

County Of Sonoma Agenda Item Summary Report

Clerk of the Board Use Only

Meeting Date

Held Until

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Agenda Item No:

Agenda Item No:

Department: Sonoma County Water Agency

4/5 Vote Not Required

Contact:
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Board Date:
11/3/2009

Deadline for Board Action:

AGENDA SHORT TITLE: Water Agency Reorganization Activities

REQUESTED BOARD ACTION:

Direct Agency's General Manager/Chief Engineer to:

1. Approve Agency's business operations plan to restructure the Agency to respond to potential funding decreases and changes in services.
2. Bring forth future Department allocation changes when needed for adding the Water Agency Chief Engineer and deleting Capital Projects Manager.
3. Direct Agency Human Resources staff to conduct all recruitment activities for the Water Agency General Manager and Water Agency Chief Engineer.

CURRENT FISCAL YEAR FINANCIAL IMPACT

EXPENDITURES:

ADDITIONAL FUNDS REQUIRING BOARD APPROVAL:

Estimated Cost	\$0	Contingencies	\$0
		(Fund Name:)	
Amount Budgeted	\$0	Unanticipated Revenue	\$0
		(Source:)	
Other Available Appropriations	\$0	Other Transfers	\$0
(Explain Below)		(Source:)	
Additional Requested	\$0	Additional Funds Requested	\$0

Explanation (if required):

Prior Board Action: 8/11/09 – Board provided direction to, among other things, initiate the development of a business operations plan to restructure the Agency to respond to shrinking funding and changes in services; and initiate actions to separate General Manager/Chief Engineer position into separate General Manager and Chief Engineer positions and return to the Board for necessary approvals by November 3, 2009.

Alternatives – Results of Non-Approval: None.

Background:

On August 11, 2009, the Sonoma County Water Agency's (Agency) Board of Directors directed Agency staff to develop a business operations plan to respond to changing technical needs and potential for revenue reductions, survey elected officials on water and resource issues, and initiate actions to separate the General Manager/Chief Engineer position. The survey of elected officials has been delayed. However, this agenda item responds to the direction for the development of a business operations plan as well as the requested human resource-related actions.

Agency staff has conducted an assessment of its organizational structure and developed a business operations plan to meet the changing needs in its service area and potential funding constraints. Over the next 5 to 10 years, Agency staff anticipates (1) a continuing need to effectively provide core water supply, flood control, and sanitation services; (2) a limited need for expanded infrastructure to provide these services; and (3) an increased need to understand how various water resource components interact. Additionally, the Agency also needs to implement the National Marine Fisheries Service Biological Opinion (BO) for the Russian River, secure Federal funding for the U.S. Army Corps of Engineers to meet its BO obligations, and develop alternative energy sources.

In developing a plan, the Agency recognizes that it will be facing significant fiscal uncertainties over the next few years. These uncertainties are associated with the general economic downturn, limits on water deliveries associated with changed water supply conditions, compliance with the terms of the BO, and funding for future water supply projects. In response to these uncertainties, the Agency developed a plan that utilizes a managed attrition approach to reduce the number of permanent staff positions at the Agency from 211 to 178. The plan also includes the strategic restoration of staff positions once some of the financial uncertainties are addressed in the long-term. The Agency has 182 permanent staff positions filled at this time.

During the managed attrition period, certain identified positions, when vacated, will not be refilled while other positions would be refilled. Because less than 10% of existing Agency staff is employed in overhead positions, the majority of these reductions would be in technical, operations, and maintenance positions. The Agency would increase its utilization of temporary staff to meet seasonal maintenance and monitoring needs and outside consultants for project design and environmental studies. During this period, rate increases for many enterprises and sanitation districts managed by the Agency would likely be decreased; however there is also a potential impact on the reliability of these services due to the reduction of staff availability.

The Agency's longer-term business operations plan emphasizes the strategic restoration of certain positions, balancing operations cost reductions while increasing the Agency's technical diversity and its ability to meet broader water resource, climate change, and natural resource challenges. The longer term plan includes the creation of new positions to allow the Agency's skill set to meet future needs and increased capabilities to develop renewable energy projects and reduce greenhouse gas emissions. It also includes the refilling (in 2-3 years) of several positions vacated as a result of the recent early retirement incentive program. It is anticipated that the Agency would have about 189 permanent allocated staff positions under this longer term plan. A copy of the Agency's business operations plan (November, 2009) is on file with the clerk.

The Agency retained an independent human resources consultant to develop class specifications that would reflect separating the duties of the existing General Manager/Chief Engineer (GM/CE) position into separate Water Agency General Manager (GM) and Water Agency Chief Engineer (CE) positions. Separating the duties would provide operational improvements. The role of the GM requires a specific set of knowledge, skills and abilities that do not relate directly to engineering.

Likewise, the complexity of water and wastewater, resource management, engineering and operations requires an individual manager that has experience in complex organizations and operations and the Agency is required by law to have a chief engineer. Additionally, there is a need for greater focus and concentration on environmental and legislative programs than is possible under the current structure. Human Resources is bringing forth a companion Board report (on your Board's same agenda as this) including recommendations specific to the classifications and compensation issues recommended by the consultant and the transfer of the GM/CE allocation to the newly created GM position. It is assumed that the newly created CE position will be filled for 4 months in the current fiscal year. The Water Agency will conduct the recruitment for this position as well as the GM internally, and not use County Human Resources. The current GM/CE is anticipating a retirement date of February 23, 2010. It is also anticipated that the Agency's Board could delay this retirement date or that GM/CE will stay on in some capacity beyond February to fulfill either GM or CE duties.

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Attachments: Sonoma County Water Agency Business Operations Plan, dated November 2009

On File With Clerk:

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Board Action (If other than "Requested")

Vote: