



## Alfred Moran – City of Houston Accomplishments Director – Administration & Regulatory Affairs Department 2007 to 2013

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### Mayor Bill White Administration

Alfred Moran was introduced to Mayor Bill White by the Executive Search Firm, Russell Reynolds & Associates. Mayor White hired Alfred as the sole Deputy Director of Finance & Administration Department, with the responsibility of defining, turning around and restructuring any and all under-performing City operations. When Alfred was hired in 2007, Mayor White asked Alfred his opinion on the first four priorities in turning around and restructuring operations in City of Houston Government. Alfred's first turnaround/restructure priorities were the following:

- (1) The Dysfunctional Structure of the Finance & Administration Department,**
- (2) The City Permitting System with 24 Separate Locations,**
- (3) The Citywide Payroll System for 24,000 Employees, and**
- (4) The Dysfunctional Operations of the Strategic Purchasing Division**

#### ▪ Restructured the Finance & Administration Department

Alfred recommended to Mayor White that the Finance & Administration Department be broken into two separate departments. Alfred's logic was the Finance function was primarily a bond financing and budget rollup function, and the Director of Finance & Administration was required to spend hours each day with the Mayor. The Administration and Regulatory functions had sixteen public facing businesses, which required more proactive strategic planning, branding, business management and customer service focus, all of which were receiving no emphasis under the old structure. Mayor White accepted Alfred's recommendation, and Alfred split the Finance and Administration Department into two separate departments: The Finance Department and the Administration & Regulatory Affairs Department.

Mayor White appointed Alfred as the Director of the Administration & Regulatory Affairs Department (ARA) and the City Council unanimously approved the appointment. Alfred reported directly to Mayor White, and of Alfred's thirteen Direct Reports, seven were highly performing incumbent ARA Deputy Directors and six were private sector executives, who Alfred hired to replace under-performing ARA Deputy Directors. The ARA Team was highly respected in the City of Houston.

As the Director of Administration & Regulatory Affairs (ARA), Alfred reorganized and upgraded all operations, improved the organization structure, upgraded approximately 33% of ARA personnel, improved customer service and optimized workflow processes. The City of Houston has a \$5.5 Billion budget, and, as was standard practice in Private Sector businesses, Alfred implemented Zero-Base Budgeting and regular Monthly Variance Reporting. He implemented Private Sector Human Resources best-practice tools such as Balanced Scorecards, 360s and Goal-based Employee Performance Evaluations. He led the Employee Performance Evaluation Restructure Project for all City employees.

#### ▪ Created the Houston Permitting Center and Turned Around All Commercial Permitting

Alfred wrote the Master Plan for the creation of the Houston Permitting Center, which is a One-Stop Permitting Center in the City of Houston. When he and his Team restructured the consolidation of all City Commercial Permitting functions, the City of Houston had 260 various permits issued by 11 departments in 24 different locations. He and his Team negotiated with all departments to relocate their permitting efforts in the Houston Permitting Center, which is the first One-Stop Permitting Center in the United States. All City permitting is now housed in a \$40.0 Million building at 1002 Washington Avenue. Alfred and his Team also



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designed and implemented the first Citywide online permit application, renewal and credit card payment system for all City permits. All Commercial Permitting & Enforcement was upgraded and moved to the Houston Permitting Center. All under-performing employees were terminated and replaced.

Alfred and his Team turned around **Vehicle for Hire Permitting & Enforcement**. They moved Vehicle for Hire Permitting & Enforcement from IAH to the new One-Stop Houston Permitting Center. They developed a plan to substantially improve taxi service in Houston, which now includes GPS and backseat credit card machines in Houston's taxis. Alfred and his Team also developed a Cost of Service Model for all City permits; this financial analysis allowed the City to align all fees with the actual cost of service including proper allocation of overhead. *Accurate costing and resulting fee increases yielded \$5.5 Million for the City of Houston's General Fund for each and every year.*

Unfortunately, **Building Permits** are managed by the Public Works & Engineering Department (PWE), and although the Building Permits Division is housed at the Houston Permitting Center, PWE is still a dysfunctional organization in need of substantial turnaround and restructure. Hopefully future Mayors will restructure and turn around the Public Works & Engineering Department.

### ▪ **Turned Around and Restructured Citywide Payroll**

Prior to Alfred's taking over Citywide Payroll, all City Departments had their own payroll personnel, and the departmental payroll information would roll up to ARA Central Payroll with unacceptable levels of errors in departmental payroll checks. Alfred and his Team sold all the City departments on giving up their payroll personnel and consolidating them into the ARA Central Payroll Department. Alfred & his Team completed the consolidation of Citywide Payroll Services for over 24,000 employees. All ARA Central Payroll employees were required to take a college level course on Payroll Accounting and to pass a stringent examination. Prior to Alfred and his Team's restructure of the City of Houston Payroll System, all employees were automatically paid for 80 hours every two weeks, and it was the employee's responsibility to inform the Payroll Department if he or she was at work. Alfred and his Team successfully rolled out the Kronos Time & Attendance System, which used swipe identification cards at every entry point at City of Houston locations. This restructure was a massive task in an organization that normally resisted change. *This turnaround/restructure saved the City of Houston \$7.2 Million in real, defensible savings each and every year.*

### ▪ **Turned Around and Restructured Citywide Purchasing**

Alfred and his Team upgraded the City of Houston Strategic Purchasing workflow processes. Workflow Processes were charted, and Procurement Standard Operating Procedures were designed, published and taught to Purchasing employees. Alfred and his Team decreased the Strategic Purchasing headcount from 92 employees to 42 employees with no loss of productivity. Alfred and his Team decreased the number of City contracts from 1,300 to 500. ARA worked with the Legal Department and published a City of Houston Procurement Manual for all vendors, which currently includes "Quiet Period", during which no bidders could contact anyone in the City from the date of the formal Request for Procurement (RFP) to the final award of the contract. *Savings from this turnaround and restructure were \$24.0 Million each and every year.*

### ▪ **Installed a Citywide Credit Card Payment System**

Although Alfred was told that he would never be successful at creating a system where customers (citizens) could pay for City services online with a credit card, for the first time in City of Houston history, he and his team initiated online credit card payments for all City of Houston payments.



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### ▪ **Turned Around City Public Utility Regulation**

Alfred and his Team substantially upgraded the City of Houston Public Utility Regulation (electricity, natural gas, telephone, cable). He terminated bureaucratic regulatory personnel. He hired two ex-Public Utilities Commission Chairman as electricity consultants to help set the bar high for rate setting negotiations. The City of Houston's new relationship with the utilities it regulates is fair and balanced. He also located and hired top State of Texas advisors for water, gas, telephone and cable. The City is now a knowledgeable, strong and fair utility regulator.

### ▪ **Improved the Relationship with Lloyds International Property & Casualty Insurance Carriers**

Alfred and his Team significantly improved the City's relationship with the consortium of international property insurance carriers arranged through Lloyds. The City of Houston Property & Casualty Insurance covers \$10.0 Billion in City buildings and assets. Alfred often travelled to London to work with Lloyds insurance carriers. After Hurricane Ike, Alfred and his Team negotiated a maximum property insurance recovery within 13 months with Lloyd's underwriters in London for damage to 651 City buildings.

### ▪ **Turned Around the Burglar Alarm Permitting Division**

Alfred recommended to Mayor White that the **Burglar Alarm Permitting Division** be moved from the Houston Police Department to the Administration & Regulatory Affairs Department. It was not a priority of HPD, and it was poorly handled. *ARA's management the Burglar Alarm Division increased revenues from \$6.4 Million to \$10.2 Million.*

### ▪ **Turned Around the Citywide Asset Disposition Division**

Alfred and his Team implemented online auctions and terminated live auctions for the sale of all City used assets and vehicles. *The turnaround increased annual Asset Disposition revenues from \$365,000 to \$2.0 Million annually. The average sale price per vehicle increased by 3.5 times.*

### ▪ **Consolidated Citywide Records Management**

Alfred and his Team consolidated Citywide Records Management under ARA. Records Management in the City is now highly organized.

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### Mayor Annise Parker Administration

When Mayor Bill White’s terms ended and Annise Parker was elected, all Directors resigned, and the new Mayor decided which Directors were to be hired by the new Administration and which were not. Alfred was one of six Bill White Administration Directors offered positions in the new Administration. Mayor Parker had been Controller of the City of Houston, and she asked Alfred what Divisions he believed should be turned around and restructured first in her Administration. Alfred’s answer was the following, and all three Divisions were put in Alfred’s Administration & Regulatory Affairs Department:

- (1) **The Bureau of Animal Regulation & Control (BARC)**
  - (2) **The 311 Call Center, and**
  - (3) **Parking Management**
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- **Turned Around and Restructured City of Houston Animal Control**  
**The City of Houston Animal Control Division was originally under the Health and Human Services Department.** There were front page articles in the Houston Chronicle about the City Animal Control Division euthanizing family pets by mistake and puppies being lost in drains. At Mayor Parker’s request, Alfred agreed to take over the turnaround of the **Bureau of Animal Regulation and Control** from the Health and Human Services Department. Alfred immediately installed new top management. In five months, Alfred and his Team accomplished the termination or resignation of 80 of 101 under-performing employees. Alfred restructured the Strategic Plan and Culture of BARC from a “Regulatory Culture” to a “Retail Culture”. A “Retail Culture” means that BARC’s primary goal was to find all ways possible to get “healthy and adoptable animals” in “forever homes”. The name “Bureau of Animal Regulation & Control” was abandoned, and **BARC** was rebranded as **BARC Animal Shelter & Adoptions**. The culture and philosophy were changed from “enforcement” to “customer service and animal adoptions”. The turning point occurred when Alfred hired a top executive from Ralph Lauren Polo to become Director of BARC. The turnaround has been completed. BARC is the largest Municipal Animal Shelter in the United States, so, of course, there is always more work to be done because BARC’s Mission is to “become the greatest Animal Shelter in North America”. Rescues and adoptions have dramatically improved. The volunteer program was restructured. The Surgery and Hospital Operations were upgraded. Alfred and his team created the Houston BARC Foundation. BARC has built a beautiful new Animal Adoption Building. *And the leadership of BARC signed an agreement with a 501©3 organization to truck hundreds of Houston dogs to Northern state rescue organizations, the result of which has lowered the normal 72% euthanasia rate of Municipal Animal Control shelters to 10% at BARC, which is the definition of a “No Kill Shelter”. BARC is one of the City of Houston’s great success stories.*
  - **Turned Around and Restructured 311 Service Helpline**  
After taking over 311, Alfred terminated a sub-standard leader and rebranded “**311 Service Helpline**” as “**311 Help & Information**”, which allowed Alfred and his Team to develop a new strategy to take in Information Requests and Service Requests from a newly designed website, Facebook, Twitter, telephone, email and Smartphone. Houston was one of the first major cities to give citizens (customers) the ability to make Service Requests on a City of Houston Smartphone 311 App.



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- **Reorganized and Restructured Citywide Parking Management**

Alfred and his Team reorganized and rebranded Parking Management. They transformed Parking Management from an enforcement culture to a more customer service-oriented culture. For example, all Parking Enforcement Officers are now required to complete Customer Service classes. In a joint project with Downtown Houston and Public Works, Alfred and his Team led a new downtown parking sign plan, which decreased individual downtown parking signs from 115 different signs to only 22 different signs. They also created a Parking Benefit District for the entire length of Washington Avenue, which has had a very important effect on the development of the entire Washington Avenue neighborhood because it has eliminated “free parking” and allowed restaurants and bars to develop paid parking options, which is beneficial to the citizens living in the area.