

CENTRAL CONTRA COSTA SANITARY DISTRICT

Organization and Staffing Plan

Final Report / February 13, 2015

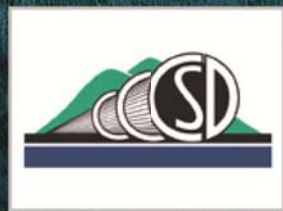


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This report was prepared by Raftelis Financial Consultants, Inc. (RFC) for the Central Contra Costa Sanitary District (District) to identify opportunities to enhance the organization and staffing considerations to meet future anticipated service levels and strategic areas of focus. This study was conducted in conjunction with a financial rate study also conducted by RFC for the District.

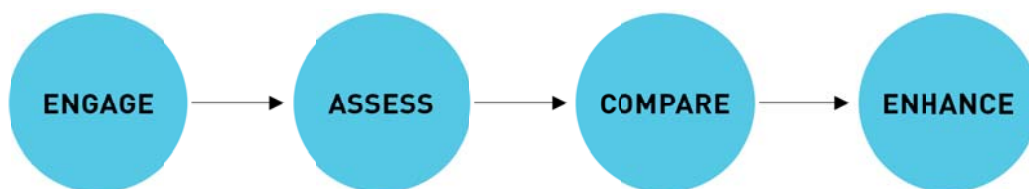
0 EXECUTIVE SUMMARY

In June of 2014, the Central Contra Costa Sanitary District (District) commissioned Raftelis Financial Consultants (RFC) to conduct a comprehensive Cost of Service (COS) study to independently assess and evaluate the District’s existing wastewater rates to provide a fair and reasonable rate structure. As part of the COS, the District requested an organizational and staffing needs assessment be conducted to define areas for organizational improvement and position the District to provide services in a cost-effective manner while positioning the organization to support a high-quality workforce and meet emerging regulatory and wastewater/recycled water service objectives.

RFC brings industry-wide knowledge of utility organizational and operations practices and the findings and recommendations presented in this Plan are based upon this knowledge coupled with District-specific considerations and strategic objectives.

We note that the District has not completed a staffing study of this magnitude for a long time – thus the findings contained herein address both systemic holistic adjustments that address longer-term organizational needs that the General Manager has the authority to act on as well as present some recommendations for new positions that require Board action and approval. While the recommendations in this document may suggest extensive change, in reality most functions and responsibilities have remained intact for individual groups and sections. Thus the magnitude and degree of change in many ways is structural only – not necessarily in work group function.

The Study consisted of four principal activities:



1. Engage –

- a. The District “Organizational Performance Team” (OPT) comprised of Senior management was formed in July 2014 to guide and lead the organizational assessment and provide feedback during the study. The OPT intent was to lead and guide the organization on implementation of improvements moving forward

and act as change agents for implementation of the staffing needs assessment recommendations.

- b. A survey was developed and distributed to all employees in September 2014. The purpose of the survey was to obtain feedback anonymously on their perspectives of the organization and opportunities to improve. A total of 144 District employees, or 50% of total staff, participated in the survey. The survey results are summarized in Appendix C.

2. Assess –

- a. RFC conducted interviews with Board Members, management team and District employees, both individually and in groups, to understand work responsibilities and define opportunities to improve. A total of 68 individual and group interview sessions with the District were completed from July to November 2014. Individuals that were able to participate in the interviews were encouraged to provide feedback through the employee survey.
- b. Work areas and District facilities were visited and reviewed.

3. Compare –

- a. RFC conducted an external staffing comparison to other peer utilities during November 2014.
- b. RFC conducted an analysis of various organizational structures of other utilities. We note that when examining the structure of any organization, it is very important to understand how work is accomplished as compared to what the formal organizational chart conveys. The comparison results are summarized in Appendix D.

4. Enhance –

- a. RFC met with the OPT on November 3, 2014 to validate observations and discuss opportunities for improvement.
- b. Organizational structure recommendations were developed and reviewed with Executive Leadership to define the preferred structure deemed to best meet organizational efficiency, staff support and development, as well as future service level needs.

This document presents the findings and recommendations of the organizational and staffing needs assessment.

0.1 ORGANIZATIONAL OVERVIEW

The District operates and maintains over 1,500 miles of underground sewer, 19 wastewater lift stations and a secondary wastewater treatment facility (WWTF) that is permitted to treat an average of 53.8 million gallons per day (mgd) of dry weather flow. The District Treatment Plant uses multiple-hearth incineration to treat its biosolids which makes it unique to the State of California using this type of technology and utilizes extensive energy recovery as a result. The District also operates and maintains a Household Hazardous Waste (HHW) drop-off facility.

- Population served: 471,000
- Operating Budget FY 14-15: \$88.2M
- Capital Budget FY 14-15: \$25.1M

0.1.1 Current District Organization

The District currently has 287 budgeted full-time positions in three Departments as presented in Table 0-1: FTEs by Department – FY 2014-15 District Organization. In addition to its full-time workforce, the District utilizes a variety of external contracted services and temporary employees to meet critical staffing needs for open positions.

Table 0-1: FTEs by Department – FY 2014-15 District Organization

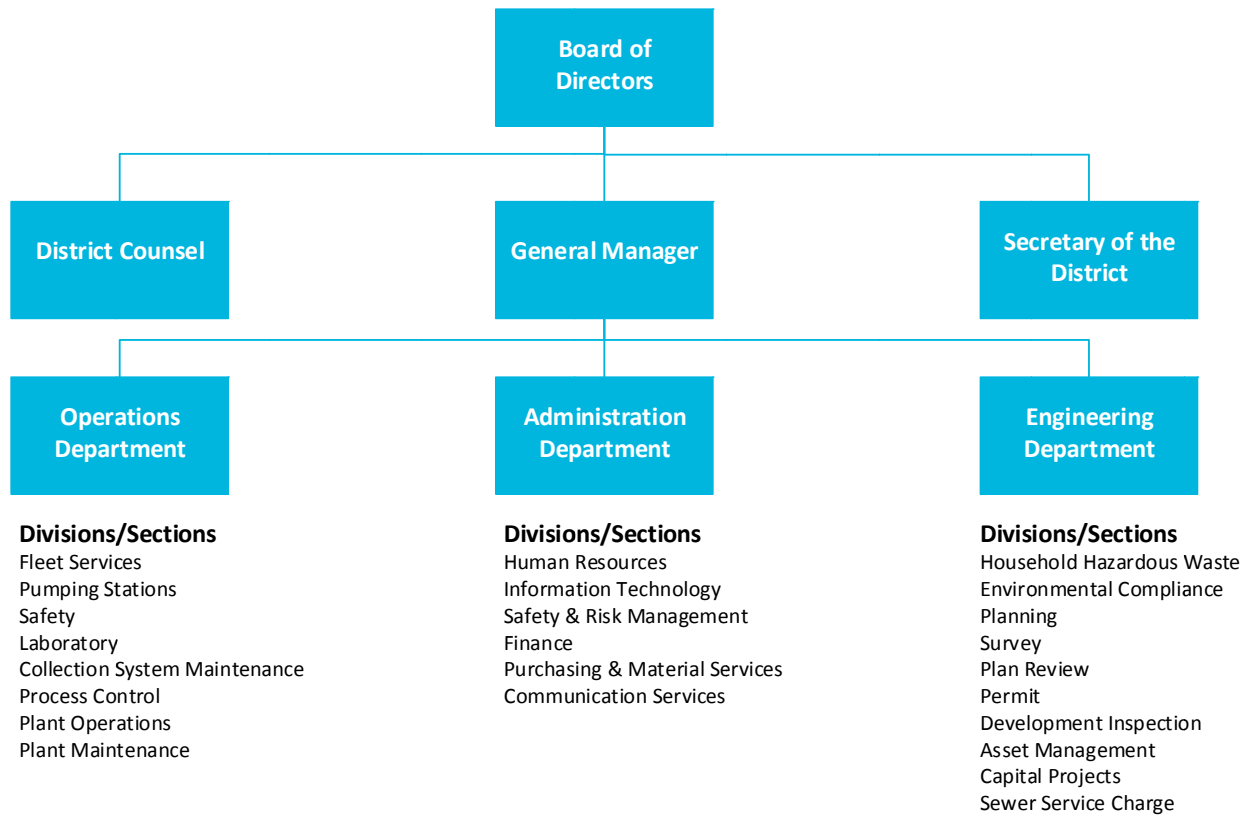
Department	FTEs
Administration	50
Engineering	81
Operations	156
Total	287

The District is governed by a five-member Board of Directors (Board). The General Manager and Secretary of the District both report directly to the Board. The District Counsel also reports directly to the Board.

The current District organization is comprised of three Departments, each under its respective Director. The Deputy General Manager also serves as the Director of Operations.

Figure 0-1 presents the current District organization.

Figure 0-1: Current District Organization



0.2 STRATEGIC DISTRICT INITIATIVES

The District’s board and management staff are actively leading and engaging the organization workforce to meet strategic business needs to position itself moving forward. RFC notes that the organization and staffing study recommendations are intended to support and meet the District’s strategic goals. Figure 0-2 presents some of the key strategic activities actively underway by the District which are summarized below:

Figure 0-2: District Strategic Initiatives



- **Strategic Business Plan** - The District completed its strategic business plan in 2014 and is actively working on achieving its Goals.
- **Succession Planning** - The Succession Planning Committee (SPC) was established in May 2014 under the direction of the General Manager to address the succession needs of the District.
- **Information Technology Master Plan** – In early 2014, the District commissioned an Information Technology Master Plan (ITMP) to address the significant needs of its technology infrastructure and staffing.
- **Enhanced Capital Program Management** – The District’s Engineering and Operations Committee has been working with management staff on the Capital Improvement Budget (CIP) process, including budget tracking and reporting as well as enhancements to the prioritization process. The Engineering Capital Projects Division has been working on new methodology to prioritize capital projects. Also, under the Board’s direction, the District has actively been investing and developing its Asset Management program.

0.3 SPECIFIC DISTRICT ORGANIZATIONAL ASSESSMENT PERSPECTIVES

Regardless of their origin, organizational changes generally become permanent (i.e. they become the new structural norm) over time. As the organization evolves, resource islands can form in which staff reside in areas within the organization apart from their “Community of Practice” which can result in constraint to career and personal development as well as promote inefficiencies in effective resource allocation. Thus, periodic restructuring can be a good thing to return “islands” of individuals or work groups to their communities to align the various aspects of the organization to support work effectiveness, organizational efficiency and individual career/skills development.

The Impacts of a Vacancy – Looking at vacant positions as an indication of over or under staffing can be a misleading indicator of the need (or not) for resources. In a relatively specialized organization such as the District, where there is by necessity some degree of specialization in responsibilities, when a position becomes vacant, there can be a significant near to mid-term (e.g. as much as 1 year) impact to fill this position from below on an interim or acting basis, or by using temporary employee status and filling externally. While the position itself remains officially vacant, thus providing the perception that the position is not needed, the reality is that the position is often filled by a temporary or acting employee in order to continue to meet the business needs of the District. *Thus, while a list of open or vacant positions may imply that there is opportunity to reduce staffing, the reality is much more complex and is the responsibility*

of management on a daily basis to make the most appropriate decision on the need for filling position vacancies or adjusting work practices to eliminate the need for that particular position.

The Balance between Efficiency and Effectiveness - RFC's recommendations for District staffing and organization structure have taken into account a balanced perspective between risk, desired service levels and longer-term needs coupled with our knowledge of industry-wide practices and strategies. The District is where it is today not because of any mismanagement or overt intent to staff the organization to compensate for inefficiencies, but rather has made ongoing staffing decisions as part of its evolution and management decision making processes. This study reflects a desire by current District management to improve but it is not because anything is necessarily broken or anyone is at fault. Rather, there is recognition that there are always improvement opportunities to support organizational performance and make it easier to do work and/or reduce risk to the District. The investment in IT will serve the District well in increasing efficiency which may result in lower personnel costs, but realizing labor benefits will take time.

RFC does not recommend staffing changes that increase risk to an organization without considering all of the elements along the People-Process-Technology concept. Moving towards cost savings through workforce reduction has a very fine line where efficiencies gained can result in a strain on the workforce – especially for shift-based operations and field work. The requirement to staff around the clock and meet regulatory requirements requires sufficient workforce to allow training, vacations and other means to support employee quality of life. RFC has seen many models where organizations have adopted too-lean staffing practices and paid the price in loss of key employees and general degradation in morale.

Making staffing needs decisions and optimizing organizational work processes should be an active part of management on an ongoing basis. We note that industry-wide, sustainable intentional reductions in budgeted positions predominately occur as the outcome of investments in technology, business process optimization and outsourcing - and occur generally through attrition following implementation of improvements.

Use of External Contracted Services and Temporary Employees – The contribution and use of external services is an important consideration when considering the most appropriate means to meet the business needs of the organization. External services supplement and support in-house capabilities. The District uses external services to meet its business needs in many areas including capital projects (design, construction), outsourced routine services such as uniform, safety and on-call contracts, training, legal services and general consulting services such as this project.

The choice to engage external resources to supplement in-house expertise and resources is an active responsibility of management and is a decision that should be based on the particular service and needs of the District at the time of need. For example, while the District does its own design of most of its smaller wastewater collection infrastructure projects, external expertise is utilized for complex design work or specialty work to supplement in-house capabilities. The District has been examining its use of in-house and external resources for design projects that fall within the District’s capabilities. We note that District management should continue to actively evaluate this based upon the specific needs of the tasks at hand (e.g. use external services) and determine the most cost-conscious and effective means to perform capital project design and management.

While RFC examined District staffing levels to define any variances with standard practices and have made recommendations accordingly, we note that decisions regarding staffing numbers is a core responsibility of management to make informed decisions regarding staffing needs to meet business needs at any given time so that the desire for efficiency occurs based upon the informed balance between risk, service levels and overall effectiveness.

0.4 ORGANIZATIONAL CULTURE

The District has a very strong customer-centric culture which is embodied in every individual that we interviewed from the Board to field staff. Below is a quote from one our interviews that illustrates this culture and one of its affects which is that such cultural focus on customer service comes at a cost as labor resources commit to serving and interacting with the District customers. This emphasis on Customer Service will continue to be part of the District culture as indicated by the Strategic Plan. We note that the District work practices and required staffing levels are very much influenced by this very strong cultural norm.

“We’re very customer service oriented. That hurts our FTE/mgd, but it upholds our reputation. But that’s the organization we want to be.”

A focus on Research and Development is another desired cultural norm that the organization would like to return to was voiced by many during our Board and staff interviews. That is the intent for the organization to focus more on Research and Development (R&D). RFC describes this as the desire for the organization to return to a “Learning-Based” culture. Below is a quote that reflects this desire to move towards a Learning-Based culture.

“We used to be the best about 10 years ago. Fully staffed. Paid consultant/engineers top dollar and expected the best work. If it cost them more, so be it. Central San was top 5 in the state in the world of wastewater. Participating actively in legislative issues. Participation in technical conferences/committees. That has really faded. Roger is moving us back in that direction.”

A high-performing organization needs to attract, sustain and develop a motivated workforce that is provided with career development and personal growth opportunities. Training and incentives that enhance and recognize employee efforts provide the means to establish higher standards of performance to meet the needs of modern utility operations. The shift to a learning-based culture will serve the District well in attracting and supporting a high-quality workforce. Investments in R&D and more focus on Planning and industry outreach will greatly move the District towards the cultural intent to return to a learning organization. We note that there will be personnel and other costs associated with moving toward this intent. RFC has incorporated elements in the organizational design to support a Learning-Based culture and progression path / effective supervisory spans of control for the District workforce.

0.5 PROPOSED DISTRICT ORGANIZATION AND STAFFING REQUIREMENTS

RFC proposes three major opportunities for the District to strengthen its organizational performance. These are:

1. Improve Organizational Structure Effectiveness
2. Focus on Becoming a Learning-Organization
3. Increase Organizational Efficiency

0.5.1 Improved District Organizational Structure

Figure 0-3: Proposed District Organization presents the proposed new structure. While there are several division level recommendations (detailed in Attachment A), the broader recommended changes are as follows:

Figure 0-3: Proposed District Organization

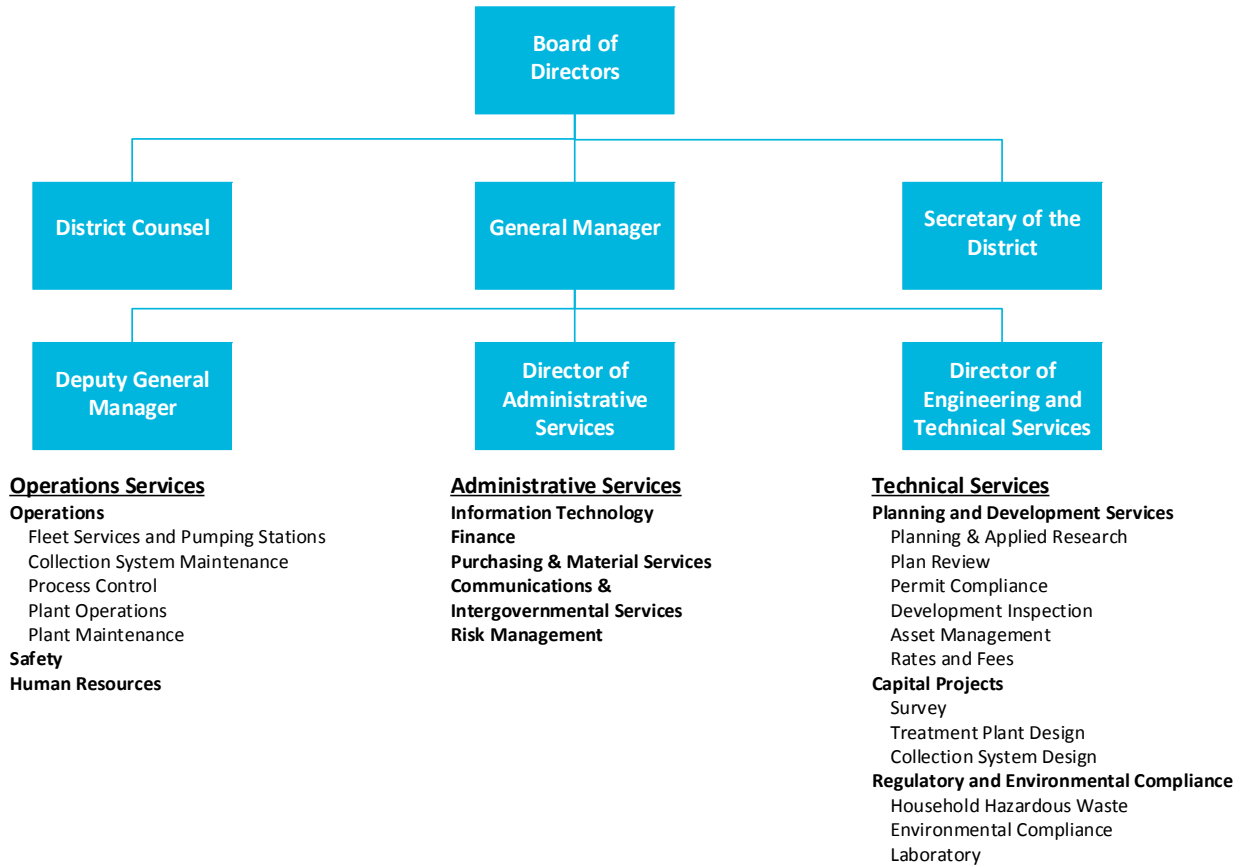


Table 0-2 summarizes the total proposed FTEs¹ by Department. We note that the proposed total represents a “net-zero” of budgeted FTE positions as compared to the current organization.

Table 0-2: Total FTEs by Department – Proposed District Organization

Department	Current	Proposed
Administrative Services	50	47
Technical Services	81	92
Operations Services	156	148
Total	287	287

Table 0-3 presents an overview of recommended changes and what was modified.

¹ RFC has identified 4 future positions to be considered by the District following implementation of this Plan. These are not included in the total of proposed FTEs but are described

Table 0-3: Overview of Proposed Organizational Changes

Department	Division	Section	Modified	Relocated	Current FTEs	Proposed FTEs	
Administrative Services	Executive and Admin Support	n/a	✓		3	5	
	Information Technology	n/a	✓		8	11	
	Finance	n/a	✓		11	10	
	Purchasing and Material Services	n/a			8	8	
	Communications and Intergovernmental Services	n/a			7	7	
	Secretary of the District	n/a	✓		6	4	
	Risk Management	n/a			2	2	
	Human Resources	n/a		✓	5	0	
	Subtotal				50	47	
Technical Services	Executive	n/a			1	1	
	Planning and Development Services	Manager and Admin Support				2	2
		Rates and Fees	✓			7	5
		Planning and Applied Research	✓			5	6
		Asset Management		✓		0	6
		Development Services	✓			17	14
	Capital Projects	Manager and Admin Support				3	3
		Survey	✓	✓		0	3
		Collection System Program	✓			12	12
		Treatment Plant Program	✓			12	11
		Asset Management		✓		6	0
	Environmental and Regulatory Compliance	Manager and Admin Support	✓			0	2
		Laboratory		✓		0	8
		NPDES, Title V, Title 22	✓	✓		0	4
		Environmental Compliance		✓		10	9
		Household Hazardous Waste		✓		6	6
	Subtotal				81	92	
Operations Services	Executive and Admin Support	n/a			4	4	
	Collection System Operations	Manager and Admin Support				3	3
		Fleet Services, Force Main, and RW	✓			5	5
		Pumping Stations		✓		7	7
		Field Operations	✓			44	44
		CCTV and CMMS	✓			4	4
	Facilities Maintenance	Manager				1	1
		Reliability Engineering	✓			5	4
		Maintenance	✓			33	33
	Plant Operations	Manager				1	1
		NPDES, Title V, Title 22	✓	✓		3	0
		Laboratory		✓		8	0
		Operations				30	30
Process Control					5	4	
Safety	n/a		✓		3	3	
Human Resources	n/a		✓		0	5	
Subtotal				156	148		
TOTAL				287	287		



0.5.2 Summary of Proposed Repurposed and Renamed Positions

While this report has identified organizational adjustments and staffing needs that result in a FY 2015-16 (Year 1) near-term staffing adjustment of “net-zero,” RFC sees an additional four (4) additional positions that, following further evaluation and implementation of this Plan, the District will need to confirm and the Board to approve. These additional positions are:

- Training Manager (Year 2) following completion of Training Program Roadmap
- Facilities Maintenance Planner (Year 2) following consolidation of Facilities Maintenance Division)
- Assistant Land Surveyor (Year 2) following assessment of CIP survey requirements and workflow analysis)
- Internal Auditor (Year 2+). While we have redefined the unfilled newly-created Auditor position to become the proposed IT Manager, the Auditor position was created from an open position in Engineering. However, the District has defined a business need for auditing activities. We suggest that the Auditor role and activities be developed using an external entity to define the ultimate value and determination for a full-time (1 FTE) Auditor position in the future.

Table 0-4 presents the proposed changes in current positions and Table 0-5 presents the proposed changes in current Titles.

Table 0-4 – Summary of Proposed Repurposed and Renamed Positions

ACTION	POSITION/WORKGROUP
DELETIONS	
	INFORMATION SYSTEMS SPECIALIST
	SYSTEM ADMINISTRATOR
	ASSISTANT LAND SURVEYOR
	INTERNAL AUDITOR
	SENIOR RIGHT OF WAY AGENT
	ADMINISTRATIVE TECHNICIAN
	FIELD OPERATIONS SUPERINTENDENT
ADDITIONS	
	INFORMATION TECHNOLOGY MANAGER
	INFORMATION TECHNOLOGY SUPERVISOR (CUSTOMER SERVICE)
	INFORMATION TECHNOLOGY SUPERVISOR (INFRASTRUCTURE)
	ENVIRONMENTAL AND REGULATORY COMPLIANCE DIVISION MANAGER
	ASSOCIATE ENGINEER
	MAINTENANCE CREW LEADER
	TECHNICAL SUPPORT ANALYST
POTENTIAL FUTURE POSITIONS	
	TRAINING COORDINATOR
	ASSISTANT LAND SURVEYOR
	FACILITIES PLANNER
	INTERNAL AUDITOR

Table 0-5 – Summary of Proposed Changes in Titles

ACTION	PROPOSED	EXISTING
TITLE CHANGES		
	ENGINEERING AND TECHNICAL SERVICES DIRECTOR	DIRECTOR OF ENGINEERING
	PLANNING AND DEVELOPMENT SERVICES DIVISION MANAGER	ENVIRONMENTAL SERVICES MANAGER
	GIS/CMMS ADMINISTRATOR	ENGINEERING SUPPORT SUPERVISOR
	COMMUNICATIONS and INTERGOVERNMENTAL RELATIONS MANAGER	COMMUNICATIONS SERVICES MANAGER
	PROJECT MANAGER/BUSINESS ANALYST	INFORMATION TECHNOLOGY ADMINISTRATOR

0.6 RECOMMENDATION 2 – FOCUS ON BEING A LEARNING ORGANIZATION

Focus on being a Learning Organization through formalization of the District Training Program. Also actively support and invest in staff involvement and technical/instructor contribution to

industry organizations– specifically seminars, presentations, publications and other technical outreach activities. Link these to the employee Personal Development Program (PDP) and an enhanced Recognition and Rewards program for staff who participate in these important external activities. Additionally, investing in Research and Development (R&D) on emerging technologies will drive the District to a learning organization.

0.6.1 Training Program Road Map

One of the hallmarks of learning-based organization is a formalized structure by which staff can expand their skills and value to their assignments and offer career development and opportunities to succeed. The Board’s desire to be a learning-based organization provides an opportunity to develop a programmatic approach to meeting the training needs of its staff.

The requirement for learning never stops as an individual must always receive training during their employment. In this regard, the District cannot rightly expect a best-in-class organization without ensuring that staff competencies are fully developed in a structured training environment. The District, therefore, must provide personnel with a structured opportunity to develop proficiency through ongoing instruction and educational opportunities. Development of a *Training Program Road Map* can form the foundation for a sustainable and managed training process. The "Training Program Roadmap" (TPR) should address the following:

- The Current Training Requirement:
- The Training Organization:

0.6.2 External Industry Outreach

Another hallmark of a learning organization is active technical outreach within the water and wastewater industry. Publication in industry journals, books, and presentation of District research, improvements, techniques and strategies employed (e.g., in each technical area) are all examples of this type of professional outreach to advance the art and knowledge of the industry. Serving as instructors in industry seminars and conferences should also be encouraged. By actively supporting and investing in staff involvement and technical/instructor contribution to industry organizations- specifically seminars, presentations, publications, and other technical outreach activities- the District can strengthen its reputation as an industry leader and provide its staff with much personal and professional recognition. By linking these activities to the employee Personal Development Program (PDP) and an enhanced Recognition

and Rewards program, the District can support and reward staff who participate in these important external outreach activities.

0.6.3 Investment in Research and Development

The District's Planning Division in conjunction with operations will provide an excellent forum for investment in research and development. While the Planning Division would act as the Project Manager in research, other affected functions within the organization can be part of the research team. Examples include pilot plants, emerging technologies, evaluation of instrumentation types, coordination with universities on research and evaluation of alternative methods of process control.

0.7 RECOMMENDATION 3 – PROMOTE ORGANIZATIONAL EFFECTIVENESS, EFFICIENCY AND WORKFORCE PERFORMANCE

The District has several areas of opportunity to increase its organizational effectiveness, efficiency and workforce performance. These are:

- Respect the Governance Structure
- Expand use of Tools for Communication and Time/Location Accounting
- Create and Formalize Auditing Processes
- Expediently Fill Position Vacancies
- Implement position broad-banding and reduce the total number of positions. This includes a corresponding completion of a comprehensive Class and Compensation study.
- Optimize meetings.

0.7.1 Respect the Governance Structure

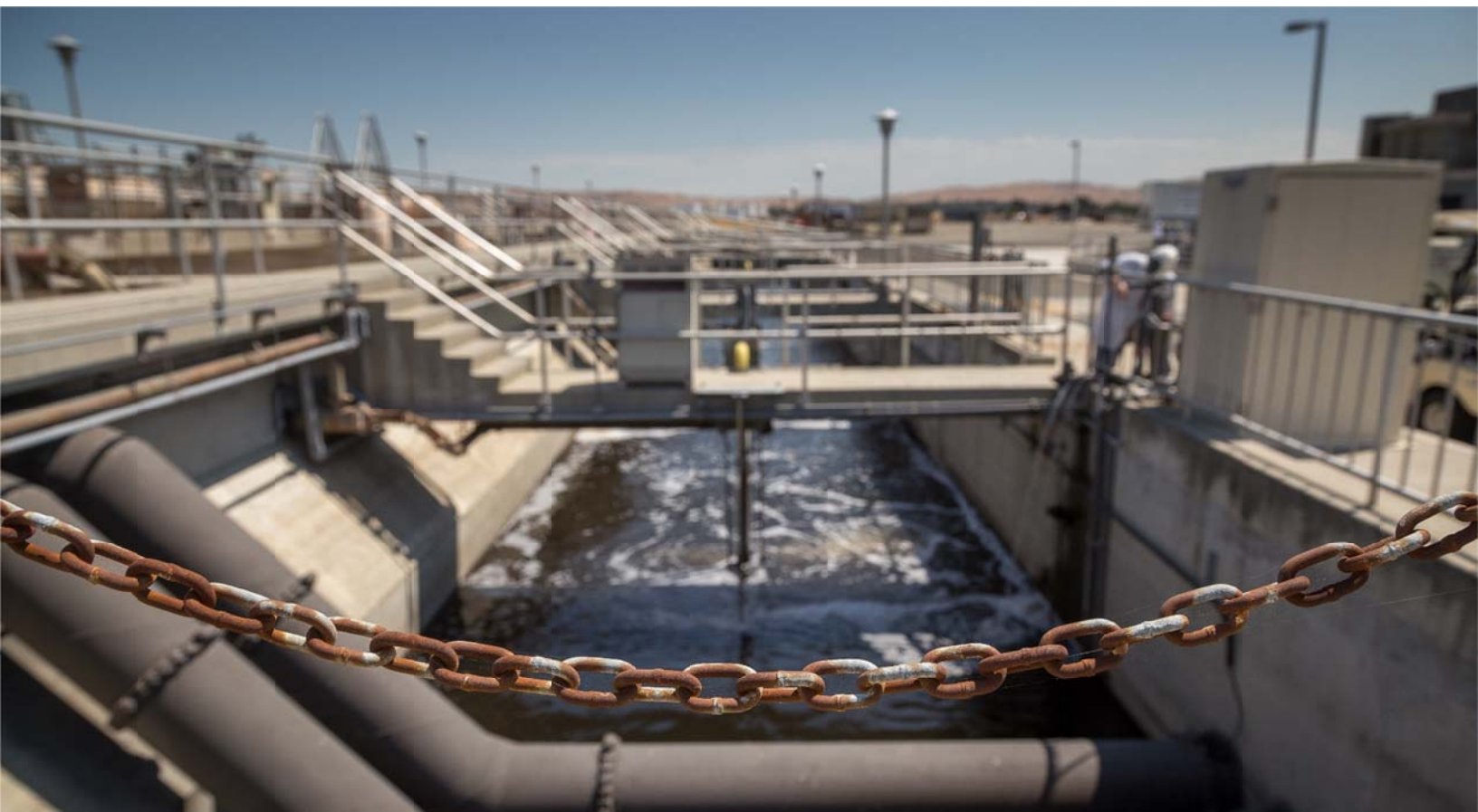
There is opportunity to enforce adherence to governance protocol between District staff and the Board. During our interviews we heard several examples of the need for accountability on both sides (Board and Staff) to respect the organization and follow established communications/interaction channels– some of which prompted the General Manager to issue a Board/Staff interaction policy clarification memo to all-staff. The Board sets policy and the General Manager and staff implement that policy and manage the organization. We note that one of the most significant risks to a sound governance model occurs when one or both parties bypass established interaction/communication protocol as set by the General Manager and

approved by the Board. Accordingly, we suggest the following opportunities to improve the Board/Staff communication model:

- Conduct Board Member Orientation and Governance Model Training Program.
- Train staff on the Governance model and Board interaction (e.g. include Brown Act compliance, and the need for documentation on communications)
- Establish protocol for staff on how to respond to Board Member inquiries/requests. Hold staff accountable to “respect the organization.”

0.7.2 Expand Use of Electronic Tools for Communication and Time/Location Accounting

The use of electronic tools by District staff for routine non-verbal communication (email and smartphones) varies by type of work environment. Specifically, those staff with desk and/or office responsibilities use email much more readily than field staff. RFC noted that the District relies on bulletin boards and hard-copy mailboxes for those staff who choose to not use email or personal computers and find it inconvenient to do so. There is an administrative overhead requirement to maintain bulletin boards and to print and distribute memos from email files in physical mail slots. For the District to embrace a learning organizational culture, all staff should have active and be accountable for use of email and internet access. RFC recommends continued investment in sufficient workstations / iPads / Smart Phones to implement electronic communications to the entire workforce.



Additionally, during the interview process, we observed where timesheets are manually completed by staff and are then electronically entered into the system by Administrative personnel. The conversion to an electronic time accounting system and holding individuals accountable to electronically complete timesheets will considerably streamline this cumbersome process.

0.7.3 Create and Formalize Auditing Processes

The District has an opportunity to develop its internal auditing program prior to hiring a full-time position for this role. We suggest that the District engage an external firm to develop the auditing program and then consider filling a full-time auditor position moving forward. While the position has previously been approved and funded, there is more immediate need for repurposing this position to meet recommended needs from this study. However, we include the Auditor as a fourth additional position to consider as the District moves forward.

0.7.4 Expediently Fill Position Vacancies

Positions become vacant for a variety of reasons. As described in Section 2.2, the District often experiences a cascade-effect when a key supervisory or technical position is vacated. Accordingly, the speed at which an open position is filled (the District target is less than 2 months) and how it is filled (permanent, provisional and temporary) drives the response and mechanism to fill the position. During the interviews RFC heard examples where a temporary employee remained in that status for as long as several years before being hired in a permanent status. While these may have been unique situations and occurred in the past, the District should continue to examine use of the temporary position and establish maximum duration and other guidelines to more effectively manage this classification.

0.7.5 Implement Position Broad-Banding / Reduce the Total Number of Job Descriptions

The District currently has 111 unique job classifications out of a total workforce of 287. The number of unique position descriptions actually may inhibit career development and opportunities to advance as well as creates a significant burden and administrative overhead on the Human Resources Division. During the interview process we heard from a number of staff regarding the challenges of having too many unique position descriptions that leave quite a lot up to interpretation as to which one applies to the responsibilities of an individual. As an example, we note District position descriptions with a high degree of overlap that illustrate the need to implement position broad-banding (e.g. Assistant Engineer and Associate Engineer).

Broad-banding is a classification system that coalesces job classes with similar duties into broader occupational categories. Along with the broader categories, expanded pay range bands are part of a Broad banding process. The benefits of broad banding include:

- Reduce the need to reclassify positions due to work assignment and organizational changes
- Allow flexibility in organizational assignments
- Enable broader pay latitude during evaluations to help move employees up through their pay ranges.
- Provide maximum flexibility in the day-to-day administration of the classification and compensation program

Along with the Broad-banding, the District should also consider conducting a Class and Compensation evaluation to ensure equity across the organization and bargaining units.

0.7.6 Optimize Meetings

The District is not alone in the need to conduct meetings as part of its normal business activities. During our interview process, many staff voiced concern over the time spent in meetings and/or where meetings were not viewed as productive. While meetings are necessary, observance of general meeting rules and etiquette are important to ensure efficient use of staff time and maximize meeting effectiveness.

0.8 IMPLEMENTATION CONSIDERATIONS AND ROADMAP

While the recommendations contained in this report may result in an initial increase of personnel costs and other administrative overhead, RFC believes that they will be more than offset over the longer period by allowing the District to utilize resources more efficiently, lower its costs for external (outsourced services) and better position itself to meet strategic directives, as well as meet evolving environmental and service level/infrastructure investment needs.

The District is fortunate to exist in an area where there are world-class educational, cultural and quality-of-life benefits to attract and sustain a high-quality workforce. The District's service mandate is based on high expectations from its customers, the community, and the regulatory environment at local, state, and federal levels.

The District has assembled a leadership team that has the experience and ability to lead the organization moving forward. Moreover, there are individuals at all levels who make a huge difference and care about their jobs and service to the community. The District is blessed with a

workforce comprised of people who individually and collectively have worked hard to keep up with service level requirements and the challenges of an aging infrastructure. They are the front line in protecting public health and the wellbeing of the environment. The District staff are what make the organization successful and they need all the support the organization can provide in order to continue meeting the service levels and demands of the system. Despite these strengths, the District is at a key crossroad as it evolves to meet future levels of service, and future environmental as well as other strategic objectives identified by the Board – balanced by the requirement to keep customer rates within affordable ranges.

We suggest the District target full implementation of the proposed organizational structure realignment within a calendar year. In some cases, the recommendations can occur immediately with little impact to functions or workflows. Other recommendations will require recruiting and filling open leadership positions to complete organizational modifications. The District will need to develop an organizational structure implementation plan and schedule that provides the best continuity for work groups and District functions. The District Leadership Team who served the role of the Organizational Performance Team (OPT) to oversee this project can play a key role in moving the recommendations presented in this document forward.

We suggest that each Department head lead the organizational enhancement teams for their individual Department. The OPT can be common forum for communication, continuity and planning implementation activities. For specific work groups or sections, Champions should be identified to lead teams that will drive implementation of improvements. Champions will also support improvements to work flows by establishing improvement teams (Focus Groups) that would engage in specific improvement processes apart from organizational changes.

Once implementation is initiated, it will be the responsibility for each Focus Group to spearhead implementation of the process improvement activity. Thus, each Focus Group member will become a “champion” of the recommendations that they helped to formulate.

1 ORGANIZATIONAL STUDY OVERVIEW

1.1 BACKGROUND OF THE STUDY

The Central Contra Costa County Sanitary District (District) is a Special District that collects and treats wastewater from a service area of approximately 146 square miles. The District also provides recycled water to the treatment plant and to customers in Concord, Martinez and Pleasant Hill.

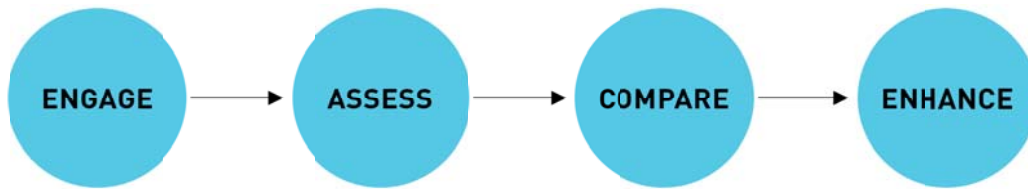
In June of 2014, the District commissioned Raftelis Financial Consultants (RFC) to conduct a comprehensive Cost of Service (COS) study to independently assess and evaluate the District's existing wastewater rates to provide a fair and reasonable rate structure. As part of the COS, the District requested an organizational and staffing needs assessment be conducted to define areas for organizational improvement and position the District to provide services in a cost-effective manner while positioning the organization to support a high-quality workforce and meet emerging regulatory and wastewater/recycled water service objectives.

This document presents the findings and recommendations of the organizational and staffing needs assessment. The study was conducted from July to December of 2014.

We note that the District has not completed a staffing study of this magnitude for a long time – thus the findings contained herein address both systemic holistic adjustments that address longer-term organizational needs that the General Manager has the authority to act on as well as present some recommendations for new positions that require Board action and approval. While the recommendations in this document may suggest extensive change, in reality most functions and responsibilities have remained intact for individual groups and sections. Thus the magnitude and degree of change in many ways is structural only – not necessarily in work group function.

1.1.1 Study Methodology

RFC brings industry-wide knowledge of utility organizational and operations practices and the findings and recommendations presented in this Plan are based upon this knowledge coupled with District-specific considerations and strategic objectives. The Study consisted of four principal activities:



1. Engage –

- a. The District “Organizational Performance Team” (OPT) comprised of Senior management was formed in July 2014 to guide and lead the organizational assessment and provide feedback during the study. The OPT intent was to lead and guide the organization on implementation of improvements moving forward and act as change agents for implementation of the staffing needs assessment recommendations.
- b. A survey was developed and distributed to all employees in September 2014. The purpose of the survey was to obtain feedback anonymously on their perspectives of the organization and opportunities to improve. A total of 144 District employees, or 50% of total staff, participated in the survey. The survey results are summarized in Appendix C.

2. Assess –

- a. RFC conducted interviews with Board Members, management team and District employees, both individually and in groups, to understand work responsibilities and define opportunities to improve. A total of 68 individual and group interview sessions with the District were completed from July to November 2014. Individuals that were able to participate in the interviews were encouraged to provide feedback through the employee survey.
- b. Work areas and District facilities were visited and reviewed.

3. Compare –

- a. RFC conducted an external staffing comparison to other peer utilities during November 2014.
- b. RFC conducted an analysis of various organizational structures of other utilities. We note that when examining the structure of any organization, it is very important to understand how work is accomplished as compared to what the formal organizational chart conveys. The results of the external comparison are summarized in Appendix D.

4. Enhance –

- a. RFC met with the OPT on November 3, 2014 to validate observations and discuss opportunities for improvement.

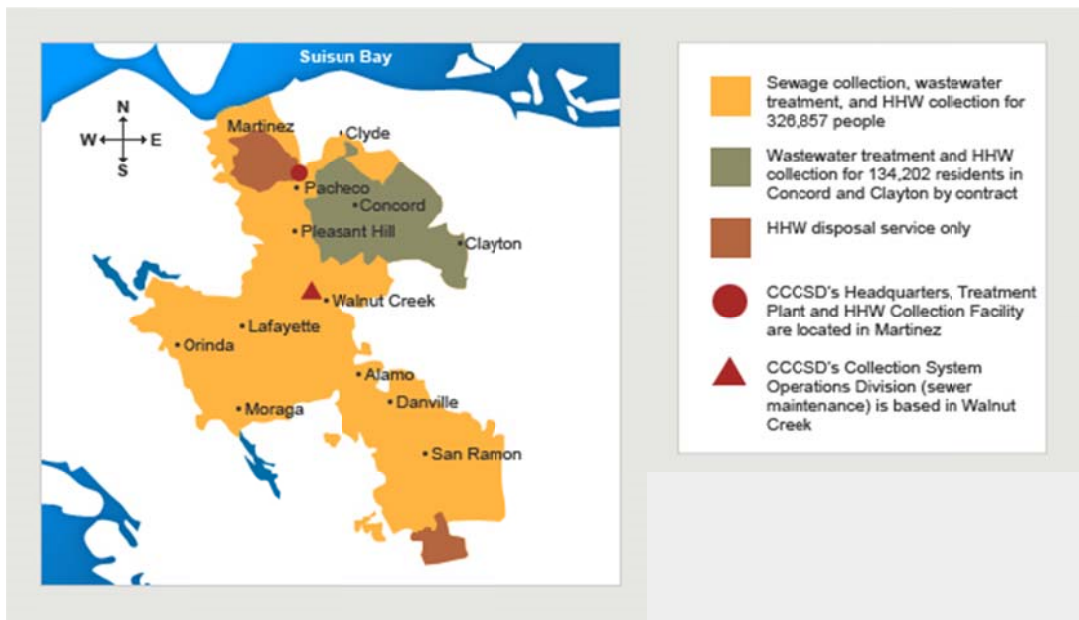
- b. Organizational structure recommendations were developed and reviewed with Executive Leadership to define the preferred structure deemed to best meet organizational efficiency, staff support and development, as well as future service level needs.

1.1.2 District Service Area

The District operates and maintains over 1,500 miles of underground sewer, 19 wastewater lift stations and a secondary wastewater treatment facility (WWTF) that is permitted to treat an average of 53.8 million gallons per day (mgd) of dry weather flow. The District Treatment Plant uses multiple-hearth incineration to treat its biosolids which makes it unique to the State of California using this type of technology and utilizes extensive energy recovery as a result. The District also operates and maintains a Household Hazardous Waste (HHW) drop-off facility.

- Population served: 471,000
- Operating Budget FY 14-15: \$88.2M
- Capital Budget FY 14-15: \$25.1M

Figure 1-1: District Service Area



Source: District Website

1.2 DISTRICT ORGANIZATION OVERVIEW

1.2.1 Current District Organization

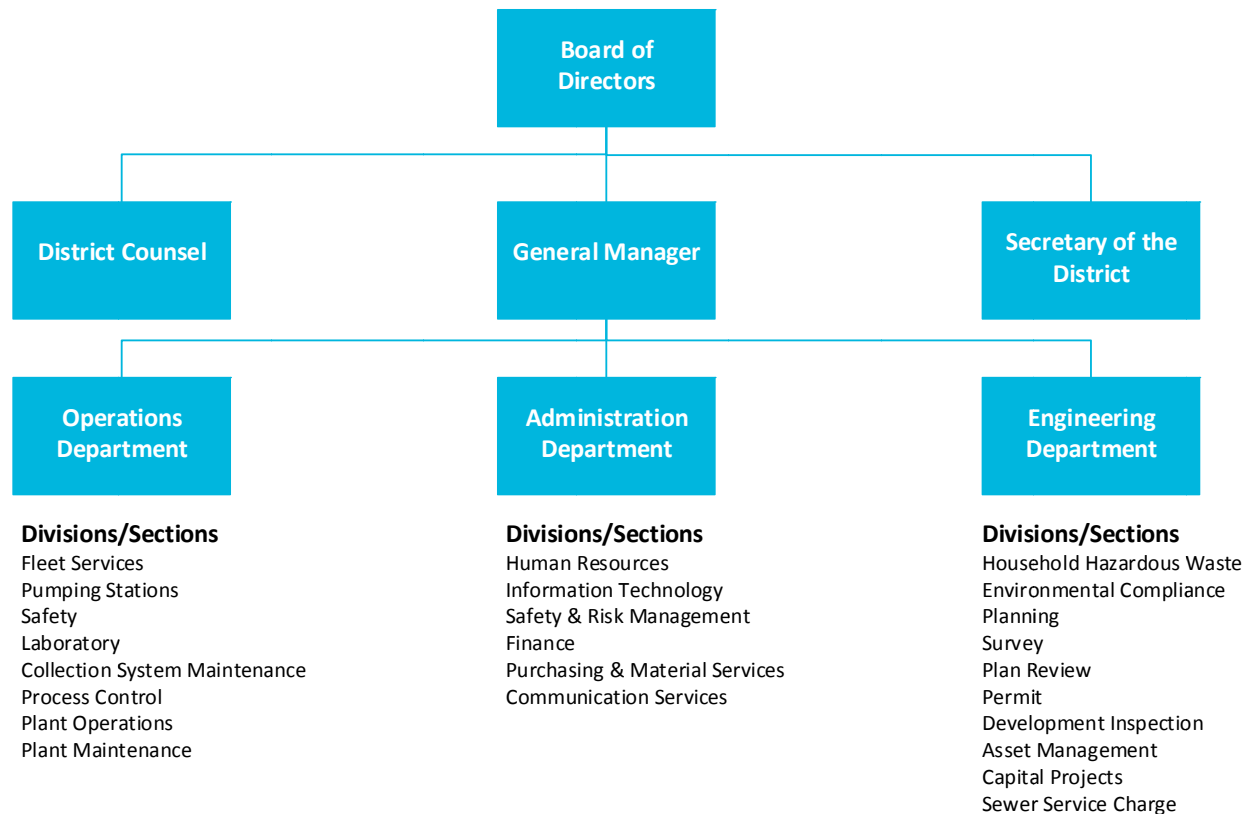
The District currently has 287 budgeted full-time positions in three Departments as presented in Table 1-1. In addition to its full-time workforce, the District utilizes a variety of external contracted services and temporary employees to meet critical staffing needs for open positions.

Table 1-1: FTEs by Department – FY 2014-15 District Organization

Department	FTEs
Administration	50
Engineering	81
Operations	156
Total	287

Figure 1-2 presents the current District organization.

Figure 1-2: Current District Organization



The District is governed by a five-member Board of Directors (Board). The General Manager and Secretary of the District both report directly to the Board. The District Counsel also reports directly to the Board.

The current District organization is comprised of three Departments, each under its respective Director. The Deputy General Manager also serves as the Director of Operations. The names and key responsibilities for each Department are as follows:

- **Administration Department** – Responsible for financial management, budgeting, collection of revenue and other customer service-related activities.
- **Engineering Department** – Responsible for planning, managing and implementing capital programs and providing technical and regulatory compliance services to the organization. Also manages permitting, sewer service charge billing and Recycled Water Program.
- **Operations Department** – Responsible to meet the operational and maintenance (O&M) needs of the District’s service area including the wastewater collection system lift stations, the Wastewater Treatment Plant (WWTP) and the recycled water filtration and distribution facilities.

The District is staffed by a dedicated and customer-centric workforce who are committed to providing high quality service with the available resources. The Director and executive staff are actively engaged in strengthening the organization, establishing new direction and working to position the organization to meet future performance standards and service levels.

The District is blessed with a workforce comprised of people who individually and collectively have worked hard to keep up with service level requirements and the challenges of an aging infrastructure. They are the front line in protecting public health and the well-being of the environment. The District staff are what make the organization successful and they need all the support the organization can provide in order to continue meeting the service levels and demands of the system.

The success of the organization to meet its responsibilities lies in the District’s dedicated workforce. While there are market and geographic limits to attracting top talent, the District has done an exceptional job in finding highly-qualified professionals for the organization and is able to offer a competitive compensation package to its workforce.



2 ORGANIZATIONAL CONSIDERATIONS

2.1 STRATEGIC DISTRICT INITIATIVES

The District's board and management staff are actively leading and engaging the organization workforce to meet strategic business needs to position itself moving forward. Some of the key strategic activities practiced by the District are summarized below:

- **Strategic Business Plan** - The District completed its Strategic Business Plan in 2014 and is actively working on achieving the following Goals:
 - Meet all Regulatory Requirements for the Good of the Community and Environment
 - Ensure Financial Sustainability
 - Develop our Human Capital Resources
 - Be a Leader in the Industry in this Time of Change
 - Provide Exceptional Customer Service
 - Maintain a Reliable Wastewater Infrastructure at a Reasonable Cost with an Ongoing Awareness of Critical Components

RFC notes that the organization and staffing study recommendations are intended to support and meet the above District goals.

- **Succession Planning** - The District experienced a recent exodus of long-term employees through retirement, some of which left abruptly, and, as often occurs in this scenario, the organization felt the impact. To proactively prepare and manage future retirements, the Succession Planning Committee (SPC) was established in May 2014 under the direction of the General Manager to address the succession needs of the District. The SPC is comprised of over 30 members, with an additional 15 representatives from various work groups within the District serving on subcommittees for a total of 45 members (16% of total workforce). The SPC represents application of best management strategies and the District has a strong forum to proactively address succession planning needs. The District should continue investing and supporting this group as a best management practice strategy. The SPC may be helpful in implementation of recommendations from the Staffing Needs Assessment.

The following excerpt from the District's SPC Key Performance Indicator Plan, describes the purpose and focus of the group:

“The purpose of the SPC is to develop a formal succession plan to be used as a tool in maintaining the continuity of high service levels by preparing the District to address future retirements and sudden changes in staffing with support from the Board of Directors and Senior Leadership. The SPC’s general goals are listed as follows:

- Create an environment that encourages employee development and staff retention*
 - Identify and develop internal staff to perform critical functions within the District*
 - Promote staff development through mentoring and cross-training programs*
 - Ensure thorough documentation for key District functions to aid in the retention of institutional knowledge*
 - Link succession planning to performance monitoring at the supervisory level*
 - Support continuous improvement of staff and District policies, procedures, and programs*
 - Develop strategies to fill positions with qualified candidates due to retirements, resignations, or extended leave*
 - Ensure the development of the formal Succession Planning Manual*
 - Help guide its subcommittees in the planning process and ensure the proposed deliverables are met.*
 - Carry out responsibilities and duties delegated to it by the General Manager”*
- **Information Technology Master Plan** – The impacts of outdated/insufficient or hardware limitations on staffing and workflows were discussed and observed throughout RFC’s interview process such as examples and actual failures of the email servers and other service glitches while we were on-site. In early 2014, the District commissioned an Information Technology Master Plan (ITMP) to address the significant needs in its technology infrastructure and staffing.

The ITMP is a comprehensive document that identifies the technology and staffing needs for IT services moving forward. The staffing and organizational structure for the Information Technology Group in this report were taken directly from the ITMP. The District also hired a contracted interim IT Manager in 2014 to begin the process of moving forward. We note that the District’s IT and software needs are significant and should continue to be a high priority and properly funded to meet the business and information needs of the organization moving forward.



- **Enhanced Capital Program Management** – The District’s Engineering and Operations Committee has been working with management staff on the Capital Improvement Budget / Capital Improvement Program (CIB/CIP), including budget tracking and reporting as well as enhancements to the prioritization process. The Engineering Capital Projects Division has been working on new methodology to prioritize capital projects. When finalized, this will support informed prioritization of capital projects including more condition-based criteria.

Also, under the Board’s direction, the District has actively been investing and developing its Asset Management program. RFC notes that the District is currently conducting condition assessment studies to establish the baseline. As the quality and reliability of asset condition data improves, and as work flows evolve to support prioritization, the Asset Management group will play an increasingly key role in the CIB/CIP process. We also note that the District recently moved its Geographic Information System (GIS) staff to the Asset Management Group. This move is shown in our organizational recommendations.

2.2 SPECIFIC DISTRICT ORGANIZATIONAL ASSESSMENT PERSPECTIVES

An organization's staffing and formal structure evolves over time – either through realignment of resources to meet a business need (strategy-based structuring) or to attempt to resolve a near-term organizational or interpersonal conflict (conflict-based structuring). This is certainly the case for the District which has not performed a comprehensive organizational and staffing plan in a long time.

Regardless of their origin, organizational changes generally become permanent (i.e. they become the new structural norm) over time. As the organization evolves, resource islands can form in which staff reside in areas within the organization apart from their "Community of Practice" which can result in constraint to career and personal development as well as promote inefficiencies in effective resource allocation. Thus, periodic restructuring can be a good thing to return "islands" of individuals or work groups to their communities to align the various aspects of the organization to support work effectiveness, organizational efficiency and

The Impacts of a Vacancy – Looking at vacant positions to use as an indication of

over or under staffing can be a misleading indicator of the need (or not) for resources. In a relatively specialized organization such as the District, where there is by necessity some degree of specialization in responsibilities, when a position becomes vacant, there can be a significant near to mid-term (e.g. as much as 1 year) impact to fill this position from below on an interim or acting basis, or by using temporary employee status and filling externally. While the position itself remains officially vacant, thus providing the perception that the position is not needed, the reality is that the position is often filled by a temporary or acting employee in order to continue to meet the business needs of the District. While staffing for low workload periods and using external resources to meet higher workload may be a more efficient model, it can put the District in a vulnerable position relative to staffing needs, especially as key positions become vacant. *Thus, while a list of open or vacant positions may imply that there is opportunity to reduce staffing, the reality is much more complex and is the responsibility of management on a daily basis to make the most appropriate decision on the need for filling position vacancies or adjusting work practices to eliminate the need for that particular position.*

The Balance between Efficiency and Effectiveness – Over the past 25 years, the wastewater industry has been moving toward increasing efficiency in its business practices with emphasis on reducing staff numbers, consumables and optimizing business processes. This movement has been most evident in operations and field maintenance staffing practices. Investment in technology has supported many of these initiatives such as for treatment process monitoring

and optimization, customer billing and access to information to make informed business decisions and adopt performance measurement as a standard practice.

RFC's recommendations for District staffing and organization structure have taken into account a balanced perspective between risk, desired service levels and longer-term needs coupled with our knowledge of industry-wide practices and strategies. The District is where it is today not because of any mismanagement or overt intent to staff the organization to compensate for inefficiencies, but rather has made ongoing staffing decisions as part of its evolution and management decision making processes. This study reflects a desire by current District management to improve but it is not because anything is necessarily broken or anyone is at fault. Rather, there is recognition that are always improvement opportunities to support organizational performance and make it easier to do work and/or reduce risk to the District. The investment in IT will serve the District well in increasing efficiency which may result in lower personnel costs, but that will take time.

The District is not alone in the desire for efficiency and, during our interview process, we learned about many enhancements to its business practices that have been implemented or are being considered. As documented in the IT Master Plan and this study, we have noted other areas where the District could see some gain improvements in efficiency (time sheet accounting, full implementation of the proposed new CityWorks Computerized Maintenance Management System, etc).

RFC does not recommend staffing changes that increase risk to an organization without considering all of the elements along the People-Process-Technology concept. Moving towards cost savings through workforce reduction has a very fine line where efficiencies gained can result in a strain on the workforce— especially for shift-based operations and field work. The requirement to staff around the clock and meet regulatory requirements requires sufficient workforce to allow training, vacations and other means to support employee quality of life. RFC has seen many models where organizations have adopted too-lean staffing practices and paid the price in loss of key employees and general degradation in morale.

Making staffing needs decisions and optimizing organizational work processes should be an active part of management on an ongoing basis. We note that industry-wide, sustainable intentional reductions in budgeted positions predominately occur as the outcome of investments in technology, business process optimization and outsourcing - and occur generally through attrition following implementation of improvements.

We often see excessive Overtime (OT) as an indicator of the need for additional staff, or if OT is managed appropriately and within industry-acceptable standards, indicates that staffing levels generally meets the labor requirements of the workgroups. RFC notes that the District does not expend OT excessively but does use standby pay to compensate employees who are on-call should a response be required. Management of standby pay should be carefully managed and consideration be given as to the level of risk that is truly being reduced or could the number of employees “on-call” be reduced to lower this cost.

Simply cutting positions as a way to cut personnel costs without investing in technology or improving work process efficiencies always carries a significant risk. We did not see much excess at the District to warrant any wholesale cuts in job positions at this time– however we did see opportunities to repurpose and change titles to meet near and longer-term District strategic business needs without increasing the total number of FTEs– this resulted in our “net zero” change of recommended budgeted positions. As the District evolves, there will continue to be opportunities to consider alternative staffing to consider shifting non-technical tasks from higher salaried positions to more cost-effective administrative support personnel.

While RFC examined District staffing levels to define any variances with standard practices and have made recommendations accordingly, we note that decisions regarding staffing numbers is a core responsibility of management to make informed decisions regarding staffing needs to meet business needs at any given time so that the desire for efficiency occurs based upon the informed balance between risk, service levels and overall effectiveness.

To illustrate RFC’s evaluation on staffing levels, we examined the District Treatment Plant operations for the potential to adjust staffing levels. Specifically, could the plant be staffed under alternative means to its present standard 3 operators plus one supervisor per shift (e.g. reduce each shift staffing by 1 FTE)? When we examined operations staffing at the Treatment Plant, RFC considered the following realities:

- Operators are responsible for keeping the facility in compliance with its regulatory permits. In the case of the District– this is a highly important standard (16 NACWA awards for compliance) by which the District is very proud of.
- During normal operations, the operator generally is there to monitor and perform other routine tasks, as required. In reality, the operators really are there to respond to process issues, emergencies, failures and other issues that arise during the course of operations. The SCADA system acts as the primary “operator” to keep the desired set-points and process criteria within their programmed limits– the operator is there to make informed

decisions based upon experience, sense and expertise to keep the plant functioning properly and prevent process upsets and other issues that compromise treatment integrity.

- The permitted staffing requirement, complexity of the facility, availability of redundant equipment, labor needs and sensitivity of its processes drive the appropriate operator staffing requirements with each shift often having unique tasks and responsibilities. The District permit requires 24x7x365 staffing at the Treatment Plant. RFC notes that while the District treatment plant has a typical secondary wet stream process, it is a very complex solids processing facility which requires extensive experience and on-the-job training. The staffing emphasis is on the solids side of the treatment process to effectively and safely operate.
- The District Operator Training and Succession requirements are as follows:
 - It requires a new operator about 5 years to get to a District Grade III Operator level. On top of that, it takes about a couple more years to develop a seasoned Grade 3 Operator – thus, it may be as much as 7 years to meet the operations skill and experience standard necessary to respond to plant emergencies and issues. It then generally requires a couple more years to make a Grade 3 a good supervisor. In addition to plant specific skill development, Operators also must obtain State Certification and must obtain the necessary in-plant experience and training to be able to apply and take the test.
 - The anticipated impact of estimated retirements within operations are:
 - Years 2-3: 21% of staff likely will retire
 - Years 3-7: 38% of staff likely will retire
 - Thus within the next 7 years over half of the operations staff will retire.

Thus, RFC's recommendation is to not consider alternatives to reduce the shift staffing at the Treatment Plant at this time due to the combination of the need to keep risks as low as possible, the operator skill requirements of the treatment (especially solids) process, the extensive operator training requirements, and, the pending succession issue.

Use of External Contracted Services and Temporary Employees – The contribution and use of external services is an important consideration when considering the most appropriate means to meet the business needs of the organization. External services supplement and support in-house capabilities. The District uses external services to meet its business needs in many areas including capital projects (design, construction), outsourced routine services such as uniform, safety and on-call contracts, training, legal services and general consulting services such as this project.

The choice to engage external resources to supplement in-house expertise and resources is an active responsibility of management and is a decision that should be based on the particular service and needs of the District at the time of need. For example, while the District does its own design of most of its smaller wastewater collection infrastructure projects, external expertise is utilized for complex design work or specialty work to supplement in-house capabilities. The District has been examining its use of in-house and external resources for design projects that fall within the District’s capabilities. We note that District management should continue to actively evaluate this based upon the specific needs of the tasks at hand (e.g. use external services) and determine the most cost-conscious and effective means to perform capital project design and management.

2.3 ORGANIZATIONAL CULTURE

Every organization, as well as its subgroups, possesses a culture which has been spawned over time as groups and individuals work together. The District has a very strong customer-centric culture which is embodied in every individual that we interviewed from the Board to field staff. Below is a quote from one our interviews that illustrates this culture and one of its affects which is that such cultural focus on customer service comes at a cost as labor resources commit to serving and interacting with the District customers. This emphasis on Customer Service will continue to be part of the District culture as indicated by the Strategic Plan. We note that the District work practices and required staffing levels are very much influenced by this very strong cultural norm.

“We’re very customer service oriented. That hurts our FTE/mgd, but it upholds our reputation. But that’s the organization we want to be.”

Another desired cultural norm that the organization would like to return to was voiced by many during our Board and staff interviews. That is the intent for the organization to focus more on Research and Development (R&D). RFC describes this as the desire for the organization to return to a “Learning-Based” culture.

“We used to be the best about 10 years ago. Fully staffed. Paid consultant/engineers top dollar and expected the best work. If it cost them more, so be it. Central San was top 5 in the state in the world of wastewater. Participating actively in legislative issues. Participation in technical conferences/committees. That has really faded. Roger is moving us back in that direction.”



A high-performing organization needs to attract, sustain and develop a motivated workforce that is provided with career development and personal growth opportunities. Training and incentives that enhance and recognize employee efforts provide the means to establish higher standards of performance to meet the needs of modern utility operations. The shift to a learning-based culture will serve the District well in attracting and supporting a high-quality workforce. Investments in R&D and more focus on Planning and industry outreach will greatly move the District towards the cultural intent to return to a learning organization. We note that there will

be personnel and other costs associated with moving toward this intent. RFC has incorporated elements in the organizational design to support a Learning-Based culture, progression pathways, and effective supervisory spans of control for the District workforce.

The impacts of Culture on how an organization performs cannot be underestimated. When desired, Culture can be shifted to move the organization in a new direction which requires a concerted effort by the organization's leadership team and the support of the Board to work towards the desired cultural goal. Strategy provides the direction of an organization. Culture is what will get the District there- as well as managing within the limits of policies, agreements and funding that directly affect the District's ability to accomplish its goals.

3 PROPOSED DISTRICT ORGANIZATION AND STAFFING ENHANCEMENTS

RFC proposes three major categories of recommended opportunities for the District to strengthen its organizational performance. These are:

1. Improve Organizational Structure Effectiveness
2. Focus on Becoming a Learning-Organization
3. Increase Organizational Efficiency

Each of these are described in the following recommendation sections.

3.1 RECOMMENDATION 1 – IMPROVE ORGANIZATIONAL STRUCTURE EFFECTIVENESS

RFC examined the current organizational structure, and developed recommended structural modifications that would enhance the District’s ability to improve delivery of services and provide more effective staff resource allocation. Working with the District Senior leadership, the proposed organizational design has been created to address the following objectives:

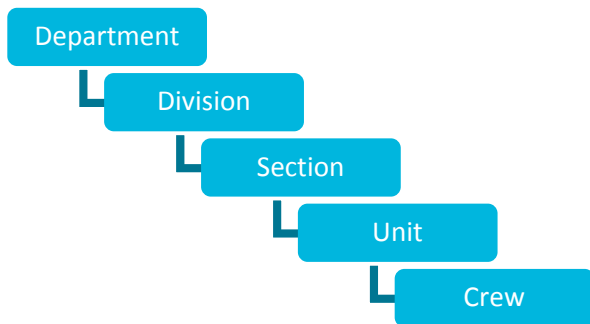
- **Aligns common functions** - Group functions with “Like-to-Like” services, eliminate resource islands and provide clear functional area responsibility delineation. This will support efficient work practices using staff resources within a community of practice who possess a broader set of skills.
- **Supports span of control** - Achieve an effective balance of horizontal (Divisions) and vertical (Sections and Groups) within each Department. Define an appropriate number of direct reports to supervisory positions based upon the nature of the work being performed.
- **Promotes workforce flexibility** - Maximize workforce flexibility and promote redundancy of critical positions.
- **Ensures services levels are met** - Ensure that there will be sufficient staff numbers to meet present business needs, required skill levels and workforce support. This includes reducing reliance on temporary and contracted services to offset core organizational limitations and position vacancies.

- **Supports succession planning** - Support career development and personal growth opportunities through clear progression paths and communities of practice.
- **Positions District for future needs** - Position the District to proactively address a changing regulatory environment and industry standards.

As the District continues to invest in its technology infrastructure and meet CIP needs, adjustments in staff allocations will necessarily occur. Accordingly, RFC’s focus and recommendations in this report have considered adjustments in staff numbers and reallocation of open positions and we have indicated where those have occurred. We also have identified future staff needs that the District may wish to consider following additional review and development of work practices to support full-time positions. As is always the case, staffing decisions must be a continuous process and should be based upon informed decision making by District management.

3.1.1 Proposed District Organizational Structure

Figure 3-1: Organizational Taxonomy



Throughout this Report, the taxonomy in Figure 3-1 will be used to identify a specific level of the organization. For example, a TV Crew member in Collection System Operations would have the following taxonomy:

- Department:** Operations Services
- Division:** Collection System Operations
- Section:** Field Operations
- Unit:** Maintenance Crew Members I/II
- Crew:** TV Crew

Figure 3-2 presents the high-level propose new A presents the detailed discussion and organiza Sections. While there are several individual staffing and division/group specific recommendations (these are discussed in Appendix A), the major recommended changes are summarized in Table 3-2.

Figure 3-2: Proposed District Organization²

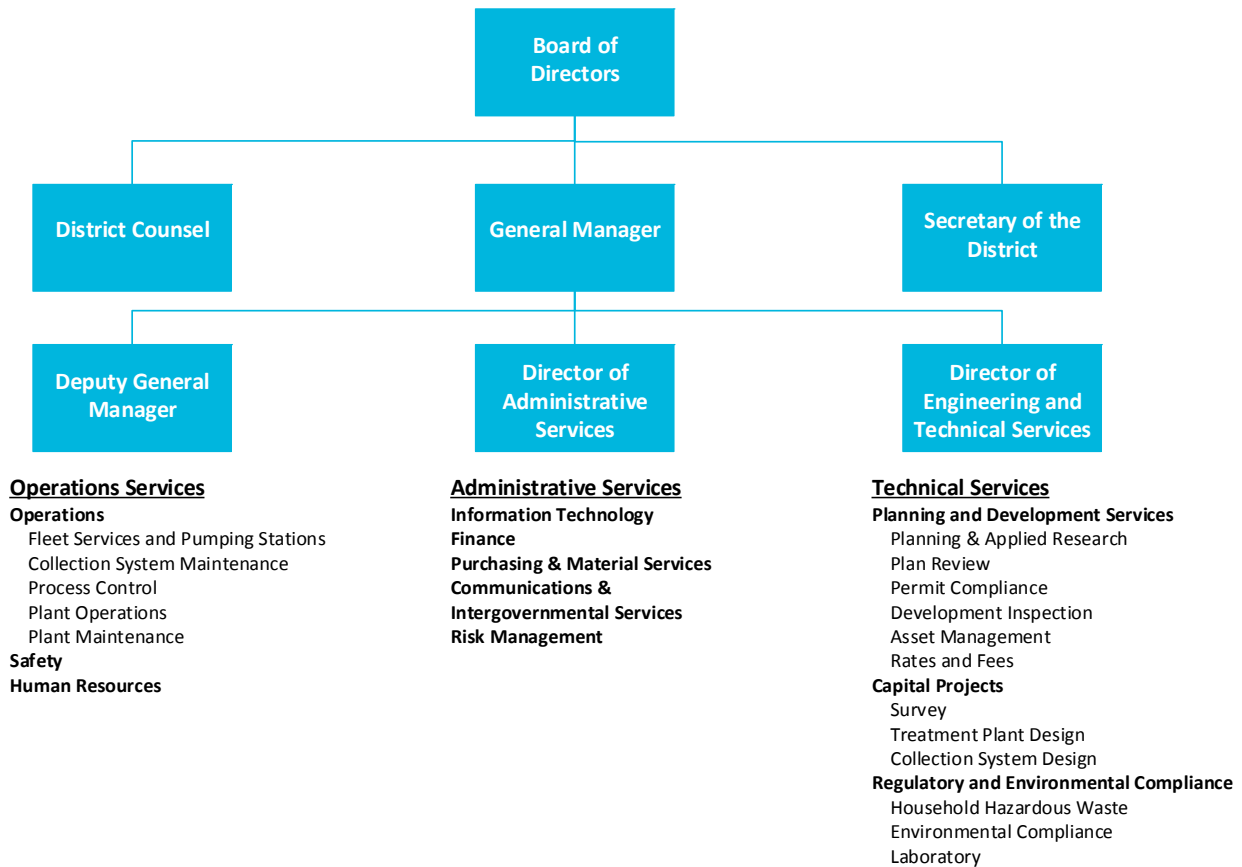


Table 3-1 summarizes the total proposed FTEs³ by Department. We note that the proposed total represents a “net-zero” of budgeted FTE positions as compared to the current organization. Table 3-2 presents an overview of recommended changes and what was modified.

Table 3-1: Total FTEs by Department – Proposed District Organization

Department	Current	Proposed
Administrative Services	50	47
Technical Services	81	92
Operations Services	156	148
Total	287	287

² The recommendations contained in this report do not affect the current Board Sub-committee structure and protocol.

³ RFC has identified 4 future positions to be considered by the District following implementation of this Plan. These are not included in the total of proposed FTEs but are described

Table 3-2: Overview of Proposed Organizational Changes

Department	Division	Section	Modified	Relocated	Current FTEs	Proposed FTEs	
Administrative Services	Executive and Admin Support	n/a	✓		3	5	
	Information Technology	n/a	✓		8	11	
	Finance	n/a	✓		11	10	
	Purchasing and Material Services	n/a			8	8	
	Communications and Intergovernmental Services	n/a			7	7	
	Secretary of the District	n/a	✓		6	4	
	Risk Management	n/a			2	2	
	Human Resources	n/a		✓	5	0	
	Subtotal				50	47	
Technical Services	Executive	n/a			1	1	
	Planning and Development Services	Manager and Admin Support				2	2
		Rates and Fees	✓			7	5
		Planning and Applied Research	✓			5	6
		Asset Management		✓		0	6
		Development Services	✓			17	14
	Capital Projects	Manager and Admin Support				3	3
		Survey	✓	✓		0	3
		Collection System Program	✓			12	12
		Treatment Plant Program	✓			12	11
		Asset Management			✓	6	0
	Environmental and Regulatory Compliance	Manager and Admin Support	✓			0	2
		Laboratory			✓	0	8
		NPDES, Title V, Title 22	✓	✓		0	4
		Environmental Compliance			✓	10	9
		Household Hazardous Waste			✓	6	6
Subtotal				81	92		
Operations Services	Executive and Admin Support	n/a			4	4	
	Collection System Operations	Manager and Admin Support				3	3
		Fleet Services, Force Main, and RW	✓			5	5
		Pumping Stations			✓	7	7
		Field Operations	✓			44	44
		CCTV and CMMS	✓			4	4
	Facilities Maintenance	Manager				1	1
		Reliability Engineering	✓			5	4
		Maintenance	✓			33	33
	Plant Operations	Manager				1	1
		NPDES, Title V, Title 22	✓	✓		3	0
		Laboratory			✓	8	0
		Operations				30	30
	Process Control				5	4	
Safety	n/a			✓	3	3	
Human Resources	n/a			✓	0	5	
Subtotal				156	148		

3.1.2 Summary of Proposed Repurposed and Renamed Positions

While this report has identified organizational adjustments and staffing needs that result in a FY 2015-16 (Year 1) near-term staffing adjustment of “net-zero,” RFC sees an additional four (4) additional positions that, following further evaluation and implementation of this Plan, the District will need to confirm and the Board to approve. These additional positions are:

- Training Manager (Year 2) following completion of Training Program Roadmap
- Facilities Maintenance Planner (Year 2) following consolidation of Facilities Maintenance Division
- Assistant Land Surveyor (Year 2) following assessment of CIP survey requirements and workflow analysis
- Internal Auditor (Year 2+). While we have redefined the unfilled newly-created Auditor position to become the proposed IT Manager, that the Auditor position was created from an open position in Engineering. However, the District has defined a business need for auditing activities. We suggest that the Auditor role and activities be developed using an external entity to define the ultimate value and determination for a full-time (1 FTE) Auditor position in the future.

Table 3-3 presents the proposed changes in current positions and Table 3-4 presents the proposed changes in current Titles.

Table 3-3 – Summary of Proposed Repurposed and Renamed Positions

ACTION	POSITION/WORKGROUP
DELETIONS	
	INFORMATION SYSTEMS SPECIALIST
	SYSTEM ADMINISTRATOR
	ASSISTANT LAND SURVEYOR
	INTERNAL AUDITOR
	SENIOR RIGHT OF WAY AGENT
	ADMINISTRATIVE TECHNICIAN
	FIELD OPERATIONS SUPERINTENDENT
ADDITIONS	
	INFORMATION TECHNOLOGY MANAGER
	INFORMATION TECHNOLOGY SUPERVISOR (CUSTOMER SERVICE)
	INFORMATION TECHNOLOGY SUPERVISOR (INFRASTRUCTURE)
	ENVIRONMENTAL AND REGULATORY COMPLIANCE DIVISION MANAGER
	ASSOCIATE ENGINEER
	MAINTENANCE CREW LEADER
	TECHNICAL SUPPORT ANALYST
POTENTIAL FUTURE POSITIONS	
	TRAINING COORDINATOR
	ASSISTANT LAND SURVEYOR
	FACILITIES PLANNER
	INTERNAL AUDITOR

Table 3-4 – Summary of Proposed Changes in Titles

ACTION	PROPOSED	EXISTING
TITLE CHANGES		
	ENGINEERING AND TECHNICAL SERVICES DIRECTOR	DIRECTOR OF ENGINEERING
	PLANNING AND DEVELOPMENT SERVICES DIVISION MANAGER	ENVIRONMENTAL SERVICES MANAGER
	GIS/CMMS ADMINISTRATOR	ENGINEERING SUPPORT SUPERVISOR
	COMMUNICATIONS AND INTERGOVERNMENTAL RELATIONS MANAGER	COMMUNICATIONS SERVICES MANAGER
	PROJECT MANAGER/BUSINESS ANALYST	INFORMATION TECHNOLOGY ADMINISTRATOR

3.2 RECOMMENDATION 2 – FOCUS ON BEING A LEARNING ORGANIZATION

Focus on being a Learning Organization through formalization of the District Training Program. Also actively support and invest in staff involvement and technical/instructor contribution to industry organizations– specifically seminars, presentations, publications and other technical outreach activities. Link these to the employee Personal Development Program (PDP) and an enhanced Recognition and Rewards program for staff who participate in these important external activities. Additionally, investing in Research and Development (R&D) on emerging technologies will move the District towards becoming a learning organization.

3.2.1 Training Program Road Map

One of the hallmarks of learning-based organization is a formalized structure by which staff can expand their skills and value to their assignments and offer career development and opportunities to succeed. The Board’s desire to be a learning-based organization provides an opportunity to develop a programmatic approach to meeting the training needs of its staff.

Training Considerations

An individual's "skill" is developed over time and is based upon a blend of three educational elements– Life Experience, On-the-Job Experience and Formalized Instruction:

- Life Experience - This element is "earned" over time as each individual brings their life experiences to their District jobs and then learn the specific task and technical requirements of their responsibilities. Some District task responsibilities readily build upon life experiences, such as indicated by the Facilities Maintenance staff, who have tremendous experience working in other fields from which the District benefits greatly from their acquired skillset.
- On-the-Job Experience - Other positions require significant “on-the-job” training. For example, the complexity of the wet stream and incinerator processes require years for treatment plant operators to become proficient at their jobs. Acquisition of these skills requires significant use of coaching, adherence to standard operating procedures and learning through repetition.

- Formalized Instruction - This element provides an individual with the basis for understanding the "why" and "how" something occurs. Formal instruction can reduce the time an individual requires to become "skilled" in a profession or task. The full repertoire of formal classroom training falls in this category including regulatory-compliance training (Health and Safety, certification), District-mandated instruction (supervisory, leadership, defensive driving) and external vocational (college, seminars, conferences, technical schools).

All of the above elements are required in order to produce a workforce comprised of individuals who possess all the qualities needed to meet the requirements of their jobs. The requirement for learning never stops as an individual must always receive training during their employment. In this regard, the District cannot rightly expect a best-in-class organization without ensuring that staff competencies are fully developed in a structured training environment. The District, therefore, must provide personnel with a structured opportunity to develop proficiency through ongoing instruction and educational opportunities. Development of a *Training Program Road Map* can form the foundation for a sustainable and managed training process.

Elements of the Training Program Roadmap

The "Training Program Roadmap" (TPR) should address the following:

- The Current Training Requirement:
 - The current training requirements and training frequency of each group within the District.
 - The success and relative value of current training programs in meeting the training needs of each group.
 - The types of training currently used and or/or available both internally and externally. Also, what training should be performed by in-house resources or external means?
 - Identification of the annual training requirement by discipline.
 - Current training venues and resources (staff, training facilities, media, SOPs, etc.).
- The Training Organization:
 - How will the training be managed, documented and implemented? (RFC recommends the District form a centralized training group within the Human Resources Division.)
 - What resources are available to accomplish the training? (in-house vs external) and what are the labor requirements for both internal trainees and instructors? (for budgeting purposes)
 - What should the funding for the training be?

- What is a realistic training schedule?

3.2.2 External Industry Outreach

Another hallmark of a learning organization is active technical outreach within the water and wastewater industry. Publication in industry journals, books, and presentation of District research, improvements, techniques and strategies employed (e.g., in each technical area) are all examples of this type of professional outreach to advance the art and knowledge of the industry. Serving as instructors in industry seminars and conferences should also be encouraged.

By actively supporting and investing in staff involvement and technical/instructor contribution to industry organizations— specifically seminars, presentations, publications and other technical outreach activities, the District can strengthen its reputation as an industry leader and provide its staff with much personal and professional recognition. By linking these activities to the employee Personal Development Program (PDP) and an enhanced Recognition and Rewards program, the District can support and reward staff who participate in these important external outreach activities.



3.2.3 Investment in Research and Development

The District's Planning Division in conjunction with operations will provide an excellent forum for investment in research and development. While the Planning Division would act as the Project Manager in research, other affected functions within the organization can be part of the research team. Examples include pilot plants, emerging technologies, evaluation of instrumentation types, coordination with universities on research and evaluation of alternative methods of process control.

3.3 RECOMMENDATION 3 – PROMOTE ORGANIZATIONAL EFFECTIVENESS, EFFICIENCY AND WORKFORCE PERFORMANCE

The District has several areas of opportunity to increase its organizational effectiveness, efficiency and workforce performance. These are:

- Respect the Governance Structure
- Expand use of Tools for Communication and Time/Location Accounting
- Create and Formalize Auditing Processes
- Expediently Fill Position Vacancies
- Implement position broad-banding and reduce the total number of positions. This includes a corresponding completion of a comprehensive Class and Compensation study.
- Optimize meetings.

3.3.1 Respect the Governance Structure

There is opportunity to enforce adherence to governance protocol between District staff and the Board. During our interviews we heard several examples of the need for accountability on both sides (Board and Staff) to respect the organization and follow established communications/interaction channels– some of which prompted the General Manager to issue a Board/Staff interaction policy clarification memo to all-staff. The Board sets policy and the General Manager and staff implement that policy and manage the organization. We note that one of the most significant risks to a sound governance model occurs when one or both parties by-pass established interaction/communication protocol as set by the General Manager and approved by the Board. Accordingly, we suggest the following opportunities to improve the Board/Staff communication model:

- Conduct Board Member Orientation and Governance Model Training Program. This should be mandatory for all new Board members. Take advantage of trainings offered by CASA or CWEA on Special District governance and appropriate staff contact. Include discussion and review of governance issues annually to continually improve staff/Board member interactions.
- Train staff on the Governance model and Board interaction (e.g. include Brown Act compliance, and the need for documentation on communications). Staff should exercise common sense and discretion.
- Establish protocol for staff on how to respond to Board Member inquiries and requests. Hold staff accountable to “respect the organization.”

3.3.2 Expand Use of Electronic Tools for Communication and Time/Location Accounting

The use of electronic tools by District staff for routine non-verbal communication (email and smartphones) varies by type of work environment. Specifically, those staff with desk and/or office responsibilities use email much more readily than field staff. RFC noted that the District relies on bulletin boards and hard-copy mailboxes for those staff who choose to not use email or personal computers and find it inconvenient to do so. There is an administrative overhead requirement to maintain bulletin boards and to print and distribute memos from email files in physical mail slots. For the District to embrace a learning organizational culture, all staff should have active and be accountable for use of email and internet access. RFC recommends continued investment in sufficient workstations / iPads / Smart Phones to implement electronic communications to the entire workforce.

Additionally, during the interview process, we observed where timesheets are manually completed by staff and are then electronically entered into the system by Administrative personnel. The conversion to an electronic time accounting system and holding individuals accountable to electronically complete timesheets will considerably streamline this cumbersome process.

3.3.3 Create and Formalize Auditing Processes

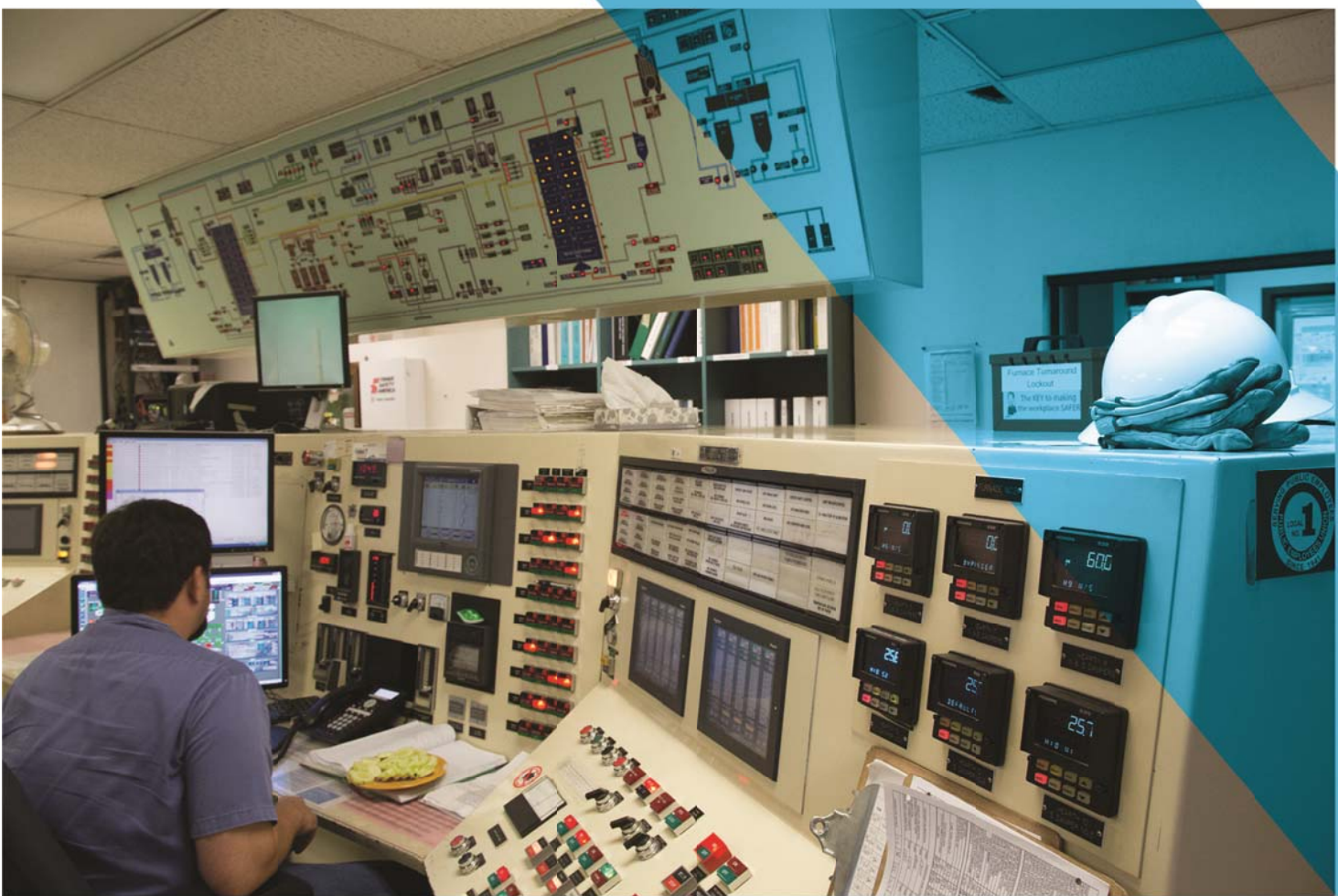
The District has an opportunity to develop its internal auditing program prior to hiring a full-time position for this role. We suggest that the District engage an external firm to develop the auditing program and then consider filling a full-time auditor position moving forward. The decision point should be when the anticipated annual cost of external auditing services reaches the cost of a full-time internal auditor position. While the position has previously been approved and funded, there is more immediate need for repurposing this position to meet recommended needs from this study. However, we include the Auditor as a fourth additional position to consider as the District moves forward.

3.3.4 Expediently Fill Position Vacancies

Positions become vacant for a variety of reasons. As described in Section 2.2, the District often experiences a cascade-effect when a key supervisory or technical position is vacated. Accordingly, the speed at which an open position is filled (the District target is less than 2 months) and how it is filled (permanent, provisional and temporary) drives the response and mechanism to fill the position. During the interviews RFC heard examples where a temporary employee remained in that status for as long as several years before being hired in a permanent status. While these may have been unique situations and occurred in the past, the District should continue to examine use of the temporary position and establish maximum duration and other guidelines to more effectively manage this classification.

3.3.5 Implement Position Broad-Banding / Reduce the Total Number of Job Descriptions

The District currently has 111 unique job classifications out of a total workforce of 287. The number of unique position descriptions actually may inhibit career development and opportunities to advance as well as creates a significant burden and administrative overhead on the Human Resources Division. During the interview process we heard from a number of staff regarding the challenges of having too many unique position descriptions that leave quite a lot up to interpretation as to which one applies to the responsibilities of an individual. As an example, we note District position descriptions with a high degree of overlap that illustrate the need to implement position broad-banding (e.g. Assistant Engineer and Associate Engineer).



Broad-banding is a classification system that coalesces job classes with similar duties into broader occupational categories. Along with the broader categories, expanded pay range bands are part of a Broad banding process. The benefits of broad banding include:

- Reduce the need to reclassify positions due to work assignment and organizational changes
- Allow flexibility in organizational assignments
- Enable broader pay latitude during evaluations to help move employees up through their pay ranges.
- Provide maximum flexibility in the day-to-day administration of the classification and compensation program

Along with the Broad-banding, the District should also consider conducting a Class and Compensation evaluation to ensure equity across the organization and bargaining units.

3.3.6 Optimize Meetings

The District is not alone in the need to conduct meetings as part of its normal business activities. During our interview process, many staff voiced concern over the time spent in meetings and/or where meetings were not viewed as productive. While meetings are necessary, observance of general meeting rules and etiquette are important to ensure efficient use of staff time and maximize meeting effectiveness.

- Evaluate the need for, content, duration and frequency of routine meetings. The number/length of meetings should be rigidly managed. Respect schedule, timely start/stop and agenda.
- Take control of individual's calendars – make it SOP to excuse attendees that have completed their portion within a meeting agenda.

4 IMPLEMENTATION CONSIDERATIONS AND ROADMAP

While the recommendations contained in this report may result in an initial increase of personnel costs and other administrative overhead, RFC believes that they will be more than offset over the longer period by allowing the District to utilize resources more efficiently, lower its costs for external (outsourced) services and better position itself to meet strategic directives, as well as meet evolving environmental and service level/infrastructure investment needs.

The District is fortunate to exist in an area where there are world-class educational, cultural and quality-of-life benefits to attract and sustain a high-quality workforce. The District's service mandate is based on high expectations from its customers, the community, and the regulatory environment at local, state, and federal levels.

The District has assembled a leadership team that has the experience and ability to lead the organization moving forward. Moreover, there are individuals at all levels who make a huge difference and care about their jobs and service to the community. The District is blessed with a workforce comprised of people who individually and collectively have worked hard to keep up with service level requirements and the challenges of an aging infrastructure. They are the front line in protecting public health and the wellbeing of the environment. The District staff are what make the organization successful and they need all the support the organization can provide in order to continue meeting the service levels and demands of the system. Despite these strengths, the District is at a key crossroad as it evolves to meet future levels of service, and future environmental as well as other strategic objectives identified by the Board—balanced by the requirement to keep customer rates within affordable ranges.

We suggest the District target full implementation of the proposed organizational structure realignment within a calendar year. In some cases, the recommendations can occur immediately with little impact to functions or workflows. Other recommendations will require recruiting and filling open leadership positions to complete organizational modifications. The District will need to develop an organizational structure implementation plan and schedule that provides the best continuity for work groups and District functions. The District Leadership Team who served the role of the Organizational Performance Team (OPT) to oversee this project can play a key role in moving the recommendations presented in this document forward.



When moving individuals and groups to other areas of the organization during a restructuring - care must be taken to understand the impacts of the move on how work historically has been accomplished and the formal and informal relationships that have evolved over time. Organizational realignment requires that ample time is given for individuals to adjust to their new locations and new responsibilities. Thus, there can be a near-term period in which efficiencies may decline as staff adjust to the new structure and old assignments are replaced with new ones

We suggest that each Department head lead the organizational enhancement teams for their individual Department. The OPT can be common forum for communication, continuity and planning implementation activities. For specific work groups or sections, Champions should be identified to lead teams that will drive implementation of improvements. Champions will also support improvements to work flows by establishing improvement teams (Focus Groups) that would engage in specific improvement processes apart from organizational changes.

Once implementation is initiated, it will be the responsibility for each Focus Group to spearhead implementation of the process improvement activity. Thus, each Focus Group member will become a “champion” of the recommendations that they helped to formulate.

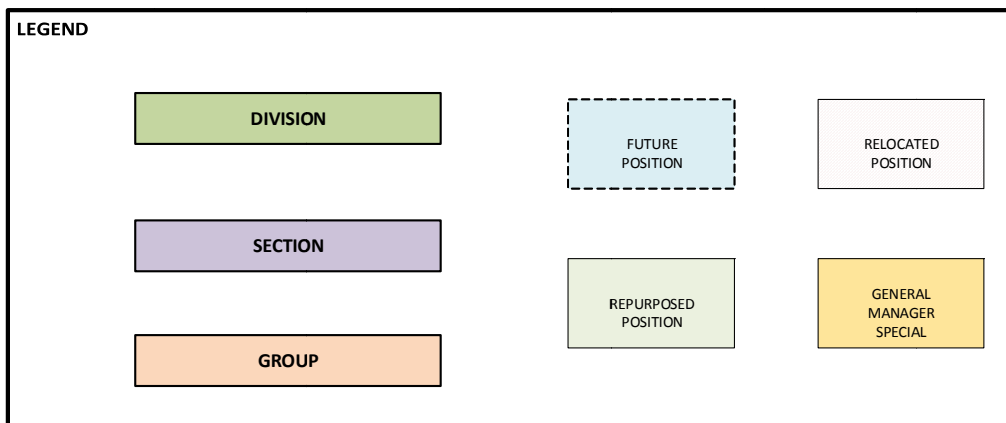


5 APPENDIX A: ORGANIZATIONAL RECOMMENDATIONS

5.1 DEFINITIONS AND KEY TERMS USED IN THE PROPOSED DETAILED ORGANIZATIONAL CHARTS

For each of the following detailed organizational chart descriptions, common recommendations are defined using the following Legend (Figure 5-1) and Business Rationale (Figure 5-2). In addition, a division profile has been provided along with the associated narrative describing the changes and basis for recommendations.

Figure 5-1: Organizational Chart Legend



- **Organizational Taxonomy** - Each level of the organizational taxonomy is indicated by its unique color.
- **Future Position:** Existing Approved Position recommended by RFC to meet the District’s future needs and/or fulfills a strategic purpose. These positions are not included in the total budgeted positions recommended by RFC.
- **Relocated Position:** Existing Approved Position that has remained the same in role, responsibility, and function but has been moved to another Division to fulfill an organizational purpose.
- **Repurposed Position:** Position that has been changed in in role, responsibility, and function to meet a strategic need of the District.

- **General Manager Special Position:** Temporary extra position with term up to 24 months to provide flexibility and mitigate loss of operational knowledge/expertise for succession planning purposes.

Figure 5-2: Rationale for Organizational Recommendations

Recommendation Rationale

- Aligns common functions
- Supports supervisory span of control
- Promotes workforce flexibility
- Ensures service levels are met
- Supports succession planning
- Positions District for future need

For each of the recommendations on the following pages, the chart in Figure 5-2 will be provided detailing the rationale for the recommendation. A check mark signifies that the recommendation or change significantly fulfills that particular goal.

Each of the rationale goals are further detailed below and are taken from Section 3.1.

- **Aligns common functions** - Group functions with “Like-to-Like” services, eliminate resource islands and provide clear functional area responsibility delineation. This will support efficient work practices using staff resources within a community of practice who possess a broader set of skills.
- **Supports supervisory span of control** - Achieve an effective balance of horizontal (Divisions) and vertical (Sections and Groups) within each Department.
- **Promotes workforce flexibility** - Maximize workforce flexibility and promote redundancy of critical positions.
- **Ensures services levels are met** - Ensure that there will be sufficient permanent staff numbers to meet present business needs, required skill levels and workforce support. This includes reducing reliance on temporary and contracted services to offset core organizational limitations and position vacancies.

- **Supports succession planning** - Support career development and personal growth opportunities through clear progression paths and communities of practice.
- **Positions District for future need** - Position the District to proactively address a changing regulatory environment and industry standard.

The detail for the proposed organization is presented in the remainder of this Appendix.

Appendix B contains the existing District organization charts.

5.1.1 Proposed Administrative Services Department Organizational Structure

Figure 5-3: Administrative Services Department Organization Structure

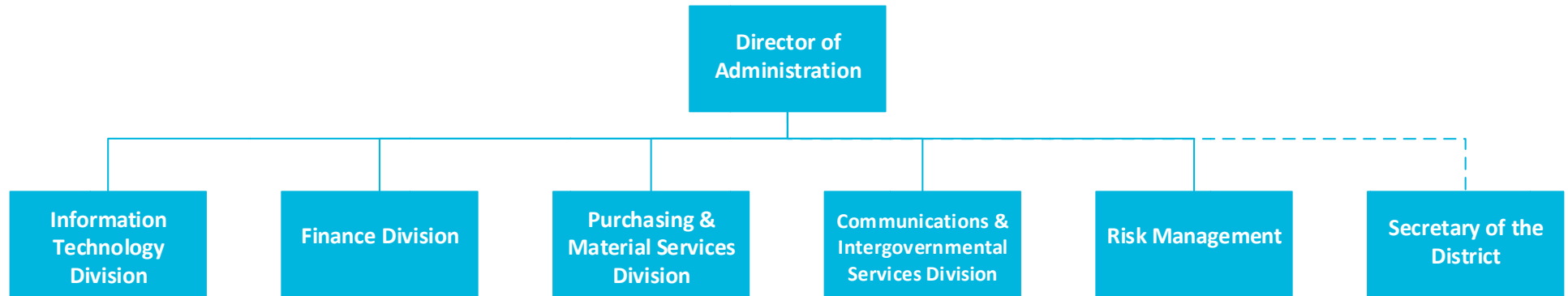


Table 5-1: FTEs by Division – Proposed Administration Department

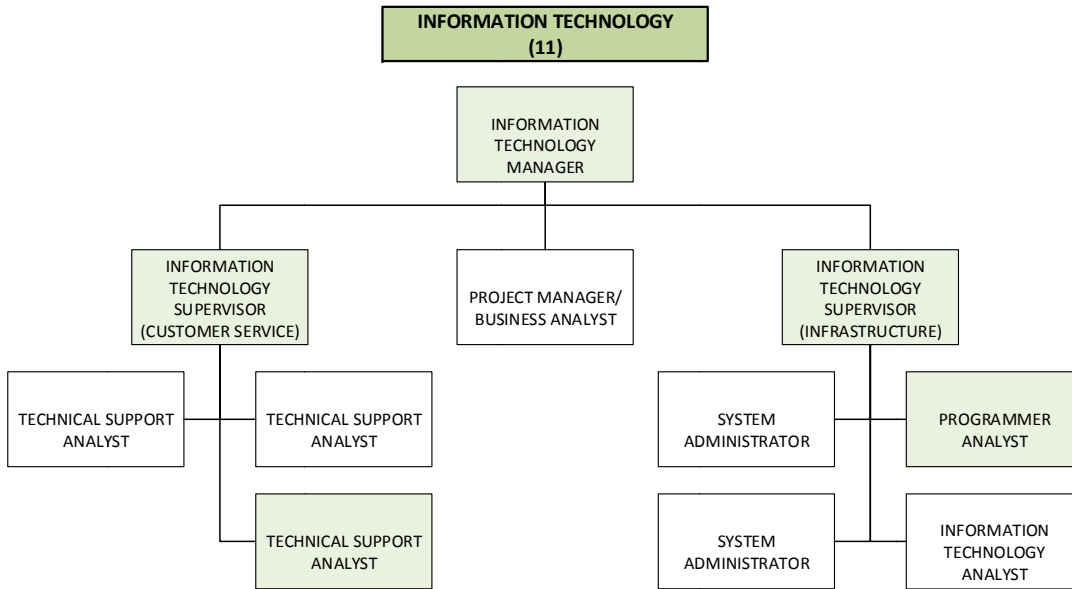
Division	FTEs
Executive /Administrative Support	5
Information Technology	11
Finance Division	10
Purchasing and Material Services	8
Communications and Intergovernmental Services	7
Risk Management	2
Secretary of the District	4
Total	47

Discussion of Proposed Department Structure:

- The proposed Administrative Services Department will be reduced to 47 FTEs, as Human Resources is proposed to be relocated to the Operations Services Department under the Deputy GM.
- This recommendation is designed to improve span of control and ensure that Divisions undergoing significant changes are given adequate attention. It is anticipated the Information Technology, Finance, Communications and Intergovernmental Services, Safety and Risk Management, and Human Resources Divisions will require a good deal of Executive involvement as they undergo changes in the near future.
- Relocating Human Resources to the Operations Services Department will ensure that adequate Executive level attention is given to the Divisions undergoing changes.
- Administrative support from Secretary of the District is proposed to be moved to report to the General Manager’s Executive Secretary to address District needs.
- Secretary of the District staff are included in the Administrative Services Department for FTE accounting purposes.

5.1.2 Proposed Information Technology Division Structure

Figure 5-4: Proposed Information Technology Division Structure



Recommendation Rationale

- Aligns common functions
- Supports supervisory span of control
- Promotes workforce flexibility
- Ensures service levels are met
- Supports succession planning
- Positions District for future need

Division Profile

Current Budgeted Positions: 8
Proposed Positions: 11

Key Functions:

- Management of District-wide information databases such as Sungard, MainSaver, and Accela
- E-mail
- Server Management
- Inventory, maintenance, and replacement of IT equipment
- Daily assistance to District staff for IT-related needs (help desk)

For recommendations related to the Information Technology Division, RFC relied on the IT Master Plan developed by Next Level Information Technology, Inc. The findings for the Master Plan were further validated by RFC's findings during the data gathering stage of this Study.

Observations and Discussion:

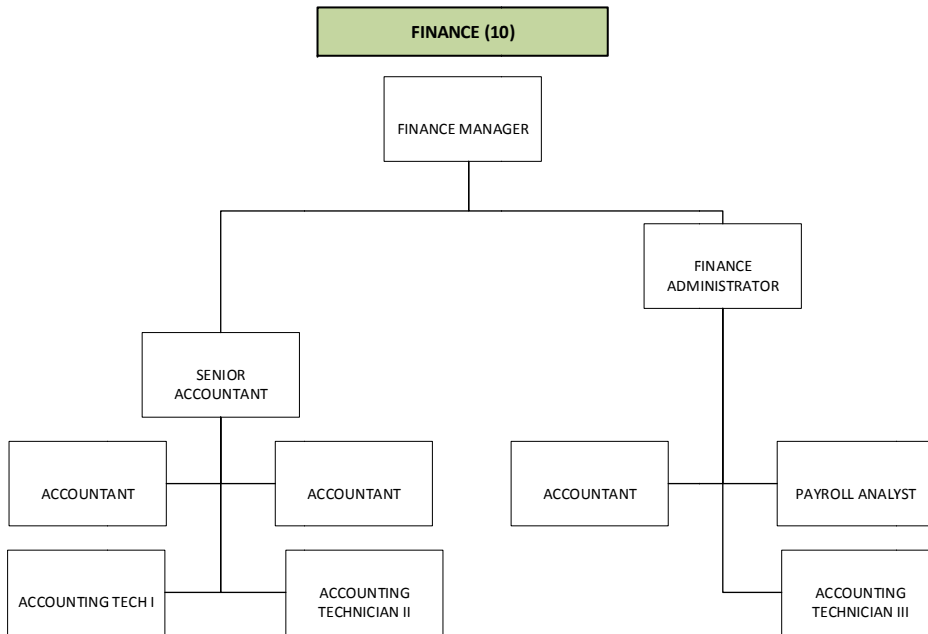
1. Current Division structure has one direct report to the Information Technology Division Manager. Often, workload becomes concentrated on a couple key positions while others have capacity.
2. Difficulty in receiving IT help to meet District staff needs.
3. Current platforms for financial accounting and asset management are antiquated and cumbersome to use.

Recommendations:

1. The proposed structure will create more balance within the Division while aligning communities of practice – customer service and infrastructure management.
2. The Help Desk model has proven effective and with adequate staffing levels, the new IT Division will have the resources to meet the needs of District staff. RFC recommends the repurposing of the Systems Administrator from the Plant Operations Division to fill the newly created positions.
3. The District has identified the need to transition to new technologies that are now available to make day-to-day functions more efficient. To implement new a GIS or Enterprise Resource Planning system, there will need to be adequate staffing within the Division to oversee the implementation and maintain the systems once operational.

5.1.3 Proposed Finance Division Structure

Figure 5-5: Proposed Finance Division Structure



Observations and Discussion:

1. Current Division structure has one direct report to the Finance Division Manager.
2. Finance Administrator position is evolving more into more of a strategic planning function and less day-to-functions.

Recommendations:

1. The proposed structure will create more balance within the Division by bifurcating the responsibilities into day-to-day functions and long-term planning functions. In addition, the creation of the intermediary managers allows for career-pathing for the accountant level positions.
2. It is anticipated that the Finance Administrator position will take on more of a budget officer and strategic planning role. Reducing the number of its direct reports to 3 will allow this position to fulfill its strategic planning duties.

Recommendation Rationale

- Aligns common functions
- Supports supervisory span of control
- Promotes workforce flexibility
- Ensures service levels are met
- Supports succession planning
- Positions District for future need

Division Profile

Current Budgeted Positions: 10

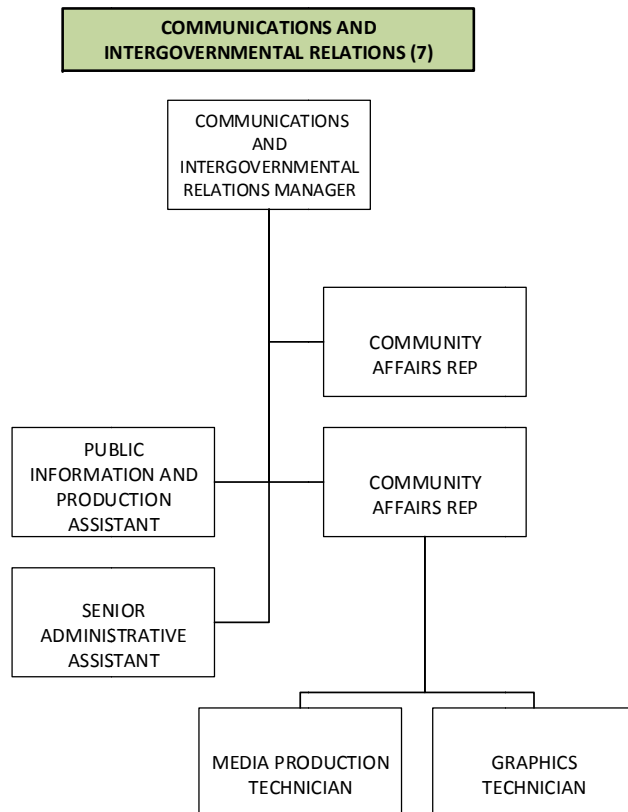
Proposed Positions: 10

Key Functions:

- Development of annual budget documents
- Processing of monthly payroll, AR and AP functions
- Management of financial model

5.1.4 Proposed Communications and Intergovernmental Services Division Structure

Figure 5-6: Communications & Intergovernmental Services Division Structure



Recommendation Rationale

- Aligns common functions
- Supports supervisory span of control
- Promotes workforce flexibility
- Ensures service levels are met
- Supports succession planning
- Positions District for future need

Division Profile

Current Budgeted Positions: 7
Proposed Positions: 7

Key Functions:

- Coordination of education and community outreach programs
- Monthly newsletters, flyers, fact sheets, and press releases
- Construction outreach and public notification
- Video production and internal/external website content administration

Observations and Discussion:

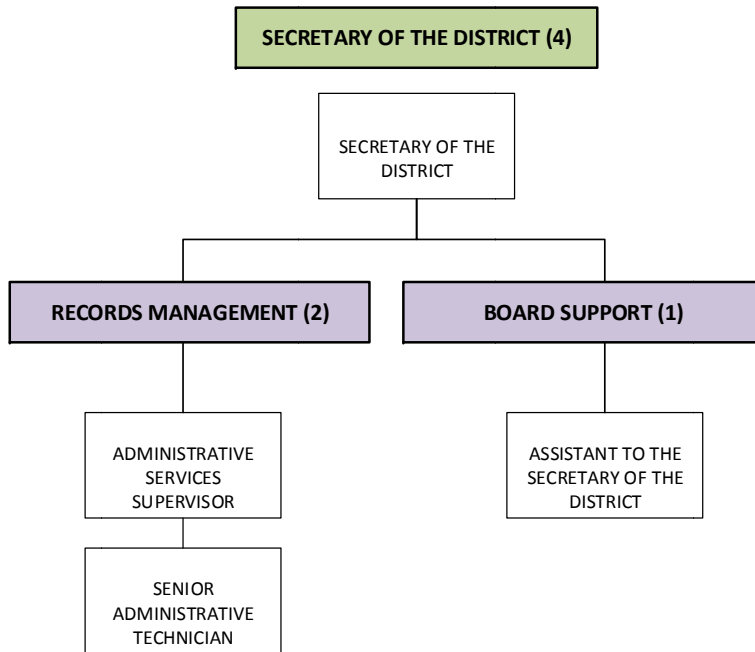
1. As the District replaces aging assets, particularly in the collection system, there will be a sustained need for proactive community outreach.
2. The Communications Division will need to be part of the District's effort to be a regional player in the wastewater service industry.
3. The District's training program is currently housed in the Communications Division.

Recommendations:

1. A cornerstone of the District's customer service philosophy is community outreach related to construction projects. Maintaining the same staffing levels will ensure that community outreach efforts continue.
2. One of the District's strategic goals is to be a part of the regional dialog of wastewater service providers, with a keen interest on new regulations and requirements. The Communications Division is the most logical home for these functions. To capture these new functions and better reflect the added scope of responsibilities, RFC recommends rebranding the Communications Division to the "Communications and Intergovernmental Relations Division".
3. Assign the Senior Administrative Assistant to support Purchasing.
4. To meet the District's future training needs, RFC recommends that a formal training program be established within the Human Resources Division. This is a longer term effort that may need to be phased in. More detail on the training program can be found in Section 0.

5.1.5 Proposed Secretary of the District Organizational Structure

Figure 5-7: Secretary of the District Organizational Structure



Recommendation Rationale

- Aligns common functions
- Supports supervisory span of control
- Promotes workforce flexibility
- Ensures service levels are met
- Supports succession planning
- Positions District for future need

Division Profile

Current Budgeted Positions: 6

Proposed Positions: 4

Key Functions:

- Board Support
- Records Management

Observations and Discussion:

1. A new records management project will be commencing in the near future and will require a full-time staff person to implement the new system.
2. Currently, there is an immediate need for administrative support within the Administrative Services Department.

Recommendations:

1. With the impending IT Master Plan, the scope of the Records Management project may change. While it is anticipated that a full-time staff person will be needed to implement the system, there may be capacity within the Secretary of the District until the implementation period. Once the records management project materializes, the District may find it more useful to hire temporary resources for the implementation. Once implementation is complete, the need for these resources would go away.
2. RFC recommends moving two Senior Administrative Technician positions (front desk and Records Management) to fulfill an immediate District for administrative support for the Administrative Services Department. Both positions are recommended to report to the General Manager's Executive Secretary, aligning common functions and creating a Community of Practice.

5.1.6 Proposed Engineering and Technical Services Department

Figure 5-8: Engineering and Technical Services Department Organizational Structure

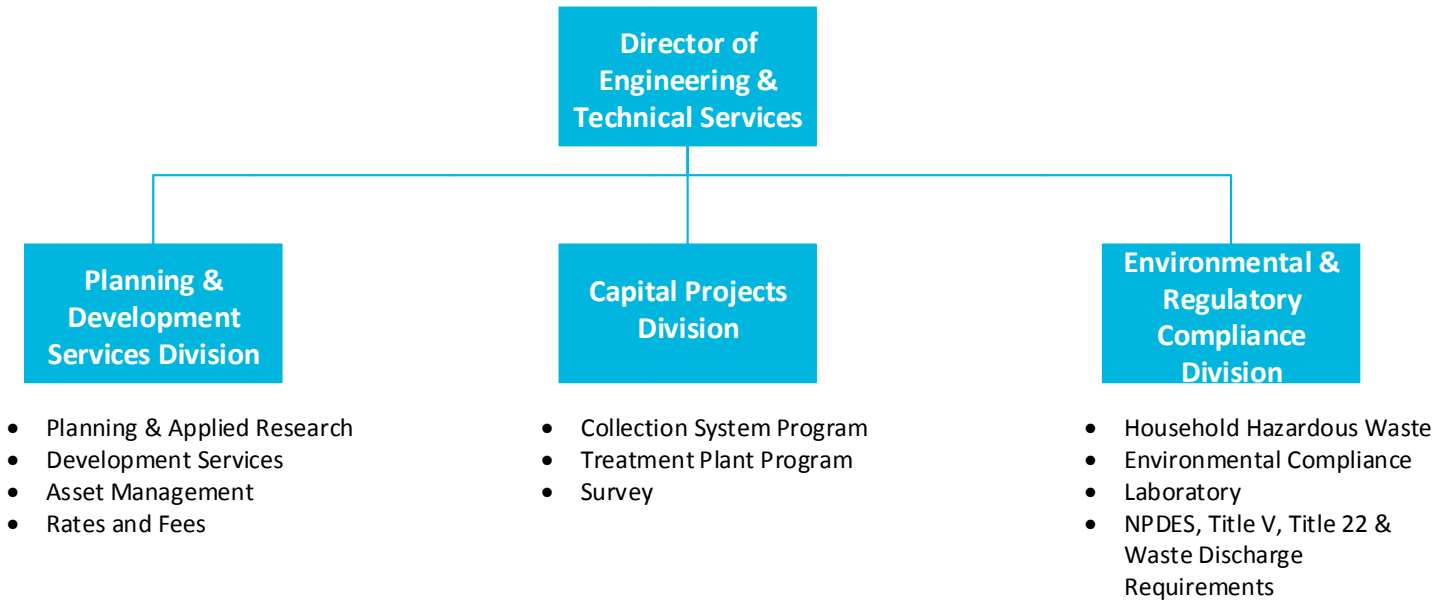


Table 5-2: FTEs by Division – Proposed Engineering and Technical Services Department

Division	FTEs
Executive	1
Planning and Development Services	33
Capital Projects	29
Environmental and Regulatory Compliance	29
Total	92

Discussion of Proposed Department Structure:

- The Technical Services Department is overseen by the Director of Technical Services.
- The proposed Technical Services Department will have 92 FTEs, evenly spread across three Divisions - Planning and Development Services, Capital Projects and Environmental and Regulatory Compliance, each headed by a Division Manager position. The table to the left presents the proposed assignments.
- The major proposed changes to this Department include internal realignment of existing Engineering Department resources and services to promote Communities of Practice and shifting of the Laboratory and Title V groups from the Operations Department to the new Environmental and Regulatory Compliance Division. This includes eliminating the Engineering Support Section and splitting its staff resources into the Asset Management Section and the Capital Projects Division.

5.1.7 Proposed Planning and Development Services Division Structure

Figure 5-9: Planning & Development Services Division Structure

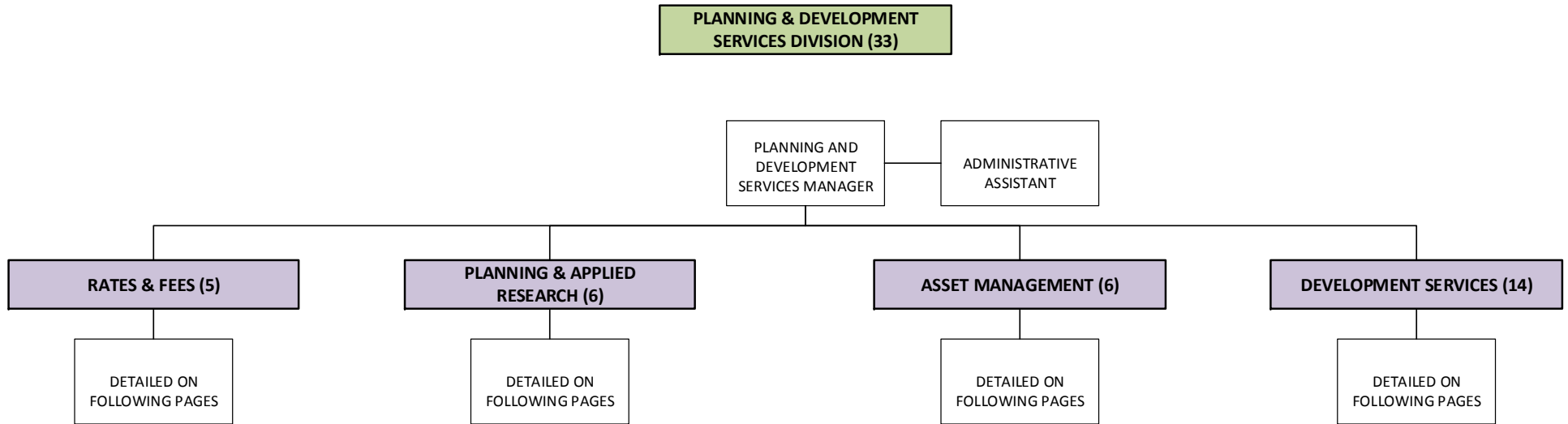
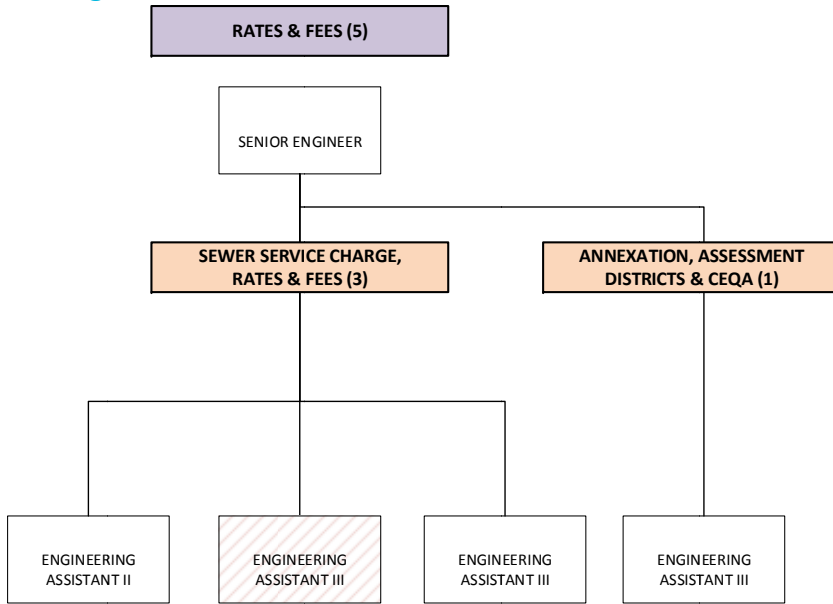


Table 5-3: FTEs by Section – Proposed Planning and Development Services Division

Division	FTEs
Manager and Administrative Assistant	2
Rates and Fees	5
Planning and Applied Research	6
Asset Management	6
Development Services	14
Total	33

5.1.8 Proposed Rates and Fees Section Structure

Figure 5-10: Rates and Fees Section Structure



Division Profile

Current Budgeted Positions: 4

Proposed Positions: 5

Key Functions:

- Assessment of Sewer Service Charges, Rates and Fees
- Annexation and Special Assessment Districts and CEQA

Observations and Discussion:

1. The responsibilities for rates fall within two separate groups in the current District organization (Financial Planning and Permit and Sewer Service Charge).
2. There is opportunity to clarify the organizational chart and responsibilities by aligning the present Financial Planning staff under a new Section.

Recommendations:

1. The proposed structure will align the revenue activities within a single Section under the leadership of a Senior Engineer to promote Community of Practice and house all rates and assessment services under a single organizational unit.
2. The existing Engineering Assistant III in the Permit and Sewer Service Charge Section who focuses on charges and rates should be allocated to the proposed Rates and Fees Section.

Recommendation Rationale

- Aligns common functions
- Supports supervisory span of control
- Promotes workforce flexibility
- Ensures service levels are met
- Supports succession planning
- Positions District for future need

5.1.9 Proposed Planning and Applied Research Section Structure

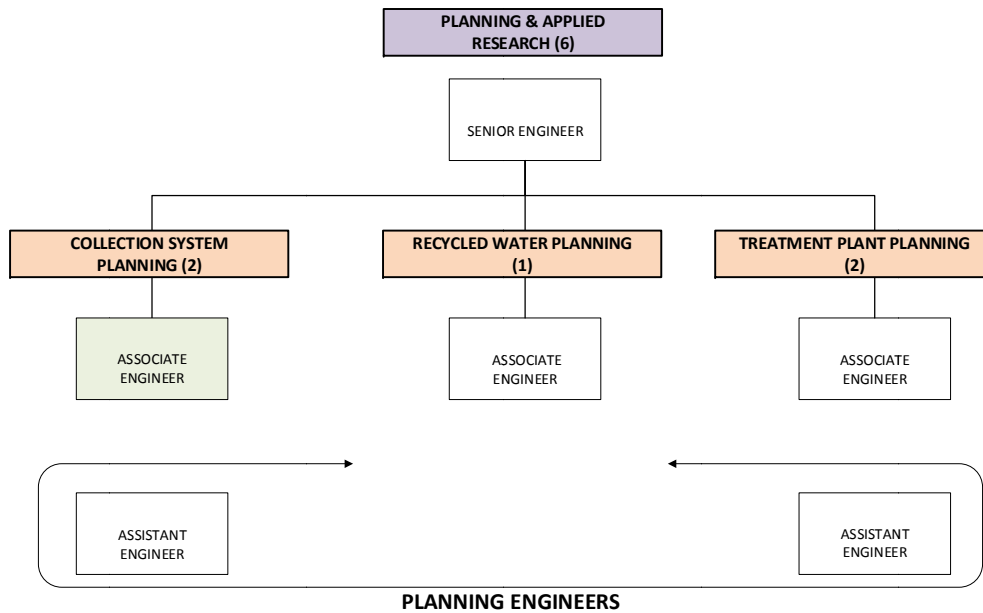
Figure 5-11: Planning & Applied Research Section Structure

Observations and Discussion:

1. The current planning group is challenged to meet the planning needs of the organization.
2. The District has an opportunity as a Learning Organization to invest more in special projects and applied research on emerging technologies that may benefit the District.

Recommendations:

1. Clarify the purpose and role of the planning group by the new proposed name of Planning and Applied Research Section.
2. Repurpose an Assistant Engineer position in the current Capital Projects Group to an Associate Engineer under Collection Systems Planning.
3. Pool the assistant Engineers to support all planning activities to promote skill development and career opportunities.



Recommendation Rationale

- Aligns common functions
- Supports supervisory span of control
- Promotes workforce flexibility
- Ensures service levels are met
- Supports succession planning
- Positions District for future need

Division Profile

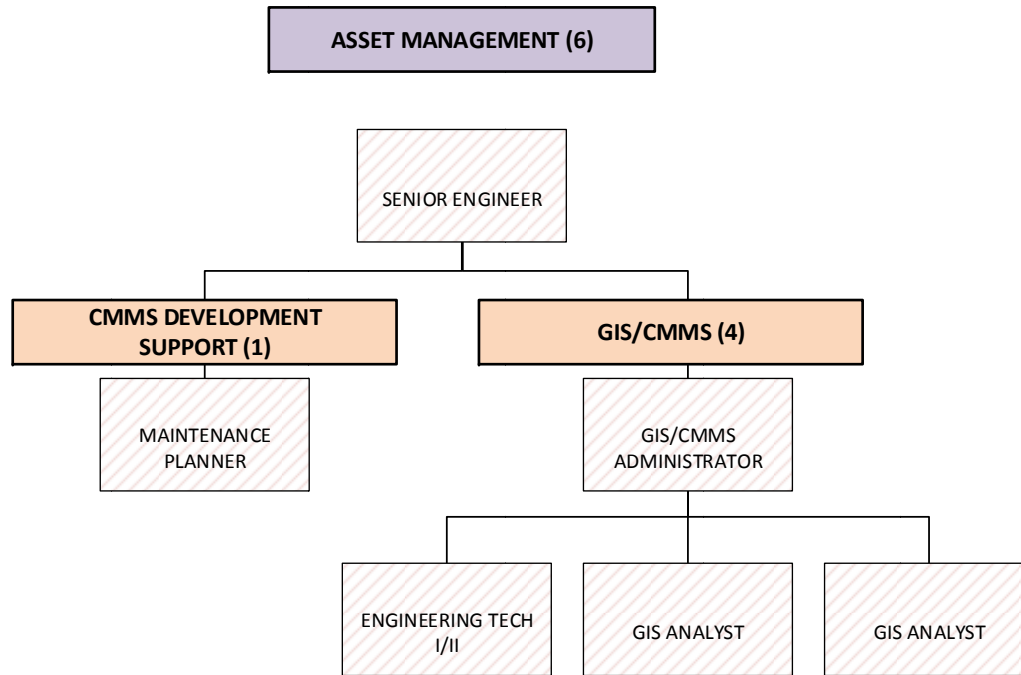
Current Budgeted Positions: 5
Proposed Positions: 6

Key Functions:

- Capital Planning for the District CIB/CIP program
- Coordinate and manage special studies and research.
- Focus on Research and Development

5.1.10 Proposed Asset Management Section Structure

Figure 5-12: Proposed Asset Management Section Structure



Recommendation Rationale

- Aligns common functions
- Supports supervisory span of control
- Promotes workforce flexibility
- Ensures service levels are met
- Supports succession planning
- Positions District for future need

Division Profile

Current Positions: 6
Proposed Positions: 6

Key Functions:

- Ensure that the major District asset total life cycles are maximized
- Focus on condition-based predictive and planned asset management repair and replacement
- Track and manage the District's GIS, GDI, CMMS and CCTV system and relational databases.

Observations and Discussion:

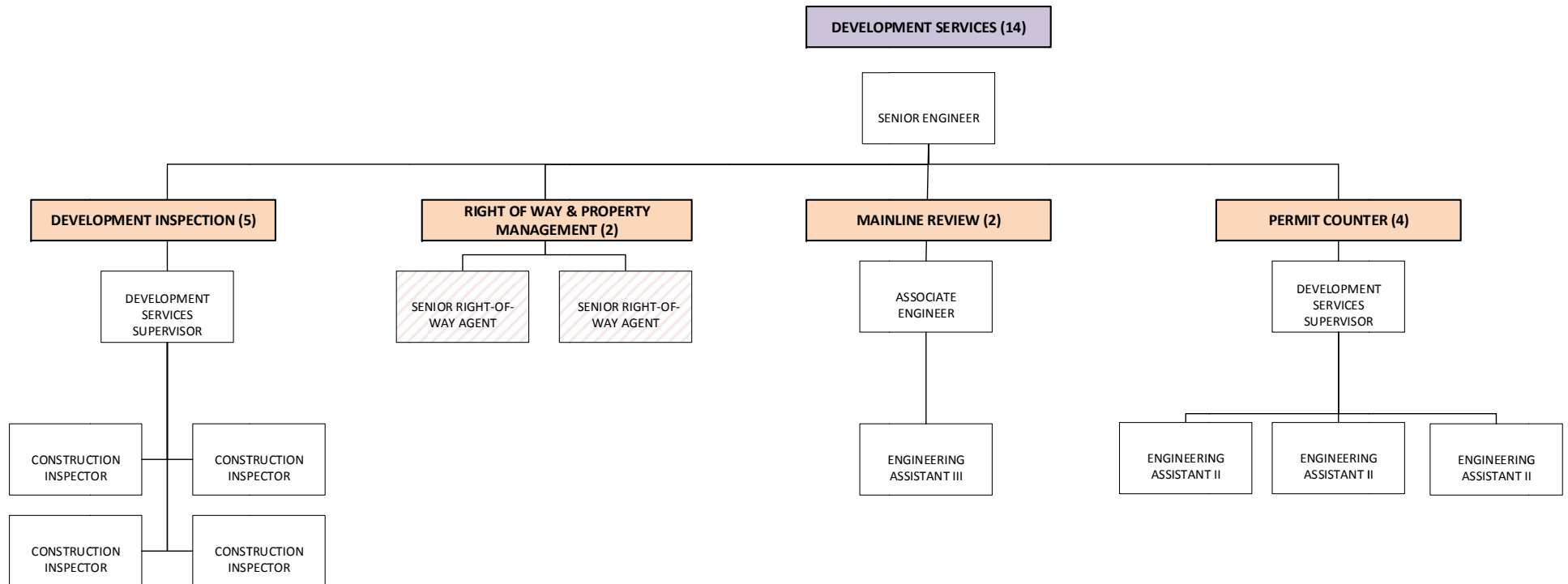
1. The District Asset Management Group is in the early stages of a formalized asset management program and is located within the Capital Projects Division. Under the leadership of a Senior Engineer and a dedicated Maintenance Planner, this group is spearheading studies and engaging consulting resources to develop the program which will eventually bring about a proactive and condition-based capital and maintenance program.
2. The nature of Asset management requires significant collaboration with treatment plant and CSO staff. This requirement will not change moving forward.

Recommendations:

1. Move the current Asset Management group to the Planning and Development Services Section to better reflect the role of Asset Management as a front-end planning function with significant input into the CIB/CIP.
2. The data requirements of Asset Management area significant and geospatial information on the GIS, GDI and other relational databases are a core component of the Section. The District recently eliminated the Engineering Support Group and moved its GIS/CMMS resources to be part of the Asset Management Section. This recent move is reflected in this organization chart.

5.1.11 Proposed Development Services Section Structure

Figure 5-13: Development Services Section Structure



Recommendation Rationale

- Aligns common functions
- Supports supervisory span of control
- Promotes workforce flexibility
- Ensures service levels are met
- Supports succession planning
- Positions District for future need

Division Profile

Existing Positions: 16
Proposed Positions: 14

Key Functions:

- Serve as the Public Interface on all development permit and inspection services
- Operate the Permit Counter
- Right-of-Way and Property Management

Observations and Discussion:

1. The District’s Development Services function is well developed and staffed to meet the need of this service.

Recommendations:

1. Retitle the Permit and Sewer Services Charge Section to the “Permit Counter” and form the “Mainline Review” Section to better reflect areas of responsibility and structure clarity.
2. Move the Right-of-Way Section to the Development Services Division to support community of practice and the service nature of this function.

5.1.12 Proposed Collection System and Treatment Plant Program Section Structure

Figure 5-14: Capital Projects Division Structure

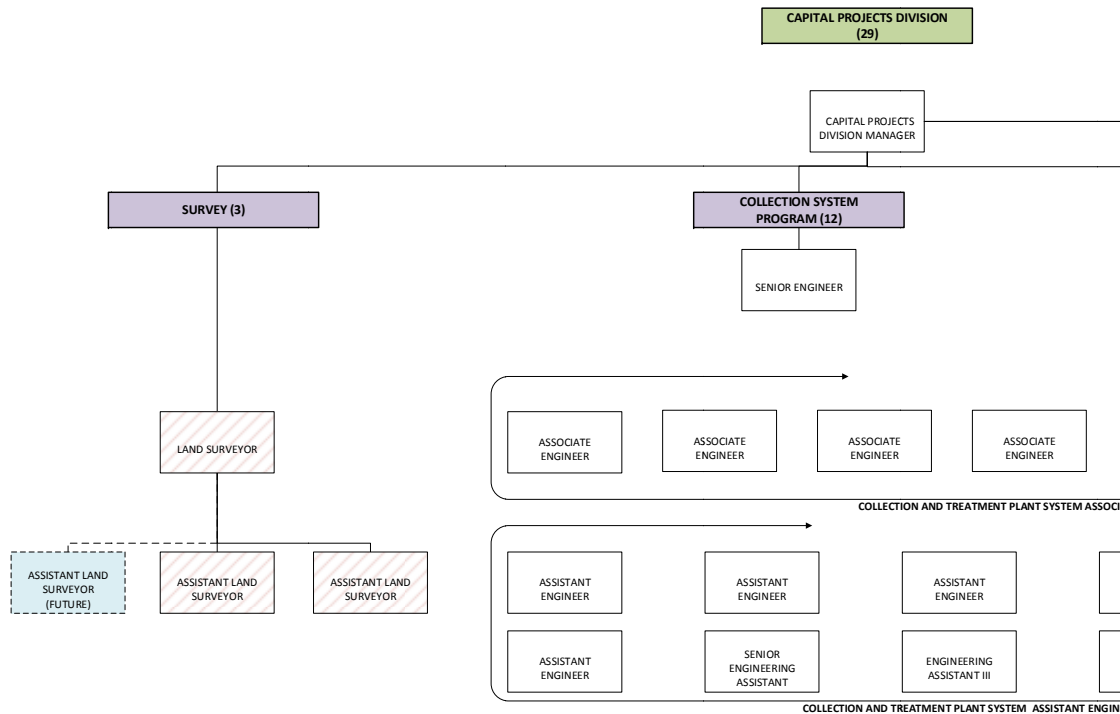


Table 5-4: FTEs by Section – Proposed Capital Projects Division

Division	FTEs
Manager and 2 Administrative Assistants	3

Observations and Discussion:

1. The District has recently reorganized its Capital Projects Division design resources to enhance cross training and more efficient use of resources.
2. The District also recently moved its CAD support personnel from the reorganized Engineering Support Division to the Capital Projects Division.
3. The District is actively evaluating the use of external resources for capital design and other specialty services.
4. The size of this Division is appropriate given the workload and in-house design function.

Recommendations:

1. No change in present design (Program) Sections staffing and resource utilization strategies
2. Move the Survey Section from Development Services to this Division to better align with design responsibilities and workload.
3. Continue with evaluation of external versus in-house services and best use of resources for capital project design and delivery.
4. Move the Asset Management Section to the Planning and Development Services Division.

Survey	3
Collection Program	12
Treatment Plant Program	11
Total	29

Recommendation Rationale

- Aligns common functions
- Supports supervisory span of control
- Promotes workforce flexibility
- Ensures service levels are met
- Supports succession planning
- Positions District for future need

Division Profile

Current Positions: 33
Proposed Positions: 29

Key Functions:

- Design and engineering services for capital projects
- Project management of Capital Projects
- Technical and design support for other District Departments and Sections
- Survey services for Design and other Departments

5.1.13 Proposed Environmental and Regulatory Compliance Division Structure

Figure 5-15: Environmental and Regulatory Compliance Division Organizational Structure

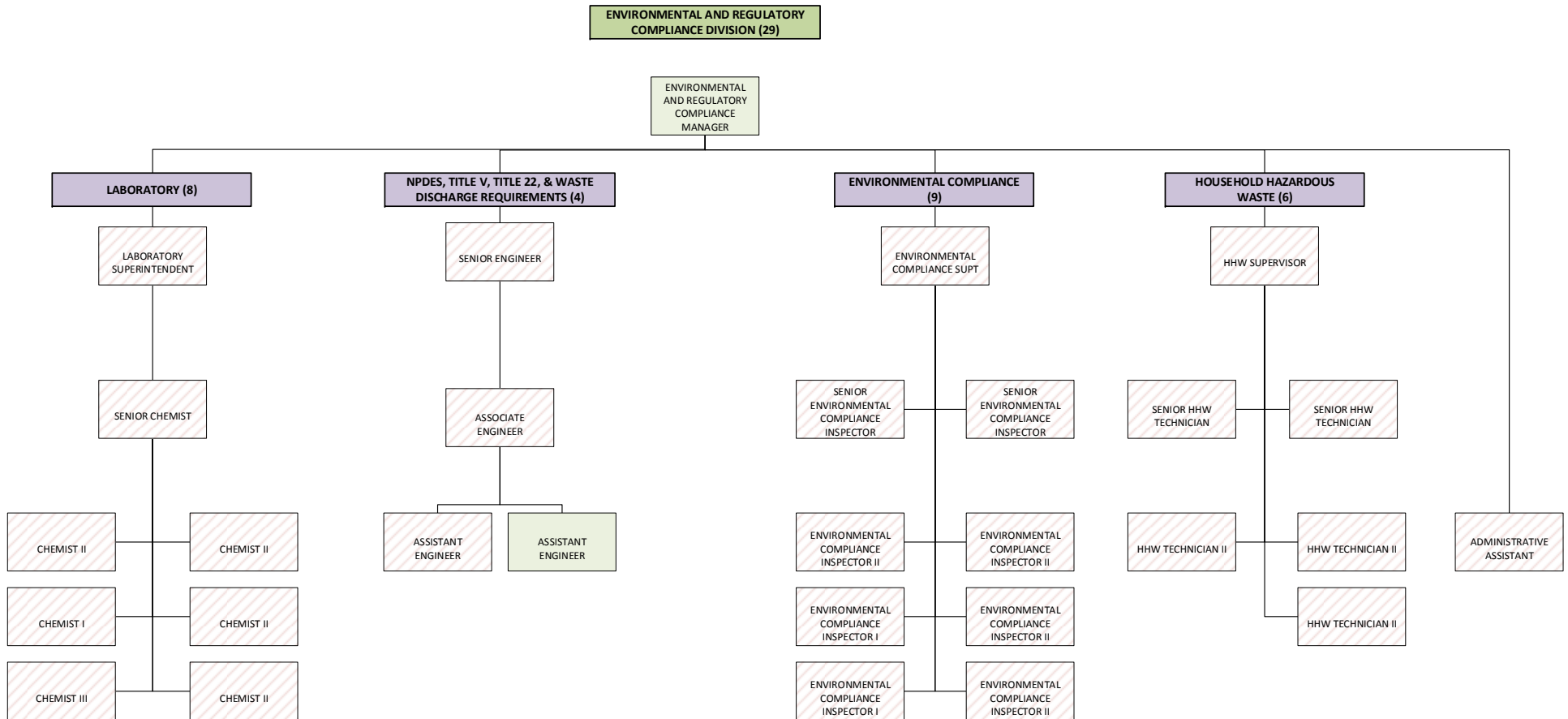


Table 5-5: FTEs by Section –Proposed Environmental and Regulatory Compliance Division

Observations and Discussion:

1. The District’s regulatory compliance activities are managed in multiple Departments. While all regulatory compliance requirements are met, as indicated by the Districts many awards, there is concern that the District is not unified in its approach to compliance and often is not “represented at the Table” in Association and other industry forums.
2. There is opportunity to bring together all related regulatory and environmental compliance resources into a single Division. This will promote a strong community of practice and a mission that focuses on the holistic needs of the District moving forward.

Recommendations:

1. Create a new Regulatory Compliance Manager position to lead this Division. This position is a strategic resource that can help to ensure that the District’s near and long-term regulatory compliance interests are met. This position should be active in industry and association meetings and legislative tracking activities.
2. Build the Division using existing regulatory compliance-related groups:
 - a. The Laboratory and NPDES, Title V, Title 22 and Waste Discharge sections are relocated from the Operations Department. Repurpose the open Administrative Assistant position in Plant Maintenance to an Assistant Engineer within the new NPDES, Title V, Title 22 and Waste Discharge Section.
 - b. The other Sections are relocated from within the old Engineering Department. Accordingly, there is no need for restructuring within each group as each has its own clear mission and responsibilities.

Division	FTEs
Manager and Administrative Assistant	2
Laboratory	8
NPDES, Title V, Title 22 and Waste Discharge	4
Environmental Compliance	9
Household Hazardous Waste	6
Total	29

Division Profile

Proposed Positions: 29

Key Functions:

- All regulatory compliance reporting and tracking.
- Outreach to industry and association regulatory summits and actively work in the District’s best interests on tracking and commenting on proposed legislation.

Recommendation Rationale

- Aligns common functions
- Supports supervisory span of control
- Promotes workforce flexibility
- Ensures service levels are met
- Supports succession planning
- Positions District for future need

5.1.14 Proposed Operations Department Structure

Figure 5-16: Operations Department Organizational Structure

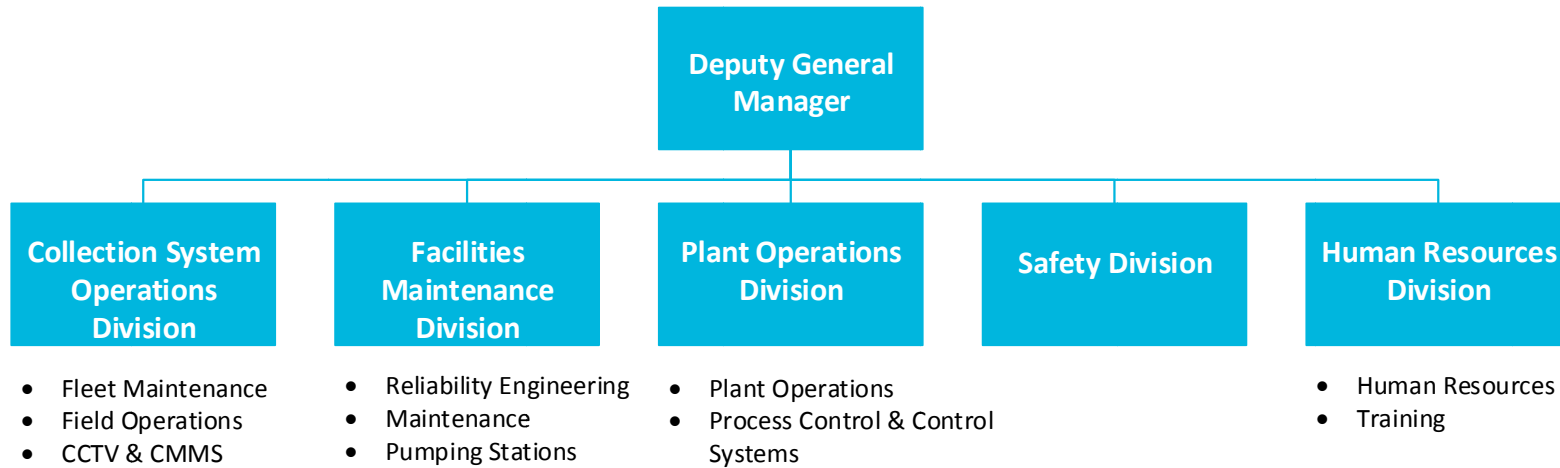


Table 5-6: FTEs by Division – Proposed Operations Department

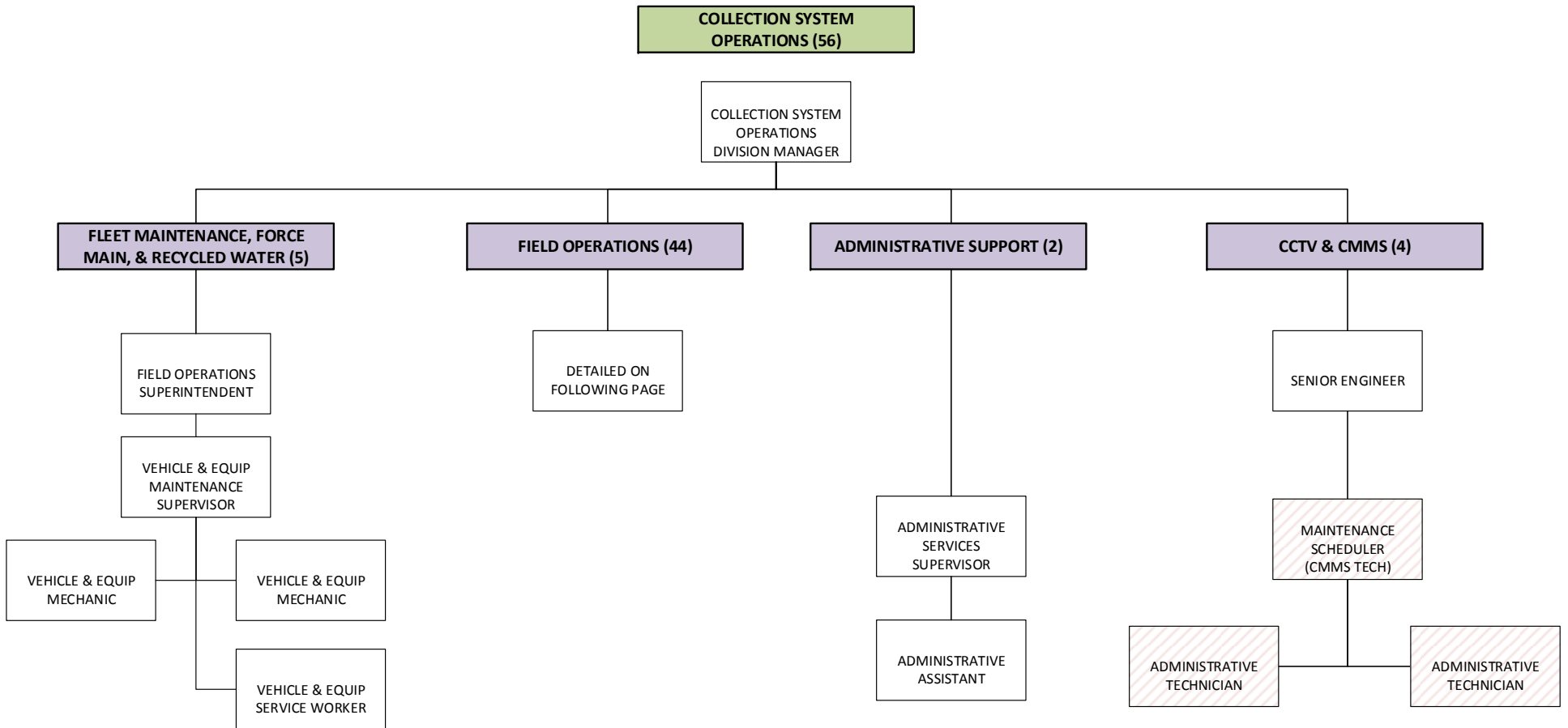
Division	FTEs
Executive	4
Collection System Operations	56
Plant Operations	35
Facilities Maintenance	45
Safety	3
Human Resources Division	5
Total	148

Discussion of Proposed Department Structure:

1. The District Operations Department is overseen by the Deputy General Manager / Director of Operations.
2. The proposed Operations Department will have the most number of employees given its mission and span of responsibilities. This is typical of most utilities. The table to the left presents the proposed assignments totaling 150 FTEs.
3. The two District Safety personnel currently report to the Maintenance Division Manager, an interim reporting relationship. The Safety Supervisor position is currently vacant. Bringing this group back in alignment with the Human Resources function will promote a strong community of practice.
4. The District-wide role of the Deputy General Manager supports alignment of Human Resources and Safety to the Operations Department. This also serves to reduce the large span of control (currently 6 Divisions) directly reporting to the Administrative Services Director.

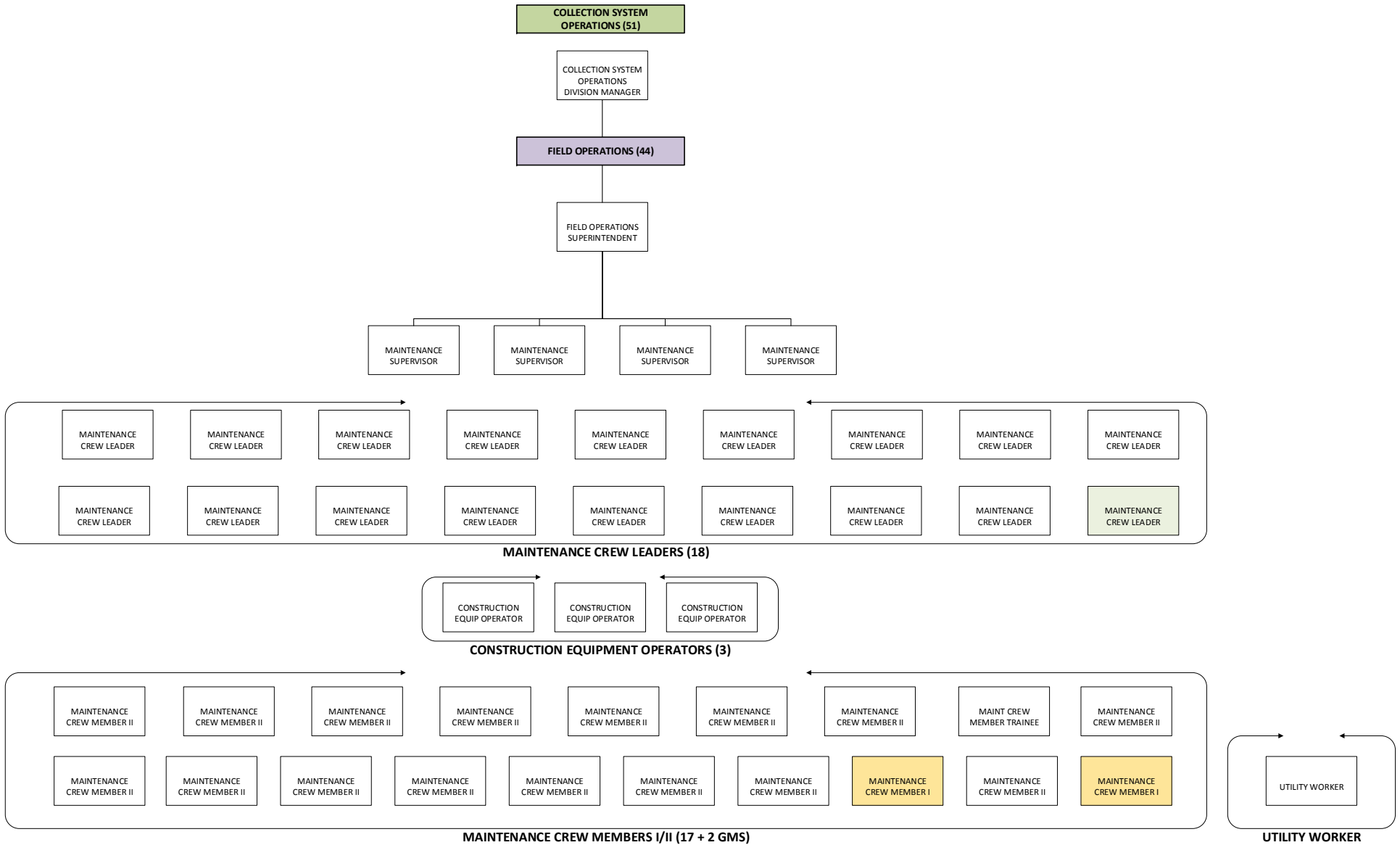
5.1.15 Proposed Collection System Operations Division Structure

Figure 5-17: Collection System Operations Division Structure



5.1.16 Proposed Field Operations Section Structure

Figure 5-18: Field Operations Section Structure



Recommendation Rationale

- ✓ Aligns common functions
- ✓ Supports supervisory span of control
- ✓ Promotes workforce flexibility
- ✓ Ensures service levels are met
- ✓ Supports succession planning
- ✓ Positions District for future need

Division Profile

Current Positions: 67

Proposed Positions: 56

Key Functions:

- Inspection and cleaning the District wastewater collection system
- Construction of new and replacement pipelines

Observations and Discussion:

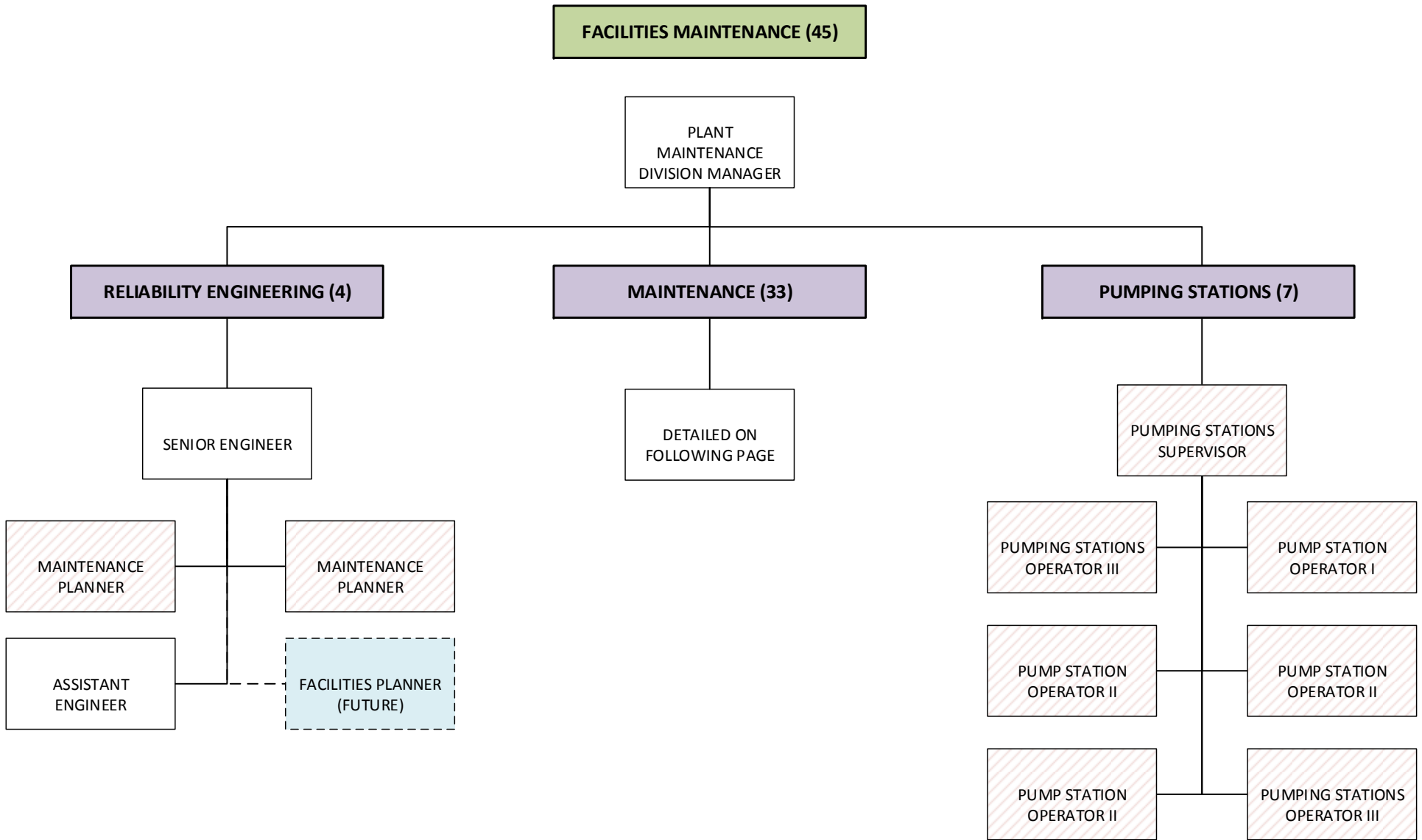
1. The District CSO Division is located separately from the main District campus. The CSO facility is a new, modern structure that is a source of pride for staff working from this location. This remote location contributes to an “us and them” perspective among staff.
2. The significant maintenance responsibilities of the Pumping Stations Section, currently located along with Fleet Services, closely mirrors the responsibilities of the Facilities Maintenance Division.
3. The District Fleet Maintenance Group is highly regarded and responsive to District vehicle maintenance needs.
4. The CSO Division is planning to implement a new Computerized Maintenance Management System (CMMS) by CityWorks, which is a best-of-breed platform that will integrate the District GeoSpatial, TV Inspection data, GIS database and asset condition information for efficient and effective work order management and planning. Along with this investment, the CSO Division recently filled a Maintenance Planner position whose responsibility will be to manage the CMMS platform.

Recommendations:

1. Continue to focus on minimizing the isolation of the CSO Division through active outreach from the Main Campus as well as other means to build the District-wide Community spirit.
2. There is opportunity for a unified community of practice, workforce sharing and progression opportunities through reassigning the Pumping Station Section to the Maintenance Division.
3. The Field Operations Superintendent and Fleet Maintenance Section will remain in the CSO Division and the Section will be expanded to include Force Main and Recycled Water management.
4. Implement CityWorks quickly and expediently. The average time to implement a CMMS is one year and will require extensive time and effort of CSO staff. To streamline and reduce the impact on staff resources, the project could be staffed using outsourced resources as required. This project is addressed within the IT Master Plan.
5. Formalize the CCTV and CMMS Section under the Senior Engineer. Assign the two Administrative Technicians under the Maintenance Scheduler. This group will mirror the responsibilities of the Reliability Engineering Section in the Maintenance Division.
6. Move the Pump Stations Division to the Maintenance Division within the Operations Department.

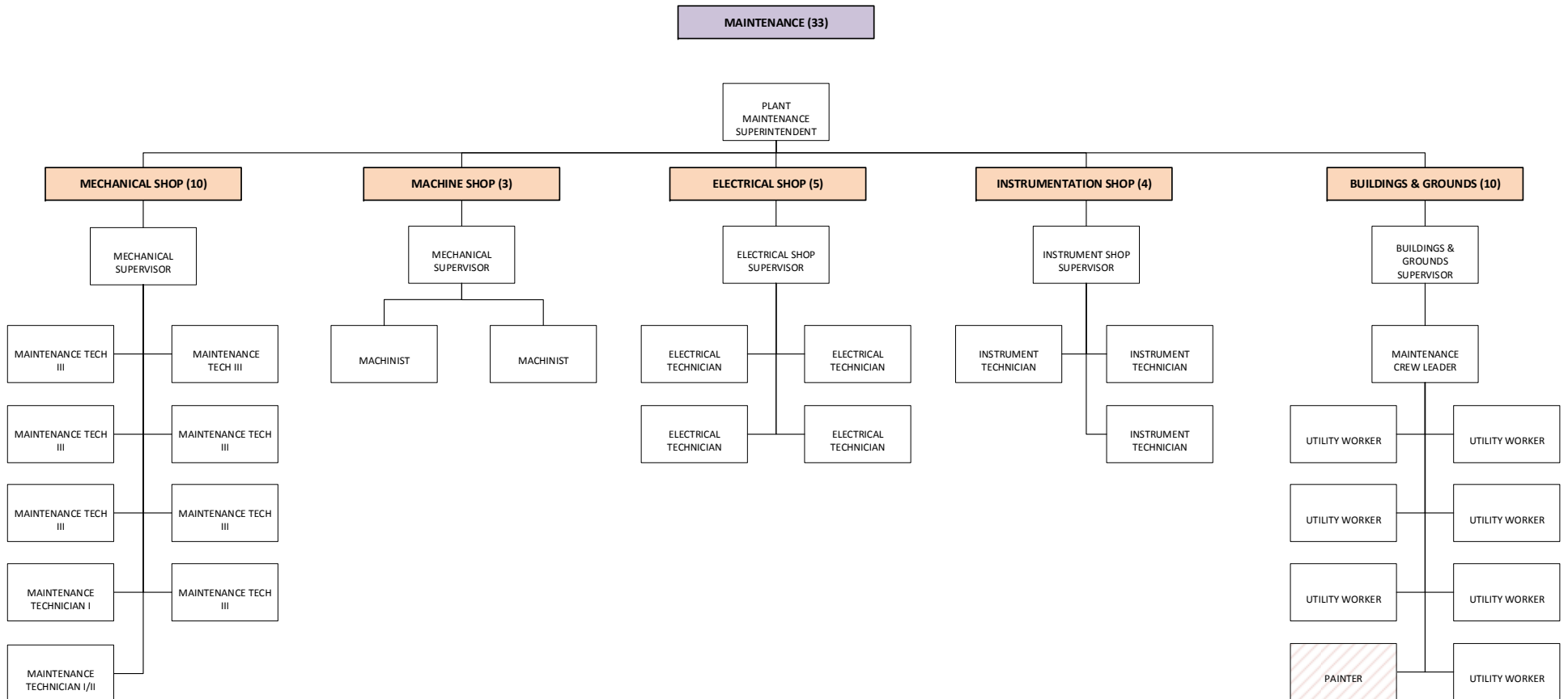
5.1.17 Proposed Facilities Maintenance Division Structure

Figure 5-19: Facilities Maintenance Division Structure



5.1.18 Proposed Maintenance Section Structure

Figure 5-20: Maintenance Section Structure



Recommendation Rationale

- ✓ Aligns common functions
- ✓ Supports supervisory span of control
- ✓ Promotes workforce flexibility
- ✓ Ensures service levels are met
- ✓ Supports succession planning
- ✓ Positions District for future need

Division Profile

Current Budgeted Positions: 39

Proposed Positions: 44

Key Functions:

- Reliability Engineering Division –
- Maintenance Division - Maintenance of the District facilities and grounds.
- Pumping Station and Fleet Maintenance Division.

Observations and Discussion:

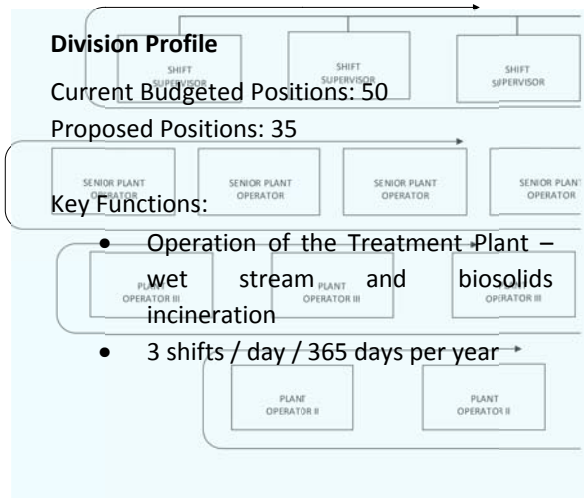
1. The District is fortunate to be located in an industrial area where skilled and experienced maintenance and trades personnel are available. This is evident by the quality of the District trades maintenance staff and their capabilities. There are pending succession challenges in highly-specialized trades (electricians and instrument technicians) that the District needs to prepare for. The recent retirement of an Electrician with high-voltage expertise is an example of succession risk the District faces and must manage.
2. The Maintenance Planners have many responsibilities and activities that can detract from their core function of planning work. In addition, the District has no single position with responsibility for ensuring the District's many buildings and structures are effectively maintained.
3. The Painter is presently located in the Machine Shop Section. This position is better aligned with the Buildings and Grounds Maintenance Section.
4. The maintenance responsibilities of the Pumping Stations Section, currently housed in the CSO Division, closely mirror the responsibilities of the Maintenance Section. There is opportunity for a unified community of practice, workforce sharing and progression opportunities through bringing these two groups together under the Maintenance Division Manager.

Recommendations:

1. The shift to condition-based Asset Management will continue to drive the maintenance function and scheduling and planning work will be a focus of the Maintenance Planning function. The Reliability Engineering Section will report directly to the Maintenance Division Manager and will house the engineering and planning resources to coordinate and ensure effective asset management and condition-based maintenance is performed as well as implement CMMS. The Maintenance Planners will be relocated to the Reliability Engineering Section from the Maintenance Section. The Reliability Engineering Section will work closely with the Asset Management Section within the Technical Services Division.
2. There is an opportunity for the District to centrally manage its buildings, structures, fence lines and other above-ground assets using a proposed future Facilities Planner position. The requirements and responsibilities of this position will need to be defined as the Reliability Engineering Section becomes fully functional and the condition assessment work is completed. This position could be a Year 2 hire.
3. The Pumping Station Division should report to the Maintenance Division Manager. The group can remain located at CSO and function accordingly until location needs are established by the Maintenance Division Manager.
4. Move the Painter to the Buildings and Grounds Maintenance Section but ensure that this individual has support and resources to meet the painting and corrosion protection requirements of the District.

5.1.19 Proposed Plant Operations Division Structure

Figure 5-21: Plant Operations Division Structure



Recommendation Rationale

Aligns common functions

Observations and Discussion:

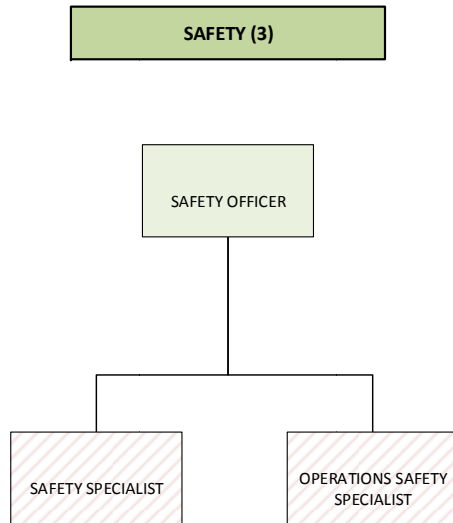
1. The District treatment plant wet stream is conventional and treats to a secondary quality. The District also operates a recycled water treatment facility for plant process water (P3) and discharge to selected customers.
2. The District uses multiple hearth incineration for biosolids treatment. This technology and the associated air quality and other support systems from sludge thickening, dewatering and boilers/heat recovery are highly complex to operate and require significant hands-on and multi-years of experience to become proficient.
3. Normal shift staffing is three operators, plus a shift supervisor. (a single operator on wet stream and two on solids stream). The plant appears to be staffed sufficiently to meet the operating and skill development requirements of operations staff while not placing an undue stress on shift staffing schedules.
4. The District operations Division includes the laboratory and Title V monitoring. While not uncommon, many mid to larger-sized organizations prefer to separate the regulatory monitoring and compliance component from the operations component to maximize regulatory reporting and compliance integrity.
5. The plant SCADA monitoring system and the air quality sensors monitor plant and pump station equipment. All SCADA monitors, programming, processes and equipment is maintained by the Process Control Systems Group. This group requires highly-skilled instrumentation and control technicians and its importance as a risk management function is illustrated by the General Manager’s use of one of the Special hires to ensure continuity and succession management.

Recommendations:

1. The role of experienced operators is to ensure that the facility is operating properly and, most importantly, to be able to immediately respond when something goes wrong. The staffing arrangement of three operators, plus a supervisor per shift to cover the facility is appropriate to meet the minimum risk requirements of the District and to meet the training and experience requirements given the complex nature of the biosolids handling and incineration components of the plant. Given the significant time requirements to bring newer operations staff up to required skill and experience levels, coupled with the pending retirement of several highly-experienced Shift Supervisors, RFC recommends no change to the present staffing of the operations group.
2. The evolving regulatory compliance environment and the complex nature of the various regulations that the District must comply with can best be met by the formalization of a Regulatory and Environmental Compliance Division. This Division is to be located within the Technical Services Department and will house the relocated Laboratory and Title V compliance staff.

5.1.20 Proposed Safety Division Structure

Figure 5-22: Safety Division Structure



Recommendation Rationale

- Aligns common functions
- Supports supervisory span of control
- Promotes workforce flexibility
- Ensures service levels are met
- Supports succession planning
- Positions District for future need

Division Profile

Current Budgeted Positions: 3
Proposed Positions: 3

Key Functions:

- Safety Compliance

Key Observations and Discussion:

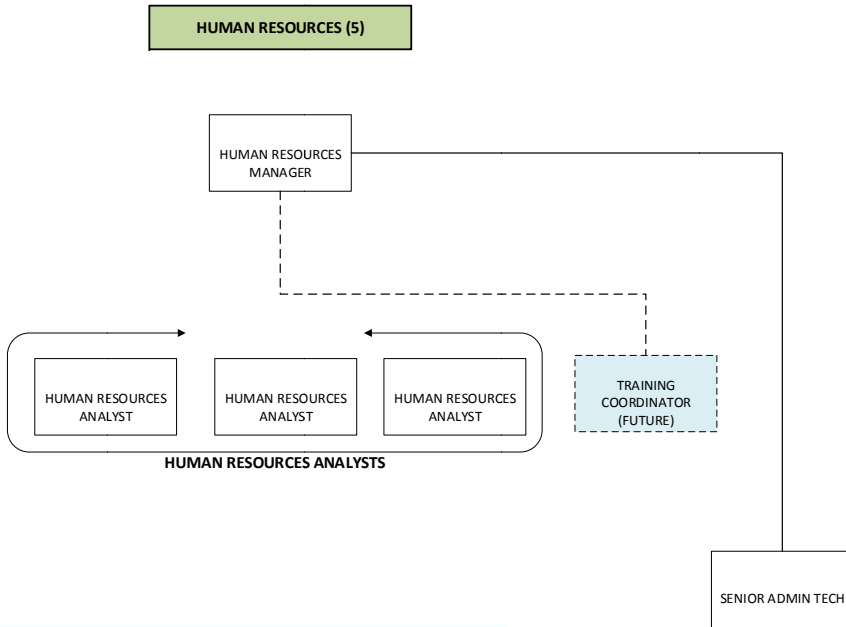
1. Currently, Safety reports to the Plant Maintenance Division Manager.
2. The Safety function is closely aligned with Human Resources and should report to the same Director.

Recommendations:

1. Have Safety Division also report to the Deputy General Manager / Operations Services Director.

5.1.21 Proposed Human Resources Division Structure

Figure 5-23: Human Resources Division Structure



Recommendation Rationale

- Aligns common functions
- Supports supervisory span of control
- Promotes workforce flexibility
- Ensures service levels are met
- Supports succession planning
- Positions District for future need

Division Profile

Current Budgeted Positions: 5
Proposed Positions: 5

Key Functions:

- Human Resource Administration
- Recruiting and Hiring
- Workforce Support
- Bargaining Unit Relations Training and Development (future)

Observations and Discussion:

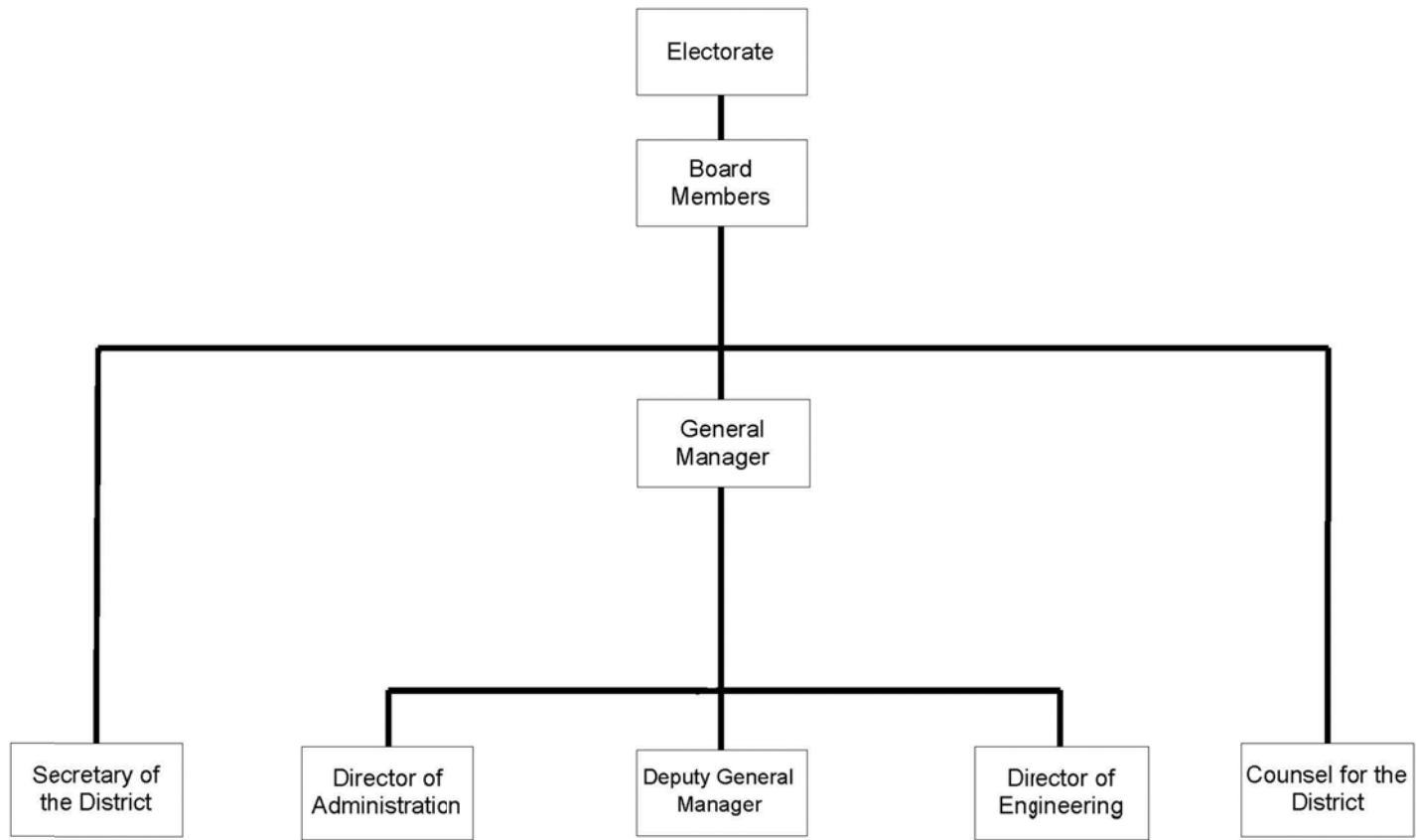
1. The structure of the HR Division supports efficient cross training and interaction of staff. The span of control for the HR Manager is appropriate. The size of the group limits progression path opportunities within HR.
2. The HR Division’s location within the Administration Department may not be the best location for this group moving forward.
3. Training management has historically been left up to each individual group’s mission. This results in a non-programmatic training environment which may not provide the full training and skill development needs of the District and its workforce.
4. The administrative requirements of HR are greatly influenced by the number of position descriptions (111), retirements and associated recruiting/hiring of new staff. The HR Division recently converted an Administrative Technician position to a third HR Analyst to keep up with discipline, grievance and union relations. This has greatly improved the efficiency and effectiveness of the HR function.
5. The written test requirements for new positions is a practice that promotes efficient screening of candidates. The challenge in this type of process is that some positions (e.g. “the trades”) may be better served by other means of competency assessment.

Recommendations:

1. Broad-banding in the HR Analyst position will support progression and individual development needs.
2. Move the HR Division from Administration to report directly to the Deputy General Manager to reduce the number of functions / direct reports under the Administrative Services Director.
3. Formalize a training group within the HR Division. Complete a Training Program Roadmap (Year 1) to define the management and training requirements and fund and fill the proposed Training Manager position (Year 2).
4. Consider outsourcing of selected HR activities to meet short term peak demand periods (e.g. recruitment, evaluation) so that the impacts of position vacancies can be mitigated.
5. Use the Succession Committee as a forum to evaluate and discuss other

6 APPENDIX B: CURRENT ORGANIZATION CHARTS

CENTRAL CONTRA COSTA SANITARY DISTRICT
Organization Chart - Composite

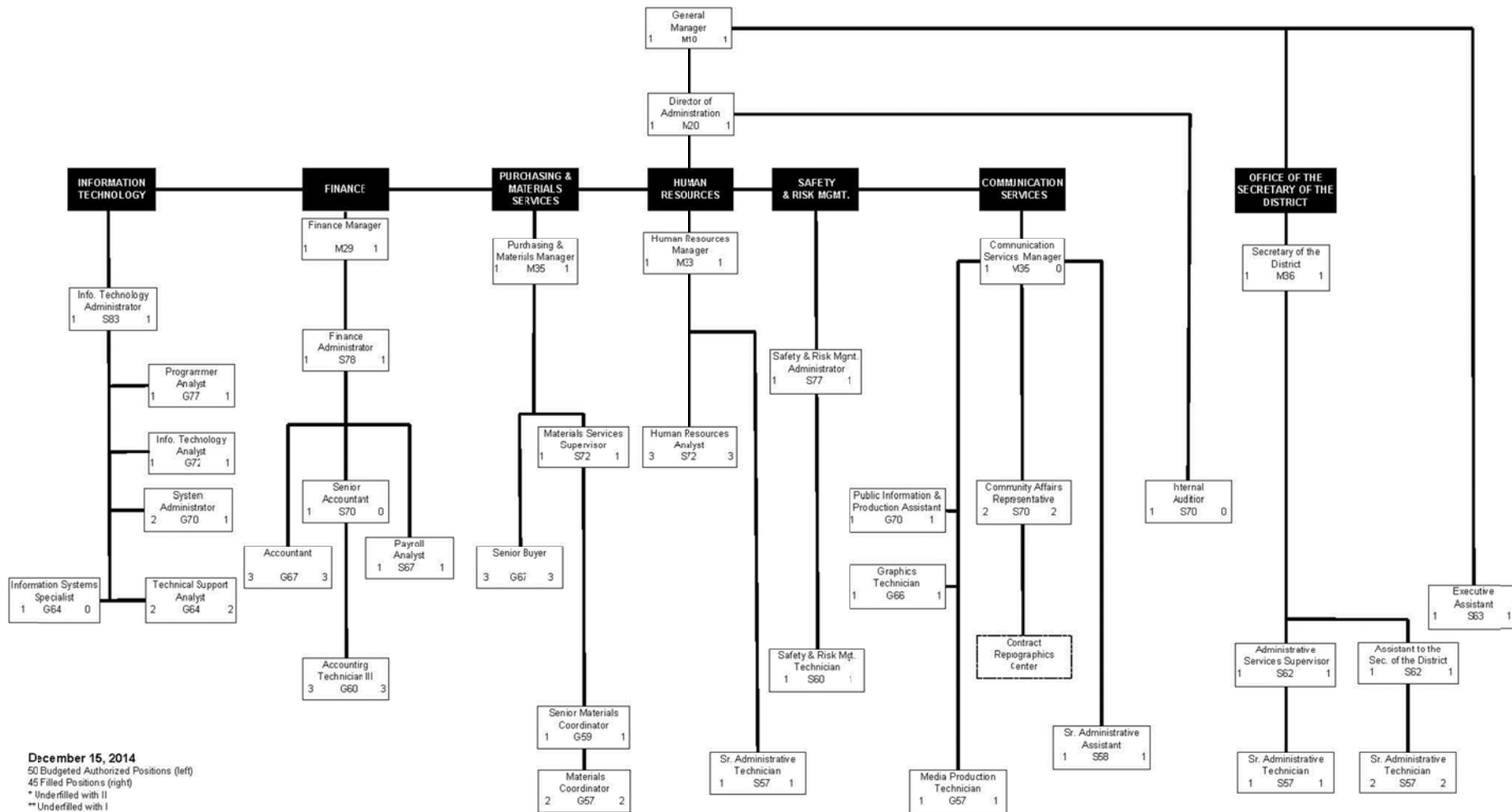


December 15, 2014

Total Budgeted Authorized Positions: 287

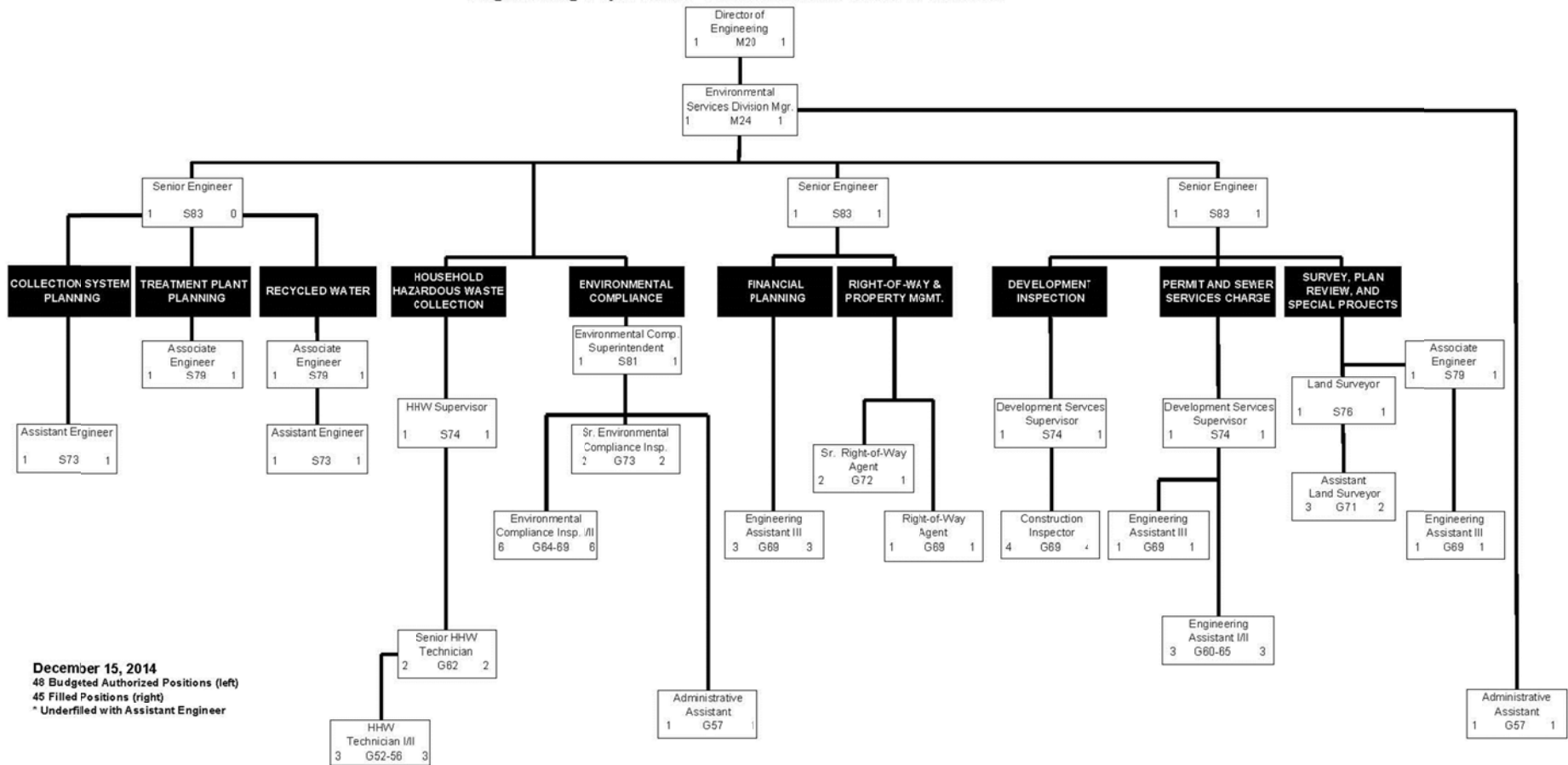
Total Filled Positions: 263

CENTRAL CONTRA COSTA SANITARY DISTRICT
Administration Department



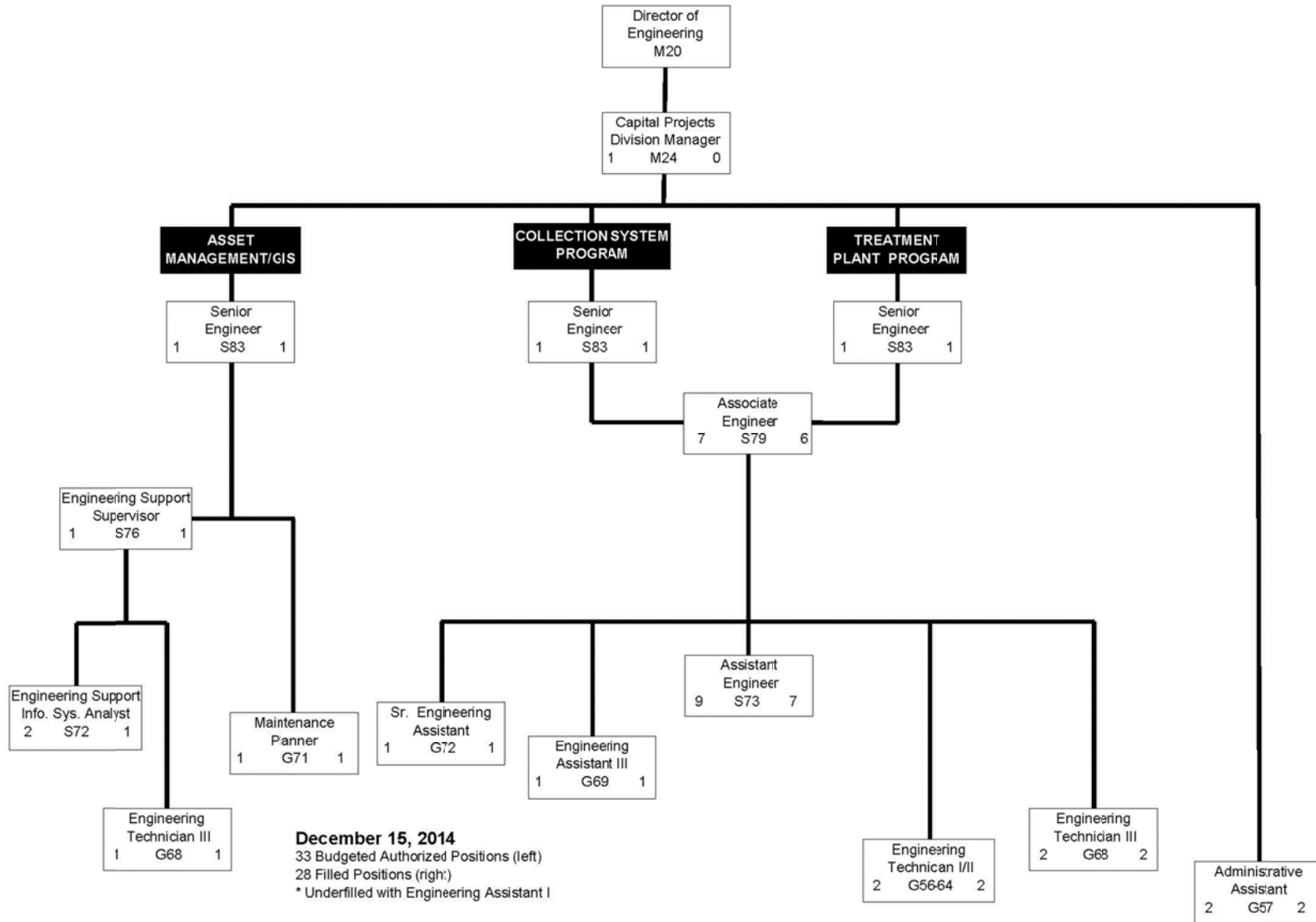
December 15, 2014
 50 Budgeted Authorized Positions (left)
 45 Filled Positions (right)
 * Underfilled with II
 ** Underfilled with I

CENTRAL CONTRA COSTA SANITARY DISTRICT
Engineering Department - Environmental Services Division



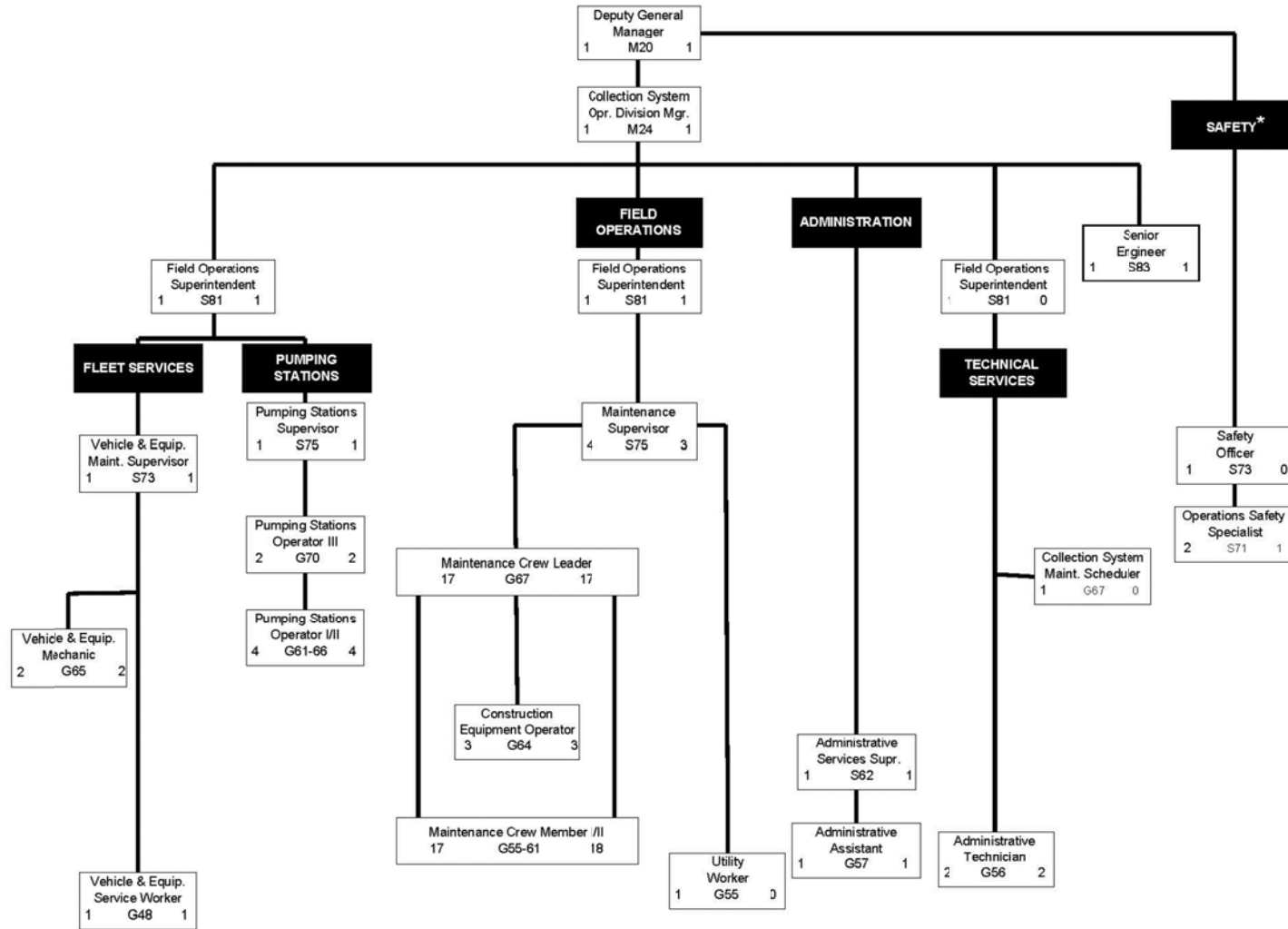
December 15, 2014
 48 Budgeted Authorized Positions (left)
 45 Filled Positions (right)
 * Underfilled with Assistant Engineer

CENTRAL CONTRA COSTA SANITARY DISTRICT
Engineering Department - Capital Projects Division



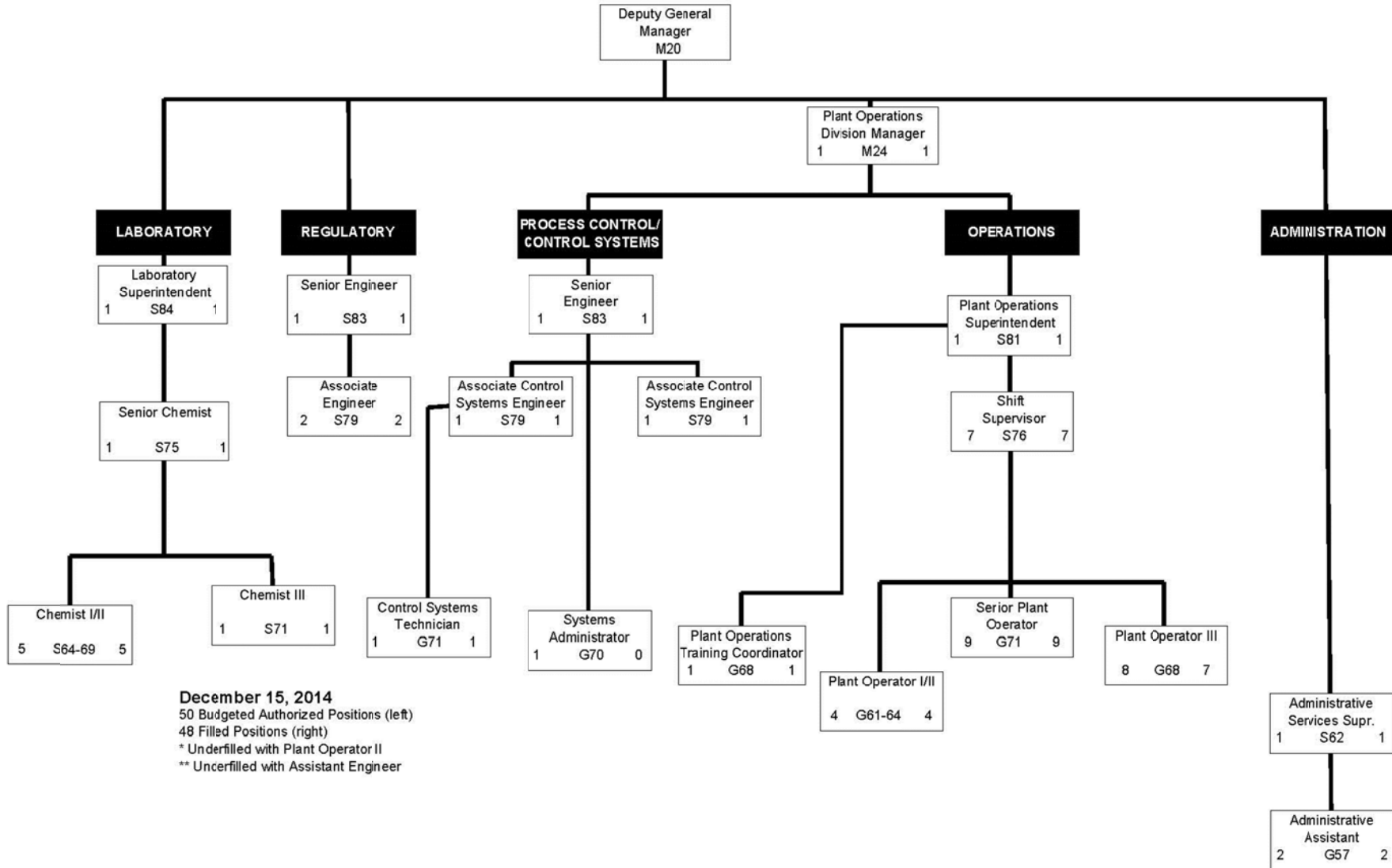
CENTRAL CONTRA COSTA SANITARY DISTRICT
Operations Department - Collection System Operations Division

1 of 3



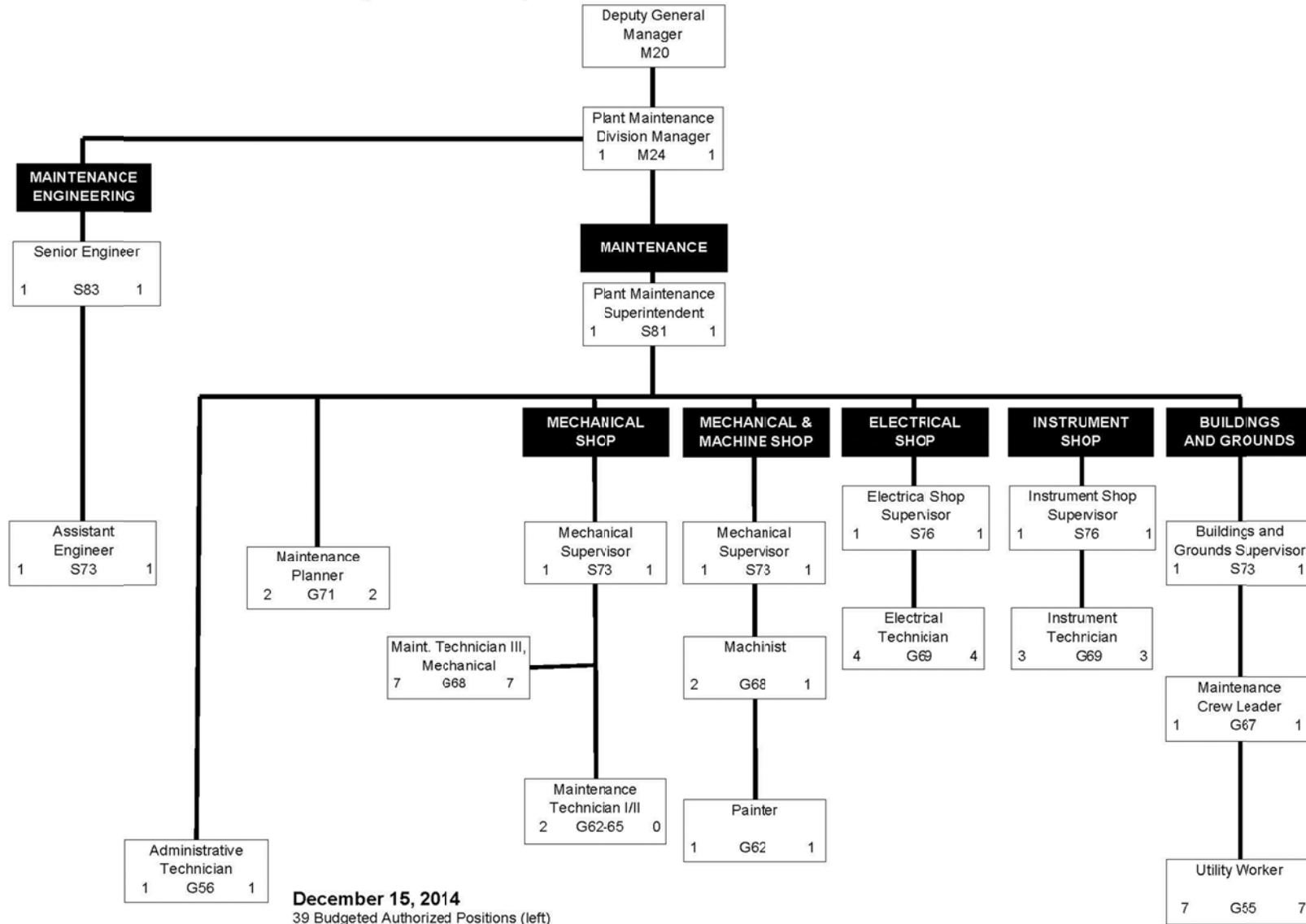
December 15, 2014
 67 Budgeted Authorized Positions (left)
 62 Filled Positions (right)
 * Safety is assigned to the Operations Department
 not the Collection System Operations Division
 ** Authorized overfill with Trainee

CENTRAL CONTRA COSTA SANITARY DISTRICT
Operations Department - Plant Operations Division



CENTRAL CONTRA COSTA SANITARY DISTRICT
Operations Department - Plant Maintenance Division

3 of 3



December 15, 2014
 39 Budgeted Authorized Positions (left)
 35 Filled Positions (right)
 *Maintenance Technician Trainee

7 APPENDIX C: EMPLOYEE SURVEY

December 8, 2014

Roger Bailey, P.E.
General Manager
Central Contra Costa Sanitary District
5019 Imhoff Place
Martinez, CA 94553

Subject: Organizational Needs Assessment - Employee Survey Results

Dear Mr. Bailey,

Raftelis Financial Consultants (RFC), Inc. is pleased to provide this letter report on the results of the employee survey, which was conducted from September 2 through October 7. The survey data will supplement the interview data that we have collected over the past several months and help validate some of the common themes and findings.

Our thanks goes out to the Central San Board of Directors and your leadership team for their input in crafting the survey, the administrative support that facilitated the collection of responses, and the 144 respondents to the survey.

Sincerely,



Tom Arn
Principal Consultant



Akbar Alikhan
Consultant

c: David Heath
Jean-Marc Petit
Teji O'Malley
Sudhir Pardiwala

BACKGROUND

As part of the Organizational Needs Assessment Study, RFC was tasked with developing and administering an employee survey of Central San staff. Much like individual interviews that RFC has conducted to date, the purpose of the survey was to garner feedback on areas of potential improvement for the District, determine what workplace attributes are most highly valued among staff, and evaluate how well the District is meeting employee needs.

On July 31, 2014, RFC presented a draft survey to the Board of Directors to solicit feedback and input. After slight modifications were made, the survey was sent out to all District staff on September 2 via Survey Monkey, an online survey service. Staff were also given the option to complete the survey on paper. Over the course of five weeks, 144 employees completed the survey – approximately 51% of all District staff.

While Organizational Needs Assessment Studies are heavily reliant on qualitative data, quantitative tools such as surveys can still prove useful in the development of the eventual findings as well as provide an anonymous forum for open input from all staff. The survey included both closed and open-ended responses. For the purposes of this study, the use of the survey help accomplish the following:

- **Opportunity for participation** – Staff who were not able to be part of the interview sessions could be a part of the study.
- **Anonymity** – Those who may have been reluctant to share certain information during the interview sessions could do so via the survey anonymously.
- **Quantitative data** – Quantitative data brings to light commonly held opinions and trends among staff and can bolster findings from the qualitative data.

The survey instrument is presented in Appendix 1. Question Nos. 1, 2, 9, and 10 contained open-ended responses. The verbatim responses to these questions are included in Appendix 2.

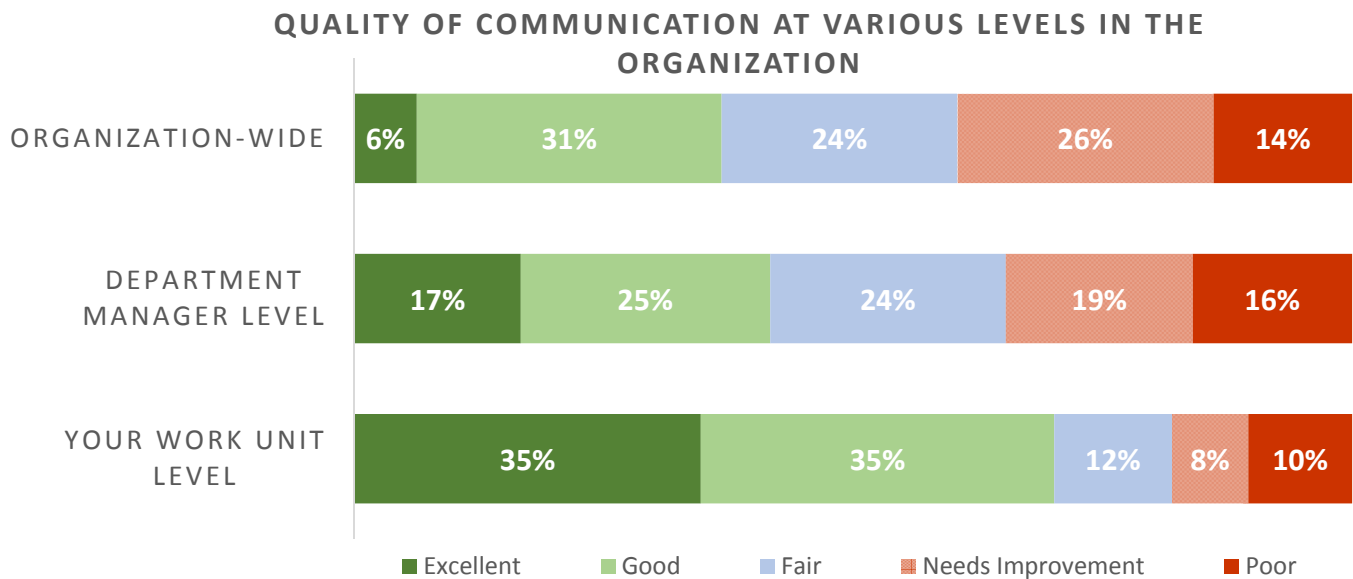
The charts on the following pages contain basic summary data for question Nos. 3 – 8 and select conditional response analysis as well. Conditional response data analyzes a subset of respondents for a specific survey question and reports how that same subset responded to a different survey question; for example of those that selected “B” for question 3, how did this group respond to question 6?

QUESTION 3: QUALITY OF COMMUNICATION

Respondents were asked to rate the quality of the communication they received at the various levels in the organization. Like most organizations of similar size to the District, proper communication is dependent on supervisors relaying information to the employees they manage.

The data shows that communication improves the closer it is to the work unit level. In fact, 70% of respondents rated the communication in their work group as either Excellent/Good. Of note is the reported quality of information Organization-wide; 40% of respondents rated Organization-wide communication as Poor/Needs Improvements, 3% more than the 37% who rated it as Excellent/ Good.

Figure 7-1: Quality of Communication

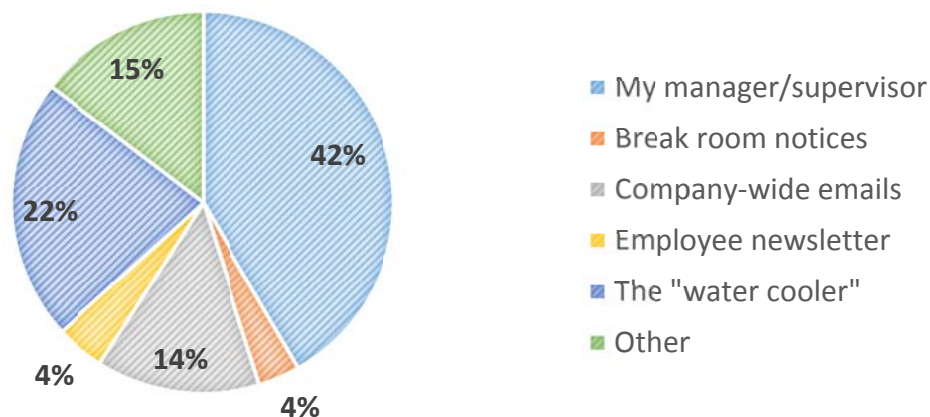


QUESTION 4: SOURCE OF INFORMATION

The quality of communication can vary widely by source. To understand where to focus efforts for improving communication, we asked respondents where they receive information regarding the direction and status of the organization. The data confirms that many District employees (42%) are receiving information relayed from their supervisors. However, the second most prominent source of information is the “water cooler” – essentially any peer-to-peer setting in the District. Since the “Other” category captured 15% of all respondents, it may behoove the District to determine what other sources are currently used that were not included as part of the survey choices.

Figure 7-2: Source of Regular Updates

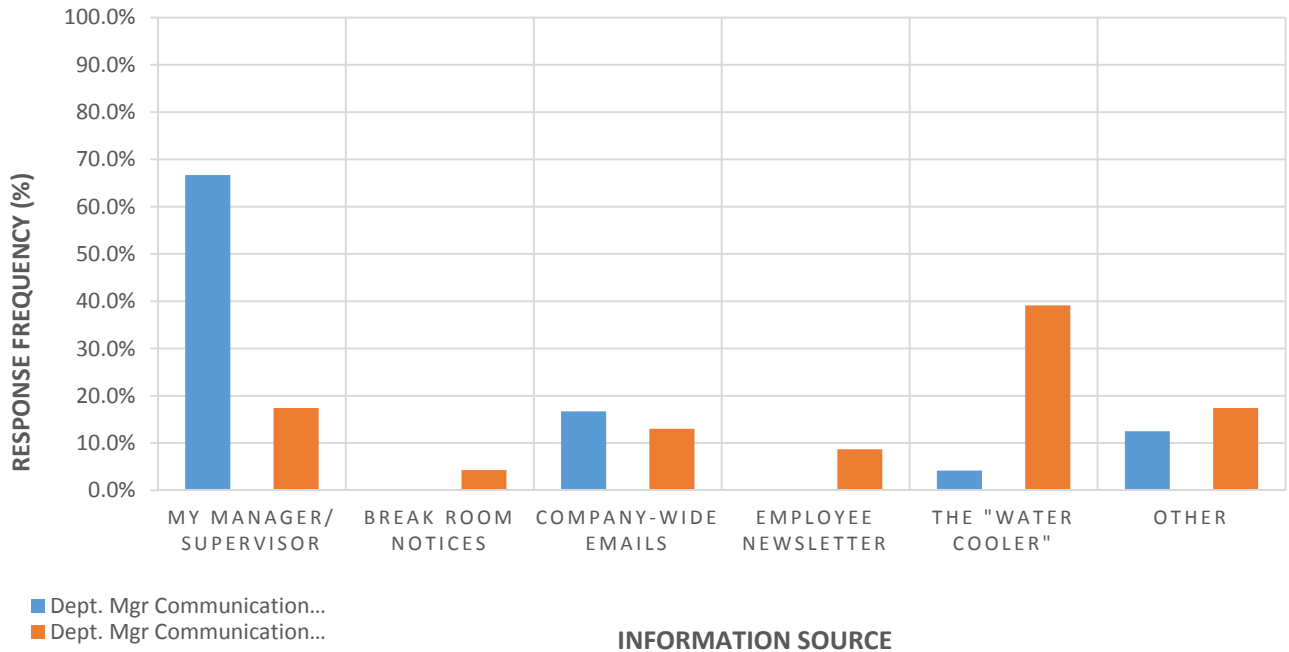
I GET REGULAR UPDATES ON THE DIRECTION OF THE ORGANIZATION AND HOW IT IS DOING FROM...



The source of information can also influence its perceived quality. Referring to the “Department/Manager Level” row in Figure 1 above, the percentage of respondents who rated communication as Excellent and Poor are nearly equal, with 17% and 16% respectively. The main source of information for these similarly-sized groups are compared in Figure 3 below.

Figure 7-3: Source of Information / Quality of Communication

SOURCE OF INFORMATION BASED ON QUALITY OF COMMUNICATION FROM DEPARTMENT MANAGER

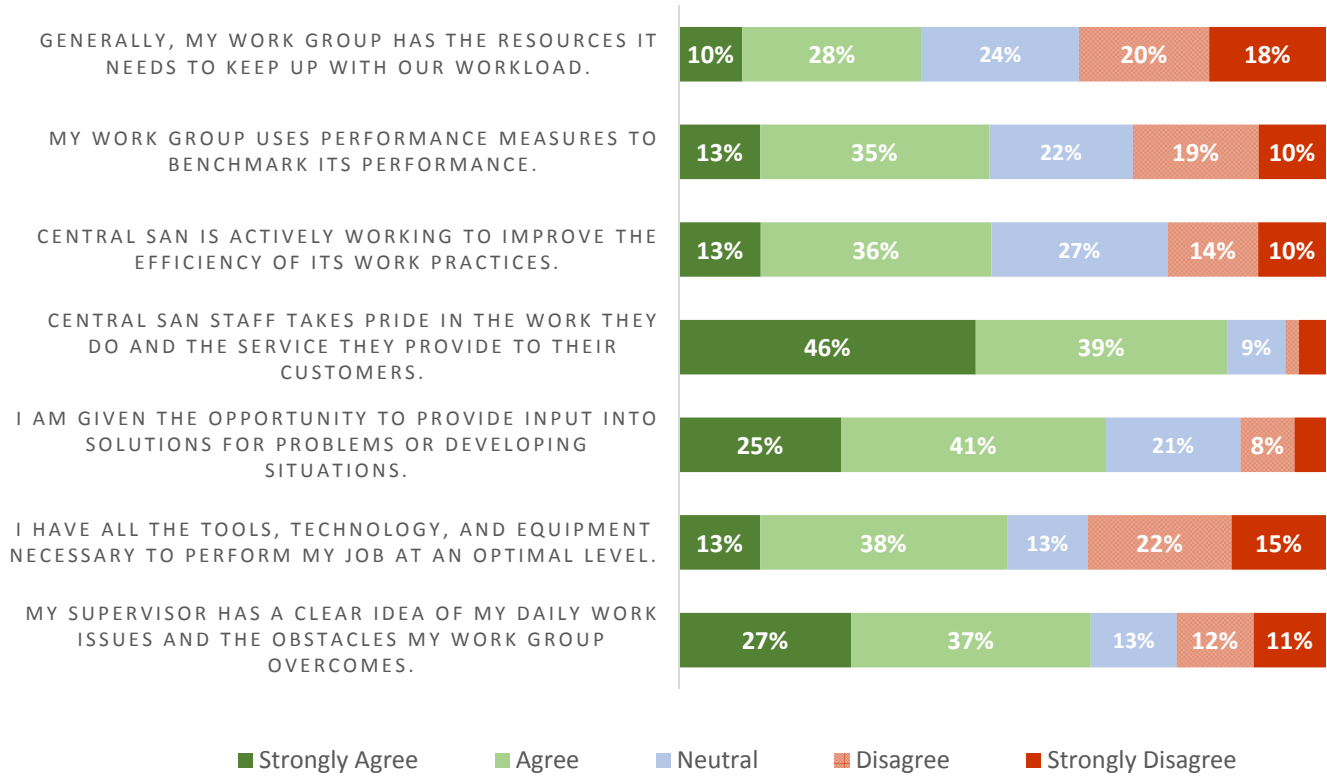


The data reinforces the importance of the critical role that managers/supervisors play in relaying information to their staff. The respondents who were more satisfied with the quality of information received their information primarily from their supervisor. Those who were less satisfied with the quality of information received information primarily from the “water cooler”.

QUESTION 5: WORKPLACE & ENVIRONMENT

Using a five-step Likert scale, respondents were asked to rate how much they agreed with a series of statements. The statements were all positively phrased, meaning that a Strongly Agree/Agree is the desired response for each statement.

Figure 7-4: Workplace Perspectives



The data shown in Figure 4 validates some of the readily apparent findings from the survey data. Namely, the District and its employees take pride in their work and customer service reputation. This sentiment is evidenced in the 85% of respondents who Strongly Agreed/Agreed with that statement.

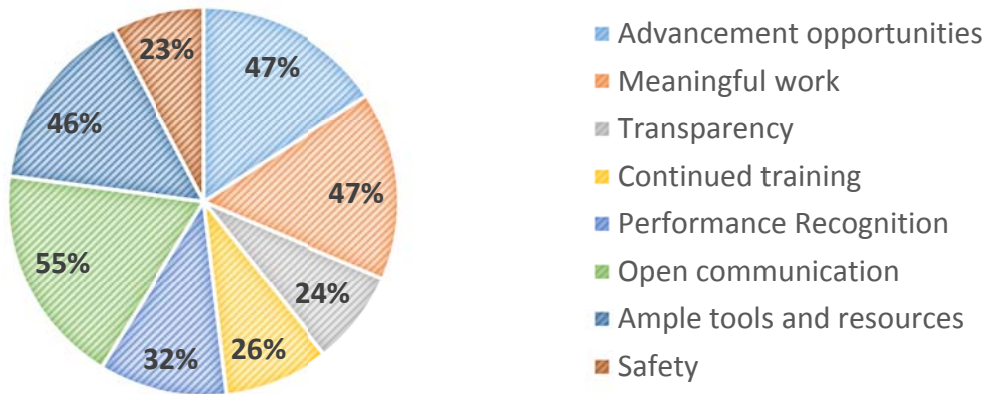
Referring to the first statement in the figure above, over 38% (Disagree [20%] /Strongly Disagree [18%]) of respondent reported that their work group doesn’t have the resources it needs to keep up with the workload. The open-ended responses found in Appendix 2 provides an explanation to the data with references to reduced staffing and unfilled vacancies.

QUESTION 6: WORKPLACE ATTRIBUTES

Respondents were asked to select the three most important workplace attributes from a list, with no ranked order. An “Other” category was not provided for this question. Figure 5 below shows a basic distribution of the responses.

Figure 7-5: Most Important Workplace Attributes

MOST IMPORTANT WORKPLACE ATTRIBUTES

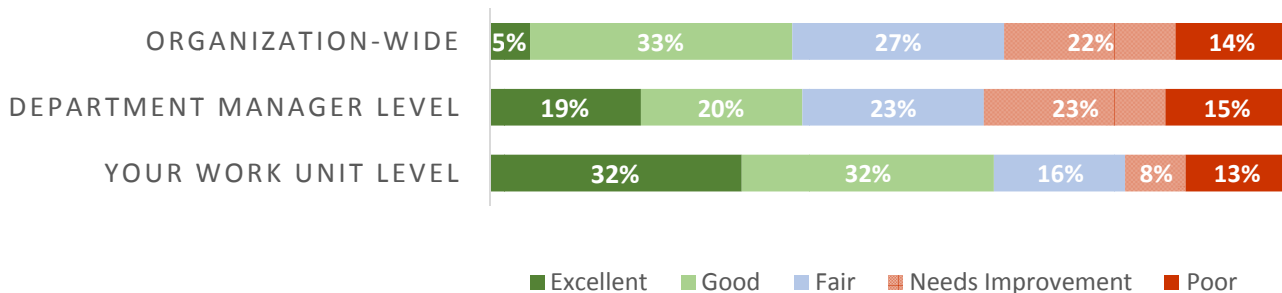


While the data set is fairly evenly distributed, “Open Communication” was rated with the highest frequency. This data is consistent with the open-ended responses for question 8, found in Appendix 2. Furthermore, it can be argued that “Transparency” (which garnered 24% of the responses) siphoned off votes that would otherwise have been attributed to “Open Communication” and vice versa.

Of the 55% of respondents who checked “Open Communication” as an important workplace attribute, their responses to the quality of information asked is very similar to the distribution of the general respondents from Figure 1. Comparing Figure 6 below with the data show in Figure 1, it is evident that the opinions of the quality of communication is rather constant whether or not one considers “Open Communication” an important workplace attribute or not. As seen in Figure 3, the source of information appears to be a better determinant of information quality.

Figure 7-6: Open Communication / Quality of Communication

QUALITY OF COMMUNICATION FOR THOSE WHO MARKED "OPEN COMMUNICATION" AS AN IMPORTANT ATTRIBUTE

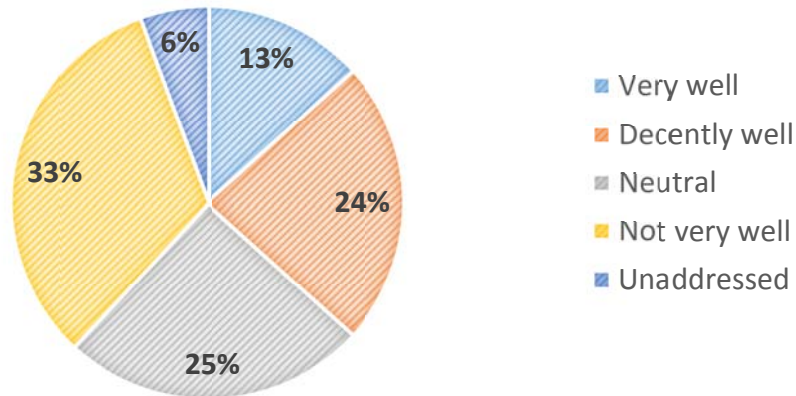


QUESTION 7: WORKPLACE ATTRIBUTES CONTINUED

As a follow-up, respondents were asked to rate how well the District provided for their most highly ranked attribute from Question 6. Figure 7 below shows a basic distribution of the data set.

Figure 7-7: Provisions for Highest Rank Workplace Attribute

HOW WELL DOES CENTRAL SAN PROVIDE FOR YOUR MOST HIGHLY RANKED ATTRIBUTE?



To see if any particular workplace attributes were more fulfilled by the District than others, the two similarly-sized data sets of Very Well/ Decently Well (37% collectively) and Not Very Well/ Unaddressed (39% collectively) can be compared with respect to their responses to Question 6. Figure 8 below summarizes the most important attributes for each of these two groups.

Figure 7-8: Fulfillment of Highest Ranked Attribute

**MOST IMPORTANT ATTRIBUTE
MET "VERY WELL/DECENTLY WELL" VS. "NOT VERY WELL /
UNADDRESSED"**



The chart above shows no stark contrasts between those whose top workplace attributes are met by the District and those that are not. Respondents of both groups value the same attributes with similar frequency. The data suggests that the quality of these workplace attributes may vary widely from workgroup to workgroup.

CENTRAL CONTRA COSTA SANITARY DISTRICT
EMPLOYEE SURVEY



Central Contra Costa Sanitary District - Employee Survey

***1. What three words would you use to describe Central San's work culture? Please use single words for each response.**

1

2

3

***2. Since you've been at Central San, what accomplishment/task/award are you most proud of?**

***3. Please rate the quality of the communication you receive at the various levels in the organization.**

	Excellent	Good	Fair	Needs Improvement	Poor
Your work unit level	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Department manager level	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Organization-wide	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

***4. I get regular updates on the direction of the organization and how it is doing from...**

- My manager/supervisor
- Break room notices
- Company-wide emails
- Employee newsletter
- The "water cooler"

Other

***5. To what degree do you agree with the following statements.**

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
My supervisor has a clear idea of my daily work issues and the obstacles my work group overcomes.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I have all the tools, technology, and equipment necessary to perform my job at an optimal level.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am given the opportunity to provide input into solutions for problems or developing situations.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Central San staff takes pride in the work they do and the service they provide to their customers.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Central San is actively working to improve the efficiency of its work practices.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
My work group uses performance measures to benchmark its performance.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Generally, my work group has the resources it needs to keep up with our workload.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please provide any comments in regards to the responses above.

***6. Of the workplace attributes listed below, please check the 3 that are most important to you.**

- Advancement opportunities
- Meaningful work
- Transparency
- Continued training
- Performance Recognition
- Open communication
- Ample tools and resources
- Safety

***7. Considering your highest ranked workplace attribute from the previous question, how well does Central San provide for this attribute?**

- Very well
- Decently well
- Neutral
- Not very well
- Unaddressed

***8. What are the two things that you would like to see changed to improve effectiveness and performance within your division?**

1

2

***9. What are the two things that you would like to see changed to improve effectiveness and performance for the organization as a whole.**

1

2

10. Please use this area to share any ideas on how Central San can improve as an organization.

11. I was born between...

- 1922-1945 (Silent Generation)
- 1946-1964 (Baby Boomer)
- 1965-1980 (Generation X)
- 1981-1995 (Generation Y -- Millennials)

Done

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Check out our [sample surveys](#) and create your own now!

RESPONSES TO OPEN-ENDED QUESTIONS

QUESTION 1: WHAT THREE WORDS WOULD YOU USE TO DESCRIBE CENTRAL SAN'S WORK CULTURE?

Top Responses	Frequency
Dedicated	8
Political	8
Professional	8
Entitled	7
Friendly	7
Dysfunctional	6
Efficient	6
Hardworking	6
Inefficient	6
Family	6
Proud	6

QUESTION 2: SINCE YOU'VE BEEN AT CENTRAL SAN, WHAT ACCOMPLISHMENT/TASK/AWARD ARE YOU MOST PROUD OF?

Responses were categorized into the following themes. Sample responses for the top two themes are provided below.

Top Responses	Frequency
NACWA/CWEA Awards	33
Specific project/function	31
Promotion	13
Teamwork/ team efficiency	11
Being part of a reputable organization	7
Professional Growth	7

NACWA/CWEA Awards

1. 16 years of NACWA Peak Performance which is a testament to a proactive, mutually supporting work culture that has been passed at least one generation.
2. Collection System of the Year Awards.
3. Employee of the month/team of the quarter.

Specific Project/Function

1. Concord Landscape Recycled Water Project

2. Installing/rehabilitating almost 20 miles of pipeline in our collection system to help the District adhere to its mission statement!
3. Streamlining A/P filing system by changing to filing by payment date from alphabetical system. It saves 3 hours per month in filing time.

QUESTION 8: WHAT ARE THE TWO THINGS THAT YOU WOULD LIKE TO SEE CHANGED TO IMPROVE EFFECTIVENESS AND PERFORMANCE WITHIN YOUR DIVISION?

Responses were categorized into the following themes. Sample responses for the each theme are provided below.

Top Responses	Frequency
Staffing	28
Technology	28
Communication	27
Training	23
Accountability	22
Leadership	20

Staffing

1. Fill vacancies so people are not feeling overworked.
2. Have flexibility in ability to overstaff to succession plan.
3. More staff in the field jobs.

Technology

4. Less complicated user friendly software/databases.
5. Electronic Records Management System.
6. More usage of technology (tablets) and LESS PAPER!!!

Communication

1. Better communication between and from our Director/Managers.
2. Improving communication in between department meetings.
3. Open two way communication.

Training

1. More hands-on training.
2. Improved safety training.
3. I would like to see mandatory cross-training. Some things cannot be done if a specific person is not here, and that should be remedied.

Accountability

1. Hold people accountable when they do not complete their work in a timely manner.
2. Adequately define roles and responsibilities for job positions that protect staff from being given excessive and unrealistic workloads.
3. Follow through with necessary discipline and reward good employees.

Leadership

Given the varying nature of the comments received in this theme, the 20 comments for “Leadership” have been grouped into the following sub-themes:

Sub-Theme	Frequency
Improved Strategy & Direction	8
Micro-management by Supervisors/Board	5
Improved Leadership	4
Other	3
Total	20

1. We need to set clear objectives, and work towards them, instead of bouncing from one fire to the next.
2. Clearer direction, better communication.
3. Upper management and the board need to let us do our jobs and get out of the way.
4. A supervisor that leads by example.
5. Clearer expectations from new management team.

QUESTION 9: WHAT ARE THE TWO THINGS THAT YOU WOULD LIKE TO SEE CHANGED TO IMPROVE EFFECTIVENESS AND PERFORMANCE FOR THE ORGANIZATION AS A WHOLE?

Responses were categorized using the themes from the previous question. Sample responses for the each theme are provided below.

Top Responses	Frequency
Leadership	30
Communication	25
Technology	20
Accountability	12
Staffing	10
Training	7

Leadership

Given the varying nature of the comments received in this theme, the 30 comments for “Leadership” have been grouped into comments concerning the (1) Board of Directors, (2) Management, and (3) General.

Board

Board of Directors	Frequency
Adherence to Board Governance Model	11
Other	1
Total	12

1. The Board needs to quit micromanaging and focus on the big picture and future regulatory requirements.
2. Return Board to oversight and policy role.
3. The Board of Directors sticking to Policy and trusting staff to handle the details.
4. Board should stand back and let the GM do his job and take responsibility for his performance.
5. Change the Board to become pro employee.

Management

Management	Frequency
More active/working supervisors and managers	4
Other	4
Communicating Organizational Direction	2
Consistency in Management	2
Total	12

1. Management to get more familiar with what their workers do.
2. Less manager positions or make them working managers.
3. Monthly updates from management on our direction and the progress toward that direction. Vision setting and measuring. We have several efforts underway that were not rolled out smoothly causing fear in the work force. If a comprehensive vision could be created and presented to the District Staff with monthly progress updates; that would go a long way toward creating a work force of high trust.
4. Develop trust and "buy-in" from employees before implementing new direction.
5. Consistency in leadership.

General

General	Frequency
Organizational Direction	3
Improved leadership	2
Micro-management by Board/Management	1
Total	6

1. The District needs to have a clear, long term direction to head in instead of floating aimlessly amongst the whims of individual Board Member agendas.
2. Develop trust and "buy-in" from employees before implementing new direction
3. Concentrate on being effective rather than efficient.
4. Better Leadership by Example.
5. Micro-management by Board/Executive Leadership.

Communication

1. Better Communication / Less Blame Game.
2. Communication across all levels with the same information.
3. Continue to ask employees for input.

Technology

1. An ERP system that allows for one District wide system that interfaces with all aspects of the organization
2. Move to more paperless solutions for everyday tasks.
3. Implement employee self-service software.

Accountability

1. Follow to enforce written procedures.
2. Hold all people accountable, from the top to the bottom.
3. Clear and high expectations of performance.

Staffing

1. Fill important positions before people retire.
2. More worker bees.
3. Hire summer students/Co-ops, only if you have work for them. Not just because it's a past practice.

Training

1. More training to increase communication skills, customer service skills and job efficiency skills for people to think faster, perform better and generally be a better workforce.
2. More in-house training.
3. Provide for more cross-training and succession planning.

QUESTION 10: PLEASE USE THIS AREA TO SHARE ANY IDEAS ON HOW CENTRAL SAN CAN IMPROVE AS AN ORGANIZATION. (OPTIONAL)

89 of the 144 survey participants opted to respond to Question 10. The responses are categorized into the themes below.

Theme	Frequency
Culture	20
Board/Staff Interaction	13
Communication	10
Operations & Maintenance	9
Labor Negotiations	9
Hiring/Promotion	8
Management	6
Staffing	6
Technology	4
Training	4
Total	89

Culture

1. Be the leader in pay and benefits to attract high quality workers. Make everyone at every level responsible for their performance. Simplify and be aggressive on correcting poor performance.
2. Change the work culture to instill pride, encourage employees to do their best and make working here more enjoyable.
3. Plan family events! Back in the day we did family events and felt like we were one big family!

Board/Staff Interaction

1. It's confusing that we hear mixed messages...on one hand the Board wants us to be a "Leader in the industry", however they also talk a lot about cutting costs and staff. Stay on message because it's difficult to be a "Leader on a Budget" without training or support for staff ideas and innovations.
2. Board needs to recognize its employees as team members.
3. Get Board members to focus on policy and long term goals. Management should provide a vision of the future rather than reacting to political distractions.

Communication

1. Make it top priority (don't wait months and months) to provide accurate information about rumors, especially rumors that are obviously affecting morale and productivity.
2. Managers need to funnel info down to their work groups. Somehow we need to resolve the trust issue as the employees are the ones that will move the District forward.

3. Communicate between all levels with the same information - don't filter downward.

Operations & Maintenance

1. Operations needs to look at different work schedules. 10 days in a row are burning operators out. Double and triple staff days are inefficient.
2. Central San needs to be more proactive and do maintenance projects before they become and emergency repair. Budget allocations need to be redone. Projects are postponed because of budgets and later when the items on the project fail they cause an emergency repair that end up costing the district more money.
3. Operators and maintenance do everything on paper. Switch this out with tablets where information is at our finger tips and not hidden in dusty binders. As written in the LC, CSO field workers record their work on paper and then spend the last part of their day doing data entry. This should be done in the field on laptops. Use less paper and more technology to make jobs easier and get things done quicker.

Labor Negotiations

1. Labor negotiations are constantly on the minds of District staff. Establishing a long term labor plan with set multiplier and benefits would go a long way toward workplace security and efficiency.
2. Stop taking away benefits that were promised to us. Stakeholder buy in on changes. Improve the trust in the District.
3. Keep current union contract as is.

Hiring/Promotion

1. Hire within the district. Quit going outside the District to find its future leaders.
2. Put in place mechanisms that allow staff to compete fairly for positions. Recognize and value the potential contribution employees (who have worked outside of the District) can bring to the organization.
3. There needs to be an incentive for passing higher grade (operator) tests.

Management

1. Focus more on collecting and treating sewage and focus less on political priorities. Too much change too fast. Sends message to staff that there isn't a plan at the District.

2. Get management out of the office and in the field to check what people are doing they really need to get involved more and checking on their crews.
3. Management/interpersonal skill training for supervisor/managers, clear expectations of their performance, abilities and duties as leaders.

Staffing

1. The compliance and regulatory functions are spread throughout the District. Because of this diffused functionality, succession planning is difficult. I would re-organize the regulatory, compliance, and advocacy into a single Division within Engineering.
2. Discontinue use of previous employees as consultants and District Temps who continue day-to-day work without training replacements. This is a performance issue for the supervisor and employee. Training of replacements should be mandatory.
3. Staff the District to meet the needs of CSO and POD. The people who what the District is really about - the collection and treatment of sewage. Admin and Engineering are supposed to support these.

Technology

1. Be more organized and document changes and evacuate old information.
2. The District seems to be far behind when it comes to technology and systems that can be used to streamline certain functions of the business.
3. Use representatives from each Division to administer the various technologies the District uses instead of relying solely on IT or on a workgroup to make good decisions about its use.

Training

1. Overall, I feel that CCCSD is a solid organization. However, in order for us to be a great organization, we really need to focus our efforts on cross-training, professional development, and succession planning.
2. Better departmental communication through activities or cross training.
3. Take time for all new management to figure out our operation.

8 APPENDIX D: EXTERNAL BENCHMARKING ANALYSIS

BACKGROUND

As part of the Organizational Needs Assessment Study, RFC was tasked with performing a Benchmarking Analysis (Analysis) to help the District gain a better understanding of how they compare to industry peers with respect to staffing and service levels. Benchmarking is a self-assessment exercise that includes comparing the District to its industry peers using a set of key metrics. Before performing any benchmarking exercise, the following questions must be addressed:

1. Who should be selected to benchmark with?
2. What metrics should be compared?
3. How should the data be normalized for a more consistent (“apples to “apples”) comparison?

SELECTING BENCHMARKING PARTNERS

When selecting benchmarking partners, it is advantageous to select partners that are similar to the District and embody the industry’s best practices. RFC and District staff jointly selected the benchmarking partners using the following criteria:

- Located within California
- Similar to Central San with regards to the services offered
- Perceived ability to respond and provide information
- Geographic proximity to the District

Considering the selection criteria, the following benchmarking partners were chosen:

1. Delta Diablo Sanitation District (Delta Diablo SD)
2. East Bay Municipal Utilities District (East Bay MUD)
3. Inland Empire Utilities Agency (Inland Empire UA)
4. Orange County Sanitation District (OCSD)
5. Sacramento Regional County Sanitation District (Sac Regional SD)
6. San Diego Public Utilities Department (San Diego PUD)
7. Union Sanitary District (Union SD)

As part of the data gathering process, surveys were sent out to each of the benchmarking partners inquiring of the size of agency's infrastructure, customer base information, services offered, and the FTEs assigned to various functions. However, given the variability of each agency's definitions for collection, treatment, engineering, etc. there were inconsistencies when simply using the provided survey data from the benchmarking partners. To remedy this, RFC also used each agency's budget and full position list to perform a desktop analysis and create consistency between the benchmarking partners. The methodology is further explained below.

METRICS TO MEASURE

The purpose of this Analysis is provide quantitative comparison to the recommendations made in the Organization and Staffing Plan. The focus of this Analysis covers staffing levels and specifically to the following metrics:

1. Distribution of FTEs by function
2. Operations Staff per Million Gallons Treated
3. Collection Staff per 100 Miles of Collection System Pipe
4. FTEs by Job Classification

In addition to the quantitative measures listed above, comparison of organization structures of each benchmarking partner also is presented. Central San's current and proposed staffing models were used in the analysis.

NORMALIZING THE DATA SET

Although every effort has been made to normalize the data set for this Analysis, obvious dissimilarities exists between any two agencies. Table 1 summarizes the services offered by the District and its benchmarking partners.

In addition to the more significant differences between agencies, such as a difference in services offered, there are more nuanced differences that can influence staffing levels. For example, factors such as varying technologies and operational modes, aging infrastructure, difficult to serve areas, risk tolerance, customer service philosophy, organizational history, preference for contracted versus in-house services, local agency regulations, and political climates create a unique set of requirements for every organization. Essentially, each organization has staffing levels to meet their specific set of needs. Therefore, while benchmarking is a worthwhile exercise to understand the metrics of industry peers, it is a relative comparison as it does not take into account the more nuanced differences nor create true parity between any two agencies.

Table 8-1: Services Offered by Agency

Agency	Collection System Maintenance	Wastewater Treatment	Recycled Water
Central San	•	•	•
Delta Diablo SD ⁽¹⁾		•	
East Bay MUD ⁽¹⁾⁽²⁾		•	•
Inland Empire UA ⁽¹⁾		•	•
Orange County SD	•	•	•
Sac Regional SD ⁽¹⁾		•	
San Diego PUD ⁽²⁾	•	•	•
Union SD	•	•	

⁽¹⁾ Treatment Plant interceptor only—not a full Collection System Maintenance function to effectively compare to Central San

⁽²⁾ Benchmarking partner is part of a larger organization. Only figures that relate to the wastewater enterprise are included in the Analysis.

METHODOLOGY

Normalizing the data set first requires defining a set of rules and then applying those rules universally. For the purposes of this Analysis, this entailed defining a list of classes that contained various functions throughout the organization. Six classes were developed: (1) Operations, (2) Maintenance, (3) Engineering, (4) Collection, (5) Regulatory, and (6) Other. Various job titles and functions found in each of the benchmarking partners’ job descriptions lists were classified into one of the six classes. Table 2 shows the six classes and the different functions and titles they contain.

Table 8-2: Job Description Classifications

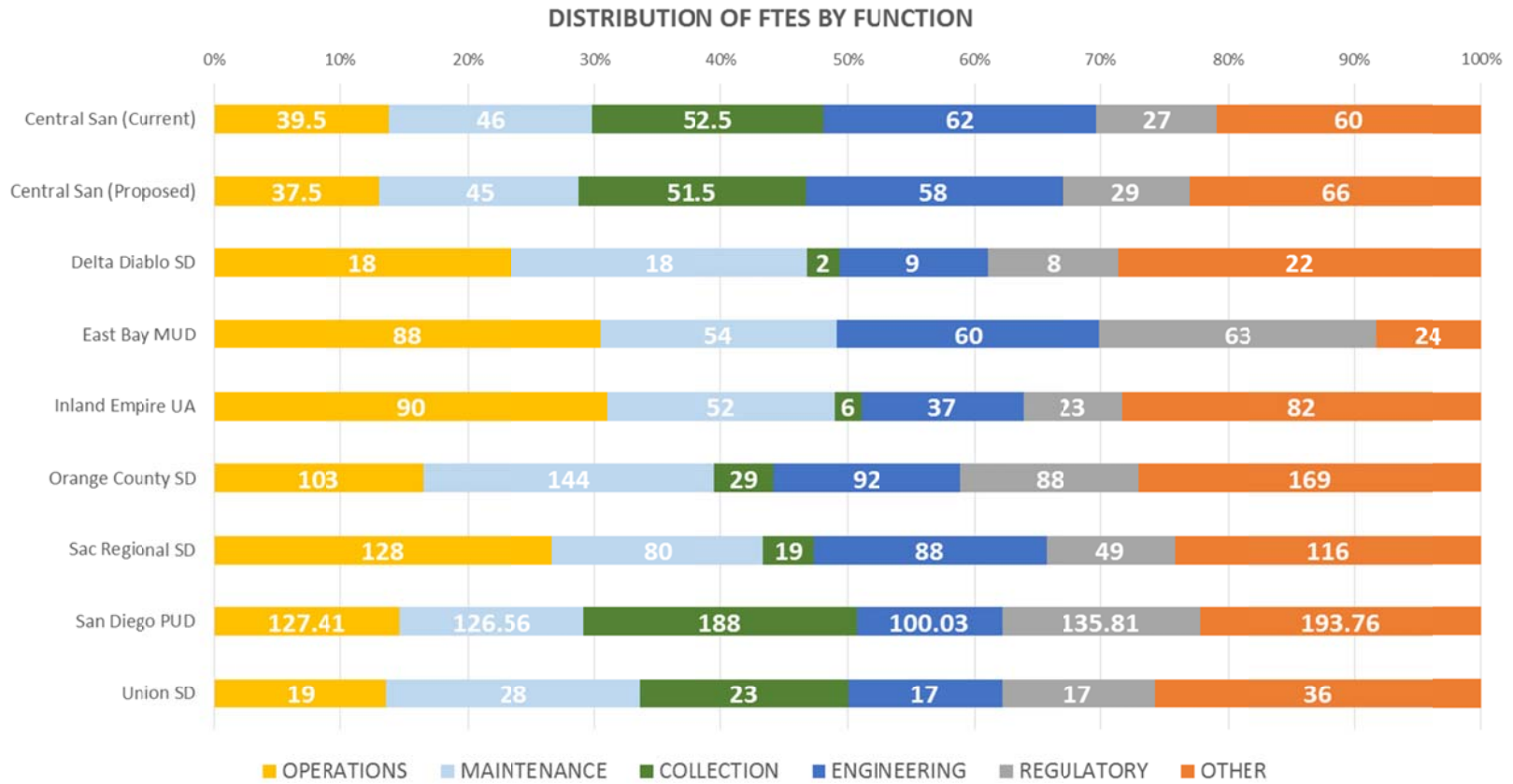
OPERATIONS	MAINTENANCE	OTHER
Groundwater Recharge Odor and Corrosion Control Operators Organics Management Process Control SCADA Control System Water Quality Control	Carpenter Electrical Shop Grounds Maintenance Instrumentation Shop Machine Shop Mechanical Shop Painter Pumping Stations	Accounting Attorney Communications Contract Services External Affairs Finance Fleet Maintenance Graphics Coordinator Human Resources Information Technology Janitorial Office of the Secretary Policy Development Power Plant Mechanic/Operator Public Information Purchasing Rates and Fees Resource Recovery Risk Management Safety Training Warehouse/Inventory
ENGINEERING	REGULATORY	
Construction Inspectors Construction Management Geographic Information Systems Recycled Water Coordinator	Backflow & Cross Connection Specialist Biologists Chemists Compliance Inspectors Household Hazardous Waste Industrial Waste Inspection Laboratory NPDES Title 22 Title V	
COLLECTION		
CCTV Collection CMMS Collection System Construction Workers Collection System Crew Members/Leaders Interceptor Maintenance		

Once the classes are defined and populated with job titles and functions, the classes are applied universally to each of the benchmarking partners’ personnel list. For example, Agency A may house Pumping Stations within their Operations Division and Agency B may house Pumping Stations in their Collection Division. Using the respective definitions for Agencies A and B, Pumping Stations would fall into two different classes even though they are indeed the same function. However, using the set of definitions outlined in Table 2 above and applying them to both Agency A and B would result in Pumping Stations being classified as Maintenance FTEs in both cases. As evidenced by the example, it is imperative that the same set of definitions be applied universally to create a more consistent comparison across various agencies. Central San’s proposed organization staffing model was used as the basis for the job title and function definition.

ANALYSIS

Every position for each of the benchmarking partners were analyzed and classified into one of the six classes. Figure 1 shows the FTE distribution across all the benchmarking partners. Figures for both the current District structure and the proposed District structure from the Staffing Plan are shown.

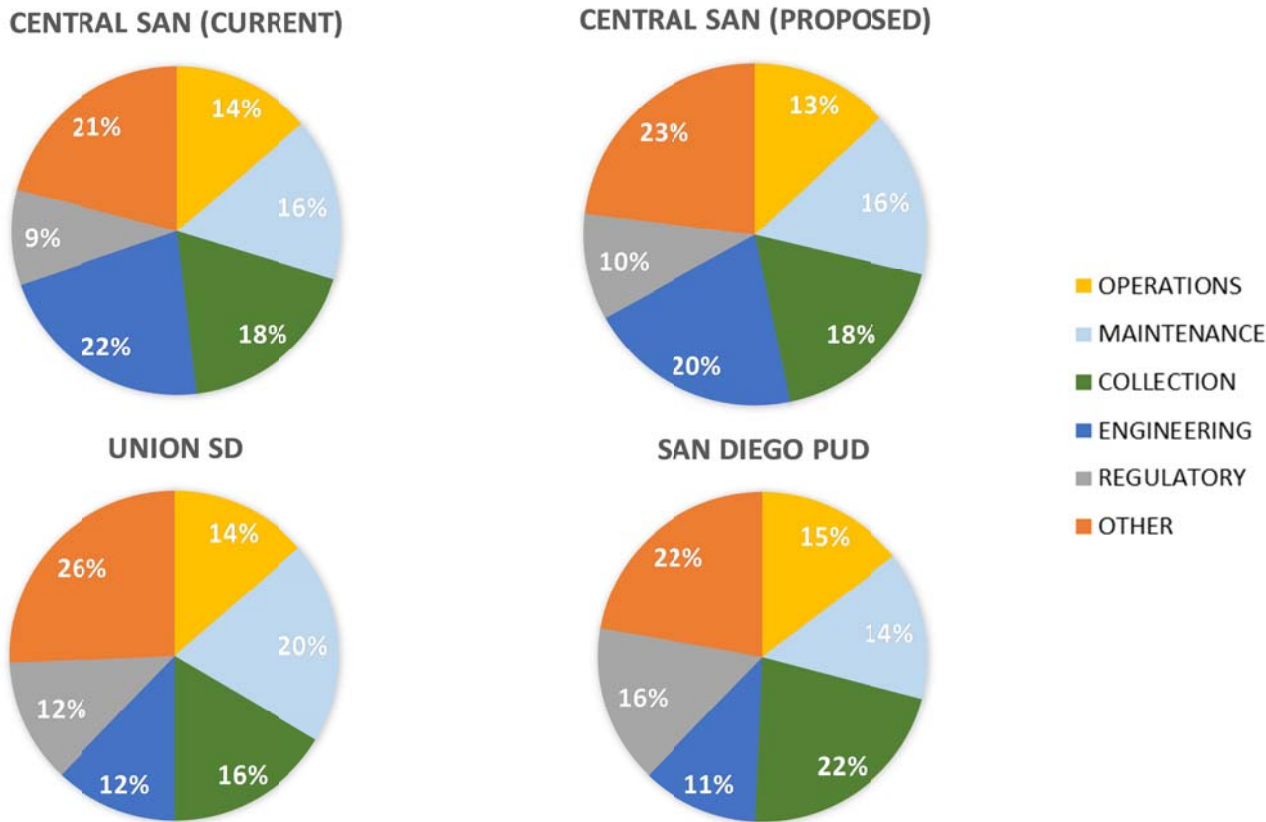
Figure 8-1: Distribution of FTEs by Function



As shown above, the FTE distribution between the current and proposed District structures are very similar. Comparing the District’s FTE distribution to the benchmarking partners that have both treatment and collection, namely Union SD and San Diego PUD, there are similarities in the percentage breakdown.

Figure 2 presents the current and proposed District distribution by percentage along with Union SD and San Diego PUD. OCSD was excluded because they are a regional treatment facility for several collection systems, including their own.

Figure 8-2: Percentage Distribution of FTEs



As shown above, the District has a similar organizational distribution to Union SD and San Diego PUD. Of note is the difference in engineering staff between the District and the benchmarking partners. Both Union SD and San Diego PUD may make more use of external resources to fulfill their design engineering needs. The proposed District FTE distribution is slightly more aligned with the distribution of the benchmarking partners.

Figure 3 below details the number of operations staff per million gallons treated. For this analysis, Operations staff are comprised mainly of operators with additional support functions as detailed in Table 2. Both the District’s current and proposed operations staffing falls right in the middle of the data set, indicating alignment with its industry peers.

Figure 8-3: Operations Staff per Million Gallons Treated

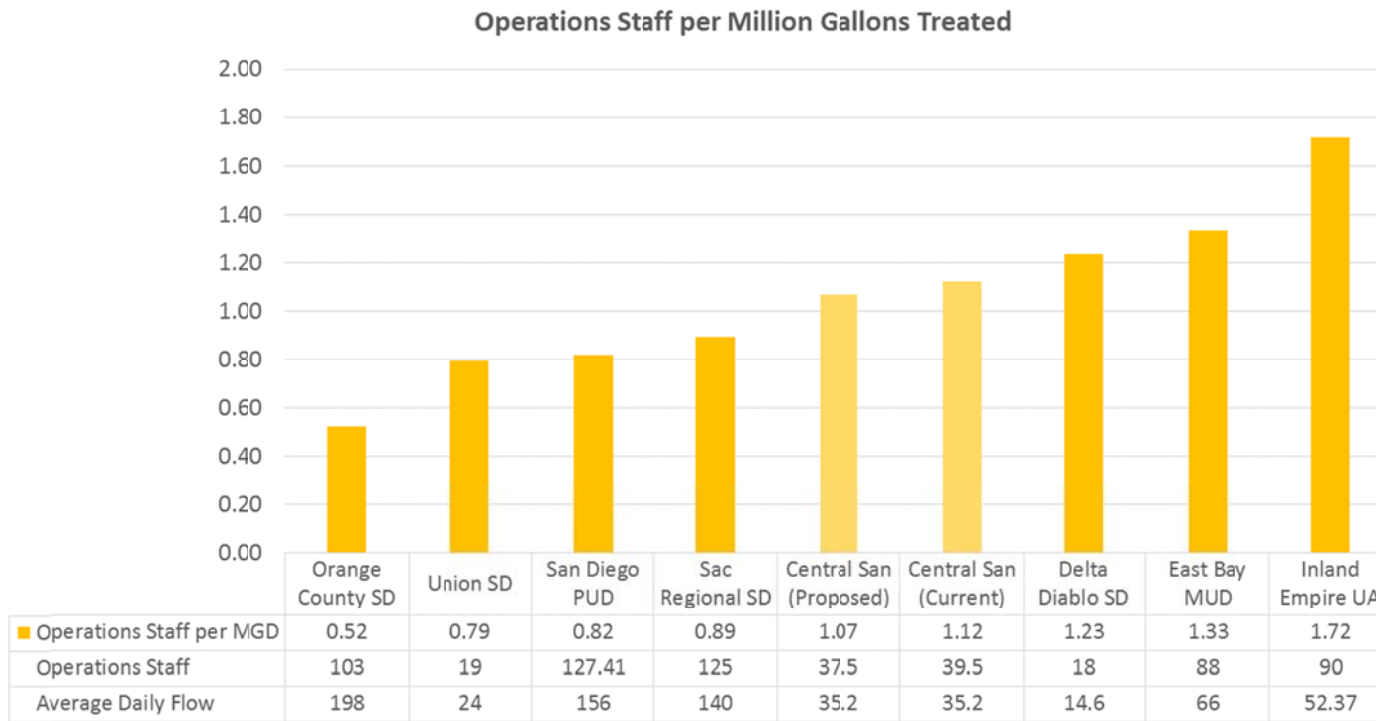
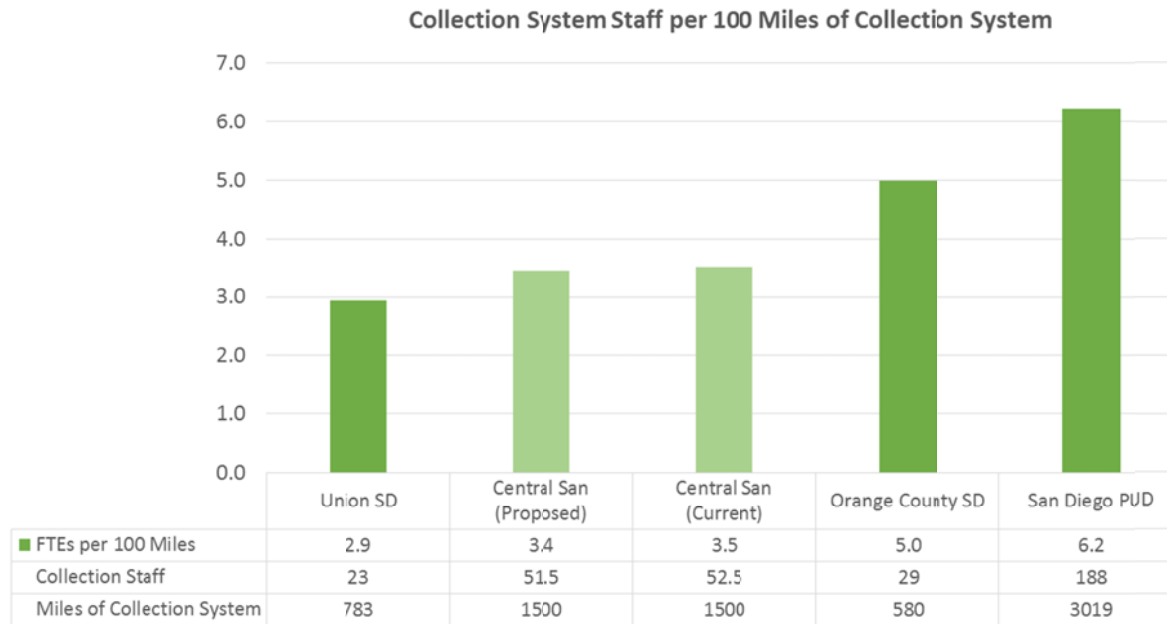


Figure 4 shows a comparison of collection system staff per 100 miles of collection system. Referring to Table 1, East Bay MUD, Delta Diablo SD, Inland UA, and Sac Regional SD do not have full-scale collection systems and are not included in Figure 4. Again, the District’s current and proposed staffing levels appear to be aligned with industry peers.

Figure 8-4: Collection System Staff per 100 Miles of Collection System



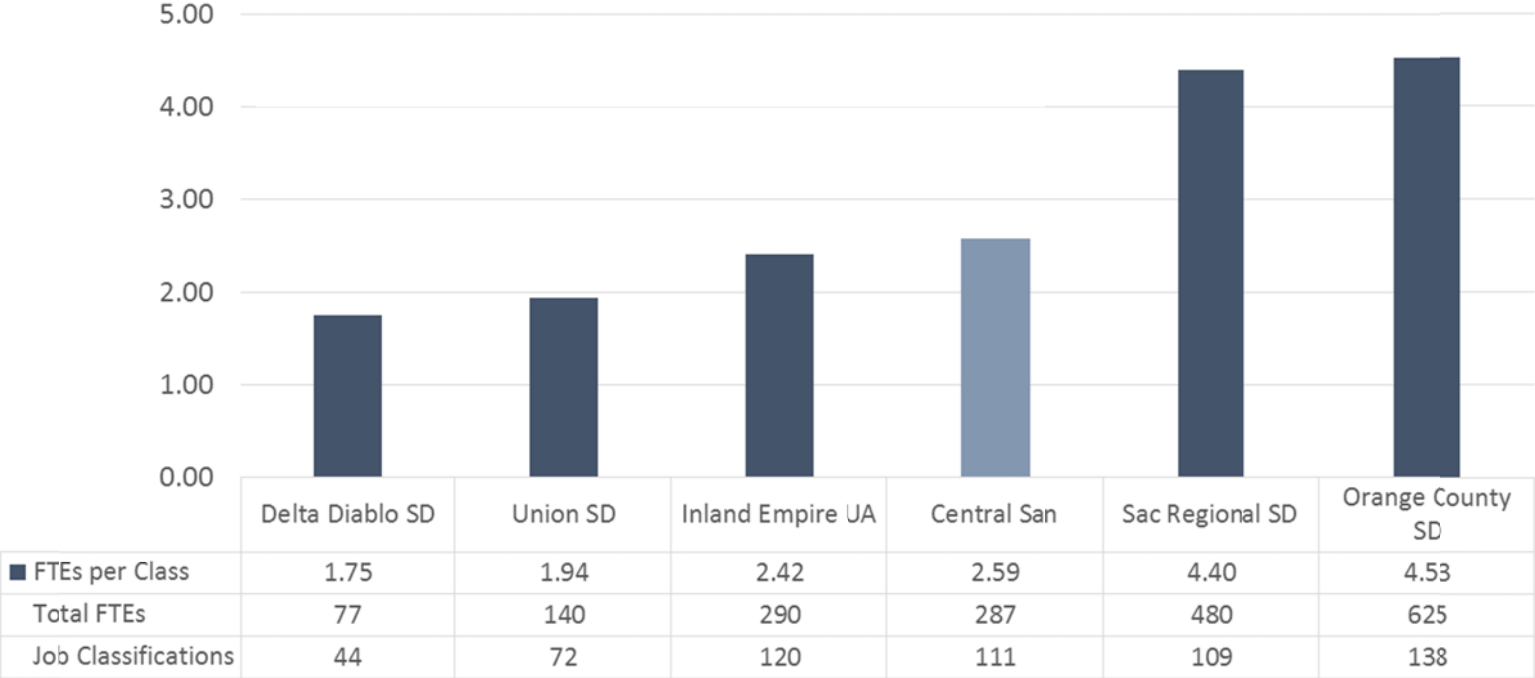
As noted in Section 3.3 of the Staffing plan, RFC recommends implementing position broad-banding to reduce the total number of job classes through the completion of a comprehensive Class and Compensation study. Broad-banding promotes career development and opportunities to advance and reduces administrative overhead. Over time, an agency may have large number job classes relative to the size of its employee base because of legacy names or outdated union negotiations.

Figure 5 below shows the FTEs per unique job class. For this analysis, a series in a position description was counted as a single unique job class. For example, there may be several discreet levels of Wastewater Operators, but the series is counted only as one job class in Figure 5. Both East Bay MUD and San Diego were excluded from Figure 5 because they are part of larger organizations that have several more job classes unrelated to wastewater treatment and collection.

Consistent with prior Figures, the District is near the middle of the data set. However, it is worth noting a clear trend between FTEs per class and the size of the organization. Although OCSD has the benefit of being a larger organization, their laudable FTEs per class of 4.53 is the result of recent broad-banding through a class and compensation study. As mentioned in the Staffing Plan, it is recommended that the District pursue a comprehensive class and compensation study as part of its next round of labor negotiations.

Figure 8-5: FTEs per Job Classification

Total FTEs per Job Classification



ORGANIZATION CHART REVIEW

Just as staffing levels may reflect the demands of an agency’s specific needs, so does the structure. To that end, there is no single correct organization structure. However, there are functional similarities in how groups are arranged. Of interest is that there are many ways to structure an organization and is within the realm of the management of each organization to organize its functions to meet its business and strategic needs. This section compares the proposed District structure (three Department Model) to that of the benchmarking partners.

Figure 8-6: Proposed District Organization

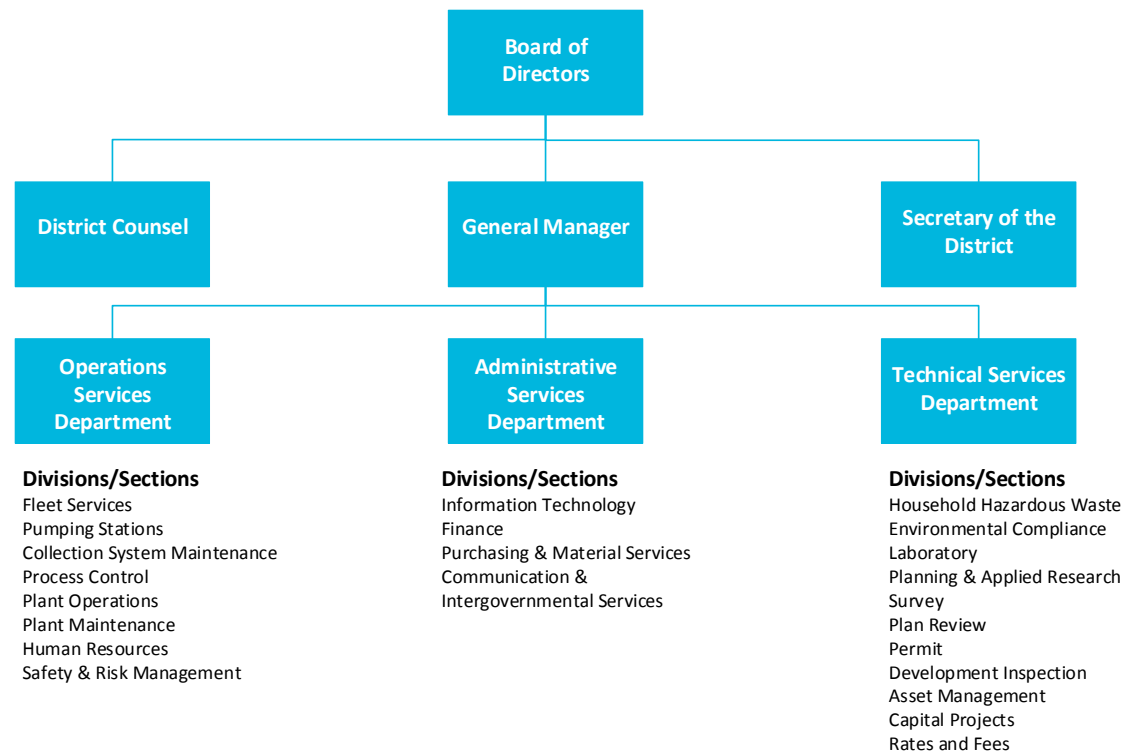
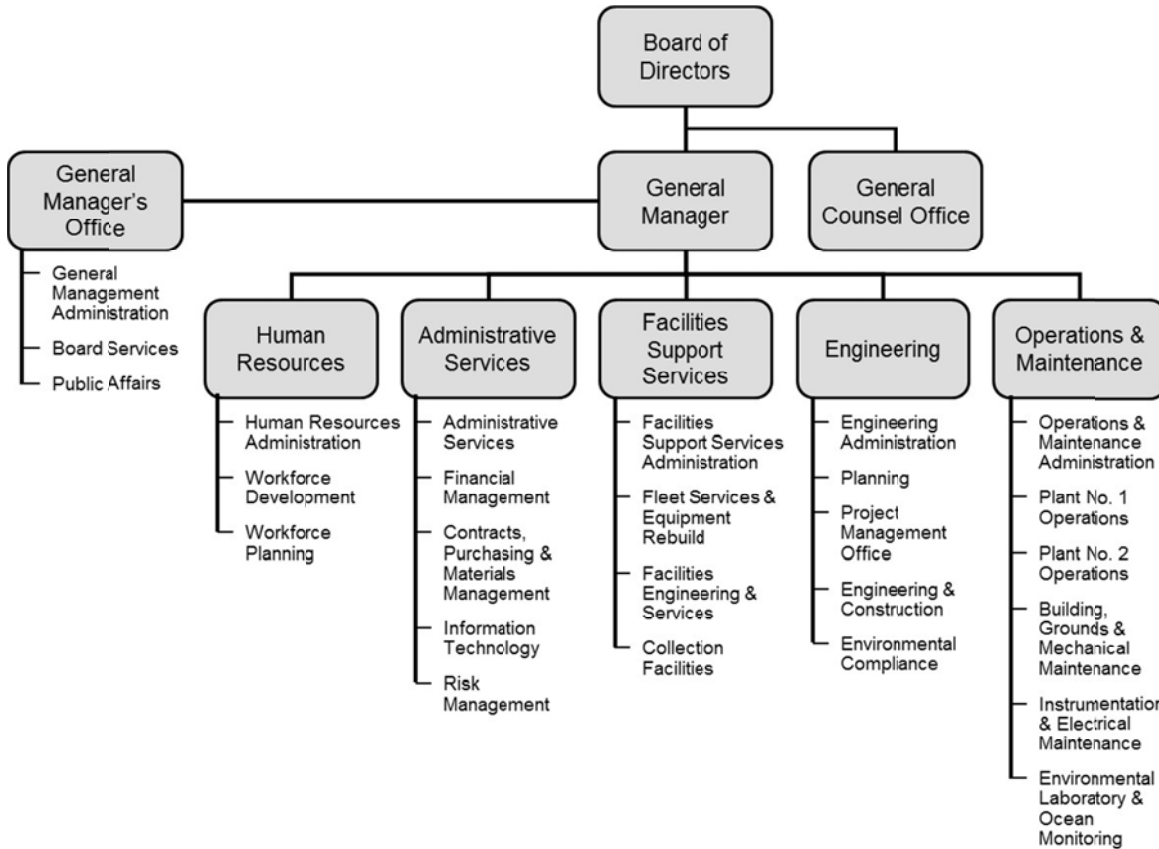


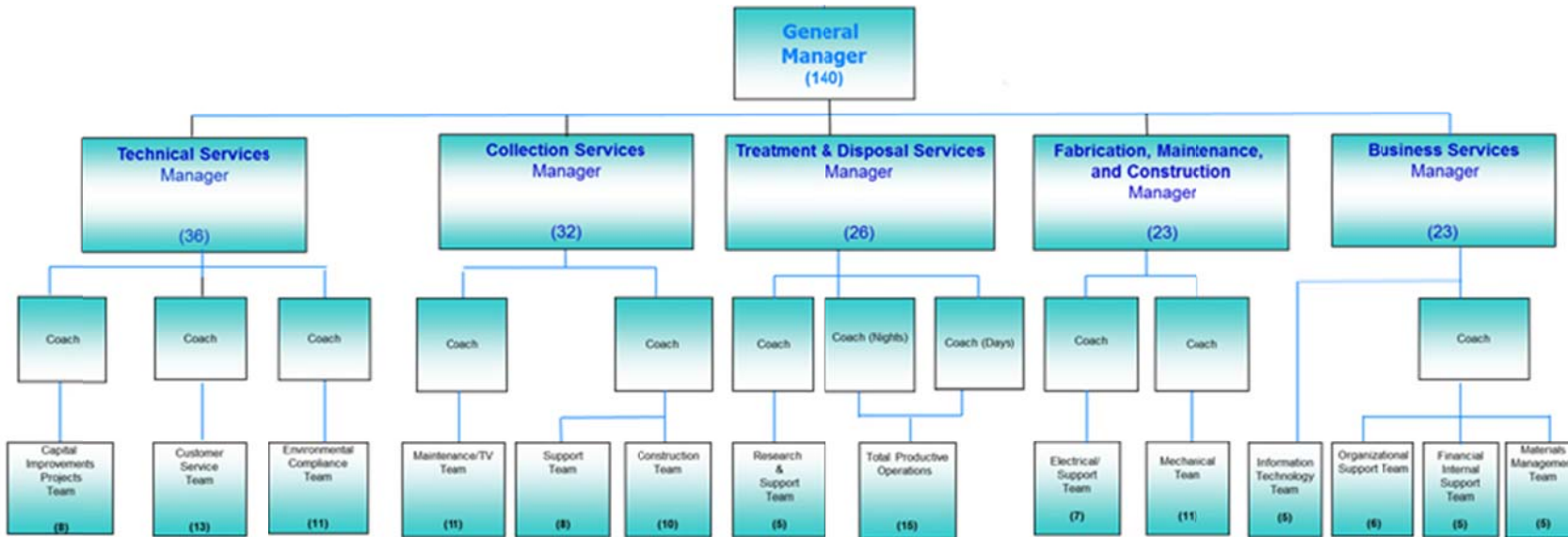
Figure 8-7: Orange County Sanitation District



OBSERVATIONS

- Five Department model
- Facilities Support – Fleet, Collection System Maintenance, Facilities Engineering (called Reliability Engineering as recommended for Central San) and Maintenance comprise its own department and not coupled with Operations
- Human Resources is a Department with a total of 16 FTEs and a group assigned to workforce planning

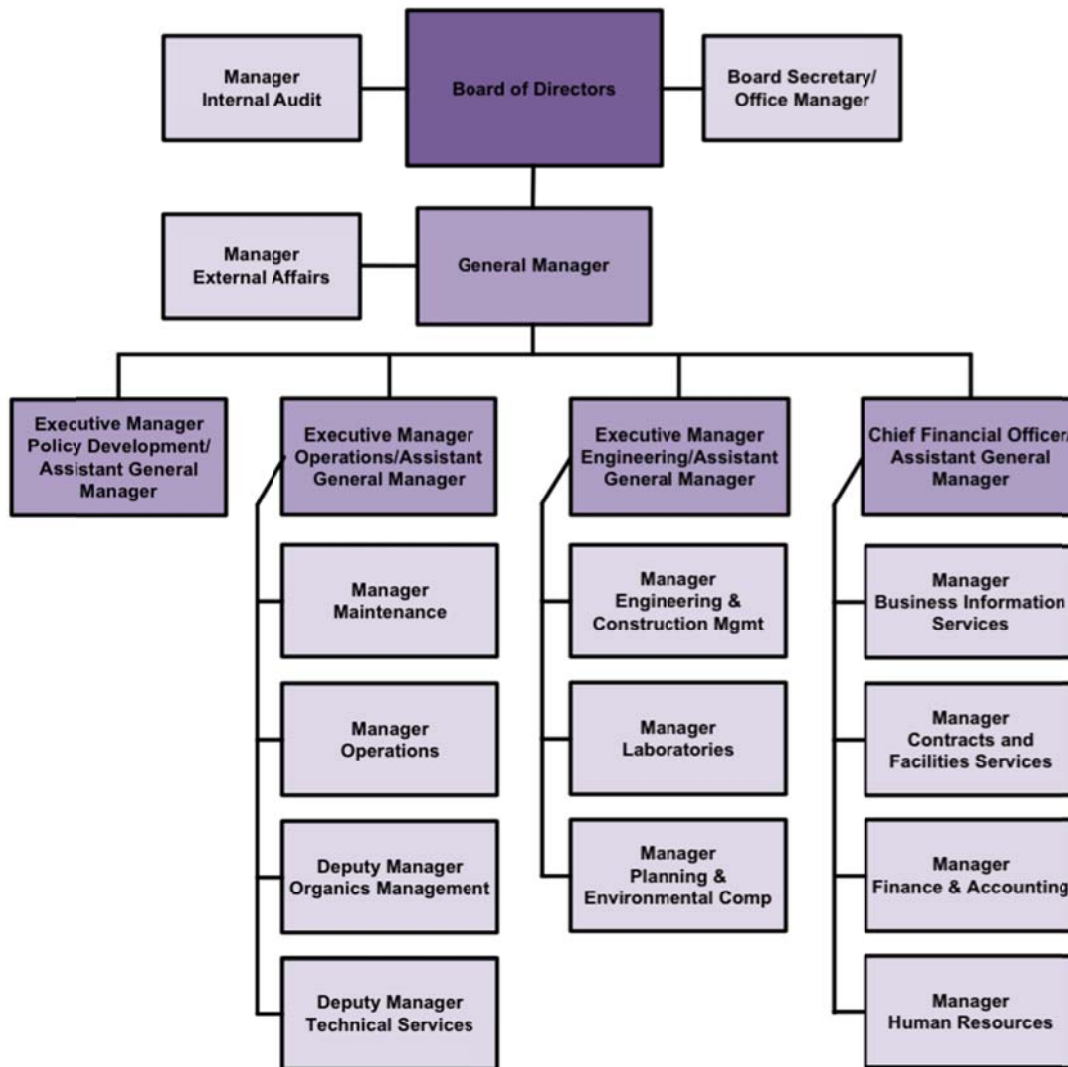
Figure 8-8: Union Sanitary District



OBSERVATIONS

- Unique organizational model. Utilizes 11 “Coaches” to lead 14 teams in five Departments
- Technical Services Department includes the Assistant to the GM/Board Secretary
- Information Technology Team bypasses a coach and reports directly to the Business Services Manager

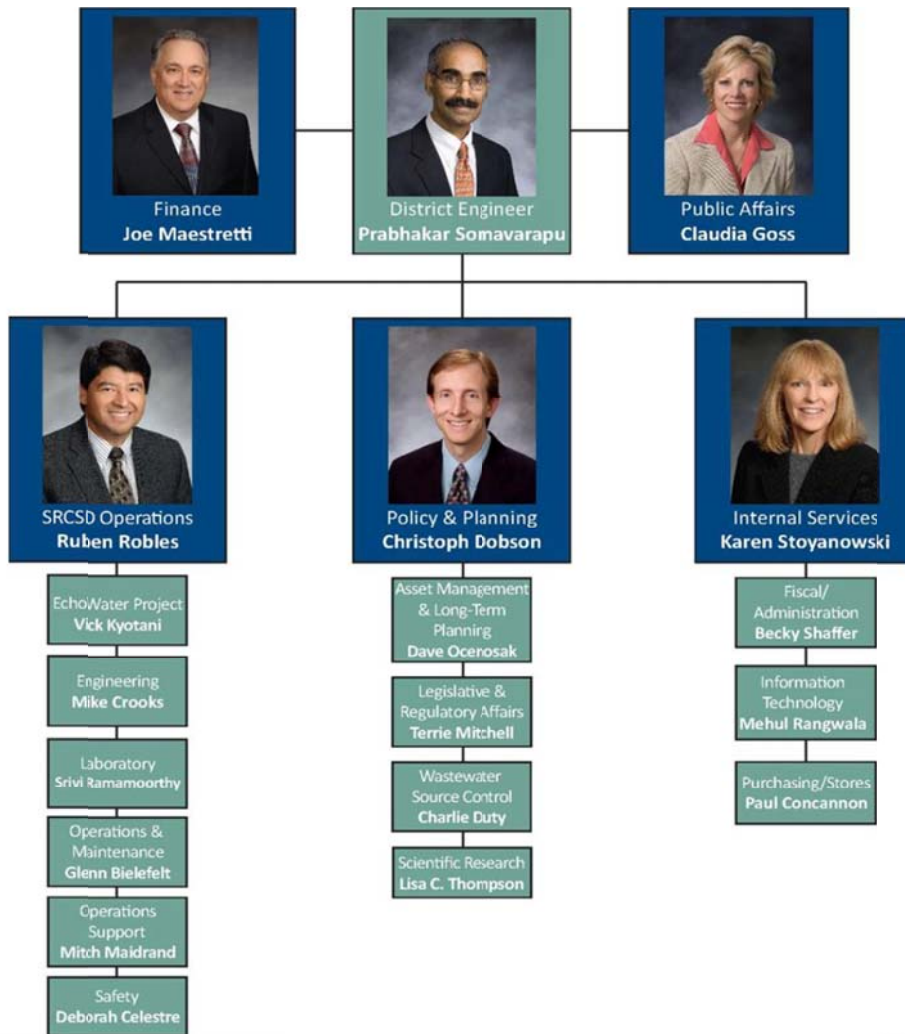
Figure 8-9: Inland Empire Utilities Agency



OBSERVATIONS

- Internal Auditor position reports directly to Board of Directors, similar to Central San’s General Manager and Secretary to the Board.
- Manager of External Affairs (similar to the proposed Central San Intergovernmental Relations Manager) reports directly to the General Manager.
- Dual assignment of each Executive Manager to also hold the Assistant General Manager role promotes succession planning options.
- Although there are four Executive Managers, this structure is very similar to the District’s three-department model.
- Laboratory is decoupled from Operations and housed in Engineering (similar to the recommended location in the Environmental and Regulatory Compliance Division in Central San’s Technical Services Department).

Figure 8-10: Sacramento Regional County Sanitation District



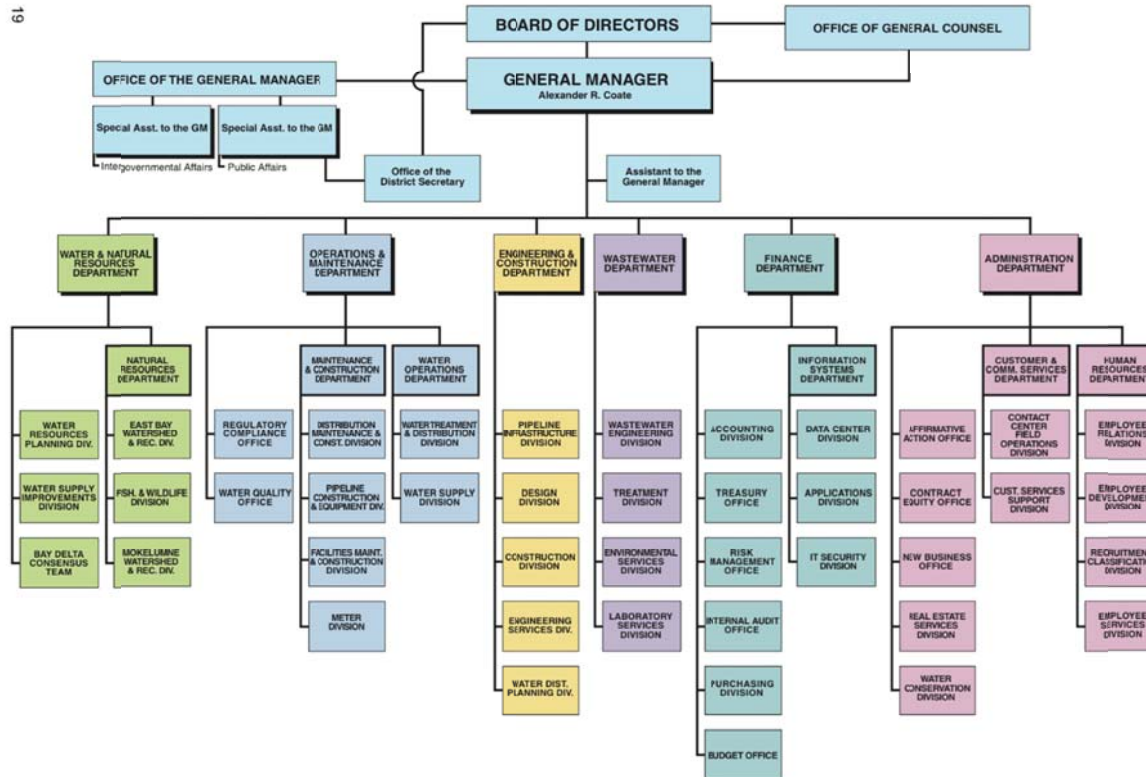
OBSERVATIONS

- General Manager also holds the title of District Engineer.
- General Manager has five direct reports, including the Public Affairs Manager. Not clear what the organizational elements are under Finance and Public Affairs.
- Separate department for Policy & Planning which includes Asset Management, Regulatory Affairs, and Scientific Research.
- Engineering and Operations housed within the Operations Department.
-

Figure 8-11: East Bay Municipal Utilities District

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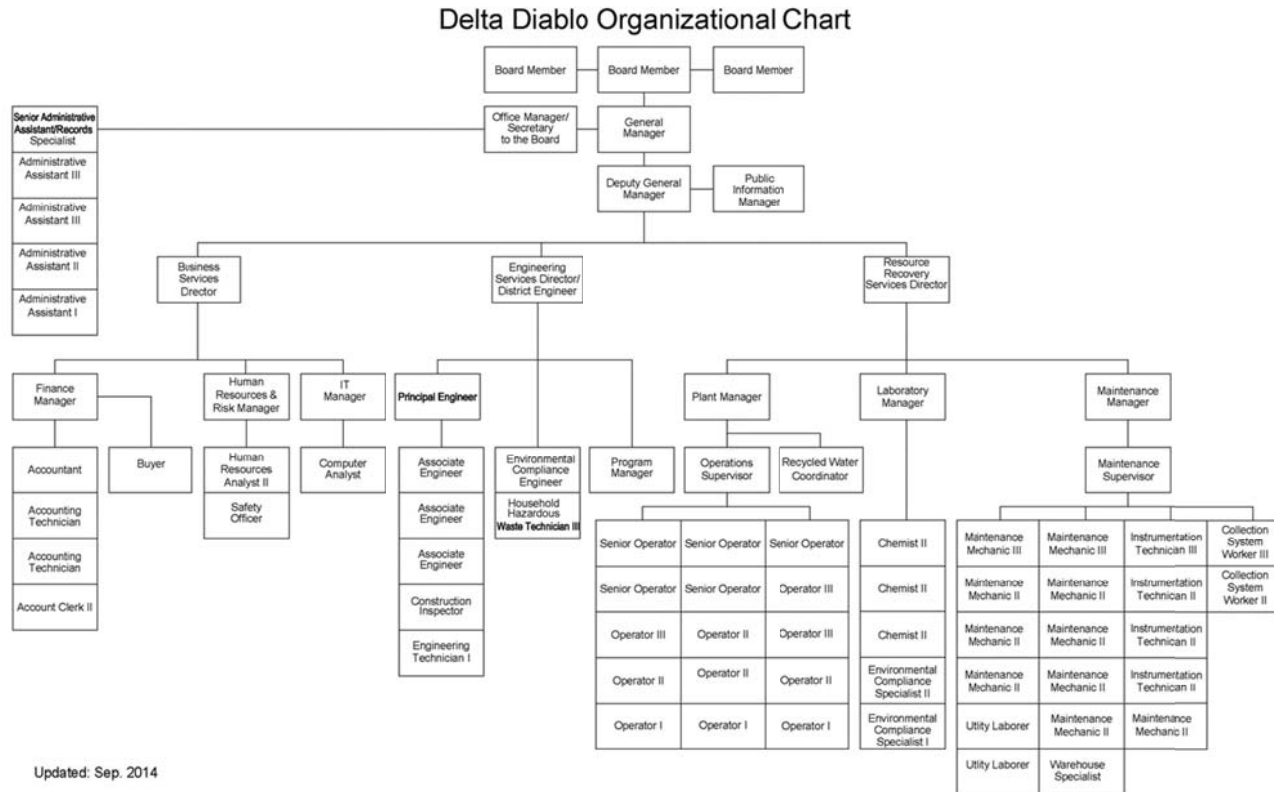
ORGANIZATION CHART
April 2013



OBSERVATIONS

- Part of a much larger organization. Wastewater Department (in purple above) grouped into four Divisions.
- Laboratory and Environmental Services each have own Division
- Intergovernmental Affairs and Public Affairs Assistants are assigned directly to the General Manager. (These functions fall under the Administrative Services Director for Central San.)

Figure 8-12: Delta Diablo Sanitation district



OBSERVATIONS

- Three member Board, smaller agency (<80FTEs).
- Administrative Assistants are pooled together under the supervision of the Secretary of the Board.
- Public Information Manager reports directly to the General Manager.
- Follows standard three-Department model (Business Services, Engineer, Resource Recovery (O&M))