
2018/2019 State of the District Management Performance Report



OCTOBER 24

GROVELAND CSD
Authored by: Peter
J. Kampa, General
Manager



Report Overview

The purpose of this annual report is to provide an overview of the state of the District and its services, as well as to summarize overall accomplishments for the year, including management's progress on achieving the Goals and Objectives established by the Board of Directors. This report is intended to inform the Board and public, and to convey to District staff our appreciation for the high level of effort and accomplishment. The Board will review the report in conjunction with its annual performance evaluation of the General Manager.

State of the District

The Board of Directors is responsible to govern the District through the establishment of the District's vision and developing policy, and hiring a General Manager (GM) who is responsible for the implementation of Board policy. The GM is also responsible for the District's personnel, facilities and services, finances and administration.

Background

It is important to understand important history of the District in order to understand how we arrived where we are and what we need to accomplish in the future. History helps us learn from past experiences, comprehend how we set our priorities, goals, objectives and schedules. I have attempted to summarize many years of significant events, and there is much background, politics, community pressures and other dynamics that simply cannot be adequately conveyed in summary form. The synopsis is not intended to place blame, project what should have been done differently, or cast a negative light on the actions of the past District Boards or management.

In the early 2000's, the District was planning and preparing for growth, and at the same time addressing multiple changes in management, aging infrastructure, and the need for additional cash. Once management was solidified for a period, the District completed important water and sewer master planning, as well as plans for the future of District parks and other properties. Policy updates were addressed as well as some necessary water system and sewer lift station upgrades. With the economic downturn in the latter half of the 2000's, the expected revenue growth from new development did not materialize and the majority of the infrastructure continued to deteriorate. Between 2009 and 2012, many large cutbacks in expenses were made, primarily through staffing reductions and deferring infrastructure projects and facility maintenance. Also in 2012, the GCSD Fire Department was dissolved in favor of a Schedule A contract with CalFire.

Changes in the Board and lack of growth then resulted in a period of approximately 9 years where revenue and expense remained for the most part static due to no-to-low general rate increases, staffing cutbacks and replacement/maintenance deferrals. The lack of staffing and investment in maintenance and upgrades were starting to take their toll on effective district administration and employee morale; while system failures increased and facilities were rapidly deteriorating. Supervisory and mid-management positions with the

District were eliminated or titles modified for cost savings, and some duties reassigned to other employees, some left unassigned. Additional changes in management and the Board in late 2017 resulted in heightened internal concerns and negative press, all of which further exacerbated some rising tensions in the community.

Current

The District began its 2017/2018 fiscal year with Grand Jury investigations, tension among the board members and with a group of community members in meetings. District board and committee meetings were voluminous in number, sometimes contentious and produced little in terms of forward progress. In late 2017, two Board members resigned, and two new members of the Board were appointed. The current GM was engaged in February 2018 as a consulting manager. In March and April 2018, the Board as a team adopted its first slate of goals and objectives to clearly outline the vision for the District and expectations of management from the beginning of the relationship. In 2018, out of 17 staff members, less than six had been with the District more than five years, and most had just started with the District less than two years prior.

Board Vision and Goals

The Board of Directors adopted the following vision and goals in April 2018. Management Objectives were then developed and have been updated several time throughout the year to support and achieve the Board's vision.

- 1) Support Staff by providing a work environment that values, supports and improves employee recruitment, development, retention and cross-training of excellent employees
- 2) Propose new and amended policies and updated Ordinances that support accomplishment of management objectives and provide the framework for efficient operations
- 3) Plan, fund and implement improvements to the treatment plants and systems that integrate technology and provide for industry standard, efficient maintenance and operations
- 4) Improve the image of the District and treatment of employees through a variety of actions that raise public awareness of the good work of the District
- 5) Ensure that the District has adequate financial plans to invest in long term infrastructure improvements, achieve regulatory compliance, protect public and employee health and safety, and maintain service cost equity among the generations of our customers
- 6) Provide the structure, process and staffing for competent, transparent and accountable governance and administration of all District services

Board of Directors

The Board of Directors has developed into a very efficient, effective, cooperative and considerate governance team. This Board, through their thoughtful support and trust in management, and compassion for the community and GCSO staff has been the single most important factor in developing a wonderful work environment and is the impedes for a solid period of improvement of all aspects of the District.

The Board meetings are well managed, board decisions and actions are well discussed and thought out, and the system of public input is effective. Several notable accomplishments of the current Board include:

- 1) A total of four Board members have completed the CSDA Leadership Academy
- 2) In 2018, one Board member attended CSDA Legislative Action Days and Annual CSDA Conference and in 2019, three Board members and the GM attended Legislative Action Days
- 3) Four Directors have now achieved the Recognition if Special District Governance Award, which involves attendance at the CSDA Leadership Academy and additional education in governance
- 4) Established, reviewed and updated Board priorities and management objectives
- 5) Completed development and implementation of the first ever slate of Board Norms and Protocol
- 6) All Board members are current on mandatory training including ethics and harassment
- 7) The Board achieved its maximum possible credit incentive program points (4 points each, liability and workers compensation) through its training efforts, **saving the District \$5,200** in annual insurance costs

Personnel

In my two and a half decades of managing eight different special districts and leading hundreds of employees throughout the state, I can confidently state that the current GCSO team has across the board the most enthusiasm, common sense, drive and care for their District and coworkers of any District I have seen, or had experience with. Their desire to learn, take on more responsibility and provide excellent services is invigorating and certainly raises the performance bar throughout the organization; including management. I have no doubt that diligently continuing down the path of achieving the Board's goals and vision will result in not only an extremely competent and efficient staff, but will place GCSO in the position of possessing one of the most desirable work cultures in the region; comparable with the best districts in the industry.

As stated above, the majority of District O&M employees had in 2018 been employed for less than two years with the District, and many had not yet achieved the state certification required of their positions. As of the date of this report, all employees are certified at or above the certification level required by the state, and most have achieved the certification level to meet their respective job descriptions, which in most cases are higher than the state requires.

Unfortunately we have recently lost two highly qualified and certified employees; one to pursue more money through personal business interests and one for personal reasons. The District has also recently reestablished an O&M supervisor to provide on-the-job leadership, direction and training for the water distribution, sewer collection system and facilities maintenance staff. We are very confident that even though the O&M staff is a relatively new to the District, we have many enthusiastic and talented employees, who are eager to learn and advance their skills and abilities. In the last year, twelve employees advanced in their level of state certification or licensure.

Due to the finding in the 2019 Compensation Report that our salaries were significantly under market and our continuing inability to recruit qualified, certified candidates, we have delayed advertising to fill these positions

until the new Salary Schedule and 2019/20 budget was adopted. We will advertise for and fill the two existing, and one new supervisory position in July and August 2019.

Due to one resignation and the creation of a new position in the office over the last year, we have also had two new Administrative Services Technicians to recruit and train. After only a month on the job for the newest Admin Tech, we believe we have the perfect mix of work ethic, skills, energy and cooperation to accomplish the vision of the Board and to develop the optimal work culture to support excellent services.

Notable Accomplishments:

- 1) All operations and maintenance personnel certified at the required state level
- 2) Completed and implemented the 2019 compensation study
- 3) Revising all job descriptions and processes for advancing within classifications
- 4) The District maintained a near perfect safety record and has an Experience Modifier of 0.76 which is excellent, saving up to 25% or approximately \$7000 per year on our Workers Compensation insurance
- 5) Recruited and quickly hired two Admin Tech positions; filled with very competent persons requiring very little training effort and assuming responsibility almost immediately
- 6) Evaluating and planning for implementation of a modified work schedule for all staff to allow for additional personal/family time

Policies

The most recent full policy manual update occurred in 2010 with a number of additions and amendments through 2012. Due to the voluminous size of over 300 pages of policies and the reductions and realignment of admin job responsibilities just after their adoption, many of the policies were not fully implemented or understood. We have now added a linked table of contents and separated policies out individually from the main text body for easier access. Management references current policies to guide actions, which is important as we are now constructing projects, making purchases and enforcing policy provisions carefully. Staff is also now reviewing and proposing updated policies for Board adoption as needed and is completely updating all portions of the water and sewer ordinances.

At this time management feels confident that the current policies adequately support accomplishment of the Board's goals, and many additional policy updates will be completed in 2019. Management is carefully implementing the policies of the Board.

Several new or updated policies this year include:

- 1) New park banner policy
- 2) New reserve policy
- 3) New Legislative Advocacy policy
- 4) New miscellaneous fee schedule policy
- 5) New debt management policy

-
- 6) Updated Informal Bidding Ordinance
 - 7) Updated claims (against the district) and conflict-of-interest policies
 - 8) Updated investment policy
 - 9) Update credit card use policy
 - 10) Updated contracting policy
 - 11) Updated leak adjustment policy
 - 12) Established language for a revised easement abandonment policy to address the concerns related to abandoning Public Utility Easements

Facilities and Services

Over the past 18 months, we have:

- 1) Improved the condition of District buildings/related facilities at the fire station, park, administrative office, operations center and 2G water plant; to extend their life and reduce long term costs
 - a. Conducting inspections of all buildings and developing improvement plans, schedule and priorities
 - b. Replaced failed siding and doors, painted, remedied rot and damage to eaves and other components, addressed drainage issues at multiple locations
 - c. Installed new roof, repaired siding, painted and restored the kitchen of the concession stand
 - d. Installed new parking lot lighting to increase safety and security, reduce power cost
 - e. Installed new lighting, driveway approach, and shower at GCSD Fire Station 78
- 2) Improved our maintenance practices
 - a. Contracted for additional sewer line camera inspection work to identify problem areas
 - b. Contracted for thorough cleaning of multiple lift stations for the first time in decades to reduce odors and increase operating efficiency
 - c. Contracted for root removal in a difficult to access sewer main
 - d. Increased system inspections and testing of electrical components and pumps
 - i. Replacing (versus constantly responding to problems with) pump controls
 - ii. Removed, renovated and reinstalled Big Creek turbine pump to improve efficiency and reduce costs
- 3) Improved our wastewater treatment process by:
 - a. Increasing and improving our sludge handling capabilities, thus increasing available treatment capacity
 - b. Improving our understanding of the treatment process and making adjustments to increase effluent quality while reducing chemical use and costs
- 4) Improved our operation of the Alternate Water Supply (AWS) system and related infrastructure to significantly increase water production and reduce labor effort
- 5) Improved efficiencies, predictability and reliability through the implementation of technology
 - a. Purchased and populated asset management and system maintenance software
 - b. Updated SCADA for improved reliability

-
- 6) Began the process of update of the District's water and sewer master plans with the goal of planning projects for long term improvement and cost efficiencies, regulatory compliance, water quality and environmental protection
 - a. Developed plans for capital improvements of the water and sewer systems for the next five years, to be included in the master plans for adoption
 - 7) Completed planning, grant funding and construction of flood restoration projects:
 - a. Mary Laveroni Park erosion, building damage, drainage restoration
 - b. Lift Station 16 erosion, electrical and fence damage
 - c. Lift Station 7 erosion, pavement and retaining wall damage
 - d. Admin/operations building damage, erosion, parking lot asphalt, culverts and roads
 - e. Replaced water and sewer mains in Ferretti Road at washed out culvert
 - f. Wastewater drainage flume damage from 2017 and 2018 floods
 - 8) Completed Downtown Groveland/Big Oak Water and Sewer System Improvements planning project
 - a. Plans and specifications completed for Water System Improvements
 - b. CEQA compliance completed for both Water and Sewer Improvement Projects
 - c. Funding applications are moving through the process of state approval quality of services we provide

Finance and Administration

- 1) Replaced server and other failing PCs, upgraded all software to current platform and license, upgraded internal wifi, upgraded security and planned security training and implementation of Teams with MS Office 365
 - a. Troubleshoot and remedied multiple network problems
 - b. Inventoried all PCs and servers and developed a replacement and upgrade plan
 - c. Implemented a GIS site that includes the base map displaying district boundaries and all parcels therein.
 - Water and sewer infrastructure data to be displayed on GIS site by mid July 2019
 - Planning to implement a system-wide GPS effort to identify the locations of all fire hydrants, manholes, valves, etc
- 2) Completed sewer rate study and implemented first two years' increases
- 3) Established sewer infrastructure reserve account and booked first deposit
- 4) Improved coordination and cooperation with Tuolumne County
 - a. Assisted in coordination and planning, funding approval for Groveland Resiliency Center
 - Facilitated process of coordinating property donation offer
 - Assisted county with development of an implementation and partnership plan
 - Assisting in site work coordination
 - b. The County is preparing a Hazard Mitigation Grant application to evaluate the concerns and opportunities related to flooding in downtown Groveland, including through Mary Laveroni Park
 - c. The County is preparing a Hazard Mitigation Grant application to fund a study to evaluate the fire services on the HWY 120 corridor from Chinese Camp to the Yosemite Park boundaries,

-
- including the impact of new development. This study will include and be coordinated with the GCSO Fire Master Plan update
- d. Created linkage and involvement in county land use development process
- 5) Leading the process of securing special district representation in LAFCO and expect the process to be complete by October 2019
 - 6) Review the District's vulnerability to the PG&E PSPS and ensured that we had an adequate response plan
 - 7) Actively participating in the county fire resiliency task force, meeting on the third Thursday of each month to develop a countywide plan to prepare our communities for safety in the event of fire
 - 8) Raised awareness of funding and service issues with Groveland Fire
 - a. Performed preliminary five year financial projections showing major funding deficit
 - b. Assisting the county in evaluating and planning for a fire funding measure, and planning efforts to conduct our own GCSO measure to supplement the county measure if needed
 - c. Developed scope of work and contract with Citygate to review fire services
 - a. Upgraded computers and developed safety plan and replacement program
 - 9) Completely revised the annual budget format for readability, and added a supporting budget narrative
 - a. The operating expense for all services ended the 2018/19 fiscal year within their respective budgets, with revenue of \$486,669 over expenses projected in water, and \$252,237 in sewer
 - b. Capital improvement projects and purchases totaling \$250,000 each in water and sewer, as well as \$125,000 in fire station improvements and breathing air compressor
 - 10) Developed and adopted a communications plan and contracted for outreach and implementation assistance
 - a. Established GCSO Social Media presence on Facebook and NextDoor
 - b. Creating photo library
 - c. Developing director and employee profiles
 - d. Increasing output to the media