus on economic development activities and a growing interest in exploring opportunities through land use, permitting, and process changes to facilitate new investment in Pleasanton in key areas such as East Pleasanton and the Stoneridge Shopping Center redevelopment.

The **Public Works Department** (PW) is responsible for the operations and maintenance of the City's infrastructure, design and construction of public facilities, and the administration of many quality-of-life services. The Public Works Department is organized into multiple divisions including Operations and Maintenance, Utilities and Environmental Services, Engineering, Parks, Customer Service and Utility Billing, Facilities, Fleet, Streets and Traffic Safety, Environmental Services, Water, Sewer, Storm Drains, Capital Improvement, Land Development, Landscape Architecture, Construction Management, and Waste and Recycling.

The **Library and Recreation Department** (LR) provides comprehensive community services including facility rentals, cemetery management, library services, literacy programming, youth and adult programs, arts center operations, recreation programs, senior services, human services, and aquatics programs. Recent efforts to enhance operational efficiency include the combining of the Library and Recreation service desks.

Workshop Details

Following a comprehensive presentation on the four-tiered project prioritization framework and departmental core services, the City Council will be asked to review the current project inventory, organized by priority category. This will include an opportunity for questions and clarification on specific projects, their resource requirements, and strategic alignment. The session will conclude with a prioritization exercise using dot voting methodology. Each City Council member will receive 10 dots to distribute across all four priority categories, with a maximum of one dot per project per City Council member, providing input to staff on Council preferences and priorities for project implementation. This collaborative approach ensures transparency in decision-making and ensures staff are fully aware of City Council project priorities when making operational decisions. The City Council may also choose to add projects during this exercise or let staff know if there is a desire to remove projects.

Next Steps

Following the workshop, staff will compile and review the City Council's prioritization results and develop a refined project list. This list will guide the finalization of departmental work plans in early August 2025. Department work plans are developed by aligning City Council priorities, workshop direction, and available resources to ensure effective implementation.

EQUITY AND SUSTAINABILITY

The project prioritization framework aligns with the City's inclusion and sustainability values by

addressing fiscal and staffing constraints while ensuring that project planning reflects broader community needs and advances equitable outcomes.

OUTREACH

No outreach was conducted, as this item is a workshop discussion only and a routine matter of internal City business.

STRATEGIC PLAN ALIGNMENT

This item aligns with the ONE Pleasanton Strategic Plan Goal B. *Optimizing Our Organization: Organizational Effectiveness*.

FISCAL IMPACT

This is an informational report only; there is no fiscal impact from receiving this report.

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Attachments:

1. Project Prioritization List
2. Project Prioritization Workshop Presentation