



March 3, 2020 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Finance & Administration

Subject : Proposed Districtwide Organizational Changes

SUMMARY:

Change is inevitable. The District is currently in the midst of large-scale changes as its aging workforce of long-tenured employees continues to retire, the use of technology expands, cyber and other risks need to be mitigated, and drought and climate change require the development of local, drought-resilient water supplies such as those proposed with the Pure Water Project Las Virgenes-Triunfo.

Over the past several years, the District has focused on preparing for the future workforce and water management needs, first through preparation of the 2016 Strategic Plan and more recently with the 2018 Succession Plan. These efforts laid the foundation to re-think the organizational structure and critical need to maintain a highly-effective workforce to address the future needs of the District.

Each biannual budget process provides an opportunity to review the District's current organizational structure and propose changes to best address changing demands. As part of the process, each Department Director, with input from their managers and staff, proposed recommended organizational changes to be implemented during the next six months. The proposed organizational changes include a combination of recommendations for immediate implementation in Fiscal Year 2019-20 (as noted), together with other recommendations for inclusion in the Fiscal Year 2020-22 Two-Year Budget Plan.

RECOMMENDATION(S):

Reclassify a Customer Service Programs Supervisor (M87) position to a Management Analyst I/II (M63/M77) position, reclassify a Field Customer Service Representative I/II (Range 32) position to a Backflow Inspector (Range 59) position, reclassify an Electrician/Instrumentation Technician I/II (Range 51/66) position to an Electrician (Range 44-56) position and retitle a Computer Support Specialist (Range 52) position to a Technology Support Specialist (Range 52) position; and authorize the inclusion of the following organizational changes in the proposed Fiscal Year 2020-22 Two-Year Budget Plan: addition of a 12-month limited-term Customer Service Representative (Range 33) position, reclassification of a Chief Water

Treatment Plant Operator (Range 77) position to a Water Treatment Supervisor (Range 87) position, reclassification of a Water Treatment Plant Operator III (Range 64) position to a Senior Water Treatment Plant Operator (Range 70) position, addition of two student Intern positions, reclassification of a Systems Analyst (M88) position to a Principal Technology Analyst (M98) position, addition of a Network and Security Technician (Range 52) position and retitling of a SCADA Analyst (M85) position to a Network and SCADA Analyst (M85) position.

FISCAL IMPACT:

Yes

ITEM BUDGETED:

No

FINANCIAL IMPACT:

The recommendations included for immediate implementation in Fiscal Year 2019-20 would result in an annualized ~~cost-savings~~ cost of ~~\$17,031~~ \$ 1,067. Upon full implementation, the annual cost of all proposed organizational changes, net of the cancellation of contract backflow services, would be ~~\$224,801~~ \$ 242,899 at the top salary level.

DISCUSSION:

In October 2018, the District implemented its first-ever, formalized Succession Plan. The need for the Succession Plan was identified based on the District's demographics and attrition rate. As of August 2018, the average age of the District's workforce was 50.6 years old, and 51% of employees were either eligible to retire or were eligible within 5 years. Since the Succession Plan was implemented, the District has seen seven additional employees retire and nine more leave for other reasons. The District's median age is now 49.2 years old, and 27.8% of the workforce is currently eligible to retire with another 18.5% eligible to retire within 5 years.

The demographic data, combined with new and expanding technology, continues to provide additional challenges to ensure the ability of the District to provide high-quality water and sanitation services to customers. The Pure Water Project Las Virgenes Triunfo, proposed Automated Meter Reading/Advanced Metering Infrastructure Project, growing risk of cyber threats, increased regulatory requirements, continued high rates of attrition and on-going impacts of climate change are a few examples of issues that are impacting the District and must be considered when examining its workforce needs.

Since 2018, each Department has routinely reviewed its operations in the context of the meeting new requirements and ensuring that the District builds a workforce capable of meeting future needs. Each biannual budget provides the opportunity for each Department to take a greater in-depth look at its operations and propose changes to best position the District to meet current and future challenges. The following organizational changes are proposed to be implemented as part of the proposed Fiscal Year 2020-22 Two-Year Budget Plan, unless otherwise noted.

Engineering & External Affairs:

Additional workload associated with monthly billing, budget-based rates, backflow device testing and new reporting requirements for SB 606/AB 1668 are expected to impact the customer service operations. Organizational changes are recommended to improve overall operational efficiency and achieve performance targets.

The creation of a new Backflow Inspector position would allow the District to cancel the current contract for backflow services, in the annual amount of \$107,160. With the recommended reclassification of an existing, vacant Field Customer Service Representative I/II to a new Backflow Inspector, together with canceling the current backflow services contract, the annual operational savings is estimated to be \$84,281.

The existing Customer Service Programs Supervisor position is currently vacant due to retirement. In aligning better with the Department’s current and long-term needs, it is recommended to reclassify the vacant position to a Management Analyst I/II position, resulting in an overall salary savings of \$5,183 annually. The position will dedicate a significant amount of time to managing the Automated Meter Reading/Advanced Metering Infrastructure (AMR/AMI) contract and monitoring, analyzing, trouble-shooting and addressing issues associated with the large amount of meter data associated with AMR/AMI.

A limited-term (12-month) Customer Service Representative position is also needed to augment staffing due to potential retirements and/or leaves of absence. The skillset required to address customer inquiries and proficient utilization of the billing software cannot be performed effectively by temporary staffing through an employment agency. This limited-term Customer Service Representative would be adequately trained to ensure that excellent customer service continues in the likely event of a staffing shortage. Approval of this position is in alignment with the District’s efforts related to succession planning.

Other organizational changes being proposed do not have budgetary impacts. The existing Compliance Inspector position, reporting to the Customer Service Programs Supervisor, would begin reporting to the Technical Services Support Supervisor. Also, the Compliance Inspector would provide backup for the customer service counter on the second floor and backup inspection services for construction projects when the other inspectors are too busy or on leaves of absences. The Cross Connection Inspector that also currently reports to the Customer Service Programs Supervisor would report to the Customer Service Operations Supervisor and work in tandem with the new Backflow Inspector.

Following is a summary of the proposed changes and associated costs:

Engineering & External Affairs	Current Cost	New Cost	Increased Cost (Savings)
Reclassify Customer Service Programs Supervisor (M87) to Management Analyst I/II (M63/M77)	\$ 210,949.72	\$ 193,993.78	\$ (16,955.94)
Reclassify Field Customer Service Representative I/II (Range 32) to Backflow Inspector (Range 59) Customer Service	\$ 128,293.15	\$ 159,939.70	\$ 31,646.55

Representative (Range 33) (ltd. term - 12 months)	\$ -	\$ 133,771.18	\$ 133,771.18
Cancellation of Backflow Service Contract	\$ 107,160.00		\$ (107,160.00)
Total E&EA			\$ 41,301.79

Facilities & Operations:

In order to successfully address the challenges of operating the Pure Water Demonstration Project without additional staff and the need to develop a succession plan to train additional treatment plant operators (currently two operators), staff proposes to reclassify the existing Chief Treatment Plant Operator to a Water Treatment Supervisor. The position would take on the additional responsibility of operating the Pure Water Demonstration Project, while training additional staff in the operation of both the Westlake Filtration Plant and Pure Water Demonstration Project. Staff also proposes to reclassify the existing Water Treatment Plant Operator III position to a Senior Water Treatment Plant Operator. The reclassified position would reflect taking on additional responsibility to operate the Westlake Filtration Plant and train new operators, while the Water Treatment Supervisor focuses on operating Pure Water Demonstration Project.

Facilities and Operations Department has experienced difficulties in recruiting qualified candidates for its vacant Electrical/Instrumentation Technician I/II position due to the broad experience requirements in both electrical and instrumentation fields. Few candidates possess both of the required electrical and instrumentation qualifications. After reviewing current operational and maintenance needs, staff proposes to reclassify the position to Electrician to expand the candidate pool and attract more applicants for the position.

Staff also proposes to hire two student Intern positions to assist with the extensive Pure Water Demonstration Project sampling, testing and research needs. The cost of the Student Intern positions would be partially offset by the \$300,000 Title XVI Grant awarded by the U.S. Bureau of Reclamation.

Following is a summary of the proposed changes and associated costs:

Facilities & Operations	Current Cost	New Cost	Increased Cost (Savings)
Reclassify Electrician/Instrumentation Technician I/II (Range 51/66) to Electrician (Range 41)	\$ 169,739.74	\$ 138,018.46 \$156,116.06	\$ (31,721.28) \$(13,623.68)
Reclassify Chief Water Treatment Plant Operator (S77) to Water Treatment Supervisor (S87)	\$ 203,930.70	\$ 209,796.93	\$ 5,866.23
Reclassify Water Treatment Plant Operator III (Range 64) to Senior Water Treatment Plant Operator (Range 70)	\$ 183,843.27	\$ 189,652.34	\$ 5,809.07
Add two (2) Student Intern Positions		\$ 35,280.00	\$ 35,280.00

Total F&O

\$ ~~15,234.02~~ \$33,331.62

Finance & Administration:

On June 9, 2015, the Board received the Information Systems Master Plan. The master plan recommended a series of priorities for the District to undertake over the following five-year period and recommended the addition of an Information Systems Technician position. During subsequent year’s budget process, the District opted not to add the recommended position and instead completed various one-time projects utilizing consultant services.

During the last six months, the District has re-evaluated staffing levels for the Information Systems Division and to support new and updated systems being implemented, including: a new Enterprise Resource Planning (ERP) system, upgraded customer information system (CIS), upgraded SCADA system and potential new technologies associated with the proposed implementation of the AMR/AMI Project and the Pure Water Project Las Virgenes-Triunfo. Additionally, cyber and network security needs continue to be a priority, along with implementing technological improvements that can contribute to the efficient operation and the District’s core mission to provide high-quality water and sanitation services to its customers.

To best position the Division to address these emerging issues and trends, staff proposes to reclassify a System Analyst position to a new Principal Technology Analyst to reflect the level of responsibility the position has over critical systems and increased supervisory responsibility. Also, staff proposes to add a Network and Security Technician position. These two changes would result in an annual maximum cost of \$168,265.21. Other non-monetary changes include retitling a Computer Support Specialist to a Technology Support Specialist, and a SCADA Analyst to a Network and SCADA Analyst to more closely align the positions with current demands and District needs.

Following is a summary of the proposed changes and associated costs:

Finance & Administration	Current Cost	New Cost	Increased Cost (Savings)
Reclassify Systems Analyst (M88) to Principal Technology Analyst (M98)	\$ 192,836.71	\$ 210,287.24	\$ 17,450.53
Add Network and Security Technician (Range 52)	\$ -	\$ 150,815.08	\$ 150,815.08
Retitle Computer Support Specialist to Technology Support Specialist			\$ 0
Retitle SCADA Analyst to Network and SCADA Analyst			\$ 0
Total F&A			\$ 168,265.61

Next Steps:

With Board approval of the recommendation, staff would take the necessary steps to modify and recruit for the following positions: Management Analyst I/II, Backflow Inspector, Electrician, Technology Support Specialist and limited-term Customer Service Representative.

Based on direction from the Board to add positions to the proposed Fiscal Year 2020-22 Two-Year Budget Plan and to facilitate filling the positions, staff would time changes and begin the recruitment process to have the following positions filled after July 2020: Water Treatment Supervisor, Senior Water Treatment Plant Operator, Principal Technology Analyst, Network and SCADA Analyst and Network and Security Technician.

GOALS:

Assure a Quality, Continually Improving Workforce

Prepared by: Donald Patterson, Director of Finance and Administration

ATTACHMENTS:

Current Organizational Structure

Proposed Organizational Structure - March 3, 2020

Proposed Organizational Structure - Fiscal Year 2020-22 Two-Year Budget Plan

