



Midpeninsula Regional
Open Space District

Memorandum

DATE: December 17, 2014

MEMO TO: MROSD Board of Directors

FROM: Stephen E. Abbors, General Manager

SUBJECT: Financial & Operational Sustainability Model Study Update

This memorandum provides an update on the status of the Financial & Operational Sustainability Model (FOSM) Study.

Since late September, our consultant team, Management Partners, has been engaging with staff, hearing your thoughts and ideas, as well as reviewing information that emerged from the research and learning phase of their engagement. Employees have provided substantial and thoughtful input into the FOSM thus far. In November, Management Partners provided an update to the Board of Directors that identified a number of organizational challenges and potential implementation strategies that will need to be carefully considered. In addition to the resource demands anticipated with the roll-out of Measure AA, Management Partners identified important business and management information systems that are needed for us to effectively deliver on the promise of Measure AA, enable our current work program, and grow our organization in a manner that is sustainable.

Our goal is to develop viable models for a sustainable, effective and efficient organization that supports the District collaborative culture and to do so will require more time than originally anticipated. At the start of this project we had planned to have recommendations regarding organizational structure and staffing strategies ready to present to the Board in December. It is clear to me that we need additional time to carefully consider options and how to phase in changes within the current organization. The Executive Team has recently reviewed Management Partners' progress on models for shaping the structure and capacity of the organization in a manner that enables staff to efficiently and effectively accomplish their work while reflecting the mission and culture of the District. The modeling is still a work in progress and there is more analysis required. It is also very important to allow more time to engage and inform staff than was provided in the original schedule.

As a first step, we are recommending several new positions to the Board as part of the mid-year budget update on December 17th. These positions are the initial step that will provide critical administrative and project management capacity in the near term to address Measure AA, financial and business systems, analytical capacity, field capacity, and specific program staffing needs (please refer to the Attachment for a more detailed description). In January, Management Partners will meet in a study session with the Board with recommendations for a phased roll-out of the FOSM which addresses both organization structure and staffing strategies.

I know that supporting employees as the organization changes is critical to the District's future success in implementing any new structure. As we continue to define and implement the phases of FOSM, we will maintain an iterative approach that both engages and informs staff. Similarly, the project schedule will continue to include key milestone updates to the Board and seek policy direction as necessary to complete the study. The District is at an important and exciting time in our history and as we move the organization forward, we want to be sure we carefully consider strategies and paths through the FOSM study that will position us for continued and future success.

ATTACHMENT

Except from the December 17 Board Report Regarding Proposed New Positions

With the passage of Measure AA, it is clear that the District must ramp up its resources and its project delivery capabilities to accomplish a greater number of projects both in the short term and long term to fulfill the commitments made to the public regarding greater access, new additions of protected open space lands, and resource restoration. The work to date on the Financial and Operational Sustainability Model (FOSM) has identified a number of obvious gaps in capacity and suggestions for adding near-term capacity to support the goal of Measure AA project delivery. Five new recruitments can be managed through the end of this fiscal year by Human Resources. Therefore, the General Manager recommends the addition of the following four new positions to jump start and support Measure AA implementation. In addition, a fifth position is recommended to begin implementation of the newly approved Integrated Pest Management Program. The addition of these five positions at Midyear would allow recruitments to begin as early as January 2015, with the expectation that the positions would be filled by May. Actual salary and benefit expenses incurred for all the positions, with the exception of the Open Space Technician, are not anticipated to begin until early FY2015-16. The Open Space Technician can be filled at a much quicker pace and there are sufficient salary savings to fund the position through the end of the current fiscal year.

The five recommended new positions are as follows (please also refer to Attachment 3):

Job Title: Capital Project Manager – Public Access

Classification: Planner III

Department: Planning

This position would be responsible for implementing new public access projects for the District, focusing on Measure AA-funded projects. This much-needed additional capacity would assist with ramping up project delivery to construct additional public access improvements and open new preserve areas for recreation and outdoor education. This position would allow the District to move projects from the Measure AA “parking lot” list into the 5-year Implementation Schedule starting next fiscal year. If this position is approved, the General Manager intends to assign this position to work on the new parking area and trail connections off Sears Ranch Road in La Honda Creek Open Space Preserve and also at Bear Creek Redwoods Open Space Preserve, pending formal board confirmation of those priorities. These project priorities, as well as any additional field staff capacity needed to construct, manage, and maintain the new facilities, would be brought to the full Board for review and confirmation as part of the Fiscal Year 2015-16 Action Plan and Budget Review.

Job Title: Capital Project Manager – Acquisition

Classification: Planner III

Department: Real Property

As work to date on the FOSM study has revealed, the acquisition of new lands by the District results in major impacts to existing projects, as staff capacity from various departments is pulled to assist Real Property with addressing time-sensitive issues that come with new properties. These issues include onsite contamination, hazardous debris, and dilapidated structures. As a result, project delivery has historically been impacted as projects get delayed or deferred due to the redeployment of staff resources to address acquisition opportunities, most of which, by nature, cannot be scheduled. The recommended Capital Project Manager in Real Property would be responsible for addressing site cleanups, debris removals, and demolitions, among other capital improvements, associated with new properties as these come online. This position would allow the Real Property Department to be much more fully

sustainable and avoid the need to rely on other staff resources to address capital improvements associated with new lands in a timely manner.

Job Title: Finance and Budget Analyst

Classification: Management Analyst I/II

Department: Administration

The General Manager proposes to reassign the Senior Management Analyst vacant position that is currently in the Administrative Services Department to the General Manager's Office to manage District-wide special projects, conduct high-level systems analysis, provide District-wide project management coordination, develop new and update existing District policies, and provide District-wide Measure AA project tracking and inter-departmental coordination. As part of this change, the General Manager proposes to backfill the position in the Administrative Services Department with a Finance and Budget Analyst to coordinate and develop the Annual and Midyear District Budget, including all reporting documents (i.e. budget versus actual), as well as Annual Year End Review. In addition, this position would conduct the day-to-day budget tracking for the District and be responsible for preparing the reporting documentation for the Measure AA Bond Oversight Committee.

Job Title: Open Space Technician

Classification: Open Space Technician

Department: Operations

This position would be assigned to the Skyline area and assist with addressing critical repairs and improvements on new properties, as well as conducting routine maintenance on the District's extensive trail system. This position will help offset the increased commitment of crew time to construct and subsequently maintain new capital improvement projects, including those funded through Measure AA. Adding the Open Space Technician position at this time would allow the District to take advantage of the economy of scale that is currently available through our active hiring pool. Qualified candidates can be quickly pulled from a current and active hiring pool for a final interview. This particular hiring pool, which is active through March 2015, has been well vetted, with applications reviewed, first interviews conducted, and skills assessments completed. We have hired one person from the pool to fill a vacancy, and there are a number of viable applicants remaining in this pool. By taking advantage of the present opportunity, the District will be able to expediently and efficiently add capacity in the field without requiring a substantial amount of administrative time.

Job Title: Integrated Pest Management (IPM) Program Coordinator

Classification: Planner III

Department: Natural Resources

As discussed at the December 10, 2014 Board Meeting, the new IPM Program Coordinator is a position required to fully implement the IPM Program. This position would have day-to-day oversight of the IPM practices at the District, including: preparing the annual IPM work plan and report, coordinate staff/contractor/volunteer IPM training, implement the pesticide safety program, respond to public inquiries regarding the IPM Program, prepare required reports for the County Agricultural Commissioner, and other related IPM coordination and implementation tasks.